

**HIGH POINT REGIONAL
HIGH SCHOOL DISTRICT**

**High Point Regional High School District
Sussex, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

**High Point Regional
High School District**

Sussex, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

**High Point Regional High School
For the Fiscal Year Ended June 30, 2015**

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
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INTRODUCTORY SECTION

BOARD OF EDUCATION
HIGH POINT REGIONAL HIGH SCHOOL

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 Superintendent
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 Interim Business Administrator/Board Secretary
 Phone 973-875-7205
cjoseph@hpregional.org

November 19, 2015

The Honorable President and Members of
 The Board of Education
 High Point Regional High School District
 Sussex, New Jersey

Dear Board Members:

The comprehensive annual financial report of the High Point Regional High School District (the "District") for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the 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 comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, financial trends and fiscal capacity, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The High Point Regional High School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The High Point Regional High School District constitutes the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12 for the students residing in the Borough of Branchville, Township of Frankford, Township of Lafayette, Borough of Sussex, Township of Wantage and Township of Montague 9th graders. These include regular, vocational as well as special education for handicapped youngsters. The District completed the 2014-15 fiscal year with an average daily enrollment of 1,009 students, which is an increase of 2 students from the previous year's average daily enrollment.

The Honorable President and Members of
the Board of Education
High Point Regional High School District
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2) ECONOMIC CONDITION AND OUTLOOK: The communities comprising the High Point Regional High School District continue to reflect the economic condition experienced by the country over the past several years. Our student population is reflective of a community in which population numbers have steadily declined over the past decade.

The High Point Regional High School District currently covers 123.45 square miles and occupies 23.4% of northern Sussex County New Jersey. The grade 9-12 high school and adjacent administrative offices are housed in Wantage Township.

The District is governed by a nine member Board of Education which was formed in December 1963; members are elected to serve three year terms. The school building opened for students in grades 9-12 in September 1966. High Point Regional High School has completed two building additions in 1975 and 1991.

3) MAJOR INITIATIVES: An integrated and aligned vision has been implemented so as to focus on student achievement through our commitment to academic rigor, real-world applicable relevance, and the fostering of community, staff and student relationships. By aligning a program of standards, instruction, assessments, evaluations and professional development, we ensure fidelity to our vision of raising student achievement. We are committed to fostering a cooperative, collaborative and collegial educational environment for our students and our staff. High Point's curriculum and instruction are aligned to the Common Core State Standards, as well as, New Jersey's Core Curriculum Content Standards. High Point's faculty collaborates via professional learning communities to map the standards-based curriculum un Understanding by Design format utilizing Rubicon Atlas. Student achievement on state, national and international standardized assessments is demonstrative of the educational product High Point provides. Our student performance on the state administered High School Proficiency Assessment (HSPA) exceeds that of peers throughout the state. Total student proficiency on the Language Arts portion of the test was 95.4% alongside a 83.5% proficiency rate in Mathematics in 2014. Student performance on Advanced Placement (AP) exams place High Point in the upper echelon of not only New Jersey, but across the globe as well.

In November 2013, High Point launched a comprehensive Response to Intervention program that provides early-warning and research-based interventions for students who are experiencing difficulties. Some of the supports include the allocation of existing staff to literacy and behavioral intervention classes targeting at risk 9th graders. The early results include a 3.3% increase in the adjusted cohort graduation rate to 90.2% in 2014 and 94% in 2015.

To better facilitate project-based learning, authentic assessment, and blended learning opportunities, High Point became a fully integrated Google for Education campus in 2014. All students and staff now collaborate via Gmail accounts and the full suite of Google Applications. In 2013, the High Point administrative team developed a Respectable Use Policy that grants all students access to the district's newly upgraded Wi-Fi network. Students now regularly utilize electronic devices at the direction of their teachers to conduct research, complete formative assessments, and collaborate via Google Drive.

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

The Honorable President and Members of
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4) INTERNAL ACCOUNTING CONTROLS (Cont.)

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

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

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

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

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

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

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

9) OTHER INFORMATION:

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

The Honorable President and Members of
the Board of Education
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November 19, 2015

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

Respectfully submitted,

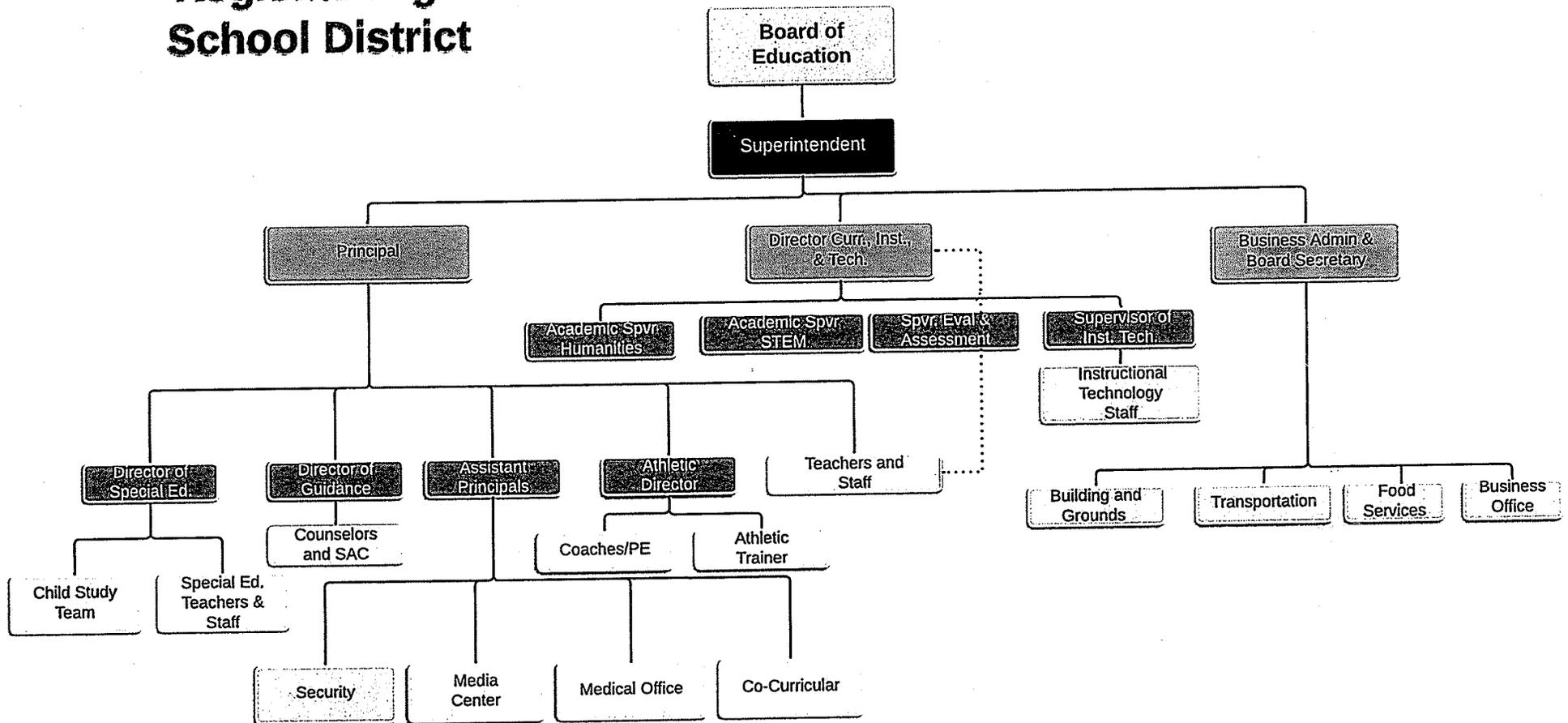


Scott D. Ripley
Superintendent and Chief School Administrator



Carolyn B. Joseph
Interim Business Administrator/Board Secretary

High Point Regional High School District



**HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2015**

<u>Members of the Board of Education</u>		<u>Term Expires</u>
Kyle Vealey, President	Wantage Township	2016
Deborah Anderson, Vice-President	Branchville Township	2015
Steven Danner	Wantage Township	2016
Kenneth Nelson	Wantage Township	2016
Todd Miller	Lafayette Township	2015
Marina Krynicki	Borough of Sussex	2017
Charlie Rolon, Jr.	Frankford Township	2017
Edwin Risdon, Jr.	Frankford Township	2015
Wayne Donn	Wantage Township	2015

Other Officers

Scott D. Ripley	Superintendent / Chief School Administrator
Carolyn B. Joseph	Interim Business Administrator/Board Secretary
Michelle LaStarza	Treasurer

**HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
Consultants and Advisors**

Audit Firm

Nisivoccia LLP, CPAs
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Adams, Gutierrez & Lattiboudere, LLC
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Official Depository

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Architect

HQW Architects, LLC
124 Main Street
Newton, NJ 07860

FINANCIAL SECTION



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 973-328-1825 | 973-328-0507 Fax

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Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 High Point Regional School District
 County of Sussex, NJ

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the High Point Regional High School District (the "District") in the County of Sussex, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

The Honorable President and Members
of the Board of Education
High Point Regional School District
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Opinions

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

Emphasis of Matter

As discussed in Note 9 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the fiscal year ended June 30, 2015. Our opinions are not modified with respect to this matter. The implementation resulted in the restatement of certain balances on the Statement of Net Position and the ending balance for Net Position for the Governmental Activities as of June 30, 2014 as detailed in Note 18 to the basic financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the required supplementary information pension schedules and the budgetary comparison information in Exhibits C-1 through C-3 and I-3 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District’s basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey’s OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 3

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

November 19, 2015
Mount Arlington, New Jersey

NISIVOCIA LLP



Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS
(UNAUDITED)

**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
Unaudited**

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

Financial Highlights

- The District's financial status remains strong, despite the decrease in the governmental-type activities net position of \$143,236.
- Net position of the District's business-type activity – food service program and other enterprise funds – decreased by \$37,134 over the previous year.
- The overall revenue of the District totaled \$28,923,670 which was an increase of \$2,143,304 compared to the prior year. This was primarily due to the recognition of TPAF pension.
- The overall expenses of the District totaled \$29,104,040 which was an increase of \$2,271,209 compared to the prior year. This was primarily due to the recognition of TPAF pension.
- In 2014-15 the District paid down \$180,000 of serial bond debt.

Overview of the Financial Statements

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

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

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 relate to one another.

Figure A-1
Organization of High Point Regional High School Financial Report

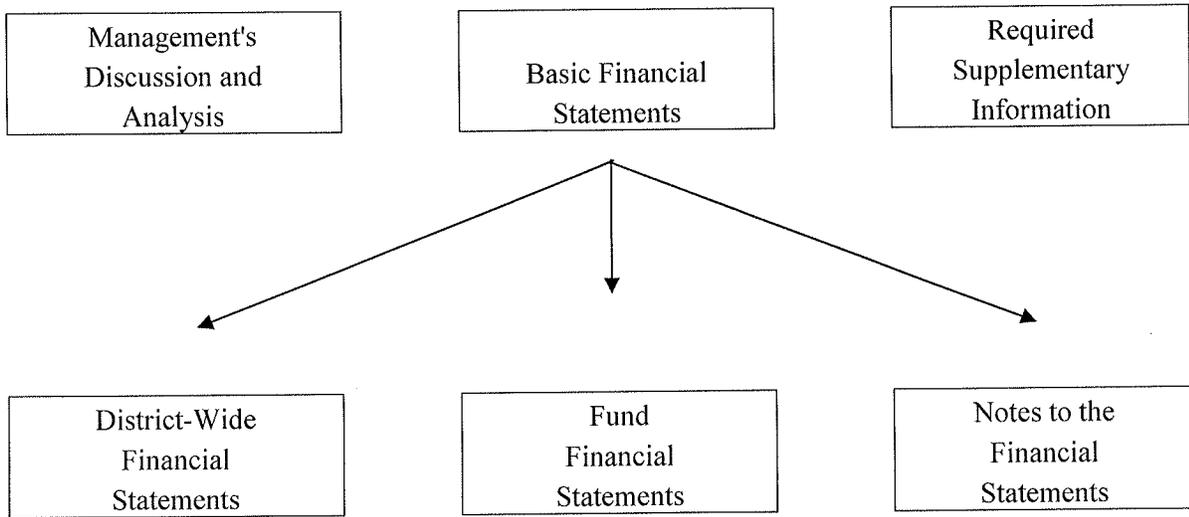


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents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

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses, food services, adult school, school store and transportation services	Instances in which the District administers resources on behalf of someone else, such as scholarship programs and student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial 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, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

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

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

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a school's financial position.

The District's financial position is the product of financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Figure A-3
Condensed Statement of Net Position

	Governmental Activities		Business-Type Activities		Total School District		Percentage Change
	2013/14*	2014/15	2013/14	2014/15	2013/14	2014/15	
Current and							
Other Assets	\$ 4,235,605	\$ 3,503,885	\$ 641,193	\$ 598,364	\$ 4,876,798	\$ 4,102,249	-15.88%
Capital Assets, Net	6,754,736	7,806,786	27,265	26,936	6,782,001	7,833,722	15.51%
Total Assets	10,990,341	11,310,671	668,458	625,300	11,658,799	11,935,971	2.38%
Deferred Outflows of Resources		503,505				503,505	100.00%
Long-term Debt Out- standing	7,955,688	2,416,854			7,955,688	2,416,854	-69.62%
Other Liabilities Total	665,912	1,122,916	8,340	2,316	674,252	1,125,232	66.89%
Liabilities	8,621,600	3,539,770	8,340	2,316	8,629,940	3,542,086	-58.96%
Deferred Inflows of Resources		340,207				340,207	100.00%
Net Investment in Capital							
Assets	5,122,169	6,435,416	27,265	26,936	5,149,434	6,462,352	25.50%
Restricted	3,251,378	2,704,749			3,251,378	2,704,749	-16.81%
Unrestricted/ (Deficit)	(6,004,806)	(6,914,660)	632,853	596,048	(5,371,953)	(6,318,612)	17.62%
Total Net Position	\$ 2,368,741	\$ 2,225,505	\$ 660,118	\$ 622,984	\$ 3,028,859	\$ 2,848,489	-5.96%

* Restated

Changes in Net Position. The District's combined net position was \$2,848,489 on June 30, 2015, \$180,370 less than it was the year before. (See Figure A-3). The depreciation factored into the net position of the District as a decrease is \$534,710. The net position of the governmental activities and business-type activities decreased \$143,236 and \$37,134, respectively (See Figure A-4).

Figure A-4**Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District		% Change
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	
Revenue:							
Program Revenue:							
Charges for Services	\$ 286,804	\$ 678,827	\$ 1,122,637	\$ 1,101,580	\$ 1,409,441	\$ 1,780,407	26.32%
Operating Grants & Contributions	8,672,786	11,162,696	65,996	81,112	8,738,782	11,243,808	28.67%
General Revenue:							
Property Taxes	16,070,972	15,806,914			16,070,972	15,806,914	-1.64%
Other	560,983	92,356	188	185	561,171	92,541	-83.51%
Total Revenue	25,591,545	27,740,793	1,188,821	1,182,877	26,780,366	28,923,670	8.00%
Expenses:							
Instruction	13,999,162	15,805,512			13,999,162	15,805,512	12.90%
Pupil and Instruction Services	4,778,592	5,233,875			4,778,592	5,233,875	9.53%
Administrative and Business	2,102,395	2,292,382			2,102,395	2,292,382	9.04%
Maintenance and Operations	2,808,908	2,569,793			2,808,908	2,569,793	-8.51%
Transportation	1,972,685	1,936,193			1,972,685	1,936,193	-1.85%
Other	23,330	46,274	1,147,759	1,220,011	1,171,089	1,266,285	8.13%
Total Expenses	25,685,072	27,884,029	1,147,759	1,220,011	26,832,831	29,104,040	8.46%
Increase/(Decrease) in Net Position	\$ (93,527)	\$ (143,236)	\$ 41,062	\$ (37,134)	\$ (52,465)	\$ (180,370)	-243.79%

Revenue Sources. The District's total revenue for the 2014/15 school year was \$28,923,670. (See Figure A-4). Property taxes and state formula aid accounted for most of the District's revenue, with local taxes accounting for \$15,806,914 of the total, or 54.65 percent. (See Figure A-5). Another 38.87 percent came from state and federal aid for specific programs and the remainder from miscellaneous sources, and charges for services. High Point Regional High School District basically conducts its operations from the revenue it receives from its local taxpayers and state sources. It is important to note that of the categorical grants amount, \$3,551,139 is included in funds that are not paid to the District, but are included in funding for pension payments and post retirement contributions that the State of New Jersey is paying on behalf of the District.

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

	Amount	Percentage
Sources of Income:		
Property Taxes	\$ 15,806,914	54.65%
Federal and State Categorical Grants	11,243,808	38.87%
Charges for Services	1,780,407	6.16%
Other	92,541	0.32%
Total Revenue	\$ 28,923,670	100.00%

The total cost of all programs and services was \$29,104,040. The District's expenses are predominantly related to instructing, caring for (pupil services) and transporting students (78.94 percent). (See Figure A-6). The District's administrative and business activities accounted for 7.88 percent of total costs. It is important to note that expenses include \$534,381 and \$329 of depreciation related to governmental and business-type capital assets, respectively.

Figure A-6
Expenses for Fiscal Year 2015

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 15,805,512	54.31%
Pupil and Instruction Services	5,233,875	17.98%
Administrative and Business	2,292,382	7.88%
Maintenance and Operations	2,569,793	8.83%
Transportation	1,936,193	6.65%
Other	<u>1,266,285</u>	<u>4.35%</u>
Total Expenses	<u>\$ 29,104,040</u>	<u>100.00%</u>

Governmental Activities

As discussed elsewhere in this commentary, the financial position of the District is strong. Maintaining existing programs with increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources.

Careful management of expenses remains essential for the District to sustain its financial health. The significant cost savings action implemented during the year was:

- Increased use of federal funds for tuition and related service costs.

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

The net cost shows the financial burden placed on the District's taxpayers by each of these functions:

Figure A-7
Net Cost of Governmental Activities

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2013/14</u>	<u>2014/15</u>	<u>2013/14</u>	<u>2014/15</u>
Instruction	\$ 13,999,162	\$15,805,512	\$ 6,723,293	\$ 6,981,547
Pupil and Instruction Services	4,778,592	5,233,875	3,530,834	3,823,627
Administrative and Business	2,102,395	2,292,382	2,067,066	1,913,549
Maintenance and Operations	2,808,908	2,569,793	2,320,798	2,180,222
Transportation	1,972,685	1,936,193	972,492	1,097,287
Other	<u>23,330</u>	<u>46,274</u>	<u>26,893</u>	<u>46,274</u>
	<u>\$ 25,685,072</u>	<u>\$ 27,884,029</u>	<u>\$ 15,641,376</u>	<u>\$16,042,506</u>

- The cost of all governmental activities this year was \$27.88 million.
- The federal and state governments subsidized certain programs with grants and contributions (\$8.975 million).
- Most of the District's costs (\$15.80 million), however, were financed by District taxpayers.

Business-Type Activities

Net position from the District's business-type activities decreased by \$37,134. (Refer to Figure A-4). Factors contributing to these results included:

- Food services expenses exceeded revenue by \$22,086, accounting for part of the decrease in the net position of the business-type activities.
- Other enterprise funds expenses exceeded revenue by \$15,048 accounting for part of the decrease in the net position of the business-type activities.

