

**NORTHERN BURLINGTON REGIONAL SCHOOL DISTRICT**

**Columbus, New Jersey**

**County of Burlington**

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**OF THE**

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**COLUMBUS, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Prepared by**

**Northern Burlington County Regional School District  
Finance Department**



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## **INTRODUCTORY SECTION**

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# Northern Burlington County Regional School District

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December 7, 2015

Honorable President and  
Members of the Board of Education  
Northern Burlington County Regional School District  
Burlington County, New Jersey

Dear Board Members/Citizens:

It is with pleasure we submit the Comprehensive Annual Financial Report (CAFR) of the Northern Burlington County Regional School District for the Fiscal Year ended June 30, 2015. The CAFR includes the district's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. 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, including the Management's Discussion and Analysis, have been included

The Comprehensive Annual Financial Report is presented in four sections as follows:

-  The Introductory Section contains a Letter of Transmittal, Roster of Officials, List of Consultants, Independent Auditors and Advisors, and an Organizational Chart of the School District;
-  The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information;
-  The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, generally presented on a multi-year basis;
-  The Single Audit Section - The district is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1996 as amended, the United States Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non Profit Organizations", and the New Jersey State Treasury Circular letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

## **SCHOOL DISTRICT ORGANIZATION**

The Northern Burlington County Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14 as

Proudly serving the communities of  
Chesterfield Township    Mansfield Township    North Hanover Township    Springfield Township

amended by GASB Statement No. 39. The Northern Burlington County Regional Board of Education and its two schools constitute the district's reporting entity.

The district continues to maintain a high quality of education. The district provides a full range of educational programs and services appropriate to grade levels 7 through 12. These include regular, vocational, programs for the very able students (gifted and talented), as well as those for students with disabilities both in and out of district. The district educates students from Chesterfield Township, Mansfield Township, North Hanover Township, Springfield Township and the Joint Military Base McGuire, Dix, Lakehurst.

Supervising district-wide goals is a district superintendent, an assistant superintendent for academics, a school business administrator/board secretary, three district-wide curriculum directors, a director of special services and an athletic director. The Northern Burlington County Regional High School and Middle School each have its own principal. The High School has three assistant principals and the middle school has one assistant principal.

The Regional Board of Education is comprised of nine members, each elected to three-year terms. Based on the 2010 US Census the regional school boards seats are allocated as follows: Chesterfield has two seats, Mansfield has three seats, North Hanover has three seats, and Springfield has one seat.

The Regional Board of Education traditionally meets on the second Monday of each month for a work-session meeting and the third Monday of each month for a regular meeting. During its meetings and work-sessions the board determines district goals and priorities and conducts other business. Board meetings are open to the public and begin at 7:30 PM. All work-session and regular meeting agendas and minutes are posted on the district's e-governance webpage at [www.nburlington.com](http://www.nburlington.com).

The Parent Teacher Student Connection (PTSC) is active in the district and provides community support for a variety of programs and activities for the students.

## **EDUCATIONAL PROGRAM**

Each district school follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality. All curricula in the district have been aligned to the New Jersey Core Curriculum Content Standards (NJCCCS) and the Common Core State Standards (CCSS). The following briefly describes new programs and or enhancements to existing programs that ensure the implementation of the standards:

### **Mathematics**

The district's benchmark system has enabled the teachers of the mathematics department to focus on developing students' skills in particular mathematics practices. Each benchmark assessment measures students' progress via three identified skills including error analysis, real life application, and explanation. Teachers continue to improve their confidence in designing benchmarks at critical points throughout the year. The middle and high school Algebra I teams are continuing to ensure consistency between buildings through a shared teaching assignment of a middle and high school teacher. This year's re-design of the high school Geometry course has raised the rigor of our geometry program in delivering a proof based course. Additionally, the new course titled Project Based Mathematics-STEM is enabling students to apply their content knowledge of Algebra and Geometry to the engineering design process, and to develop their knowledge of other mathematic concepts. Computer science courses are included in the mathematics department thereby providing another opportunity for students to receive instruction aligned to the Common Core State Standards. Finally, the Algebra II team will soon begin to closely examine their course alignment to the Common Core State Standards following the multi-year revision of Algebra I and Geometry.

