

HAMILTON TOWNSHIP BOARD OF EDUCATION

Hamilton, New Jersey
County of Mercer

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30,2015**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

HAMILTON TOWNSHIP BOARD OF EDUCATION

HAMILTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30,2015

Prepared by

**Hamilton Township Board of Education
Business Administrator's Office**

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INTRODUCTORY SECTION

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HAMILTON TOWNSHIP SCHOOL DISTRICT

OFFICE OF THE SUPERINTENDENT OF SCHOOLS

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Hamilton, New Jersey 08690

Telephone 609-631-4100 ext. 3058
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December 9, 2015

Honorable President and Members of the Board of Education
Hamilton Township School District
County of Mercer, New Jersey

Dear Board Members:

We are submitting the comprehensive annual financial report of the Hamilton Township School District for the fiscal year ended June 30, 2015. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the district. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The district has implemented Statement No. 34 of the Governmental Accounting Standards Board (GASB) entitled Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This standard created a new reporting model of financial information and disclosure. This model required a significant departure from the previously used reporting model. The two main basic financial statements created by this standard, the Statement of Net Position and the Statement of Activities, do not contain numerous columns for various funds as was the design of past governmental financial statements. These two statements consolidate much of the information, which was contained in the fund based financial statements of the past, into statements which tend to answer the question: "Is the District better or worse off financially than it was in the previous year?" A comparison of net assets should help the reader in answering that question.

Also required as part of "Required Supplementary Information" by GASB Statement No. 34 is a "Management's Discussion and Analysis" (MD&A) which allows the district to explain in layman's terms its financial position and results of operations of the past fiscal year. The MD&A provides comparative data for the prior year with respect to the Statement of Net Assets and the Statement of Activities. The comparative data allows the reader to assess changes in the financial position of the district.

This comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this letter of transmittal, an organizational chart, a list of School Board Members and administrative personnel. The financial section includes the independent

auditor's report, Management's Discussion and Analysis (MD&A), basic financial statements, supplemental information and the combining of individual fund schedules. The statistical section includes selected financial and demographic information, generally presented on a multi-year comparative basis. The single audit section includes the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations. 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 State and Local Governments, and nonprofit organizations," and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments."

Generally Accepted Accounting Principles (GAAP) requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A of Hamilton Township School District can be found immediately following the report of the independent auditors.

1) REPORTING ENTITY AND ITS SERVICES: The Hamilton Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB). The Hamilton Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular and vocational as well as special education for handicapped youngsters. The District completed the 2013-14 fiscal year with an average daily enrollment of 12,067.1. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	11,907.9	-1.32%
2013-14	12,067.1	-0.15%
2012-13	12,085.2	-1.96%
2011-12	12,327.4	-1.55%
2010-11	12,521.6	-1.49%
2009-10	12,711.5	-1.10%
2008-09	12,853.9	-0.45%
2007-08	12,911.7	1.51%
2006-07	13,110.8	-1.10%
2005-06	13,259.5	0.19%

2) MAJOR INITIATIVES:

DISTRICT

The District implemented the first year of the PARCC Assessment. Significant investment in technology infrastructure and devices was made to ready the District for PARCC in addition to Professional Development days, faculty meetings and school time to train staff and prepare students.

The District continued professional development in all curricula areas, including focus on differentiated instruction, new teacher orientation and summer administrator training.

The District continued its focus on early intervention initiatives by implementing a Reading Recovery pilot program in two schools and implementing the first year of the Title I funded preschool program.

The District received state ROD grants to complete four roof projects and ADA upgrades in the district. The roof projects were completed at Steinert High School, Crockett Middle School, Sayen and Alexander Elementary Schools. We also completed two new ADA playgrounds and ADA bathroom upgrades at Wilson and University Heights Elementary Schools. Through these grants, the District received 40% funding from the State to complete the projects. The District initiated an \$18M Energy Savings Improvement Program to provide needed upgrades to the District's infrastructure and energy management systems. This project is scheduled to be fully implemented by the fall of 2016.

Through the efforts of the Department of Student Services and Programs, the district recouped \$1,194,892 in Extraordinary Aid.

Below are additional highlights:

ELA – Elementary

- Transition to Literacy by Design writing.
- Dyslexia training and identification was implemented.
- Revised student portfolio to align with PARCC and current instructional practices

ELA – Secondary

- Implemented new courses - English 101 and 102.
- Implemented Summer Reading.
- Purchased and implemented new textbooks at high school level to align to common core.

ESL

- After school ESL Tutoring Program implemented at elementary and middle school levels.
- Tablets purchased for secondary ESL students through Title 3 grant funds.

Math – Elementary

- Administered Linkit Benchmarks in February 2014 to prepare students for standards on PARCC test.
- Aligned portfolio assessments to standard report card and core standards.

Math – Secondary

- Implemented common grade-level or course-level formative assessments (unit tests) which were aligned to PARCC core standards and replaced midterms/finals to provide classroom data that informs instruction at all 3 high schools and middle schools.
- Middle School and High School teachers received professional development on PARCC testing (practice tests, test blueprints, evidence tables).
- Implemented double period math for middle schools; added new teachers.
- New calculators that complied with PARCC requirements were purchased district-wide.
- Lead teachers at High Schools/Middle Schools were trained on using new calculators to increase the use of “modeling” in lessons; these teachers turn-keyed the training to their respective schools

World Language

- Implemented new curriculum for elementary Spanish K-5, 6th Grade Spanish and 7th Grade Spanish.
- Moved towards performance based assessment in the secondary level with a focus on communication skills.

Science

- Family STEM Nights were started in eight elementary schools. Families were engaged in four nights of problem solving activities.
- AP Biology and AP Chemistry received new textbooks to align with the updates from the College Board.

Social Studies

- The Social Studies department purchased several textbooks to enhance instruction. Courses receiving new textbooks include, Ancient and Medieval History.
- Updating the elementary Social Studies program was completed with the purchase of the Nystrom education program When, Where and Why for Kindergarten and First Grade. This program is a comprehensive set of manipulatives to aid the teachers in their Social Studies instruction.

Technology

- Purchased Keyboarding Without Tears for elementary schools. Program is self-paced and allows classroom teachers to work on keyboarding skills without taking away direct instruction time.

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

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

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

(4) 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 Board of Education. 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 which are accounted for in the capital projects fund. The original and final budget for the fiscal year is reflected in the financial section.

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

5) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds, which is explained in the "Notes to the Financial Statements," Note 1: Summary of Significant Accounting Policies.

6) FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the district continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, capital projects fund and debt service fund revenues for the fiscal year ended June 30, 2015 and the amount and percentage of increase in relation to prior year revenues.

	Revenue	Percentage of Total	(Decrease)/ Increase From 2014	Percentage Decrease/ Increase
Local Sources	\$ 106,399,436	51.21%	\$ 4,051,863	3.81%
State Sources	95,304,382	45.87%	4,415,030	4.63%
Federal Sources	6,046,849	2.91%	(751,145)	-12.42%
Total	\$ 207,750,667	100.00%	\$ 7,715,748	

The following schedule presents a summary of general fund, special revenue fund, capital projects fund and debt service fund expenditures for the fiscal year ended June 30, 2015 and the percentage of increases and decreases in relation to prior year amounts.

	Expenditure	Percentage of Total	(Decrease)/ Increase From 2014	Percentage Decrease/ Increase
Current Expenditures:				
Instruction	\$ 73,893,490	34.66%	\$ (964,531)	-1.31%
Support Services & Undistributed Costs	118,673,993	55.67%	4,075,829	3.43%
Special Revenue:				
Instruction	4,783,540	2.24%	(227,333)	-4.75%
Support Services & Undistributed Costs	2,310,179	1.08%	(500,133)	-21.65%
Debt Service:				
Principal	3,150,000	1.48%	145,000	4.60%
Interest	1,091,579	0.51%	(103,075)	-9.44%
Capital Outlay	9,272,756	4.35%	7,003,451	75.53%
Total	\$ 213,175,537	100.00%	\$ 9,429,208	

7) DEBT ADMINISTRATION: On June 30, 2015, the District reported outstanding principal debt of \$40,375,000 of general obligation bonds and lease purchase agreements.

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

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

10) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C. was selected by the Board of Education. In addition to meeting the requirements set forth in the state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 as amended and related OMB

Circular A-133 and State OMB Circular 04-04 and/or 15-08. The auditor's report of the CAFR is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

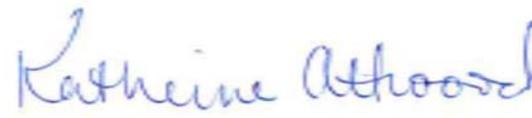
11) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Hamilton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff.

This letter of transmittal is submitted, with qualification, as outlined in the introductory paragraph and only reflects information that is currently known.

Respectfully submitted,



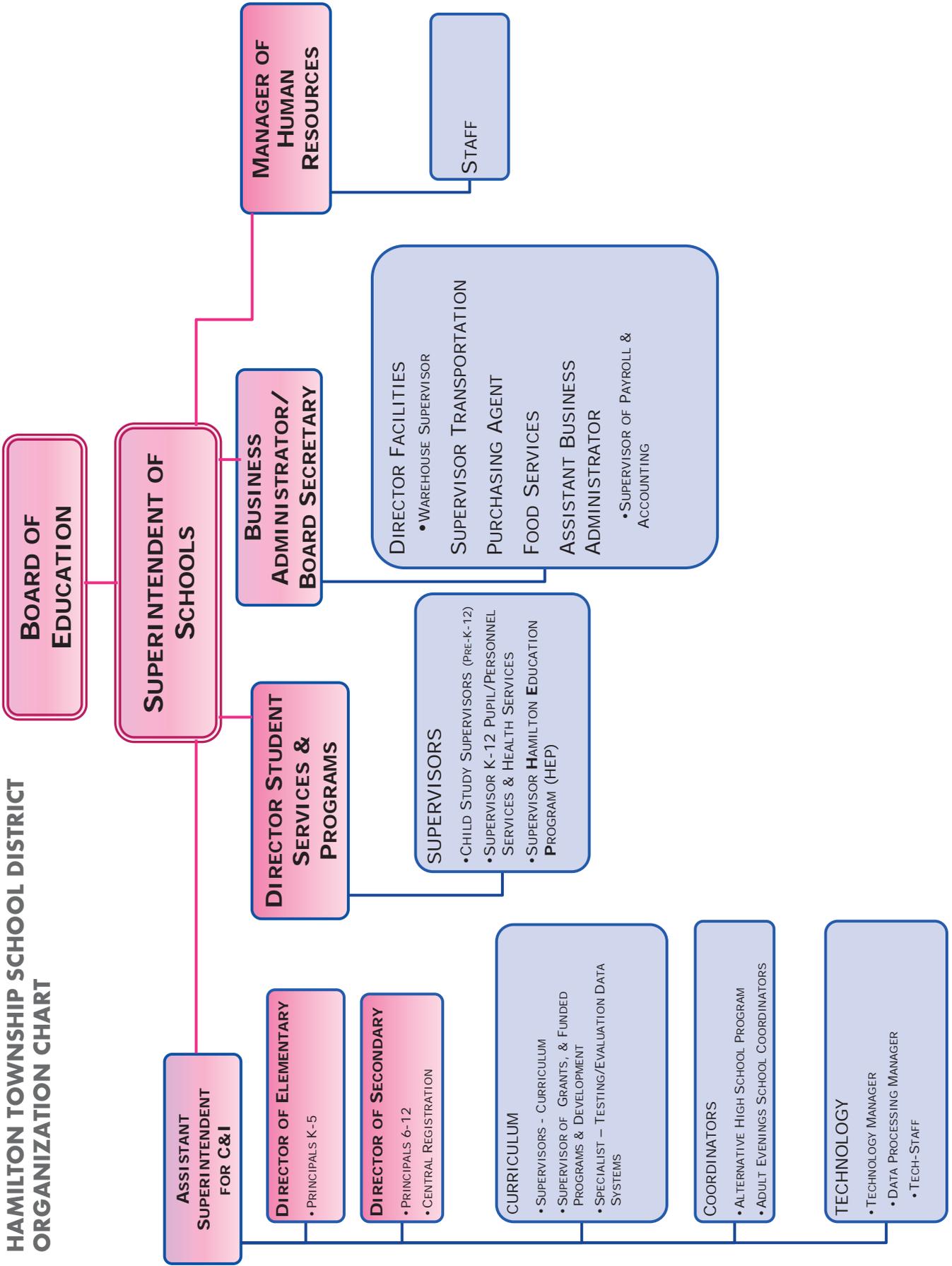
Thomas J. Ficarra
Interim Superintendent of Schools



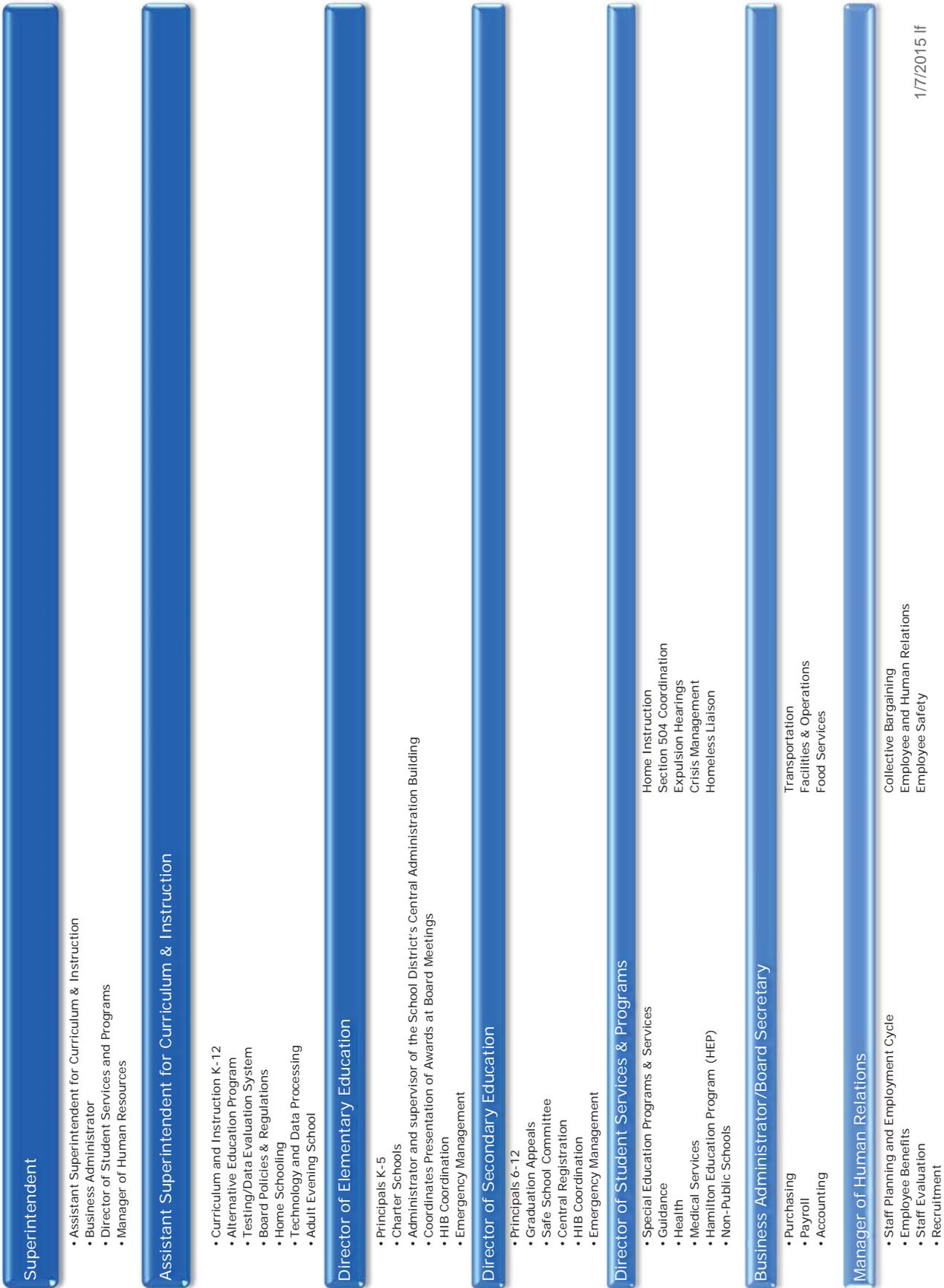
Katherine Attwood
School Business Administrator

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HAMILTON TOWNSHIP SCHOOL DISTRICT ORGANIZATION CHART



HAMILTON TOWNSHIP SCHOOL DISTRICT FUNCTION CHART



HAMILTON TOWNSHIP BOARD OF EDUCATION

ROSTER OF OFFICIALS

JUNE 30, 2015

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Anthony Celentano, President	2016
Dina Thornton, Vice President	2016
Albert Gayzik	2015
Jennifer Kraemer	2017
Richard Kanka	2015
Pamela A. Kelly	2016
Susan Lombardo	2017
Christopher Scales	2017
Jennifer Riddell	2015

OTHER OFFICIALS

Thomas J. Ficarra, Interim Superintendent of Schools

Katherine Attwood, Business Administrator/Board Secretary

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HAMILTON TOWNSHIP BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

AUDIT FIRM

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Holman Frenia Allison, P. C.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Patrick F. Carrigg, Esq.
Lenox, Socey, Formidoni, Giordano, Cooley, Lang & Casey
136 Franklin Corner
Lawrenceville, New Jersey 08648

OFFICIAL DEPOSITORY

The Bank of Princeton
Princeton, NJ

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Hamilton Township Board of Education
Hamilton, 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 Hamilton Township Board of Education, County of Mercer, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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 *Governmental 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.

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 Hamilton Township Board of Education, County of Mercer, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2015 the District adopted Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an Amendment of GASB Statement No.27*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information and other required supplemental information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because 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 Hamilton Township Board of Education's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB's Circular(s) 04-04 and/or 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying combining statements and related major fund supporting statements and schedules and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 9, 2015 on our consideration of the Hamilton Township Board of Education'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 Hamilton Township Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Public School Accountant, No. 2198

Medford, New Jersey
December 9, 2015

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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HAMILTON TOWNSHIP SCHOOL DISTRICT
Hamilton, New Jersey
Mercer County

MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)
June 30, 2015

UNAUDITED

This section of the district's annual financial report presents a discussion and analysis of the district's financial performance during the fiscal year ending June 30, 2015. It should be read in conjunction with the transmittal letter at the front of this report and the district's financial statements, which immediately follow this section.

The Management's Discussion and Analysis (MD&A) is an element of the reporting model adopted by the Governmental Accounting Standards Board (GASB) in their Statement No. 34 Basic Financial Statement—and Management's Discussion and Analysis—for State and Local Governments issued June 1999 and amended by GASB Statement No. 37. Certain comparative information between the current year and the prior year is required to be presented in the MD&A. Since this is the seventh year of implementing the revised reporting model, comparative information from the previous year is available and is being reported as part of the MD&A.

As described in Note 1 to the financial statements, "Change in Accounting Principle", the District has adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2014 in the amount of \$52,191,191, as indicated in Note 18 to the financial statements. Prior year balances reflected in MD&A have not been updated to reflect this change.

FINANCIAL HIGHLIGHTS

The key financial highlights for the 2014-2015 fiscal year include the following:

Governmental funds reported a total fund balance of \$39,786,908 which is a 65.04% increase from last year's total governmental fund balance. The increase in total governmental fund balance was due to the positive variance of budgeted revenues and expenditures. The general or operating fund balance was reported at \$20,321,923 of which \$7,676,485 was appropriated toward the 2015-16 budget. Total spending for all governmental funds was \$213,175,537. Total revenues were \$207,750,667, resulting in an excess of expenditures over revenues of \$5,424,870 for the year. Revenues increased \$7,535,748 over last year and included \$101,351,231 in state and federal aid and \$104,405,590 in local taxes.

In total, net position of governmental activities increased \$13,742,996 which represents a 54.96% increase from fiscal year 2014.

The Board realized a change in net position in the District's food service program in the amount of \$281,757, resulting in total net position of \$1,136,715 for the fiscal year ended June 30, 2015.

The district negotiated an interest rate of 0.80% on available cash to maintain stable interest earnings in the next fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- The first two statements are government-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 operated like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationship in which the district acts solely as a trustee or agent for the benefits of others.

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

Figure A-1
Organization of the School District Annual Financial Report

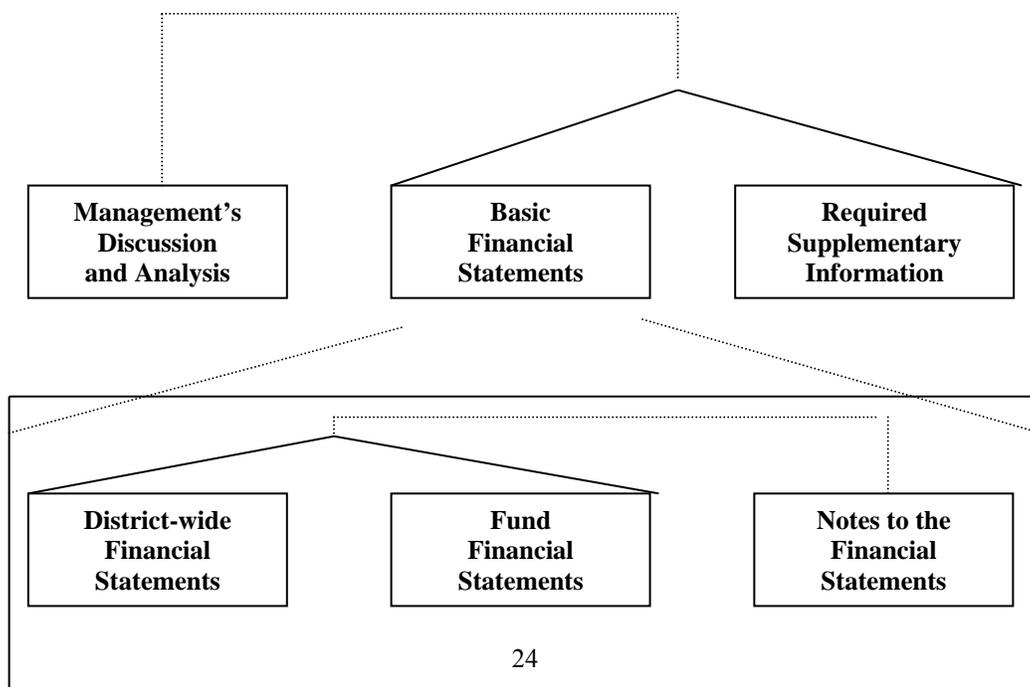


Figure A-2 summarizes the major features of the district’s financial statements, including the portion of the district’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights that structure and the contents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

Figure A-2 Major Features of the Government-Wide and Fund Financial Statements				
	Government-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 and adult education	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 revenues, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> •Statement of 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 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 included	All assets and liabilities, both financial and capital, and 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/out-flow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues 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 revenues/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

Government-wide Statements

The government-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 assets includes all of the district’s assets and liabilities. All of the current year’s revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the district's net assets and how they have changed. Net position - the difference between the district's assets 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 that the school district's goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the quality of the education provided and the safety of the of the schools to assess the overall health of the district.

In the government-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 adult education programs and food 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 debt) or to show that it is properly using certain revenues (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 differences) 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 has one internal service fund, the workers' compensation fund.

- Fiduciary funds: The district is the trustee, or fiduciary, for assets that belong to others, such as the scholarship fund 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.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The school district's Governmental Activities net position was \$(15,035,428) at June 30, 2015 representing a decrease of 164.21% over fiscal year 2015. This amount included an unrestricted amount of \$(46,956,222). Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the school district's ability to use those assets for day-to-day operations. Our analysis below focuses on the net position (Figure A-3) and change in net position (Figure A-4) of the school district's governmental activities.

**Figure A-3
Net Position**

	2015	2014	
ASSETS	GOVERNMENTAL	GOVERNMENTAL	INCREASE/ (DECREASE)
	ACTIVITIES	ACTIVITIES	
Current and Other Assets	\$ 42,822,129	\$ 30,856,212	39%
Capital Assets	60,395,307	44,321,404	36%
Total Assets	103,217,436	75,177,616	37%
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflow Related to Pensions	5,230,221	-	100%
Deferred Outflows of Resources	2,291,513	-	100%
Total Deferred Outflows of Resources	7,521,734	-	100%
Total Assets and Deferred Outflows of Resources	110,739,170	75,177,616	47%
LIABILITIES			
Current and Other Liabilities	4,894,889	3,360,685	46%
Long-Term Liabilities	117,757,511	48,404,164	143%
Total Liabilities	122,652,400	51,764,849	137%
DEFERRED INFLOW OF RESOURCES			
Deferred Inflow Related to Pensions	3,122,198	-	100%
Total Deferred Inflows of Resources	3,122,198	-	100%
NET POSITION			
Net Investment in Capital Assets	20,196,914	1,377,007	1367%
Restricted	11,723,880	18,569,971	-37%
Unrestricted	(46,956,222)	3,465,789	-1455%
Total Net Position	(15,035,428)	23,412,767	-164%
Total Net Position & Liabilities	\$ 110,739,170	\$ 75,177,616	47%

The \$(46,956,222) in unrestricted net position of governmental activities represents the accumulated results of all past years' operations.