Financial Analysis of the District's Funds

The District's financial position remains relatively stable despite significant changes in the student clientele and difficult economic conditions. Salaries of staff have been increased by prior year negotiated agreements. Health costs have been contained for several years, however, significantly increased premiums are anticipated in the next few years. The Board has been able to save health premium costs by offering a program to staff whereby they can waive certain benefits under certain conditions.

General Fund Budgetary Highlights

While there was a slight increase in its original budget over the prior year, the local tax levy decreased by \$264,058. Changes were made within budgetary line items for changes in school based needs programs, supplies and equipment, but these changes did not increase the budget.

Capital Asset and Debt Administration

Figure A-8

Capital Assets (Net of Depreciation)

	Government Activities		Business-Type Activities		Total School District		Percentage
	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	Change 2014/15
Land	\$ 50,000	\$ 50,000			\$ 50,000	\$ 50,000	0.00%
Construction in Progress		1,376,268				1,376,268	100.00%
Land, Building and Site Improvements	5,303,491	5,150,787			5,303,491	5,150,787	-2.88%
Machinery and Equipment	1,401,245	1,229,731	\$ 27,265	\$ 26,936	1,428,510	1,256,667	-12.03%
Total Capital Assets - (Net of Depreciation)	<u>\$ 6,754,736</u>	<u>\$ 7,806,786</u>	<u>\$ 27,265</u>	<u>\$ 26,936</u>	<u>\$ 6,782,001</u>	<u>\$ 7,833,722</u>	15.51%

During the year the District purchased equipment for maintenance and grounds, athletic equipment and security equipment amounting to \$43,552. Additionally there was \$166,611 spent on building improvements and site improvements. The District had construction in progress at the end of the year in the amount of \$1,376,268 all attributable to the boiler and HVAC project. The depreciation factored into the governmental-type activities totaled \$534,381 and into the business-type activities totaled \$329. (More detailed information about the District's capital assets is presented in Note 6 to the financial statements.)

Long-term Debt

At year-end, the District had \$190,000 in general obligation bonds outstanding – a decrease of \$180,000 from last year – as shown in Figure A-9. (More detailed information about the District’s long-term liabilities is presented in Note 8 to the financial statements.)

Figure A-9

	Outstanding Long-Term Debt		Percentage Change
	<u>Total School District 2013/14*</u>	<u>2014/15</u>	
General Obligation Bonds (Financed with Property Taxes)	\$ 370,000	\$ 190,000	-48.65%
Capital Lease	1,262,567	1,181,370	-6.43%
Net Pension Liability	5,443,830	5,708,694	4.87%
Other Long Term Liabilities	<u>879,291</u>	<u>1,045,484</u>	18.90%
	<u>\$ 7,955,688</u>	<u>\$ 8,125,548</u>	2.14%

* Restated

- The District continued to pay down its debt, retiring \$180,000 of outstanding bonds.
- The District began to pay down its energy savings capital lease, retiring \$81,197.
- The District had a net increase in the net pension liability of \$264,864.
- The District’s other long term liabilities consist of accrued compensated absences which increased in 2015 by \$166,193, due to vesting of sick and vacation time.

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

- The High Point Regional High School District is presently in good financial condition. The District is proud of its community support of the public school and the pride that the students take in their building.
- High Point Regional High School District’s budget for 2014-15 remained under the 2% cap.
- The District routinely monitors the rules and regulations of the No Child Left Behind federal legislation to assess and ensure financial compliance.
- It is important that the District continues to be able to complete capital improvement projects and to maintain the physical plant of the District.
- The District has entered into a send-receive relationship with Montague that will potentially add revenue to the District budget, helping to reduce the tax impact on constituents, offset the decrease in enrollments and reduce pupil costs.

Contacting the District’s Financial Management

This financial report is designed to provide the District’s citizens, taxpayers, customers and investors and creditors with a general overview of the District’s finances and to demonstrate the District’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board of Education Office, High Point Regional High School District, 299 Pidgeon Hill Road, Sussex, New Jersey.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 123,046	\$ 456,593	\$ 579,639
Receivables from State Government	253,127	161	253,288
Receivables from Federal Government	1,000	3,725	4,725
Receivables from Other Governments	521,951	124,466	646,417
Internal Balances	15	(15)	
Inventory		13,434	13,434
Restricted Assets:			
Capital Reserve Account - Cash and Cash Equivalents	1,226,984		1,226,984
Maintenance Reserve Account - Cash and Cash Equivalents	1,377,762		1,377,762
Capital Assets:			
Land	50,000		50,000
Construction in Progress	1,376,268		1,376,268
Depreciable Buildings and Building Improvements, Site and Land Improvements, Machinery and Equipment	6,380,518	26,936	6,407,454
Total Assets	<u>11,310,671</u>	<u>625,300</u>	<u>11,935,971</u>
DEFERRED OUTFLOW OF RESOURCES			
Changes in Assumptions - Pension	179,512		179,512
Changes in Proportions - Pensions	323,993		323,993
Total Deferred Outflows of Resources	<u>503,505</u>		<u>503,505</u>
LIABILITIES			
Accounts Payable - Vendors	1,116,562		1,116,562
Unearned Revenue	2,000	2,316	4,316
Accrued Interest Payable	4,354		4,354
Noncurrent Liabilities:			
Due Within One Year	377,553		377,553
Due Beyond One Year	7,747,995		7,747,995
Total Liabilities	<u>9,248,464</u>	<u>2,316</u>	<u>9,250,780</u>
DEFERRED INFLOWS OF RESOURCES:			
Investment Gains - Pensions	340,207		340,207
Total Deferred Inflows of Resources	<u>340,207</u>		<u>340,207</u>
NET POSITION			
Net Investment in Capital Assets	6,435,416	26,936	6,462,352
Restricted for:			
Capital Projects	1,226,984		1,226,984
Debt Service Fund	3		3
Other Purposes	1,477,762		1,477,762
Unrestricted/(Deficit)	(6,914,660)	596,048	(6,318,612)
Total Net Position	<u>\$ 2,225,505</u>	<u>\$ 622,984</u>	<u>\$ 2,848,489</u>

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>			
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Governmental Activities:							
Instruction:							
Regular	\$ 11,520,175		\$ 6,713,002		\$ (4,807,173)	\$ (4,807,173)	
Special Education	2,832,984		1,892,090		(940,894)	(940,894)	
Other Special Instruction	1,452,353		218,873		(1,233,480)	(1,233,480)	
Support services:							
Tuition	1,258,017	\$ 678,827			(579,190)	(579,190)	
Student & Instruction Related Services	3,975,858		731,421		(3,244,437)	(3,244,437)	
General Administrative Services	619,516		71,311		(548,205)	(548,205)	
School Administrative Services	1,172,827		223,208		(949,619)	(949,619)	
Central Services	454,485		84,314		(370,171)	(370,171)	
Administrative Technology Information	45,554				(45,554)	(45,554)	
Plant Operations and Maintenance	2,569,793		389,571		(2,180,222)	(2,180,222)	
Pupil Transportation	1,936,193		838,906		(1,097,287)	(1,097,287)	
Interest on Long-Term Debt	9,875				(9,875)	(9,875)	
Capital Outlay	36,399				(36,399)	(36,399)	
Total Governmental Activities	<u>27,884,029</u>	<u>678,827</u>	<u>11,162,696</u>	<u>\$ -0-</u>	<u>(16,042,506)</u>	<u>\$ -0-</u>	<u>(16,042,506)</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenue</u>		<u>Net (Expense) Revenue and Changes in Net Positions</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Business-type Activities</u>
Business Type Activities:						
Food Service	\$ 409,611	\$ 306,413	\$ 81,112		\$ (22,086)	\$ (22,086)
Adult School	23,000	10,383			(12,617)	(12,617)
School Store	17,777	14,422			(3,355)	(3,355)
Transportation Services	769,623	770,362			739	739
Total Business-Type Activities	<u>1,220,011</u>	<u>1,101,580</u>	<u>81,112</u>		<u>(37,319)</u>	<u>(37,319)</u>
Total Primary Government	<u>\$ 29,104,040</u>	<u>\$ 1,780,407</u>	<u>\$ 11,243,808</u>	<u>\$ (16,042,506)</u>	<u>(37,319)</u>	<u>(16,079,825)</u>

General Revenues:

Taxes:

Property Taxes, Levied for General Purposes, Net 15,612,914
Taxes Levied for Debt Service 194,000

Interest Earnings 185

Interest Earned in Capital Reserve 738

Miscellaneous Income 91,618

Total General Revenue

Change in Net Position

Net Position - Beginning (Restated)

Net Position - Ending

15,612,914		15,612,914
194,000		194,000
	185	185
738		738
91,618		91,618
<u>15,899,270</u>	<u>185</u>	<u>15,899,455</u>
(143,236)	(37,134)	(180,370)
<u>2,368,741</u>	<u>660,118</u>	<u>3,028,859</u>
<u>\$ 2,225,505</u>	<u>\$ 622,984</u>	<u>\$ 2,848,489</u>

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

FUND FINANCIAL STATEMENTS

Exhibit B-1

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents		\$ 1,000	\$ 122,043	\$ 3	\$ 123,046
Receivables From State Government	\$ 253,127				253,127
Receivables From Federal Government		1,000			1,000
Receivables From Other Governments	521,951				521,951
Interfund Receivable	448,236				448,236
Restricted Cash and Cash Equivalents	2,604,746				2,604,746
Total Assets	\$ 3,828,060	\$ 2,000	\$ 122,043	\$ 3	\$ 3,952,106
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 1,116,562				\$ 1,116,562
Interfund Payable			\$ 448,221		448,221
Unearned Revenue		\$ 2,000			2,000
Total Liabilities	1,116,562	2,000	448,221		1,566,783
Fund Balances:					
Restricted for:					
Capital Reserve Account	1,226,984				1,226,984
Maintenance Reserve Account	1,377,762				1,377,762
Excess Surplus - Prior Year:					
For Subsequent Year's Expenditures	100,000				100,000
Debt Service Fund				\$ 3	3
Assigned to:					
Year-end Encumbrances	6,752				6,752
Unassigned:					
Capital Projects Fund			(326,178)		(326,178)
Total Fund Balances	2,711,498		(326,178)	3	2,385,323
Total Liabilities and Fund Balances	\$ 3,828,060	\$ 2,000	\$ 122,043	\$ 3	

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 \$21,581,384 and the accumulated depreciation is \$13,774,598.	\$ 7,806,786
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(2,416,854)
The Net Pension Liability for PERS is not due and payable in the current period and is not reported in the Governmental Funds.	(5,708,694)
Certain amounts related to the Net Pension Liability are deferred and amortized in the Statement of Activities and are not reported in the Governmental Funds:	
Changes in Assumptions - Pensions	179,512
Changes in Proportions - Pensions	323,993
Investment Gains - Pensions	(340,207)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as expenditure when due.	(4,354)
Net Position of Governmental Activities	\$ 2,225,505

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 15,612,914			\$ 194,000	\$ 15,806,914
Tuition	678,827				678,827
Interest Earned on Capital Reserve Funds	738				738
Unrestricted Miscellaneous	91,618	\$ 120			91,738
Total - Local Sources	<u>16,384,097</u>	<u>120</u>		<u>194,000</u>	<u>16,578,217</u>
State Sources	8,563,950				8,563,950
Federal Sources		330,033			330,033
Total Revenue	<u>24,948,047</u>	<u>330,153</u>		<u>194,000</u>	<u>25,472,200</u>
EXPENDITURES:					
Current:					
Regular Instruction	7,032,492	301,456			7,333,948
Special Education Instruction	1,840,101				1,840,101
Other Special Instruction	942,668				942,668
Support Services and Undistributed Costs:					
Tuition	1,258,017				1,258,017
Student & Instruction Related Services	2,613,887	28,697			2,642,584
General Administrative Services	412,650				412,650
School Administrative Services	731,483				731,483

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
EXPENDITURES (Cont'd):					
Support Services and Undistributed Costs (Cont'd):					
Central Services	\$ 297,317				\$ 297,317
Administrative Information Technology	45,554				45,554
Plant Operations and Maintenance	2,033,876				2,033,876
Pupil Transportation	1,698,644				1,698,644
Benefits - Allocated and Unallocated	5,611,377				5,611,377
Debt Service:					
Principal				\$ 180,000	180,000
Interest and Other Charges				14,000	14,000
Capital Outlay	<u>246,562</u>		<u>\$ 1,376,268</u>		<u>1,622,830</u>
Total Expenditures	<u>24,764,628</u>	<u>\$ 330,153</u>	<u>1,376,268</u>	<u>194,000</u>	<u>26,665,049</u>
Excess/(Deficiency) of Revenue over/(under) Expenditures	183,419		(1,376,268)		(1,192,849)
OTHER FINANCING SOURCES/(USES):					
Transfers In			1,050,090		1,050,090
Transfers Out	<u>(1,050,090)</u>				<u>(1,050,090)</u>
Total Other Financing Sources/(Uses)	<u>(1,050,090)</u>		<u>1,050,090</u>		
Net Change in Fund Balances	(866,671)		(326,178)		(1,192,849)
Fund Balance - July 1	<u>3,578,169</u>			<u>3</u>	<u>3,578,172</u>
Fund Balance/(Deficit) - June 30	<u>\$ 2,711,498</u>	<u>\$ -0-</u>	<u>\$ (326,178)</u>	<u>\$ 3</u>	<u>\$ 2,385,323</u>

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Total Net Change in Fund Balances - Governmental Funds (from B-2)		\$ (1,192,849)
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 differs from depreciation.		
	Depreciation expense	\$ (534,381)
	Capital outlays	<u>1,586,431</u>
		1,052,050
Repayment of serial bonds is an expenditure in the Governmental Funds, but the repayment reduces Long-Term Liabilities in the Statement of Net Position and is not reported in the Statement of Activities.		180,000
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(166,193)
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.		4,125
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:		(264,864)
Change in Net Pension Liability		
Deferred Outflows:		
Changes in Assumptions		179,512
Changes in Proportion		323,993
Deferred Inflows:		
Net difference between projected and actual investment earnings on pension plan investments		(340,207)
Repayment of capital leases 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.		<u>81,197</u>
Change in Net Position of Governmental Activities (Exhibit A-2)		<u>\$ (143,236)</u>

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
<u>ASSETS:</u>					
Current Assets:					
Cash and Cash Equivalents	\$ 86,747	\$ 327,041	\$ 29,038	\$ 13,767	\$ 456,593
Accounts Receivable:					
State	161				161
Federal	3,725				3,725
Intergovernmental - Other		124,466			124,466
Inventories	4,464			8,970	13,434
Total Current Assets	<u>95,097</u>	<u>451,507</u>	<u>29,038</u>	<u>22,737</u>	<u>598,379</u>
Non-Current Assets:					
Capital Assets	39,029				39,029
Less: Accumulated Depreciation	(12,093)				(12,093)
Total Non-Current Assets	<u>26,936</u>				<u>26,936</u>
Total Assets	<u>122,033</u>	<u>451,507</u>	<u>29,038</u>	<u>22,737</u>	<u>625,315</u>
<u>LIABILITIES:</u>					
Current Liabilities:					
Interfund Payable	15				15
Unearned Revenue	2,316				2,316
Total Current Liabilities	<u>2,331</u>				<u>2,331</u>
<u>NET POSITION:</u>					
Net Investment in Capital Assets	26,936				26,936
Unrestricted	92,766	451,507	29,038	22,737	596,048
Total Net Position	<u>\$ 119,702</u>	<u>\$ 451,507</u>	<u>\$ 29,038</u>	<u>\$ 22,737</u>	<u>\$ 622,984</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Operating Revenue:					
Local Sources:					
Daily Sales - Reimbursable Programs	\$ 137,952				\$ 137,952
Daily Sales - Non Reimbursable Programs	168,461				168,461
Program Fees		\$ 770,362	\$ 10,383	\$ 14,422	795,167
Total Operating Revenue	306,413	770,362	10,383	14,422	1,101,580
Operating Expenses:					
Cost of Sales	175,442		23,000	17,777	216,219
Salaries & Payroll Taxes	154,999				154,999
Employee Benefits	11,166				11,166
Other Purchased Services		769,623			769,623
Management Fee	15,990				15,990
Purchased Professional and Technical Services	1,808				1,808
Depreciation Expense	329				329
Other Miscellaneous Expenses	49,877				49,877
Total Operating Expenses	409,611	769,623	23,000	17,777	1,220,011
Operating Income/(Loss)	(103,198)	739	(12,617)	(3,355)	(118,431)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Non-Operating Revenue:					
State Sources:					
State School Lunch Program	\$ 2,744				\$ 2,744
Federal Sources:					
National School Lunch Program	57,769				57,769
Food Distribution Program	20,599				20,599
Local Sources:					
Interest Income	137		\$ 33	\$ 15	185
Total Non-Operating Revenue	<u>81,249</u>		<u>33</u>	<u>15</u>	<u>81,297</u>
Change in Net Position	(21,949)	\$ 739	(12,584)	(3,340)	(37,134)
Net Position - Beginning of Year	<u>141,651</u>	<u>450,768</u>	<u>41,622</u>	<u>26,077</u>	<u>660,118</u>
Net Position - End of Year	<u>\$ 119,702</u>	<u>\$ 451,507</u>	<u>\$ 29,038</u>	<u>\$ 22,737</u>	<u>\$ 622,984</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 308,109	\$ 776,711	\$ 10,383	\$ 16,471	\$ 1,111,674
Payments to Employees	(156,026)				(156,026)
Payments for Benefits	(11,166)				(11,166)
Payments to Food Service Vendor	(15,661)				(15,661)
Payments to Suppliers	(195,812)	(769,623)	(23,000)	(17,777)	(1,006,212)
Net Cash Provided by/(Used for) Operating Activities	<u>(70,556)</u>	<u>7,088</u>	<u>(12,617)</u>	<u>(1,306)</u>	<u>(77,391)</u>
Cash Flows from Noncapital Financing Activities:					
Cash Received from Federal and State Sources	<u>59,600</u>				<u>59,600</u>
Net Cash Provided by Noncapital Financing Activities	<u>59,600</u>				<u>59,600</u>
Cash Flows from Investing Activities:					
Investment Income	<u>137</u>		<u>33</u>	<u>15</u>	<u>185</u>
Net Cash Flows Provided by Investing Activities:	<u>137</u>		<u>33</u>	<u>15</u>	<u>185</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(10,819)	7,088	(12,584)	(1,291)	(17,606)
Cash and Cash Equivalents, July 1	<u>97,566</u>	<u>319,953</u>	<u>41,622</u>	<u>15,058</u>	<u>474,199</u>
Cash and Cash Equivalents, June 30	<u>\$ 86,747</u>	<u>\$ 327,041</u>	<u>\$ 29,038</u>	<u>\$ 13,767</u>	<u>\$ 456,593</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for)					
Operating Activities:					
Operating Income / (Loss)	\$ (103,198)	\$ 739	\$ (12,617)	\$ (3,355)	\$ (118,431)
Adjustment to Reconcile Operating Income / (Loss) to Cash provided by / (used for) Operating Activities:					
Federal Food Distribution Program	20,599				20,599
Depreciation	329				329
Changes in Assets and Liabilities:					
(Increase)Decrease in Intergovernmental Accounts Receivable - Other		6,349			6,349
(Increase)Decrease in Inventory	(388)			2,049	1,661
(Increase)Decrease in Interfund Receivable	18,111				18,111
Increase/(Decrease) in Prepaid Sales	1,371				1,371
Increase/(Decrease) in Interfund Payable	15				15
Increase/(Decrease) in Accounts Payable	(7,723)				(7,723)
Increase(Decrease) in Unearned Revenue	328				328
Net Cash Provided by / (Used for) Operating Activities	<u>\$ (70,556)</u>	<u>\$ 7,088</u>	<u>\$ (12,617)</u>	<u>\$ (1,306)</u>	<u>\$ (77,391)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. donated commodities through the Food Distribution Program valued at \$20,927 and utilized commodities valued at \$20,599.

