

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

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

Prepared by

**HOLLAND TOWNSHIP BOARD OF EDUCATION
DEPARTMENT OF ADMINISTRATION**

**HOLLAND TOWNSHIP SCHOOL DISTRICT
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INTRODUCTORY SECTION

HOLLAND TOWNSHIP BOARD of EDUCATION

Mrs. Abigail J. Postma, RSBA
School Business Administrator

908-995-2772
www.hollandschool.org



2.0

November 5, 2015

Honorable President and
Members of the Board of Education
Holland Township School District
Milford, New Jersey 08848

Dear Board Members:

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

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organization chart and a listing of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multiyear basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and local Governments", and the State Treasury OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations, and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The Holland Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 14. All funds and account groups of the District are included in this report. The Holland Township Board of Education and its school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through eight, as well as special education for handicapped children. The District completed 2014-2015 fiscal year with an average daily enrollment of 588.6 students in grades PK through 8. The following details the changes in the student enrollment of the District over the last fifteen years:

714 Milford Warren Glen Road, Milford, NJ 08848
Fax 908-995-2011

HOLLAND TOWNSHIP BOARD of EDUCATION



Mrs. Abigail J. Postma, RSBA
School Business Administrator

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<u>Fiscal Year</u>	<u>Average Daily Enrollment</u>	<u>Percent Change</u>
2015	588.6	(2.24)
2014	602.1	(3.37)
2013	622.3	(4.1)
2012	648.8	(1.24)
2011	656.9	(0.95)
2010	663.2	(1.76)
2009	674.9	(1.4)
2008	683.8	(4.1)
2007	713.4	(.40)
2006	716.3	1.07
2005	708.7	3.50
2004	684.6	1.25
2003	676.2	(2.77)
2002	695.5	(.16)
2001	696.9	1.70
2000	685.0	3.55

2. ECONOMIC CONDITION and OUTLOOK:

Holland Township is a rural community of 22.7 square miles. Much of the township remains undeveloped. GPU Energy, the township's largest taxpayer, provides gross receipts that help offset local taxes. With few other commercial properties in Holland Township to share in the tax base, a township population that includes a significant number of senior citizens on fixed incomes, and dwindling surplus and reduced state aid, homeowners continue to bear the burden of increased local taxes.

3. MAJOR INITIATIVES:

The district took on several initiatives in the 2014-15 school year including:

1. Developed a five year Strategic Plan through meetings that averaged 32 stakeholders attending who represented different parts of our community. Plan was approved in June of 2015.
2. Increased Administrative visibility and support that resulted in nearly 1,100 classroom visits which is approximately 6 classrooms per day. This represented a huge increase over past years.
3. Began to integrate instruction with technology in grades 6-8 via. a 1:1 computer program for these middle school students. This included training and application for staff and students.



4. Increased communication with the public and community using Facebook and Twitter. Data for followers was up 42% and we posted school news or happenings on average 7 times per month. The Superintendent also held open public discussion sessions or specific topic nights six times during the school year.
5. Set goal to develop and implement a consistent and best practices phonics program for grades K-2 on a regular basis. (4 days/week for 15-20 min/day). This was very successful and brought more instruction, better instruction, consistent instruction and materials to our program with clearly defined benchmarks for each grade level.
6. Increased used of rubrics in grades 3-8 as a way to clearly set and communicate expectations to students and families. Each teacher was to develop and use 2 rubrics and most went above and beyond on that task. This included major subjects and special subjects; and included range of topics from public speaking to written assignments to athletic tasks.
7. Other initiatives included Association negotiations and analyzing the academic schedule regarding the changed we made increasing core academic time and providing some extended periods for projects and lab work.

4. INTERNAL ACCOUNTING CONTROLS:

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

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

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

5. BUDGETARY CONTROLS:

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

HOLLAND TOWNSHIP BOARD of EDUCATION

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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 cancelled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

6. ACCOUNTING SYSTEM and REPORTS:

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

7. DEBT ADMINISTRATION:

As of June 30, 2015, the District's outstanding debt was \$0.

8. CASE MANAGEMENT:

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

9. RISK MANAGEMENT:

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

10. OTHER INFORMATION:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of William Colantano, Jr., P.C. was appointed by the Board to provide this service. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements set forth in state statutes; the audit

HOLLAND TOWNSHIP BOARD of EDUCATION



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School Business Administrator

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was also designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and State Treasury Circular Letter OMB Circular 15-08. The auditor's report on the general purpose financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single section of this report.

11. ACKNOWLEDGEMENTS:

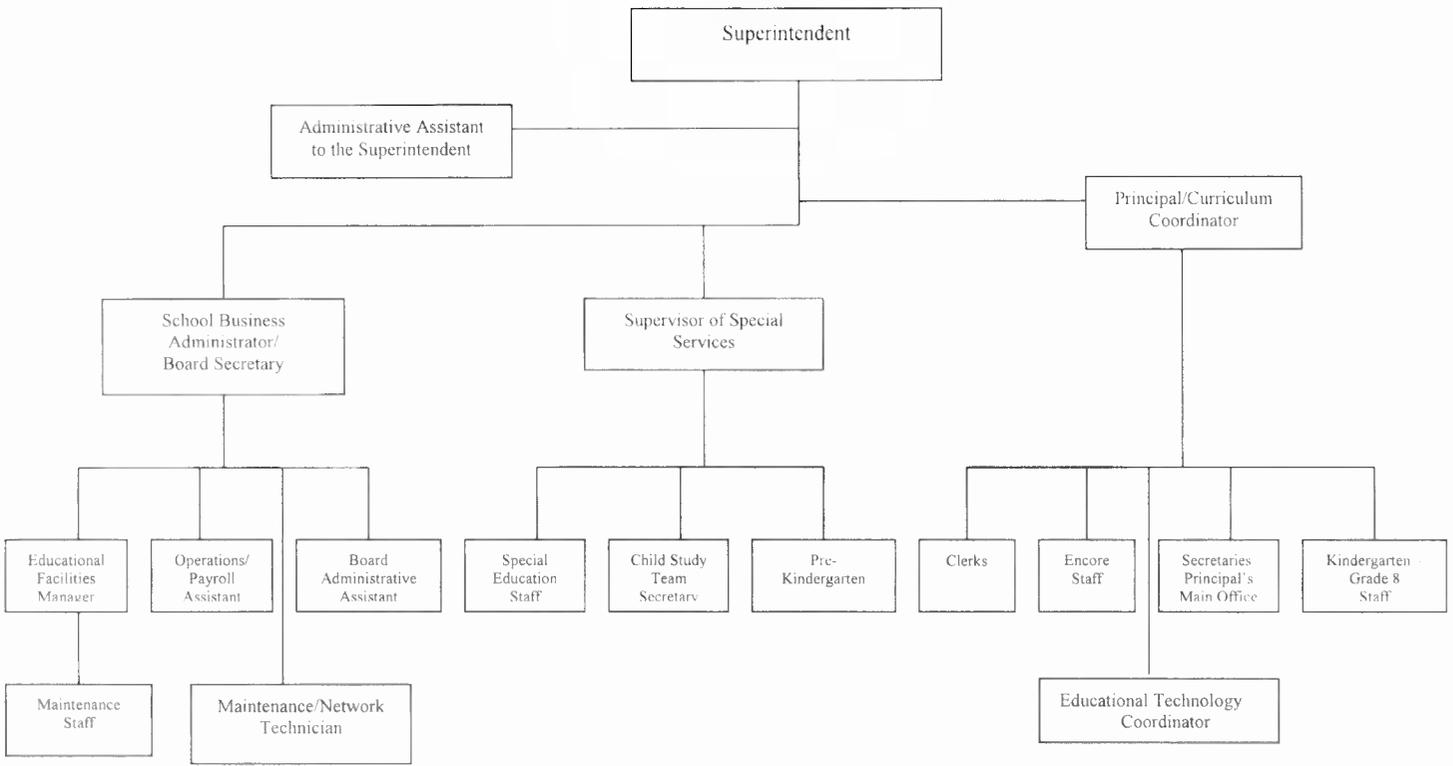
We would like to express our appreciation to the members of the Holland Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and, thereby, contributing their full support to the development and maintenance of our financial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

Respectfully submitted,

David Bailey
Superintendent

Abigail J. Postma, RSBA
Business Administrator/Board Secretary

1110 ORGANIZATIONAL CHART



- Superintendent Evaluations
- Principal/Curriculum Coordinator
 - Supervisor of Special Services
 - School Business Administrator/Board Secretary
 - Administrative Assistant to the Superintendent
 - Educational Facilities Manager
 - Maintenance/Network Technician



HOLLAND TOWNSHIP SCHOOL DISTRICT
MILFORD, NEW JERSEY

ROSTER OF OFFICIALS

Members of the Board of Education

Term Expires

Matt Davis		12/31/2016
Laurie Hance		12/31/2016
John McDowall		12/31/2015
Timothy McGuire		12/31/2017
William Moebus		12/31/2017
Lorraine Scheibener	President	12/31/2016
Roger Schneider	Vice-President	12/31/2015
Vonnie Scott		12/31/2015
William Soucie		12/31/2017

Other Officials

David Bailey, Superintendent

Abigail Postma, Board Secretary/School Business Administrator

Patti Fischer, Treasurer

**HOLLAND TOWNSHIP SCHOOL DISTRICT
CONSULTANTS AND ADVISORS**

Audit Firm

William M. Colantano, Jr., CPA
100 Route 31 North
Washington, NJ 07882-1530

Architect

Chapin Architectural Services PA
Kellen Chapin
17 Main Street
Netcong, NJ 07857

Attorney

Schwartz, Simon, Edelstein, & Celso, LLC
100 South Jefferson Road
Suite 200
Whippany, NJ 07981

Official Depository

Investors Savings Book
3563 Highway 22 North
Whitehouse, NJ 08888

FINANCIAL SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
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INDEPENDENT AUDITOR'S REPORT

November 5, 2015

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

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

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 5, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



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

REQUIRED SUPPLEMENTARY INFORMATION-PART I

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

This section of the Holland Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Our discussion and analysis of the Township of Holland School District financial activities for the fiscal year ended June 30, 2015. Please read in it conjunction with the transmittal letter on page 2 and the District's financial statements, which begin on page 13.

Financial Highlights

Key financial highlights for 2015 are as follows:

- In total, net position increased \$337,065 which represents a 6.94 percent increase from 2014.
- General revenues accounted for \$12,829,135 in revenue or 95.82 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$559,132 or 4.18 percent to total revenues of \$13,388,267.
- Total assets of governmental activities increased by \$364,726 as cash and cash equivalents increased by \$248,412 receivables increased by \$105,557 and capital assets increased by \$10,757.
- The School District had \$13,049,555 in expenses; only \$559,132 of these expenses were offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes) of \$12,829,135 were adequate to provide for these programs.
- Among major funds, the General Fund had \$11,614,003 in revenues, \$11,094,121 in expenditures, and \$322,749 in transfers out to the Capital Projects Fund. The General Fund balance increased by \$197,133 over fiscal year 2014. This can be attributed to effective cost-cutting measures implemented by the District.

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.

Using this Generally Accepted Accounting Principles Report (GAAP)

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 14 and 15) provide information about the activities of the

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

District as a whole and present a longer-term view on the District's finances. Fund financial statements start on page 17. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most financially significant funds.

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the District as a whole begins on page 14. While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the questions, "How did we do financially in 2015?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statements of Activities, we divide the District into two kinds of activities:

- Governmental activities: most of the District's basic services are reported here, including general administration. Local taxes, tuition, and state and federal aid finance most of these activities.
- Business-type-activities: there is one proprietary fund as shown on pages 22 through 24 which is the Food Service Fund. The Food Service Fund provides low cost, well balanced meals to the students and staff in the District.

Reporting the District's Most Significant Funds

Fund Financial Statements

The fund financial statements begin on page 17 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State

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

Law. The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental funds: most of District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statements of Activities) and governmental funds in a reconciliation on page 21.

Proprietary funds: when the District charges customers for the full cost of the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for the Unemployment Compensation Trust and Agency Funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 25 and 26 We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

The District as a Whole

The Statement of Net Position provides the perspectives of the District as a whole, showing assets, liabilities, and the difference between them (net position). Net position may serve over time as a useful indicator of a district's financial position.

The District's financial position is the product of several 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.

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

Table 1 provides a summary of the District’s net position at 6/30/15 with comparisons to 6/30/14.

**Table 1
Net Position**

	6/30/15	6/30/14	Variance	
			Dollars	%
ASSETS				
Current & Other Assets	\$ 1,884,349	\$ 1,535,872	\$ 348,477	22.69
Capital Assets	6,980,936	6,970,222	10,714	0.15
Total Assets	<u>8,865,285</u>	<u>8,506,094</u>	<u>359,191</u>	<u>4.22</u>
Deferred Outflows of Resources:				
Deferred Amount on Pension Activity	<u>221,206</u>	<u>120,445</u>	<u>100,761</u>	<u>83.66</u>
LIABILITIES				
Long-Term Liabilities	3,270,429	3,403,433	(133,004)	(3.91)
Other Liabilities	393,827	366,125	27,702	7.57
Total Liabilities	<u>3,664,256</u>	<u>3,769,558</u>	<u>(105,302)</u>	<u>(2.79)</u>
Deferred Outflows of Resources:				
Deferred Amount on Pension Activity	<u>228,189</u>	<u>-</u>	<u>228,189</u>	<u>*</u>
NET POSITION				
Net Investment in Capital Assets	6,980,936	6,970,222	10,714	0.15
Restricted	884,835	592,271	292,564	49.40
Unrestricted	<u>(2,671,725)</u>	<u>(2,705,512)</u>	<u>33,787</u>	<u>1.25</u>
Total Net Position	<u>\$ 5,194,046</u>	<u>\$ 4,856,981</u>	<u>\$ 337,065</u>	<u>6.94</u>

* = Undefined

The net position of the District’s district-wide activities increased by 6.94 percent. Unrestricted net position, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – increased \$33,787 or 1.25 percent. Restricted net position, those restricted mainly for capital projects increased by \$292,564 or 49.40 percent. Net investment in capital assets increased by \$10,714 or .15 percent.

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

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

Table 2 provides a summary of the District's changes in net position in fiscal year ending 6/30/15 with comparisons to 6/30/14.