### **Science**

In preparation for the state's adoption of the Next Generation Science Standards (NGSS), teams of teachers are intensely focusing on understanding the three dimensions of the standards and examining how curriculum and instruction will change to support the shifts. The shifts include an understanding of Science and Engineering Practices, Crosscutting Concepts, and Disciplinary Core Ideas. The newly designed Advanced Placement Environmental Science course is providing students with access to critical content to prepare for careers in the rapidly developing field of sustainability. The revised AP Physics 1 course is providing students an opportunity to deepen their knowledge of mechanics while students with an interest in the remaining topics in physics will have access to them via AP Physics 2 next year. The science department is supporting the development of students' scientific literacy skills through the implementation of locally developed benchmark assessments. For the 2015-

2016 school year science teachers WILL develop and administer benchmark assessments using the big ideas of NGSS.

### English Language Arts

The middle school and high school English Language Arts program will focus instruction on the inclusion of oral and written expressions, detailed aspects of genres, and the characteristics of various kinds of literary and informational texts that are aligned to the Common Core State Standards (CCSS). The district's benchmark assessment system has enabled the department to design and implement activities and assessments to generate evidence of student understanding of enduring concepts and essential skills. Further, students are expected to demonstrate application of those concepts and skills throughout the content rich curriculums in grades 7-12. The content and skills in each unit build upon one another so all standards are addressed in a coherent and logical way across the grade spans. Specifically, the courses feature Common Core vocabulary, grammar instruction, and integrate art, music, media, civics and social studies. Digital learning tools and resources enhance the content and support an accessible environment for students to work within the school day or in any location. Every language arts teacher utilizes Google Classroom, Google Apps for Education (GAPE), and Chrome Books.

### Social Studies

In response to the College Board's revision of the national social studies curricula, teachers in the social studies department anticipate significant revisions to local curricula beginning summer 2015. The district's benchmarking system continues to generate valuable student evidence of enduring understanding and essential skills. The social studies revisions will focus on historical thinking skills and contextualization of historical events. Also, the course revisions will shift chronological scope and sequence at all levels. The deliberate incorporation of informational and primary sources texts supports the implementation common core standards. Students in grades 7-12 enjoy interactive assessments and learning activities through Google Classroom, Google Apps for Education (GAPE), and Chrome Books.

### Visual and Performing Arts

Locally designed benchmark assessments were implemented throughout the school year to measure students' ability to apply their knowledge to different scenarios and demonstrate proficiency in targeted skills. The Art Department focused on assessing students' understanding of the art principles and principles of design. The Music Department assessed students' site reading skills while the Theater Department focused on students' progression of performance skills.

### 21st Century Life and Careers

The curricula for the departments of Agriscience, Applied Technology, Business and Technology, and Family and Consumer Science were aligned to NJ CCCS 2009. A Curriculum for Agriculture and Science Education (CASE) course, titled Introduction to Agriculture, Food, and Natural Resources (AFNR) was offered as a full year elective to grade eight students. Two CASE courses, Advanced Animal Science and Advanced Plant Science) were concurrently offered as opposed to one in alternating years as a result of increased student interest.

### Comprehensive Health and Physical Education

All courses are aligned to New Jersey's Core Curriculum Content Standards (CCCS) for Comprehensive Health and Physical Education. Students receive instruction on topics including: wellness, driver's education, first aid/CPR, sex education, teen dating violence, fitness, nutrition, drug/alcohol abuse and family life. Physical fitness is promoted through participation in a variety of athletic games, competitions, and Fitnessgram. Students also have the opportunity to develop team-building skills through adventure education and develop their leadership skills through additional courses for seniors that include: Peer Leadership and Lifetime Information for Everyone (LIFE).

### World Languages

The district's benchmark system has enabled the World Language department to focus on developing students' modes of communication. Each benchmark measures students' progress in the following modes: interpretive (reading and listening comprehension) and presentational (writing skills). The middle and high school Spanish I teachers are continuing to ensure consistency between buildings through a shared teaching assignment of a middle and high school teacher. In April, students in levels IV of Chinese, French, and Spanish will be administered the STAMP (Standards-based Measurement of Proficiency) web-based examination, a NJDOE approved assessment. The results will be used to continue to analyze and revise the effectiveness of the World Language curricula.