Exhibit B-7

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>Agency</u>	<u>Private Purpose Scholarship Trust</u>	<u>Unemployment Compensation Trust</u>
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 119,646	\$ 50,329	\$ 34,970
Total Assets	<u>119,646</u>	<u>50,329</u>	<u>34,970</u>
<u>LIABILITIES:</u>			
Net Salaries and Wages	2,286		
Payroll Deductions and Withholdings	9,971		
Due to Student Groups	<u>107,389</u>		
Total Liabilities	<u>119,646</u>		
<u>NET POSITION:</u>			
Held in Trust for Unemployment Claims			34,970
Restricted For Scholarships		<u>50,329</u>	
Total Net Position	<u>\$ -0-</u>	<u>\$ 50,329</u>	<u>\$ 34,970</u>

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

Exhibit B-8

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Unemployment Compensation Trust	Scholarship Trust	Totals
ADDITIONS:			
Contributions:			
Plan Member	\$ 32,398		\$ 32,398
Employer Contributions	43,914		43,914
Donations		\$ 11,700	11,700
Total Contributions	<u>76,312</u>	<u>11,700</u>	<u>88,012</u>
Investment Earnings:			
Interest	<u>69</u>	<u>52</u>	<u>121</u>
Net Investment Earnings	<u>69</u>	<u>52</u>	<u>121</u>
Total Additions	<u>76,381</u>	<u>11,752</u>	<u>88,133</u>
DEDUCTIONS:			
Unemployment Compensation Claims	76,312		
Scholarships Awarded		10,550	86,862
Total Deductions	<u>76,312</u>	<u>10,550</u>	<u>86,862</u>
Change in Net Position	69	1,202	1,271
Net Position - Beginning of the Year	<u>34,901</u>	<u>49,127</u>	<u>84,028</u>
Net Position - End of the Year	<u>\$ 34,970</u>	<u>\$ 50,329</u>	<u>\$ 85,299</u>

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

B. Basis of Presentation: (Cont'd)

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

The District reports the following governmental funds:

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

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

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

B. Basis of Presentation: (Cont'd)

The District reports the following proprietary fund:

Enterprise Fund: The Enterprise Funds account for all revenue and expenses pertaining to the Board's cafeteria program, school store, adult school and transportation program. The enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Student Activities Fund, Payroll Agency Fund, Private Purpose Scholarship Fund and Unemployment Compensation Insurance Trust Fund.

C. Measurement Focus and Basis of Accounting

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

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

D. Budgets/Budgetary Control:

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

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

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

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

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	\$ 24,945,810	\$ 332,153
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures, and Revenue while the GAAP Basis does not.		(2,000)
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	634,554	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(632,317)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 24,948,047	\$ 330,153

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

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

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 24,764,628	\$ 332,153
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		(2,000)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 24,764,628	\$ 330,153
		Capital Projects Fund
Actual Amounts (Budgetary Basis) "Revenue and Other Financing Sources" from the Summary Schedule of Revenues, Expenditures and Changes in Fund Balance SDA Grants Revenue not Recognized on GAAP Basis		\$ 1,750,150 (700,060)
Total Revenues and Other Financing Sources as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds		\$ 1,050,090
		Capital Projects Fund
Committed Fund Balance		\$ 373,882
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Receivables not Recognized on GAAP Basis		(700,060)
Unassigned / (Deficit) Fund Balance per Governmental Funds (GAAP)		\$ (326,178)

E. Cash and Cash Equivalents and Investments:

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

E. Cash and Cash Equivalents and Investments: (Cont'd)

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

F. Interfund Transactions:

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

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

G. Allowance for Uncollectible Amounts:

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

H. Encumbrances:

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

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

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

I. Short-Term Interfund Receivable/Payable:

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

J. Inventories and Prepaid Expenses:

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

J. Inventories and Prepaid Expenses: (Cont'd)

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

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment.

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

	<u>Estimated Useful Life</u>
Buildings	50 years
Land and Site Improvements	20 years
Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2015.

N. Compensated Absences:

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

N. Compensated Absences: (Cont'd)

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

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

O. Unearned Revenue:

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. See Note 1(D) regarding the special revenue fund.

P. Fund Balance Appropriated:

General Fund: Of the \$2,711,498 General Fund balance at June 30, 2015, \$1,226,984 is restricted in the capital reserve account; \$1,377,762 is restricted in the maintenance reserve; \$100,000 is restricted for prior year excess surplus in accordance with N.J.S.A.18A:7F (S1701) and has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2016. The assigned fund balance is \$76,772 less than the actual assigned fund balance due to the final two state aid payments, which are not recognized on a GAAP basis until the fiscal year ended June 30, 2016. Additionally, there is \$555,545 of unassigned fund balance which is not reported on a GAAP basis due to the final two state aid payments.

Capital Projects Fund: The Capital Projects Fund fund balance at June 30, 2015, of (\$326,178) is unassigned. The deficit is a result of the timing of the revenue recognition on a GAAP basis for the SDA Grant awarded.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2015 of \$3 is restricted.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (S1701) the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District had excess surplus at June 30, 2015, as noted above.

The District's fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$632,317, (\$555,545 in unassigned fund balance and \$76,772 in assigned for year-end encumbrances) as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last two state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

Q. Deficit Net Position / Fund Balance

The \$6,914,660 deficit in unrestricted net position for the governmental activities at June 31, 2015 primarily resulted from the inclusion of the net pension liability \$5,708,694 and the associated inflows and outflows along with the accrual of \$1,045,484 in compensated absences payable, a \$326,178 deficit in fund balance in the capital projects fund on GAAP basis, and \$4,354 of accrued interest payable. These deficits do not indicate that the District is facing financial difficulties and is permitted practice under generally accepted accounting principles.

R. Net Position:

Net Position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources. This Statement provides guidance for reporting net position within a framework that includes deferred outflows of resources and deferred inflows of resources, in addition to assets and liabilities.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period.

The District had deferred outflows of resources at June 30, 2015 for the changes in assumptions and changes in proportion for pension. The District had deferred inflows of resources at June 30, 2015 for the net difference between projected and actual investment earnings on pension plan investments.

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

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

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

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

S. Fund Balance Restrictions, Commitments and Assignments:

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

S. Fund Balance Restrictions, Commitments and Assignments: (Cont'd)

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has no committed resources at June 30, 2015 on the GAAP Basis.

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

T. Revenue - Exchange and Non-exchange Transactions:

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

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

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the respective Enterprise Fund. For the School District, these revenues are sales for food service and program fees for other Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the respective Enterprise Fund.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

V. Management Estimates:

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

W. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed on the following page.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

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

Deposits:

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

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

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

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

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

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;
- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

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

- (b) the custody of collateral is transferred to a third party;
- (c) the maturity of the agreement is not more than 30 days;
- (d) the underlying securities are purchased through a public depository as defined in statute; and
- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

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

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents Capital and Maintenance Reserve Accounts	Total
Checking and Savings Accounts	\$ 784,584	\$ 2,604,746	\$ 3,389,330
	\$ 784,584	\$ 2,604,746	\$ 3,389,330

During the period ended June 30, 2015, the District did not hold any investments other than certificates of deposit. The carrying amount of the Board's cash and cash equivalents at June 30, 2015, was \$3,389,330 and the bank balance was \$3,271,960.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution on October 9, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

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

Beginning Balance, July 1, 2014	\$ 1,773,613
Increased by:	
Increase per Board Resolution	502,723
Interest Earnings	<u>738</u>
	2,277,074
Decreased by:	
Budgeted Withdrawal	<u>1,050,090</u>
Ending Balance, June 30, 2015	<u><u>\$ 1,226,984</u></u>

The June 30, 2015 LRFP balance of local support costs of uncompleted capital projects at June 30, 2015 is equal to or greater than \$1,226,984. Withdrawals from the capital reserve account were for use in DOE approved facilities projects, consistent with the District's LRFP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution for the accumulation of funds for use as maintenance expenditures for subsequent fiscal years. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current year in the advertised recapitulation of balances of the subsequent year's budget that is certified for taxes. Funds may be withdrawn for the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan. Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line item account. In any year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current year of the district's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted in the subsequent year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2014	<u>\$ 1,377,762</u>
Ending Balance, June 30, 2015	<u><u>\$ 1,377,762</u></u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 6. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Land	\$ 50,000			\$ 50,000
Construction in Progress		\$ 1,376,268		1,376,268
Total Capital Assets Not Being Depreciated	<u>50,000</u>	<u>1,376,268</u>		<u>1,426,268</u>
Capital Assets Being Depreciated:				
Land Improvements	536,917			536,917
Buildings, Building Improvements and Site Improvements	13,860,626	166,611		14,027,237
Machinery and Equipment	5,547,410	43,552		5,590,962
Total Capital Assets Being Depreciated	<u>19,944,953</u>	<u>210,163</u>		<u>20,155,116</u>
Governmental Activities Capital Assets	<u>19,994,953</u>	<u>1,586,431</u>		<u>21,581,384</u>
Less Accumulated Depreciation for:				
Land Improvements	(509,016)	(20,364)		(529,380)
Buildings, Building Improvements and Site Improvements	(8,585,036)	(298,951)		(8,883,987)
Machinery and Equipment	(4,146,165)	(215,066)		(4,361,231)
	<u>(13,240,217)</u>	<u>(534,381)</u>		<u>(13,774,598)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 6,754,736</u>	<u>\$ 1,052,050</u>	<u>\$ -0-</u>	<u>\$ 7,806,786</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Furniture and Equipment	\$ 39,029			\$ 39,029
Less Accumulated Depreciation	(11,764)	\$ (329)		(12,093)
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 27,265</u>	<u>\$ (329)</u>	<u>\$ -0-</u>	<u>\$ 26,936</u>

The District had one uncompleted project as of June 30, 2015 which was related to the HVAC upgrades in the auditorium and gym, and the boiler replacement.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 228,715
Special Education Instruction	29,925
Student Instruction and Related Services	100,998
General Administrative Services	12,825
School Administrative Services	16,566
Plant Operation and Maintenance	56,110
Pupil Transportation	89,242
	<u>\$ 534,381</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 7. TRANSFER TO CAPITAL OUTLAY

During the year ended June 30, 2015, the District made transfers to capital outlay accounts in the amount of \$70,951 for equipment which did not require county superintendent approval. There was a transfer of \$36,527 for facilities acquisition and construction services, which received county superintendent approval.

NOTE 8. LONG-TERM LIABILITIES

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

	Restated Balance 6/30/2014	Accrued	Retired	Balance 6/30/2015	Due Within One Year
Bond Payable	\$ 370,000		\$ 180,000	\$ 190,000	\$ 190,000
Capital Leases Payable	1,262,567		81,197	1,181,370	83,005
Net Pension Liability	5,443,830	\$ 264,864		5,708,694	
Compensated Absences Payable	879,291	\$ 234,798	68,605	1,045,484	104,548
	<u>\$ 7,955,688</u>	<u>\$ 499,662</u>	<u>\$ 329,802</u>	<u>\$ 8,125,548</u>	<u>\$ 377,553</u>

A. Bonds Payable:

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

The District had bonds outstanding as of June 30, 2015 as follows:

Maturity Date	Serial Bonds Interest Rate	Amount
7/15/2015	4.75%	<u>\$ 190,000</u>

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

Fiscal Year Ending June 30,	Bonds		Total
	Principal	Interest	
2016	<u>\$ 190,000</u>	<u>\$ 4,750</u>	<u>\$ 194,750</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 8. LONG-TERM LIABILITIES (Cont'd)

B. Capital Leases Payable:

The District is leasing equipment under an energy savings improvement program totaling \$1,327,620. The capital lease is for a term of fourteen years. The following is a schedule of the future minimum lease payments under this capital lease, and the present value of the net minimum lease payments at June 30, 2015.

Year	Amount
2016	\$ 108,715
2017	108,715
2018	108,715
2019	108,715
2020	108,715
2021-2025	543,575
2026-2028	271,788
	1,358,938
Less: Amount representing interest	(177,568)
Present value of net minimum lease payments	\$ 1,181,370

The General Fund will be used to liquidate the capital lease.

C. Bonds and Notes Authorized but not Issued

The District had no bonds and notes authorized but not issued at June 30, 2015.

D. Compensated Absences:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$104,548 and is separated from the long-term liability balance of compensated absences of \$940,936. Compensated absences will be liquidated through the General Fund.

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, no liability existed for compensated absences in the Enterprise Funds.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2015 is \$-0- and the long-term portion is \$5,708,694. See Note 9 for further information on the PERS.

NOTE 9. PENSION PLANS

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a 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 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$254,377 for fiscal year 2015.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions (Cont'd)

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

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

At June 30, 2015, the District reported a liability of \$5,708,694 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.030%, which was a decrease of 0.002% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$353,056. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 179,512	
Changes in Proportion	323,993	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		<u>\$ 340,207</u>
	<u>\$ 503,505</u>	<u>\$ 340,207</u>

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Total</u>
2015	\$ (52,053)
2016	(52,053)
2017	(52,053)
2018	(52,053)
2019	32,998
Thereafter	14,519
	<u>\$ (160,695)</u>

Actuarial Assumptions

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

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

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

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

Long Term Expected Rate of Return

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Long Term Expected Rate of Return (Cont'd)

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

Discount Rate

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

	Fiscal Year Ended June 30, 2014		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
District's proportionate share of the Net Pension Liability	\$ 7,181,732	\$ 5,708,694	\$ 4,471,718

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Contributions

The contribution policy for TPAF is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing members. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which included the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014, the State's pension contribution was less than the actuarially determined amount.

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2015, the State of New Jersey contributed \$495,670 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$2,764,263.

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

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

At June 30, 2015, the State's proportionate share of the net pension liability associated with the District was \$51,371,394. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.030%, which was an increase of 0.002% from its proportion measured as of June 30, 2013.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	51,371,394
	51,371,394
Total	\$ 51,371,394

For the fiscal year ended June 30, 2014, the State recognized pension expense on behalf of the District in the amount of \$2,764,263 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2015 financial statements.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

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

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

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

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

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

Actuarial Assumptions

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

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

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 9. PENSION PLANS (Cont'd)

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

For DCRP, the District recognized pension expense of \$1,148 for the fiscal year ended June 30, 2015. Employee contributions to DCRP amounted to \$1,869 for the fiscal year ended June 30, 2015.

NOTE 10. POST-RETIREMENT BENEFITS

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

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

The State's on behalf Post-Retirement Medical Contributions to TPAF for the District amounted to \$786,876, \$666,694 and \$752,337 for 2015, 2014 and 2013, respectively.

NOTE 11. 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. Health benefits are provided by Amerihealth.

Property and Liability

The High Point Regional High School District is a member of the School Alliance Insurance Fund (the "Fund"). This public entity risk management pool provides general liability, property and automobile coverage and workers' compensation for its members. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report. The Fund is a risk-sharing public entity risk pool that is an insured and self-administered group of school boards established for the purpose of providing low-cost insurance for its respective members in order to keep local property taxes to a minimum. Each member appoints an official to represent their respective entity for the purpose of creating a governing body from which officers for the Fund are elected.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. RISK MANAGEMENT (Cont'd)

Property and Liability (Cont'd)

As a member of this Fund, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of the Fund were to be exhausted, members would become responsible for their respective shares of the Fund's liabilities. The Fund can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body. In accordance with Statement No. 10 of the Governmental Accounting Standards Board, these distributions are used to reduce the amount recorded for membership expense in the year in which the distribution is declared.

The June 30, 2015 audit report for the Fund is not available as of the date of this report. Selected, summarized financial information for the Fund as of June 30, 2014 is as follows:

	<u>School Alliance</u> <u>Insurance Fund</u> <u>2014</u>
Total Assets	\$ 33,508,569
Net Position	\$ 5,114,269
Total Revenue	\$ 34,091,773
Total Expenses	\$ 37,253,827
Change in Net Position	\$ (3,162,054)
Member Dividends	\$ -0-

Financial statements for the Fund are available at the Fund's Executive Director's Office:

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

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "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 the District and employee contributions, interest earned and reimbursements to the State for benefits paid and the ending balance of the District's trust fund for the current and previous two years.

<u>Fiscal Year</u>	<u>District</u> <u>Contribution</u>	<u>Interest</u> <u>Earned</u>	<u>Employee</u> <u>Contributions</u>	<u>Amount</u> <u>Reimbursed</u>	<u>Ending</u> <u>Balance</u>
2014-2015	\$ 43,914	\$ 69	\$ 32,398	\$ 76,312	\$ 34,970
2013-2014	44,210	70	26,842	71,052	34,901
2012-2013	40,586	76	24,642	65,228	34,831

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 12. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the fund financial statements at June 30, 2015:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 448,236	
Capital Projects Fund		\$ 448,221
Enterprise Fund - Food Service		15
	<u>\$ 448,236</u>	<u>\$ 448,236</u>

The interfund payable in the Capital Projects Fund due to the General Fund is for the portion of the project which is temporarily funded by the General Fund, but will be received from the state on a reimbursement basis as the project is completed. The interfund payable in the Enterprise Fund due to the General Fund is due to an excess transfer of Federal and State Lunch reimbursements during the year from General Fund to the Enterprise Fund.

NOTE 13. ACCOUNTS PAYABLE

Payables as of June 30, 2015, were:

	<u>General Fund</u>	<u>Total Governmental Type-Activities</u>
Vendors	\$ 38,230	\$ 38,230
Cash Deficit	1,078,332	1,078,332
	<u>\$ 1,116,562</u>	<u>\$ 1,116,562</u>

The cash deficit in the General Fund is attributed to the forwarding of funds from the General Fund to the Capital Projects Fund combined with the year-end transfer of funds into the capital reserve and maintenance reserve accounts.

NOTE 14. ECONOMIC DEPENDENCY

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

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, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

VALIC	Lincoln National
Equitable Financial Companies	Siracusa Benefits
Metropolitan Life	

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 16. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the regional school district on predetermined, agreed-upon schedules.