The results of this year's operations for the school district Governmental Activities as a whole are reported in the Statement of Activities. Figure A-4, below, takes the information from that Statement, rounds off the numbers, and rearranges them slightly so you can see our total revenues and expenses for the year.

**Figure A-4
Changes in Net Position**

	2015	2014	INCREASE/ (DECREASE)
Revenues:			
Program Revenues:			
Operating Grants & Contributions	\$ 42,752,535	\$ 8,046,789	\$ 34,705,746
General Revenues:			
Property Taxes	104,405,590	100,585,681	3,819,909
Federal & State Aid	77,092,727	89,645,931	(12,553,204)
Miscellaneous	8,542,391	(7,401,254)	15,943,645
	<hr/>	<hr/>	<hr/>
Total Revenues	232,793,243	190,877,147	41,916,096
Program Expenses:			
Instruction	78,027,030	79,787,876	(1,760,846)
Support Services & Undistributed Costs	139,296,888	119,343,450	19,953,438
Interest and Charges on Long-Term Debt	1,501,509	1,449,546	51,963
Unallocated Compensated Absences	(452,388)	(355,399)	(96,989)
Unallocated Depreciation	677,208	2,536,407	(1,859,199)
	<hr/>	<hr/>	<hr/>
Total Expenditures	219,050,247	202,761,880	16,288,367
Change in Net Position	13,742,996	(11,884,733)	25,627,729
Net Position- Beginning	(28,778,424)	35,297,500	(64,075,924)
	<hr/>	<hr/>	<hr/>
Net Position-Ending	\$ (15,035,428)	\$ 23,412,767	(38,448,195)

As reported in the Statement of Activities, the net cost of all our governmental activities this year was \$176,125,873. These costs were financed by \$104,405,590 in local property school taxes, \$77,092,727 in federal and state aid, and \$8,370,552 in miscellaneous adjustments including gain on revaluation of assets, transfers, and miscellaneous income.

In Figure A-5, below, we have presented the cost of each of the school district's seven largest functions as listed below. Providing this information allows our citizens to consider the cost of each function in comparison to the benefits they believe are provided by the function.

	Figure A-5	
	GOVERNMENTAL ACTIVITIES NET COST OF SERVICES 2015	GOVERNMENTAL ACTIVITIES NET COST OF SERVICES 2014
Regular programs instruction	\$ 53,700,228	\$ 55,763,012
Unallocated benefits	33,002,412	49,815,775
Student services	18,250,940	17,483,904
Plant services	15,475,436	15,984,777
Tuition	13,067,142	11,952,190
Special programs instruction	16,966,612	16,588,314
Pupil Transportation	9,339,028	9,093,391
All others	16,324,075	18,033,728
	<hr/>	<hr/>
Total	<u>\$ 176,125,873</u>	<u>\$ 194,715,091</u>

This increase includes \$11,153,211 million in On-Behalf TPAF pension contributions and post retirement medical contributions paid by the State of New Jersey and an increase in funding workers' compensation claims and \$5,896,563 million in reimbursed TPAF social security contributions.

Financial Analysis of the District's Funds

As we noted earlier, the school district uses funds to help it control and manage money for particular purposes. Looking at funds helps you consider whether the school district is being accountable for the resources provided to it, and also, gives more insight into the school district's overall financial health.

As the school district completed this year, our governmental funds reported a combined fund balance of \$39,786,908 which represents an increase of \$15,679,590 from last year.

General Fund Budgetary Highlights

Over the course of the year, the school district revises its budget as it attempts to deal with unexpected changes in revenues and expenditures. Budget changes/transfers are approved by the Board of Education throughout the year. Although the district's projected budget for the general fund anticipated that revenues and expenditures would be roughly equal, the actual results for the year show a surplus.

Actual revenues reflect a positive variance of \$19,282,360. This is due primarily to two factors:

1. The State reimbursement in the amount of \$11.153 million for social security contributions and \$5.896 million on behalf of contributions for TPAF pension and post retirement medical. This is always a non-budgeted item that the State requires be included in the final audit.
2. Miscellaneous revenue in excess of projection.

Actual expenditures reflect a negative variance of \$3.865 million even though several budget lines show a positive variance. This again is primarily due to the State requirement to include social security contributions and on behalf of TPAF pension and post retirement medical benefits contributions in the audit.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2015, the school district had \$123,360,559 invested in a broad range of capital assets, including land, buildings, building improvements, other improvements, construction in progress, vehicles, furniture and equipment. This amount represents a net increase (including additions, deductions and depreciation) of \$16,325,276 or 13.23% from fiscal year 2014.

Figure A-6
Capital Assets at Year-End
(Rounded)

	GOVERNMENTAL ACTIVITIES 2015	GOVERNMENTAL ACTIVITIES 2014
Land	\$ 1,248,202	\$ 1,248,202
Construction in Progress	9,829,593	1,125,297
Buildings and Improvement	99,305,866	98,081,132
Furniture, Equipment, and Vehicles	12,976,898	6,580,652
Total	\$ 123,360,559	\$ 107,035,283

This year's net additions are reported at \$8,491,407. There were adjustments of \$7,582,497.

Long-Term Debt

At the end of this year, the school district has \$61,752,000 in bonds and capital leases outstanding versus \$43,525,000 last year – an increase of 43.37%. Those long-term debt consisted of:

Outstanding Debt, at Year-End (Rounded)

	Governmental Activities <u>2015</u>	Governmental Activities <u>2014</u>
Lease purchase obligations	<u>\$21,377,000</u>	<u>\$ 820,000</u>
General obligation bonds (Guaranteed by the Township)	<u>\$40,375,000</u>	<u>\$42,705,000</u>

The school district's general obligation bond rating continues to be AA. The state limits the amount of general obligation debt that cities can issue to 4.0% of the average state equalized assessed value of the taxable property within the school district's corporate limits. The school district's outstanding general obligation debt of \$40,375,000 is significantly below the statutorily-imposed limit.

Other obligations include accrued vacation pay and sick leave. We present more detailed information about our long-term liabilities in the notes to the financial statement.

FACTORS AFFECTING THE DISTRICT'S FUTURE

- Although the Hamilton Township School District continues to be highly efficient and financially stable, the overall status of the world and state economy could have an impact on the district's future budgets.
- The Hamilton Township School District will conduct its election in November. There is no vote required on the school budget if the election is held in November and the property tax levy does not increase by more than 2%. This should prove helpful to our district as voters have a track record of voting down school budgets in Hamilton.
- State Aid allocations have been volatile in Hamilton over the past five years. This makes the budgeting process difficult because the information comes late in the budgeting process and cannot be depended upon. We are hopeful this situation will stabilize or aid will increase.
- Health benefit reforms have assisted in containing the health costs for the past three years. However, these costs will continue to increase and be a major expense for this district.
- Salary increases continue to grow incrementally and will be a major expense for the foreseeable future.
- The district has recently committed significant resources in order to improve the district's buildings, infrastructure and education program. We are hopeful this will translate in a measurable increase in student performance.
- The district has engaged in an Energy Savings Improvement Program that will eventually yield a significant amount of upgrades to our energy management system. The hope is to

begin to contain and stabilize wildly fluctuating utility costs while providing a better classroom environment for our students and teachers.

- Salaries, benefits, student transportation, energy costs and private tuition continue to comprise nearly 90 percent of the entire budget.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

Our financial report is designed to provide our citizens, taxpayers, parents, students, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it received. If you have questions about this report or wish to request additional financial information, contact Ms. Katherine Attwood, Business Administrator, at Hamilton Township Board of Education, 90 Park Avenue, Hamilton, New Jersey 08690.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2015**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 29,958,507	\$ 262,513	\$ 30,221,020
Receivables, Net	5,776,152	621,512	6,397,664
Receivables from Other Funds	70,220	-	70,220
Inventory	348,053	31,055	379,108
Restricted Cash & Cash Equivalents:			
Capital Reserve Account	5,957,952	-	5,957,952
Maintenance Reserve Account	711,245	-	711,245
Capital Assets, Net (Note 5)	60,395,307	258,074	60,653,381
Total Assets	103,217,436	1,173,154	104,390,590
DEFERED OUTFLOW OF RESOURCES			
Deferred Outflows Related to Pensions	5,230,221	-	5,230,221
Deferred Outflow of Resources	2,291,513	-	2,291,513
Total Deferred Outflow of Resources	7,521,734	-	7,521,734
Total Assets and Deferred Outflow of Resources	110,739,170	1,173,154	111,912,324
LIABILITIES			
Accounts Payable	1,752,692	7,520	1,760,212
Accrued Interest Payable	403,001	-	403,001
Interfund Payable	83,553	-	83,553
Unearned Revenue	161,433	26,286	187,719
PERS Pension Payable	2,494,210	-	2,494,210
Noncurrent Liabilities (Note 7):			
Due Within One Year	4,246,012	-	4,246,012
Due Beyond One Year	113,511,499	2,633	113,514,132
Total Liabilities	122,652,400	36,439	122,688,839
DEFERED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	3,122,198	-	3,122,198
Total Deferred Inflows of Resources	3,122,198	-	3,122,198
Total Liabilities and Deferred Inflows of Resources	125,774,598	36,439	125,811,037
NET POSITION			
Net Investment in Capital Assets	20,196,914	258,074	20,454,988
Restricted For:			
Debt Service	(389,593)	-	(389,593)
Other Purposes	12,113,473	-	12,113,473
Unrestricted	(46,956,222)	878,641	(46,077,581)
Total Net Position	\$ (15,035,428)	\$ 1,136,715	\$ (13,898,713)

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES				NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS	
Governmental Activities:							
Instruction:							
Regular	\$ 58,632,133	\$ 148,365	\$ 4,783,540	\$ (53,700,228)	\$ -	\$ (53,700,228)	
Special Education	14,551,457	-	-	(14,551,457)	-	(14,551,457)	
Other Special Instruction	2,415,155	-	-	(2,415,155)	-	(2,415,155)	
Other Instruction	1,912,608	-	-	(1,912,608)	-	(1,912,608)	
Adult/Continuing Education Programs	515,677	-	-	(515,677)	-	(515,677)	
Support Services & Undistributed Costs:							
Tuition	13,067,142	-	-	(13,067,142)	-	(13,067,142)	
Student & Instruction Related Services	20,561,119	-	2,310,179	(18,250,940)	-	(18,250,940)	
School Administrative Services	7,207,052	-	-	(7,207,052)	-	(7,207,052)	
General Administrative Services	5,066,329	-	-	(5,066,329)	-	(5,066,329)	
Plant Operations & Maintenance	15,475,436	-	-	(15,475,436)	-	(15,475,436)	
Pupil Transportation	9,362,502	23,474	-	(9,339,028)	-	(9,339,028)	
Unallocated Employee Benefits	68,434,896	-	35,432,484	(33,002,412)	-	(33,002,412)	
Special Schools	122,412	-	-	(122,412)	-	(122,412)	
Interest and charges on Long-Term Debt	1,501,509	-	226,332	(1,275,177)	-	(1,275,177)	
Unallocated Compensated Absences	(452,388)	-	-	452,388	-	452,388	
Unallocated Depreciation & Amortization	677,208	-	-	(677,208)	-	(677,208)	
Total Governmental Activities	219,050,247	171,839	42,752,535	(176,125,873)	-	(176,125,873)	

**HAMILTON TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Business-Type Activities:						
Food Service	3,180,243	966,675	2,495,325	-	281,757	281,757
Total Business-Type Activities	3,180,243	966,675	2,495,325	-	281,757	281,757
Total Primary Government	\$ 222,230,490	\$ 1,138,514	\$ 45,247,860	(176,125,873)	281,757	(175,844,116)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				100,597,740	-	100,597,740
Taxes Levied for Debt Service				3,807,850	-	3,807,850
Federal & State Aid Not Restricted				77,092,727	-	77,092,727
Miscellaneous Income				1,710,596	-	1,710,596
Gain on Revaluation of Assets				7,582,496	-	7,582,496
Transfers - Charter School				(922,540)	-	(922,540)
Total General Revenues, Special Items, Extraordinary Items & Transfers				189,868,869	-	189,868,869
Change In Net Position				13,742,996	281,757	14,024,753
Net Position - Beginning, Restated				(28,778,424)	854,958	(27,923,466)
Net Position - Ending				\$ (15,035,428)	\$ 1,136,715	\$ (13,898,713)

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

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B. Fund Financial Statements

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Governmental Funds

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015**

EXHIBIT B-1

ASSETS	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Cash & Cash Equivalents	\$ 11,705,651	\$ -	\$ 19,036,219	\$ 13,408	\$ 30,755,278
Receivables from Other					
Governments	2,173,080	2,042,450	1,237,054	-	5,452,584
Other Receivables	306,448	17,120	-	-	323,568
Interfund Accounts Receivable	1,389,304	-	-	-	1,389,304
Inventory	348,053	-	-	-	348,053
Restricted Cash & Cash Equivalents	6,669,197	-	-	-	6,669,197
Total Assets	\$ 22,591,733	\$ 2,059,570	\$ 20,273,273	\$ 13,408	\$ 44,937,984
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 802,930	\$ -	\$ -	\$ 802,930
Accounts Payable	1,145,755	468,822	5,766	-	1,620,343
Intergovernmental Accounts Payable	-	132,349	-	-	132,349
Interfund Payable	1,114,937	503,154	815,930	-	2,434,021
Unearned Revenue	9,118	152,315	-	-	161,433
Total Liabilities	2,269,810	2,059,570	821,696	-	5,151,076
Fund Balances:					
Nonspendable:					
Inventory	348,053	-	-	-	348,053
Restricted for:					
Capital Reserve	5,957,952	-	-	-	5,957,952
Maintenance Reserve	711,245	-	-	-	711,245
Excess Surplus - Current Year	2,478,571	-	-	-	2,478,571
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	2,617,652	-	-	-	2,617,652
Committed for:					
Capital Projects	-	-	19,451,577	-	19,451,577
Assigned to:					
Designated by the BOE for Subsequent Year's Expenditures	5,151,055	-	-	-	5,151,055
Debt Service	-	-	-	13,408	13,408
Unassigned					
General Fund	3,057,395	-	-	-	3,057,395
Total Fund Balances	20,321,923	-	19,451,577	13,408	39,786,908
Total Liabilities & Fund Balances	\$ 22,591,733	\$ 2,059,570	\$ 20,273,273	\$ 13,408	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$123,360,559 and the accumulated depreciation is \$62,965,252.	60,395,307
Long-term liabilities, including bonds payable, and capital leases payable are no due and payable in the current period and therefore are not reported as liabilities in the funds (See Illustrative Note 7)	(117,757,511)
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	2,108,023
Short-term Liabilities, including accrued interest on long-term debt and PERS pension payable are not due payable in the current period and therefore are not reported as liabilities in the funds.	(2,897,211)
Transactions related to a current refunding of a long-term debt, refinancing of lease agreement are not reported in the funds	
Deferred amount on refunding, net of amortization	2,291,513
Transactions related to the Internal Service Fund - Workmans Compensation	1,037,543

Net Position of Governmental Activities **\$ (15,035,428)**

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2015**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS
Revenues:					
Local Tax Levy	\$ 100,597,740	\$ -	\$ -	\$ 3,807,850	\$ 104,405,590
Tuition Charges	148,365	-	-	-	148,365
Transportation Fees	23,474	-	-	-	23,474
Miscellaneous	1,710,596	111,411	-	-	1,822,007
Total Local Sources	102,480,175	111,411	-	3,807,850	106,399,436
State Sources	91,953,895	1,463,959	1,660,196	226,332	95,304,382
Federal Sources	528,500	5,518,349	-	-	6,046,849
Total Revenues	194,962,570	7,093,719	1,660,196	4,034,182	207,750,667
Expenditures:					
Current:					
Regular Instruction	54,498,593	4,783,540	-	-	59,282,133
Special Education Instruction	14,551,457	-	-	-	14,551,457
Other Special Instruction	2,415,155	-	-	-	2,415,155
Other Instruction	1,912,608	-	-	-	1,912,608
Adult/Continuing Education	515,677	-	-	-	515,677
Support Services & Undistributed Costs:					
Tuition	13,067,142	-	-	-	13,067,142
Student & Instruction Related Services	18,250,940	2,310,179	-	-	20,561,119
School Administrative Services	7,207,052	-	-	-	7,207,052
General Administrative Services	5,066,329	-	-	-	5,066,329
Plant Operations & Maintenance	15,517,465	-	-	-	15,517,465
Pupil Transportation	9,362,502	-	-	-	9,362,502
Unallocated Benefits	50,080,151	-	-	-	50,080,151
Special Schools	122,412	-	-	-	122,412
Debt Service:					
Principal	-	-	-	3,150,000	3,150,000
Interest & Other Charges	-	-	-	1,091,579	1,091,579
Capital Outlay	568,460	-	8,704,296	-	9,272,756
Total Expenditures	193,135,943	7,093,719	8,704,296	4,241,579	213,175,537
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,826,627	-	(7,044,100)	(207,397)	(5,424,870)
Other Financing Sources/(Uses):					
Lease Proceeds	-	-	22,027,000	-	22,027,000
Transfer to Charter Schools	(922,540)	-	-	-	(922,540)
Transfers In/(Out)	809,512	-	(809,512)	-	-
Total Other Financing Sources & Uses	(113,028)	-	21,217,488	-	21,104,460
Net Change in Fund Balances	1,713,599	-	14,173,388	(207,397)	15,679,590
Fund Balances July 1, restated	18,608,324	-	5,278,189	220,805	24,107,318
Fund Balances - June 30	\$ 20,321,923	\$ -	\$ 19,451,577	\$ 13,408	\$ 39,786,908

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 15,679,590

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

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

Depreciation Expense	\$	(677,208)	
Adjustments		7,582,496	
Capital Outlay		9,168,615	16,073,903

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position.

Proceeds of long-term debt - Net (22,027,000)

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

PERS District Pension Contribution - 2015		2,306,826	
State Share of Unfunded TPAF Pension Expense		18,382,620	
Unfunded TPAF Pension Expense		(18,382,620)	
Pension Expense		(2,892,467)	(585,641)

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 3,800,000

Amortization on Refunding of Debt are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities (279,980)

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.

Prior year		419,221	
Current Year		(403,001)	16,220

Internal Service Fund - Workers Compensation, Decrease in Unfunded future liabilities 613,516

Decrease of compensated absences 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. 452,388

Change in Net Position of Governmental Activities \$ 13,742,996

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

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Proprietary Funds

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS FOOD SERVICE	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND	TOTALS JUNE 30, 2015
Current Assets:			
Cash & Cash Equivalents	\$ 262,513	\$ 6,159	\$ 268,672
Accounts Receivable	605,041	-	605,041
Interfund Receivable	16,471	1,031,384	1,047,855
Inventories	31,055	-	31,055
Total Current Assets	<u>915,080</u>	<u>1,037,543</u>	<u>1,952,623</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	835,377	-	835,377
Less: Accumulated Depreciation	(577,303)	-	(577,303)
Total Noncurrent Assets	<u>258,074</u>	<u>-</u>	<u>258,074</u>
Total Assets	<u>1,173,154</u>	<u>1,037,543</u>	<u>2,210,697</u>
 LIABILITIES			
Current Liabilities:			
Accounts Payable	7,520	-	7,520
Claims Payable	-	1,037,543	1,037,543
Unearned Revenue	26,286	-	26,286
Noncurrent Liabilities:			
Compensated Absences	2,633	-	2,633
Total Liabilities	<u>36,439</u>	<u>1,037,543</u>	<u>1,073,982</u>
 NET POSITION			
Net Investment in Capital Assets	258,074	-	258,074
Unrestricted	878,641	-	878,641
Total Net Position	<u>\$ 1,136,715</u>	<u>\$ -</u>	<u>\$ 1,136,715</u>

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 FOR THE YEAR ENDED JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES -		GOVERNMENTAL ACTIVITIES	TOTALS
	ENTERPRISE FUNDS	INTERNAL		
	FOOD SERVICE	INTERNAL SERVICE FUND		JUNE 30, 2015
Operating Revenues:				
Charges for Services:				
Daily Sales - Reimbursable Programs	\$ 567,031	\$ -	\$ -	\$ 567,031
Daily Sales Nonreimbursable Programs	399,644	-	-	399,644
	<hr/>	<hr/>	<hr/>	<hr/>
Total Operating Revenues	966,675	-	-	966,675
Operating Expenses:				
Cost of Sales	1,267,520	-	-	1,267,520
Salaries	1,043,169	-	-	1,043,169
Employee Benefits	283,071	-	-	283,071
Management & Consultant Fees	184,286	-	-	184,286
Insurance	-	169,426	-	169,426
Direct Expenses	163,330	-	-	163,330
General Supplies	209,649	-	-	209,649
Depreciation	29,218	-	-	29,218
	<hr/>	<hr/>	<hr/>	<hr/>
Total Operating Expenses	3,180,243	169,426	-	3,349,669
Operating Income/(Loss)	<hr/> <u>(2,213,568)</u>	<hr/> <u>(169,426)</u>	<hr/> <u>(2,382,994)</u>	
Nonoperating Revenues (Expenses):				
State Sources:				
State School Lunch/Breakfast Program	38,737	-	-	38,737
Federal Sources:				
National School Lunch Program	1,639,942	-	-	1,639,942
National School Breakfast Program	287,471	-	-	287,471
Healthy Hunger-Free Kids Act	44,495	-	-	44,495
Seamless Summer Option	19,778	-	-	19,778
Special Milk	949	-	-	949
Fresh Fruit and Vegetable	14,265	-	-	14,265
Food Distribution Program	198,915	-	-	198,915
Interest & Investment Revenue	3,707	-	-	3,707
Gain on Fixed Asset Valuation	44,219	-	-	44,219
Food Service Guarantee	202,847	-	-	202,847
	<hr/>	<hr/>	<hr/>	<hr/>
Total Nonoperating Revenues/(Expenses)	2,495,325	-	-	2,495,325
Change in Net Position	<hr/> <u>281,757</u>	<hr/> <u>(169,426)</u>	<hr/> <u>112,331</u>	
Transfer in/(out)	-	169,426	-	169,426
Total Net Position - Beginning	<hr/> <u>854,958</u>	<hr/> <u>-</u>	<hr/> <u>-</u>	<hr/> <u>854,958</u>
Total Net Position - Ending	<hr/> <u>\$ 1,136,715</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ -</u>	<hr/> <u>\$ 1,136,715</u>

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS	GOVERNMENTAL ACTIVITIES	TOTALS
	FOOD SERVICE	INTERNAL SERVICE FUND	JUNE 30, 2015
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 1,599,066	\$ -	\$ 1,599,066
Payments to Employees	(1,043,169)	-	(1,043,169)
Payments for Employee Benefits	(283,071)	(319,774)	(602,845)
Payments to Suppliers	(2,344,884)	-	(2,344,884)
Net Cash Provided/(Used) by Operating Activities	(2,072,058)	(319,774)	(2,391,832)
Cash Flows From Capital Financing Activities:			
Purchase of Capital Assets	(29,414)	-	(29,414)
Net Cash Provided/(Used) by Capital Financing Activities	(29,414)	-	(29,414)
Cash Flows From Noncapital Financing Activities:			
Federal and State Sources	2,050,022	-	2,050,022
Food Service Guarantee	202,847	-	202,847
Transfers from Other Funds	-	265,348	265,348
Net Cash Provided/(Used) by Noncapital Financing Activities	2,252,869	265,348	2,518,217
Cash Flows From Investing Activities:			
Interest & Dividends	3,707	-	3,707
Net Cash Provided/(Used) by Investing Activities	3,707	-	3,707
Net Increase/(Decrease) in Cash & Cash Equivalents			
Balances - Beginning of Year	155,104	(54,426)	100,678
	107,409	60,585	167,994
Balances - End of Year	\$ 262,513	\$ 6,159	\$ 268,672

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (2,213,568)	\$ (169,426)	\$(2,382,994)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	29,218	-	29,218
(Increase)/Decrease in Inventories	4,695	-	4,695
Increase/(Decrease) in Claims Payable	-	(150,348)	(150,348)
Increase/(Decrease) in Accounts Payable	(524,794)	-	(524,794)
Increase/(Decrease) in Unearned Revenues	(5,719)	-	(5,719)
Increase/(Decrease) in Interfunds Receivable	664,254	-	664,254
Increase/(Decrease) in Accounts Receivable	(26,144)	-	(26,144)
Total Adjustments	141,510	(150,348)	(8,838)
Net Cash Provided/(Used) by Operating Activities	\$ (2,072,058)	\$ (319,774)	\$(2,391,832)

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

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Fiduciary Fund

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE				TOTALS
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	AGENCY		JUNE 30, 2015
			PAYROLL FUND	STUDENT ACTIVITY	
Cash & Cash Equivalents	\$ 2,243,981	\$ 187,330	\$ 989,553	\$ 591,636	\$ 4,012,500
Interfunds Receivable	-	83,554	-	-	83,554
Total Assets	2,243,981	270,884	989,553	591,636	4,096,054
LIABILITIES					
Accounts Payable	2,494	-	-	-	2,494
Interfunds Payable	-	-	86,691	-	86,691
Due to Employees	-	-	19,589	-	19,589
Due to Student Groups	-	-	-	591,636	591,636
Payroll Deductions & Withholdings	-	-	883,273	-	883,273
Total Liabilities	2,494	-	989,553	591,636	1,583,683
NET POSITION					
Held in Reserve for Unemployment Claims	2,241,487	-	-	-	2,241,487
Reserved for Scholarships	-	270,884	-	-	270,884
Total Net Position	\$ 2,241,487	\$ 270,884	\$ -	\$ -	\$ 2,512,371

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN NET POSITION
JUNE 30, 2015**

ADDITIONS	PRIVATE PURPOSE		TOTALS
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP FUND	JUNE 30, 2015
Contributions:			
Plan Members	\$ 302,261	\$ -	\$ 302,261
Other	-	350	350
Investment Earnings:			
Interest	17,137	1,392	18,529
Total Additions	319,398	1,742	321,140
DEDUCTIONS			
Unemployment Claims	206,321	-	206,321
Scholarships Awarded	-	13,000	13,000
Total Deductions	206,321	13,000	219,321
Change in Net Position	113,077	(11,258)	101,819
Net Position - Beginning of the Year	2,128,410	282,142	2,410,552
Net Position - End of the Year	\$ 2,241,487	\$ 270,884	\$ 2,512,371

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

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies

The financial statements of the Hamilton Township Board of Education (the ‘District’) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

For the year ended June 30, 2015, the District implemented the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date. GASB Statement Nos. 68 and 71 establish standards for measuring and recognizing net pension liabilities, deferred outflows of resources, deferred inflows of resources, and expenses/expenditures related to pension benefits provided through defined benefit pension plans. In addition, Statement No. 68 requires disclosure of information related to pension benefits.