## Technology

The Business and Technology and Applied Technology curricula reflect the latest content standards including common core. Students are required to solve applicable world scenarios using analysis, creation, design and problem solving skills. Two clubs, Distributive Education Club of America (DECA) and School Future Business Leaders of America (FBLA), are directly supported in business courses.

Pre-engineering course offerings continue to expand. Contemporary course names and activities will now include, Industrial Design, Architecture, Material Design, Tools & Machine, and Construction. A high school course named Technology Capstone in Material, Design and Engineering will be offered for the first time. With honors weighting, senior students of differing backgrounds will collaborate, explore, and tackle challenges that face our community. Curriculum revisions reflect Standards for Technological Literacy delineated by the International Technology and Engineering Educators Association (ITEEA) and will compliment this evolution. The implementation of locally developed benchmark assessments will continue to assess students' learning of critical content standards and enduring understandings for each course.

### ***Northern Burlington County Regional Middle School: Grades 7 & 8***

The middle school is a grade 7 to 8 school of 754 students. There are two administrators and a staff of approximately 90 teachers and support employees. The school is a modern facility built in 2003 and is 144,000 square feet in size. The school is located on 180 Mansfield Road East, in Columbus where it shares a campus with the high school.

### ***Northern Burlington County Regional High School: Grades 9 through 12***

The high school is a grade 9 through 12 school of 1351 students. There are four administrators and a staff of approximately 140 teachers and support employees. The original school building was built in 1960, has multiple dwellings, is 215,545 square feet in size and is well maintained. The high school is located on 160 Mansfield Road East, in Columbus where it shares a campus with the middle school.

## **ECONOMIC CONDITION AND OUTLOOK**

The district completed the 2014-2015 fiscal year with an average daily enrollment of 2,105 students, which is an increase of 42 students over the previous year's enrollment. The following details the changes in the average daily enrollment of the district over the last twelve years. The table presents the annual pupil enrollment, as of October 15, for the school years 2003-2004 through 2014-2015.

<u>School Year</u>	<u>Student Enrollment</u>	<u>Percent Changes</u>
2014-2015	2105	2.04%
2013-2014	2063	4.14%
2012-2013	1981	1.43%
2011-2012	1953	4.83%
2010-2011	1863	2.59%
2009-2010	1816	1.28%
2008-2009	1793	-2.29%
2007-2008	1835	-1.87%
2006-2007	1870	-0.43%
2005-2006	1878	-1.52%
2004-2005	1907	0.79%
2003-2004	1892	2.27%

Enrollment projections are determined by a demographer using the cohort survival ratios and 5 years of historical data.

**Projected Grade 7-12 Enrollments for 2015-16 to 2019-20  
Using Cohort-Survival Ratios and 6 Years of Historical Data**

<b>Year</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>SE</b>	<b>7 - 12 Total</b>
<b>2015-16</b>	373	403	353	340	338	325	3	<b>2,135</b>
<b>2016-17</b>	413	378	395	340	335	340	3	<b>2,204</b>
<b>2017-18</b>	436	418	371	381	335	337	3	<b>2,281</b>
<b>2018-19</b>	420	441	410	357	375	337	3	<b>2,343</b>
<b>2019-20</b>	407	425	433	395	352	378	4	<b>2,394</b>

Although the housing development in Mansfield Township has slowed, Chesterfield Township continues to build new homes and grow. Housing on Joint Military Base McGuire, Dix, Lakehurst is near capacity.

We recognize that the State is in a financial crisis and want to assure our residents that the Northern Burlington County Regional School District is doing its part to maintain a responsible budget. The district’s administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain the quality education services that the district has been accustomed to providing.

***Maintaining our School System:***

The Northern Burlington County Regional School District continues to focus on its mission to ‘inspire the desire’ for continued growth, one student at a time. In March, 2015, the Board of Education approved a spending plan that not only maintains current programs but also explores the opportunities to embrace a new era of strategic planning via the Excellence By Design Protocols outlined by the Middle States Accreditation Process. Northern Burlington is also experiencing growth in student population and the Board will be presenting to the community a comprehensive addition/renovation project for the 55+ year old high school building during FY’16.