Table 2
Changes in Net Position

	Fiscal Year Ending		Variance	
	6/30/15	6/30/14	Dollars	%
Revenues				
Program Revenues:				
Charges for Services	\$ 219,928	\$ 180,800	\$ 39,128	21.64
Operating Grants	222,425	213,896	8,529	3.99
Capital Grants	116,779		116,779	*
General Revenues:				
Property Taxes	8,634,029	8,464,735	169,294	2.00
Unrestricted Grants	4,180,397	2,719,133	1,461,264	53.74
Other	14,709	15,206	(497)	(3.27)
Total Revenues	<u>13,388,267</u>	<u>11,593,770</u>	<u>1,794,497</u>	15.48
Program Expenses				
Instruction:				
Regular	5,219,402	4,498,086	721,316	16.04
Special	2,505,305	2,142,947	362,358	16.91
Other	412,277	355,621	56,656	15.93
Support Services:				
Tuition	124,048	161,838	(37,790)	(23.35)
Student & Instructional Staff	1,942,084	1,675,809	266,275	15.89
General & Business Administration	931,666	848,654	83,012	9.78
School Administration	338,428	273,193	65,235	23.88
Maintenance	1,036,951	1,055,323	(18,372)	(1.74)
Transportation	371,651	356,495	15,156	4.25
Food Service	152,694	167,146	(14,452)	(8.65)
Interest on Long-Term Debt	15,049	15,049	-	0.00
Total Expenses	<u>13,049,555</u>	<u>11,550,161</u>	<u>1,499,394</u>	12.98
Increases (Decreases) Before Special Items	<u>338,712</u>	<u>43,609</u>	<u>295,103</u>	676.70
Special Items:				
Loss on Disposals of Capital Assets	(1,647)	-	(1,647)	*
Total Special Items	<u>(1,647)</u>	<u>-</u>	<u>(1,647)</u>	
Increase (Decrease) in Net Position	<u>\$ 337,065</u>	<u>\$ 43,609</u>	<u>\$ 293,456</u>	672.93

* = Undefined

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

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the school district operations. Property taxes made up 65.21 percent of revenues for governmental activities for the Holland Township School District for the fiscal year 2015. The district's total governmental revenues were \$13,240,588 for the year ended June 30, 2015.

The total cost of all program expenses and services for governmental activities was \$12,896,861.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3 provides a summary of the School District's cost of governmental services in fiscal year ending 6/30/15 with comparisons to 6/30/14.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	6/30/15	6/30/14	6/30/15	6/30/14
Instruction	\$ 8,136,984	\$ 6,996,654	\$ 7,919,405	\$ 6,914,340
Support Services:				
Tuition	124,048	161,838	4,448	30,882
Student & Instructional Staff	1,942,084	1,675,809	1,892,816	1,667,321
General & Business Administration	931,666	848,654	920,591	848,654
School Administration	338,428	273,193	334,924	273,193
Plant Operations & Maintenance	1,036,951	1,055,323	1,026,421	1,044,179
Pupil Transportation	371,651	356,495	371,651	356,495
Interest on Long-Term Debt	15,049	15,049	15,049	15,049
Total Expenses	\$ 12,896,861	\$ 11,383,015	\$ 12,485,305	\$ 11,150,113

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

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

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

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

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

Curriculum and staff development includes expenses related to planning, research, development, and evaluation of support services, as well as the reporting of this information internally and to the public.

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District.

The School District's Funds

All governmental funds, General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund, presented in the fund-based statements are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$11,915,083 and expenditures were \$11,588,755. The net increase in fund balance for the year of \$326,328 was most significant in the General Fund due to the effective cost-cutting measures implemented by the District. The increase was also attributable to the state grants received within the Capital Projects Fund in connection with various capital projects.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

General Fund Budgeting Highlights

The Holland Township School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances.

Budgets are prepared in December/January with revenue information made available in February/ March and a public vote on the school district budget in November. The fiscal year runs from July 1 through June 30. Changes occur over that 18-month period.

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

Unanticipated shifts in enrollment, staffing needs, students requiring special services, uncertain energy costs, and unfunded programs are often mandated after a budget is adopted.

The District builds a budget to meet the needs of its students based on the information and projections that are available during the budget cycle.

During the course of the 2015 fiscal year, the District amended its General Fund Budget by transferring funds as needed to prevent over-expenditures in specific line item accounts.

For the General Fund, budgeted revenues were \$10,651,349, which was \$218,266 above original budget estimates of \$10,433,083. The difference was due primarily to unbudgeted extraordinary aid realized of \$121,523, and unbudgeted tuition revenue realized of \$78,595. General Fund revenues and other financing sources were more than expenditures and other financing uses by \$203,660.

Capital Assets

At the end of the fiscal year 2015, the District had \$6,980,936 invested in land, buildings, furniture, equipment, vehicles and construction in progress.

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

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

	6/30/15	6/30/14	Variance	
			Dollars	%
Land	\$ 347,800	\$ 347,800		
Construction in Progress	315,469	368,899	\$ (53,430)	(14.48)
Land Improvements	103,068		103,068	*
Buildings & Improvements	6,054,862	6,121,144	(66,282)	(1.08)
Furniture & Equipment	159,737	131,280	28,457	21.68
Vehicles		1,099	(1,099)	(100.00)
Total	<u>\$ 6,980,936</u>	<u>\$ 6,970,222</u>	<u>\$ 10,714</u>	<u>0.15</u>

* = Undefined

During fiscal year 2015, the District expended for construction services and related professional fees of \$313,814 for various capital projects including upgrades to the storm drainage system, main office and vestibule areas, and the public address and telephone systems. The District also expended \$49,250 for new equipment.

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

Debt and Long-term Liabilities

At year end, the District had total long-term liabilities of \$3,270,429 outstanding as compared to \$3,403,433 in the previous year, a decrease of 3.91 percent, as shown in table 5.

Table 5 provides a summary of the District's long-term liabilities at 6/30/15 with comparisons to 6/30/14.

Table 5
Long-term Liabilities at Year-end

	6/30/15	6/30/14	Variance	
			Dollars	%
PERS Net Pension Liability	\$ 2,930,782	\$ 3,055,084	\$ (124,302)	(4.07)
Compensated Absences	339,647	348,349	(8,702)	(2.50)
Total	<u>\$ 3,270,429</u>	<u>\$ 3,403,433</u>	<u>\$ (133,004)</u>	<u>(3.91)</u>

The general obligation bonded debt of the District is limited by State law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2015 is \$20,264,280. General obligation debt authorized and outstanding at June 30, 2015 is \$0 resulting in a legal debt margin of \$20,264,280.

An analysis of the District’s debt is presented in Note 5 to the basic financial statements.

Budgets

The significant variances between the originally adopted budget for the year 2015, and the final budget were caused by the treatment of encumbrances that are added to the original budget.

Factors Bearing on the District’s Future

The Holland Township School District is in good financial condition. A major concern is the ever-increasing special education costs with the increased reliance of local property taxes to support the District’s programs. Future finances are not without challenges as the community continues to struggle in these difficult financial times and State funding remains inadequate

The Holland Township Board of Education approved moving the school elections to November and continues to work to keep the local tax levy increase at or below 2%. The 2% tax levy cap presents challenges to the district as costs for special education, personnel, benefits and other operating costs tend to rise at faster rate. Receiving minimal state aid Holland Township must rely on local property taxes to support 65 percent of their operating budget.

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

New Jersey school districts have no taxing authority. Municipalities collect all property taxes for their respective communities and pay over to the other governmental agencies what is collected on their behalf. The municipalities pay over to school districts the exact amount included in the budget approved by the Holland Township Board of Education the previous March.

In conclusion, The Holland Township School District has committed itself to financial excellence. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The District will continue the sound financial management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact, Abigail J. Postma, School Business Administrator at Holland Township Board of Education, 714 Milford-Warren Glen Road, Milford, NJ 08848.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

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

	Governmental Activities	Business- Type Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 787,324	\$ 17,042	\$ 804,366
Due from Other Funds	109		109
Receivables, Net	305,638	1,809	307,447
Inventory		4,371	4,371
Restricted Assets:			
Capital Projects Fund-Cash	12,416		12,416
Capital Reserve Account-Cash	622,640		622,640
Maintenance Reserve Account-Cash	133,000		133,000
Capital Assets (Note 4):			
Land and Construction in Progress	663,269		663,269
Other Capital Assets, Net of Depreciation	6,301,954	15,713	6,317,667
Total Assets	8,826,350	38,935	8,865,285
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	221,206	-	221,206
LIABILITIES			
Accounts Payable	135,833		135,833
Unearned Revenue	255,457	2,537	257,994
Long-Term Liabilities (Note 5):			
Due Within One Year	33,918		33,918
Due Beyond One Year	3,236,511		3,236,511
Total Liabilities	3,661,719	2,537	3,664,256
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	228,189	-	228,189
NET POSITION			
Invested in Capital Assets, Net of Related Debt	6,965,223	15,713	6,980,936
Restricted For:			
Capital Projects	129,195		129,195
Capital Reserve	622,640		622,640
Maintenance Reserve	133,000		133,000
Unrestricted	(2,692,410)	20,685	(2,671,725)
TOTAL NET POSITION	\$ 5,157,648	\$ 36,398	\$ 5,194,046

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expenses) Revenues & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 2,989,038	\$ 2,230,364	\$ 40,634	\$ 17,170	\$ 52,111	\$ (5,109,487)		\$ (5,109,487)
Special Education	1,462,047	1,043,258	50,830	3,069	25,410	(2,425,996)		(2,425,996)
Other Special Instruction	180,938	136,482		17,362	3,147	(296,911)		(296,911)
Other Instruction	66,525	28,332	6,804		1,042	(87,011)		(87,011)
Support Services:								
Tuition	124,048			119,600		(4,448)		(4,448)
Students & Instruction Related Services	1,212,766	729,318	1,063	27,100	21,105	(1,892,816)		(1,892,816)
General & Business Administration Services	599,791	331,875	615		10,460	(920,591)		(920,591)
School Administration Services	200,886	137,542			3,504	(334,924)		(334,924)
Plant Operations & Maintenance	856,363	180,588	10,530			(1,026,421)		(1,026,421)
Pupil Transportation	371,651					(371,651)		(371,651)
Interest on Long-Term Debt	15,049					(15,049)		(15,049)
Total Governmental Activities	8,079,102	4,817,759	110,476	184,301	116,779	(12,485,305)	\$ -	(12,485,305)
Business-Type Activities:								
Food Service	152,694		109,452	38,124			(5,118)	(5,118)
Total Business-Type Activities	152,694	-	109,452	38,124	-	-	(5,118)	(5,118)
Total Primary Government	\$ 8,231,796	\$ 4,817,759	\$ 219,928	\$ 222,425	\$ 116,779	(12,485,305)	(5,118)	(12,490,423)
General Revenues, Transfers and Special Items								
Property Taxes Levied for General Purposes						8,634,029		8,634,029
Federal & State Aid Not Restricted						4,180,397		4,180,397
Investment Earnings						8,938	103	9,041
Miscellaneous Income						5,668		5,668
Special Item-Loss on Disposals of Capital Assets						(1,066)	(581)	(1,647)
Total General Revenues, Transfers and Special Items						12,827,966	(478)	12,827,488
Change in Net Position						342,661	(5,596)	337,065
Net Position-Beginning						4,814,987	41,994	4,856,981
Net Position-Ending						\$ 5,157,648	\$ 36,398	\$ 5,194,046

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

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

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

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	\$ 787,257	\$ 67			\$ 787,324
Due from Other Funds	109				109
Receivables from Other Governments:					
Federal		51,715			51,715
State	136,844		\$ 116,779		253,623
Local	300				300
Restricted Cash & Equivalents	755,640		12,416		768,056
TOTAL ASSETS	<u>\$ 1,680,150</u>	<u>\$ 51,782</u>	<u>\$ 129,195</u>	<u>\$ -</u>	<u>\$ 1,861,127</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable	\$ 135,833				\$ 135,833
Unearned Revenue	203,675	\$ 51,782			255,457
Total Liabilities	<u>339,508</u>	<u>51,782</u>	<u>\$ -</u>	<u>\$ -</u>	<u>391,290</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
LIABILITIES AND FUND BALANCES (Cont'd)					
Fund Balances:					
Restricted Fund Balance:					
Excess Surplus	\$ 151,775				\$ 151,775
Excess Surplus-Designated for Subsequent Year's Expenditures	105,865				105,865
Capital Projects Fund Balance			\$ 40,347		40,347
Committed Fund Balance:					
Capital Reserve Account	622,640				622,640
Maintenance Reserve Account	133,000				133,000
Assigned Fund Balance:					
Year-End Encumbrances	134,126		88,848		222,974
Unassigned Fund Balance	193,236				193,236
Total Fund Balances	<u>1,340,642</u>	<u>\$ -</u>	<u>129,195</u>	<u>\$ -</u>	<u>1,469,837</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,680,150</u>	<u>\$ 51,782</u>	<u>\$ 129,195</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the Statement of Net Position
(A-1) are different because:

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

\$ 14,500,980
7,535,757

6,965,223

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

(6,983)

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

(3,270,429)

Total Net Position of Governmental Activities

\$ 5,157,648

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 8,634,029				\$ 8,634,029
Tuition Charges	78,595				78,595
Interest Earned on Capital Reserve Funds	1,118				1,118
Interest on Investments	7,820				7,820
Miscellaneous	13,988	\$ 17,170			31,158
Total	8,735,550	17,170	\$ -	\$ -	8,752,720
State Sources	2,878,453		116,779		2,995,232
Federal Sources		167,131			167,131
Total Revenues	11,614,003	184,301	116,779	-	11,915,083
EXPENDITURES					
Current:					
Instructional:					
Regular Instruction	2,970,766	17,170			2,987,936
Special Education Instruction	1,453,918	3,069			1,456,987
Other Special Instruction	166,687	13,779			180,466
Other Instruction	59,721				59,721
Support Service & Undistributed Costs:					
Tuition	4,448	119,600			124,048
Student & Instruction Related Services	1,183,047	27,100			1,210,147
General & Other Administrative Services	599,776				599,776
School Administrative Services	200,886				200,886
Plant Operations & Maintenance	841,088				841,088
Pupil Transportation	371,651				371,651
Unallocated Benefits	3,174,353	3,583			3,177,936

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 52,731		\$ 310,333		\$ 363,064
Debt Services:					
Interest & Other Charges	15,049				15,049
Total Expenditures	<u>11,094,121</u>	<u>\$ 184,301</u>	<u>310,333</u>	<u>\$ -</u>	<u>11,588,755</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>519,882</u>	<u>-</u>	<u>(193,554)</u>	<u>-</u>	<u>326,328</u>
Other Financing Sources (Uses):					
Transfers In			322,749		322,749
Transfers Out	(322,749)				(322,749)
Total Other Financing Sources (Uses)	<u>(322,749)</u>	<u>-</u>	<u>322,749</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	197,133	-	129,195	-	326,328
Fund Balances, July 1	<u>1,143,509</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,143,509</u>
Fund Balances, June 30	<u>\$ 1,340,642</u>	<u>\$ -</u>	<u>\$ 129,195</u>	<u>\$ -</u>	<u>\$ 1,469,837</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

Total Net Changes in Fund Balances-Governmental Funds (from B-2) \$ 326,328

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. Proceeds from the disposition
 of assets is an other financing source in the governmental funds, while only the
 gain or loss is reported in the statement of activities. The difference, which is
 the cost basis of the assets disposed, is a reduction in the reconciliation:

Capital Outlays	\$ 363,064	
Cost Basis of Assets Disposed	(1,066)	
Depreciation Expense	<u>(351,241)</u>	10,757

Governmental funds report district pension contributions as expenditures.
 However in the Statement of Activities, the cost of pension benefits earned
 net of employee contributions is reported as pension expense. (3,126)