Reporting Entity

The Hamilton Township Board of Education is a Type II district located in the County of Mercer, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. The Hamilton Township Board of Education has an approximate enrollment at June 30, 2015 of 11,927 students.

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

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization’s board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14. *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*. The District had no component units as of for the year ended June 30, 2015.

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

These statements are presented on an "economic resources" measurement focus and the accrual basis of accounting. Accordingly, all of the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or "current financial resources" measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District's deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District’s fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or “economic resources” measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District’s enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings,

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

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 the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

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

Internal Service Fund – Internal service funds are cost accounting and distribution entities and are intended to “break even” annually and/or over a period of years. The use of an internal service fund does not provide additional revenue or expenses to the district but acts as a means to document the sharing of the costs.

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Additionally, the District reports the following major fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The district currently maintains the following private purpose trust funds:

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the District. Expenditures consist of unemployment reimbursement claims.

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships to benefit students.

Agency Funds - Agency funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity’s own operating programs. The district currently maintains Payroll funds and Student Activity Funds as Agency Funds.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

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

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as 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 a reduction of the accounts receivables or 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.

Cash and Cash Equivalents

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and 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. *N.J.S.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 loss of funds on deposit with a failed banking institution in New Jersey.

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

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

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2015 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

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. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Machinery and Equipment	3-20 Years
Building & Other Improvements	7-60 Years

Compensated Absences

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

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

In the Government-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumption that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance

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

- **Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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

that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2015.

- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

The GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement 27* effective for fiscal years beginning after June 15, 2014. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

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

existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2015 through the date of December 9, 2015, which is the date the financial statements were available to be issued.

Pensions Section

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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 2: Cash & Cash Equivalents

The District is governed by the deposit limitations of New Jersey state law. The Deposits held at June 30, 2015 and reported at fair value are as follows:

Type	Carrying Value
Deposits	
Demand Deposits	\$ 40,902,717
Total Deposits	<u>\$ 40,902,717</u>
 The District's Cash and Cash Equivalents are Reported as Follows:	
Government Activities	\$ 36,627,704
Business-Type Activities	262,513
Fiduciary Funds	<u>4,012,500</u>
Total Cash and Cash Equivalents	<u>\$ 40,902,717</u>

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2015, the District’s bank balance of \$27,103,174 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$ 750,000
Collateralized in the District’s Name	
Under GUDPA	39,737,691
Uninsured	<u>4,351,555</u>
Total	<u>\$44,839,246</u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 3: Reserve Accounts

A. Capital Reserve Account

Hamilton Township Board of Education established a Capital Reserve Account on September 27, 2000 for the accumulation of Funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget. There is a balance of \$5,957,952 at June 30, 2015.

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 by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1, 2014	\$	3,523,145
Add: Interest		25,295
Budgeted Withdrawals		(2,344,950)
Transfers by Resolution		4,754,462
Ending Balance, June 30, 2015	\$	5,957,952

B. Maintenance Reserve Account

Hamilton Township Board of Education established a Maintenance Reserve Account the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget. There is a balance of \$711,245 at June 30, 2015.

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 3: Reserve Accounts (continued):

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

Beginning Balance, July 1, 2014	\$	705,600
Add: Interest		5,645
Ending Balance, June 30, 2015	\$	711,245

Note 4. Accounts Receivable

Accounts receivable at June 30, 2015 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General <u>Fund</u>	Special Revenue <u>Fund</u>	Capital Projects <u>Fund</u>	Proprietary <u>Funds</u>	<u>Total</u>
Intergovernmental	\$ 2,173,080	\$ 2,042,450	\$ 1,237,054	\$ 578,897	\$ 6,031,481
Other	306,448	17,120	-	26,144	349,712
Total	\$ 2,479,528	\$ 2,059,570	\$ 1,237,054	\$ 605,041	\$ 6,381,193

Note 5. Capital Assets

The following schedule is a summarization of the general fixed assets by source for the fiscal year ended June 30, 2015.

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

Note 5. Capital Assets (continued):

	June 30, 2014	Additions	Deletions	Transfers/ Adjustments	June 30, 2015
Governmental Activities:					
Capital assets that are not being depreciated:					
Land	\$ 1,248,202	\$ -	\$ -	\$ -	\$ 1,248,202
Construction in progress	1,125,297	8,704,296	-	-	9,829,593
<hr/>					
Total capital assets not being depreciated	2,373,499	8,704,296	-	-	11,077,795
<hr/>					
Capital assets being depreciated:					
Buildings/Other Improvements	98,081,132	-	-	1,224,734	99,305,866
Machinery, Equipment					
Furniture and Vehicles	6,580,652	464,319	-	5,931,927	12,976,898
Historical cost	104,661,784	464,319	-	7,156,661	112,282,764
<hr/>					
Less: accumulated depreciation:					
Buildings/Other Improvements	(57,476,119)	-	-	2,641,416	(54,834,703)
Machinery, Equipment					
Furniture and Vehicles	(5,237,761)	(677,208)	-	(2,215,580)	(8,130,549)
Total accumulated depreciation	(62,713,880)	(677,208)	-	425,836	(62,965,252)
<hr/>					
Total capital assets being depreciated, net	41,947,904	(212,889)	-	7,582,497	49,317,512
<hr/>					
Governmental activities capital assets, net	\$ 44,321,403	\$ 8,491,407	\$ -	\$ 7,582,497	\$ 60,395,307

	June 30, 2014	Additions	Transfers/ Adjustments	June 30, 2015
Business-Type Activities:				
Capital assets being depreciated:				
Machinery & Equipment	\$ 433,984	\$ 29,415	\$ 371,978	\$ 835,377
<hr/>				
Less: accumulated depreciation:				
Equipment	(220,326)	(29,218)	(327,759)	(577,303)
<hr/>				
Business-type activities capital assets, net	\$ 213,658	\$ 197	\$ 44,219	\$ 258,074

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 6. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2015:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 1,389,304	\$ 1,114,937
Special Revenue Fund	-	503,154
Capital Projects Fund	-	815,930
Enterprise Fund	16,471	-
Internal Service Fund	1,031,384	-
Fiduciary Funds	83,553	86,691
	<u>\$ 2,520,712</u>	<u>\$ 2,520,712</u>

Purpose of interfunds is for short-term borrowings.

Note 7: Long-Term Obligations

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

	June 30, 2014	Issued/ Increases	Retired/ Decreases	June 30, 2015	Due Within One Year
Governmental Activities:					
Compensated Absences Payable	\$ 2,840,228	\$ -	\$ (452,388)	\$ 2,387,840	\$ -
Capital Lease Payable	820,000	22,027,000	(1,470,000)	21,377,000	1,012,966
Workmen's Compensation Payable	1,801,407	-	(763,864)	1,037,543	-
Net Pension Liability	52,191,191	199,454	-	52,390,645	-
Bond Premium	237,529	-	(48,046)	189,483	48,046
Bonds Payable	42,705,000	-	(2,330,000)	40,375,000	3,185,000
Total	<u>\$ 100,595,355</u>	<u>\$ 22,226,454</u>	<u>\$ (5,064,298)</u>	<u>\$ 117,757,511</u>	<u>\$ 4,246,012</u>
Business-Type Activities:					
Compensated Absences Payable	\$ 2,633	\$ -	\$ -	\$ 2,633	\$ -

A. Bonds Payable

Bonds are authorized in accordance with State Law by the voters of the District through referendums. All bonds are returned in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds. At June 30, 2015, bonds payable consisted of the following individual issues:

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 7: Long-Term Obligations (continued):

Purpose	Maturities	Interest Rate	Balance
2007 - Refunding Bond Issue	2/15/15-22	4.00%	\$ 9,985,000
2009 - Refunding Bond Issue	8/15/13-16	2.50%-4.00%	2,950,000
2012 - Refunding Bond Issue	8/15/13-24	0.40%-2.63%	<u>27,440,000</u>
Total			<u>\$40,375,000</u>

Principal and Interest due on the outstanding bonds is as follows:

Year-ending June 30,	Principal	Interest	Total
2016	3,950,000	996,776	4,946,776
2017	4,150,000	921,445	5,071,445
2018	4,185,000	846,958	5,031,958
2019	4,430,000	732,995	5,162,995
2020	4,595,000	605,745	5,200,745
2021-2025	<u>19,065,000</u>	<u>1,174,963</u>	<u>20,239,963</u>
Total	<u>\$ 40,375,000</u>	<u>\$ 5,278,882</u>	<u>\$ 45,653,882</u>

B. 2004 Early Retirement Incentive Program (ERIP)

The District by resolution authorized the issuance of \$29,105,000 School District Refunding Bonds, Series 2004 to retire the present value of the Board's liability for the 2004 ERI Program.

C. Bonds Authorized but not Issued – As of June 30, 2014, the District had not bonds or notes authorized but not issued.

D. Workers Compensation – As of June 30, 2015, the District has a funded accrued workers compensation liability of \$1,037,543 which is presented on Exhibit B-4.

E. Obligations Under Capital Leases

The District participated in the following lease purchase agreements for the construction and improvements of school facilities and additions to schools, equipping of school facilities and the acquisition of computers and equipment. The following are schedules of the future minimum lease payments under the capital leases and the net minimum lease payments at June 30, 2015:

1993 M.C.I.A. Lease Purchase Agreement, as Refinanced September 2003 – 2003 Refunding Series, 2015 Energy Lease Purchase Agreement and 2015 Equipment Purchase Agreement:

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 7: Long-Term Obligations (continued):

Year-ending June 30,	Amount
2016	1,539,711
2017	1,979,779
2018	2,444,801
2019	1,536,749
2020	1,225,098
2021-2025	5,731,934
2026-2030	6,098,306
2031-2035	<u>6,816,885</u>
Total Minimum Lease Payments	27,373,263
Less: Amount Representing Interest	<u>(5,996,263)</u>
Present Value of Lease Payments	<u><u>\$ 21,377,000</u></u>

Note 8. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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 1/5 5th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, 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 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.

Three-Year Trend Information for PERS

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2015	\$ 2,306,826	100%	\$ 52,390,645
6/30/2014	2,058,015	100%	52,191,191
6/30/2013	2,282,595	100%	-

Components of Net Pension Liability - At June 30, 2015, the District reported a liability of \$52,390,645 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014, was .27982%, which was an increase of .00674% from its proportion measured as of June 30, 2013.

Collective Balances at June 30, 2015 and June 30, 2014

Actuarial valuation date	<u>6/30/2015</u> July 1, 2014	<u>6/30/2014</u> July 1, 2013
Deferred Outflows of Resources	\$ 5,230,221	\$ 2,306,826
Deferred Inflows of Resources	3,122,198	N/A
Net Pension Liability	\$ 52,390,645	\$ 52,191,191
District's portion of the Plan's total net pension Liability	0.27982%	0.27308%

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2015, the District recognized pension expense of \$2,892,467. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows</u> <u>of Resources</u>	<u>Deferred Inflows</u> <u>of Resources</u>
Changes of assumptions	\$ 1,647,443	\$ -
Net difference between projected and actual earnings on pension plan investments	-	3,122,198
Changes in proportion and differences between District contributions and proportionate share of contributions	1,088,568	-
District contributions subsequent to the measurement date	2,494,210	-
Total	<u>\$ 5,230,221</u>	<u>\$ 3,122,198</u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

The \$2,494,210 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>	<u>PERS</u>
2016	\$ (199,593)
2017	(199,593)
2018	(199,593)
2019	(199,593)
2020	(199,593)
Thereafter	611,779

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:

	<u>PERS</u>
Measurement date	June 30, 2014
Actuarial valuation date	July 1, 2013
Interest rate	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.01%

Mortality rates were based on the RP-2000 Combined Healthy Male or Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from 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.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	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 US 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%
Total	100.00%	

Discount Rate - The discount rate used to measure the total pension liability was 5.39% as of June 30, 2014. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rates and that contributions from employers will be made on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39%) or 1-percentage-point higher (6.39%) than the current rate:

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

A. Public Employees' Retirement System (PERS) (continued)

	<u>4.39%</u>	<u>Rate (5.39%)</u>	<u>6.39%</u>
District's proportionate share of the net pension liability	\$ 65,909,215	\$ 52,390,645	\$ 41,038,486

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

The vesting and benefit provisions are set by 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:

<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 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. 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.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

B. Teachers' Pension and Annuity Fund (TPAF)

entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

Special Funding Situation - 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. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

**Three-Year Trend Information for TPAF Pension & Post Retirement Medical Contributions
(Paid on behalf of the District)**

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2015	\$ 4,022,093	100%	-
6/30/2014	3,186,863	100%	-
6/30/2013	4,066,624	100%	-

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

	<u>TPAF</u>
Measurement date	June 30, 2014
Actuarial valuation date	July 1, 2013
Interest rate	7.90%
Salary scale	Varies Based On Experience
Inflation rate	2.50%

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

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

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 8: Pension Obligations (continued)

B. Teachers' Pension and Annuity Fund (TPAF) (continued)

<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-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US 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%
Total	<u>100%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 4.68% as of June 30, 2014. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current member contribution rates and that contributions from employers will be made on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS & TPAF financial report.

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

Note 8: Pension Obligations (continued)

Defined Contribution Retirement Program (DCRP) - The District contributes to the New Jersey Defined Contribution Retirement Program (DCRP) which is a defined contribution retirement benefit plan, along with life insurance and disability coverage, for its employees who are ineligible for PERS or TPAF.

When enrolled in the DCRP, members contribute 5.5 percent of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3 percent employer contribution. For the year ended June 30, 2015, employee contributions totaled \$33,679, and the District recognized pension expense of \$15,236.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in District contributions and earnings on District contributions after commencement of their second year of employment, with some exceptions. Nonvested District contributions and earnings are forfeited upon separation from covered employment. Such forfeitures are reverted back to a forfeiture account for the employer and may be used to reduce pension expenses. For the year ended June 30, 2015, the District did not apply forfeitures to reduce the District's pension expense.

Note 9. Post-Retirement Benefits

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the state contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

Note 10. Risk Management

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

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 10. Risk Management (continued):

A complete schedule of insurance coverage can be found in the “Statistical Section” of the report.

Worker’s Compensation Insurance

Effective July 1, 2006, the District obtained commercial insurance coverage for its Worker’s Compensation Program. The applicable coverage’s are set forth in the “Employers Liability Insurance Agreement”.

Effective for the periods August 1, 1980 through June 30, 2005, in response to rising premiums for traditional risk transfer insurance coverage, the Board instituted a risk management program which combines risk retention and reinsurance coverage for claims relating to statutory worker’s compensation.

The Board has engaged an outside claims service company to serve as administrator of the program. Loss reserves are established by the administrator for estimated benefits and expenses for reported claims.

Established reserves are subject to change as facts and circumstances relating to claims dictate, and no provision is made for estimated losses relating to claims incurred but not reported. At June 30, 2015 the administrator has established an estimated reserve requirement for reported claims in the amount of \$1,037,543.

New Jersey Unemployment Compensation Insurance – The District has elected to fund their New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for Amounts due to the State. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District’s expendable trust fund for the current and previous two years:

Fiscal Year	District Contributions	Employee Contributions & Interest	Claims	Ending Balance
2014-2015	\$ -	\$ 319,398	\$ 206,321	\$ 2,241,487
2013-2014	-	317,677	286,696	2,128,410
2012-2013	-	302,540	266,216	2,097,429

Note 11: Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2015 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 12: Economic Dependency

The District 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, could have an effect on the District's programs and activities.

Note 13: Fund Balance Disclosures

General Fund – Of the \$20,321,923 General Fund fund balance at June 30, 2015, \$5,957,952 has been restricted for the capital reserve account; \$711,245 has been restricted for the maintenance reserve account; \$2,478,571 has been restricted for the excess surplus-current year; \$2,617,652 has been restricted for excess surplus-prior year-designated for subsequent year's expenditures; \$348,053 is non-spendable for inventory; \$5,151,055 is assigned as designated for subsequent year's expenditures; and \$3,057,395 is unassigned.

Capital Projects Fund – All of the \$19,451,577 Capital Projects Fund fund balance at June 30, 2015 is committed.

Debt Service Fund – All of the \$13,408 Debt Service Fund fund balance at June 30, 2015 is assigned.

Note 14: Transfers to Capital Outlay

During the year ending June 30, 2015, the District transferred \$304,959 to the capital outlay accounts.

Note 15: Deferred Compensation

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

IDS Life Insurance Co.	Fidelity Group	Pacific Life Select
The Copeland Companies	Great West	Prudential
Equitable	Minnesota Mutual's Multi Option	Valic
MFS/Sun Life	Lincoln Benefit Life Insurance Co.	

Note 16: 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 vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015**

Note 16: Compensated Absences (continued):

benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2015 is \$2,387,840.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015, a liability existed for compensated absences in the Food Service Fund in the amount of \$2,633.

Note 17: Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The District has excess fund balance of \$2,478,571 at June 30, 2015.

Note 18. Prior Period Restatement

Change in Accounting Principle

Net position as of July 1, 2014, has been restated as follows for the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, as amended by GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date.

	<u>Governmental Activities</u>
Net Position as previously reported at June 30, 2014	\$ 23,412,767
Prior period adjustment - Implementation of GASB 68: Net Pension Liability (measurement date as of June 30, 2013)	(52,191,191)
PERS Pension Payable	2,306,826
Deferred Outflows- district contributions made during fiscal year 2014.	<u>(2,306,826)</u>
Total prior period adjustment	<u>(52,191,191)</u>
Net Position as restated, July 1, 2014	<u>\$ (28,778,424)</u>

HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

Note 19. Deficit in Net Position

Restricted Net Position – The School District had a deficit in restricted net position for Debt Service in the amount of \$(389,593) at June 30, 2015. The deficit is caused by the accrual of bond interest in the government-wide financial statements.

Unrestricted Net Position –As reflected on Exhibit A-1, Statement of Net position, a deficit in unrestricted net position of \$(46,956,222) existed as of June 30, 2015 for governmental activities. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the long-term liability for compensated absences and net pension. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences and pension liabilities that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

Note 20. Pending Litigation

The Hamilton Township Board of Education has numerous pending and threatened litigation matters. All matters in litigation are matters that are subject to insurance coverage provided by various insurance policies for indemnification and defense costs. There is one pending claim in the Superior Court of New Jersey brought by various retirees of the Board alleging that cash payments for prescription coverage for the retirees and their dependents have not been paid in 2013, 2014 and 2015. The approximate amount of payments that have not been paid is estimated to be \$4,000,000.

Note 21. Subsequent Events- Bond Refunding

On November 20, 2015 the Hamilton Township Board of Education issued \$9,010,000 of refunding bonds to refund school bonds dated March 30,2006. The district refunding bonds resulted in a net present value savings of \$782,057.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 100,597,740	\$ -	\$ 100,597,740	\$ 100,597,740	\$ -
Tuition	10-1320	65,000	-	65,000	148,365	83,365
Transportation Fees	10-1420	-	-	-	23,474	23,474
Interest Earned on Capital Reserve Funds	10-1511	30,000	-	30,000	25,295	(4,705)
GED Testing	10-1991	6,610	-	6,610	11,228	4,618
Unrestricted Miscellaneous Revenues	10-1xxx	1,163,696	-	1,163,696	1,674,073	510,377
Total Local Sources		101,863,046	-	101,863,046	102,480,175	617,129
State Sources:						
Special Education Categorical Aid	10-3132	7,549,779	-	7,549,779	7,549,779	-
Educational Adequacy Aid	10-3175	40,007	-	40,007	40,007	-
Equalization Aid	10-3176	64,508,297	-	64,508,297	64,508,297	-
Security Aid	10-3177	545,728	-	545,728	545,728	-
Transportation Aid	10-3121	720,415	-	720,415	720,415	-
PARCC Readiness Aid	10-3190	120,020	-	120,020	120,020	-
Per Pupil Growth Aid	10-3191	120,020	-	120,020	120,020	-
Nonpublic Transportation Aid	10-3120	-	-	-	51,243	51,243
Extraordinary Special Education Aid	10-3131	-	-	-	1,194,892	1,194,892
Nonbudgeted:						
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	6,842,792	6,842,792
On-Behalf TPAF Pension Contributions		-	-	-	4,310,419	4,310,419
Reimbursed TPAF Social Security		-	-	-	5,896,653	5,896,653
Total State Sources		73,604,266	-	73,604,266	91,900,265	18,295,999
Federal Sources:						
SEMI Program	10-4200	159,268	-	159,268	436,278	277,010
ARRA- SEMI Program	10-4210	-	-	-	92,222	92,222
Total Federal Sources		159,268	-	159,268	528,500	369,232
Total Revenues		175,626,580	-	175,626,580	194,908,940	19,282,360
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Preschool/Kindergarten	11-110-100-101	2,943,588	(29,301)	2,914,287	2,651,585	262,702
Grades 1 - 5	11-120-100-101	17,795,367	(271,468)	17,523,899	17,253,781	270,118
Grades 6 - 8	11-130-100-101	12,518,834	(429,677)	12,089,157	11,727,092	362,065
Grades 9 - 12	11-140-100-101	17,830,101	(365,515)	17,464,586	17,364,867	99,719
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	345,000	(65,152)	279,848	279,848	-
Purchased Professional - Educational Services	11-150-100-320	95,000	61,350	156,350	153,009	3,341
Regular Programs - Undistributed Instruction:						
Other Salaries for Instruction	11-190-100-106	1,581,291	(564,761)	1,016,530	860,205	156,325
Purchased Professional - Educational Services	11-190-100-320	324,896	(62,608)	262,288	240,517	21,771
Purchased Professional - Technical Services	11-190-100-340	-	19,885	19,885	16,912	2,973
Lease Copiers	11-190-100-440	-	1,251,912	1,251,912	1,247,957	3,955
Other Purchased Services (400-500)	11-190-100-500	286,935	-	286,935	280,917	6,018
General Supplies	11-190-100-610	2,576,318	266,891	2,843,209	2,100,459	742,750
Textbooks	11-190-100-640	869,830	(417,220)	452,610	306,510	146,100
Other Objects	11-190-100-890	-	16,105	16,105	14,934	1,171
Total Regular Programs - Instruction		57,167,160	(589,559)	56,577,601	54,498,593	2,079,008
Special Education:						
Learning and/or Language Disabilities:						
Salaries of Teachers	11-204-100-101	2,192,011	(6,517)	2,185,494	2,178,071	7,423
Other Salaries for Instruction	11-204-100-106	418,904	67,295	486,199	485,792	407
Other Purchased Services (400-500)	11-204-100-500	2,100	(2,000)	100	-	100
General Supplies	11-204-100-610	20,968	(5,256)	15,712	13,191	2,521
Textbooks	11-204-100-640	6,750	(5,271)	1,479	835	644
Total Learning and/or Language Disabilities		2,640,733	48,251	2,688,984	2,677,889	11,095