NOTE 17. CONTINGENT LIABILITIES

Grant Programs

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

Litigation

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

Encumbrances

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

<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Type-Activities</u>
\$ 83,524	\$ 2,000	\$ 85,524
<u>\$ 83,524</u>	<u>\$ 2,000</u>	<u>\$ 85,524</u>

On the District's Governmental Funds Balance Sheet as of June 30, 2015, \$6,752 is assigned for year-end encumbrances in the General Fund, which is \$76,772 less on a GAAP basis than the budgetary basis. This is due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2016. On the District's Governmental Funds Balance Sheet as of June 30, 2015, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund. On the GAAP basis, actual encumbrances of \$2,000 are not recognized until paid and are reflected as either a reduction in grants receivable or an increase in unearned revenue in the Special Revenue Fund.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 18. PRIOR PERIOD ADJUSTMENTS

The District made a prior year adjustment in the District Wide Financial Statements to record the net pension liability as of June 30, 2014 as a result of implementing Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

	Balance 6/30/14 as Previously Reported	Retroactive Adjustments	Balance 6/30/14 as Restated
<u>Statement of Net Assets:</u>			
<u>Governmental Activities:</u>			
Statement of Net Position:			
Liabilities:			
Non-Current Liabilities	\$ 2,511,858	\$ 5,443,830	\$ 7,955,688
Total Liabilities	3,177,770	5,443,830	8,621,600
Net Position:			
Unrestricted/(Deficit)	(560,976)	(5,443,830)	(6,004,806)
Total Net Position	7,812,571	(5,443,830)	2,368,741

L-1

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

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability	0.0284838511%	0.0304907081%
District's proportionate share of the net pension liability	\$ 5,443,830	\$ 5,708,697
District's covered employee payroll	\$ 2,183,844	\$ 2,228,210
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	249.28%	256.20%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%

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

L-2

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 214,620	\$ 251,361
Contributions in relation to the contractually required contribution	<u>(214,620)</u>	<u>(251,361)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 2,183,844	\$ 2,228,210
Contributions as a percentage of covered employee payroll	9.83%	11.28%

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

L-3

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

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
State's proportion of the net pension liability attributable to the District	0.1029698135%	0.0961169728%
State's proportionate share of the net pension liability attributable to the District	\$ 52,040,134	\$ 51,371,394
District's covered employee payroll	\$ 9,297,024	\$ 10,011,720
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	559.75%	513.11%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

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

BUDGETARY COMPARISON SCHEDULES

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 15,612,914		\$ 15,612,914	\$ 15,612,914	
Tuition	583,494		583,494	678,827	\$ 95,333
Interest Earned on Capital Reserve Funds	500		500	738	238
Unrestricted Miscellaneous	40,000		40,000	91,618	51,618
Total - Local Sources	16,236,908		16,236,908	16,384,097	147,189
State Sources:					
Transportation Aid	748,822		748,822	748,822	
Special Education Aid	606,486		606,486	606,486	
Equalization Aid	4,284,622		4,284,622	4,284,622	
Security Aid	86,130		86,130	86,130	
Adjustment Aid	623,958		623,958	623,958	
PARCC Readiness Aid	9,510		9,510	9,510	
Per Pupil Growth Aid	9,510		9,510	9,510	
Extraordinary Aid	100,000		100,000	169,093	69,093
Non-public Transportation Aid				10,421	10,421
On-Behalf TPAF Pension Payments (Non-Budgeted)				495,670	495,670
On-Behalf TPAF Post Retirement Medical Benefits (Non-Budgeted)				786,876	786,876
TPAF Social Security (Reimbursed - Non-Budgeted)				730,615	730,615
Total State Sources	6,469,038		6,469,038	8,561,713	2,092,675
TOTAL REVENUES	22,705,946		22,705,946	24,945,810	2,239,864

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 6,676,040	\$ 9,293	\$ 6,685,333	\$ 6,685,332	\$ 1
Regular Programs - Home Instruction:					
Salaries of Teachers	50,000	(22,071)	27,929	27,929	
Purchased Professional/Educational Services	25,375	(10,609)	14,766	14,766	
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	40,000	(992)	39,008	39,008	
Purchased Professional/Educational Services	4,099	3,475	7,574	5,546	2,028
Other Purchased Services (400-500 series)	50,800	3,945	54,745	54,744	1
General Supplies	188,285	43,440	231,725	196,265	35,460
Textbooks	630	9,573	10,203	8,137	2,066
Other Objects	4,000	(3,157)	843	765	78
Total Regular Programs - Instruction	<u>7,039,229</u>	<u>32,897</u>	<u>7,072,126</u>	<u>7,032,492</u>	<u>39,634</u>
Special Education - Instruction:					
Cognitive - Mild:					
Salaries of Teachers	83,813	(8,473)	75,340	75,339	1
Purchased Professional/Educational Services	2,500	(2,500)			
General Supplies	4,000	649	4,649	3,673	976
Total Cognitive- Mild	<u>90,313</u>	<u>(10,324)</u>	<u>79,989</u>	<u>79,012</u>	<u>977</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Learning and/or Language Disabilities:					
Salaries of Teachers	\$ 81,734	\$ (8,903)	\$ 72,831	\$ 72,830	\$ 1
Other Salaries for Instruction	1,500	(1,500)			
General Supplies	1,500	(475)	1,025	1,025	
Textbooks	500	(350)	150	145	5
Total Learning and/or Language Disabilities	85,234	(11,228)	74,006	74,000	6
Behavioral Disabilities:					
Salaries of Teachers	84,892	60,749	145,641	145,641	
Other Salaries for Instruction	25,200	(1,529)	23,671	23,671	
Purchased Professional / Educational Services	1,000	(1,000)			
General Supplies	4,000	(572)	3,428	3,428	
Textbooks	1,000		1,000	978	22
Total Behavioral Disabilities	116,092	57,648	173,740	173,718	22
Multiple Disabilities:					
Salaries of Teachers	115,263	10,409	125,672	125,672	
Other Salaries for Instruction	56,312	85,533	141,845	140,577	1,268
Purchased Professional / Educational Services	3,500	(3,500)			
General Supplies	6,000	(2,845)	3,155	3,154	1
Total Multiple Disabilities	181,075	89,597	270,672	269,403	1,269
Resource Room/Resource Center:					
Salaries of Teachers	998,185	158,240	1,156,425	1,156,424	1
Other Salaries for Instruction	72,516	(594)	71,922	71,656	266
General Supplies	22,200	(5,515)	16,685	15,888	797
Total Resource Room/Resource Center	1,092,901	152,131	1,245,032	1,243,968	1,064
Total Special Education Instruction	1,565,615	277,824	1,843,439	1,840,101	3,338

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Bilingual Education - Instruction:					
Salaries	\$ 9,410	\$ 2,514	\$ 11,924	\$ 11,924	
Purchased Professional Services		2,130	2,130	2,130	
Supplies and Materials	500	(406)	94	94	
Total Bilingual Education - Instruction	<u>9,910</u>	<u>4,238</u>	<u>14,148</u>	<u>14,148</u>	
School-Sponsored Co curricular Activities - Instruction:					
Salaries	193,872	13,541	207,413	207,412	\$ 1
Transfer to Cover Deficit	10,000		10,000	10,000	
Supplies and Materials	22,025	(1,542)	20,483	20,481	2
Other Objects	23,355	7,538	30,893	30,391	502
Total School-Sponsored Co curricular Activities - Instruction	<u>249,252</u>	<u>19,537</u>	<u>268,789</u>	<u>268,284</u>	<u>505</u>
School-Sponsored Co curricular Athletics - Instruction:					
Salaries	507,933	(25,854)	482,079	482,079	
Other Purchased Services	40,000	9,784	49,784	48,727	1,057
Supplies and Materials	68,095	6,915	75,010	73,435	1,575
Other Objects	16,250	(9,100)	7,150	7,095	55
Transfer to Cover Deficit	28,933	20,000	48,933	48,900	33
Total School-Sponsored Co curricular Athletics - Instruction	<u>661,211</u>	<u>1,745</u>	<u>662,956</u>	<u>660,236</u>	<u>2,720</u>
Total Instruction	<u>9,525,217</u>	<u>336,241</u>	<u>9,861,458</u>	<u>9,815,261</u>	<u>46,197</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEA's Within the State - Special	\$ 224,566	\$ (103,654)	\$ 120,912	\$ 120,870	\$ 42
Tuition to County Vocational School District - Regular	336,000	55,723	391,723	390,285	1,438
Tuition to Private Schools for the Disabled Within State	585,016	61,649	646,665	646,665	
Tuition to Private Schools for the Disabled & Other LEAs Out of State		100,618	100,618	100,197	421
Total Undistributed Expenditures - Instruction	<u>1,145,582</u>	<u>114,336</u>	<u>1,259,918</u>	<u>1,258,017</u>	<u>1,901</u>
Health Services:					
Salaries	136,092	2,981	139,073	139,073	
Purchased Professional/Technical Services	21,950	190	22,140	21,540	600
Other Purchased Services (400-500 series)		200	200	90	110
Supplies and Materials	4,000		4,000	3,991	9
Total Health Services	<u>162,042</u>	<u>3,371</u>	<u>165,413</u>	<u>164,694</u>	<u>719</u>
Speech, OT, PT and Related Services:					
Purchased Professional/Educational Services	65,945	32,029	97,974	97,974	
Supplies and Materials	2,200		2,200	2,150	50
Total Speech, OT, PT and Related Services	<u>68,145</u>	<u>32,029</u>	<u>100,174</u>	<u>100,124</u>	<u>50</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Other Support Services - Students - Extra Services:					
Salaries	\$ 315,495	\$ (77,301)	\$ 238,194	\$ 238,194	
Total Other Support Services - Students - Extra Services	<u>315,495</u>	<u>(77,301)</u>	<u>238,194</u>	<u>238,194</u>	
Guidance:					
Salaries of Other Professional Staff	555,606	1,944	557,550	557,183	\$ 367
Salaries of Secretaries and Clerical Assistants	93,559	1,181	94,740	94,739	1
Purchased Professional/Educational Services	500		500	225	275
Other Purchased Services (400-500 Services)	15,000	447	15,447	14,665	782
Supplies and Materials	300		300	253	47
Total Guidance	<u>664,965</u>	<u>3,572</u>	<u>668,537</u>	<u>667,065</u>	<u>1,472</u>
Child Study Teams:					
Salaries of Other Professional Staff	376,518	11,479	387,997	387,996	1
Salaries of Secretarial and Clerical Assistants	43,068	4,904	47,972	47,972	
Purchased Professional/Educational Services	16,850	(4,110)	12,740	10,940	1,800
Supplies and Materials	7,000		7,000	5,928	1,072
Other Objects		500	500	449	51
Total Child Study Teams	<u>443,436</u>	<u>12,773</u>	<u>456,209</u>	<u>453,285</u>	<u>2,924</u>
Improvement of Instructional Services:					
Salary of Supervisor of Instruction	346,243	(94,414)	251,829	251,829	
Salaries of Secretarial and Clerical Assistants	119,484	(14,031)	105,453	105,452	1
Other Purchased Services (400-500 Services)		887	887	69	818
Supplies and Materials	1,000	(69)	931	337	594
Other Objects	9,000		9,000	8,994	6
Total Improvement of Instructional Services	<u>475,727</u>	<u>(107,627)</u>	<u>368,100</u>	<u>366,681</u>	<u>1,419</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Educational Media Services/School Library:					
Salaries	\$ 287,342	\$ 46,666	\$ 334,008	\$ 331,587	\$ 2,421
Other Purchased Services (400-500 series)	156,579	120,414	276,993	256,292	20,701
Supplies and Materials	13,933	4,954	18,887	5,765	13,122
Total Educational Media Services/School Library	<u>457,854</u>	<u>172,034</u>	<u>629,888</u>	<u>593,644</u>	<u>36,244</u>
Instructional Staff Training Services:					
Other Purchased Services	24,353	7,468	31,821	27,200	4,621
Supplies and Materials	3,000		3,000	3,000	
Other Objects	3,000	(2,000)	1,000		1,000
Total Instructional Staff Training Services	<u>30,353</u>	<u>5,468</u>	<u>35,821</u>	<u>30,200</u>	<u>5,621</u>
Support Services - General Administration:					
Salaries	213,410	15,220	228,630	228,529	101
Legal Services	45,000	3,686	48,686	45,068	3,618
Audit Fees	25,000	(1,540)	23,460	23,460	
Architectural/Engineering Services	22,000	(15,697)	6,303		6,303
Other Purchased Professional Services	11,000	(2,674)	8,326	5,051	3,275
Communications/Telephones	63,500	(2,950)	60,550	40,120	20,430
Board of Education Other Purchased Services	4,000		4,000	2,737	1,263
Other Purchased Services (400-500 series)	6,000	23,606	29,606	29,400	206
General Supplies	6,500		6,500	4,757	1,743
BOE In-House Training/Meeting Supplies	3,000		3,000	1,860	1,140
Judgements against the School District		2,738	2,738	2,738	
Miscellaneous Expenditures	9,000	8,934	17,934	17,680	254
BOE Membership Dues and Fees	11,250		11,250	11,250	
Total Support Services - General Administration	<u>419,660</u>	<u>31,323</u>	<u>450,983</u>	<u>412,650</u>	<u>38,333</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 329,203	\$ 9,564	\$ 338,767	\$ 338,767	
Salaries of Other Professional Staff	354,750	(150,274)	204,476	204,472	\$ 4
Salaries of Secretarial and Clerical Assistants	156,854	16,523	173,377	172,068	1,309
Other Purchased Services (400-500 Services)	2,000	1,500	3,500	3,425	75
Supplies and Materials	12,000	(940)	11,060	9,188	1,872
Other Objects	2,010	1,554	3,564	3,563	1
Total Support Services - School Administration	856,817	(122,073)	734,744	731,483	3,261
Central Services:					
Salaries	288,988	(18,789)	270,199	270,199	
Purchased Professional Services	33,000	(4,438)	28,562	23,024	5,538
Purchased Technical Services	7,942		7,942	800	7,142
Other Purchased Services (400-500 Services)	2,500		2,500	354	2,146
Supplies and Materials	9,000		9,000	2,654	6,346
Miscellaneous Expenditures	2,500		2,500	286	2,214
Total Central Services	343,930	(23,227)	320,703	297,317	23,386
Administrative Information Technology:					
Purchased Technical Services	40,000	(16,055)	23,945	19,364	4,581
Other Purchased Services (400-500 Services)	24,200	(8,000)	16,200	13,055	3,145
Supplies and Materials	8,080	5,055	13,135	13,135	
Total Administrative Information Technology	72,280	(19,000)	53,280	45,554	7,726
Required Maintenance of School Facilities:					
Salaries	212,851	(12,148)	200,703	200,634	69
Cleaning, Repair and Maintenance Services	142,150	(51,420)	90,730	67,376	23,354
General Supplies	70,000	(10,929)	59,071	33,684	25,387
Other Objects		150	150		150
Total Required Maintenance of School Facilities	425,001	(74,347)	350,654	301,694	48,960

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Custodial Services:					
Salaries	\$ 479,802	\$ 60,475	\$ 540,277	\$ 520,144	\$ 20,133
Purchased Professional/Technical Services	26,500	(11,599)	14,901	14,240	661
Cleaning, Repair and Maintenance Services	143,675	(70,465)	73,210	65,904	7,306
Lease Purchase Payments - Energy Savings Improvement Program	108,716		108,716	108,715	1
Other Purchased Property Services (400-500 series)	60,500	236	60,736	57,146	3,590
Insurance	183,078	(25,130)	157,948	157,258	690
General Supplies	140,000	(23,008)	116,992	112,971	4,021
Energy (Electricity)	227,104	(32,736)	194,368	161,276	33,092
Energy (Natural Gas)	4,000		4,000	580	3,420
Energy (Oil)	220,000	(57,949)	162,051	162,050	1
Other Objects		524	524		524
Total Custodial Services	<u>1,593,375</u>	<u>(159,652)</u>	<u>1,433,723</u>	<u>1,360,284</u>	<u>73,439</u>
Care & Upkeep of Grounds:					
Salaries	129,174	19,947	149,121	149,094	27
Purchased Professional and Technical Services	10,000	37,295	47,295	46,795	500
General Supplies	42,325	12,620	54,945	54,296	649
Other Objects		1,880	1,880	1,401	479
Total Care & Upkeep of Grounds	<u>181,499</u>	<u>71,742</u>	<u>253,241</u>	<u>251,586</u>	<u>1,655</u>
Security:					
Salaries	62,048	40,780	102,828	102,377	451
Purchased Professional and Technical Services	15,500	849	16,349	12,784	3,565
General Supplies	4,994	481	5,475	3,562	1,913
Other Objects		2,000	2,000	1,589	411
Total Security	<u>82,542</u>	<u>44,110</u>	<u>126,652</u>	<u>120,312</u>	<u>6,340</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Student Transportation Services					
Salaries of Non-Instructional Aides	\$ 265,629	\$ (9,856)	\$ 255,773	\$ 253,736	\$ 2,037
Cleaning, Repair & Maintenance Services	65,000	6,948	71,948	71,948	
Rental Payments - School Buses	2,750	1,516	4,266	4,265	1
Contracted Services (Between Home & School)- Vendors	671,228	(36,919)	634,309	634,309	
Contracted Services (Other than Between Home & School)- Vendors	149,000	(10,187)	138,813	137,789	1,024
Contracted Services (Between Home & School)- Joint Agreements	196,773	41,158	237,931	236,095	1,836
Contracted Services (Special Education Students)- Joint Agreements	370,418	(82,125)	288,293	268,726	19,567
Contracted Services- Aid in Lieu Payments- Non-Public Schools	15,000	(3,689)	11,311	11,310	1
Miscellaneous Purchased Services	3,000		3,000	1,893	1,107
General Supplies	90,000	(7,282)	82,718	66,751	15,967
Other Objects	9,648	2,585	12,233	11,822	411
Total Transportation Services	<u>1,838,446</u>	<u>(97,851)</u>	<u>1,740,595</u>	<u>1,698,644</u>	<u>41,951</u>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	333,006	(19,314)	313,692	313,691	1
Other Retirement Contributions- PERS	303,350	(48,973)	254,377	254,377	
Unemployment Compensation	30,000	15,245	45,245	45,245	
Workmen's Compensation	155,330	6,237	161,567	161,566	1
Health Benefits	2,706,097	(98,022)	2,608,075	2,493,731	114,344
Tuition Reimbursement	90,000	21,562	111,562	111,561	1
Other Employee Benefits	190,217	27,828	218,045	218,045	
Total Unallocated Benefits - Employee Benefits	<u>3,808,000</u>	<u>(95,437)</u>	<u>3,712,563</u>	<u>3,598,216</u>	<u>114,347</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
On-Behalf Contributions:					
On-Behalf TPAF Pension Payments (Non-Budgeted)				\$ 495,670	\$ (495,670)
On-Behalf TPAF Post Retirement Medical Benefits (Non-Budgeted)				786,876	(786,876)
TPAF Social Security (Reimbursed - Non-Budgeted)				730,615	(730,615)
Total On-Behalf Contributions				<u>2,013,161</u>	<u>(2,013,161)</u>
Total Personal Services - Employee Benefits	<u>\$ 3,808,000</u>	<u>\$ (95,437)</u>	<u>\$ 3,712,563</u>	<u>5,611,377</u>	<u>(1,898,814)</u>
Total Undistributed Expenses	<u>13,385,149</u>	<u>(285,757)</u>	<u>13,099,392</u>	<u>14,702,805</u>	<u>(1,603,413)</u>
TOTAL CURRENT EXPENSE	<u>22,910,366</u>	<u>50,484</u>	<u>22,960,850</u>	<u>24,518,066</u>	<u>(1,557,216)</u>
CAPITAL OUTLAY					
Equipment:					
Undistributed Expenditures - Athletic	29,934		29,934	29,934	
Undistributed Expenditures - Instruction	99,837	30,829	130,666	130,665	1
Undistributed Expenditures - Custodial Services		40,122	40,122	40,121	1
Total Equipment	<u>129,771</u>	<u>70,951</u>	<u>200,722</u>	<u>200,720</u>	<u>2</u>
Facilities Acquisition and Construction Services:					
Other Purchased Professional and Technical Services	4,819	12,652	17,471	17,471	
Construction Services		23,875	23,875	23,875	
Assessment for Debt Service on SDA Funding	4,496		4,496	4,496	
Total Facilities Acquisition and Construction Services	<u>9,315</u>	<u>36,527</u>	<u>45,842</u>	<u>45,842</u>	