In the statement of activities, compensated absences & early retirement
 benefits are measured by the amounts earned during the year. In
 the governmental funds, however, expenditures for these items are reported
 in the amount of financial resources used (paid). When the earned
 amount exceeds the paid amount, the difference is a reduction in
 the reconciliation; when the paid amount exceeds the earned amount, the
 difference is an addition to the reconciliation. 8,702

Change in Net Position of Governmental Activities \$ 342,661

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

	Food Service Fund
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 17,042
Receivables from Other Governments:	
State	151
Federal	1,658
Inventory	4,371
Total Current Assets	23,222
Noncurrent Assets:	
Capital Assets	36,245
Less: Accumulated Depreciation	(20,532)
Total Noncurrent Assets	15,713
Total Assets	38,935
LIABILITIES	
Current Liabilities:	
Unearned Revenues	2,537
Total Liabilities	2,537
NET POSITION	
Invested in Capital Assets, Net of Related Debt	15,713
Unrestricted	20,685
TOTAL NET POSITION	\$ 36,398

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 82,977
Daily Sales-Unreimbursable Programs	26,475
Total Operating Revenues	109,452
Operating Expenses:	
Costs of Sales-Reimbursable Programs	56,092
Costs of Sales-Non Reimbursable Programs	14,092
Salaries	51,113
Employee Benefits	11,591
Purchased Property Services	5,375
Insurance	1,029
Management Fee	8,176
Other Purchased Services	3,266
Supplies and Materials	218
Depreciation	1,586
Miscellaneous	156
Total Operating Expenses	152,694
Operating Income (Loss)	(43,242)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,544
Federal Sources:	
National School Lunch Program	24,654
Food Donation Program	11,926
Interest Income	103
Total Nonoperating Revenues (Expenses)	38,227
Other Financing Sources (Uses):	
Loss on Disposal of Capital Assets	(581)
Change in Position	(5,596)
Net Position, Beginning	41,994
Net Position, Ending	\$ 36,398

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 109,452
Payments to Food Service Management Company	(133,686)
Payments to Vendors (Net)	(5,104)
Net Cash Provided by (Used For) Operating Activities	<u>(29,338)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	1,602
Federal Sources	24,931
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>26,533</u>
Cash Flows from Capital & Related Financing Activities:	
Acquisition of Capital Assets	<u>(2,124)</u>
Cash Flows from Investing Activities:	
Interest Income	<u>103</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(4,826)
Cash and Cash Equivalents, July 1	<u>21,868</u>
Cash and Cash Equivalents, June 30	<u>\$ 17,042</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Operating Income (Loss)	\$ (43,242)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	1,586
Federal Food Donation Program	11,926
(Increase) Decrease in Inventory	331
Increase (Decrease) in Unearned Revenue	<u>61</u>
Net Cash Provided by (Used For) Operating Activities	<u>\$ (29,338)</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund
ASSETS			
Cash & Cash Equivalents	\$ 68,417	\$ 34,835	\$ 5,848
Accounts Receivable-Other	671		
TOTAL ASSETS	<u>69,088</u>	<u>\$ 34,835</u>	<u>\$ 5,848</u>
LIABILITIES			
Due to Other Funds			\$ 109
Due to Student Groups		\$ 34,835	
Payroll Deductions & Withholdings			<u>5,739</u>
TOTAL LIABILITIES	<u>-</u>	<u>\$ 34,835</u>	<u>\$ 5,848</u>
NET POSITION	<u>\$ 69,088</u>		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	<u>Unemployment Compensation Fund</u>
ADDITIONS	
Contributions:	
Plan Members	\$ 11,419
Investment Earnings-Interest	245
Total Additions	<u>11,664</u>
DEDUCTIONS	
Unemployment Claims	<u>16,053</u>
Total Deductions	<u>16,053</u>
Change in Net Position	(4,389)
Net Position, Beginning of the Year	<u>73,477</u>
Net Position, End of the Year	<u>\$ 69,088</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The basic financial statements include:

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

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

A. Reporting Entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year-terms. The purpose of the district is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2015 of 592 students.

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

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The District reports the following major governmental funds:

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

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

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

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

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

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

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

Additionally, the District reports the following fund types:

Proprietary Fund Types

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

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

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

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

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

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

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

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

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

Fiduciary Fund Types

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office and, if required, are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

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

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

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

D. Budgets/Budgetary Control (Cont'd)

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

E. Encumbrances

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

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

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

F. Tuition Receivable

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

G. Tuition Payable

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

H. Short-Term Interfund Receivables/Payables

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

I. Inventories and Prepaid Items

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

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

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

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

J. Capital Assets

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

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

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

<u>Assets</u>	<u>Years</u>
Buildings	40
Building Improvements & Portable Classroom	40
Land Improvements	20
Furniture	20
Musical Instruments	20
Athletic Equipment	15
Maintenance Equipment	10 to 15
Audio Visual Equipment	07 to 10
Office Equipment	05 to 10
Computer Equipment	05 to 10
Vehicles	05 to 10

K. Compensated Absences

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

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

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

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

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

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

L. Unearned Revenue

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

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

M. Long-Term Obligations

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

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

N. Fund Balances-Governmental Funds

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

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

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

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

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

- Unassigned—includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

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

O. Comparative Data/Reclassifications

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

P. Allocation of Indirect Expenses

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

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES

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

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

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

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

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

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

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

NOTE 3. DEPOSITS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. US Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at amortized cost. All other investments are stated at fair value.

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

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

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

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

Cash		<u>\$ 1,681,522</u>
	<u>Ref.</u>	
Unrestricted Cash:		
Governmental Funds, Statement of Net Position	B-1	\$ 787,324
Enterprise Fund, Statement of Net Position	B-4	17,042
Fiduciary Funds, Statement of Net Position	B-7	109,100
Restricted Cash:		
Governmental Activities, Statement of Net Position	B-1	768,056
Total Cash		<u>\$ 1,681,522</u>

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

NOTE 3. DEPOSITS AND INVESTMENTS (Cont'd)

Deposits - The District's carrying amount of bank deposits at June 30, 2015 is \$1,681,522 and the bank balance is \$1,858,532. Of the bank balance, \$250,000 is covered by federal depository insurance and \$1,608,532 is insured by GUDPA.

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

1. Custodial credit risk disclosures are required for:

- deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name
- Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name

As the district has no such investments, this disclosure is not applicable.

2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the district has no such investments, this disclosure is not applicable.

3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.

4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the district has no such investments, this disclosure is not applicable.

5. Investments that are exposed to foreign currency risk should be disclosed. As the district has no such investments this disclosure is not applicable.

Concentration of Credit Risk - The State of New Jersey does not place any limit on the amount that the district may invest with any one issuer. As of June 30, 2015, the district had no investments.

NOTE 4. CAPITAL ASSETS

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

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets, Not Being Depreciated:				
Land	\$ 347,800			\$ 347,800
Construction in Progress	368,899	\$ 313,814	\$ 367,244	315,469
Total	<u>716,699</u>	<u>313,814</u>	<u>367,244</u>	<u>663,269</u>

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

NOTE 4. CAPITAL ASSETS (Cont'd)

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets, Being				
Depreciated:				
Land Improvements		\$ 105,711		\$ 105,711
Building & Improvements	\$ 12,981,851	261,533		13,243,384
Vehicles	79,388			79,388
Furniture & Equipment	374,171	49,250	\$ 14,193	409,228
Total	<u>13,435,410</u>	<u>416,494</u>	<u>14,193</u>	<u>13,837,711</u>
Accumulated Depreciation:				
Land Improvements		2,643		2,643
Building & Improvements	6,860,707	327,815		7,188,522
Vehicles	78,289	1,099		79,388
Furniture & Equipment	258,647	19,684	13,127	265,204
Total	<u>7,197,643</u>	<u>351,241</u>	<u>13,127</u>	<u>7,535,757</u>
Total Capital Assets, Being Depreciated, Net	<u>6,237,767</u>	<u>65,253</u>	<u>1,066</u>	<u>6,301,954</u>
Transfers	<u>-0-</u>	<u>(367,244)</u>	<u>(367,244)</u>	<u>-0-</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,954,466</u>	<u>\$ 11,823</u>	<u>\$ 1,066</u>	<u>\$ 6,965,223</u>
Business-Type Activities:				
Furniture & Equipment	\$ 37,176	\$ 2,124	\$ 3,055	\$ 36,245
Less: Accum Depreciation	<u>21,420</u>	<u>1,586</u>	<u>2,474</u>	<u>20,532</u>
Business-Type Activities Capital Assets, Net	<u>\$ 15,756</u>	<u>\$ 538</u>	<u>\$ 581</u>	<u>\$ 15,713</u>
Depreciation Expense Was Charged to Governmental Functions in the Current Year as Follows:				
Instruction:				
Regular	\$ 154,274			
Special Education	75,206			
Other Special Instruction	9,257			
Co-Curricular Activities	3,063			
Support Services:				
Student & Instruction	63,628			
General & Business Admin	30,764			
School Administration	10,304			
Plant & Maintenance	<u>4,745</u>			
Total Depreciation Expense, Governmental Activities	<u>\$ 351,241</u>			

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

NOTE 5. LONG-TERM DEBT

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

	<u>Beginning Balance</u>	<u>Accruals</u>	<u>Payments</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental Activities:					
PERS Net Pension Liability	\$ 3,055,084	\$ (3,857)	\$ 120,445	\$ 2,930,782	
Compensated Absences Payable	<u>348,349</u>	<u>35,121</u>	<u>43,823</u>	<u>339,647</u>	\$ <u>33,918</u>
Total Governmental Activities Long-Term Liabilities	<u>\$ 3,403,433</u>	<u>\$ 31,264</u>	<u>\$ 164,268</u>	<u>\$ 3,270,429</u>	<u>\$ 33,918</u>

Compensated absences liabilities are paid in the current expenditures budget of the District's general fund.

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

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

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2015 is \$20,264,280. General obligation debt at June 30, 2015 is \$-0-, resulting in a legal debt margin of \$20,264,280.

NOTE 6. PENSION PLANS

Description of Systems

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

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

The following represents the membership tiers for PERS:

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

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

Allocation Methodology and Reconciliation to Financial Statements

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

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

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

Contributions

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

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

Collective Net Pension Liability and Actuarial Information

Components of Net Pension Liability

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

	<u>2014</u>	<u>2013</u>
Total Pension Liability	\$ 6,116,092	\$ 5,958,041
Plan Fiduciary Net Position	<u>3,185,310</u>	<u>2,902,957</u>
Net Pension Liability	<u>\$ 2,930,782</u>	<u>\$ 3,055,084</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

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

Inflation Rate	3.01%
Salary Increases (Based on Age):	
2012-2021	2.15%-4.40%
Thereafter	3.15%-5.40%
Investment Rate of Return	7.90%

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

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

Discount Rate

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

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

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

	<u>2014</u>
At Current Discount Rate (5.39%)	\$ 2,930,782
At a 1% Lower Rate (4.39%)	3,687,024
At a 1% Higher Rate (6.39%)	2,295,732
	<u>2013</u>
At Current Discount Rate (5.55%)	\$ 2,055,084
At a 1% Lower Rate (4.55%)	3,803,177
At a 1% Higher Rate (6.55%)	2,428,281

Collective Deferred Outflows of Resources and Deferred Inflows of Resources

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -0-	\$ -0-
Changes of assumptions	92,160	
Net difference between projected and actual earnings		

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

NOTE 6. PENSION PLANS (Cont'd)

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in proportion and differences between District contributions and proportionate share of contributions		\$ 53,530
District contributions subsequent to the measurement date	\$ 129,046	
Total	<u>\$ 221,206</u>	<u>\$ 228,189</u>

The amount reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (ie for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) of \$129,046 will be recognized as a reduction of the net pension liability in the year ended June 30, 2015.

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Deferred Outflows of Resources:				
Changes of Assumptions	\$ -0-	\$ 109,101	\$ 16,941	\$ 92,160
Deferred Inflows of Resources:				
Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	218,324	43,665	<u>174,659</u>
Net of Deferred Outflows/(Inflows)				<u>\$ (82,499)</u>

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

<u>Year Ending June 30,</u>	
2015	\$ (26,724)
2016	(26,723)
2017	(26,724)
2018	(26,723)
2019	16,941
Thereafter	<u>7,454</u>
Total	<u>\$ (82,499)</u>

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

NOTE 6. PENSION PLANS (Cont'd)

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

Pension Expense

For the year ended June 30, 2015, the District recognized net pension expense of \$146,279 which represents the District's proportionate share of allocable plan pension expense of \$150,679 plus pension expense related to specific liabilities of individual employees totaling \$5,440; less the net amortization of deferred amounts from changes in proportion of \$9,840. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the year ending June 30, 2014 are as follows:

Service Cost	\$ 137,125
Interest on Total Pension Liability	323,535
Member Contributions	(75,096)
Administrative Expense	2,287
Expected Investment Return Net of Investment Expense	(209,517)
Pension Expense Related to Specific Liabilities of Individual Employers	(931)
Recognition of Deferred Inflows/Outflows of Resources:	
Amortization of Assumption Changes or Inputs	16,941
Amortization of Projected Versus Actual Investment Earnings on Pension Plan Investments	(43,665)
Pension Expense	<u>\$ 150,679</u>

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

Plan Description

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

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

The following represents the membership tiers for TPAF:

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

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

Special Funding Situation

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

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

NOTE 6. PENSION PLANS (Cont'd)

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

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

	<u>2014</u>	<u>2013</u>
Net Pension Liability	\$ 24,195,489	\$22,969,952
Employer Pension Expense & Related Revenue	1,301,994	N/A
Non-Employer Contribution	192,303	294,362
Allocable Proportionate Percentage	.0452702764%	.0454497611%

C. Defined Contribution Retirement Program

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

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

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

NOTE 6. PENSION PLANS (Cont'd)

Contribution Requirements

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

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

<u>Year Funding</u>	<u>TPAF Benefit Costs</u>	<u>Percentage of APC Contributed</u>
06/30/15	\$ 647,221	100%
06/30/14	505,518	100%
06/30/13	625,748	100%

Three-Year Trend Information for PERS

<u>Year Funding</u>	<u>Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>
06/30/15	\$ 129,046	100%
06/30/14	120,445	100%
06/30/13	118,992	100%

During the year ended June 30, 2015, the State of New Jersey contributed \$397,087 to the TPAF for post-retirement medical benefits and \$16,788 for the non-contributory insurance premiums and \$233,346 for normal pension and accrued liability costs on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$321,960 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 68.

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

NOTE 7. POST-RETIREMENT BENEFITS

Chapter 384 of PL 1987 and Ch 6 of PL 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. PL 2007, Ch 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees eligible for post-retirement medical benefits and the state contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with Ch 62, PL 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning the fiscal year 1994.

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

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

Plan Description-The School District contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code, SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

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

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

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

NOTE 8. DEFERRED COMPENSATION

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

AXA Equitable
 Vanguard Group
 First Investors Corp
 Lincoln Financial Group
 Oppenheimer Fund Services

NOTE 9. INTERFUND RECEIVABLES AND PAYABLES

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

Fund	Receivable Fund	Payable Fund
General Fund	\$ 109	
Payroll Agency Fund		\$ 109
	\$ 109	\$ 109

The amount due to the General Fund from the Payroll Agency Fund represents payroll balance activity offset by contributions from the General Fund totaling \$1,066 and a loan to the Flexible Spending Account of \$1,175.