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Visual Impairments:						
Purchased Professional - Educational Services	11-206-100-320	30,000	(30,000)	-	-	-
Total Visual Impairments		30,000	(30,000)	-	-	-
Auditory Impairments:						
Salaries of Teachers	11-207-100-101	53,179	(53,179)	-	-	-
Other Purchased Services (400-500)	11-207-100-500	500	(135)	365	180	185
General Supplies	11-207-100-610	11,600	(5,685)	5,915	5,481	434
Textbooks	11-207-100-640	1,000	(1,000)	-	-	-
Total Auditory Impairments		66,279	(59,999)	6,280	5,661	619
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	1,340,796	9,465	1,350,261	1,339,410	10,851
Other Salaries for Instruction	11-209-100-106	336,118	44,000	380,118	373,592	6,526
Other Purchased Services (400-500)	11-209-100-500	1,600	(1,600)	-	-	-
General Supplies	11-209-100-610	10,201	2,776	12,977	11,935	1,042
Textbooks	11-209-100-640	3,610	(3,445)	165	165	-
Total Behavioral Disabilities		1,692,325	51,196	1,743,521	1,725,102	18,419
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	1,445,204	(45,925)	1,399,279	1,391,663	7,616
Other Salaries for Instruction	11-212-100-106	278,672	(22,801)	255,871	254,028	1,843
Other Purchased Services (400-500)	11-212-100-500	1,600	(1,600)	-	-	-
General Supplies	11-212-100-610	9,000	2,705	11,705	11,195	510
Textbooks	11-212-100-640	6,000	(5,605)	395	299	96
Total Multiple Disabilities		1,740,476	(73,226)	1,667,250	1,657,185	10,065
Resource Room/Resource Center:						
Salaries of Teachers	11-213-100-101	6,443,740	(248,177)	6,195,563	6,179,860	15,703
Other Salaries for Instruction	11-213-100-106	225,832	17,300	243,132	243,104	28
Other Purchased Services (400-500)	11-213-100-500	5,000	(5,000)	-	-	-
General Supplies	11-213-100-610	69,880	(40,913)	28,967	27,497	1,470
Textbooks	11-213-100-640	11,800	(11,362)	438	375	63
Total Resource Room		6,756,252	(288,152)	6,468,100	6,450,836	17,264
Autism:						
Salaries of Teachers	11-214-100-101	551,724	(54,901)	496,823	491,614	5,209
Other Salaries for Instruction	11-214-100-106	209,692	(80,143)	129,549	128,247	1,302
Other Purchased Services (400-500)	11-214-100-500	2,000	(2,000)	-	-	-
General Supplies	11-214-100-610	19,580	(8,828)	10,752	9,963	789
Textbooks	11-214-100-640	6,390	(6,256)	134	125	9
Total Autism		789,386	(152,128)	637,258	629,949	7,309
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	358,691	-	358,691	341,162	17,529
Other Salaries for Instruction	11-215-100-106	322,943	(33,507)	289,436	288,240	1,196
Purchased Professional - Educational Services	11-215-100-320	88,000	8,500	96,500	96,223	277
Other Purchased Services (400-500)	11-215-100-500	1,500	(1,205)	295	-	295
General Supplies	11-215-100-600	4,578	(184)	4,394	4,272	122
Total Preschool Disabilities - Part-Time		775,712	(26,396)	749,316	729,897	19,419
Preschool Disabilities - Full-Time:						
Salaries of Teachers	11-216-100-101	182,667	65,120	247,787	244,347	3,440
Other Salaries for Instruction	11-216-100-106	187,937	70,729	258,666	258,339	327
Purchased Professional - Educational Services	11-216-100-320	50,000	138,460	188,460	170,899	17,561
General Supplies	11-216-100-600	1,578	(117)	1,461	1,353	108
Total Preschool Disabilities - Full-Time		422,182	274,192	696,374	674,938	21,436
Total Special Education		14,913,345	(256,262)	14,657,083	14,551,457	105,626

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Instruction:						
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	1,779,584	140,000	1,919,584	1,736,489	183,095
Other Salaries for Instruction	11-230-100-106	2,500	1,172	3,672	1,204	2,468
General Supplies	11-230-100-600	20,000	-	20,000	-	20,000
Total Basic Skills/Remedial		1,802,084	141,172	1,943,256	1,737,693	205,563
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	702,080	-	702,080	672,153	29,927
General Supplies	11-240-100-600	16,950	-	16,950	1,305	15,645
Textbooks	11-240-100-640	6,000	-	6,000	4,004	1,996
Total Bilingual Education - Instruction		725,030	-	725,030	677,462	47,568
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	517,000	-	517,000	505,237	11,763
General Supplies	11-401-100-600	-	12,684	12,684	11,134	1,550
Other Objects	11-401-100-800	28,021	(11,303)	16,718	13,602	3,116
Total School Sponsored Cocurricular Activities		545,021	1,381	546,402	529,973	16,429
School Sponsored Athletics:						
Salaries	11-402-100-100	913,122	10,542	923,664	915,208	8,456
Purchased Professional Services	11-402-100-320	-	750	750	750	-
Purchased Professional - Technical Services	11-402-100-340	-	350	350	350	-
Rentals	11-401-100-440	-	5,500	5,500	5,500	-
General Supplies	11-401-100-600	-	39,199	39,199	34,955	4,244
Other Objects	11-402-100-800	419,138	(2,157)	416,981	383,809	33,172
Total School Sponsored Athletics		1,332,260	54,184	1,386,444	1,340,572	45,872
Other Instructional Programs:						
Salaries	11-403-100-100	7,800	6,450	14,250	6,450	7,800
Purchased Services (300-500 Series)	11-403-330-500	71,100	(16,230)	54,870	35,518	19,352
Supplies and Materials	11-403-100-600	14,510	(6,000)	8,510	95	8,415
Total Instructional Programs - Instruction		93,410	(15,780)	77,630	42,063	35,567
Alternative Education Program:						
Salaries of Teachers	11-423-100-101	121,097	(7,964)	113,133	113,094	39
Other Salaries of Instruction	11-423-100-106	45,000	19,707	64,707	63,669	1,038
General Supplies	11-423-100-610	3,500	651	4,151	2,333	1,818
Textbooks	11-423-100-640	2,225	-	2,225	-	2,225
Total Alternative Education Program		171,822	12,394	184,216	179,096	5,120
Alternative Education Program - Support Services:						
Salaries	11-423-200-100	110,121	(8,235)	101,886	101,700	186
Purchased Services (300-500 Series)	11-423-200-500	35,200	-	35,200	34,016	1,184
Supplies and Materials	11-423-200-600	2,200	-	2,200	311	1,889
Total Alternative Education Program - Support Services		147,521	(8,235)	139,286	136,027	3,259
Community Service Programs/Operations:						
Salaries	11-800-330-100	120,685	5,903	126,588	125,134	1,454
Purchased Services (300-500 Series)	11-800-330-500	66,965	(2,238)	64,727	63,018	1,709
Supplies and Materials	11-800-330-600	3,552	1,596	5,148	4,230	918
Other Objects	11-800-330-800	9,500	-	9,500	8,172	1,328
Total Community Service Programs/Operations		200,702	5,261	205,963	200,554	5,409
Total - Instruction		77,098,355	(655,444)	76,442,911	73,893,490	2,549,421
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEA's - Within State Regular	11-000-100-561	435,700	(68,742)	366,958	236,318	130,640
Tuition to Other LEA's - Within State Special	11-000-100-562	-	254,565	254,565	254,565	-
Tuition to County Vocational School District - Regular	11-000-100-563	358,000	(3,000)	355,000	355,000	-
Tuition to County Vocational School District - Special	11-000-100-564	144,500	51,850	196,350	195,900	450
Tuition to CSSD & Regional Day Schools	11-000-100-565	7,575,973	(116,662)	7,459,311	7,433,056	26,255
Tuition to Private School for the Disabled Within State	11-000-100-566	3,901,997	128,154	4,030,151	3,920,383	109,768
Tuition - State Facilities	11-000-100-568	196,016	-	196,016	196,016	-
Tuition - Other	11-000-100-569	322,100	153,804	475,904	475,904	-
Total Undistributed Expenditures - Instruction		12,934,286	399,969	13,334,255	13,067,142	267,113

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Attendance & Social Work Services:						
Salaries	11-000-211-100	463,242	392,397	855,639	844,436	11,203
Purchased Professional & Technical Services	11-000-211-300	28,400	(25,240)	3,160	3,160	-
Lease Copiers	11-000-211-440	-	3,620	3,620	3,620	-
Other Purchased Services (400-500 Series)	11-000-211-500	1,000	(1,000)	-	-	-
Supplies and Materials	11-000-211-600	4,500	10,233	14,733	13,301	1,432
Total Attendance & Social Work Services		497,142	380,010	877,152	864,517	12,635
Health Services:						
Salaries	11-000-213-100	1,988,847	(30,614)	1,958,233	1,890,153	68,080
Purchased Professional & Technical Services	11-000-213-300	152,483	33,195	185,678	107,694	77,984
Supplies and Materials	11-000-213-600	49,425	19,598	69,023	57,114	11,909
Other Objects	11-000-213-800	-	2,100	2,100	2,100	-
Total Health Services		2,190,755	24,279	2,215,034	2,057,061	157,973
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	1,576,870	443	1,577,313	1,576,425	888
Commission for the Blind	11-000-216-320	-	30,963	30,963	30,963	-
Supplies and Materials	11-000-216-600	18,140	1,269	19,409	18,143	1,266
Total Other Support Services - Students - Related Services		1,595,010	32,675	1,627,685	1,625,531	2,154
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	554,730	96,820	651,550	636,188	15,362
Purchased Professional & Technical Services	11-000-217-300	-	365,000	365,000	365,000	-
Total Other Support Services - Students - Extra Services		554,730	461,820	1,016,550	1,001,188	15,362
Guidance:						
Salaries of Other Professional Staff	11-000-218-104	3,783,810	(1,575)	3,782,235	3,708,545	73,690
Salaries of Secretarial & Clerical Assistants	11-000-218-105	507,189	14,835	522,024	522,022	2
Purchased Professional - Educational Services	11-000-218-320	56,800	(30,555)	26,245	25,903	342
Other Purchased Services (400-500 Series)	11-000-218-500	1,000	(1,000)	-	-	-
Supplies & Materials	11-000-218-600	3,580	3,300	6,880	4,238	2,642
Other Objects	11-000-218-800	830	6,000	6,830	6,055	775
Total Guidance		4,353,209	(8,995)	4,344,214	4,266,763	77,451
Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	3,750,327	(173,144)	3,577,183	3,569,351	7,832
Salaries of Secretarial & Clerical Assistants	11-000-219-105	396,940	216,630	613,570	608,228	5,342
Purchased Professional - Educational Services	11-000-219-320	886,820	(141,820)	745,000	673,173	71,827
Other Purchased Professional & Technical Services	11-000-219-390	12,000	3,972	15,972	14,661	1,311
Miscellaneous Purchased Services	11-000-219-592	25	14	39	-	39
Supplies & Materials	11-000-219-600	96,596	13,996	110,592	109,313	1,279
Other Objects	11-000-219-800	-	300	300	300	-
Total Child Study Team		5,142,708	(80,052)	5,062,656	4,975,026	87,630

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	1,031,004	-	1,031,004	843,919	187,085
Salaries of Other Professional Staff	11-000-221-104	168,647	(1,426)	167,221	150,670	16,551
Improvement of Instruction Services (continued):						
Salaries of Secretarial & Clerical Assistants	11-000-221-105	305,269	1,426	306,695	295,735	10,960
Salaries of Facilitators, Math & Literacy Coaches	11-000-221-176	525,233	-	525,233	490,389	34,844
Purchased Professional - Educational Services	11-000-221-320	18,000	90,000	108,000	92,959	15,041
Other Purchased Professional & Technical Services	11-000-221-390	90,000	(66,880)	23,120	16,104	7,016
Other Purchased Services (400-500 Series)	11-000-221-500	60,977	(849)	60,128	33,212	26,916
Supplies and Materials	11-000-221-600	27,185	(7,907)	19,278	16,639	2,639
Total Improvement of Instruction Services		2,226,315	14,364	2,240,679	1,939,627	301,052
Educational Media Services/School Library:						
Salaries	11-000-222-100	1,203,085	-	1,203,085	1,184,480	18,605
Purchased Professional & Technical Services	11-000-222-300	44,000	94,757	138,757	27,316	111,441
Supplies and Materials	11-000-222-600	201,457	(63,977)	137,480	107,231	30,249
Total Educational Media Services/School Library		1,448,542	30,780	1,479,322	1,319,027	160,295
Instructional Staff Training Services:						
Salaries of Supervisors of Instruction	11-000-223-102	101,581	1,245	102,826	102,825	1
Salaries of Other Professional Staff	11-000-223-104	40,000	(1,245)	38,755	1,291	37,464
Purchased Professional - Educational Services	11-000-223-320	105,000	-	105,000	49,046	55,954
Other Purchased Services (400-500 Series)	11-000-223-500	93,950	(26,310)	67,640	47,429	20,211
Supplies and Materials	11-000-223-600	9,250	1,371	10,621	1,609	9,012
Total Instructional Staff Training Services		349,781	(24,939)	324,842	202,200	122,642
Support Services General Administration:						
Salaries	11-000-230-100	329,744	4,345	334,089	285,555	48,534
Legal Services	11-000-230-331	355,000	(22,916)	332,084	297,027	35,057
Audit Fees	11-000-230-332	75,000	(5,451)	69,549	64,700	4,849
Architect/Engineer Services	11-000-230-334	100,000	3,587	103,587	103,127	460
Other Purchased Professional Services	11-000-230-339	161,300	31,750	193,050	158,976	34,074
Communications/Telephone	11-000-230-530	351,672	44,850	396,522	282,418	114,104
BOE Other Purchased Services	11-000-230-585	3,500	500	4,000	2,137	1,863
Miscellaneous Purchased Services	11-000-230-590	835,050	(173,109)	661,941	562,531	99,410
General Supplies	11-000-230-610	16,625	10,956	27,581	14,092	13,489
BOE In-House Training/Meeting Supplies	11-000-230-630	4,540	(4,540)	-	-	-
Legal Judgement	11-000-230-820	-	190,845	190,845	190,845	-
Miscellaneous Expenditures	11-000-230-890	3,460	2,585	6,045	5,595	450
BOE Membership Dues & Fees	11-000-230-895	35,000	(1,740)	33,260	27,861	5,399
Total Support Services General Administration		2,270,891	81,662	2,352,553	1,994,864	357,689
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	4,944,142	242,406	5,186,548	5,106,419	80,129
Salaries of Secretarial & Clerical Assistants	11-000-240-105	1,666,980	371,517	2,038,497	1,923,709	114,788
Purchased Professional & Technical Services	11-000-240-300	78,708	(64,793)	13,915	4,844	9,071
Lease Copiers	11-000-240-440	-	26,490	26,490	26,490	-
Other Purchased Services (400-500 Series)	11-000-240-500	54,547	(5,470)	49,077	44,942	4,135
Supplies & Materials	11-000-240-600	45,985	55,986	101,971	94,982	6,989
Other Objects	11-000-240-890	1,541	4,664	6,205	5,666	539
Total Support Services School Administration		6,791,903	630,800	7,422,703	7,207,052	215,651

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Central Services:						
Salaries	11-000-251-100	1,595,505	(100,651)	1,494,854	1,433,863	60,991
Miscellaneous Purchased Services	11-000-251-592	171,275	18,448	189,723	115,773	73,950
Supplies & Materials	11-000-251-600	48,765	(805)	47,960	27,584	20,376
Miscellaneous Expenditures	11-000-251-890	85,090	3,188	88,278	65,676	22,602
Total Central Services		1,900,635	(79,820)	1,820,815	1,642,896	177,919
Administrative Information Technology:						
Salaries	11-000-252-100	1,138,037	-	1,138,037	993,407	144,630
Purchased Professional & Technical Services	11-000-252-300	4,500	25,018	29,518	25,907	3,611
Other Purchased Services (400-500 Series)	11-000-252-500	259,600	126,484	386,084	380,860	5,224
Supplies & Materials	11-000-252-600	28,000	7,343	35,343	28,395	6,948
Total Administrative Information Technology		1,430,137	158,845	1,588,982	1,428,569	160,413
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	2,090,885	138,928	2,229,813	2,208,680	21,133
Purchased Professional & Technical Services	11-000-261-340	-	3,651	3,651	2,851	800
Cleaning, Repair & Maintenance Services	11-000-261-420	504,423	254,011	758,434	371,044	387,390
General Supplies	11-000-261-610	534,103	(49,974)	484,129	427,597	56,532
Other Objects	11-000-261-800	1,000	-	1,000	650	350
Total Allowable Maintenance For School Facilities		3,130,411	346,616	3,477,027	3,010,822	466,205
Other Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	5,777,701	(83,886)	5,693,815	5,682,598	11,217
Salaries of Non-Instructional Aides	11-000-262-107	689,266	(28,543)	660,723	654,181	6,542
Purchased Professional & Technical Services	11-000-262-340	-	15,308	15,308	15,308	-
Cleaning, Repair & Maintenance Services	11-000-262-420	1,093,601	3,696	1,097,297	893,256	204,041
Rental Land & Building	11-000-262-441	117,000	1,377	118,377	112,245	6,132
Other Purchased Property Services	11-000-262-490	364,254	-	364,254	357,886	6,368
Insurance	11-000-262-520	193,720	79,487	273,207	273,207	-
Miscellaneous Purchased Services	11-000-262-590	5,860	(3,860)	2,000	646	1,354
General Supplies	11-000-262-610	505,863	(84,590)	421,273	369,911	51,362
Energy (Natural Gas)	11-000-262-621	1,045,000	72,600	1,117,600	863,975	253,625
Energy (Electricity)	11-000-262-622	1,513,056	378,190	1,891,246	1,885,649	5,597
Energy (Gasoline)	11-000-262-626	81,000	-	81,000	62,066	18,934
Other Objects	11-000-262-800	550	5	555	550	5
Total Operation & Maintenance of Plant Services		11,386,871	349,784	11,736,655	11,171,478	565,177
Care & Upkeep of Grounds:						
Salaries	11-000-263-100	613,447	62,375	675,822	654,520	21,302
Cleaning, Repair & Maintenance Services	11-000-263-420	71,000	42,195	113,195	89,859	23,336
General Supplies	11-000-263-610	50,000	18,874	68,874	67,057	1,817
Total Care & Upkeep of Grounds		734,447	123,444	857,891	811,436	46,455
Security:						
Salaries	11-000-266-100	414,588	(9,252)	405,336	395,779	9,557
Security Services	11-000-266-390	-	24,940	24,940	23,750	1,190
Other Objects	11-000-266-800	104,157	2,523	106,680	104,200	2,480
Total Security		518,745	18,211	536,956	523,729	13,227
Student Transportation Services:						
Salaries of Non-Instructional Aides	11-000-270-107	10,000	-	10,000	-	10,000
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	175,530	4,724	180,254	180,217	37
Salaries for Pupil Transportation (Between Home & School) - Special Education	11-000-270-161	195,178	(4,724)	190,454	186,627	3,827

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Other Purchased Professional & Technical Services	11-000-270-390	6,200	4,355	10,555	9,960	595
Cleaning, Repair & Maintenance Services	11-000-270-420	6,000	10,000	16,000	12,541	3,459
Contracted Services- Aid in Lieu Payments	11-000-270-503	202,000	23,000	225,000	220,986	4,014
Contracted Services (Between Home & School) - Regular - Vendors	11-000-270-511	3,600,850	(29,793)	3,571,057	3,250,299	320,758
Student Transportation Services (continued):						
Contracted Services (Other Than Between Home & School) - Regular - Vendors	11-000-270-512	445,258	40,341	485,599	422,840	62,759
Contracted Services (Between Home & School) - Special Education - Vendors	11-000-270-514	4,604,315	(55,962)	4,548,353	4,278,174	270,179
Contracted Services (Between Home & School) - Special Education - Joint	11-000-270-515	-	37,441	37,441	37,441	-
Contracted Services - ESC's & CTSA's - (Special Education Students)	11-000-270-518	850,000	3,920	853,920	725,755	128,165
Miscellaneous Purchased Services - Transportation	11-000-270-593	3,300	-	3,300	353	2,947
General Supplies	11-000-270-610	38,000	(883)	37,117	20,452	16,665
Transportation Supplies	11-000-270-615	27,000	(9,934)	17,066	15,916	1,150
Other Objects	11-000-270-800	2,100	-	2,100	941	1,159
Total Student Transportation Services		10,165,731	22,485	10,188,216	9,362,502	825,714
Unallocated Benefits Employee Benefits:						
Group Insurance	11-000-291-210	170,000	(22,564)	147,436	146,915	521
Social Security Contributions	11-000-291-220	2,366,859	-	2,366,859	2,194,872	171,987
Other Retirement Contributions	11-000-291-241	2,370,963	1,070	2,372,033	2,368,937	3,096
Workmen's Compensation	11-000-291-260	1,173,000	(159,985)	1,013,015	856,093	156,922
Health Benefits	11-000-291-270	30,593,195	219,794	30,812,989	26,184,913	4,628,076
Tuition Reimbursements	11-000-291-280	255,000	-	255,000	223,177	31,823
Other Employee Benefits	11-000-291-290	550,000	508,482	1,058,482	1,055,380	3,102
Total Unallocated Benefits - Employee Benefits		37,479,017	546,797	38,025,814	33,030,287	4,995,527
Nonbudgeted:						
On-Behalf TPAF Post Retirement Medical Contributions		-	-	-	6,842,792	(6,842,792)
On-Behalf TPAF Pension Contributions		-	-	-	4,310,419	(4,310,419)
Reimbursed TPAF Social Security		-	-	-	5,896,653	(5,896,653)
Total Undistributed Expenditures		107,101,266	3,428,735	110,530,001	118,551,581	(8,021,580)
Total Expenditures - Current Expense		184,199,621	2,773,291	186,972,912	192,445,071	(5,472,159)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604	30,000	(30,000)	-	-	-
Equipment:						
Grades 1-5	12-120-100-730	86,592	(63,161)	23,431	20,431	3,000
Grades 6-8	12-130-100-730	45,632	2,351	47,983	47,982	1
Grades 9-12	12-140-100-730	81,194	28,748	109,942	84,467	25,475
Undistributed Expenditures:						
Support Services:						
Student Regular	12-000-210-730	87,000	(74,817)	12,183	10,479	1,704
Special Services	12-000-219-730	-	22,037	22,037	22,037	-
Instructional Staff	12-000-220-730	1,083,507	(1,083,487)	20	-	20
General Administration	12-000-230-730	4,355	(4,355)	-	-	-
Central Services	12-000-251-730	7,255	(4,735)	2,520	2,520	-
Administrative Information Technology	12-000-252-730	55,000	(24,000)	31,000	14,825	16,175
Operation & Maintenance	12-000-262-730	-	37,483	37,483	26,754	10,729
Care & Upkeep of Grounds	12-000-263-730	-	16,000	16,000	15,953	47
Student Transportation	12-000-270-732	21,200	(4,355)	16,845	13,875	2,970
Total Equipment		1,501,735	(1,182,291)	319,444	259,323	60,121

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Facilities Acquisition & Construction Services:						
Architectural/Engineering Services	12-000-400-334	-	103,772	103,772	15,240	88,532
Construction Services	12-000-400-450	193,000	1,383,478	1,576,478	147,727	1,428,751
Assessment for Debt Service on SDA Funding	12-000-400-896	146,170	-	146,170	146,170	-
Total Facilities Acquisition & Construction Services		339,170	1,487,250	1,826,420	309,137	1,517,283
Total Capital Outlay		1,840,905	304,959	2,145,864	568,460	1,577,404
Special Schools:						
Accredited Evening\Adult High School - Instruction:						
Salaries of Teachers	13-601-100-101	93,530	(2,938)	90,592	81,023	9,569
General Supplies	13-601-100-610	800	-	800	490	310
Textbooks	13-601-100-640	2,425	(1,092)	1,333	-	1,333
Total Accredited Evening\Adult High School Instruction		96,755	(4,030)	92,725	81,513	11,212
Accredited Evening\Adult High School - Instruction:						
Salaries of Teachers	13-601-200-101	27,430	-	27,430	23,106	4,324
Personal Services - Employee Benefits	13-601-200-200	9,000	-	9,000	-	9,000
Purchased Professional & Technical Services	13-601-200-300	12,900	-	12,900	9,200	3,700
Other Purchased Services (400-500 Series)	13-601-200-500	350	-	350	-	350
Supplies and Materials	13-601-200-600	1,100	-	1,100	999	101
Total Accredited Evening\Adult High School Instruction		50,780	-	50,780	33,305	17,475
GED Test Centers						
Supplies and Materials	13-640-200-600	6,510	1,093	7,603	7,594	9
Other Objects	13-640-200-800	100	-	100	-	100
Total GED Test Centers		6,610	1,093	7,703	7,594	109
Total Special Schools		154,145	(2,937)	151,208	122,412	28,796
Total Expenditures		186,194,671	3,075,313	189,269,984	193,135,943	(3,865,959)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures						
		(10,568,091)	(3,075,313)	(13,643,404)	1,772,997	15,416,401
Other Financing Sources/(Uses):						
Transfer to Capital Projects	12-000-400-932	-	(900,000)	(900,000)	(593,960)	306,040
Transfer from Capital Projects		-	-	-	1,403,472	1,403,472
Transfer of Funds - Charter School	10-100-100-560	(595,620)	(408,989)	(1,004,609)	(922,540)	82,069
Total Other Financing Sources/(Uses):		(595,620)	(1,308,989)	(1,904,609)	(113,028)	1,791,581
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/(Uses)						
		(11,163,711)	(4,384,302)	(15,548,013)	1,659,969	17,207,982
Fund Balances, July 1		25,303,311	-	25,303,311	25,303,311	-
Fund Balances, June 30		\$ 14,139,600	\$ (4,384,302)	\$ 9,755,298	\$ 26,963,280	\$ 17,207,982