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
TOTAL CAPITAL OUTLAY	\$ 139,086	\$ 107,478	\$ 246,564	\$ 246,562	\$ 2
TOTAL EXPENDITURES	23,049,452	157,962	23,207,414	24,764,628	(1,557,214)
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(343,506)	(157,962)	(501,468)	181,182	682,650
Other Financing Uses:					
Transfer from Capital Reserve - To Capital Projects Fund	(1,050,090)		(1,050,090)	(1,050,090)	
Total Other Financing Uses	(1,050,090)		(1,050,090)	(1,050,090)	
Excess (Deficiency) of Revenues and Other Financing Uses Over (Under) Expenditures	(1,393,596)	(157,962)	(1,551,558)	(868,908)	682,650
Fund Balance, July 1	4,212,723		4,212,723	4,212,723	
Fund Balance, June 30	\$ 2,819,127	\$ (157,962)	\$ 2,661,165	\$ 3,343,815	\$ 682,650
Recapitulation:					
Restricted:					
Capital Reserve				\$ 1,226,984	
Maintenance Reserve				1,377,762	
Excess Surplus - For Subsequent Year's Expenditures				100,000	
Assigned:					
Year-end Encumbrances				83,524	
Unassigned				555,545	
				3,343,815	
Reconciliation to Governmental Funds Statements (GAAP):					
Last Two State Aid Payments not recognized on GAAP basis				(632,317)	
Fund Balance per Governmental Funds (GAAP)				\$ 2,711,498	

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources		\$ 2,120	\$ 2,120	\$ 2,120	
Federal Sources	\$ 279,997	50,036	330,033	330,033	
Total Revenues	<u>279,997</u>	<u>52,156</u>	<u>332,153</u>	<u>332,153</u>	
EXPENDITURES:					
Instruction:					
Purchased Professional/Educational Services		7,000	7,000	7,000	
Other Purchased Services	182,451	21,674	204,125	204,125	
General Supplies	97,546	(53,157)	44,389	44,389	
Miscellaneous Expenditures		47,942	47,942	47,942	
Total Instruction	<u>279,997</u>	<u>23,459</u>	<u>303,456</u>	<u>303,456</u>	
Support Services:					
Purchased Professional/Educational Services		6,000	6,000	6,000	
Purchased Professional/Technical Services		10,000	10,000	10,000	
Other Purchased Services		11,697	11,697	11,697	
Supplies and Materials		1,000	1,000	1,000	
Total Support Services		<u>28,697</u>	<u>28,697</u>	<u>28,697</u>	
Total Expenditures	<u>\$ 279,997</u>	<u>\$ 52,156</u>	<u>\$ 332,153</u>	<u>\$ 332,153</u>	<u>\$ -0-</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 24,945,810	\$ 332,153
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis recognizes Encumbrances as Revenue and Expenditures, whereas the GAAP Basis does not		(2,000)
Prior Year State Aid Payments Not Recognized for Budgetary Purposes, Recognized for GAAP Statements	634,554	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(632,317)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	\$ 24,948,047	\$ 330,153
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 24,764,628	\$ 332,153
Differences - Budget to GAAP		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes.		(2,000)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 24,764,628	\$ 330,153

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C.6:20-2A.2(m)l. Transfers of appropriations may be made by school board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

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

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

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

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

	<u>No Child Left Behind</u>		<u>IDEA Part B Basic -</u>
	<u>Title I</u>	<u>Title II A</u>	
REVENUE:			
Local Sources			
Federal Sources	\$ 63,442	\$ 21,697	\$ 212,125
Total Revenue	<u>\$ 63,442</u>	<u>\$ 21,697</u>	<u>\$ 212,125</u>
EXPENDITURES:			
Instruction:			
Purchased Professional/Educational Services	7,000		
Other Purchased Services			204,125
General Supplies	2,500		8,000
Miscellaneous Expenditures	47,942		
Total Instruction	<u>57,442</u>		<u>212,125</u>
Support Services:			
Purchased Professional - Educational Services	6,000		
Purchased Professional/Technical Services		10,000	
Other Purchased Services		11,697	
Supplies and Materials			
Total Support Services	<u>6,000</u>	<u>21,697</u>	
Total Expenditures	<u>\$ 63,442</u>	<u>\$ 21,697</u>	<u>\$ 212,125</u>

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

	<u>Perkins Vocational Education</u>	<u>Race to the Top</u>	<u>Local Grants</u>	<u>Total</u>
REVENUE:				
Local Sources			\$ 2,120	\$ 2,120
Federal Sources	\$ 31,769	\$ 1,000		330,033
Total Revenue	<u>\$ 31,769</u>	<u>\$ 1,000</u>	<u>\$ 2,120</u>	<u>\$ 332,153</u>
EXPENDITURES:				
Instruction:				
Purchased Professional/Educational Services				7,000
Other Purchased Services				204,125
General Supplies	31,769		2,120	44,389
Miscellaneous Expenditures				47,942
Total Instruction	<u>31,769</u>		<u>2,120</u>	<u>303,456</u>
Support Services:				
Purchased Professional/Educational Services				6,000
Purchased Professional/Technical Services				10,000
Other Purchased Services				11,697
Supplies and Materials		1,000		1,000
Total Support Services		<u>1,000</u>		<u>28,697</u>
Total Expenditures	<u>\$ 31,769</u>	<u>\$ 1,000</u>	<u>\$ 2,120</u>	<u>\$ 332,153</u>

Exhibit E-2

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION AID SCHEDULE OF EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOT APPLICABLE

CAPITAL PROJECTS FUND

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

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ 700,060
Transfer from Capital Reserve	1,050,090
	<hr/>
Total Revenue and Other Financing Sources	1,750,150
	<hr/>
Expenditures:	
Purchased Professional and Technical Services	53,568
Facilities Acquisition and Construction Services	1,322,700
	<hr/>
Total Expenditures	1,376,268
	<hr/>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	373,882
Fund Balance - Beginning of Year	-0-
	<hr/>
Fund Balance - End of Year	\$ 373,882
	<hr/> <hr/>
Recapitulation of Fund Balance	
Committed - Year-end Encumbrances	\$ 122,043
Committed	251,839
	<hr/>
Fund Balance per Governmental Funds (Budgetary Basis)	373,882
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grants not Recognized on the GAAP Basis	(700,060)
	<hr/>
Unassigned Fund Balance/(Deficit) per Governmental Funds (GAAP)	\$ (326,178)
	<hr/> <hr/>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS
HVAC UPGRADES - AUDITORIUM AND GYM AND BOILER REPLACEMENT - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenue and Other Financing Sources:			
State Sources - SDA Grant	\$ 700,060	\$ 700,060	\$ 700,060
Transfer From Capital Reserve	<u>1,050,090</u>	<u>1,050,090</u>	<u>1,050,090</u>
Total Revenue and Other Financing Sources	<u>1,750,150</u>	<u>1,750,150</u>	<u>1,750,150</u>
Expenditures:			
Other Purchased Professional and Technical Services	\$ 53,568	53,568	155,150
Facilities Acquisition and Construction Services	<u>1,322,700</u>	<u>1,322,700</u>	<u>1,595,000</u>
Total Expenditures	<u>1,376,268</u>	<u>1,376,268</u>	<u>1,750,150</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 373,882</u>	<u>\$ 373,882</u>	<u>\$ -0-</u>

Additional Project Information:

Project Number:	2165-030-14-1001, 1002, 1003
Grant Date	12/18/2014
Original Authorized Cost	\$ 1,750,150
Revised Authorized Cost	\$ 1,750,150
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	79.00%
Original Target Completion Date	9/30/2015
Revised Target Completion Date	9/30/2015

PROPRIETARY FUNDS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
<u>ASSETS:</u>					
Current Assets:					
Cash and Cash Equivalents	\$ 86,747	\$ 327,041	\$ 29,038	\$ 13,767	\$ 456,593
Accounts Receivable:					
State	161				161
Federal	3,725				3,725
Intergovernmental - Other		124,466			124,466
Inventories	4,464			8,970	13,434
Total Current Assets	<u>95,097</u>	<u>451,507</u>	<u>29,038</u>	<u>22,737</u>	<u>598,379</u>
Non-Current Assets:					
Capital Assets	39,029				39,029
Less: Accumulated Depreciation	(12,093)				(12,093)
Total Non-Current Assets	<u>26,936</u>				<u>26,936</u>
Total Assets	<u>122,033</u>	<u>451,507</u>	<u>29,038</u>	<u>22,737</u>	<u>625,315</u>
<u>LIABILITIES:</u>					
Current Liabilities:					
Interfund Payable	15				15
Unearned Revenue	2,316				2,316
Total Current Liabilities	<u>2,331</u>				<u>2,331</u>
<u>NET POSITION:</u>					
Net Investment in Capital Assets	26,936				26,936
Unrestricted	92,766	451,507	29,038	22,737	596,048
Total Net Position	<u>\$ 119,702</u>	<u>\$ 451,507</u>	<u>\$ 29,038</u>	<u>\$ 22,737</u>	<u>\$ 622,984</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Major Funds		Non-Major Funds		Totals
	Food Service Fund	Transportation Services	Adult School	School Store	
Operating Revenue:					
Local Sources:					
Daily Sales - Reimbursable Programs	\$ 137,952				\$ 137,952
Daily Sales - Non Reimbursable Programs	168,461				168,461
Program Fees		\$ 770,362	\$ 10,383	\$ 14,422	795,167
Total Operating Revenue	306,413	770,362	10,383	14,422	1,101,580
Operating Expenses:					
Cost of Sales	175,442		23,000	17,777	216,219
Salaries & Payroll Taxes	154,999				154,999
Employee Benefits	11,166				11,166
Other Purchased Services		769,623			769,623
Management Fee	15,990				15,990
Professional and Technical Services	1,808				1,808
Depreciation Expense	329				329
Other Miscellaneous Expenses	49,877				49,877
Total Operating Expenses	409,611	769,623	23,000	17,777	1,220,011
Operating Income/(Loss)	(103,198)	739	(12,617)	(3,355)	(118,431)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Non-Operating Revenue:					
State Sources:					
State School Lunch Program	\$ 2,744				\$ 2,744
Federal Sources:					
National School Lunch Program	57,769				57,769
Food Distribution Program	20,599				20,599
Local Sources:					
Interest Income	137		\$ 33	\$ 15	185
Total Non-Operating Revenue	<u>81,249</u>		<u>33</u>	<u>15</u>	<u>81,297</u>
Change in Net Position	(21,949)	\$ 739	(12,584)	(3,340)	(37,134)
Net Position - Beginning of Year	<u>141,651</u>	<u>450,768</u>	<u>41,622</u>	<u>26,077</u>	<u>660,118</u>
Net Position - End of Year	<u>\$ 119,702</u>	<u>\$ 451,507</u>	<u>\$ 29,038</u>	<u>\$ 22,737</u>	<u>\$ 622,984</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Cash Flows from Operating Activities:					
Receipts from Customers	\$ 308,109	\$ 776,711	\$ 10,383	\$ 16,471	\$ 1,111,674
Payments to Employees	(156,026)				(156,026)
Payments for Benefits	(11,166)				(11,166)
Payments to Food Service Vendor	(15,661)				(15,661)
Payments to Suppliers	(195,812)	(769,623)	(23,000)	(17,777)	(1,006,212)
Net Cash Provided by/(Used for) Operating Activities	<u>(70,556)</u>	<u>7,088</u>	<u>(12,617)</u>	<u>(1,306)</u>	<u>(77,391)</u>
Cash Flows from Noncapital Financing Activities:					
Cash Received from Federal and State Sources	<u>59,600</u>				<u>59,600</u>
Net Cash Provided by Noncapital Financing Activities	<u>59,600</u>				<u>59,600</u>
Cash Flows from Investing Activities:					
Investment Income	<u>137</u>		<u>33</u>	<u>15</u>	<u>185</u>
Net Cash Flows Provided by Investing Activities:	<u>137</u>		<u>33</u>	<u>15</u>	<u>185</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(10,819)	7,088	(12,584)	(1,291)	(17,606)
Cash and Cash Equivalents, July 1	<u>97,566</u>	<u>319,953</u>	<u>41,622</u>	<u>15,058</u>	<u>474,199</u>
Cash and Cash Equivalents, June 30	<u>\$ 86,747</u>	<u>\$ 327,041</u>	<u>\$ 29,038</u>	<u>\$ 13,767</u>	<u>\$ 456,593</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FOOD SERVICE ENTERPRISE FUND
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Major Funds</u>		<u>Non-Major Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Transportation Services</u>	<u>Adult School</u>	<u>School Store</u>	
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for)					
Operating Activities:					
Operating Income / (Loss)	\$ (103,198)	\$ 739	\$ (12,617)	\$ (3,355)	\$ (118,431)
Adjustment to Reconcile Operating Income / (Loss) to Cash Provided by / (used for) Operating Activities:					
Federal Food Distribution Program	20,599				20,599
Depreciation	329				329
Changes in Assets and Liabilities:					
(Increase)Decrease in Accounts Receivable		6,349			6,349
(Increase)Decrease in Inventory	(388)			2,049	1,661
(Increase)Decrease in Interfund Receivable	18,111				18,111
Increase/(Decrease) in Prepaid Sales	1,371				1,371
Increase/(Decrease) in Interfund Payable	15				15
Increase/(Decrease) in Accounts Payable	(7,723)				(7,723)
Increase(Decrease) in Unearned Revenue	328				328
Net Cash Provided by / (Used for) Operating Activities	<u>\$ (70,556)</u>	<u>\$ 7,088</u>	<u>\$ (12,617)</u>	<u>\$ (1,306)</u>	<u>\$ (77,391)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received U.S.D.A. donated commodities through the Food Distribution Program valued at \$20,926 and utilized commodities valued at \$20,599.

FIDUCIARY FUNDS

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Payroll</u>	<u>Agency Student Activity</u>	<u>Total</u>	<u>Scholarship Trust</u>	<u>Unemployment Compensation Trust</u>
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 12,257	\$ 107,389	\$ 119,646	\$ 50,329	\$ 34,970
Total Assets	<u>12,257</u>	<u>107,389</u>	<u>119,646</u>	<u>50,329</u>	<u>34,970</u>
<u>LIABILITIES:</u>					
Net Salaries and Wages	2,286		2,286		
Payroll Deductions and Withholdings	9,971		9,971		
Due to Student Groups		107,389	107,389		
Total Liabilities	<u>12,257</u>	<u>107,389</u>	<u>119,646</u>		
<u>NET POSITION:</u>					
Held in Trust for Unemployment Claims					34,970
Restricted For Scholarships				50,329	
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 50,329</u>	<u>\$ 34,970</u>

Exhibit H-2

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Unemployment Compensation Trust	Scholarship Trust	Totals
ADDITIONS:			
Contributions:			
Plan Member	\$ 32,398		\$ 32,398
Employer Contributions	43,914		43,914
Donations		\$ 11,700	11,700
Total Contributions	<u>76,312</u>	<u>11,700</u>	<u>88,012</u>
Investment Earnings:			
Interest	69	52	121
Net Investment Earnings	<u>69</u>	<u>52</u>	<u>121</u>
Total Additions	<u>76,381</u>	<u>11,752</u>	<u>88,133</u>
DEDUCTIONS:			
Unemployment Compensation Claims			
Scholarships Awarded	<u>76,312</u>	<u>10,550</u>	<u>86,862</u>
Total Deductions	<u>76,312</u>	<u>10,550</u>	<u>86,862</u>
Change in Net Position	69	1,202	1,271
Net Position - Beginning of the Year	<u>34,901</u>	<u>49,127</u>	<u>84,028</u>
Net Position - End of the Year	<u>\$ 34,970</u>	<u>\$ 50,329</u>	<u>\$ 85,299</u>

Exhibit H-3

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 115,288	\$ 408,944	\$ 416,843	\$ 107,389
Total Assets	<u>\$ 115,288</u>	<u>\$ 408,944</u>	<u>\$ 416,843</u>	<u>\$ 107,389</u>
 <u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 115,288	\$ 408,944	\$ 416,843	\$ 107,389
Total Liabilities	<u>\$ 115,288</u>	<u>\$ 408,944</u>	<u>\$ 416,843</u>	<u>\$ 107,389</u>

Exhibit H-4

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY

	<u>Balance</u> <u>June 30, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
High School Activities Fund	\$ 114,608	\$ 342,507	\$ 350,184	\$ 106,931
High School Athletic Fund	680	66,437	66,659	458
Total	<u>\$ 115,288</u>	<u>\$ 408,944</u>	<u>\$ 416,843</u>	<u>\$ 107,389</u>

Exhibit H-5

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 12,427	\$ 15,504,417	\$ 15,504,587	\$ 12,257
Total Assets	<u>\$ 12,427</u>	<u>\$ 15,504,417</u>	<u>\$ 15,504,587</u>	<u>\$ 12,257</u>
 <u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 10,167	\$ 7,203,733	\$ 7,203,929	\$ 9,971
Net Salaries and Wages	2,260	8,300,684	8,300,658	2,286
Total Liabilities	<u>\$ 12,427</u>	<u>\$ 15,504,417</u>	<u>\$ 15,504,587</u>	<u>\$ 12,257</u>

LONG-TERM DEBT

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance June 30, 2014	Matured	Balance June 30, 2015
			Date	Amount				
Refunding Bonds - Series 2003	3/15/2003	\$ 1,945,000	7/15/2015	\$ 190,000	4.750%	\$ 370,000	\$ 180,000	\$ 190,000
						<u>\$ 370,000</u>	<u>\$ 180,000</u>	<u>\$ 190,000</u>

Exhibit I-2

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance June 30, 2014</u>	<u>Matured</u>	<u>Balance June 30, 2015</u>
Energy Savings Equipment Lease	1.075%	\$ 1,327,620	\$ 1,262,567	\$ 81,197	\$ 1,181,370
			<u>\$ 1,262,567</u>	<u>\$ 81,197</u>	<u>\$ 1,181,370</u>

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 (Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 194,000		\$ 194,000	\$ 194,000	
Total Revenue	<u>194,000</u>		<u>194,000</u>	<u>194,000</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	14,000		14,000	14,000	
Redemption of Principal	<u>180,000</u>		<u>180,000</u>	<u>180,000</u>	
Total Regular Debt Service	<u>194,000</u>		<u>194,000</u>	<u>194,000</u>	
Total Expenditures	<u>194,000</u>		<u>194,000</u>	<u>194,000</u>	
Fund Balance, July 1	<u>3</u>		<u>3</u>	<u>3</u>	
Fund Balance, June 30	<u>\$ 3</u>	<u>\$ -0-</u>	<u>\$ 3</u>	<u>\$ 3</u>	<u>\$ -0-</u>
Recapitulation:					
Restricted Fund Balance				<u>\$ 3</u>	