All of the interfund balances should be liquidated within one year except the loan to the Flexible Spending Account.

NOTE 10. INVENTORY

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

Food	\$ 3,985
Supplies	386
	\$ 4,371

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

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

NOTE 11. CONTINGENT LIABILITIES

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

NOTE 12. RISK MANAGEMENT

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

Property and Liability Insurance - The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. A complete schedule of insurance coverage can be found in the Statistical Section of the Comprehensive Annual Financial Report.

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

<u>Fiscal Year</u>	<u>District Contrib</u>	<u>Interest Earnings</u>	<u>Employee Contrib</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ -0-	\$ 245	\$ 11,419	\$ 16,053	\$ 69,088
2013-2014	-0-	268	11,004	17,669	73,477
2012-2013	-0-	267	10,595	2,804	79,874

NOTE 13. LEGAL RESERVE ACCOUNTS

A capital reserve account was established by the District by inclusion of \$1,000 on October 17, 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 districts approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, 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 NJSA 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Districts are allowed as per NJSA 18A:7F-41(a) & 41(b) to deposit to the legal reserves by board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts, Pursuant to this state statute, the District deposited \$400,000 to their Capital Reserve account and \$85,000 to their Maintenance Reserve account by board resolution in June 2015.

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

NOTE 13. LEGAL RESERVE ACCOUNTS (Cont'd)

The District withdrew \$322,749 from their Capital Reserve account for transfer to their Capital Projects Fund representing the District's share of the local portion of two State approved school renovation projects.

The following schedule is a summarization of the Capital Reserve Account for the current year:

<u>Reserve Type</u>	<u>Beginning Balance</u>	<u>District Contribution</u>	<u>Interest Earnings</u>	<u>Withdrawals Net of Return</u>	<u>Ending Balance</u>
Capital Reserve	\$ 544,271	\$ 400,000	\$ 1,118	\$ 322,749	\$ 622,640
Maintenance	48,000	85,000			133,000
Totals	<u>\$ 592,271</u>	<u>\$ 485,000</u>	<u>\$ 1,118</u>	<u>\$ 322,749</u>	<u>\$ 755,640</u>

NOTE 14. FUND BALANCES-BUDGETARY BASIS

As described in Note 1 N-Fund Equity (Fund Balance) may be restricted, committed or assigned. The following is an analysis of the General Fund Balance on the "budgetary basis" as of June 30, 2015 and 2014. The total differs from the Governmental Funds Balance Sheet, which is stated on the 2015 "GAAP" basis, by \$171,278.

	<u>2015</u>	<u>2014</u>
Restricted:		
Excess Surplus-Represents amount in excess of allowable percentage In accordance with state statute NJSA 18A: 7 F-7 the excess surplus is designated for utilization in succeeding years budgets	\$ 151,775	\$ 105,865
Excess Surplus-Designated for Subsequent Year's Expenditures-represents amount in excess of allowable percentage appropriated in the succeeding year's budget to reduce tax requirements	105,865	109,292
Capital Reserve Account-Represents funds restricted to capital projects in the Districts Long Range Facilities Plan	622,640	544,271
Maintenance Reserve Account-Represents funds restricted for required maintenance of school facilities	133,000	48,000
Assigned:		
Year End Encumbrance-Represents fund balance assigned for purchase orders that have been issued but goods or services were not received as of June 30,	134,126	93,184
Unassigned:		
Undesignated-represents fund balance which has not been restricted or designated	<u>371,041</u>	<u>414,175</u>
Total Fund Balance	<u>\$ 1,518,447</u>	<u>\$ 1,314,787</u>

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

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by PL 2004, Ch 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund, fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$151,775.

NOTE 16: SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 5, 2015, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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

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

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 73 "Accounting and Financial Reporting for Pensions and Related Assets that are not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This statement, which is effective for fiscal periods beginning June 15, 2015 and June 15, 2016 for pension systems not within the scope of GASB 68, is not expected to have an effect on the District's financial reporting.

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

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

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

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

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

NOTE 18. RESTATEMENT OF PRIOR YEAR NET POSITION

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

	<u>Governmental Activities</u>
Net Position, June 30, 2014 as Originally Stated	\$ 7,749,626
Add: Deferred Outflow of Resources for Pension Activity	120,445
Less: PERS Net Pension Liability as of June 30, 2014	<u>(3,055,084)</u>
Net Position, June 30, 2014 as Restated	<u>\$ 4,814,987</u>

NOTE 19. DEFICIT BALANCE IN UNRESTRICTED NET POSITION

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2015 of \$2,692,410 on schedule A-1 "Statement of Net Position". The deficit balance is not a negative reflection on the District's financial condition, but is the result of reporting required by GASB Statement No. 68 Accounting and Financial Reporting for Pensions which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)- Percentage		0.00%	0.00%							
District's Proportion of the Net Pension Liability (Asset)- Value	N/A	\$ -	\$ -	N/A						
State's Proportionate Share of the Net Pension Liability (Asset) Associated With The District		24,195,489	22,969,952							
Total	\$ -	\$ 24,195,489	\$ 22,969,952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll		\$ 4,361,284	\$ 4,467,572							
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	N/A	0.00%	0.00%	N/A						
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		33.64%	33.76%							

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 250,134	\$ 191,511	\$ 293,675	\$ 150,231	\$ 13,414	\$ 15,185	\$ 14,595	\$ 327,965	\$ 316,872	\$ 41,176
Contributions in Relation to the Contractually Required Contribution	(250,134)	(191,511)	(293,675)	(150,231)	(13,414)	(15,185)	(14,595)	(327,965)	(316,872)	(41,176)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 4,499,102	\$ 4,361,284	\$ 4,467,572	\$ 4,331,483	\$ 4,380,587	\$ 4,618,632	\$ 3,980,476	\$ 4,241,646	\$ 4,185,371	\$ 3,941,373
Contributions as a Percentage of Covered Employee Payroll	5.56%	4.39%	6.57%	3.47%	0.31%	0.33%	0.37%	7.73%	7.57%	1.04%

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)-Percentage		0.00%	0.00%							
District's Proportion of the Net Pension Liability (Asset)-Value		\$ 2,930,782	\$ 3,055,084							
District's Covered Employee Payroll	N/A	1,104,212	1,092,708	N/A						
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll		265.42%	279.59%							
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		52.08%	48.72%							

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 129,046	\$ 120,445	\$ 118,992	\$ 123,210	\$ 125,359	\$ 87,957	\$ 72,324	\$ 52,714	\$ 26,891	\$ 13,997
Contributions in Relation to the Contractually Required Contribution	(129,046)	(120,445)	(118,992)	(123,210)	(125,359)	(87,957)	(72,324)	(52,714)	(26,891)	(13,997)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 1,087,100	\$ 1,104,212	\$ 1,092,708	\$ 1,066,983	\$ 1,048,067	\$ 1,090,597	\$ 1,119,428	\$ 962,554	\$ 881,210	\$ 836,836
Contributions as a Percentage of Covered Employee Payroll	11.87%	10.91%	10.89%	11.55%	11.96%	8.07%	6.46%	5.48%	3.05%	1.67%

BUDGETARY COMPARISON SCHEDULES

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 8,634,029		\$ 8,634,029	\$ 8,634,029	
Tuition from Individuals				32,825	\$ 32,825
Tuition from Other LEA's				45,770	45,770
Interest on Capital Reserve Funds				1,118	1,118
Interest on Investments				7,820	7,820
Unrestricted Miscellaneous Revenues	6,000		6,000	13,988	7,988
Total	8,640,029	\$ -	8,640,029	8,735,550	95,521
State Sources:					
School Choice Aid	53,805		53,805	53,805	
Categorical Special Education Aid	373,356		373,356	373,356	
Equalization Aid	1,291,479		1,291,479	1,291,479	
Categorical Security Aid	9,453		9,453	9,453	
Categorical Transportation Aid	53,541		53,541	53,541	
Extraordinary Aid				121,523	121,523
PARCC Readiness Aid	5,710		5,710	5,710	
Per Pupil Growth Aid	5,710		5,710	5,710	
Nonpublic Transportation Aid				1,222	1,222
On-Behalf TPAF Pension Contributions				250,134	250,134
On-Behalf TPAF Post Retirement Medical Benefits				397,087	397,087
Reimbursed TPAF Social Security Contribution				321,960	321,960
Total	1,793,054	-	1,793,054	2,884,980	1,091,926
TOTAL REVENUES	\$ 10,433,083	\$ -	\$ 10,433,083	\$ 11,620,530	\$ 1,187,447
EXPENDITURES					
Current:					
Instruction:					
Salaries of Teachers:					
Preschool	\$ 26,708		\$ 26,708	\$ 26,708	
Kindergarten	225,498	\$ 550	226,048	226,046	\$ 2
Grades 1-5	1,458,314	(25,109)	1,433,205	1,408,382	24,823
Grades 6-8	1,034,099	(4,157)	1,029,942	1,026,771	3,171
Home Instruction:					
Salaries of Teachers		1,075	1,075	1,074	1
Undistributed Instruction:					
Purchased Professional-Educational Services	500	785	1,285	1,285	
Purchased Technical Services	15,990	(7,084)	8,906	8,350	556
Other Purchased Services	34,991	1,455	36,446	36,437	9
General Supplies	175,633	74,248	249,881	217,224	32,657
Textbooks	57,000	(40,066)	16,934	16,934	
Other Objects	1,000	555	1,555	1,555	
Total	3,029,733	2,252	3,031,985	2,970,766	61,219
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	114,512	(55,166)	59,346	59,346	
Other Salaries for Instruction	2,500	58,568	61,068	61,067	1
General Supplies	1,500	(1,500)			
Total	118,512	1,902	120,414	120,413	1
Multiple Disabilities:					
Salaries of Teachers	115,307	(3,550)	111,757	111,757	
Other Salaries for Instruction	63,680	435	64,115	64,113	2
General Supplies	1,500	1,705	3,205	3,022	183
Total	180,487	(1,410)	179,077	178,892	185

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Resource Room/Resource Center:					
Salaries of Teachers	\$ 556,574	\$ 94,873	\$ 651,447	\$ 649,918	\$ 1,529
Other Salaries for Instruction	304,066	(17,740)	286,326	286,258	68
Purchased Technical Services		1,665	1,665	1,665	
General Supplies	4,400	1,018	5,418	5,418	
Other Objects	60		60		60
Total	865,100	79,816	944,916	943,259	1,657
Autism:					
Salaries of Teachers	64,401	12,250	76,651	76,645	6
Other Salaries for Instruction	65,006	(34,488)	30,518	29,823	695
General Supplies	1,350	891	2,241	2,237	4
Total	130,757	(21,347)	109,410	108,705	705
Preschool Disabilities Part-Time:					
Salaries of Teachers	32,508	600	33,108	33,108	
Other Salaries for Instruction	47,798	20,913	68,711	68,386	325
General Supplies	2,025	(800)	1,225	1,155	70
Total	82,331	20,713	103,044	102,649	395
Total Special Education	1,377,187	79,674	1,456,861	1,453,918	2,943
Basic Skills/Remedial-Instruction:					
Salaries of Teachers	160,128	(240)	159,888	158,003	1,885
General Supplies	1,450	7,700	9,150	8,684	466
Total	161,578	7,460	169,038	166,687	2,351
School Sponsored Co/Extra Curricular Activities:					
Salaries	26,466	6,411	32,877	32,856	21
Supplies & Materials	1,000	(500)	500	493	7
Total	27,466	5,911	33,377	33,349	28
School Sponsored Athletics:					
Salaries	19,131	32	19,163	19,095	68
Purchased Services	6,080	1,105	7,185	7,177	8
Supplies & Materials	2,290	(2,271)	19		19
Other Objects	250	(150)	100	100	
Total	27,751	(1,284)	26,467	26,372	95
Total Instruction	\$ 4,623,715	\$ 94,013	\$ 4,717,728	\$ 4,651,092	\$ 66,636
Undistributed Expenditures:					
Instruction-Tuition:					
Private Schools for the Disabled Within the State	\$ 67,500	\$ (12,659)	\$ 54,841	\$ 3,796	\$ 51,045
Tuition-Other		652	652	652	
Total	67,500	(12,007)	55,493	4,448	51,045
Attendance & Social Work:					
Salaries	79	-	79	-	79
Health Services:					
Salaries	111,594	(27,570)	84,024	79,475	4,549
Purchased Professional & Technical Services	4,500	(345)	4,155	3,690	465
Other Purchased Services	400	(400)			
Supplies & Materials	2,200	4,195	6,395	6,290	105
Total	118,694	(24,120)	94,574	89,455	5,119

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Speech, OT, PT & Related Services:					
Salaries	\$ 158,909	\$ 773	\$ 159,682	\$ 159,180	\$ 502
Purchased Professional Educational Services	115,000	(2,221)	112,779	105,050	7,729
Supplies & Materials	1,800	400	2,200	1,608	592
Other Objects	400	(400)			
Total	276,109	(1,448)	274,661	265,838	8,823
Other Support Services-Students-Extraordinary:					
Purchased Professional Educational Services	64,000	105,105	169,105	127,936	41,169
Supplies & Materials		10,400	10,400	10,396	4
Total	64,000	115,505	179,505	138,332	41,173
Guidance:					
Salaries of Other Professional Staff	87,446	(17,100)	70,346	70,316	30
Purchased Professional-Educational Services		536	536	536	
Other Purchased Services		150	150	150	
Supplies and Materials	1,950	14	1,964	1,652	312
Total	89,396	(16,400)	72,996	72,654	342
Child Study Teams:					
Salaries of Other Professional Staff	338,335	9,273	347,608	347,429	179
Salaries of Secretarial & Clerical Assistants	41,639		41,639	41,493	146
Purchased Professional Educational Services	13,400	275	13,675	13,427	248
Miscellaneous Purchased Services					
Other Than Residential Costs	6,300	(3,199)	3,101	3,057	44
Supplies & Materials	3,750	2,115	5,865	5,048	817
Other Objects	1,125	572	1,697	1,697	
Total	404,549	9,036	413,585	412,151	1,434
Improvement of Instructional Services:					
Salaries of Other Professional Staff	5,000	5,671	10,671	10,670	1
Other Purchased Professional & Technical Services	12,000	(7,237)	4,763	4,763	
Other Purchased Services		695	695	695	
Supplies & Materials	500	(500)			
Total	17,500	(1,371)	16,129	16,128	1
Educational Media Services/School Library:					
Salaries	97,471	295	97,766	97,765	1
Salaries of Technology Coordinators	59,785		59,785	59,661	124
Other Purchased Services	2,200	551	2,751		2,751
Supplies & Materials	2,775	1,025	3,800	3,703	97
Total	162,231	1,871	164,102	161,129	2,973
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	15,500	1,564	17,064	17,064	
Salaries of Other Professional Staff		279	279		279
Other Purchased Services	5,000	5,297	10,297	10,296	1
Total	20,500	7,140	27,640	27,360	280