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Reserve for Encumbrances	\$ 2,039,352
Approved Budget Increase from Capital Reserve	<u>2,344,950</u>
Total Budget Transfers	<u>\$ 4,384,302</u>

RECAPITULATION OF FUND BALANCE

Nonspendable Fund Balance:	
Inventory	\$ 348,053
Restricted Fund Balance:	
Reserve for Excess Surplus	2,478,571
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	2,617,652
Capital Reserve	5,957,952
Maintenance Reserve Account	711,245
Assigned Fund Balance:	
Year-End Encumbrances	4,919,016
Designated for Subsequent Year's Expenditures	5,058,833
Designated for Subsequent Year's Expenditures - ARRA SEMI Program	92,222
Unassigned Fund Balance	<u>4,779,736</u>
Subtotal	<u>26,963,280</u>
Reconciliation to Governmental Fund Statements (GAAP):	
State Aid Payments Not Recognized on GAAP Basis:	
Final Two State Aid Payments	<u>(6,641,357)</u>
Fund Balance per Governmental Funds (GAAP)	<u>\$ 20,321,923</u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

REVENUES	JUNE 30, 2015				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Local Sources	\$ -	\$ 111,411	\$ 111,411	\$ 111,411	\$ -
State Sources	1,552,359	(88,400)	1,463,959	1,463,959	-
Federal Sources	6,336,177	(856,222)	5,479,955	5,479,955	-
Total Revenues	7,888,536	(833,211)	7,055,325	7,055,325	-
EXPENDITURES:					
Instruction:					
Salaries of Teachers	1,074,410	(50,004)	1,024,406	1,024,406	-
Other Salaries for Instruction	1,378,698	(170,280)	1,208,418	1,208,418	-
Other Purchased Services (400-500 Series)	991,247	(34,750)	956,497	956,497	-
Purchased Professional - Educational Services	1,213,000	30,171	1,243,171	1,243,171	-
General Supplies	134,749	33,346	168,095	168,095	-
Textbooks	202,104	(68,979)	133,125	133,125	-
Other Objects	15,000	(3,566)	11,434	11,434	-
Total Instruction	5,009,208	(264,062)	4,745,146	4,745,146	-
Support Services:					
Salaries of Supervisors of Instruction	107,375	100,266	207,641	207,641	-
Salaries of Other Professional Staff	282,455	98,829	381,284	381,284	-
Salaries of Secretarial & Clerical Assistants	779,621	(207,642)	571,979	571,979	-
Personal Services - Employee Benefits	572,901	(218,116)	354,785	354,785	-
Purchased Professional - Educational Services	960,070	(371,043)	589,027	589,027	-
Other Purchased Professional Services	149,320	(127,246)	22,074	22,074	-
Supplies & Materials	26,086	55,163	81,249	81,249	-
Other Objects	1,500	(1,038)	462	462	-
Total Support Services	2,879,328	(670,827)	2,208,501	2,208,501	-
Facilities Acquisitions & Construction Services:					
Instructional Equipment	-	90,078	90,078	90,078	-
Noninstructional Equipment	-	11,600	11,600	11,600	-
Total Facilities Acquisitions & Construction Services	-	101,678	101,678	101,678	-
Total Expenditures	7,888,536	(833,211)	7,055,325	7,055,325	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)					
	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2015**

**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 (C-Series)	\$ 194,908,940	\$ 7,055,325
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	(12,943)
Prior Year	-	51,337
State aid revenue adjustment due to last two state aid payments not being recognized in accordance with GASB No. 33		
Current Year	(6,641,357)	-
Prior Year	6,694,987	-
	\$ 194,962,570	\$ 7,093,719
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	\$ 194,962,570	\$ 7,093,719
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 193,135,943	\$ 7,055,325
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Current Year	-	(12,943)
Prior Year	-	51,337
	\$ 193,135,943	\$ 7,093,719
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	\$ 193,135,943	\$ 7,093,719

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS**

	2015	2014
District's proportion of the net pension liability (asset)	0.27982%	0.27308%
District's proportionate share of the net pension liability (asset)	\$ 52,390,645	\$ 52,191,191
District's covered-employee payroll	19,738,010	19,378,679
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	265.43%	269.32%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	48.72%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS**

	<u>2015</u>		<u>2014</u>
Contractually required contribution	\$ 2,494,210	\$	2,306,826
Contributions in relation to the contractually required contribution	<u>2,494,210</u>		<u>2,306,826</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$</u>	<u>-</u>
District's covered-employee payroll	\$ 19,738,010	\$	19,378,679
Contributions as a percentage of covered-employee payroll	12.64%		11.90%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS

	2015	2014
District's proportion of the net pension liability (asset)	0.78907%	0.78442%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 421,730,111	\$ 396,438,495
District's covered-employee payroll	79,224,264	79,538,226
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	33.76%

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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HAMILTON BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015

Teachers Pension and Annuity Fund (TPAF)

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

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

Public Employees' Retirement System (PERS)

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

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

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	TITLE I PART A	TITLE II PART A	TITLE IIIA	TITLE IIID	I.D.E.A. PART B BASIC REGULAR	I.D.E.A. PART B PRE- SCHOOL	PERKINS GRANT
Revenues:							
Federal Sources	\$ 1,354,127	\$ 158,689	\$ 218,490	\$ 4,308	\$ 3,611,736	\$ 107,012	\$ 25,593
Total Revenues	<u>\$ 1,354,127</u>	<u>\$ 158,689</u>	<u>\$ 218,490</u>	<u>\$ 4,308</u>	<u>\$ 3,611,736</u>	<u>\$ 107,012</u>	<u>\$ 25,593</u>
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 756,065	\$ 93,203	\$ 66,842	\$ -	\$ 107,324	\$ -	\$ -
Other Salaries for Instruction	86,795	-	-	-	1,121,623	-	-
Purchased Professional - Educational Services	11,380	-	-	-	-	-	8,884
Other Purchased Services	-	-	-	-	956,268	-	-
General Supplies	42,074	-	65,585	4,308	-	-	-
Other Objects	-	-	-	-	-	-	11,434
Total Instruction	<u>896,314</u>	<u>93,203</u>	<u>132,427</u>	<u>4,308</u>	<u>2,185,215</u>	<u>-</u>	<u>20,318</u>
Support Services:							
Salaries of Supervisors of Instruction	-	-	-	-	207,641	-	-
Salaries of Other Professional Staff	6,608	-	50,905	-	231,051	92,720	-
Salaries of Secretarial & Clerical Assistants	225,111	-	-	-	346,868	-	-
Personal Services - Employee Benefits	211,665	20,132	10,996	-	97,700	14,292	-
Purchased Professional - Educational Services	6,302	35,264	4,200	-	543,261	-	-
Other Purchased Services	-	1,374	15,425	-	-	-	5,275
Supplies & Materials	8,127	8,716	4,537	-	-	-	-
Total Support Services	<u>457,813</u>	<u>65,486</u>	<u>86,063</u>	<u>-</u>	<u>1,426,521</u>	<u>107,012</u>	<u>5,275</u>
Total Expenditures	<u>\$ 1,354,127</u>	<u>\$ 158,689</u>	<u>\$ 218,490</u>	<u>\$ 4,308</u>	<u>\$ 3,611,736</u>	<u>\$ 107,012</u>	<u>\$ 25,593</u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015**

	NHS SCHOOL SIGN	ROBINSON DONATION	JOS A BANK	HAMILTON EDUCATION FOUNDATION	S.T.E.P.	TCNJ
Revenues:						
Local Sources	11,600	8,167	2,700	28,103	972	714
Total Revenues	\$ 11,600	\$ 8,167	\$ 2,700	\$ 28,103	\$ 972	\$ 714
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 972	\$ -
Purchased Professional - Educational Services	-	-	2,700	-	-	-
Other Purchased Professional Services	-	229	-	-	-	-
General Supplies	-	940	-	-	-	-
Textbooks	-	-	-	28,103	-	-
Total Instruction	-	1,169	2,700	28,103	972	-
Support Services:						
Supplies & Materials	-	-	-	-	-	714
Total Support Services	-	-	-	-	-	714
Facilities Acquisitions & Construction Services:						
Instructional Equipment	-	6,998	-	-	-	-
Non-Instructional Equipment	11,600	-	-	-	-	-
Total Facilities Acquisitions & Construction Services	11,600	6,998	-	-	-	-
Total Expenditures	\$ 11,600	\$ 8,167	\$ 2,700	\$ 28,103	\$ 972	\$ 714

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2015**

	SAFETY GRANT	TECHNOLOGY	NONPUBLIC NURSING	NONPUBLIC TEXTBOOKS	NEW JERSEY CH. 193 CORRECTIVE SPEECH
Revenues:					
State Sources	\$ -	\$ 55,650	\$ 168,358	\$ 105,022	\$ 111,581
Local Sources	59,155	-	-	-	-
Total Revenues	\$ 59,155	\$ 55,650	\$ 168,358	\$ 105,022	\$ 111,581
Expenditures:					
Instruction:					
Purchased Professional - Educational Services	\$ -	\$ -	\$ 168,358	\$ -	\$ 111,581
General Supplies	-	55,188	-	-	-
Textbooks	-	-	-	105,022	-
Total Instruction	-	55,188	168,358	105,022	111,581
Support Services:					
General Supplies	59,155	-	-	-	-
Miscellaneous Expenditures	-	462	-	-	-
Total Support Services	59,155	462	-	-	-
Total Expenditures	\$ 59,155	\$ 55,650	\$ 168,358	\$ 105,022	\$ 111,581

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

NEW JERSEY CH. 192 ENGLISH AS A SECOND LANGUAGE	NEW JERSEY CH. 192 TRANSPOR- TATION	NEW JERSEY CH. 192 COMPENSATORY EDUCATION	NEW JERSEY CH. 193 SUPPLEMENTAL INSTRUCTION	NEW JERSEY CH. 193 EXAMINATION & CLASSIFICATION	
\$ 12,051	\$ 119,166	\$ 483,022	\$ 817	\$ 137,701	\$ 187,511
\$ 12,051	\$ 119,166	\$ 483,022	\$ 817	\$ 137,701	\$ 187,511
Revenues: State Sources					
Total Revenues					
Expenditures: Instruction: Purchased Professional - Educational Services					
	\$ 12,051	\$ 119,166	\$ 483,022	\$ 817	\$ 137,701
Total Instruction	12,051	119,166	483,022	817	137,701
Total Expenditures	\$ 12,051	\$ 119,166	\$ 483,022	\$ 817	\$ 137,701
	\$ 12,051	\$ 119,166	\$ 483,022	\$ 817	\$ 137,701
					\$ 187,511

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	DRIVERS EDUCATION GRANT	2015
Revenues:		
State Sources	\$ 83,080	\$ 1,463,959
Federal Sources	-	5,479,955
Local Sources	-	111,411
	<hr/>	<hr/>
Total Revenues	\$ 83,080	\$ 7,055,325
	<hr/>	<hr/>
Expenditures:		
Instruction:		
Salaries of Teachers	\$ -	\$ 1,024,406
Other Salaries for Instruction	-	1,208,418
Purchased Professional - Educational Services	-	1,243,171
Other Purchased Services	-	956,497
General Supplies	-	168,095
Textbooks	-	133,125
Other Objects	-	11,434
	<hr/>	<hr/>
Total Instruction	-	4,745,146
	<hr/>	<hr/>
Support Services:		
Salaries of Supervisors of Instruction	-	207,641
Salaries of Other Professional Staff	-	381,284
Salaries of Secretarial & Clerical Assistants	-	571,979
Personal Services - Employee Benefits	-	354,785
Purchased Professional - Educational Services	-	589,027
Other Purchased Professional Services	-	22,074
Supplies & Materials	-	81,249
Miscellaneous Expenditures	-	462
	<hr/>	<hr/>
Total Support Services	-	2,208,501
	<hr/>	<hr/>
Facilities Acquisitions & Construction Services:		
Instructional Equipment	83,080	90,078
Non-Instructional Equipment	-	11,600
	<hr/>	<hr/>
Total Facilities Acquisitions & Construction Services	83,080	101,678
	<hr/>	<hr/>
Total Expenditures	\$ 83,080	\$ 7,055,325
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F. Capital Projects Fund

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

PROJECT TITLE/ISSUE	APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE JUNE 30, 2015
		PRIOR YEARS	CURRENT YEAR	
Various Capital Improvements: Transfer from General Fund	\$ 3,631,578	\$ 3,053,193	\$ -	\$ 578,385
Sayen Elementary School - Roof Replacement	474,929	18,900	359,870	96,159
Hamilton East - Steinart High School - Partial Roof Replacement	850,372	31,410	562,727	256,235
Richard C. Crockett Middle School - Roof Replacement	3,257,851	87,375	2,238,481	931,995
Alexander Elementary School - Partial Roof Replacement	722,035	25,650	584,827	111,558
Univ. Heights/H.D. Morrison Elementary School - Various Improvements	424,717	-	232,452	192,265
George E. Wilson Elementary School - Various Improvements	424,717	-	172,133	252,584
ESIP Lease Purchase	18,962,000	-	1,705,444	17,256,556
Educational Equipment Lease Purchase	3,065,000	-	2,592,361	472,639
Various Capital Improvements: Transfer from Capital Reserve	1,561,579	1,200,724	256,001	104,854
Total	\$ 33,374,778	\$ 4,417,252	\$ 8,704,296	\$ 20,253,230

Reconciliation - Unexpended Capital Project
Balances to Fund Balance - June 30, 2015:

Unexpended Project Balances June 30, 2015	\$ 20,253,230
Total Fund Balance (Budgetary Basis) - June 30, 2015	<u>20,253,230</u>
Less:	
Unexpended State Aid - ROD Grants	<u>801,653</u>
Total Fund Balance (GAAP Basis) - June 30, 2015	<u><u>\$ 19,451,577</u></u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

Revenues & Other Financing Sources:	
SDA Grants	\$ 2,461,849
Lease Proceeds	22,027,000
Transfer from Capital Reserve	<u>593,960</u>
 Total Revenues	 <u>25,082,809</u>
Expenditures & Other Financing Uses:	
Purchased Professional & Technical Services	1,980,750
Equipment	2,334,361
Construction Services	4,389,185
Transfer to General Fund	<u>1,403,472</u>
 Total Expenditures	 <u>10,107,768</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	14,975,041
Fund Balance - Beginning	<u>5,278,189</u>
 Fund Balance - Ending	 <u><u>\$ 20,253,230</u></u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
SAYEN ELEMENTARY SCHOOL - ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ -	\$ 189,972	\$ 189,972	\$ 189,972
Transfer from Capital Reserve	450,403	(165,446)	284,957	284,957
Total Reserve	450,403	24,526	474,929	474,929
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	18,900	6,874	25,774	105,929
Construction Services	-	352,996	352,996	369,000
Total Expenditures & Other Financing Uses	18,900	359,870	378,770	474,929
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 431,503	\$ (335,344)	\$ 96,159	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-240-14-1007
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 474,929
Additional Authorized Cost	
Revised Authorized Cost	\$ 474,929
Percentage of Original Authorized Cost	100.00%
Percentage Completion	79.75%
Original Target Completion Date	2014-2015
Revised Target Completion Date	2015-2016

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
HAMILTON EAST-STEINERT HIGH SCHOOL - PARTIAL ROOF REPLACEMENT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ -	\$ 340,149	\$ 340,149	\$ 340,149
Transfer from Capital Reserve	739,843	(229,620)	510,223	510,223
Total Reserve	739,843	110,529	850,372	850,372
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	31,410	9,954	41,364	219,561
Construction Services	-	552,773	552,773	630,811
Total Expenditures & Other Financing Uses	31,410	562,727	594,137	850,372
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 708,433	\$ (452,198)	\$ 256,235	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-050-14-1001
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 850,372
Additional Authorized Cost	
Revised Authorized Cost	\$ 850,372
Percentage of Original Authorized Cost	100.00%
Percentage Completion	69.87%
Original Target Completion Date	2014-2015
Revised Target Completion Date	2015-2016

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
RICHARD C. CROCKETT MIDDLE SCHOOL - ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ -	\$ 1,303,140	\$ 1,303,140	\$ 1,303,140
Transfer from Capital Reserve	2,692,551	(737,840)	1,954,711	1,954,711
Total Reserve	2,692,551	565,300	3,257,851	3,257,851
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	87,375	14,217	101,592	388,251
Construction Services	-	2,224,264	2,224,264	2,869,600
Total Expenditures & Other Financing Uses	87,375	2,238,481	2,325,856	3,257,851
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 2,605,176	\$ (1,673,181)	\$ 931,995	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-083-14-1005
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,257,851
Additional Authorized Cost	
Revised Authorized Cost	\$ 3,257,851
Percentage of Original Authorized Cost	100.00%
Percentage Completion	71.39%
Original Target Completion Date	2014-2015
Revised Target Completion Date	2015-2016

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ALEXANDER ELEMENTARY SCHOOL - PARTIAL ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ -	\$ 288,814	\$ 288,814	\$ 288,814
Transfer from Capital Reserve	703,787	(270,566)	433,221	433,221
Total Reserve	703,787	18,248	722,035	722,035
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	25,650	8,624	34,274	93,387
Construction Services	-	576,203	576,203	628,648
Total Expenditures & Other Financing Uses	25,650	584,827	610,477	722,035
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 678,137	\$ (566,579)	\$ 111,558	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-085-14-1006
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 722,035
Additional Authorized Cost	
Revised Authorized Cost	\$ 722,035
Percentage of Original Authorized Cost	100.00%
Percentage Completion	84.55%
Original Target Completion Date	2014-2015
Revised Target Completion Date	2015-2016

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
H.E.P. AT WILLEY SCHOOL - WINDOW REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ 52,422	\$ -	\$ 52,422	\$ 52,422
Transfer from Capital Outlay	146,229	-	146,229	146,230
Total Reserve	198,651	-	198,651	198,652
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	14,288	-	14,288	14,289
Construction Services	160,415	-	160,415	173,672
Cancellation of Project	10,691	-	10,691	10,691
Total Expenditures & Other Financing Uses	185,394	-	185,394	198,652
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 13,257	\$ -	\$ 13,257	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-X04-09-1004
Grant Date	2009-2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 252,165
Additional Authorized Cost	
Revised Authorized Cost	\$ 198,652
Percentage Decrease Over Original Authorized Cost	-26.94%
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	2011-2012

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
MORGAN ELEMENTARY SCHOOL - ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ 218,236	\$ -	\$ 218,236	\$ 218,236
Transfers from Capital Reserve	388,223	-	388,223	388,223
Total Reserve	606,459	-	606,459	606,459
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	42,260	-	42,260	42,260
Construction Services	482,096	-	482,096	564,199
Total Expenditures & Other Financing Uses	524,356	-	524,356	606,459
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 82,103	\$ -	\$ 82,103	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-220-10-1004
Grant Date	2011-2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 665,000
Additional Authorized Cost	-
Revised Authorized Cost	\$ 665,000
Percentage of Original Authorized Cost	100.00%
Percentage Completion	91%
Original Target Completion Date	N/A
Revised Target Completion Date	2013-2014

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
YARDVILLE HEIGHTS ELEMENTARY SCHOOL - WINDOW REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ 189,374	\$ -	\$ 189,374	\$ 189,374
Transfers from Capital Reserve	265,626	-	265,626	265,626
Total Reserve	455,000	-	455,000	455,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	30,821	-	30,821	30,821
Construction Services	373,858	-	373,858	424,179
Total Expenditures & Other Financing Uses	404,679	-	404,679	455,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 50,321	\$ -	\$ 50,321	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-220-10-1004
Grant Date	2011-2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 455,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 455,000
Percentage of Original Authorized Cost	100.00%
Percentage Completion	100%
Original Target Completion Date	N/A
Revised Target Completion Date	2013-2014

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
GRICE MIDDLE SCHOOL - ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ 585,950	\$ -	\$ 585,950	\$ 585,950
Authorized Transfer from Prior ROD Grants Local Balance	650,000	-	650,000	650,000
Transfer from Capital Outlay	277,019	-	277,019	277,019
Total Reserve	1,512,969	-	1,512,969	1,512,969
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	92,797	-	92,797	92,797
Construction Services	1,300,100	-	1,300,100	1,420,172
Total Expenditures & Other Financing Uses	1,392,897	-	1,392,897	1,512,969
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 120,072	\$ -	\$ 120,072	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	1950-070-10-1002
Grant Date	2011-2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,574,219
Additional Authorized Cost	-
Revised Authorized Cost	\$ 1,574,219
Percentage of Original Authorized Cost	100.00%
Percentage Completion	96%
Original Target Completion Date	N/A
Revised Target Completion Date	2013-2014

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ROBINSON ELEMENTARY SCHOOL - ROOF REPLACEMENT PROJECT
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - ROD Grant	\$ 235,517	\$ -	\$ 235,517	\$ 235,517
Transfers from Capital Reserve	500,000	-	500,000	500,000
Transfer from Capital Outlay	122,981	-	122,981	122,981
	<hr/>			
Total Reserve	858,498	-	858,498	858,498
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	61,166	-	61,166	49,214
Construction Services	484,701	-	484,701	809,284
	<hr/>			
Total Expenditures & Other Financing Uses	545,867	-	545,867	858,498
	<hr/>			
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 312,631	\$ -	\$ 312,631	\$ -
	<hr/> <hr/>			

ADDITIONAL PROJECT INFORMATION

Project Number	1950-225-10-1003
Grant Date	2011-2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,057,916
Additional Authorized Cost	-
Revised Authorized Cost	\$ 1,057,916
Percentage of Original Authorized Cost	100%
Percentage Completion	81%
Original Target Completion Date	N/A
Revised Target Completion Date	2013-2014

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
VARIOUS PROJECTS FUNDED BY CAPITAL RESERVE
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,477,279	\$ 84,300	\$ 1,561,579	\$ 1,561,579
Total Reserve	1,477,279	84,300	1,561,579	1,561,579
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	5,703	5,703	8,625
Construction Services	1,200,724	250,298	1,451,022	1,552,954
Total Expenditures & Other Financing Uses	1,200,724	256,001	1,456,725	1,561,579
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ 276,555	\$ (171,701)	\$ 104,854	\$ -

ADDITIONAL PROJECT INFORMATION

PROJECT	ORIGINAL	EXPENDED	REMAINING
High School West - Plumbing Project - 2012/2013	\$ 213,500	191,084	\$ 22,416
Alex Elementary School - Roof Project - 2012/2013	151,250	137,500	13,750
Kuser Elementary School - Paving Project - 2013/2014	308,682	303,962	4,720
Langtree Elementary School - Paving Project - 2013/2014	38,585	36,199	2,386
Hamilton Educational Program - Paving Project - 2013/2014	71,658	66,000	5,658
Nottingham High School - PA System Upgrade - 2013/2014	217,835	200,713	17,122
Hamilton High School West - Technology Lab and Classroom Repairs - 2013/2014	246,364	220,564	25,800
George E. Wilson Elementary School Generator - 2014/2015	84,300	71,298	13,002
			<u>104,854</u>
Project Number		N/A	
Grant Date		N/A	
Bond Authorization Date		N/A	
Bonds Authorized		N/A	
Bonds Issued		N/A	
Original Authorized Cost		N/A	
Additional Authorized Cost		N/A	
Revised Authorized Cost		N/A	
Percentage of Original Authorized Cost		N/A	
Percentage Completion		N/A	
Original Target Completion Date		N/A	
Revised Target Completion Date		N/A	

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
UNIVERSITY HEIGHTS/H.D. MORRISON ELEMENTARY SCHOOL IMPROVEMENTS
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
SDA Grant	\$ -	\$ 169,887	\$ 169,887	\$ 169,887
Transfer from Capital Reserve	-	254,830	254,830	254,830
Total Reserve	-	424,717	424,717	424,717
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	27,129	27,129	27,550
Construction Services	-	205,323	205,323	397,167
Total Expenditures & Other Financing Uses	-	232,452	232,452	424,717
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 192,265	\$ 192,265	\$ -

Project Number	1950-250-14-1000
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 424,717
Additional Authorized Cost	
Revised Authorized Cost	\$ 424,717
Percentage of Original Authorized Cost	100.00%
Percentage Completion	54.73%
Original Target Completion Date	N/A
Revised Target Completion Date	2015-2016

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
GEORGE E. WILSON ELEMENTARY SCHOOL IMPROVEMENTS
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
SDA Grant	\$ -	\$ 169,887	\$ 169,887	\$ 169,887
Transfer from Capital Reserve	-	254,830	254,830	254,830
Total Reserve	-	424,717	424,717	424,717
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	21,879	21,879	23,500
Construction Services	-	150,254	150,254	401,217
Total Expenditures & Other Financing Uses	-	172,133	172,133	424,717
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 252,584	\$ 252,584	\$ -