STATISTICAL SECTION

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

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

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

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

J-14 thru J-15

Operating Information

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

J-16 thru J-20

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015
Governmental Activities										
Net Investment in Capital Assets/(Deficit)	\$ (167,987)	\$ 526,163	\$ 1,305,021	\$ 2,240,718	\$ 3,132,986	\$ 3,083,158	\$ 3,765,813	\$ 4,538,503	\$ 5,122,169	\$ 6,435,416
Restricted	1,271,851	2,201,872	1,930,537	1,333,204	1,506,827	2,927,342	3,676,073	3,349,049	3,251,378	2,704,749
Unrestricted/(Deficit)	(518,169)	(357,193)	(634,020)	(799,567)	(493,281)	(942,067)	(799,750)	18,546	(6,004,806)	(6,914,660)
Total Governmental Activities Net Position	\$ 585,695	\$ 2,370,841	\$ 2,601,537	\$ 2,774,355	\$ 4,146,531	\$ 5,068,433	\$ 6,642,136	\$ 7,906,098	\$ 2,368,741	\$ 2,225,505
Business-Type Activities										
Net Investment in Capital Assets	\$ 3,760	\$ 3,431	\$ 3,102	\$ 2,773	\$ 2,444	\$ 2,115	\$ 9,928	\$ 9,599	\$ 27,265	\$ 26,936
Unrestricted	187,685	287,662	349,496	446,863	203,492	393,104	570,374	609,457	632,853	596,048
Total Business-Type Activities Net Position	\$ 191,446	\$ 291,093	\$ 352,598	\$ 449,637	\$ 205,936	\$ 395,219	\$ 580,302	\$ 619,056	\$ 660,118	\$ 622,984
District-Wide										
Net Investment in Capital Assets/(Deficit)	\$ (164,226)	\$ 529,594	\$ 1,308,123	\$ 2,243,491	\$ 3,135,430	\$ 3,085,273	\$ 3,775,742	\$ 4,548,102	\$ 5,149,434	\$ 6,462,352
Restricted	1,271,851	2,201,872	1,930,537	1,333,204	1,506,827	2,927,342	3,676,073	3,349,049	3,251,378	2,704,749
Unrestricted/(Deficit)	(330,483)	(69,531)	(284,524)	(352,704)	(289,789)	(548,963)	(229,376)	628,003	(5,371,953)	(6,318,612)
Total District Net Position	\$ 777,141	\$ 2,661,935	\$ 2,954,135	\$ 3,223,992	\$ 4,352,468	\$ 5,463,652	\$ 7,222,438	\$ 8,525,154	\$ 3,028,859	\$ 2,848,489

* Restated

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities										
Instruction										
Regular	\$ 8,841,823	\$ 9,835,875	\$ 10,602,330	\$ 10,002,953	\$ 10,228,209	\$ 9,962,143	\$ 9,757,739	\$ 10,509,989	\$ 10,363,494	\$ 11,520,175
Special Education	1,790,448	2,183,633	2,675,870	2,639,808	2,836,455	2,807,547	2,584,545	2,250,799	2,034,921	2,832,984
Other Special Education	942,597	992,786	1,089,539	1,029,344	1,211,036	1,022,488	1,302,373	1,221,996	1,339,062	1,452,353
Other Instruction								266,655	261,685	
Support Services:										
Tuition	626,818	693,473	941,129	1,028,915	1,142,185	802,083	993,890	943,288	1,249,788	1,258,017
Student & Instruction Related Services	2,153,621	2,262,624	2,553,014	2,740,300	2,924,563	3,070,090	2,919,348	3,242,318	3,528,804	3,975,858
School Administrative Services	1,840,925	1,615,876	1,687,942	1,457,388	1,224,505	1,003,071	997,092	627,069	560,774	619,516
General Administrative Services	925,044	863,348	861,766	1,052,939	991,431	965,708	1,094,206	1,185,882	1,037,768	1,172,827
Central Services								433,361	444,486	454,485
Administrative Information Technology								34,705	59,367	45,554
Plant Operations And Maintenance	2,154,063	2,034,756	2,391,713	2,393,655	2,205,602	2,313,752	2,545,109	2,587,116	2,808,908	2,569,793
Pupil Transportation	1,945,128	1,512,203	1,716,166	1,838,793	1,811,235	1,758,682	1,900,940	1,742,693	1,972,685	1,936,193
Interest On Long-Term Debt	338,779	284,438	227,453	166,236	99,806	41,447	34,497	26,893	18,834	9,875
Capital Outlay									4,496	36,399
Total Governmental Activities Expenses	21,559,245	22,279,011	24,746,922	24,350,331	24,675,026	23,747,011	24,129,740	25,072,764	25,685,072	27,884,029
Business-type activities:										
Food Service	524,075	642,309	668,040	676,182	661,866	435,747	414,208	354,256	360,017	409,611
Transportation Services	907,770	1,026,078	1,137,385	1,247,102	1,284,756	848,346	710,089	692,528	760,481	23,000
Adult School	20,230	18,857	18,589	19,361	14,625	13,579	14,422	6,490	11,328	17,777
School Store	14,916	17,844	9,223	17,673	18,187	9,577	20,220	17,047	15,933	769,623
Total Business-Type Activities Expense	1,466,990	1,705,088	1,833,237	1,960,318	1,979,434	1,307,250	1,158,940	1,070,321	1,147,759	1,220,011
Total District Expenses	23,026,235	23,984,098	26,580,159	26,310,649	26,654,460	25,054,261	25,288,681	26,143,085	26,832,831	29,104,040
Program Revenues										
Governmental Activities:										
Charges For Services:										
Tuition	20,659	106,952	122,384	181,664	257,246	391,128	121,196	251,295	286,804	678,827
Operating Grants and Contributions	3,442,035	4,173,362	4,371,432	3,189,797	3,983,715	3,664,876	3,643,043	9,180,093	8,672,786	11,162,696
Total Governmental Activities Program Revenues	3,462,694	4,280,314	4,493,816	3,371,461	4,240,961	4,056,004	3,764,239	9,431,388	8,959,590	11,841,523

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET POSITION LAST TEN FISCAL YEARS
UNAUDITED
(accrual basis of accounting)
(Continued)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Business-Type Activities:										
Charges for services										
Food Service	\$ 492,615	\$ 498,035	\$ 520,851	\$ 490,480	\$ 453,503	\$ 398,427	\$ 380,396	\$ 303,406	\$ 316,329	\$ 306,413
Transportation Services	1,007,047	1,131,230	1,200,040	1,324,032	1,039,439	1,008,974	862,803	718,763	772,975	770,362
Adult School	15,294	18,200	22,707	24,206	12,908	13,839	14,358	9,466	13,269	10,383
School Store	20,348	15,470	11,905	24,919	20,454	13,868	21,319	16,732	20,064	14,422
Operating Grants and Contributions										
Food Service	49,984	52,073	48,134	59,486	64,103	60,873	64,749	60,536	65,996	81,112
Total Business Type Activities Program Revenues	1,585,288	1,715,008	1,803,637	1,923,123	1,590,407	1,495,980	1,343,625	1,108,903	1,188,633	1,182,692
Total District Program Revenues	5,047,983	5,995,322	6,297,453	5,294,584	5,831,368	5,551,984	5,107,864	10,540,291	10,148,223	13,024,215
Net (Expense)/Revenue										
Governmental Activities	(18,096,551)	(17,998,697)	(20,253,106)	(20,978,870)	(20,434,065)	(19,691,007)	(20,365,501)	(15,641,376)	(16,725,482)	(16,042,506)
Business-Type Activities	118,298	9,921	(29,600)	(37,195)	(389,027)	188,731	184,684	38,582	40,874	(37,319)
Total District-Wide Net Expense	(17,978,253)	(17,988,776)	(20,282,706)	(21,016,065)	(20,823,092)	(19,502,276)	(20,180,816)	(15,602,794)	(16,684,608)	(16,079,825)
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	12,649,200	13,554,595	14,096,779	14,370,733	14,891,072	15,566,621	15,849,073	16,055,482	15,878,434	15,612,914
Property Taxes Levied for Debt Service, Net	819,423	811,728	1,008,199	653,042	707,266	152,922	158,197	195,391	192,538	194,000
Federal and State Aid not Restricted	5,234,171	5,327,122	5,385,930	6,222,790	6,282,192	4,789,978	5,544,997	336,971		
Investment Earnings	91,231	162,819	70,214	10,363	5,054	14,583	11,309	1,487	1,480	738
Miscellaneous Income	79,067	15,770	10,545	61,495	66,796	88,804	375,628	258,499	559,503	91,618
Disposal of Capital Assets, net	(76,184)									
Transfers		(88,192)	(87,865)	(133,869)	(146,139)					
Total Governmental Activities	18,796,908	19,783,843	20,483,802	21,184,553	21,806,242	20,612,908	21,939,204	16,847,830	16,631,955	15,899,270
Business-Type Activities:										
Investment Earnings	294	2,127	3,240	364	148	552	399	173	188	185
Transfers		88,192	87,865	133,869	145,179					
Total Business-Type Activities	294	90,319	91,105	134,233	145,327	552	399	173	188	185
Total District-Wide	18,797,202	19,874,162	20,574,907	21,318,787	21,951,569	20,613,460	21,939,603	16,848,003	16,632,143	15,899,455
Change in Net Position										
Governmental Activities	700,357	1,785,146	230,696	205,683	1,372,176	921,901	1,573,703	1,206,454	(93,527)	(143,236)
Business-Type Activities	118,592	100,240	61,505	97,038	(243,700)	189,282	185,084	38,755	41,062	(37,134)
Total District	\$ 818,949	\$ 1,885,386	\$ 292,201	\$ 302,722	\$ 1,128,476	\$ 1,111,184	\$ 1,758,787	\$ 1,245,209	\$ (52,465)	\$ (180,370)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS
 LAST TEN FISCAL YEARS
 UNAUDITED
 (modified accrual basis of accounting)

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Restricted	\$ 1,286,132	\$ 2,249,218	\$ 1,969,620	\$ 1,455,796	\$ 1,528,622	\$ 2,962,466	\$ 3,562,871	\$ 3,349,047	\$ 3,251,375	\$ 2,704,746
Assigned	237,251	500,918	210,562	(46,296)	368,669	5,816	549,477	800,235	326,794	6,752
Total General Fund	<u>\$ 1,523,383</u>	<u>\$ 2,750,136</u>	<u>\$ 2,180,181</u>	<u>\$ 1,409,500</u>	<u>\$ 1,897,291</u>	<u>\$ 2,968,283</u>	<u>\$ 4,112,348</u>	<u>\$ 4,149,282</u>	<u>\$ 3,578,169</u>	<u>\$ 2,711,498</u>
All Other Governmental Funds										
Restricted/(Deficit)	\$ 40,740					\$ (35,126)	\$ (277,152)			
Restricted for:										
Debt Service Fund	1	\$ 536	\$ 746	\$ 210	\$ 1	2	2	\$ 2	\$ 3	\$ 3
Unassigned										(326,178)
Total All Other Governmental Funds/(Deficit)	<u>\$ 40,741</u>	<u>\$ 536</u>	<u>\$ 746</u>	<u>\$ 210</u>	<u>\$ 1</u>	<u>\$ (35,124)</u>	<u>\$ (277,150)</u>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ (326,175)</u>
Total Fund Balances	<u>\$ 1,564,123</u>	<u>\$ 2,750,672</u>	<u>\$ 2,180,927</u>	<u>\$ 1,409,710</u>	<u>\$ 1,897,292</u>	<u>\$ 2,933,158</u>	<u>\$ 3,835,198</u>	<u>\$ 4,149,284</u>	<u>\$ 3,578,172</u>	<u>\$ 2,385,323</u>

Source: School District Financial Reports

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Tax Levy	\$ 13,468,623	\$ 14,366,323	\$ 14,910,973	\$ 15,190,011	\$ 15,698,144	\$ 15,760,990	\$ 16,041,767	\$ 16,250,873	\$ 16,070,972	\$ 15,806,914
Tuition Charges	20,659	106,952	122,384	181,664	257,246	391,128	121,196	244,795	286,804	678,827
Transportation Fees		7,847								
Interest Earnings	91,231	162,819	70,214	10,363	5,054	14,583	11,309	1,487	1,480	738
Miscellaneous	79,067	15,770	10,545	61,495	66,796	88,804	375,628	258,506	563,483	91,738
State Sources	8,354,981	9,102,315	9,493,409	8,902,768	8,811,725	7,742,169	8,630,774	9,138,769	8,345,837	8,563,950
Federal Sources	321,225	390,322	457,958	343,584	1,354,376	671,239	522,770	384,789	322,969	330,033
Total Revenue	22,335,787	24,152,349	25,065,483	24,689,883	26,193,341	24,668,912	25,703,443	26,279,219	25,591,545	25,472,200
Expenditures										
Instruction										
Regular Instruction	7,060,376	6,784,491	7,577,393	7,397,730	7,491,466	7,112,746	6,817,954	7,311,105	7,292,041	7,333,948
Special Education Instruction	1,440,518	1,545,766	1,965,227	1,989,827	2,163,466	2,101,949	1,908,798	1,597,565	1,402,857	1,840,101
Other Special Instruction	648,739	791,330	875,108	844,295	935,778	768,774	1,075,835	818,387	942,888	942,668
Other Instruction								187,956	183,917	
Support Services:										
Tuition	626,818	693,473	941,129	1,028,915	1,142,185	802,083	993,890	943,288	1,249,788	1,258,017
Student & Instruction Related Services	1,655,234	1,584,459	1,842,978	2,037,174	2,168,259	2,219,622	2,130,560	2,371,675	2,628,171	2,642,584
School Administrative Services	996,915	1,050,901	1,148,388	1,103,429	1,004,472	768,124	698,819	505,865	450,452	412,650
General Administrative Services	776,876	746,741	768,926	830,762	807,010	734,328	869,775	813,807	729,378	731,483
Central Services								311,186	326,503	297,317
Administrative Information Technology								34,705	45,760	45,554
Plant Operations And Maintenance	1,751,926	1,653,274	2,033,228	2,053,621	1,847,831	1,930,891	2,148,725	2,003,759	2,458,425	2,033,876
Pupil Transportation	1,353,881	1,390,941	1,588,424	1,696,158	1,681,199	1,639,920	1,703,444	1,661,839	1,772,029	1,698,644
Employee Benefits	4,555,945	5,219,505	5,320,316	4,710,551	4,811,209	5,025,687	5,198,872	6,066,534	5,600,421	5,611,377
Capital Outlay	362,071	185,086	250,804	347,060	282,603	334,553	1,062,037	2,469,691	887,490	1,622,830
Debt Service:										
Principal	900,000	940,000	1,000,000	1,070,000	1,115,000	150,000	155,000	165,000	170,000	180,000
Interest And Other Charges	345,378	291,641	235,442	174,930	109,144	44,369	37,694	30,391	22,537	14,000
Total Expenditures	22,474,676	22,877,608	25,547,363	25,284,451	25,559,621	23,633,046	24,801,404	27,292,753	26,162,657	26,665,049
Excess (Deficiency) Of Revenues										
Over (Under) Expenditures	(138,890)	1,274,741	(481,880)	(594,567)	633,720	1,035,866	902,039	(1,013,534)	(571,112)	(1,192,849)

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing Sources (Uses)								\$ 1,327,620		
Capital Leases (non-budgeted)								59,819		\$ 1,050,090
Transfers In	\$ 2,241	\$ 375	\$ 15,203	\$ 48				(59,819)		(1,050,090)
Transfers Out	(2,241)	(88,567)	(103,068)	(133,917)	\$ (146,139)					
Total Other Financing Sources (Uses)	-0-	(88,192)	(87,865)	(133,869)	(146,139)	\$ -0-	\$ -0-	1,327,620	\$ -0-	-0-
Net Change In Fund Balances	<u>\$ (138,890)</u>	<u>\$ 1,186,549</u>	<u>\$ (569,745)</u>	<u>\$ (728,436)</u>	<u>\$ 487,582</u>	<u>\$ 1,035,866</u>	<u>\$ 902,039</u>	<u>\$ 314,086</u>	<u>\$ (571,112)</u>	<u>\$ (1,192,849)</u>
Debt Service As A Percentage Of Noncapital Expenditures	5.63%	5.43%	4.88%	4.99%	4.84%	0.83%	0.81%	0.79%	0.76%	0.77%

Source: School District Financial Reports

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

Fiscal Year Ending June 30,	Tuition	Interest	Refunds	Transportation Fees	Building Use	Student Operated Cafeteria	Miscellaneous	Total
2006	\$ 20,659	\$ 88,990					\$ 79,067	\$ 188,717
2007	106,952	162,444		\$ 7,847			15,770	293,014
2008	70,214	70,011					10,545	150,770
2009	181,664	10,363					61,495	253,521
2010	257,246	5,054		4,547			63,250	330,096
2011	391,128	14,583		2,331			86,473	494,514
2012	121,196	11,309	\$ 352,693	1,126	\$ 10,910	\$ 6,675	4,224	508,133
2013	244,795	6,043	134,930	5,618	34,119	8,159	71,117	504,781
2014	286,804	5,274	505,204	32,897		10,412	7,196	847,787
2015	678,827	3,741	1,242	52,153		13,134	22,086	771,183

Source: High Point Regional High School District District Records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Branchville Borough</u>											
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 100,787,356	\$ 0.953	\$ 145,718,918
2006	* N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	189,383,662	0.484	163,137,894
2007	\$ 2,693,750	\$ 80,641,600	\$ 474,700	\$ 75,629,900		\$ 1,567,000	\$ 161,006,950	\$ 250,108	161,257,085	0.615	155,711,525
2008	2,736,650	81,104,500	474,700	68,381,100		1,567,000	154,263,950	218,943	154,482,893	0.600	158,522,054
2009	2,771,550	81,422,200	468,800	68,178,100		1,567,000	154,407,650	165,069	154,575,719	0.588	160,616,325
2010	2,832,750	82,015,300	468,800	60,247,800		1,567,000	147,131,650	206,011	147,337,661	0.629	147,618,315
2011	2,689,450	82,141,100	468,800	58,240,000		1,567,000	145,106,350	225,527	145,331,877	0.607	142,014,026
2012	* 2,254,350	71,399,200	423,800	57,496,700		1,388,000	132,962,050	237,409	133,199,459	0.636	142,761,211
2013	2,254,350	71,576,400	418,300	57,609,100		1,388,000	133,251,650	206,820	133,458,470	0.606	148,310,732
2014	2,333,050	71,358,600	423,800	57,285,300		1,388,000	132,788,750	213,947	133,002,697	0.582	139,687,493
<u>Frankford Township</u>											
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 424,539,664	\$ 0.926	\$ 636,216,528
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	432,066,976	0.987	738,127,337
2007	\$ 17,333,700	\$ 329,339,764	\$ 47,994,300	\$ 36,519,500	\$ 2,989,600	\$ 485,500	\$ 434,662,364	\$ 1,608,552	436,270,916	1.014	824,933,148
2008	* 42,074,100	735,232,100	98,902,900	71,902,900	6,335,800	1,075,900	955,523,700	3,202,525	958,726,225	0.470	970,821,462
2009	39,020,900	731,711,400	101,823,000	71,526,000	6,335,800	1,075,900	951,493,000	2,746,065	954,239,065	0.485	969,749,412
2010	36,262,400	733,731,900	100,591,000	70,748,400	6,458,400	1,075,900	948,868,000	2,440,197	951,598,197	0.483	925,655,838
2011	34,353,400	734,220,600	102,117,600	69,990,600	6,548,400	1,075,900	948,306,500	2,337,821	950,644,321	0.501	882,845,249
2012	32,015,200	734,356,000	101,398,600	63,242,500	6,414,300	1,075,900	938,507,500	2,230,757	940,738,257	0.532	862,469,699
2013	18,976,800	559,837,200	72,998,200	60,275,700	5,529,600	880,200	721,747,200	2,033,198	723,780,398	0.706	792,810,574
2014	17,333,200	565,528,300	73,949,400	59,828,300	5,529,600	880,200	723,049,000	1,811,215	724,860,215	0.701	845,128,593
<u>Lafayette Township</u>											
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 206,450,276	\$ 0.829	\$ 343,372,401
2006	* N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	467,582,386	0.393	367,721,787
2007	\$ 17,732,000	\$ 298,542,000	\$ 65,028,600	\$ 45,127,600	\$ 44,689,900		\$ 471,120,100	\$ 1,187,891	472,307,991	0.434	462,152,371
2008	11,772,000	302,383,600	65,031,900	45,464,100	44,689,900		469,341,500	1,127,240	470,468,740	0.467	484,735,174
2009	11,041,800	303,856,900	67,184,400	46,931,400	44,494,400		473,508,900	909,083	474,417,983	0.453	491,230,796
2010	10,195,400	302,586,600	66,281,100	49,056,600	44,494,400		472,614,100	548,807	473,162,907	0.457	448,864,212
2011	9,160,300	294,938,000	65,672,600	46,242,100	26,731,100		442,744,100	560,912	443,305,012	0.540	427,493,775
2012	8,661,800	292,547,500	67,325,300	45,772,600	23,929,500		438,236,700	596,007	438,832,307	0.560	414,089,316
2013	* 6,574,300	219,343,500	47,116,300	41,217,100	15,337,800		333,540,900	539,095	334,079,995	0.701	355,384,286
2014	6,746,400	219,287,600	49,051,500	41,203,100	15,337,800		331,626,400	494,830	332,121,230	0.693	373,817,248