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Support Services General Administration:					
Salaries	\$ 186,500	\$ (593)	\$ 185,907	\$ 182,515	\$ 3,392
Legal Services	27,500	2,500	30,000	20,695	9,305
Audit Fees	18,000	1,308	19,308	17,150	2,158
Architectural/Engineering Services	11,135	(751)	10,384	1,718	8,666
Other Purchased Professional Services	4,800	5	4,805	4,505	300
Purchased Technical Services	4,100	187	4,287	4,287	
Communications & Telephone	52,500	4,500	57,000	47,030	9,970
Board of Education Other Purchased Services	5,500	(700)	4,800	3,167	1,633
Miscellaneous Purchased Services	25,600	2,480	28,080	25,026	3,054
General Supplies	5,335	100	5,435	5,363	72
Miscellaneous Expenditures	3,500		3,500	2,666	834
Board of Education Membership Dues & Fees	6,000	3,720	9,720	8,198	1,522
Total	350,470	12,756	363,226	322,320	40,906
Support Services School Administration:					
Salaries of Principals/Asst Principals/Prg Directors	114,333	3,000	117,333	115,793	1,540
Salaries of Other Professional Staff	73,095	(73,095)			
Salaries of Secretarial & Clerical Assistants		78,195	78,195	74,060	4,135
Other Purchased Services	3,000	5,488	8,488	5,883	2,605
Supplies & Materials	3,750	525	4,275	3,966	309
Other Objects	1,500	100	1,600	1,184	416
Total	195,678	14,213	209,891	200,886	9,005
Central Services:					
Salaries	222,277	3,083	225,360	221,283	4,077
Purchased Technical Services	17,000	1,100	18,100	14,687	3,413
Miscellaneous Purchased Services	5,660	(1,228)	4,432	3,395	1,037
Supplies & Materials	2,250	878	3,128	3,127	1
Miscellaneous Expenditures	2,200	17	2,217	1,873	344
Total	249,387	3,850	253,237	244,365	8,872
Administrative Information Technology:					
Salaries	32,258	2,500	34,758	32,175	2,583
Other Purchased Services	1,500	100	1,600	916	684
Total	33,758	2,600	36,358	33,091	3,267
Required Maintenance for School Facilities:					
Cleaning, Repair & Maintenance Services	71,417	99,962	171,379	101,689	69,690
General Supplies	10,143	(8,826)	1,317	1,146	171
Total	81,560	91,136	172,696	102,835	69,861
Custodial Services:					
Salaries	378,168	(110)	378,058	370,859	7,199
Purchased Professional and Technical Services		905	905	905	
Cleaning, Repair, & Maintenance Services	21,210	(5,970)	15,240	14,614	626
Other Purchased Property Services	30,100	994	31,094	30,466	628
Insurance	52,300	(2,812)	49,488	49,488	
Miscellaneous Purchased Services	500	(448)	52	12	40
General Supplies	15,459	19,783	35,242	33,888	1,354
Energy (Natural Gas)	96,000	(32,154)	63,846	61,905	1,941
Energy (Electricity)	147,000	(13,656)	133,344	133,344	
Other Objects	700	608	1,308	1,308	
Total	741,437	(32,860)	708,577	696,789	11,788

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Care & Upkeep of Grounds:					
Cleaning, Repair, & Maintenance Services	\$ 8,500	\$ (1,000)	\$ 7,500	\$ 5,575	\$ 1,925
General Supplies	2,500	3,841	6,341	6,340	1
Total	<u>11,000</u>	<u>2,841</u>	<u>13,841</u>	<u>11,915</u>	<u>1,926</u>
Security:					
Purchased Professional & Technical Services		182	182	182	
Cleaning, Repair, & Maintenance Services	9,500	11,400	20,900	20,893	7
General Supplies	1,000	7,602	8,602	8,474	128
Total	<u>10,500</u>	<u>19,184</u>	<u>29,684</u>	<u>29,549</u>	<u>135</u>
Student Transportation Services:					
Contracted Services (Other than Between Home & School)-Vendors	1,500		1,500		1,500
Contracted Services (Between Home & School)-Joint Agreements	309,800	(6,002)	303,798	296,622	7,176
Contracted Services (Special Education Students)-Joint Agreements	85,000		85,000	75,029	9,971
Total	<u>396,300</u>	<u>(6,002)</u>	<u>390,298</u>	<u>371,651</u>	<u>18,647</u>
Unallocated Benefits-Employee Benefits:					
Social Security Contributions	156,000	(2,380)	153,620	145,249	8,371
Other Retirement Contributions-PERS	150,000	(20,500)	129,500	129,046	454
Other Retirement Contributions-Regular	-	6,200	6,200	3,142	3,058
Workmen's Compensation	82,600	710	83,310	83,310	
Health Benefits	2,191,030	(129,535)	2,061,495	1,796,043	265,452
Tuition Reimbursement	50,000	(17,414)	32,586	4,853	27,733
Other Employee Benefits	24,900	18,629	43,529	43,529	
Total	<u>2,654,530</u>	<u>(144,290)</u>	<u>2,510,240</u>	<u>2,205,172</u>	<u>305,068</u>
On-Behalf TPAF Pension Contribution				250,134	(250,134)
On-Behalf TPAF Post Retirement Medical Benefits				397,087	(397,087)
Reimbursed TPAF Social Security Contribution				321,960	(321,960)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>969,181</u>	<u>(969,181)</u>
Total Undistributed Expenditures	<u>\$ 5,945,178</u>	<u>\$ 41,634</u>	<u>\$ 5,986,812</u>	<u>\$ 6,375,249</u>	<u>\$ (388,437)</u>
TOTAL CURRENT	<u>\$ 10,568,893</u>	<u>\$ 135,647</u>	<u>\$ 10,704,540</u>	<u>\$ 11,026,341</u>	<u>\$ (321,801)</u>
CAPITAL OUTLAY					
Equipment:					
Undistributed Expenditures:					
Required Maintenance for School Facilities	\$ 26,817	\$ 2,073	\$ 28,890	\$ 28,890	
Care and Upkeep of Grounds	20,360	26,455	46,815	20,360	\$ 26,455
Noninstructional Services	<u>47,177</u>	<u>28,528</u>	<u>75,705</u>	<u>49,250</u>	<u>26,455</u>
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	4,440		4,440	3,481	959
Assessment for Debt Service on SDA Funding	15,049		15,049	15,049	
Total	<u>19,489</u>	<u>-</u>	<u>19,489</u>	<u>18,530</u>	<u>959</u>
TOTAL CAPITAL OUTLAY	<u>\$ 66,666</u>	<u>\$ 28,528</u>	<u>\$ 95,194</u>	<u>\$ 67,780</u>	<u>\$ 27,414</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
TOTAL EXPENDITURES	\$ 10,635,559	\$ 164,175	\$ 10,799,734	\$ 11,094,121	\$ (294,387)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (202,476)	\$ (164,175)	\$ (366,651)	\$ 526,409	\$ 893,060
Other Financing Sources (Uses): Capital Reserve Transferred to Capital Projects Fund	-	(322,749)	(322,749)	(322,749)	-
Excess (Deficiency) of Revenues & Other Financing Sources Over (Under) Expenditures & Other Financing Uses	(202,476)	(486,924)	(689,400)	203,660	893,060
Fund Balances, July 1	1,314,787	-	1,314,787	1,314,787	-
Fund Balances, June 30	\$ 1,112,311	\$ (486,924)	\$ 625,387	\$ 1,518,447	\$ 893,060
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses					
Adjustment for Prior Year Encumbrances	\$ (93,184)		\$ (93,184)	\$ (93,184)	
Increase in Capital Reserve		\$ 400,000	400,000	401,118	\$ 1,118
Increase in Maintenance Reserve		85,000	85,000	85,000	
Withdrawal from Capital Reserve		(322,749)	(322,749)	(322,749)	
Budgeted Fund Balance	(109,292)	(649,175)	(758,467)	133,475	891,942
TOTAL	\$ (202,476)	\$ (486,924)	\$ (689,400)	\$ 203,660	\$ 893,060
RECAPITULATION OF FUND BALANCE					
Restricted Fund Balance:					
Excess Surplus:					
Prior Year-Designated for 2015-2016 Budget				\$ 105,865	
Current Year-Designated for 2016-2017 Budget				151,775	
Committed Fund Balance:					
Capital Reserve				622,640	
Maintenance Reserve				133,000	
Assigned Fund Balance:					
Year-End Encumbrances				134,126	
Unassigned Fund Balance				371,041	
Reconciliation to Governmental Statements (GAAP):				1,518,447	
Last State Aid Payment not Recognized on GAAP Basis				(177,805)	
Fund Balance Per Governmental Funds (GAAP)				\$ 1,340,642	

HOLLAND TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(NOT APPLICABLE TO THIS REPORT)

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources	\$ 17,237		\$ 17,237	\$ 17,170	\$ (67)
Federal Sources	218,846		218,846	207,353	(11,493)
TOTAL REVENUES	<u>\$ 236,083</u>	<u>\$ -</u>	<u>\$ 236,083</u>	<u>\$ 224,523</u>	<u>\$ (11,560)</u>
EXPENDITURES					
Instruction:					
Salaries	\$ 13,779		\$ 13,779	\$ 13,779	
Other Purchased Services-Tuition	119,600		119,600	119,600	
General Supplies	72,021		72,021	60,461	\$ 11,560
Totals	<u>205,400</u>	<u>\$ -</u>	<u>205,400</u>	<u>193,840</u>	<u>11,560</u>
Support Services:					
Employee Benefits	3,583		3,583	3,583	
Purchased Professional & Technical Services	27,100		27,100	27,100	
Total	<u>30,683</u>	<u>-</u>	<u>30,683</u>	<u>30,683</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 236,083</u>	<u>\$ -</u>	<u>\$ 236,083</u>	<u>\$ 224,523</u>	<u>\$ 11,560</u>

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION

HOLLAND TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION
BUDGETARY COMPARISON SCHEDULE

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

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary budgetary comparison schedules	\$ 11,620,530	\$ 224,523
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding Encumbrances-Current Year		(40,222)
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):		
State Aid Receivable-Prior Year	171,278	
State Aid Receivable-Current Year	<u>(177,805)</u>	
Total Revenues (GAAP Basis)	<u>\$ 11,614,003</u>	<u>\$ 184,301</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 11,094,121	\$ 224,523
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding Encumbrances-Current Year		<u>(40,222)</u>
Total Expenditures (GAAP Basis)	<u>\$ 11,094,121</u>	<u>\$ 184,301</u>

OTHER SUPPLEMENTAL INFORMATION

SCHOOL LEVEL SCHEDULES

(NOT APPLICABLE TO THIS REPORT)

SPECIAL REVENUE FUND

DETAIL STATEMENTS

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

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

	Various Local Grants	NCLB Title I	NCLB Title IIA	Small, Rural School Achievement Program	IDEA Basic	IDEA Preschool	Total
REVENUES							
Local Sources	\$ 17,170						\$ 17,170
Federal Sources		\$ 17,362	\$ 8,315	\$ 40,222	\$ 136,385	\$ 5,069	207,353
TOTAL REVENUES	\$ 17,170	\$ 17,362	\$ 8,315	\$ 40,222	\$ 136,385	\$ 5,069	\$ 224,523
EXPENDITURES							
Instruction:							
Salaries		\$ 13,779					\$ 13,779
Other Purchased Services-Tuition					\$ 119,600		119,600
General Supplies	\$ 17,170			\$ 40,222		\$ 3,069	60,461
Total	17,170	13,779	\$ -	40,222	119,600	3,069	193,840
Support Services:							
Personal Services-							
Employee Benefits		3,583					3,583
Purchased Professional & Technical Services			8,315		16,785	2,000	27,100
Total	-	3,583	8,315	-	16,785	2,000	30,683
TOTAL EXPENDITURES	\$ 17,170	\$ 17,362	\$ 8,315	\$ 40,222	\$ 136,385	\$ 5,069	\$ 224,523

CAPITAL PROJECTS FUND

DETAIL STATEMENTS

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

HOLLAND TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SUMMARY SCHEDULE OF PROJECT EXPENDITURES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Description	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations 06/30/15
			Prior Years	Current Year	
Telephone System Upgrade	10/09/14	\$ 183,914		\$ 109,030	\$ 74,884
Public Announcement and Clock System Upgrades	10/09/14	333,326		201,303	132,023
		<u>\$ 517,240</u>	<u>\$ -</u>	<u>\$ 310,333</u>	<u>\$ 206,907</u>

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

Revenues:	
State Sources-NJ SDA ROD Grants	\$ 194,491
Local Sources-Transfers In from Capital Reserve	322,749
Total Revenues	<u>517,240</u>
Expenditures:	
Legal Services	4,574
Architectural/Engineering Services	67,817
Other Purchased Professional & Technical Services	3,289
Construction Services	233,490
Other Objects	1,163
	<u>310,333</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	206,907
Net Position-Beginning	<u>-</u>
Net Position-Ending	<u>\$ 206,907</u>
<u>Reconciliation of Fund Balance Difference for GAAP Purposes</u>	
Fund Balance-Budgetary Basis (Schedule F-2)	\$ 206,907
Receivables from Other Governments-State:	
GAAP Basis (Schedule B-1)	116,779
Budgetary Basis (Schedule K-4)	<u>(194,491)</u>
Fund Balance-GAAP Basis (Schedule B-1)	<u>\$ 129,195</u>
<u>Reconciliation of Financial Assistance Difference for GAAP Purposes</u>	
State Financial Assistance-Budgetary Basis (Schedule F-2)	\$ 194,491
Adjustment to GAAP Basis	<u>(77,712)</u>
State Financial Assistance-GAAP Basis (Schedule B-2)	<u>\$ 116,779</u>

HOLLAND TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
 AND PROJECT STATUS-BUDGETARY BASIS
 TELEPHONE SYSTEM UPGRADE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Local Sources-Transfers In from Capital Reserve		\$ 122,753	\$ 122,753	\$ 122,753
State Sources-NJ SDA ROD Grants		61,161	61,161	61,161
Total Revenues	\$ -	183,914	183,914	183,914
Expenditures and Other Financing Uses:				
Legal Services		2,420	2,420	2,500
Architectural/Engineering Services		23,500	23,500	29,425
Other Purchased Professional & Technical Services		1,800	1,800	1,900
Construction Services		81,310	81,310	150,089
Total Expenditures	-	109,030	109,030	183,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 74,884	\$ 74,884	\$ -

Additional Project Information

Project Number	2220-060-14-1006
Grant Date	10/09/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 152,903
Additional Authorized Cost	\$ 31,011
Revised Authorized Cost	\$ 183,914
Percentage Completion	59%