Project Number	1950-105-14-2000
Grant Date	2014-2015
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 424,717
Additional Authorized Cost	
Revised Authorized Cost	\$ 424,717
Percentage of Original Authorized Cost	100.00%
Percentage Completion	40.53%
Original Target Completion Date	N/A
Revised Target Completion Date	2015-2016
Revised Target Completion Date	N/A

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM - LEASE PURCHASE
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Lease Proceeds	\$ -	\$ 18,962,000	\$ 18,962,000	\$ 18,962,000
Total Reserve	-	18,962,000	18,962,000	18,962,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	1,705,444	1,705,444	4,146,210
Construction Services	-	-	-	14,815,790
Total Expenditures & Other Financing Uses	-	1,705,444	1,705,444	18,962,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 17,256,556	\$ 17,256,556	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 18,962,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 18,962,000
Percentage of Original Authorized Cost	100.00%
Percentage Completion	8.99%
Original Target Completion Date	N/A
Revised Target Completion Date	2015-2018
Revised Target Completion Date	N/A

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
PROJECT STATUS--BUDGETARY BASIS
EDUCATIONAL EQUIPMENT - LEASE PURCHASE
FOR INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Lease Proceeds	\$ -	\$ 3,065,000	\$ 3,065,000	\$ 3,065,000
Total Reserve	-	3,065,000	3,065,000	3,065,000
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	-	180,926	180,926	313,760
Supplies & Equipment	-	2,334,361	2,334,361	2,523,740
Construction Services	-	77,074	77,074	227,500
Total Expenditures & Other Financing Uses	-	2,592,361	2,592,361	3,065,000
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ 472,639	\$ 472,639	\$ -

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 3,065,000
Additional Authorized Cost	
Revised Authorized Cost	\$ 3,065,000
Percentage of Original Authorized Cost	100.00%
Percentage Completion	84.58%
Original Target Completion Date	N/A
Revised Target Completion Date	2015-2016
Revised Target Completion Date	N/A

G. Proprietary Funds

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Enterprise Funds

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EXHIBIT G-1
HAMILTON TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2015

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	\$ 262,513
Accounts Receivable:	
State	11,725
Federal	567,172
Other	26,144
Interfund Receivable	16,471
Inventories	31,055
	915,080
Total Current Assets	915,080
Noncurrent Assets:	
Furniture, Machinery & Equipment	835,377
Less: Accumulated Depreciation	(577,303)
	258,074
Total Noncurrent Assets	258,074
Total Assets	1,173,154
LIABILITIES	
Current Liabilities:	
Accounts Payable	7,520
Unearned Revenue	26,286
Noncurrent Liabilities:	
Compensated Absences	2,633
	36,439
Total Liabilities	36,439
NET POSITION	
Net Investment in	
Capital Assets	258,074
Unrestricted	878,641
	1,136,715
Total Net Position	\$ 1,136,715

EXHIBIT G-2

**HAMILTON TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <hr style="border-top: 1px solid black;"/>
	FOOD SERVICE
Operating Revenues:	
Charges for Services:	
Daily Sales - Reimbursable Programs:	
School Lunch Program	\$ 567,031
Daily Sales Nonreimbursable Programs:	
School Lunch Program	<u>399,644</u>
Total Operating Revenues	<u>966,675</u>
Operating Expenses:	
Salaries	1,043,169
Employee Benefits	283,071
Management & Consultant Fees	184,286
Supplies & Materials	209,649
Depreciation	29,218
Cost of Sales	1,267,520
Direct Expense	<u>163,330</u>
Total Operating Expenses	<u>3,180,243</u>
Operating Income/(Loss)	<u>(2,213,568)</u>
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	38,737
Federal Sources:	
National School Lunch Program	1,639,942
National School Breakfast Program	287,471
Healthy Hunger-Free Kids Act	44,495
Seamless Summer Option	19,778
Special Milk	949
Fresh Fruit and Vegetable	14,265
Food Distribution Program	198,915
Interest & Investment Revenue	3,707
Food Service Guarantee	202,847
Gain on Appraisal of Fixed Assets	<u>44,219</u>
Total Nonoperating Revenues/(Expenses)	<u>2,495,325</u>
Change in Net Position	281,757
Total Net Position - Beginning	<u>854,958</u>
Total Net Position - Ending	<u><u>\$ 1,136,715</u></u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u> FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 1,599,066
Cash Payments to Suppliers for Goods & Services	(2,344,884)
Cash Payments for Employee Benefits	(283,071)
Cash Payments to Employees for Services	(1,043,169)
	(2,072,058)
Net Cash Provided/(Used) by Operating Activities	(2,072,058)
Cash Flows from Noncapital Financing Activities:	
Cash Received from State & Federal Sources	2,050,022
Cash Received from Food Service Guarantee	202,847
	2,252,869
Net Cash Flows from Noncapital Financing Activities	2,252,869
Cash Flows From Capital & Related Financing Activities:	
Acquisition of Capital Assets	(29,414)
	(29,414)
Net Cash Flows From Capital & Related Financing Activities	(29,414)
Cash Flows From Investing Activities:	
Interest on Deposits	3,707
	3,707
Net Cash Provided/(Used) by Investing Activities	3,707
Net Increase/(Decrease) in Cash & Cash Equivalents	155,104
Balances - Beginning of Year	107,409
Balances - End of Year	\$ 262,513

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (2,213,568)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Depreciation & Net Amortization	29,218
(Increase)/Decrease in Inventories	4,695
Increase/(Decrease) in Accounts Payable	(524,794)
Increase/(Decrease) in Unearned Revenues	(5,719)
(Increase)/Decrease in Interfunds Receivable	664,254
(Increase)/Decrease in Accounts Receivable	(26,144)
	141,510
Total Adjustments	141,510
Net Cash Provided/(Used) by Operating Activities	\$ (2,072,058)

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Internal Service Fund

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EXHIBIT G-4

**HAMILTON TOWNSHIP BOARD OF EDUCATION
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2015**

ASSETS	WORKERS COMPENSATION
Current Assets:	
Cash & Cash Equivalents	\$ 6,159
Interfund Accounts Receivable	<u>1,031,384</u>
Total Assets	<u>1,037,543</u>
LIABILITIES	
Claims Payable	<u>1,037,543</u>
Total Liabilities	<u>1,037,543</u>
NET POSITION	
Unrestricted	<u>-</u>
Total Net Position	<u><u>\$ -</u></u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
AS OF JUNE 30, 2015**

	WORKERS COMPENSATION
Operating Expenses:	
Workers Compensation Claims/Insurance	\$ 169,426
Total Operating Expenses	169,426
Operating Income/(Loss) Before Transfers	(169,426)
Nonoperating Revenues (Expenses):	
Transfers:	
In/(Out)	169,426
Total Nonoperating Revenues/(Expenses)	169,426
Change in Net Position After Transfers	
Total Net Position - Beginning	-
Total Net Position - Ending	\$ -

**HAMILTON TOWNSHIP BOARD OF EDUCATION
INTERNAL SERVICE FUND
COMBINING SCHEDULE OF CASH FLOWS
AS OF JUNE 30, 2015**

**WORKERS
COMPENSATION**

Cash Flows From Operating Activities:	
Cash Payments for Employee Benefits	\$ (319,774)
Net Cash Provided/(Used) by Operating Activities	<u>(319,774)</u>
Cash Flows from Noncapital Financing Activities:	
Operating Transfers to General Fund - Interfund	<u>265,348</u>
Net Cash Flows from Noncapital Financing Activities	<u>265,348</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(54,426)
Balances - Beginning of Year	<u>60,585</u>
Balances - End of Year	<u><u>\$ 6,159</u></u>

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (169,426)
Adjustments to Reconcile Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Changes in Assets & Liabilities:	
Increase/(Decrease) in Claims Payable	<u>(150,348)</u>
Total Adjustments	<u>(150,348)</u>
Net Cash Provided/(Used) by Operating Activities	<u><u>\$ (319,774)</u></u>

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H. Fiduciary Fund

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE		AGENCY		2015
	UNEMPLOYMENT COMPENSATION		PAYROLL FUND	STUDENT ACTIVITY	
	TRUST	SCHOLARSHIP			
Cash & Cash Equivalents	\$ 2,243,981	\$ 187,330	\$ 989,553	\$ 591,636	\$ 4,012,500
Interfund Receivable	-	83,554	-	-	83,554
Total Assets	2,243,981	270,884	989,553	591,636	4,096,054
LIABILITIES					
Payroll Deductions & Withholdings	-	-	883,273	-	883,273
Accounts Payable	2,494	-	-	-	2,494
Interfund Payable	-	-	86,691	-	86,691
Due to Employees	-	-	19,589	-	19,589
Due to Student Groups	-	-	-	591,636	591,636
Total Liabilities	2,494	-	989,553	591,636	1,583,683
NET POSITION					
Held in Reserve for Unemployment Claims	2,241,487	-	-	-	2,241,487
Reserved for Scholarships	-	270,884	-	-	270,884
Total Net Position	\$ 2,241,487	\$ 270,884	\$ -	\$ -	\$ 2,512,371

**HAMILTON TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015**

ADDITIONS	<u>PRIVATE PURPOSE</u>		2015
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP	
Contributions:			
Plan Members	\$ 302,261	\$ -	\$ 302,261
Other	-	350	350
Interest Earned	17,137	1,392	18,529
Total Additions	<u>319,398</u>	<u>1,742</u>	<u>321,140</u>
DEDUCTIONS			
Unemployment Claims	206,321	-	206,321
Scholarships Awarded	-	13,000	13,000
Total Deductions	<u>206,321</u>	<u>13,000</u>	<u>219,321</u>
Change in Net Position	113,077	(11,258)	101,819
Net Position - Beginning of the Year	<u>2,128,410</u>	<u>282,142</u>	<u>2,410,552</u>
Net Position - End of the Year	<u>\$ 2,241,487</u>	<u>\$ 270,884</u>	<u>\$ 2,512,371</u>

**HAMILTON TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

SCHOOLS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Elementary Schools				
Alexander	\$ 4,119	\$ 10,498	\$ 10,467	\$ 4,150
Greenwood	2,729	11,870	11,232	3,367
Kisthardt	4,168	12,617	10,382	6,403
Klockner	2,416	1,671	2,263	1,824
Kuser	6,703	8,339	7,749	7,293
Lalor	2,161	15,360	15,107	2,414
Langtree	2,465	5,038	5,343	2,160
McGalliard	8,110	3,631	9,023	2,718
Mercerville	9,305	12,033	12,872	8,466
Morgan	16,076	8,349	16,097	8,328
Robinson	6,602	31,589	32,427	5,764
Sayen	1,614	21,183	21,240	1,557
Sunnybrae	3,810	2,663	729	5,744
Yardville	2,911	4,900	5,334	2,477
Wilson	6,308	26,683	19,060	13,931
University Heights	4,319	6,650	5,179	5,790
Yardville Heights	5,719	16,606	16,180	6,145
Total Elementary Schools	89,535	199,680	200,684	88,531
Middle Schools:				
Albert E. Grice	65,761	138,238	133,237	70,762
Reynolds	42,158	134,116	120,482	55,792
Crockett	46,964	135,022	134,184	47,802
Total Middle Schools	154,883	407,376	387,903	174,356
High Schools:				
Hamilton H.S. - West	82,187	172,551	184,916	69,822
Hamilton H.S. - East	137,912	249,117	252,673	134,356
Hamilton H.S. - North	97,334	295,607	270,389	122,552
Total High Schools	317,433	717,275	707,978	326,730
Alternative School:				
Hamilton Educational Program	2,857	2,594	3,432	2,019
Total Alternative School	2,857	2,594	3,432	2,019
Total All Schools	\$ 564,708	\$ 1,326,925	\$ 1,299,997	\$ 591,636

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Cash & Cash Equivalents	\$ 944,637	\$ 121,221,290	\$ 121,176,374	\$ 989,553
Total Assets	\$ 944,637	\$ 121,221,290	\$ 121,176,374	\$ 989,553
LIABILITIES				
Payroll Deductions & Withholdings Due to Employees	\$ 889,768	\$ 120,141,705	\$ 120,148,200	\$ 883,273
Interfund Payable	3,882	1,043,881	1,028,174	19,589
	50,987	35,704	-	86,691
Total Liabilities	\$ 944,637	\$ 121,221,290	\$ 121,176,374	\$ 989,553

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I. Long-Term Debt

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS DATE	ANNUAL PAYMENTS AMOUNT	INTEREST RATE	AMOUNT OUTSTANDING		RETIRED	AMOUNT OUTSTANDING JUNE 30, 2015
						JUNE 30, 2014	JUNE 30, 2015		
School District Refunding Bonds, Series 2004 Early Retirement Funding	11/15/2004	\$ 29,105,000	-	\$ -	-	\$ 725,000	\$ 725,000	\$ -	-
School District Refunding Bonds Series 2007	03/30/2007	9,995,000	02/15/16	65,000	4.00%	9,995,000	10,000	10,000	9,985,000
			02/15/17	560,000	4.00%				
			02/15/18	1,750,000	4.00%				
			02/15/19	1,860,000	4.00%				
			02/15/20	1,880,000	4.00%				
			02/15/21	1,945,000	4.00%				
			02/15/22	1,925,000	4.00%				
School District Refunding Bonds Series 2009	02/03/2009	6,505,000	08/15/15	915,000	2.75%	4,130,000	1,180,000	1,180,000	2,950,000
			08/15/15	765,000	4.00%				
			08/15/16	635,000	3.00%				
			08/15/16	635,000	4.00%				
School District Refunding Bonds Series 2012	12/04/2012	28,265,000	08/15/15	2,205,000	1.00%	27,855,000	415,000	415,000	27,440,000
			08/15/16	2,320,000	1.00%				
			08/15/17	2,435,000	1.50%				
			08/15/18	2,570,000	2.00%				
			08/15/19	2,715,000	2.00%				
			08/15/20	2,870,000	2.00%				
			08/15/21	2,970,000	2.00%				
			08/15/22	3,040,000	2.30%				
			08/15/23	3,115,000	2.50%				
			08/15/24	3,200,000	2.63%				
Total						\$ 42,705,000	\$ 2,330,000	\$ 40,375,000	

**HAMILTON TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS DATE	ANNUAL PAYMENTS AMOUNT	INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2014	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2015
1993 M.C.I.A. Lease Purchase General Improvements & Additions to Schools	12/15/1993	\$ 11,000,000	2014	\$ 820,000	2.60%	\$ 820,000	\$ -	\$ 820,000	\$ -
2015 ERIP Lease	2/3/2015	18,962,000	2015	VARIOUS	2.71%	-	18,962,000	-	18,962,000
2015 Educational Equipment	7/17/2014	3,065,000	2015	VARIOUS	1.31%	-	3,065,000	650,000	2,415,000
	Total					\$ 820,000	\$ 22,027,000	\$ 1,470,000	\$ 21,377,000

**HAMILTON TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	JUNE 30, 2015				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 3,807,850	\$ -	\$ 3,807,850	\$ 3,807,850	\$ -
State Sources:					
Debt Service Aid Type II	226,332	-	226,332	226,332	-
Total Revenues	4,034,182	-	4,034,182	4,034,182	-
Expenditures:					
Regular Debt Service:					
Principal Payments Lease Purchase	820,000	-	820,000	820,000	-
Interest Payments Lease Purchase	16,400	-	16,400	16,400	-
Interest Payments Bonds	1,075,179	-	1,075,179	1,075,179	-
Redemption of Bond Principal	2,330,000	-	2,330,000	2,330,000	-
Total Regular Debt Service	4,241,579	-	4,241,579	4,241,579	-
Total Expenditures	4,241,579	-	4,241,579	4,241,579	-
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(207,397)	-	(207,397)	(207,397)	-
Fund Balance, July 1	220,805	-	220,805	220,805	-
Fund Balance, June 30	\$ 13,408	\$ -	\$ 13,408	\$ 13,408	\$ -

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STATISTICAL SECTION (Unaudited)

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HAMILTON TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 20,196,914	\$ 1,377,077	\$ 7,339,460	\$ 34,978,504	\$ 35,384,820	\$ 34,848,436	\$ 33,573,626	\$ 32,151,606	\$ 30,815,078	\$ 29,373,782
Restricted	11,723,880	18,569,971	22,997,089	14,972,059	17,000,288	14,992,829	13,610,139	14,849,605	15,509,194	11,534,706
Unrestricted	(46,956,222)	3,465,789	5,583,052	(24,010,970)	(28,197,412)	(31,684,747)	(28,445,749)	(30,577,092)	(32,133,419)	(30,628,742)
Total Governmental Activities	\$ (15,035,428)	\$ 23,412,837	\$ 35,919,601	\$ 25,939,593	\$ 24,187,696	\$ 18,156,518	\$ 18,738,016	\$ 16,424,119	\$ 14,190,853	\$ 10,279,746
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 258,074	\$ 213,659	\$ 212,811	\$ 135,246	\$ 32,360	\$ 29,583	\$ 37,774	\$ 56,276	\$ 44,930	\$ 38,491
Unrestricted	878,641	641,299	657,715	559,412	482,821	411,081	106,122	33,332	34,361	(15,374)
Total Business-Type Activities	\$ 1,136,715	\$ 854,958	\$ 870,526	\$ 694,658	\$ 515,181	\$ 440,664	\$ 143,896	\$ 89,608	\$ 79,291	\$ 23,117
Government-Wide:										
Net Investment in										
Capital Assets	\$ 20,454,988	\$ 1,590,666	\$ 7,552,271	\$ 35,113,750	\$ 35,417,180	\$ 34,878,019	\$ 33,611,400	\$ 32,207,882	\$ 30,860,008	\$ 29,412,273
Restricted	11,723,880	18,569,971	22,997,089	14,972,059	17,000,288	14,992,829	13,610,139	14,849,605	15,509,194	11,534,706
Unrestricted	(46,077,581)	4,107,088	6,240,767	(23,451,558)	(27,714,591)	(31,273,666)	(28,339,627)	(30,543,760)	(32,099,058)	(30,644,116)
Total District Net Position	\$ (13,898,713)	\$ 24,267,725	\$ 36,790,127	\$ 26,634,251	\$ 24,702,877	\$ 18,597,182	\$ 18,881,912	\$ 16,513,727	\$ 14,270,144	\$ 10,302,863

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 58,632,133	\$ 60,854,903	\$ 58,078,633	\$ 57,542,173	\$ 56,644,936	\$ 58,734,661	\$ 57,509,025	\$ 56,688,007	\$ 55,224,161	\$ 51,161,304
Special Education	14,551,457	14,321,087	13,989,305	13,801,887	13,518,058	13,214,235	12,954,873	11,252,110	10,652,403	10,198,510
Other Special Education	2,415,155	2,267,227	2,087,632	1,997,707	2,656,243	2,666,035	2,070,034	1,737,794	1,852,167	1,703,274
Other Instruction	1,912,608	1,878,879	1,703,016	1,603,512	1,550,901	1,946,457	1,866,998	1,864,552	1,845,270	1,825,087
Adult & Continuing Education	515,677	546,798	472,555	418,597	380,526	395,249	182,346	116,425	124,595	109,049
Support Services:										
Tuition	13,067,142	11,952,190	11,427,609	12,325,903	11,986,301	14,278,138	14,434,346	15,465,302	15,467,314	15,030,278
Student & Instruction Related										
Services	20,561,119	20,294,216	19,351,059	17,570,726	17,720,805	18,665,884	18,005,643	18,200,292	16,504,115	14,853,345
School Administrative Services	7,207,052	6,681,153	6,825,173	6,610,894	7,476,233	7,838,009	6,605,251	6,431,418	6,097,117	5,983,031
General & Business Administration										
Services	5,066,329	5,406,001	4,558,523	3,308,212	2,667,510	2,878,525	3,539,334	2,454,945	3,507,882	3,079,386
Plant Operations & Maintenance	15,475,436	15,984,777	14,020,550	14,500,756	14,397,901	16,257,557	15,794,536	14,396,586	13,600,828	12,819,069
Pupil Transportation	9,362,502	9,093,591	8,963,800	8,668,131	8,152,631	9,406,726	9,365,011	8,995,008	8,071,672	7,434,113
Unallocated Employee Benefits	68,434,896	49,815,775	50,015,952	46,651,663	41,394,402	41,377,401	36,677,917	40,790,886	41,006,844	35,689,886
Special Schools	122,412	115,947	123,795	135,387	136,290	127,472	128,980	135,006	133,435	143,866
Interest and Charges on Long-Term Debt	1,501,509	1,449,546	1,259,791	2,117,376	2,290,847	2,398,863	2,699,135	2,669,484	2,766,469	2,828,229
Unallocated Compensated Absences	(452,388)	(355,399)	(38,241)	-	(38,241)	-	-	-	-	-
Amortization of Debt Issuance Costs	-	-	245,027	-	-	-	-	-	-	-
Unallocated Depreciation	677,208	2,536,407	2,602,431	1,069,061	1,050,649	1,180,997	1,236,364	1,209,475	1,301,129	1,038,848
Total Governmental Activities	219,050,247	202,842,898	195,686,610	188,321,985	182,024,233	191,366,208	183,069,793	182,405,290	176,155,401	163,897,275
Expenses										
Business-Type Activities:										
Food Service	3,180,243	3,200,594	3,178,209	3,082,251	2,995,544	3,299,836	3,500,514	3,349,290	3,216,693	3,273,564
Total Business-Type Activities	3,180,243	3,200,594	3,178,209	3,082,251	2,995,544	3,299,836	3,500,514	3,349,290	3,216,693	3,273,564
Expense										
Total District Expenses	222,230,490	206,043,492	198,864,819	191,404,236	185,019,777	194,666,044	186,570,307	185,754,579	179,372,095	167,170,839
Program Revenues:										
Governmental Activities:										
Grants & Contributions	\$ 42,526,203	\$ 7,821,185	\$ 8,157,538	\$ 13,191,193	\$ 10,949,173	\$ 10,771,333	\$ 10,347,742	\$ 16,328,458	\$ 16,394,651	\$ 10,787,250
Interest on Long-Term Debt	226,332	225,604	225,571	226,043	225,835	419,657	444,560	442,785	967,809	962,830
Total Governmental Activities	42,752,535	8,046,789	8,383,109	13,417,236	11,175,008	11,190,990	10,792,302	16,771,243	17,362,460	11,750,080
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	966,675	1,010,070	1,097,279	1,316,446	1,280,184	1,431,676	1,622,650	1,552,572	1,661,839	1,521,783
Operating Grants & Contributions	2,495,325	2,174,956	2,256,798	1,944,034	1,788,587	1,805,361	1,571,294	1,413,593	1,260,620	1,574,496
Total Business-Type Activities	3,462,000	3,185,026	3,354,077	3,260,480	3,068,771	3,237,037	3,193,944	2,966,165	2,922,459	3,096,279
Program Revenues										
Total District Program Revenues	46,214,535	11,231,815	11,737,186	16,677,716	14,243,779	14,428,027	13,986,245	19,737,408	20,284,919	14,846,359

**HAMILTON TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Net (Expense)/Revenue:										
Governmental Activities	\$ (176,297,712)	\$ (194,795,109)	\$ (187,303,501)	\$ (174,904,749)	\$ (170,849,225)	\$ (180,175,218)	\$ (172,277,492)	\$ (165,634,047)	\$ (158,792,941)	\$ (152,147,195)
Business-Type Activities	281,757	(15,568)	175,868	178,229	73,227	(62,800)	(306,571)	(583,125)	(294,234)	(177,285)
Total District-Wide Net Expense	\$ (176,015,955)	\$ (194,810,677)	\$ (187,127,633)	\$ (174,726,520)	\$ (170,775,998)	\$ (180,238,018)	\$ (172,584,062)	\$ (166,017,171)	\$ (159,087,175)	\$ (152,324,480)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for										
General Purposes, Net	\$ 100,597,740	\$ 98,625,236	\$ 96,839,447	\$ 94,940,634	\$ 94,940,634	\$ 92,579,869	\$ 92,579,869	\$ 92,579,869	\$ 91,928,223	\$ 85,763,231
Taxes Levied for Debt	3,807,850	1,960,445	3,764,868	537,200	1,840,961	3,795,070	3,553,676	4,360,177	4,474,401	4,327,433
Unrestricted Grants &										
Contributions	77,264,566	89,645,931	91,000,537	74,407,106	69,307,966	72,723,010	69,200,236	58,464,876	55,969,158	55,863,614
Restricted Grants &										
Contributions	-	-	1,070,199	5,535,459	9,538,769	9,660,142	7,983,778	10,279,585	8,334,987	8,515,304
Tuition Received	-	-	128,791	-	-	-	71,806	53,398	68,841	5,474
Investment Earnings	-	-	-	395,856	387,158	391,121	908,983	1,528,948	1,645,256	1,513,184
Miscellaneous Income	1,710,596	1,675,500	3,742,424	1,145,364	1,129,348	1,057,530	844,818	1,069,916	814,557	582,967
Special Item(s)	-	-	-	-	-	-	-	-	-	-
Refund of Overpayment ERI	-	-	-	-	-	-	-	-	-	3,330,857
Liability	-	-	-	-	(199,704)	-	-	-	-	(186,779)
Retirement ERI Liability	-	-	-	-	-	-	-	-	-	-
Transfer - Charter School/Disposal	6,659,956	(9,076,754)	(365,295)	(265,474)	(5,924)	(253,650)	(191,195)	(119,455)	(181,374)	(480,674)
Transfers - Business - Type	-	-	-	(39,497)	(58,803)	(359,371)	(360,585)	(350,000)	(350,000)	(200,000)
Activities	-	-	-	-	-	-	-	-	-	-
Total Governmental Activities	190,040,708	182,830,358	196,180,971	176,656,648	176,880,405	179,593,721	174,591,386	167,867,314	162,704,049	159,034,611
Business-Type Activities:										
Investment Earnings	-	-	-	1,249	1,290	195	274	267	407	402
Miscellaneous Income	-	-	-	-	-	-	-	43,176	-	-
Transfers - Governmental Activities	-	-	-	-	-	359,371	360,585	350,000	350,000	200,000
Total Business-Type Activities	-	-	-	1,249	1,290	359,566	360,858	393,443	350,407	200,402
Total District-Wide	\$ 190,040,708	\$ 182,830,358	\$ 196,180,971	\$ 176,657,897	\$ 176,881,695	\$ 179,953,288	\$ 174,952,244	\$ 168,260,758	\$ 163,054,456	\$ 159,235,013
Change in Net Position:										
Governmental Activities	\$ 13,742,996	\$ (11,965,751)	\$ 8,877,469	\$ 1,751,899	\$ 6,031,180	\$ (581,497)	\$ 2,313,894	\$ 2,233,267	\$ 3,911,108	\$ 6,887,416
Business-Type Activities	281,757	(15,568)	175,868	179,478	74,517	296,767	54,288	10,319	56,173	23,117
Total District	\$ 14,024,753	\$ (11,981,319)	\$ 9,053,337	\$ 1,931,377	\$ 6,105,696	\$ (284,730)	\$ 2,368,182	\$ 2,243,586	\$ 3,967,280	\$ 6,910,533