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
<u>Sussex Borough</u>											
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 79,198,800	\$ 0.803	\$ 107,786,079
2006	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	79,505,066	0.849	128,259,150
2007	\$ 1,015,800	\$ 52,863,000	\$ 395,000	\$ 16,975,900	\$ 464,900	\$ 6,896,000	\$ 78,610,600	\$ 1,270,985	79,881,585	0.924	139,788,875
2008	1,021,300	53,019,900	395,000	16,578,200	464,900	6,896,000	78,375,300	1,300,612	79,675,912	0.931	147,169,400
2009	1,069,900	52,983,900	394,300	16,578,200	474,100	6,896,000	78,396,400	1,341,249	79,737,649	0.855	149,022,809
2010	994,800	53,417,900	394,300	16,600,200	494,100	6,896,000	78,797,300	857,595	79,634,895	0.830	159,714,824
2011	960,900	53,446,500	394,300	16,533,600	474,100	6,896,000	78,705,400	717,621	79,423,021	0.869	140,439,616
2012	963,700	53,339,500	394,300	16,533,600	474,100	6,896,000	78,601,200	505,353	79,106,553	0.918	144,178,764
2013	* 1,732,400	81,631,500	640,100	25,708,300	721,600	16,707,400	127,162,800	662,927	127,825,727	0.592	132,158,837
2014	1,804,600	80,772,200	661,600	25,254,600	787,300	16,324,700	125,605,000	835,798	126,440,798	0.627	121,535,784
<u>Wantage Township</u>											
2005	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 630,602,585	\$ 0.964	\$ 1,009,610,287
2006	* N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	1,425,394,453	0.437	1,135,882,633
2007	\$ 67,330,400	\$ 1,091,602,300	\$ 152,635,449	\$ 105,338,862	\$ 1,157,200	\$ 5,978,200	\$ 1,424,042,411	\$ 3,190,770	1,427,233,181	0.451	1,303,479,680
2008	60,436,760	1,110,616,200	154,194,796	113,178,362	1,157,200	5,822,300	1,445,405,618	3,113,175	1,448,518,793	0.460	1,442,853,168
2009	59,181,060	1,119,347,900	157,618,456	113,353,662	761,300	5,822,300	1,456,084,678	2,298,850	1,458,383,528	0.485	1,549,245,517
2010	55,259,940	1,122,400,900	156,474,776	115,230,735	761,300	5,822,300	1,455,949,951	3,118,073	1,459,063,024	0.505	1,455,072,239
2011	51,572,340	1,119,230,400	159,407,276	114,954,935	961,300	5,822,300	1,451,948,551	3,405,033	1,455,353,584	0.492	1,390,716,975
2012	45,769,389	1,065,045,000	159,642,587	114,754,935	961,300	5,822,300	1,391,995,511	3,587,726	1,395,583,237	0.512	1,276,603,496
2013	42,071,360	1,057,651,000	150,677,900	114,525,205	961,300	5,822,300	1,379,386,858	3,447,661	1,382,834,519	0.514	1,212,594,551
2014	30,572,600	899,760,106	141,239,200	116,927,091	1,541,400	11,621,250	1,201,661,647	3,383,457	1,205,045,104	0.580	1,199,517,862

* Revaluation or Reassessment Year

N/A Not Available

Source: Municipal Tax Assessor

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

Reassessment occurs when ordered by the County Board of Taxation.

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

b Tax rates are per \$100

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

Branchville Borough							
Direct Rate				Overlapping Rates			Total Direct and Overlapping Tax Rate
Year Ended December 31,	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County	
2005	\$ 0.870	\$ 0.083	\$ 0.953		\$ 0.689	\$ 0.648	
2006	* 0.384	0.100	0.484		0.395	0.321	1.200
2007	0.581	0.034	0.615		0.413	0.352	1.380
2008	0.567	0.033	0.600		0.746	0.414	1.760
2009	0.557	0.031	0.588		0.766	0.396	1.750
2010	0.608	0.021	0.629		0.790	0.397	1.816
2011	0.601	0.006	0.607		0.806	0.429	1.842
2012	* 0.628	0.008	0.636		0.894	0.499	2.029
2013	0.599	0.007	0.606		0.942	0.550	2.098
2014	0.575	0.007	0.582		0.953	0.548	2.083

Frankford Township							
Direct Rate				Overlapping Rates			Total Direct and Overlapping Tax Rate
Year Ended December 31,	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County	
2005	\$ 0.838	\$ 0.088	\$ 0.926	\$ 0.311	\$ 1.352	\$ 0.691	
2006	0.887	0.100	0.987	0.340	1.362	0.751	3.440
2007	0.957	0.057	1.014	0.378	1.419	0.769	3.580
2008	* 0.445	0.025	0.470	0.195	0.662	0.369	1.696
2009	0.460	0.025	0.485	0.195	0.693	0.388	1.761
2010	0.467	0.016	0.483	0.214	0.712	0.395	1.804
2011	0.496	0.005	0.501	0.214	0.739	0.405	1.859
2012	0.525	0.007	0.532	0.224	0.740	0.424	1.920
2013	0.697	0.009	0.706	0.306	0.977	0.538	2.527
2014	0.693	0.009	0.701	0.311	0.999	0.611	2.622

* Revaluation or Reassessment Year

Source: Municipal Tax Collector and School Business Administrator

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)
(Continued)

Lafayette Township								
Year Ended December 31,	Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate	
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2005	\$ 0.815	\$ 0.014	\$ 0.829	\$ 0.122	\$ 1.654	\$ 0.765	\$ 3.370	
2006	* 0.293	0.100	0.393	0.093	0.750	0.364	1.600	
2007	0.410	0.024	0.434	0.117	0.768	0.401	1.720	
2008	0.442	0.025	0.467	0.135	0.810	0.389	1.801	
2009	0.431	0.022	0.453	0.145	0.829	0.395	1.822	
2010	0.442	0.015	0.457	0.175	0.838	0.387	1.857	
2011	0.534	0.006	0.540	0.191	0.902	0.428	2.061	
2012	0.553	0.007	0.560	0.196	0.912	0.439	2.107	
2013	0.693	0.008	0.701	0.263	1.190	0.523	2.677	
2014	0.684	0.008	0.693	0.270	1.210	0.587	2.760	

Sussex Borough								
Year Ended December 31,	Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate	
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2005	\$ 0.758	\$ 0.045	\$ 0.803	\$ 0.567	\$ 1.571	\$ 0.638	\$ 3.579	
2006	0.749	0.100	0.849	0.596	1.686	0.709	3.840	
2007	0.873	0.051	0.924	0.664	1.679	0.713	3.980	
2008	* 0.881	0.050	0.931	0.753	1.665	0.736	4.085	
2009	0.833	0.022	0.855	0.770	1.674	0.711	4.010	
2010	0.804	0.026	0.830	0.910	1.790	0.820	4.350	
2011	0.859	0.010	0.869	0.981	1.837	0.777	4.464	
2012	0.907	0.011	0.918	1.005	1.814	0.849	4.586	
2013	* 0.585	0.007	0.592	0.668	1.161	0.509	2.930	
2014	0.618	0.008	0.627	0.673	1.116	0.501	2.917	

Source: Municipal Tax Collector and School Business Administrator

* Revaluation Year

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
UNAUDITED
(rate per \$100 of assessed value)
(Continued)

Year Ended December 31,	Wantage Township							Total Direct and Overlapping Tax Rate
	Direct Rate			Overlapping Rates				
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Municipality	Local School District	County		
2005	\$ 0.925	\$ 0.039	\$ 0.964	\$ 0.333	\$ 1.667	\$ 0.736	\$ 3.700	
2006	*	0.337	0.100	0.437	0.144	0.809	0.350	1.740
2007		0.426	0.025	0.451	0.180	0.860	0.369	1.860
2008		0.435	0.025	0.460	0.195	0.870	0.377	1.902
2009		0.460	0.025	0.485	0.209	0.874	0.405	1.973
2010		0.488	0.017	0.505	0.237	0.889	0.405	2.036
2011		0.487	0.005	0.492	0.245	0.906	0.409	2.052
2012		0.506	0.007	0.513	0.240	0.962	0.428	2.143
2013		0.508	0.006	0.514	0.245	0.978	0.431	2.168
2014		0.573	0.007	0.580	0.280	1.141	0.519	2.520

Source: Municipal Tax Collector and School Business Administrator

* Revaluation Year

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Branchville Borough

Frankford Township

Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value
Wantage Avenue Holding Company Inc	\$ 35,006,000	26.23%
Franklin Mutual Insurance Company	5,723,600	4.29%
National Bank of Sussex County	1,769,000	1.33%
Individual Taxpayer #1	1,170,200	0.88%
Haubrich Enterprises, LLC	1,071,500	0.80%
Mill Manor, LLC	1,021,100	0.77%
RBMK Company	974,600	0.73%
LAC Realty Corp.	925,500	0.69%
Individual Taxpayer #2	896,500	0.67%
Individual Taxpayer #3	742,100	0.56%
Total	<u>\$ 49,300,100</u>	<u>36.94%</u>

Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value
129 Morris Turnpike Realty, Inc.	\$ 7,050,000	0.97%
Sussex County Farm & Horse Show	2,713,000	0.37%
Visions Federal Credit Union	2,419,600	0.33%
Branchville Manor c/o Kaplan Dev	2,362,900	0.33%
United Telephone Co. of NJ	2,183,338	0.30%
Individual Taxpayer #1	1,987,500	0.27%
Skylands Stadium LLC	1,600,000	0.22%
Hamm, Ambrose, & Lillian	1,364,300	0.19%
One to One LLC	1,352,400	0.19%
Kymers Campground	1,346,900	0.19%
Total	<u>\$ 24,379,938</u>	<u>3.37%</u>

Taxpayer	2006	
	Taxable Assessed Value	% of Total District Net Assessed Value
N/A	N/A	N/A

Taxpayer	2006	
	Taxable Assessed Value	% of Total District Net Assessed Value
N/A	N/A	N/A

N/A - Not Available

Source: Municipal Tax Assessor

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED
(Continued)

Lafayette Township

Sussex Borough

Taxpayer	2015		Taxpayer	2015	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
205 Route 94 LLC	\$ 3,966,900	1.19%	Alpine Village Apt LLC	\$ 9,192,800	7.19%
Durling Realty	3,423,900	1.02%	Wilson Manor Associates	3,700,000	2.89%
Carland Land Development	2,950,000	0.88%	Franklin Sussex Realty LLC	1,929,500	1.51%
United Telephone Co of NJ	2,279,600	0.68%	RBND LLC	1,558,900	1.22%
34-38 Route 15, Lafayette LLC	1,785,600	0.53%	Individual Taxpayer #1	1,702,800	1.33%
FSB Propel	1,782,900	0.53%	Sussex Plaza Realty LLC	1,170,600	0.92%
94 Associates c/o Carson & Roberts	1,682,900	0.50%	United Telephone Co of NJ	1,107,571	0.87%
11 Millpond Drive LLC	1,533,100	0.46%	Creamery Apartments LLC	1,046,800	0.82%
All Leasing LLC	1,493,200	0.45%	Individual Taxpayer #2	975,000	0.76%
Millpond Drive, LLC	1,490,700	0.45%	Munson Street Dev., LLC	894,200	0.70%
Total	\$ 22,388,800	6.70%	Total	\$ 23,278,171	18.21%

Taxpayer	2006		Taxpayer	2006	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
N/A	N/A	N/A	N/A	N/A	N/A

N/A - Not Available

Source: Municipal Tax Assessor

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED
(Continued)

Wantage Township

<u>Taxpayer</u>	<u>2015</u>		<u>Taxpayer</u>	<u>2006</u>	
	<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>		<u>Taxable Assessed Value</u>	<u>% of Total District Net Assessed Value</u>
Mainland Sussex Co	\$ 11,449,000	0.83%	N/A	N/A	N/A
Wantage 2002 LLC	11,200,500	0.81%			
Tenneco Inc	11,213,700	0.81%			
Awbury Apartments LP	6,294,000	0.46%			
Ames Rubber	5,389,100	0.39%			
Space Farms	4,376,900	0.32%			
Town Center at Wantage, LLC	4,245,400	0.31%			
United Telephone Co of NJ	3,805,642	0.28%			
Naisby, James H G, Inc.	3,112,300	0.23%			
PS, LLC	2,917,400	0.21%			
Total	\$ 64,003,942	4.63%	Total		

N/A - Not Available

Source: Municipal Tax Assessor

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TWO FISCAL YEARS
UNAUDITED

Branchville Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 782,200	\$ 782,200	100.00%	-0-
2015	765,449	765,449	100.00%	-0-

Frankford Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 5,189,036	\$ 5,189,036	100.00%	-0-
2015	4,978,140	4,978,140	100.00%	-0-

Lafayette Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 2,340,975	\$ 2,340,975	100.00%	-0-
2015	2,256,649	2,256,649	100.00%	-0-

This schedule does not include ten years as required by GASB #44 as the information is not available.

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

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

Exhibit J-9
2 of 2

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TWO FISCAL YEARS
UNAUDITED

Sussex Borough

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 771,582	\$ 771,582	100.00%	-0-
2015	813,102	765,449	94.14%	-0-

Wantage Township

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2014	\$ 6,987,179	\$ 6,987,179	100.00%	-0-
2015	6,993,574	4,987,140	71.31%	-0-

This schedule does not include ten years as required by GASB #44 as the information is not available.

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2006	\$ 4,005,000	-0-	-0-	-0-	-0-	\$ 4,005,000	0.39%	\$ 178	
2007	3,325,000	-0-	-0-	-0-	-0-	3,325,000	0.30%	147	
2008	2,600,000	-0-	-0-	-0-	-0-	2,600,000	0.23%	115	
2009	1,820,000	-0-	-0-	-0-	-0-	1,820,000	0.17%	81	
2010	1,675,000	-0-	-0-	-0-	-0-	1,675,000	0.15%	74	
2011	860,000	-0-	-0-	-0-	-0-	860,000	0.08%	38	
2012	705,000	-0-	-0-	-0-	-0-	705,000	0.06%	32	
2013	540,000	-0-	\$ 1,327,620	-0-	-0-	1,867,620	0.16%	84	
2014	370,000	-0-	1,262,567	-0-	-0-	1,632,567	0.14%	74	
2015	190,000	-0-	1,181,370	-0-	-0-	1,371,370	0.12%	62	

Source: School District Financial Reports

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

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

Exhibit J-11

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 4,005,000	-0-	\$ 4,005,000	0.16%	\$ 178
2007	3,325,000	-0-	3,325,000	0.12%	147
2008	2,600,000	-0-	2,600,000	0.08%	115
2009	1,820,000	-0-	1,820,000	0.05%	81
2010	1,675,000	-0-	1,675,000	0.05%	74
2011	860,000	-0-	860,000	0.03%	38
2012	705,000	-0-	705,000	0.02%	32
2013	540,000	-0-	540,000	0.02%	24
2014	370,000	-0-	370,000	0.01%	17
2015	190,000	-0-	190,000	0.01%	9

Source: School District Financial Reports

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.
a See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.
b See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014
UNAUDITED

	Borough of Branchville	Township of Frankford	Township of Lafayette	Borough of Sussex	Township of Wantage	High Point Regional High School District
Net Direct Debt of School District as of December 31, 2014						\$ 190,000
Net Overlapping Debt of School District						
Municipal (100%)	\$ 42,934	\$ 914,048		\$ 328,353	\$ 8,872,719	10,158,054
Local School (100%)			\$ 2,400,000			2,400,000
County of Sussex Share (1)	578,851	3,146,223	1,443,721	551,611	5,236,895	10,957,301
Total Direct and Overlapping Bonded Debt as of December 31, 2014						\$ 23,705,355

(1) Borough of Branchville - 0.85%	Borough of Sussex - 0.81%
Township of Frankford - 4.62%	Township of Wantage - 7.69%
Township of Lafayette - 2.12%	

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2015

	Borough of Branchville	Township of Frankford	Township of Lafayette	Borough of Sussex	Township of Wantage	Equalized Valuation Basis
2012	\$146,080,037	\$848,406,708	\$371,765,100	\$132,839,615	\$1,215,928,993	\$ 2,715,020,453
2013	138,242,193	839,143,355	373,757,172	120,854,210	1,175,747,407	2,647,744,337
2014	125,024,715	816,543,196	356,702,592	122,793,039	1,192,242,928	2,613,306,470
	<u>\$ 409,346,945</u>	<u>\$ 2,504,093,259</u>	<u>\$ 1,102,224,864</u>	<u>\$ 376,486,864</u>	<u>\$ 3,583,919,328</u>	<u>\$ 7,976,071,260</u>
Average Equalized Valuation of Taxable Property						\$ 2,658,690,420
Debt Limit (3% of average equalization value)						79,760,713 ^a
Total Net Debt Applicable to Limit						190,000
Legal Debt Margin						<u>\$ 79,570,713</u>

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 57,981,905	\$ 65,648,541	\$ 84,347,999	\$ 90,505,496	\$ 95,169,182
Total Net Debt Applicable to Limit	4,660,000	3,325,000	3,920,000	21,555,000	15,708,909
Legal Debt Margin	<u>\$ 53,321,905</u>	<u>\$ 62,323,541</u>	<u>\$ 80,427,999</u>	<u>\$ 68,950,496</u>	<u>\$ 79,460,273</u>

Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	8.04%	5.06%	4.65%	23.82%	16.51%
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	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 95,202,494	\$ 94,410,069	\$ 90,262,671	\$ 82,589,097	\$ 79,760,713
Total Net Debt Applicable to Limit	860,000	705,000	540,000	370,000	190,000
Legal Debt Margin	<u>\$ 94,342,494</u>	<u>\$ 93,705,069</u>	<u>\$ 89,722,671</u>	<u>\$ 82,219,097</u>	<u>\$ 79,570,713</u>

Total Net Debt Applicable to the Limit As a Percentage of Debt Limit	0.90%	0.75% #	0.60% #	0.60% #	0.60%
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^a Limit set by NJSA 18A:24-19 for a 9 through 12 district; other % limits would be applicable for other districts