HOLLAND TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS
PUBLIC ANNOUNCEMENT AND CLOCK SYSTEM UPGRADES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Local Sources-Transfers In from Capital Reserve		\$ 199,996	\$ 199,996	\$ 199,996
State Sources-NJ SDA ROD Grants		133,330	133,330	133,330
Total Revenues	\$ -	333,326	333,326	333,326
Expenditures and Other Financing Uses:				
Legal Services		2,154	2,154	2,154
Architectural/Engineering Services		44,317	44,317	46,680
Other Purchased Professional & Technical Services		1,489	1,489	1,750
Construction Services		152,180	152,180	280,896
Other Objects		1,163	1,163	1,846
Total Expenditures	-	201,303	201,303	333,326
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	\$ -	\$ 132,023	\$ 132,023	\$ -

Additional Project Information

Project Number	2220-060-14-1004
Grant Date	10/09/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 333,326
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 333,326
Percentage Completion	60%

PROPRIETARY FUND

DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the district's board is that the costs of providing goods or services be financed through user charges

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

	<u>Food Service Fund</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 17,042
Receivables from Other Governments:	
State	151
Federal	1,658
Inventory	4,371
Total Current Assets	<u>23,222</u>
Noncurrent Assets:	
Capital Assets	36,245
Less: Accumulated Depreciation	<u>(20,532)</u>
Total Noncurrent Assets	<u>15,713</u>
Total Assets	<u>38,935</u>
LIABILITIES	
Current Liabilities:	
Unearned Revenues	<u>2,537</u>
Total Liabilities	<u>2,537</u>
NET POSITION	
Invested in Capital Assets, Net of Related Debt	15,713
Unrestricted	<u>20,685</u>
TOTAL NET POSITION	<u>\$ 36,398</u>

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

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 82,977
Daily Sales-Unreimbursable Programs	26,475
Total Operating Revenues	109,452
Operating Expenses:	
Costs of Sales-Reimbursable Programs	56,092
Costs of Sales-Non Reimbursable Programs	14,092
Salaries	51,113
Employee Benefits	11,591
Purchased Property Services	5,375
Insurance	1,029
Management Fee	8,176
Other Purchased Services	3,266
Supplies and Materials	218
Depreciation	1,586
Miscellaneous	156
Total Operating Expenses	152,694
Operating Income (Loss)	(43,242)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	1,544
Federal Sources:	
National School Lunch Program	24,654
Food Donation Program	11,926
Interest Income	103
Total Nonoperating Revenues (Expenses)	38,227
Other Financing Sources (Uses):	
Loss on Disposal of Capital Assets	(581)
Change in Net Position	(5,596)
Net Position, Beginning	41,994
Net Position, Ending	\$ 36,398

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

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 109,452
Payments to Food Service Management Company	(133,686)
Payments to Vendors (Net)	(5,104)
Net Cash Provided by (Used For) Operating Activities	(29,338)
Cash Flows from Noncapital Financing Activities:	
State Sources	1,602
Federal Sources	24,931
Net Cash Provided by (Used For) Noncapital Financing Activities	26,533
Cash Flows from Capital & Related Financing Activities:	
Acquisition of Capital Assets	(2,124)
Cash Flows from Investing Activities:	
Interest Income	103
Net Increase (Decrease) in Cash and Cash Equivalents	(4,826)
Cash and Cash Equivalents, July 1	21,868
Cash and Cash Equivalents, June 30	\$ 17,042
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Operating Income (Loss)	\$ (43,242)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	1,586
Federal Food Donation Program	11,926
(Increase) Decrease in Inventory	331
Increase (Decrease) in Unearned Revenue	61
Net Cash Provided by (Used For) Operating Activities	\$ (29,338)

FIDUCIARY FUND

DETAIL STATEMENTS

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

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

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund	Totals
ASSETS				
Cash & Cash Equivalents	\$ 68,417	\$ 34,835	\$ 5,848	\$ 109,100
Accounts Receivable	671			671
Total Assets	<u>69,088</u>	<u>34,835</u>	<u>5,848</u>	<u>109,771</u>
LIABILITIES				
Due to Other Funds			109	109
Due to Student Groups		34,835		34,835
Payroll Deductions & Withholdings			5,739	5,739
Total Liabilities	<u>-</u>	<u>34,835</u>	<u>5,848</u>	<u>40,683</u>
NET POSITION				
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 69,088</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 69,088</u>

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

	Unemployment Compensation Fund
	<u> </u>
ADDITIONS	
Contributions:	
Plan Members	\$ 11,419
Investment Earnings-Interest	245
Total Additions	<u> 11,664</u>
 DEDUCTIONS	
Unemployment Claims	16,053
Total Deductions	<u> 16,053</u>
 Change in Net Position	 (4,389)
 Net Position, Beginning of the Year	 <u> 73,477</u>
 Net Position, End of the Year	 <u><u> \$ 69,088</u></u>

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

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
ASSETS				
Cash & Cash Equivalents	\$ 37,872	\$ 119,321	\$ 122,358	\$ 34,835
TOTAL ASSETS	\$ 37,872	\$ 119,321	\$ 122,358	\$ 34,835
LIABILITIES				
Due to Student Groups: Holland Twp School	\$ 37,872	\$ 119,321	\$ 122,358	\$ 34,835
TOTAL LIABILITIES	\$ 37,872	\$ 119,321	\$ 122,358	\$ 34,835

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

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
ASSETS				
Cash & Cash Equivalents	\$ 54,552	\$ 7,021,612	\$ 7,070,316	\$ 5,848
TOTAL ASSETS	\$ 54,552	\$ 7,021,612	\$ 7,070,316	\$ 5,848
LIABILITIES				
Due to Other Funds	\$ 5,350	\$ 808	\$ 6,049	\$ 109
Payroll Deductions & Withholdings	46,702	2,808,155	2,851,618	3,239
Net Payroll	2,500	4,212,649	4,212,649	2,500
TOTAL LIABILITIES	\$ 54,552	\$ 7,021,612	\$ 7,070,316	\$ 5,848

LONG-TERM DEBT SCHEDULES

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

(NOT APPLICABLE TO THIS REPORT)

STATISTICAL SECTION

HOLLAND TOWNSHIP SCHOOL DISTRICT
STATISTICAL SECTION J SERIES

CONTENTS	PAGE
FINANCIAL TRENDS	
These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time.	J-1 to J-5
REVENUE CAPACITY	
These schedules contain trend information to help the reader assess the District's most significant local revenue sources, the property tax.	J-6 to J-9
DEBT CAPACITY	
These schedules contain trend information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	J-10 to J-13
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	J-14 to J-15
OPERATING INFORMATION	
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	J-16 to J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant year.

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GOVERNMENT ACTIVITIES										
Net Investment in Capital Assets	\$ 6,776,679	\$ 6,646,566	\$ 6,637,832	\$ 6,668,897	\$ 6,577,926	\$ 6,623,346	\$ 7,204,223	\$ 6,908,474	\$ 6,954,466	\$ 6,965,223
Restricted	109,626	122,467	321,886	480,857	460,293	551,704	466,440	324,810	592,271	884,835
Unrestricted	111,977	390,013	124,336	190,840	184,477	388,857	172,516	467,520	(2,731,750)	(2,692,410)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$ 6,998,282	\$ 7,159,046	\$ 7,084,054	\$ 7,340,594	\$ 7,222,696	\$ 7,563,907	\$ 7,843,179	\$ 7,700,804	\$ 4,814,987	\$ 5,157,648
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets	\$ 5,408	\$ 4,945	\$ 4,481	\$ 4,018	\$ 3,554	\$ 5,308	\$ 18,969	\$ 17,362	\$ 15,756	\$ 15,713
Unrestricted	28,430	32,968	27,008	32,297	39,372	37,632	23,937	29,726	26,238	20,685
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 33,838	\$ 37,913	\$ 31,489	\$ 36,315	\$ 42,926	\$ 42,940	\$ 42,906	\$ 47,088	\$ 41,994	\$ 36,398
DISTRICT-WIDE										
Net Investment in Capital Assets	\$ 6,782,087	\$ 6,651,511	\$ 6,642,313	\$ 6,672,915	\$ 6,581,480	\$ 6,628,654	\$ 7,223,192	\$ 6,925,836	\$ 6,970,222	\$ 6,980,936
Restricted	109,626	122,467	321,886	480,857	460,293	551,704	466,440	324,810	592,271	884,835
Unrestricted	140,407	422,981	151,344	223,137	223,849	426,489	196,453	497,246	(2,705,512)	(2,671,725)
TOTAL DISTRICT-WIDE	\$ 7,032,120	\$ 7,196,959	\$ 7,115,543	\$ 7,376,909	\$ 7,265,622	\$ 7,606,847	\$ 7,886,085	\$ 7,747,892	\$ 4,856,981	\$ 5,194,046

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EXPENSES										
Governmental Activities:										
Instruction:										
Regular	\$ 3,868,108	\$ 4,311,518	\$ 4,430,633	\$ 3,950,126	\$ 4,361,652	\$ 4,385,835	\$ 4,733,165	\$ 4,718,854	\$ 4,498,086	\$ 5,219,402
Special Education	1,259,689	1,437,957	1,624,915	1,951,953	2,030,429	1,831,701	2,014,249	2,153,821	2,142,947	2,505,305
Other Special Education	227,617	324,019	315,870	229,945	346,678	264,336	229,171	278,219	302,033	317,420
Other Instruction	81,018	91,666	97,933	138,951	103,063	91,960	87,009	91,313	53,588	94,857
Support Services:										
Tuition	151,478	86,122	123,450	37,827		63,395	118,211	135,257	161,838	124,048
Student & Instruction Related Services	1,370,600	1,468,440	1,567,244	1,482,014	1,589,353	1,452,283	1,550,042	1,594,527	1,675,809	1,942,084
General & Business Administrative Services	654,774	764,692	858,372	764,407	865,538	884,924	839,603	908,390	848,654	931,666
School Administration	254,100	276,929	296,051	322,063	311,459	286,200	319,695	302,974	273,193	338,428
Plant Operations & Maintenance	814,703	918,996	1,087,747	1,109,460	1,063,528	925,793	1,009,554	1,159,462	1,055,323	1,036,951
Pupil Transportation	485,012	387,492	384,633	380,376	386,731	358,579	352,494	382,359	356,495	371,651
Special Schools				2,242	5,151	1,672				
Interest on Long-Term Debt	88,041	73,951	60,233	44,975	32,081	39,672	20,493	15,049	15,049	15,049
Total Governmental Activities Expenses	9,255,140	10,141,782	10,847,081	10,414,339	11,095,663	10,586,350	11,273,686	11,740,225	11,383,015	12,896,861
Business-Type Activities:										
Food Service	197,823	176,023	203,664	181,390	185,522	191,619	200,892	173,137	167,146	152,694
Total Business-Type Activities	197,823	176,023	203,664	181,390	185,522	191,619	200,892	173,137	167,146	152,694
TOTAL DISTRICT EXPENSES	\$ 9,452,963	\$ 10,317,805	\$ 11,050,745	\$ 10,595,729	\$ 11,281,185	\$ 10,777,969	\$ 11,474,578	\$ 11,913,362	\$ 11,550,161	\$ 13,049,555

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services:										
Regular Instruction	\$ 22,575	\$ 23,263	\$ 31,933	\$ 21,162	\$ 28,922	\$ 38,353	\$ 42,535	\$ 37,883	\$ 29,618	\$ 40,634
Special Education Instruction				4,222		19,056	20,060	20,480	20,500	50,830
Other Instruction						6,426	1,134	6,804	1,134	6,804
Student & Instruction Related Services	5,810	6,876	170				198	195	203	1,063
General & Business Administrative Services	8,595	12,123	17,470	14,057	30,757	29,902	16	15		615
Plant Operations & Maintenance	12,689	13,313	12,014	12,278	13,280	16,599	15,419	20,973	11,144	10,530
Pupil Transportation	16,875	3,555								
Operating Grants & Contributions	183,083	194,036	178,148	180,961	299,913	193,415	182,818	191,499	170,303	184,301
Capital Grants & Contributions	(16,885)	(10)				29,623	240,697			116,779
Total Governmental Activities Program Revenues	232,742	253,156	239,735	232,680	372,872	333,374	502,877	277,849	232,902	411,556
Business-Type Activities:										
Charges for Services:										
Food Service	174,698	149,991	152,389	148,557	150,315	149,513	152,994	134,650	118,201	109,452
Operating Grants & Contributions	33,557	29,305	34,274	37,581	39,454	42,120	47,596	42,788	43,593	38,124
Total Business-Type Activities Program Revenues	208,255	179,296	186,663	186,138	189,769	191,633	200,590	177,438	161,794	147,576
TOTAL DISTRICT-PROGRAM REVENUES	\$ 440,997	\$ 432,452	\$ 426,398	\$ 418,818	\$ 562,641	\$ 525,007	\$ 703,467	\$ 455,287	\$ 394,696	\$ 559,132
NET (EXPENSE) REVENUES										
Governmental Activities	\$ (9,022,398)	\$ (9,888,626)	\$ (10,607,346)	\$ (10,181,659)	\$ (10,722,791)	\$ (10,252,976)	\$ (10,770,809)	\$ (11,462,376)	\$ (11,150,113)	\$ (12,485,305)
Business-Type Activities	10,432	3,273	(17,001)	4,748	4,247	14	(302)	4,301	(5,352)	(5,118)
TOTAL DISTRICT-WIDE NET EXPENSES	\$ (9,011,966)	\$ (9,885,353)	\$ (10,624,347)	\$ (10,176,911)	\$ (10,718,544)	\$ (10,252,962)	\$ (10,771,111)	\$ (11,458,075)	\$ (11,155,465)	\$ (12,490,423)

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL REVENUES & OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 6,473,906	\$ 6,990,227	\$ 7,313,843	\$ 7,474,751	\$ 7,833,653	\$ 8,051,999	\$ 8,136,039	\$ 8,298,760	\$ 8,464,735	\$ 8,634,029
Taxes Levied for Debt Service	344,008	332,745	271,483	260,220	243,416	287,694	280,433			
Unrestricted Grants & Contributions	2,435,806	2,737,480	2,889,968	2,665,222	2,638,857	2,296,151	2,626,291	2,850,495	2,719,133	4,180,397
Investment Earnings	63,595	84,795	64,011	15,192	7,499	1,394	15,035	7,673	7,847	8,938
Miscellaneous Income	51,991	1,943	3,152	22,814	4,405	2,771	4,191	5,612	7,220	5,668
Operating Transfers Out			(10,103)		(122,229)	(45,000)	(10,000)			
Special Item-Insurance Proceeds for Flood Damage								157,461		
Special Item-Prior Year Accounts Receivable Canceled							(704)			
Special Item-Loss on Disposal of Capital Assets	(1,331)	(97,800)			(708)	(822)	(1,204)			(1,066)
Total Governmental Activities	9,367,975	10,049,390	10,532,354	10,438,199	10,604,893	10,594,187	11,050,081	11,320,001	11,198,935	12,827,966
Business-Type Activities:										
Investment Earnings	980	802	474	78	135		268		129	103
Miscellaneous Income	279								10	
Special Item-Loss on Disposal of Capital Assets										(581)
Operating Transfers In			10,103		2,229					
Total Business-Type Activities	1,259	802	10,577	78	2,364	-	268	-	139	(478)
TOTAL DISTRICT-WIDE	\$ 9,369,234	\$ 10,050,192	\$ 10,542,931	\$ 10,438,277	\$ 10,607,257	\$ 10,594,187	\$ 11,050,349	\$ 11,320,001	\$ 11,199,074	\$ 12,827,488
CHANGE IN NET POSITION										
Governmental Activities	\$ 345,577	\$ 160,764	\$ (74,992)	\$ 256,540	\$ (117,898)	\$ 341,211	\$ 279,272	\$ (142,375)	\$ 48,822	\$ 342,661
Business-Type Activities	11,691	4,075	(6,424)	4,826	6,611	14	(34)	4,301	(5,213)	(5,596)
TOTAL DISTRICT	\$ 357,268	\$ 164,839	\$ (81,416)	\$ 261,366	\$ (111,287)	\$ 341,225	\$ 279,238	\$ (138,074)	\$ 43,609	\$ 337,065