The Board remains committed to continue its practice of presenting budgets within the tax levy caps. It should be noted that the increase in state aid for 2015-2016 in the amount of \$32,456 simply will not adequately fund this increase in the student population. As a result of the inadequate State Aid, the NB Board of Education appropriated an additional \$260,323 in Federal Impact Aid to support the 2015-2016 spending plan.

Academic priorities for FY’16 find focus in the attainment of 21<sup>st</sup> Century Learning Skill for all students. Moreover, the Board, administration, and faculty will once again embrace the 21st Century Assessments such as the PARCC to measure instructional strengths and student achievement. Moreover, the district will continue with its professional development strategies to build its capacity in developing and assessing benchmark assessments. It should also be noted that there will be a focus on STEM programs including Math and (NGSS) Science standards during summer curriculum writing projects. Finally, 21<sup>st</sup> Century Life and Careers skill will be introduced in our Agriscience, Applied Technology, and Business and Technology programs.

In addition, the 2015-1016 budget considers the need to incrementally enhance school and campus safety and security. An additional school resource officer for the Middle School has been added to the budget. Additionally, the Board of Education has supported improved video surveillance throughout the campus, through the use of Federal Impact Aid that supports a 2015-2016 purchasing plan. It should also be noted that the IPSC aid will once again be distributed to both the agriscience program (approximately 25%) and the general education programs (approximately 75%) throughout the district.

Finally, the Board of Education continues to support the administration’s efforts to decrease out of district special education placement costs and increase tuition revenue opportunities within the district. For FY ‘16, the district anticipates the need to hire one additional teacher to support this effort. It should be noted that when this administration identifies the ability to service students ‘in house’ these placements are oftentimes challenged by the parents. As a result, increased legal fees are realized and ultimately, the legal decision most often does not support this effort. Instead, the district is forced to pay higher tuition rates and increase services beyond what the professionals in this district have determined to be quite appropriate for the needs of the child. Until this process is improved, the district’s ability to better control these costs will not be realized.

### ***Raising Standards and Expanding Opportunities:***

The Board of Education once again is pleased to have developed a spending plan that will raise academic standards and expand opportunities for all students. To accomplish this, programs are continually assessed and curriculum revised.

Academic Priorities include:

- A regional TechShare15 was held Friday, October 9, 2015. This professional development opportunity was available for all teachers in the region grades PreK – 12.
- The incorporation of locally designed benchmark assessments to enable teachers in all departments to assess the identified power standards and provide students with opportunities to demonstrate their understanding of critical content standards.
- Instructional technologies such as Chrome Books, interactive white boards, and Google Docs for Education software are sustained and expanded.
- In preparation for the State's adoption of the Next Generation Science Standards (NGSS), teams of teachers are intensely focusing on understanding the three dimensions of the standards and examining how curriculum and instruction will change to support the shifts. The shifts include an understanding of Science and Engineering Practices, Crosscutting Concepts, and Disciplinary Core Ideas.
- The middle school and high school English Language Arts program will focus instruction on the inclusion of oral and written expressions, detailed aspects of genres, and the characteristics of various kinds of literary and informational texts that are aligned to the Common Core State Standards (CCSS).
- In response to the College Board's revision of the national social studies curricula, teachers in the social studies department engaged in revisions to local curricula beginning this past summer 2015.
- Pre-engineering course offerings continue to expand. Contemporary course names and activities include: Industrial Design, Architecture, Material Design, Tools & Machine, and Construction. Curriculum revisions reflect Standards for Technological Literacy delineated by the International Technology and Engineering Educators Association (ITEEA) and will compliment this evolution. The implementation of locally developed benchmark assessments will continue to assess students' learning of critical content standards and enduring understandings for each course.

### ***Building Professionalism***

Each summer the Central Administration coordinates and presents an "Administrative Retreat." This is a carefully crafted professional development program that is designed to build capacity in critical areas of the administrative team. The retreat focus for the summer of 2015 included skill building in the areas of instructional assessment, strategic thinking, policy assessment and implementation, and contract administration.