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Personal Income	Sussex County Per Capita Personal Income ^b	Unemployment Rate ^c
<u>Branchville Borough</u>				
2006	831	\$ 38,392,200	\$ 46,200	6.1%
2007	827	40,438,646	48,898	5.8%
2008	821	40,844,750	49,750	5.5%
2009	815	39,332,715	48,261	8.2%
2010	840	41,195,280	49,042	12.1%
2011	836	42,468,800	50,800	9.6%
2012	825	43,388,400	52,592	12.6%
2013	821	43,478,518	52,958	12.5%
2014	812	43,001,896 *	52,958 *	7.6%
2015	812 **	43,001,896 *	52,958 *	N/A
<u>Frankford Township</u>				
2006	5,605	258,951,000	46,200	3.8%
2007	5,609	274,268,882	48,898	3.6%
2008	5,612	279,197,000	49,750	5.5%
2009	5,595	270,020,295	48,261	8.2%
2010	5,563	272,820,646	49,042	7.8%
2011	5,539	281,381,200	50,800	9.6%
2012	5,532	290,938,944	52,592	8.1%
2013	5,495	291,004,210 *	52,958 *	8.0%
2014	5,466	289,468,428 *	52,958 *	7.0%
2015	5,466 **	289,468,428 *	52,958 *	N/A

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED
(Continued)

Year	Population ^a	Personal Income	Sussex County Per Capita Personal Income ^b	Unemployment Rate ^c
<u>Lafayette Township</u>				
2006	2,487	\$ 114,899,400	\$ 46,200	5.20%
2007	2,477	121,120,346	48,898	5.00%
2008	2,478	123,280,500	49,750	5.50%
2009	2,400	115,826,400	48,261	8.20%
2010	2,463	120,790,446	49,042	10.60%
2011	2,538	128,930,400	50,800	9.60%
2012	2,525	132,794,800	52,592	10.90%
2013	2,482	131,441,756	52,958	10.90%
2014	2,462	130,382,596 *	52,958 *	6.2%
2015	2,462 **	130,382,596 *	52,958 *	N/A
<u>Sussex Borough</u>				
2006	2,138	98,775,600	46,200	4.80%
2007	2,144	104,837,312	48,898	4.60%
2008	2,124	105,669,000	49,750	5.50%
2009	2,120	102,313,320	48,261	8.20%
2010	2,139	104,900,838	49,042	9.80%
2011	2,130	108,204,000	50,800	9.60%
2012	2,119	111,442,448	52,592	10.20%
2013	2,097	111,052,926	52,958	10.10%
2014	2,078	110,046,724 *	52,958 *	7.9%
2015	2,078 **	110,046,724 *	52,958 *	N/A

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

UNAUDITED

(Continued)

<u>Year</u>	<u>Population^a</u>	<u>Personal Income</u>	<u>Sussex County Per Capita Personal Income^b</u>	<u>Unemployment Rate^c</u>
<u>Wantage Township</u>				
2006	11,397	\$ 526,541,400	\$ 46,200	5.70%
2007	11,532	563,891,736	48,898	5.50%
2008	11,557	574,960,750	49,750	8.20%
2009	11,533	556,594,113	48,261	8.20%
2010	11,601	568,936,242	49,042	11.50%
2011	11,353	576,732,400	50,800	9.60%
2012	11,301	594,342,192	52,592	11.50%
2013	11,242	595,353,836	52,958	11.80%
2014	11,154	590,693,532 *	52,958 *	6.7%
2015	11,154 **	590,693,532 *	52,958 *	N/A

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

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

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

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS - SUSSEX COUNTY
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

2014			2005		
Employer	Employees	Percentage of Total Employment	Employer	Employees	Percentage of Total Employment
Crystal Springs Gold & Spa Resort	2,000	2.66%	Mountain Creek Resort	1,760	2.44%
Newton Memorial Hospital	1,200	1.59%	Selective Insurance Company	954	2.30%
Selective Insurance	900	1.20%	County of Sussex	864	2.04%
County of Sussex	830	1.10%	Andover Subacute Rehab Center	800	2.04%
Mountain Creek Resort	800	1.06%	Newton Memorial Hospital	772	1.93%
Ames Rubber Corp.	445	0.59%	Vernon Township Board of Education	703	1.61%
Shop Rite Supermarkets	301	0.40%	Ronetco Supermarkets, Inc.	691	1.53%
Andover Subacute & Rehab Center	300	0.40%	Crystal Springs Golf & Spa Resort	653	1.15%
Sussex County Community College	300	0.40%	Sparta Board of Education	557	0.97%
SCARC, Inc.	287	0.38%	Sussex County Community College	516	0.77%
Total	<u>7,363</u>	9.78%		<u>8,270</u>	16.78%

N/A - Information is not available

Source: County of Sussex

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	95.0	95.0	95.0	94.0	93.0	82.0	91.5	79.0	79.0	79.0
Special Education	30.5	30.5	30.5	30.5	29.5	16.0	13.0	19.5	17.5	17.5
Support Services:										
Tuition										
Student and Instruction Related Services	28.5	28.5	29.5	25.0	25.0	25.0	21.0	29.0	28.0	28.0
General Administrative Services	2.0	2.0	2.0	2.0	2.0	3.0	3.0	3.0	3.0	3.0
School Administrative Services	10.5	10.5	10.5	10.5	9.5	9.5	9.0	9.5	9.5	9.5
Business and Other Support Services	5.5	5.5	5.5	5.5	5.5	5.5	3.5	4.0	4.0	4.0
Plant Operations and Maintenance	15.3	15.3	15.3	15.5	15.5	15.5	15.5	16.0	13.0	13.0
Pupil Transportation	5.0	5.0	5.0	5.0	5.0	5.0	5.5	6.0	6.0	6.0
Food Service	11.0	11.0	11.0	11.0	11.0					
Total	<u>203</u>	<u>203</u>	<u>204</u>	<u>199</u>	<u>196</u>	<u>162</u>	<u>162</u>	<u>166</u>	<u>160</u>	<u>160</u>

Source: District Personnel Records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	1,387	\$ 20,867,228	\$ 15,045	-1.41%	111	1:12	1,377	1,318	1.50%	95.05%
2007	1,349	21,460,881	15,909	5.74%	111	1:12	1,357	1,293	-1.51%	95.84%
2008	1,280	24,061,117	18,798	18.16%	111	1:12	1,316	1,269	-3.00%	99.16%
2009	1,270	23,692,461	18,655	-0.76%	109	1:12	1,268	1,226	-3.64%	96.51%
2010	1,205	25,052,875	20,791	11.45%	103	1:12	1,198	1,155	-5.50%	95.86%
2011	1,148	23,104,124	20,126	-3.20%	100	1:11	1,136	1,087	-5.22%	94.72%
2012	1,101	23,546,673	21,387	6.27%	100	1:11	1,099	1,054	-3.22%	95.77%
2013	1,014	24,627,671	24,288	13.56%	104	1:10	1,011	973	-7.75%	95.93%
2014	1,007	25,082,630	24,908	2.56%	96	1:10	1,007	971	-0.17%	96.43%
2015	1,009	24,848,219	24,627	-1.13%	96	1:10	1,001	938	-3.40%	92.96%

Source: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).
- d The cost per pupil calculated above is the sum of the operating expenditures divided by enrollment. This cost per pupil may be different from other cost per pupil calculations.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

<u>District Building</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
High Point Regional High School										
Square Feet	219,283	219,283	219,283	219,283	219,283	219,283	219,283	219,283	219,283	219,283
Capacity (students)	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227	1,227
Enrollment	1,387	1,349	1,280	1,270	1,204	1,148	1,101	1,014	1,007	1,009

Source: High Point Regional High School District records

Note: Enrollment is based on the annual October district count.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS
(UNAUDITED)

Undistributed Expenditures - Required
 Maintenance For School Facilities
 11-000-261-xxx

Fiscal Year Ended June 30,	High School	*	Total
2006	\$ 192,182	\$	192,182
2007	145,787		145,787
2008	211,731		211,731
2009	305,586		305,586
2010	207,962		207,962
2011	215,713		215,713
2012	382,393		382,393
2013	429,663		429,663
2014	484,001		484,001
2015	301,694		301,694

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

Source: High Point Regional High School District records

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
UNAUDITED

	<u>Coverage</u>		<u>Deductible</u>
School Package Policy: School Alliance Insurance Fund	\$ 250,000,000	Fund Limit	
Building & Personal Property			\$ 2,500
Inland Marine - Auto Physical Damage			2,500
General Liability Including Auto, Employee Benefits	5,000,000		
Each Occurrence			
General Aggregate	100,000,000	Fund Aggregate	
Product / Completed Ops			
Personal Injury			
Fire Damage	2,500,000		
Medical Expenses	10,000		
(excluding students taking part in athletics)			
Automobile Coverage			
Combined Single Limit			
Hired / Non-owned			
Environmental Impairment Liability	1,000,000	Per Occurrence	5,000
	25,000,000	Fund Aggregate	
Crime Coverage	50,000	Inside/ Out	1,000
Blanket Dishonesty Bond	500,000		1,000
Boiler & Machinery	100,000,000		1,000
Excess Liability (AL/GL)	5,000,000		
School Board Legal	5,000,000/5,000,000		5,000
Workers Compensation	Statutory		
Empolyer's Liability	5,000,000		
Supplemental Indemnity	Statutory		
Bond for School Administrator	290,000	Selective Insurance	
Bond for Treasurer of School Monies	290,000	Selective Insurance	
Student Accident	5,000,000	Bollinger	

Source: District records

SINGLE AUDIT SECTION



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Report on Internal Control over Financial Reporting
 and on Compliance and Other Matters Based on an Audit of Financial Statements
 Performed in Accordance with *Government Auditing Standards*

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 High Point Regional School District
 County of Sussex, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the High Point Regional High School District, in the County of Sussex (the "District") as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 19, 2015.

Internal Control Over Financial Reporting

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

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

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

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 2

Compliance and Other Matters

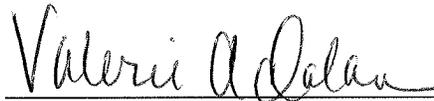
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Purpose of this Report

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

November 19, 2015
Mount Arlington, New Jersey

NISIVOCIA LLP



Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant



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

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 High Point Regional School District
 County of Sussex, New Jersey

Report on Compliance for Each Major State Program

We have audited the Board of Education of High Point Regional School (the "District'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 state programs for the fiscal year ended June 30, 2015. The District's major state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major State Program

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

The Honorable President and Members
of the Board of Education
High Point Regional School District
Page 2

Report on Internal Control Over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB 04-04 and 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of District's internal control over compliance.

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

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

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

November 19, 2015
Mount Arlington, New Jersey

NISIVOCIA LLP



Valerie A. Dolan
Licensed Public School Accountant #2526
Certified Public Accountant

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance (Accounts Receivable) 6/30/14	Due to Grantor 6/30/14	Carryover/ (Walkthrough) Amount	Cash Received	Budgetary Expenditures	Cancellation of Prior Year Payable and Encumbrances	Balance 6/30/15		Due to Grantor
											Budgetary Accounts Receivable	Budgetary Unearned Revenue	
U.S. Department of Agriculture													
Passed-through State Department of Agriculture:													
Child Nutrition Cluster:													
Federal Food Distribution Program	10.555	N/A	7/1/14-6/30/15	\$ 20,927				\$ 20,927	\$ (19,982)			\$ 945	
Federal Food Distribution Program	10.555	N/A	7/1/13-6/30/14	17,576	\$ 617				(617)				
National School Lunch Program	10.555	N/A	7/1/14-6/30/15	57,769				54,044	(57,769)		\$ (3,725)		
National School Lunch Program	10.555	N/A	7/1/13-6/30/14	46,279	(2,838)			2,838					
Total U.S. Department of Agriculture/Child Nutrition Cluster					(2,221)			77,809	(78,368)		(3,725)	945	
U.S. Department of Education													
Passed-through State Department of Education:													
No Child Left Behind Consolidated Grant:													
Title I	84-010A	NCLB-2165-15	7/1/14-6/30/15	63,442				63,442	(63,442)				
Title I	84-010A	NCLB-2165-14	7/1/13-6/30/14	64,967	(60,265)			60,265					
Title I	84-010A	NCLB-2165-13	9/1/12-8/31/13	73,137	(3,301)			3,301					
Title IIA	84.278A	NCLB-2165-15	7/1/14-6/30/15	21,697				21,697	(21,697)				
Title IIA	84.278A	NCLB-2165-14	7/1/13-6/30/14	21,832	(16,663)			16,663					
Title IIA	84.278A	NCLB-2165-13	9/1/12-8/31/13	22,180	(848)					\$ 848			
Special Education Cluster:													
I.D.E.A. Part B, Basic	84.027	FT-2165-15	7/1/14-6/30/15	212,125				212,125	(212,125)				
I.D.E.A. Part B, Basic	84.027	FT-2165-14	7/1/13-6/30/14	205,495	(81,553)			81,553					
I.D.E.A. Part B, Basic	84.027	FT-2165-13	9/1/12-8/31/13	226,548		\$ 1,246				(1,246)			
State Fiscal Stabilization Fund (SFSF)													
ARRA Race to the Top	84.395	N/A	9/1/11-11/30/15	5,575					(1,000)		(1,000)		
Perkins Vocational Education - Basic Grants	84.048A	PERK 15-2165	7/1/14-6/30/15	31,769				31,769	(31,769)				
Perkins Vocational Education - Basic Grants	84.048A	PERK 14-2165	7/1/13-6/30/14	24,457	(18,347)			18,347					
Total U.S. Department of Education					(180,977)		1,246	509,162	(330,033)	(398)	(1,000)		
Total Federal Financial Awards					\$ (183,198)	\$ -0-	\$ 1,246	\$ 586,971	\$ (408,401)	\$ (398)	\$ (4,725)	\$ 945	\$ -0-

N/A - Not Available

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance (Accounts Receivable) 6/30/14	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance 6/30/15		MEMO	
								GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Budgetary Receivable	Cumulative Total Expenditures
NJ Department of Education:											
Equalization Aid	15-495-034-5120-078	7/1/14 - 6/30/15	\$ 4,284,622		\$ 3,859,245	\$ (4,284,622)				\$ 425,377	\$ 4,284,622
Transportation Aid	15-495-034-5120-014	7/1/14 - 6/30/15	748,822		674,479	(748,822)				74,343	748,822
Special Education Aid	15-495-034-5120-089	7/1/14 - 6/30/15	606,486		546,274	(606,486)				60,212	606,486
Security Aid	15-495-034-5120-084	7/1/14 - 6/30/15	86,130		77,579	(86,130)				8,551	86,130
Adjustment Aid	15-495-034-5120-085	7/1/14 - 6/30/15	623,958		562,012	(623,958)				61,946	623,958
PARCC Readiness	15-495-034-5120-068	7/1/14 - 6/30/15	9,510		8,566	(9,510)				944	9,510
Per Pupil Growth Aud	15-495-034-5120-098	7/1/14 - 6/30/15	9,510		8,566	(9,510)				944	9,510
Extraordinary Aid	15-100-034-5120-473	7/1/14 - 6/30/15	169,093			(169,093)		\$ (169,093)		169,093	169,093
Non-Public Transportation	15-495-034-5120-014	7/1/14 - 6/30/15	10,421			(10,421)		(10,421)		10,421	10,421
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	7/1/14 - 6/30/15	730,615		657,002	(730,615)		(73,613)		73,613	680,509
Equalization Aid	14-495-034-5120-078	7/1/13 - 6/30/14	4,284,622	\$ (428,160)	411,169						4,284,622
Transportation Aid	14-495-034-5120-014	7/1/13 - 6/30/14	748,822	(74,829)	75,333						748,822
Special Education Aid	14-495-034-5120-089	7/1/13 - 6/30/14	606,486	(60,606)	60,055						606,486
Security Aid	14-495-034-5120-084	7/1/13 - 6/30/14	86,130	(8,607)	8,336						86,130
Adjustment Aid	14-495-034-5120-085	7/1/13 - 6/30/14	623,958	(62,352)	62,395						623,958
Extraordinary Aid	14-100-034-5120-473	7/1/13 - 6/30/14	225,346	(225,346)	485,255						225,346
Non-Public Transportation	14-495-034-5120-014	7/1/13 - 6/30/14	13,958	(13,958)	16,580						13,958
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	7/1/13 - 6/30/14	699,142	(102,263)	66,901						699,142
Total General Fund State Aid				<u>(976,121)</u>	<u>7,579,747</u>	<u>(7,279,167)</u>		<u>(253,127)</u>		<u>885,444</u>	<u>14,517,525</u>
Total NJ Department of Education				<u>(976,121)</u>	<u>7,579,747</u>	<u>(7,279,167)</u>		<u>(253,127)</u>		<u>885,444</u>	<u>14,517,525</u>
Capital Projects Fund:											
NJ School Development Authority:											
HVAC Upgrades Auditorium & Gym;											
Boiler Replacement	2165-030-14-1001/1002/1003	12/18/14 - 12/17/15	700,060							700,060	
Total Capital Projects Fund										<u>700,060</u>	
Enterprise Fund:											
State School Lunch Program	15-100-034-5120-122	7/1/14 - 6/30/15	2,744		2,583	(2,744)		(161)			2,744
State School Lunch Program	14-100-034-5120-122	7/1/13 - 6/30/14	2,300	(135)	135						2,300
Total Enterprise Fund				<u>(135)</u>	<u>2,718</u>	<u>(2,744)</u>		<u>(161)</u>			<u>5,044</u>
Total State Awards				<u>\$ (976,256)</u>	<u>\$ 7,582,465</u>	<u>\$ (7,281,911)</u>	<u>\$ -0-</u>	<u>\$ (253,288)</u>	<u>\$ -0-</u>	<u>\$ 1,585,504</u>	<u>\$ 14,522,569</u>

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

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last two state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes those payments are not recognized until the subsequent budget year due to the state deferral and recording of the last two state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. Grant revenue in the capital projects fund is recognized on the budgetary basis in the year of award while on a GAAP basis, revenue is recognized based on grant expenditures and when reimbursement requests are submitted.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$2,237 for the general fund and (\$2,000) for the special revenue fund of which \$2,000 is for local grants not reflected on the schedules of assistance and (\$700,060) for the Capital Projects Fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue and capital projects funds. Additionally, the schedule of expenditures of state awards does not include the on-behalf TPAF Pension Payments and Post-Retirement Medical Benefits revenue of \$495,670 and \$786,876 respectively. Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 8,563,950	\$ 8,563,950
Special Revenue Fund	\$ 330,033		330,033
Enterprise Fund - Food Service	78,368	2,744	81,112
	<u>\$ 408,401</u>	<u>\$ 8,566,694</u>	<u>\$ 8,975,095</u>

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

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. SCHOOLS DEVELOPMENT AUTHORITY (SDA) GRANTS

During the fiscal year end June 30, 2015, the District was awarded \$700,600 from the Schools Development Authority (SDA) under the Educational Facilities Construction and Financing Act for HVAC upgrades for the Auditorium, Gymnasium, and boiler replacement. As of June 30, 2015, there have been preliminary expenditures for those projects, however there have been no reimbursement requests submitted.

NOTE 6. OTHER

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

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Summary of Auditors' Results:

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

<u>State:</u>	<u>State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	\$ 4,284,622	\$ 4,284,622
Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	748,822	748,822
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	606,486	606,486
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	86,130	86,130
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	623,958	623,958
PARCC Readiness Aid	15-495-034-5120-068	7/1/14-6/30/15	9,510	9,510
Per Pupil Growth Aid	15-495-034-5120-098	7/1/14-6/30/15	9,510	9,510

- The threshold for distinguishing between State Type A and Type B programs was \$300,000.
- The single audit threshold identified in Federal OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08 was \$500,000.
- The District was determined to be a "low-risk" auditee for state programs under the provisions of section 530 of the federal Circular.

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

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

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

Findings and Questioned Costs for Federal Awards:

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

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in section 510(a) of the federal Circular or New Jersey's OMB Circulars 04-04 and 15-08.

HIGH POINT REGIONAL HIGH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2015

Status of Prior Year Findings:

There were no findings in the prior year.