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted	\$ 159,936	\$ 232,463	\$ 222,241	\$ 208,335	\$ 125,165	\$ 107,704	\$ 193,799	\$ 210,108	\$ 215,157	\$ 257,640
Committed	3,017	3,178	249,666	458,637	460,292	190,658	464,262	324,810	592,271	755,640
Assigned	239,901	356,371	68,792	123,952	84,879	330,771	99,240	380,243	93,184	134,126
Unassigned	129,564	201,455	214,888	200,175	380,976	294,856	250,424	253,119	242,897	193,236
Total General Fund	<u>\$ 532,418</u>	<u>\$ 793,467</u>	<u>\$ 755,587</u>	<u>\$ 991,099</u>	<u>\$ 1,051,312</u>	<u>\$ 923,989</u>	<u>\$ 1,007,725</u>	<u>\$ 1,168,280</u>	<u>\$ 1,143,509</u>	<u>\$ 1,340,642</u>
All Other Governmental Funds:										
Restricted, Reported In:										
Capital Projects Fund	\$ 199,928	\$ 132,609	\$ 55,542	\$ 55,542		\$ 361,046	\$ 2,178			\$ 129,195
Assigned, Reported In:										
Debt Service Fund		50,000	50,001	1	\$ 1					
Total All Other Governmental Funds	<u>\$ 199,928</u>	<u>\$ 182,609</u>	<u>\$ 105,543</u>	<u>\$ 55,543</u>	<u>\$ 1</u>	<u>\$ 361,046</u>	<u>\$ 2,178</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 129,195</u>

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Tax Levy	\$ 6,817,914	\$ 7,322,972	\$ 7,585,326	\$ 7,734,971	\$ 8,077,069	\$ 8,339,693	\$ 8,416,472	\$ 8,298,760	\$ 8,464,735	\$ 8,634,029
Tuition Charges	22,575	23,263	31,826	25,344	28,922	54,712	62,013	57,669	50,050	78,595
Interest Earnings	63,595	84,795	64,011	15,192	7,499	1,394	15,035	7,673	7,847	8,938
Miscellaneous	57,991	8,943	13,031	42,617	13,381	10,115	21,500	29,037	16,499	31,158
State Sources	2,439,630	2,737,849	2,890,002	2,665,222	2,404,167	2,298,989	2,561,995	2,852,467	2,719,133	2,878,453
State Sources-Capital Projects	(16,885)	(10)				29,623	240,697			116,779
Federal Sources	179,259	192,667	174,235	167,158	531,627	190,113	237,027	173,302	162,292	167,131
Total Revenues	9,564,079	10,370,479	10,758,431	10,650,504	11,062,665	10,924,639	11,554,739	11,418,908	11,420,556	11,915,083
Expenditures:										
Instruction:										
Regular Instruction	2,685,817	2,907,946	3,001,200	2,878,136	2,923,940	2,890,933	3,124,326	3,078,365	2,985,098	2,970,766
Special Education Instruction	867,829	941,968	1,070,481	1,278,962	1,169,898	1,120,468	1,244,876	1,381,573	1,385,091	1,453,918
Other Special Instruction	149,839	194,716	195,391	155,851	219,842	162,444	132,368	159,760	194,991	166,687
School Sponsored/Other Instructional	58,784	64,948	68,672	80,669	68,694	55,895	56,854	57,613	24,862	59,721
Support Services:										
Tuition	20,950	8,623	56,658	612		63,395	118,211	85,257	30,882	4,448
Student & Instruction Related Services	952,962	896,274	979,365	967,719	1,027,427	891,046	983,691	990,736	1,166,522	1,183,047
General Administration	284,775	306,371	365,744	295,090	358,043	341,168	322,374	370,692	343,758	322,320
School Administration Services	174,718	181,419	197,293	207,693	206,764	184,463	210,446	197,959	205,354	200,886
Central Services	158,814	193,350	202,157	210,494	206,436	225,023	227,439	239,427	243,308	244,365
Administrative Information Technology	31,750	27,931	37,339	25,904	26,802	28,407	29,893	32,144	32,521	33,091
Plant Operations & Maintenance	742,257	823,122	984,307	881,141	867,217	722,341	764,648	953,304	851,615	841,088
Pupil Transportation	453,309	371,837	384,633	380,376	386,731	358,579	352,494	382,359	356,495	371,651
Employee Benefits	1,517,223	1,663,170	1,748,435	1,947,121	2,203,638	2,360,232	2,344,020	2,283,464	2,222,397	2,205,172
On-Behalf TPAF Pension & Social Security Contribution	678,096	996,771	1,035,974	617,878	654,806	625,989	788,462	957,627	827,129	969,181
Capital Outlay	54,328	4,213	35,995	43,923	11,505	39,840	4,736	40,126	389,952	52,731
Special Schools				2,242	5,151	1,672				
Special Revenue Funds	183,083	194,036	178,148	180,961	299,913	193,415	182,818	191,499	170,303	184,301
Capital Projects Fund	114,384	17,309				74,057	640,113	1,038		310,333
Debt Service:										
Principal	265,000	265,000	265,000	265,000	265,000	265,000	269,000			
Interest & Other Charges	79,008	67,745	56,482	45,220	33,958	41,550	22,398	15,049	15,049	15,049
Total Expenditures	9,472,926	10,126,749	10,863,274	10,464,992	10,935,765	10,645,917	11,819,167	11,417,992	11,445,327	11,588,755
Excess (Deficiency) of Revenues Over (Under) Expenditures	91,153	243,730	(104,843)	185,512	126,900	278,722	(264,428)	916	(24,771)	326,328
Other Financing Sources (Uses):										
Prior Year Accounts Receivable Canceled							(704)			
Insurance Claim Proceeds for Flooding Damage								157,461		
Transfers In (Out)			(10,103)		(122,229)	(45,000)	(10,000)			
Total Other Financing Sources (Uses)	-	-	(10,103)	-	(122,229)	(45,000)	(10,704)	157,461	-	-
Net Change in Fund Balances	\$ 91,153	\$ 243,730	\$ (114,946)	\$ 185,512	\$ 4,671	\$ 233,722	\$ (275,132)	\$ 158,377	\$ (24,771)	\$ 326,328
Debt Service as a Percentage of Noncapital Expenditures	3.84%	3.40%	3.06%	3.07%	2.81%	3.00%	2.68%	0.13%	0.14%	0.13%

Source: District Records

NOTE: Noncapital expenditures are total expenditures less capital outlay, capital projects fund and debt service.

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

Description	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Interest on Investments	\$ 63,595	\$ 84,795	\$ 64,011	\$ 15,192	\$ 7,499	\$ 1,394	\$ 15,035	\$ 7,673	\$ 7,847	\$ 8,938
Tuition	22,575	23,263	31,826	25,344	28,922	54,712	62,013	57,669	50,050	78,595
Canceled:										
Prior Year Accounts Payable				1,058	43		271	4,250	1,091	
Old Outstanding Checks	125									574
Account Balances			3,152		1,440	2,736	3,552	424	375	28
Donations				21,621	2,155					
Prior Year Refunds	61	1,943		135	767	35	301	178	5,822	5,066
Chromebook Use Rental Fee										7,720
Miscellaneous							89			
Building Use Rental Income	6,000	6,000	6,000	6,000	6,000	6,000	7,200	7,200	1,200	
Bid Specification Fees						880		760		600
Special Education Medicaid Initiative	17									
	<u>\$ 92,373</u>	<u>\$ 116,001</u>	<u>\$ 104,989</u>	<u>\$ 69,350</u>	<u>\$ 46,826</u>	<u>\$ 65,757</u>	<u>\$ 88,461</u>	<u>\$ 78,154</u>	<u>\$ 66,385</u>	<u>\$ 101,521</u>

Source: District Records

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 18,740,600	\$ 15,993,100	\$ 13,910,600	\$ 13,960,200	\$ 13,623,600	\$ 12,898,800	\$ 11,043,000	\$ 10,255,300	\$ 6,480,600	\$ 6,975,500
Residential	637,852,300	646,038,300	644,816,900	646,967,000	646,506,300	646,373,000	646,768,800	643,244,500	525,191,400	524,687,600
Farm Regular	66,490,700	66,731,500	72,529,100	73,861,100	75,961,400	75,820,600	74,547,600	75,823,800	65,474,000	65,808,400
Q Farm	2,428,000	2,402,600	2,619,500	2,615,500	2,588,800	2,555,100	2,519,600	2,579,300	2,645,310	2,658,190
Commercial	16,221,100	16,192,600	16,192,600	16,150,100	16,302,400	16,202,400	16,745,200	16,745,200	16,026,211	15,119,411
Industrial	17,736,700	17,736,700	17,716,700	14,480,500	14,480,500	14,026,400	13,145,500	13,145,500	11,231,600	11,231,600
Apartment	409,900	409,900	409,900	409,900	409,900	409,900	409,900	409,900	429,300	429,300
Total Assessed Value	759,879,300	765,504,700	768,195,300	768,444,300	769,872,900	768,286,200	765,179,600	762,203,500	627,478,421	626,910,001
Public Utilities (a)	1,901,237	1,865,780	1,915,521	1,952,899	2,066,917	1,938,850	1,948,801	1,671,889	1,531,313	1,504,717
Net Valuation Taxable	\$ 761,780,537	\$ 767,370,480	\$ 770,110,821	\$ 770,397,199	\$ 771,939,817	\$ 770,225,050	\$ 767,128,401	\$ 763,875,389	\$ 629,009,734	\$ 628,414,718
Estimated Actual County Equalized Value	\$ 808,243,008	\$ 876,204,072	\$ 854,549,495	\$ 830,689,491	\$ 832,100,698	\$ 783,944,071	\$ 746,069,777	\$ 691,448,812	\$ 670,270,971	\$ 660,724,128
Percentage of Net Valuation to Estimated Actual County Equalized Value	94.25%	87.58%	90.12%	92.74%	92.77%	98.25%	102.82%	110.47%	93.84%	95.11%
Total Direct School Tax Rate (b)	\$ 0.96	\$ 0.99	\$ 1.00	\$ 1.05	\$ 1.08	\$ 1.09	\$ 1.08	\$ 1.11	\$ 1.37	\$ 1.40

*

Source: Municipal Tax Assess

NOTE: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

- (a) Taxable Value of Machinery, Implements and Equipments of Telephone and Messenger System Companies
- (b) Tax rates are per \$100

* Revalued/Reassessed

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

Assessment Year	School District Direct Rate			Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6) Total Direct School Tax Rate	Regional School Rate	Municipality	County	
2006	\$ 0.92	\$ 0.04	\$ 0.96	\$ 0.46		\$ 0.38	\$ 1.80
2007	0.95	0.04	0.99	0.46		0.38	1.83
2008	0.97	0.03	1.00	0.48		0.37	1.85
2009	1.02	0.03	1.05	0.50		0.37	1.92
2010	1.04	0.04	1.08	0.50		0.37	1.95
2011	1.05	0.04	1.09	0.53		0.35	1.97
2012	1.08		1.08	0.52		0.34	1.94
2013	1.11		1.11	0.50		0.33	1.94
2014	* 1.37		1.37	0.61	\$ 0.10	0.39	2.47
2015	1.40		1.40	0.58	0.19	0.39	2.56

Sources: Municipal Tax Collector

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

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

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

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Genon Energy Services Individual Property Owner	\$ 6,515,900	1	1.04%	\$ 8,000,000	1	1.06%
Oak Hill Golf Club	4,388,600	3	0.70%	4,145,100	4	0.54%
Georgia Pacific Corporation	3,904,200	2	0.62%	5,143,500	3	0.68%
Columbia Gas Individual Property Owner	2,789,400	4	0.44%	3,300,000	5	0.43%
Fiberville Estates	1,897,400	5	0.30%	2,206,500	6	0.29%
Holland Retail LLC	1,463,000	6	0.23%			
KJA Holdings Inc.	1,368,700	7	0.22%			
Individual Property Owner	1,228,700	8	0.20%			
Verizon-NJ	1,178,500	9	0.19%			
Fibermark	1,159,500	10	0.18%	1,667,300	7	0.22%
Individual Property Owner				1,600,078	8	0.21%
Riegel Federal Credit Union				7,492,100	2	0.98%
				1,284,700	9	0.17%
				1,226,300	10	0.16%
	<u>\$ 25,893,900</u>		<u>4.12%</u>	<u>\$ 36,065,578</u>		<u>4.74%</u>

Source: Municipal Tax Assessor

HOLLAND TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2005	\$ 12,945,989	\$ 12,659,114	97.78%
2006	13,824,703	13,489,252	97.57%
2007	14,126,824	13,825,854	97.87%
2008	14,326,777	13,990,030	97.65%
2009	14,783,316	14,476,124	97.92%
2010	15,104,272	14,801,704	98.00%
2011	15,216,041	14,971,324	98.39%
2012	14,931,139	14,704,177	98.48%
2013	14,846,969	14,461,715	97.41%
2014	15,534,767	15,286,853	98.40%

Sources: 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.

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

Fiscal Year Ending June 30,	Governmental Activities			Business-Type Activities		Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2006	\$ 1,594,000		\$ 142,397			\$ 1,736,397	0.55%	\$ 331
2007	1,329,000		97,664			1,426,664	0.42%	271
2008	1,064,000		50,252			1,114,252	0.31%	212
2009	799,000					799,000	0.22%	152
2010	534,000					534,000	0.15%	101
2011	269,000					269,000	0.08%	51
2012							N/A	N/A
2013							N/A	N/A
2014							N/A	N/A
2015							N/A	N/A

NOTES: (1) Details regarding the district's outstanding debt can be found in the notes to the financial statements.

(2) The Holland Township School District had no bonded debt from June 30, 2012 through June 30, 2015

(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.

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

Fiscal Year Ending June 30,	General Bonded Debt Outstanding			% of Actual Taxable Value (a) of Property	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
	2006	\$ 1,594,000			
2007	1,329,000		1,329,000	0.17%	253
2008	1,064,000		1,064,000	0.14%	203
2009	799,000		799,000	0.10%	152
2010	534,000		534,000	0.07%	101
2011	269,000		269,000	0.03%	51
2012				N/A	N/A
2013				N/A	N/A
2014				N/A	N/A
2015				N/A	N/A

- NOTES** (1) Details regarding the district's outstanding debt can be found in the notes to the financial statements.
- (2) The Holland Township School District had no bonded debt from June 30, 2012 through June 30, 2015
- (a) See Exhibit J-6 for property tax data.
- (b) Population data can be found in Exhibit J-14.