Source: District CAFR, Schedule A-2

**HAMILTON TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Nonspendable	\$ 348,053	\$ 391,296	\$ 383,920	\$ 424,961	\$ 475,122	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	11,765,420	13,098,902	19,902,682	14,018,292	10,923,504	-	-	-	-	-
Assigned	5,151,055	4,496,311	5,084,417	534,457	1,236,737	-	-	-	-	-
Unassigned	3,057,395	621,815	-	2,643,586	4,018,710	-	-	-	-	-
Reserved	-	-	-	-	-	10,712,690	9,448,647	10,517,383	6,601,549	3,644,233
Unreserved	-	-	-	-	-	532,731	4,203,946	1,991,395	3,940,629	4,067,657
Total General Fund	\$ 20,321,923	\$ 18,608,324	\$ 25,371,019	\$ 17,621,296	\$ 16,654,073	\$ 11,245,421	\$ 13,652,593	\$ 12,508,778	\$ 10,542,178	\$ 7,711,890
All Other Governmental Funds:										
Restricted	\$ -	\$ -	\$ -	\$ 2,638,621	\$ 3,245,967	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	19,451,577	5,278,189	933,778	2,845,991	610,403	-	-	-	-	-
Assigned	13,408	220,805	2,221,018	14,941	7,562	-	-	-	-	-
Unassigned	-	-	-	(816,325)	-	-	-	-	-	-
Reserved - Debt Service Fund	-	-	-	-	-	3,222,575	3,859,823	4,095,687	4,610,691	5,184,005
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	-	-	(128,671)	(53,496)	(43,667)
Capital Projects Fund	-	-	-	-	-	407,564	1,668	236,535	261,112	285,197
Debt Service Fund	-	-	-	-	-	650,000	300,000	595,000	845,024	331,212
Total All Other Governmental Funds	\$ 19,464,985	\$ 5,498,994	\$ 3,154,796	\$ 4,683,228	\$ 3,863,932	\$ 4,280,139	\$ 4,161,491	\$ 4,798,551	\$ 5,663,330	\$ 5,756,747

Source: District CAFR, Schedule B-1

HAMILTON TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Tax Levy	\$ 104,405,590	\$ 100,585,681	\$ 100,585,681	\$ 95,477,834	\$ 96,781,595	\$ 96,374,939	\$ 96,133,545	\$ 96,940,046	\$ 96,402,624	\$ 90,090,664
Tuition Charges	148,365	81,018	81,018	-	-	-	71,806	53,398	68,841	5,474
Interest Earnings	-	-	-	395,856	387,158	391,121	908,983	1,528,948	1,645,256	1,513,184
Transportation Fees	23,474	-	-	-	-	-	-	-	-	-
Miscellaneous	1,822,007	1,680,874	1,680,874	1,145,364	1,129,348	1,057,530	844,818	1,069,916	814,557	580,737
State Sources	95,304,382	90,889,352	90,889,352	86,344,375	81,703,061	74,648,655	81,870,588	79,927,562	76,217,756	72,906,202
Federal Sources	6,046,849	6,797,994	6,797,994	7,015,426	8,318,682	18,925,487	6,105,729	6,054,141	5,448,849	3,222,796
Total Revenue	207,750,667	200,034,919	200,034,919	200,034,918	190,378,854	188,319,844	191,397,732	185,935,469	185,574,011	180,597,883
Expenditures:										
Instruction:										
Regular Instruction	59,282,133	60,854,903	58,078,633	55,730,240	55,069,044	57,013,683	55,727,630	54,745,182	51,356,884	49,855,993
Special Education Instruction	14,551,457	14,321,087	13,989,305	13,857,310	13,424,959	13,214,235	12,949,948	11,318,875	10,553,612	10,178,002
Other Special Instruction	2,415,155	2,267,227	2,087,632	1,997,707	2,656,243	2,666,035	2,070,034	1,737,794	1,852,167	1,703,274
Other Instruction	1,912,608	1,878,879	1,703,016	1,603,512	1,550,901	1,946,457	1,866,998	1,864,552	1,845,270	1,825,087
Adult/Continuing Education	515,677	546,798	472,555	418,597	380,526	395,249	182,346	116,425	124,595	109,049
Support Services:										
Tuition	13,067,142	11,952,190	11,427,609	12,325,903	11,986,301	14,278,138	14,434,346	15,465,302	15,467,314	15,030,278
Student & Instruction Related Services	20,561,119	20,294,216	19,351,059	17,570,726	17,720,805	18,665,884	18,005,643	18,200,292	16,504,115	14,853,345
General Administrative Services	5,066,329	5,406,001	4,466,825	3,204,399	2,447,729	2,472,249	3,368,313	2,215,974	3,507,882	2,859,981
School Administrative Services	7,207,052	6,681,153	6,825,173	6,610,894	7,476,233	7,838,009	6,605,251	6,431,418	6,097,117	5,983,031
Plant Operations & Maintenance	15,517,465	15,073,490	14,020,550	14,288,583	14,397,901	16,257,557	15,794,536	14,396,586	13,600,828	12,900,673
Pupil Transportation	9,362,502	9,093,391	8,963,800	8,668,131	8,152,631	9,406,726	9,365,011	8,993,008	8,071,672	7,434,113
Unallocated Benefits	50,080,151	48,792,088	50,028,943	46,561,482	42,431,071	39,998,011	36,564,207	40,943,900	40,790,058	33,668,091
Special Schools	122,412	115,947	123,795	135,387	136,290	127,472	128,980	135,006	133,435	143,866
Capital Outlay	9,272,756	2,269,305	3,498,503	816,823	571,925	3,456,438	2,870,555	1,773,824	1,833,302	3,043,600
Debt Service:										
Principal	3,150,000	3,005,000	2,910,000	2,315,000	2,345,000	2,095,000	1,980,000	2,935,000	2,835,000	2,725,000
Interest & Other Charges	1,091,579	1,194,654	1,522,228	2,222,166	2,321,333	2,419,726	2,612,964	2,708,096	2,796,915	3,341,284
Total Expenditures	213,175,537	203,746,329	199,469,628	188,326,861	183,068,891	192,250,869	184,526,762	183,981,234	177,370,166	165,654,667
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(5,424,870)	(3,711,410)	565,291	11,708,058	7,309,964	(3,931,025)	6,870,970	1,954,235	8,203,845	14,943,216

HAMILTON TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other Financing Sources/(Uses):										
Capital Leases (Nonbudgeted)	22,027,000	-	-	-	-	-	-	-	-	-
Proceeds from Refunding	-	-	-	-	-	-	6,743,457	-	-	9,995,000
Payment to escrow Agent	-	-	-	-	-	(747)	(6,969,681)	-	-	(10,376,975)
Payment/Receipt ERI Liability	-	-	-	-	-	-	-	-	-	-
Escrow	-	-	-	-	-	-	-	-	-	3,144,078
Transfers In	-	-	-	4,703,849	1,949,538	2,316,681	-	12,873	199,690	1,110,853
Transfers Out	(922,540)	(707,087)	(340,995)	(4,969,323)	(2,208,045)	(3,751,322)	(675,728)	(494,829)	(699,534)	(3,990,484)
Total Other Financing Sources/	21,104,460	(707,087)	(340,995)	(265,474)	(258,507)	(1,435,388)	(901,952)	(481,956)	(499,844)	(117,528)
(Uses)										
Net Change in Fund Balances	\$ 15,679,590	\$ (4,418,497)	\$ 224,296	\$ 11,442,584	\$ 7,051,457	\$ (5,366,413)	\$ 5,969,018	\$ 1,472,279	\$ 7,704,001	\$ 14,825,688
Debt Service as a Percentage of	2.08%	2.08%	2.26%	2.42%	2.56%	2.39%	2.53%	3.10%	3.21%	3.73%
Noncapital Expenditures										

Source: District CAFR, Schedule B-2

**HAMILTON TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Interest on Investments & Deposits	\$ 262,404	\$ 302,161	\$ 230,428	\$ 395,856	\$ 387,158	\$ 391,121	\$ 853,762	\$ 1,528,948	\$ 1,524,052	\$ 1,494,971
Athletic Receipts	46,388	44,636	39,506	38,261	36,053	33,077	32,951	35,818	30,401	39,101
Travel Program	-	-	-	5,915	4,750	11,380	15,087	21,952	28,640	19,587
Community Education	57,657	40,532	52,027	61,329	60,643	42,991	51,860	64,167	72,270	69,257
Summer Enrichment Program	-	-	-	-	-	-	-	-	-	4,618
Facility Rental Fees	158,803	172,720	208,852	58,893	64,528	56,691	45,976	54,181	49,464	36,708
Transportation Fees	24,074	53,977	43,388	103,406	30,125	47,785	29,116	87,938	15,737	-
Energy Savings	-	-	-	-	-	-	-	-	-	108,091
Other Miscellaneous Revenues	271,727	353,323	2,387,000	447,634	419,261	286,179	219,021	324,284	322,760	264,741
Refund of Prior Year Expenditures	384,655	604,659	392,795	-	10,762	114,716	103,545	136,849	134,780	22,851
Tuition - Individuals & State	148,365	-	-	64,275	71,999	68,768	-	-	-	-
Payments in Lieu of Taxes	320,000	-	320,000	320,000	320,000	320,000	318,000	212,800	107,600	-

Source: District records

**HAMILTON TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TAX EXEMPT PROPERTY	COUNTY EQUALIZED VALUE	TOTAL DIRECT SCHOOL TAX RATE
2015	\$ 50,937,959	\$ 3,874,408,400	\$ 13,271,850	\$ 1,543,765	\$ 93,126,700	\$ 181,058,100	\$ 5,149,535,474	\$ 16,005,511	5,165,540,985	\$ 477,993,411	\$ 8,713,857,913	2.05
2014	48,363,059	3,866,022,600	13,307,150	1,710,726	955,339,980	167,141,200	5,149,941,715	16,360,925	5,166,302,640	477,640,881	8,476,394,360	1.98
2013	48,771,459	3,859,025,150	13,327,250	1,999,226	958,686,350	159,106,700	5,139,254,035	18,516,361	5,157,770,396	475,285,481	8,312,838,274	1.95
2012	50,915,209	3,856,632,500	14,226,550	1,772,042	960,241,400	156,687,750	5,139,614,851	18,695,945	5,158,310,796	480,244,473	9,160,155,030	1.86
2011	52,441,009	3,856,470,550	14,348,350	1,745,202	972,705,800	150,129,200	5,139,210,911	17,779,026	5,156,989,937	481,345,473	9,825,524,148	1.86
2010	53,010,909	3,849,953,450	13,765,450	1,762,711	996,733,500	152,721,100	5,162,599,120	18,661,711	5,181,260,831	487,099,013	10,455,312,066	1.86
2009	67,175,459	3,848,536,560	14,173,550	3,013,176	981,648,650	156,514,000	5,167,475,795	15,953,486	5,183,429,281	487,394,013	10,444,604,711	1.86
2008	75,950,509	3,839,193,850	13,756,500	1,909,085	986,974,800	155,647,200	5,170,192,044	15,208,497	5,185,400,541	484,085,501	10,114,275,612	1.86
2007	67,692,359	3,816,408,000	13,718,250	2,171,145	958,845,904	155,900,800	5,112,892,858	15,731,428	5,128,624,286	479,988,665	9,361,748,161	1.88
2006	65,741,059	3,763,560,000	14,979,500	2,269,521	936,675,050	158,456,400	5,041,520,430	18,139,869	5,059,660,299	476,770,589	7,955,591,150	1.84

Source: Abstract of Ratables "Assessed Value by Classification"

*Revaluation

HAMILTON TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	GENERAL OBLIGATION DEBT SERVICE	TOTAL DIRECT	OF TOWNSHIP HAMILTON	MERCER COUNTY	
2015	1.967	0.085	2.052	1.322	0.975	4.348
2014	1.928	0.056	1.984	1.318	0.979	4.280
2013	1.900	0.050	1.950	1.200	0.960	4.110
2012	1.840	0.020	1.860	1.200	0.94	4.000
2011	1.810	0.050	1.860	1.180	0.920	3.960
2010	1.790	0.070	1.860	1.170	0.980	4.010
2009	1.780	0.080	1.860	1.170	0.970	4.000
2008	1.780	0.080	1.860	1.190	0.910	3.960
2007	1.800	0.080	1.880	0.810	0.860	3.550
2006	1.750	0.090	1.840	0.770	0.810	3.420

Source: Abstract of Ratables, Breakdown of General Tax Rate

**HAMILTON TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

TAXPAYER	2015		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
JDN	\$ 50,219,733	1	0.99%
PSEG	32,990,800	2	0.68%
QB Partners	27,905,100	3	0.54%
Bell Atlantic	16,005,511	4	0.39%
Horizon Bus. Park	17,891,900	5	0.33%
Levin Properties	17,648,700	6	0.32%
Sharbell Hamilton	15,324,300	7	0.32%
Cabot Realty LLC	14,500,000	8	0.28%
Mitzen Farms	12,650,000	9	0.23%
Hamilton Station	12,068,200	10	0.23%
Total	<u>\$ 217,204,244</u>		<u>4.31%</u>

TAXPAYER	2006		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
JDN	\$ 73,683,339	1	0.79%
QB Partners	37,431,300	2	0.62%
Bell Atlantic	23,777,768	3	0.42%
Cabot Dr Hldng	22,053,500	4	0.42%
Cobalt Realty	20,572,300	5	0.40%
Reckson Matrix	19,433,522	6	0.38%
Mitzen Farms	18,499,500	7	0.35%
EPT Hamilton	17,396,000	8	0.28%
Ham. Industrial	13,804,500	9	0.24%
Danch Farms	13,750,500	10	0.23%
Total	<u>\$ 260,402,229</u>		<u>4.13%</u>

Source: Municipal Tax Assessor

**HAMILTON TOWNSHIP BOARD OF EDUCATION
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2015	\$ 104,405,590	\$ 104,405,590	100.00%	-
2014	100,585,681	100,585,681	100.00%	-
2013	100,604,315	100,604,315	100.00%	-
2012	96,578,267	96,578,267	100.00%	-
2011	96,578,267	96,578,267	100.00%	-
2010	96,254,242	96,254,242	100.00%	-
2009	96,536,796	96,536,796	100.00%	-
2008	96,671,335	96,671,335	100.00%	-
2007	93,246,644	93,246,644	100.00%	-
2006	87,972,642	87,972,642	100.00%	-

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	CAPITAL LEASES			
2015	\$ 40,375,000	\$ 21,377,000	\$ 61,752,000	N/A	N/A
2014	42,705,000	820,000	43,525,000	N/A	N/A
2013	17,285,000	850,000	18,135,000	N/A	N/A
2012	44,300,000	2,360,000	46,660,000	N/A	N/A
2011	45,885,000	3,090,000	48,975,000	1.014%	900
2010	47,525,000	3,795,000	51,320,000	1.104%	978
2009	48,940,000	4,475,000	53,415,000	1.158%	1,049
2008	50,225,000	5,140,000	55,365,000	1.140%	1,029
2007	52,515,000	5,959,547	58,474,547	1.238%	1,112
2006	53,130,000	8,589,486	61,719,486	1.372%	1,226

Source: District CAFR Schedules I-1 & I-2

**HAMILTON TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA PERSONAL INCOME
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$ 40,375,000	N/A	\$ 40,375,000	0.78%	N/A
2014	42,705,000	N/A	42,705,000	0.83%	N/A
2013	17,285,000	N/A	17,285,000	0.34%	N/A
2012	44,300,000	N/A	44,300,000	0.34%	N/A
2011	45,885,000	N/A	45,885,000	0.89%	519
2010	47,525,000	N/A	47,525,000	0.92%	525
2009	48,940,000	N/A	48,940,000	0.94%	541
2008	50,225,000	N/A	50,225,000	0.97%	556
2007	52,515,000	N/A	52,515,000	1.02%	584
2006	53,130,000	N/A	53,130,000	1.05%	594

EXHIBIT J-12

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE (a)	ESTIMATED SHARE OF OVERLAPPING DEBT
Overlapping Debts:			
Township of Hamilton	\$ 93,901,118	100.00%	\$ 93,901,118
County of Mercer - Township's Share	397,317,932	20.15%	<u>80,059,563</u>
Subtotal, Overlapping Debt			173,960,681
Hamilton Township School District Direct Debt	40,375,000		<u>40,375,000</u>
Total Direct & Overlapping Debt			<u><u>\$ 214,335,681</u></u>

Sources: Township of Hamilton, Statement of Indebtedness as of December 31, 2014
Debt outstanding data provided by each governmental unit.

NOTES:

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 Hamilton Township. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**HAMILTON TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 367,159,906	\$ 367,159,906	\$ 382,174,527	\$ 390,604,518	\$ 407,827,504	\$ 409,613,519	\$ 393,267,759	\$ 358,014,171	\$ 318,292,335	\$ 275,280,334
Total Net Debt Applicable to Limit	40,375,000	42,705,000	44,925,000	44,300,000	45,855,000	47,525,000	48,940,000	50,225,000	53,130,000	53,607,900
Legal Debt Margin	\$ 326,784,906	\$ 324,454,906	\$ 337,249,527	\$ 346,304,518	\$ 361,972,504	\$ 362,088,519	\$ 344,327,759	\$ 307,789,171	\$ 265,162,335	\$ 221,672,434
Total Net Debt Applicable to the Limit as a % of Debt Limit	11.00%	11.63%	11.76%	11.34%	11.24%	11.60%	12.44%	14.03%	16.69%	19.47%

Legal Debt Margin Calculation for Fiscal Year 2014

	Equalized Valuation Basis
Average Equalized Valuation of Taxable Property	\$ 27,536,992,984
Debt Limit (4% of Average Equalized Valuation), Net Bonded School Debt	\$ 1,101,479,919.52
Legal Debt Margin	\$ 26,435,513,064.48

Source: See J-10 for bonded debt of the district. Equalized Valuation Bases were obtained from the web site of the State of New Jersey, Department of the Treasury, Division of Taxation, Local Property Tax Statistical Section, Tables of Equalized Valuations

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

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:										
Regular	794	803	763	771	750	805	803	802	793	756
Special Education	182	181	171	177	169	173	169	174	164	153
Other Special Education	74	63	75	74	73	78	76	74	74	64
Support Services:										
Student & Instruction Related Services	89	90	85	86	81	94	87	89	81	86
General Administration	3	3	3	3	3	3	3	3	3	3
School Administrative Services	118	99	41	43	41	42	42	42	42	42
Other Administrative Services	50	60	13	14	13	16	17	15	16	14
Central Services	24	24	6	6	6	7	7	7	7	7
Administrative Information Technology	18	18	125	134	129	132	134	130	124	124
Plant Operations & Maintenance	166	168	177	170	157	176	182	178	172	175
Pupil Transportation	10	11	7	7	8	9	9	9	8	8
Other Support Services	237	245	273	276	271	272	279	272	236	232
Food Service	1	1	-	2	7	30	36	36	38	42
Total	1,766	1,766	1,739	1,763	1,708	1,837	1,844	1,831	1,758	1,706

Source: District Personnel Records

**HAMILTON TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

SCHOOL YEAR	ENROLLMENT (a)	OPERATING EXPENDITURES (b)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (c)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE)(d)	AVERAGE DAILY ATTENDANCE (ADA) (d)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY SCHOOL	MIDDLE SCHOOL	HIGH SCHOOL				
2015	11,947	\$ 193,135,943	\$ 16,166	2.98%	976	12	12	12	11,907.9	11,278.4	-1.47%	94.40%
2014	12,142	190,600,193	15,698	5.34%	984	12	12	13	12,067.1	11,500.3	-0.15%	94.72%
2013	12,354	184,104,678	14,902	1.15%	934	13	12	13	12,085.2	11,399.1	-1.96%	92.27%
2012	12,454	183,489,327	14,733	4.77%	948	13	12	13	12,327.4	11,663.0	-1.55%	93.65%
2014	12,686	178,402,480	14,063	-1.85%	1,018	13	13	14	12,521.6	11,783.8	-1.49%	92.89%
2010	12,905	184,911,001	14,329	4.06%	978	13	13	13	12,711.5	11,956.3	-1.11%	92.65%
2009	13,068	179,933,797	13,769	3.19%	1,197	13	13	14	12,853.9	12,076.2	-0.45%	92.41%
2008	13,198	176,098,315	13,343	5.43%	1,229	13	13	14	12,911.7	12,180.9	-1.52%	94.20%
2007	13,425	169,904,949	12,656	9.51%	1,192	14	14	15	13,110.8	12,329.8	-1.12%	97.09%
2006	13,546	156,545,782	11,557	4.34%	1,159	13	13	15	13,259.5	12,486.3	0.19%	97.00%

Sources: District records

Note: Enrollment based on annual October District count.

a. Enrollment based on annual October District count.

b. Operating expenditures equal total expenditures less Debt service (Fund 40) and Capital outlay (Fund 30). Large increase in 2009-2010 due to Federal ARRA & Ed Jobs stimulus funding New elementary school opened in Sept 2008.

c. Teaching staff includes only full-time equivalents of instructional certificated staff

HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>DISTRICT BUILDINGS</u>		2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Elementary Schools Alexander (1962)	Square Feet	31,997	31,997	31,997	31,997	31,997	31,997	31,997	31,997	31,997	32,425
	Student Capacity	245	245	245	245	245	245	245	245	245	252
	Enrollment	418	407	390	392	400	370	365	351	318	313
Greenwood (1917)	Square Feet	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398	28,398
	Student Capacity	220	220	220	220	220	220	220	220	220	217
	Enrollment	216	225	238	231	231	232	248	250	258	269
Kisthardt (1951)	Square Feet	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	25,242	26,477
	Student Capacity	189	189	189	189	189	189	189	189	189	202
	Enrollment	234	247	273	236	240	235	253	233	223	222
Klockner (1908)	Square Feet	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	44,354	41,807
	Student Capacity	256	256	256	256	256	256	256	256	256	253
	Enrollment	253	266	265	269	239	247	246	235	248	267
Kuser (1908)	Square Feet	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	51,813	53,538
	Student Capacity	367	367	367	367	367	367	367	367	367	373
	Enrollment	375	354	342	349	345	366	336	347	381	433
Lalor (1926)	Square Feet	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	36,408	35,776
	Student Capacity	217	217	217	217	217	217	217	217	217	227
	Enrollment	290	283	264	258	246	274	266	270	282	276
Langtree (1966)	Square Feet	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	39,516	40,480
	Student Capacity	293	293	293	293	293	293	293	293	293	308
	Enrollment	399	425	383	390	398	374	346	328	388	311
McGalliard (1952)	Square Feet	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	29,444	27,847
	Student Capacity	226	226	226	226	226	226	226	226	226	196
	Enrollment	263	284	296	289	286	289	275	285	277	267
Mercerville (1911)	Square Feet	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	45,098	43,424
	Student Capacity	329	329	329	329	329	329	329	329	329	313
	Enrollment	423	408	395	393	396	384	369	361	389	371
Morgan (1957)	Square Feet	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	34,434	37,925
	Student Capacity	266	266	266	266	266	266	266	266	266	294
	Enrollment	392	418	396	406	414	380	373	356	356	345
Robinson (1962)	Square Feet	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	40,073	39,382
	Student Capacity	309	309	309	309	309	309	309	309	309	299
	Enrollment	444	432	432	430	408	408	387	373	365	351
Sayen (1955)	Square Feet	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	27,750	28,801
	Student Capacity	208	208	208	208	208	208	208	208	208	213
	Enrollment	276	277	289	292	295	301	301	296	281	269
Sunnybrae (1966)	Square Feet	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	31,778	30,958
	Student Capacity	244	244	244	244	244	244	244	244	244	241
	Enrollment	357	360	344	353	365	335	362	352	342	315
University Hgts. (1977)	Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	37,847
	Student Capacity	299	299	299	299	299	299	299	299	299	295
	Enrollment	376	397	398	401	374	356	333	345	317	297
Wilson (1977)	Square Feet	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	39,333	38,950

HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

<u>DISTRICT BUILDINGS</u>	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Student Capacity	307	307	307	307	307	307	307	307	307	310
Enrollment	368	367	385	389	356	378	393	394	419	448
Square Feet	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370	35,370
Student Capacity	254	254	254	254	254	254	254	254	254	229
Enrollment	349	341	345	338	311	279	298	288	280	278
Square Feet	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	33,365	34,405
Student Capacity	237	237	237	237	237	237	237	237	237	238
Enrollment	272	276	289	276	273	269	265	260	241	234
Square Feet	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142	115,142	116,110
Student Capacity	780	780	780	780	780	780	780	780	780	866
Enrollment	1,005	961	914	917	923	892	903	892	831	819
Square Feet	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,128	114,707
Student Capacity	796	796	796	796	796	796	796	796	796	846
Enrollment	1,034	963	939	928	936	946	910	966	918	916
Square Feet	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,514	113,570
Student Capacity	774	774	774	774	774	774	774	774	774	847
Enrollment	1,227	1,201	1,202	1,147	1,106	1,107	1,100	1,076	1,029	1,025
Square Feet	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185	195,185	194,134
Student Capacity	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,265	1,274
Enrollment	1,612	1,698	1,706	1,610	1,595	1,548	1,503	1,431	1,345	1,303
Square Feet	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586	162,586	167,867
Student Capacity	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,063	1,078
Enrollment	1,448	1,462	1,437	1,473	1,380	1,387	1,326	1,313	1,316	1,352
Square Feet	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,348	182,288
Student Capacity	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,164
Enrollment	1,392	1,441	1,450	1,373	1,366	1,329	1,296	1,275	1,270	1,219
Square Feet	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515	25,515
Student Capacity	n/a									
Enrollment	n/a									
Square Feet	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400	14,400
Student Capacity	23	23	23	23	23	23	23	23	23	76
Enrollment	62	53	53	58	57	61	51	56	52	61

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

Source: District Records and Long Range Facility Plan.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Hamilton HS East - Steinert	\$ 389,297	\$ 391,885	\$ 326,928	\$ 328,323	\$ 366,539	\$ 381,597	\$ 432,310	\$ 371,449	\$ 303,378	\$ 296,398
Hamilton HS North - Nottingham	324,279	326,434	272,271	273,433	258,787	313,584	511,228	309,411	253,537	252,161
Hamilton HS West	363,694	366,112	305,420	306,723	292,657	364,475	384,372	347,019	284,413	277,153
Grice Middle	227,629	229,142	191,045	191,860	188,900	246,947	227,695	217,192	177,681	175,227
Reynolds Middle	226,404	227,909	190,033	190,844	191,623	227,615	211,050	216,024	178,302	173,466
Crockett Middle	229,651	231,178	192,817	193,639	190,963	213,960	228,406	219,122	179,852	172,525
Alexander Elementary	63,818	64,242	53,645	53,873	58,940	125,237	83,739	60,892	51,296	48,578
Wilson Elementary	78,450	78,971	65,790	66,071	67,922	79,292	80,697	74,853	62,044	59,530
Greenwood Elementary	53,748	54,105	47,572	47,775	49,314	72,006	64,308	54,043	45,332	44,488
Kisthardt Elementary	50,345	50,680	42,258	42,438	52,181	49,708	52,084	48,037	43,176	39,623
Klockner Elementary	88,464	89,052	74,394	74,712	81,566	90,855	120,970	84,408	70,825	66,880
Kuser Elementary	103,341	104,028	86,793	87,164	84,244	142,325	108,497	98,603	81,276	82,782
Lalor Elementary	72,616	73,099	60,983	61,243	64,729	75,865	77,924	69,287	58,018	59,140
Langtree Elementary	78,815	79,339	66,297	66,579	63,995	71,768	75,292	75,201	63,126	60,161
McGalliard Elementary	58,726	59,117	49,343	49,553	58,796	58,657	69,054	56,034	46,656	51,547
Mercerville Elementary	89,948	90,546	75,406	75,728	85,642	111,485	87,501	85,824	71,668	67,581
Morgan Elementary	68,679	69,135	57,693	57,939	60,912	88,014	69,293	65,530	54,568	54,070
Robinson Elementary	79,925	80,457	67,056	67,342	68,739	75,557	77,592	76,261	67,621	60,828
Sayen Elementary	55,348	55,715	46,559	46,758	56,997	74,095	71,638	52,810	46,994	43,295
Sunnybrae Elementary	63,381	63,803	53,138	53,365	56,507	61,190	62,928	60,475	51,117	49,171
University Heights Elementary	78,450	78,971	65,790	66,071	68,557	80,411	75,761	74,853	62,570	60,148
Yardville Elementary	70,546	71,015	59,211	59,464	59,362	85,718	89,586	67,312	62,930	53,636
Yardville Heights Elementary	66,547	66,989	55,922	56,160	53,566	96,538	80,464	63,496	52,986	51,952
Willey School	28,721	28,914	24,039	24,141	23,153	27,938	33,190	27,404	39,592	22,893
Total School Facilities	\$ 3,010,822	\$ 3,030,838	\$ 2,530,403	\$ 2,541,198	\$ 2,604,591	\$ 3,214,837	\$ 3,375,579	\$ 2,875,540	\$ 2,408,958	\$ 2,323,233

Source: District budget records for maintenance accounts; Annual M-1 Report

**HAMILTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015**

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy (1):		
Property/Building & Contents	\$ 289,991,897	\$ 5,000
Comprehensive General Liability	2,000,000	5,000
Comprehensive Automobile Liability	1,000,000	1,000
Umbrella	10,000,000	N/A
Student Accident (2):	500,000	N/A
Surety Bonds (1):		
Treasurer of School Monies	640,000	N/A
Board Secretary	50,000	N/A
Legal Liability/Errors & Omissions (3)	5,000,000	15,000

- (1) Selective Way Insurance Company
(2) National Union Fire Insurance Company
(3) New Jersey School Boards Insurance Group

Source: District Records

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SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Hamilton Township Board of Education
Hamilton, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Hamilton Township Board of Education, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Hamilton Township Board of Education's basic financial statements, and have issued our report thereon dated December 9, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Hamilton Township Board of Education'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 Hamilton Township Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Hamilton Township Board of Education's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. 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. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as finding 2015-001 that we consider to be a significant deficiency.

Compliance and Other Matters

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

We also noted certain administrative findings that we reported to management of the Hamilton Township Board of Education, as described in a separate auditor's management report dated December 9, 2015.

The Hamilton Township Board of Education's response to the internal control over compliance finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The Board of Education's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Public School Accountant, No. 2198

Medford, New Jersey
December 9, 2015

EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-
133 AND NEW JERSEY OMB CIRCULAR 04-04 AND/OR 15-08.**

Honorable President and Members
of the Board of Education
Hamilton Township Board of Education
Hamilton, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Hamilton Township Board of Education’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations*; *the New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB’s Circular 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 OMB’s 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 federal or state program occurred. An audit includes examining, on a test basis, evidence about Hamilton Township

Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, Hamilton Township Board of Education complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Hamilton Township Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Hamilton Township Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB's Circular(s) 04-04 and/or 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 Hamilton Township Board of Education's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal 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 and New Jersey OMB's Circular(s) 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Rodney R. Haines
Certified Public Accountant
Public School Accountant No. 2198

Medford, New Jersey
December 9, 2015

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**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	UNEARNED REVENUE AT JUNE 30, 2015	(ACCOUNTS RECEIVABLE) JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:									
Food Distribution Program	10.565	\$ 198,915	7/1/14-6/30/15	\$ -	198,915	(198,915)	\$ -	\$ -	-
National School Lunch Program	10.555	1,639,942	7/1/14-6/30/15	-	1,178,776	(1,639,942)	-	(461,166)	-
National School Lunch Program	10.555	1,621,878	7/1/12-6/30/14	(311,889)	311,889	-	-	-	-
National School Breakfast Program	10.553	287,471	7/1/14-6/30/15	-	200,299	(287,471)	-	(87,172)	-
National School Breakfast Program	10.553	261,911	7/1/12-6/30/14	(54,301)	54,301	-	-	-	-
Healthy Hunger-Free Kids Act	10.551	44,495	7/1/14-6/30/15	-	32,048	(44,495)	-	(12,447)	-
Healthy Hunger-Free Kids Act	10.551	45,122	7/1/12-6/30/14	(8,626)	8,626	-	-	-	-
Seamless Summer Option	10.559	19,778	7/1/14-6/30/15	-	19,778	(19,778)	-	-	-
Fresh Fruit and Vegetable	10.582	14,265	7/1/14-6/30/15	-	8,119	(14,265)	-	(6,146)	-
Special Milk Program	10.556	949	7/1/14-6/30/15	-	708	(949)	-	(241)	-
NSLP Equipment Assistance Grant	10.579	32,942	7/1/14-2/1/16	-	16,471	-	16,471	-	-
Total U.S. Department of Agriculture				(374,816)	2,029,930	(2,205,815)	16,471	(567,172)	-

**U.S. DEPARTMENT OF EDUCATION PASSED-
THROUGH STATE DEPARTMENT OF EDUCATION:**

General Fund:									
Medical Assistance Program	93.778	92,222	7/1/14-6/30/15	-	92,222	(92,222)	-	-	-
Medical Assistance Program	93.778	436,278	7/1/14-6/30/15	-	436,278	(436,278)	-	-	-
Total General Fund				-	528,500	(528,500)	-	-	-
Special Revenue Fund:									
Title I	84.010	1,486,564	7/1/14-6/30/15	-	738,009	(1,354,127)	-	(616,118)	-
Title I	84.010	1,766,612	7/1/13-6/30/14	(769,571)	759,238	-	-	(10,333)	-
Title II A	84.367A	327,461	7/1/14-6/30/15	-	107,872	(156,566)	-	(48,694)	-
Title II A	84.367A	340,281	7/1/13-6/30/14	9,254	107,233	(2,123)	114,364	-	-
Title II D	84.318	3,189	9/1/11-8/31/12	1,808	-	-	1,808	-	-
Title III	84.365A	206,758	7/1/14-6/30/15	-	31,046	(187,079)	-	(156,033)	-
Title III	84.365A	62,336	9/1/13-6/30/14	(42,756)	74,167	(31,411)	-	-	-
Title III	84.365A	180,712	9/1/12-6/30/13	(21,076)	21,076	-	-	-	-
Title III - Immigrant Program	84.365	104,310	7/1/14-6/30/15	-	-	(16)	-	(16)	-
Title III - Immigrant Program	84.365	49,637	9/1/13-6/30/14	(7,986)	10,328	(4,292)	-	(1,950)	-
I.D.E.A. Part B, Basic Regular	84.027	4,165,205	7/1/14-6/30/15	-	2,199,836	(3,603,608)	-	(1,403,772)	-
I.D.E.A. Part B, Basic Regular	84.027	3,588,025	7/1/13-6/30/14	(2,776,004)	2,952,754	(8,128)	168,622	-	-
I.D.E.A. Preschool	84.173	158,505	7/1/14-6/30/15	-	156,943	(107,012)	49,931	-	-
I.D.E.A. Preschool	84.173	178,411	7/1/13-6/30/14	(58,829)	58,829	-	-	-	-
Carl Perkins Grant	84.048	61,021	7/1/13-6/30/14	(77,849)	68,466	-	-	(25,593)	-
Carl Perkins Grant	84.048	78,294	7/1/12-6/30/13	(236)	236	-	-	(9,383)	-
Carl Perkins Grant	84.048	67,506	7/1/11-6/30/12	(54,903)	54,903	-	-	-	-
Race to the Top	84.395	54,903	9/1/13-6/30/14	-	-	-	-	-	-
Total Special Revenue Fund				(3,798,148)	7,340,936	(5,479,955)	334,725	(2,271,892)	-
Total U.S. Department of Education				(3,798,148)	7,869,436	(6,008,455)	334,725	(2,271,892)	-
Total Federal Financial Assistance				\$ (4,172,964)	\$ 9,899,366	\$ (8,214,270)	\$ 351,196	\$ (2,839,064)	\$ -

HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2015

GRANTOR STATE PROJECT NUMBER	STATE GRANTOR/PROGRAM TITLE	AWARD AMOUNT	GRANT PERIOD	BALANCE AT		ADJUSTMENT	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	UNEARNED REVENUE	(ACCOUNTS RECEIVABLE) JUNE 30, 2015	DUE TO GRANTOR JUNE 30, 2015	MEMO ONLY	
				JUNE 30, 2014	JUNE 30, 2015								BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:														
General Fund:														
495-034-5120-089	Special Education Categorical Aid	\$ 7,549,779	7/1/14-6/30/15	-	-	-	\$ 7,549,779	\$ (7,549,779)	-	\$ -	-	-	\$ 681,221	\$ 7,549,779
495-034-5120-078	Equalization Aid	64,508,297	7/1/14-6/30/15	-	-	-	64,508,297	(64,508,297)	-	-	-	-	5,820,622	64,508,297
495-034-5120-014	Transportation Aid	720,415	7/1/14-6/30/15	-	-	-	720,415	(720,415)	-	-	-	-	65,003	720,415
495-034-5120-084	Security Aid	545,728	7/1/14-6/30/15	-	-	-	545,728	(545,728)	-	-	-	-	49,241	545,728
495-034-5120-083	Under Adequacy Aid	40,007	7/1/14-6/30/15	-	-	-	40,007	(40,007)	-	-	-	-	3,610	40,007
495-034-5120-098	PARCC Readiness Aid	120,020	7/1/14-6/30/15	-	-	-	120,020	(120,020)	-	-	-	-	10,830	120,020
495-034-5120-097	Per Pupil Growth Aid	120,020	7/1/14-6/30/15	-	-	-	120,020	(120,020)	-	-	-	-	10,830	120,020
100-034-5120-473	Extraordinary Special Education Aid	1,194,892	7/1/14-6/30/15	-	-	-	1,194,892	(1,194,892)	-	-	-	-	10,830	1,194,892
100-034-5120-473	Extraordinary Special Education Aid	1,198,624	7/1/14-6/30/15	-	-	-	1,198,624	(1,198,624)	-	-	-	-	51,243	1,198,624
495-034-5120-014	Non-Public Transportation Aid	51,243	7/1/14-6/30/15	-	-	-	51,243	(51,243)	-	-	-	-	-	51,243
495-034-5120-014	Non-Public Transportation Aid	41,244	7/1/13-6/30/14	(38,501)	-	-	38,501	-	-	-	-	-	-	-
495-034-5095-006	On-Behalf TPAF Pension Contributions (Nonbudgeted)	4,310,419	7/1/14-6/30/15	-	-	-	4,310,419	(4,310,419)	-	-	-	-	-	4,310,419
495-034-5095-001	On-Behalf Post Retirement Medical Contributions	6,842,792	7/1/14-6/30/15	-	-	-	6,842,792	(6,842,792)	-	-	-	-	-	6,842,792
100-034-5095-002	Reimbursed TPAF Social Security Contributions (Nonbudgeted)	5,896,653	7/1/14-6/30/15	-	-	-	5,605,496	(5,896,653)	-	-	(291,157)	-	-	5,896,653
100-034-5095-002	Reimbursed TPAF Social Security Contributions (Nonbudgeted)	5,987,128	7/1/13-6/30/14	(295,605)	-	-	295,605	-	-	-	-	-	-	-
Total General Fund				(1,532,730)	-	-	91,895,703	(91,900,265)	-	-	(1,537,292)	-	6,641,357	91,900,265
Special Revenue Fund:														
100-034-5120-064	New Jersey Nonpublic Aid:													
100-034-5120-064	Textbook Aid	105,159	7/1/14-6/30/15	-	-	-	105,159	(105,022)	-	-	-	137	-	105,022
100-034-5120-064	Textbook Aid	100,101	7/1/13-6/30/14	1,195	-	-	-	-	(1,195)	-	-	-	-	-
100-034-5120-064	Technology Aid	56,192	7/1/14-6/30/15	-	-	-	56,192	(55,650)	-	-	-	542	-	55,650
100-034-5120-064	Technology Aid	36,500	7/1/13-6/30/14	1,866	-	-	-	-	(1,866)	-	-	-	-	-
Auxiliary Services:														
100-034-5120-067	Compensatory Education	516,877	7/1/14-6/30/15	-	-	-	516,877	(483,022)	-	-	-	33,855	-	483,022
100-034-5120-067	Compensatory Education	434,838	7/1/13-6/30/14	66,151	-	-	-	-	(66,151)	-	-	-	-	-
100-034-5120-067	ESL	21,924	7/1/14-6/30/15	-	-	-	21,924	(12,051)	-	-	-	9,873	-	12,051
100-034-5120-067	ESL	14,054	7/1/13-6/30/14	2,116	-	-	-	-	(2,116)	-	-	-	-	-
100-034-5120-067	Transportation	119,166	7/1/14-6/30/15	-	-	-	119,166	(119,166)	-	-	-	-	-	119,166
100-034-5120-067	Home Instruction	817	7/1/14-6/30/15	-	-	-	817	(817)	-	-	-	-	-	817
100-034-5120-067	Home Instruction	7,203	7/1/13-6/30/14	-	-	(7,203)	-	-	-	-	-	-	-	-
Handicapped Services:														
100-034-5120-066	Supplemental Instruction	146,582	7/1/14-6/30/15	-	-	-	146,582	(137,701)	-	-	-	8,881	-	137,701
100-034-5120-066	Supplemental Instruction	146,400	7/1/13-6/30/14	4,231	-	-	-	-	(4,231)	-	-	-	-	-
100-034-5120-066	Annual Examination & Classification	225,307	7/1/14-6/30/15	-	-	-	225,307	(187,511)	-	-	-	37,796	-	187,511
100-034-5120-066	Annual Examination & Classification	46,284	7/1/13-6/30/14	17,986	-	-	-	-	(17,986)	-	-	-	-	-
100-034-5120-066	Corrective Speech	152,846	7/1/14-6/30/15	-	-	-	152,846	(111,581)	-	-	-	41,265	-	111,581
100-034-5120-066	Corrective Speech	181,238	7/1/13-6/30/14	101,967	-	-	-	-	(101,967)	-	-	-	-	-
100-034-5120-070	Nursing Services	168,358	7/1/14-6/30/15	-	-	-	168,358	(168,358)	-	-	-	-	-	168,358
CP-14-08-08-01	Driver's Education	83,080	10/1/13-9/3/14	-	-	-	83,080	(83,080)	-	-	-	-	-	83,080
Total Special Revenue Fund				233,512	(7,203)	-	1,602,694	(1,463,959)	(233,512)	-	(817)	132,349	-	1,463,959
Capital Projects Fund:														
1950-180-09-0QAA	SDA Grants	1,208,118	7/1/12-6/30/13	(258,510)	-	-	215,507	-	-	-	-	-	(43,003)	-
1950-085-14-G1TG	SDA Grants- Alexander	288,814	7/1/14-6/30/16	-	-	-	206,518	(233,931)	-	-	-	-	(27,413)	233,931
1950-085-14-G1TF	SDA Grants- Crockett	1,303,140	7/1/14-6/30/16	-	-	-	133,237	(895,392)	-	-	-	-	(762,155)	895,392
1950-060-14-G1TE	SDA Grants- HS	340,149	7/1/14-6/30/16	-	-	-	126,390	(143,948)	-	-	-	-	(225,091)	225,091
1950-240-14-G1TH	SDA Grants- Sayen	189,972	7/1/14-6/30/16	-	-	-	168,358	(172,981)	-	-	-	-	(92,981)	143,948
1950-250-14-G3LN	SDA Grants- Morrison	169,887	7/1/14-6/30/16	-	-	-	168,358	(168,358)	-	-	-	-	(68,853)	92,981
1950-105-14-G3LM	SDA Grants- Wilson	169,887	7/1/14-6/30/16	-	-	-	168,358	(168,358)	-	-	-	-	(68,853)	68,853
Total Capital Projects Fund				(258,510)	-	-	681,652	(1,660,196)	-	-	(1,237,054)	-	-	1,660,196
Debt Service Fund:														
495-034-5120-075	Debt Service Aid Type II	226,332	7/1/14-6/30/15	-	-	-	226,332	(226,332)	-	-	-	-	-	226,332
Total Debt Service Fund				-	-	-	226,332	(226,332)	-	-	-	-	-	226,332
Enterprise Fund:														
100-010-3350-023	National School Lunch Program (State Share)	38,737	7/1/14-6/30/15	-	-	-	27,012	(38,737)	-	-	(11,725)	-	-	38,737
100-010-3350-023	National School Lunch Program (State Share)	40,240	7/1/13-6/30/14	(9,551)	-	-	9,551	-	-	-	-	-	-	-
Total Enterprise Fund				(9,551)	-	-	36,563	(38,737)	-	-	(11,725)	-	-	38,737
Total State Financial Assistance				(1,567,279)	(7,203)	\$ 94,442,944	(95,289,489)	(233,512)	\$ -	(2,786,888)	\$ 132,349	\$ 6,641,357	\$ -	\$ 95,289,489
Less: On-Behalf TPAF Contributions														\$ 11,153,211
Total State Financial Assistance Subject to State Single Audit														\$ (84,136,278)

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2015**

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal awards and state financial assistance programs of the Board of Education, Hamilton Township Board of Education. The Board of Education is defined in Note 1 to the District's basic financial statements. All Federal and State awards received directly from Federal and State agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$53,630 for the general fund and \$38,394 for the special revenue fund. See C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as presented as follows:

**HAMILTON TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued)
FOR THE YEAR ENDED JUNE 30, 2015**

3. Relationship to Basic Financial Statements (continued):

	State	Federal	Total
General Fund	\$ 91,953,895	\$ 528,500	\$ 92,482,395
Special Revenue Fund	1,463,959	5,518,349	6,982,308
Capital Projects Fund	1,660,196	-	1,660,196
Debt Service Fund	226,332	-	226,332
Food Service Fund	38,737	2,205,815	2,244,552
Total Financial Assistance	<u>\$ 95,343,119</u>	<u>\$ 8,252,664</u>	<u>\$ 103,595,783</u>

4. Relationship to Federal and State Financial Reports

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

5. Other

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

Note 6. Federal and State Loans Outstanding

The Hamilton Township Board of Education had no loan balance outstanding at June 30, 2015.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	Yes
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	No
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.565	Food Distribution Program
93.778	Medical Assistance Program
84.010	Title I

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

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

State Awards

Internal Control over major programs:

- | | |
|--|-------------------|
| 1) Material weakness(es) identified? | No |
| 2) Significant deficiencies identified that are not considered
To be material weaknesses? | None Reported |
| Type of auditor’s report issued on compliance for major programs | <u>Unmodified</u> |
| Any audit findings disclosed that are required to be reported in accordance
With NJ OMB Circular Letter 04-04 and/or 15-08? | No |

Identification of major programs:

GMIS Number(s)	Name of State Program
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-083	Under Adequacy Aid
495-034-5120-089	Categorical Special Education Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness Aid

Dollar threshold used to distinguish between type A and type B programs:	\$2,524,088
Auditee qualified as low-risk auditee?	Yes

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

Section II – Financial Statement Findings

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

Finding 2015-001:

Criteria or Specific Requirement:

Proper internal controls should be in place surrounding student activity funds.

Condition:

During our audit of student activity funds the following internal control issues were noted:

- Deposits related to student activities were not properly supported to ensure amounts deposited agrees to amounts collected from students.
- Student activity bank reconciliations are not being properly performed at various schools.

Context:

The District's lack of control over the monitoring and use of student activities.

Effect:

Insufficient internal controls over student activities can lead to the misappropriation and/or misuse of student activity funds.

Cause:

Insufficient knowledge and monitoring by District officials.

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

Section II – Financial Statement Findings (continued):

Finding 2015-001 (continued):

Recommendation:

That the District implement standard internal controls and procedures related to the receipt and deposit of student funds, and the monthly bank reconciliations, across all schools.

Views of Responsible Officials and Planned Corrective Actions:

The District agrees with this finding and will correct it accordingly.

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

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04/and or 15-08.

No Current Year Findings

**HAMILTON TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2015**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04 and/or 15-08.

Finding 2014-001:

During our audit of student activity funds the following internal control issues were noted:

- Deposits related to student activities were not properly supported to ensure amount deposited agrees to amount collected from students.
- Purchases are being made from student funds that do not appear to be a student activity including teaching supplies and chairs.
- Student activity bank reconciliations are not being properly performed at various schools. The standard reconciliation form being used by most schools is incorrectly referring to outstanding checks as accounts payable.

Status: Management has partially taken corrective action on this finding.