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

	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Municipality	\$ 522,500	100.00	\$ 522,500
Regional High School	2,580,000	28.80	742,988
County General Obligation Debt	70,347,424	3.23	<u>2,270,313</u>
Subtotal, Overlapping Debt			3,535,801
School District Direct Debt			<u>-</u>
Total Direct and Overlapping Debt			<u>\$ 3,535,801</u>

Sources: Assessed value data used to estimate applicable percentages provided by the county Board of Taxation. Debt outstanding data provided by each governmental unit.

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized Valuation Basis

2014	\$ 659,739,692
2013	674,218,045
2012	692,470,226
	<u>\$ 2,026,427,963</u>

Average Equalized Valuation of Taxable Property \$ 675,475,988

Debt Limit (3.0% of Average Equalization Value) 20,264,280 (a)

Total Net Debt Applicable to Limit -

Legal Debt Margin \$ 20,264,280

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 20,582,382	\$ 22,742,973	\$ 24,526,012	\$ 25,414,836	\$ 25,386,205	\$ 24,687,055	\$ 23,590,605	\$ 22,231,980	\$ 21,138,304	\$ 20,264,280
Total Net Debt Applicable	1,699,505	1,329,000	1,064,000	799,000	534,000	269,000	-	-	-	-
Legal Debt Margin	<u>\$ 18,882,877</u>	<u>\$ 21,413,973</u>	<u>\$ 23,462,012</u>	<u>\$ 24,615,836</u>	<u>\$ 24,852,205</u>	<u>\$ 24,418,055</u>	<u>\$ 23,590,605</u>	<u>\$ 22,231,980</u>	<u>\$ 21,138,304</u>	<u>\$ 20,264,280</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	8.26%	5.84%	4.34%	3.14%	2.10%	1.09%	0.00%	0.00%	0.00%	0.00%

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

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

HOLLAND TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2006	5,252	\$ 340,975,596	\$ 64,923	4.0%
2007	5,260	359,210,660	68,291	3.5%
2008	5,253	361,127,991	68,747	4.5%
2009	5,268	346,102,332	65,699	8.2%
2010	5,289	347,439,699	65,691	8.4%
2011	5,263	366,920,571	69,717	8.2%
2012	5,233	390,036,422	74,534	8.4%
2013	5,220	394,230,060	75,523	7.6%
2014	5,204	N/A	N/A	5.3%
2015	5,204	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per capita personal income by county estimated based upon the 2010 census published by the US Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development

HOLLAND TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO

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

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

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

FUNCTION/PROGRAM	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction:										
Regular	64.0	66.0	62.0	46.5	47.0	45.9	44.9	44.9	43.9	43.9
Special Education	10.0	11.0	12.0	30.2	31.5	28.7	28.2	28.7	29.4	31.1
Support Services:										
Student and Instruction Related Services	17.0	15.0	16.5	16.5	15.5	14.7	13.8	15.6	15.3	15.2
General Administration	3.0	3.0	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0
School Administration Services	4.0	4.0	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0
Central Services	3.0	3.0	3.5	3.5	3.5	3.5	3.4	3.4	3.4	3.4
Plant Operations and Maintenance	6.4	6.4	6.0	6.0	6.0	6.5	6.8	5.8	5.8	5.8
Total	107.4	108.4	107.0	109.7	109.5	104.3	102.1	103.4	102.8	104.4

Sources: District Personnel Records

HOLLAND TOWNSHIP SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	720	\$ 8,960,206	\$ 12,445	5.90%	73	1 to 9.86	716.3	686.3	#REF!	95.81%
2007	716	9,772,482	13,649	9.67%	74	1 to 9.68	713.4	685.8	-0.40%	96.13%
2008	687	10,505,797	15,292	12.04%	71	1 to 9.68	684.2	656.8	-4.09%	96.00%
2009	675	10,110,849	14,979	-2.05%	73	1 to 9.24	674.9	644.1	-1.36%	95.44%
2010	665	10,625,302	15,978	6.67%	64	1 to 10.91	663.2	629.8	-1.73%	94.96%
2011	659	10,225,470	15,517	-2.89%	63.4	1 to 10.40	656.9	626.2	-0.95%	95.33%
2012	652	10,882,920	16,692	7.57%	64.0	1 to 10.18	648.9	619.9	-1.22%	95.53%
2013	627	11,361,779	18,121	8.56%	64.9	1 to 9.67	622.3	592.4	-4.10%	95.20%
2014	603	11,040,326	18,309	1.04%	63.5	1 to 9.50	602.2	576.9	-3.23%	95.79%
2015	592	11,210,642	18,937	3.43%	65.5	1 to 9.05	585.2	559.4	-2.82%	95.58%

Source: District Records

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

(b) Teaching staff includes only full-time equivalents or certificated staff.

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

HOLLAND TOWNSHIP SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS

DISTRICT BUILDING	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Holland Township Elementary (1939)</u>										
Square Feet	112,840	112,840	112,840	112,840	112,840	112,840	112,840	112,840	112,840	112,840
Capacity (Students)	770	770	770	770	770	770	770	770	770	770
Enrollment	720	717	717	672	659	655	647	618	603	587

Number of Schools at June 30, 2015:
 Elementary & Middle 1

Source: District Facilities Office

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

HOLLAND TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

* School Facilities

	Holland Township School	Total
2006	\$ 38,153	\$ 38,153
2007	68,388	68,388
2008	154,254	154,254
2009	102,985	102,985
2010	154,526	154,526
2011	61,258	61,258
2012	110,647	110,647
2013	129,837	129,837
2014	142,657	142,657
2015	102,835	102,835
	<hr/>	<hr/>
Total School Facilities	<u>\$ 1,065,540</u>	<u>\$ 1,065,540</u>

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

Source: District Records

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

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy-School Alliance Insurance Fund:		
Property-Blanket Building & Contents (Insurance Cooperative)	\$ 250,000,000	\$ 2,500
Comprehensive General Liability	5,000,000	
Blanket Position Bond	500,000	1,000
Environmental Impairment Liability-School Alliance Insurance Fund Through Illinois Union Insurance Company:		
Per Incident	1,000,000	10,000
Student Accident Insurance-Monumental Life Insurance Company:		
Policy Limit	1,000,000	
School Board Legal Liability-School Alliance Insurance Fund:		
Policy Limit	5,000,000	5,000
Worker's Compensation-School Alliance Insurance Fund:		
Per Accident, Disease and Disease Limit	5,000,000	
Excess Liability-School Alliance Insurance Fund:		
Policy Limit	5,000,000	
Public Employees' Faithful Performance-Selective Insurance Company:		
Treasurer of School Monies Bond	200,000	
Business Administrator's Bond	100,000	

Source: District Records

SINGLE AUDIT SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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

Independent Auditor's Report

November 5, 2015

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Holland Township School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements, and have issued our report thereon dated November 5, 2015.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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



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

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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Fax # (908) 689-8388
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Independent Auditor's Report

November 5, 2015

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

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Holland Township School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB State Grant Compliance Supplement that could have a direct and material effect on each of the Board of Education's major federal and state programs for the year ended June 30, 2015. The Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

William M. Colantano, Jr.

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

We have audited the financial statements of the District as of and for the year ended June 30, 2015, and have issued our report thereon dated November 5, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



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

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

Grantor/Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From-To	Balance June 30, 2014	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balance	Balance June 30, 2015		
											Accounts Receivable	Deferred Revenue	Due to Grantor
US Department of Education Passed-Through State Department of Education:													
Special Revenue Fund:													
NCLB Title I	84.010A	NCLB-222015	\$ 17,362	07/01/2014-06/30/2015			\$ 17,362	\$ 17,362					
NCLB Title II A	84.367A	NCLB-222015	8,315	07/01/2014-06/30/2015			8,315	8,315					
IDEA Basic	84.027	IDEA-222015	136,385	07/01/2014-06/30/2015			136,385	136,385					
IDEA Preschool	84.173	IDEA-222015	5,069	07/01/2014-06/30/2015			5,069	5,069					
Small, Rural School Achievement Program	84.358A	S358A-148433	51,715	07/01/2014-09/30/2015				40,222			\$ (51,715)	\$ 11,493	
Total Special Revenue Fund					\$ -	\$ -	167,131	207,353	\$ -	\$ -	(51,715)	11,493	\$ -
US Department of Agriculture Passed-Through State Department of Agriculture:													
Food Service Fund:													
Food Donation Program	10.555	N/A	13,805	07/01/2013-06/30/2014	2,476			2,476					
Food Donation Program	10.555	N/A	11,987	07/01/2014-06/30/2015			11,987	9,450				2,537	
National School Lunch Program	10.555	N/A	27,444	07/01/2013-06/30/2014	(1,935)		1,935						
National School Lunch Program	10.555	N/A	24,654	07/01/2014-06/30/2015			22,996	24,654			(1,658)		
Total Food Service Fund					541	-	36,918	36,580	-	-	(1,658)	2,537	-
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ 541	\$ -	\$ 204,049	\$ 243,933	\$ -	\$ -	\$ (53,373)	\$ 14,030	\$ -

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

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

Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From-To	Balance 6/30/2014	Cash Received	Budgetary Expenditure	Adjustment	Balance June 30, 2015			Memo	
								Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditure
State Department of Education												
General Fund:												
Special Education Categorical Aid	15-495-034	\$ 373,356	07/01/2014-									
	-5120-089		06/30/2015		\$ 373,356	\$ 373,356					\$ 37,023	\$ 373,356
Equalization Aid	15-495-034	1,291,479	07/01/2014-									
	-5120-078		06/30/2015		1,291,479	1,291,479					128,067	1,291,479
Security Aid	15-495-034	9,453	07/01/2014-									
	-5120-084		06/30/2015		9,453	9,453					938	9,453
Transportation Aid	15-495-034	53,541	07/01/2014-									
	-5120-014		06/30/2015		53,541	53,541					5,309	53,541
School Choice Aid	15-495-034	53,805	07/01/2014-									
	-5120-068		06/30/2015		53,805	53,805					5,336	53,805
Per Pupil Growth Aid	15-495-034	5,710	07/01/2014-									
	-5120-097		06/30/2015		5,710	5,710					566	5,710
PARCC Readiness	15-495-034	5,710	07/01/2014-									
	-5120-098		06/30/2015		5,710	5,710					566	5,710
Extraordinary Aid	14-100-034	164,881	07/01/2013-									
	-5120-473		06/30/2014	\$ (163,177)	164,881	1,704						164,881
Extraordinary Aid	15-100-034	119,819	07/01/2014-									
	-5120-473		06/30/2015			119,819			\$ (119,819)			119,819
Nonpublic Transportation Aid	14-495-034	998	07/01/2013-									
	-5120-014		06/30/2014	(998)	998							998
Nonpublic Transportation Aid	15-495-034	1,222	07/01/2014-									
	-5120-014		06/30/2015			1,222			(1,222)			1,222
On-Behalf TPAF Pension Contribution-Post Retirement Medical	15-495-034	397,087	07/01/2014-									
	-5094-001		06/30/2015		397,087	397,087						397,087
On-Behalf TPAF Pension Contribution-Normal Cost and Accrued Liability	15-495-034	233,346	07/01/2014-									
	-5094-006		06/30/2015		233,346	233,346						233,346
On-Behalf TPAF Pension Contribution-Non Contributory Group Insurance	15-495-034	16,788	07/01/2014-									
	-5094-007		06/30/2015		16,788	16,788						16,788
Reimbursed TPAF Social Security Contributions	14-495-034	321,611	07/01/2013-									
	-5095-002		06/30/2014	(16,228)	16,228							321,611
Reimbursed TPAF Social Security Contributions	15-495-034	321,960	07/01/2014-									
	-5094-003		06/30/2015		306,157	321,960			(15,803)			321,960
Total General Fund				(180,403)	2,928,539	2,884,980	\$ -	(136,844)	\$ -	\$ -	177,805	3,370,766
NJ School Development Authority:												
Capital Projects Fund:												
Telephone System Upgrades	2220-060-14-1006	61,161	07/01/2014-									
			06/30/2015			61,161			(61,161)			61,161
Public Address System Upgrades	2220-060-14-1004	133,330	07/01/2014-									
			06/30/2015			133,330			(133,330)			133,330
Total Capital Projects Fund				-	-	194,491	-	(194,491)	-	-	-	194,491
State Department of Agriculture												
Food Service Fund:												
State School Lunch Program	14-100-010	1,722	07/01/2013-									
	-3350-023		06/30/2014	(209)	209							1,722
State School Lunch Program	15-100-010	1,544	07/01/2014-									
	-3350-023		06/30/2015		1,393	1,544			(151)			1,544
Total Food Service Fund				(209)	1,602	1,544	-	(151)	-	-	-	3,266
TOTAL STATE FINANCIAL ASSISTANCE				\$ (180,612)	\$ 2,930,141	\$ 3,081,015	\$ -	\$ (331,486)	\$ -	\$ -	\$ 177,805	\$ 3,568,523

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

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

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

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

NOTE 3. RELATIONSHIP OF FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to PL 2004, Ch 97 (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferred and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$6,527) for the general fund, (\$40,222) for the special revenue fund and (\$77,712) for the capital projects fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

	<u>Local</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund			\$ 2,878,453	\$ 2,878,453
Special Revenue Fund	\$ 17,170	\$ 167,131		184,301
Capital Projects Fund			116,779	116,779
Food Service Fund		36,580	1,544	38,124
	<u>\$ 17,170</u>	<u>\$ 203,711</u>	<u>\$ 2,996,776</u>	<u>\$ 3,217,657</u>

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

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

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

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

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

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

Noncompliance Material to General Purpose Financial Statements Noted? Yes X No

Federal Awards

Internal Control Over Major Programs:

1. Material weakness(es) identified? Yes No

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

Type of Auditor's Report Issued on Compliance for Major Programs? NOT APPLICABLE

Any Audit Findings Disclosed that are Required to be Reported in Accordance with Section .510 (a) of Circular A-133 Yes No

Identification of Major Programs:

 CFDA Numbers Amount Name of Federal Program

NOT APPLICABLE

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

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Federal Awards (Cont'd) NOT APPLICABLE

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

Auditee qualified as a low-risk auditee _____ Yes _____ No

State Awards

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

Auditee Qualified as low-risk auditee X Yes _____ No

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

Internal Control Over Major Programs:

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

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

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

Identification of Major Programs:

<u>GMIS Numbers</u>	<u>Amount</u>	<u>Name of State Program</u>
15-495-034-5120-078	\$ 1,291,479	Equalization Aid
15-495-034-5120-089	373,356	Categorical Special Education Aid
15-495-034-5094-003	321,960	Reimbursed TPAF Social Security' Contributions
2220-060-14-1004	133,330	NJ School Development Authority Aid Public Address System

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

SECTION II-FINANCIAL STATEMENT FINDINGS

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

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

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

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

K-7

SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS

There were no prior year findings or questioned costs.