It should also be noted that the Northern Burlington County Regional School District administrators and faculty are proud to implement its locally developed teacher assessment and principal assessment tools. Both tools have been approved by the Department of Education. Clearly, the need for staff training and resource materials needed for the implementation of EE4NJ is evidenced in the state guidelines and this spending plan provides for the necessary resources to successfully implement and monitor this process.

Northern Burlington County Regional District's locally developed teaching practice evaluation instrument was approved by the New Jersey Department of Education. Presently teachers and administrators are receiving training on the instrument and process.

### ***Protecting our Investments (Capital and Maintenance Projects/Capital Reserve)***

During Fiscal Year 2015 the school district expanded the track to eight lanes, with an additional 8 lane straight away, new long jump and pole vault runways/pits, and painting and lining of the entire track. The tennis courts were also recently resurfaced.

With the opening of a new 5,000 square foot Transportation Center in FY 2014, the district is now able to offer shared services with local municipalities for vehicle maintenance. An agreement with local police provides cost sharing of the two mechanics' salaries and benefits.

This summer the majority of the ROPES course was replaced with new poles and equipment. A subsequent inspection of the course provides for a safety certificate.

Through a comprehensive maintenance plan the district continues to remodel five high school classrooms each summer that includes the removal of asbestos floor tile, installation of vinyl composition floor tile, removal of antiquated electrical and audio-visual components and wiring, removal of slate blackboards and bulletin boards, patching, parching, and painting of rooms, electrostatic painting of all Nesbitt and Herman-Nelson unit ventilator covers and metal shelving along with the installation of SMARTBOARDS, new casework, the installation of new teacher station power and audio visual terminals.

For safety purposes, ADA compliant room numbering signs were installed on all doors throughout the high school west and east school buildings. The room signage now ties into the new fire suppression system installed several years ago.

The strategic plan for the replacement of analog security cameras and expansion of digital security cameras continued to be supported through the use of federal impact aid funds. The school district installed close to 30 security cameras in the high school and middle school. The majority of these cameras replaced old analog security cameras at the high school that outlived their useful life.

The Building and Grounds Committee reviewed and presented to the full Board, the Comprehensive Feasibility report completed by the district's architect and mechanical engineer. Simultaneously the educational specifications were adopted and a Building Excellence referendum scheduled for September 29, 2015 was approved by the Board.

The Board's bond referendum was divided into two questions, totaling \$65 million. The question sought approval to borrow \$53.9 million to cover construction of a school addition that comprised of an up-to-date media center and an auditorium that connects the east and west buildings of the high school. The building project also includes roof replacement, electrical and heating, ventilation and air-conditioning improvements. The building project qualified for approximately \$15.5 million of reimbursement by the New Jersey Department of Education. The second question asked residents to approve \$11.5 million to construct a new high school gymnasium.

The referendum failed and the Board is currently meeting with district residents to determine how to proceed with capital projects needed on the 55+ year high school building, as well as the need for additional parking. It is Board's intention to revise the Building Excellence referendum project and present a revised ballot question for the November 2016 general election. In order to alleviate an increase in the debt service tax levy the Board is attempting to present the building project in conjunction with the expiration of debt in 2017.

### ***Planning for the Future***

This administration and Board of Education fully understand the dynamics of strategic thinking and has established a collaborative decision-making process that incorporates a deliberate approach to strategic planning initiatives. Resources are evaluated, needs assessed, and progress measured. Key decisions are examined in scenario-based discussions and final goals are established after consideration from all stakeholders.

During the 2015-2016 school year, the Board of Education and its administration will embark on the development of a strategic plan that will guide instruction, facilities, and technology decision-making for the next five years. This process will include the crossover of the district's strategic planning process from the accreditation for growth (AFG) model to the Excellence By Design (ExBD) model as well as, a rethinking of technologies to improve instruction and a reimagining of facilities for the year 2020.

### **INTERNAL ACCOUNTING CONTROLS**

Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general 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 delivered; and (2) the valuation of costs and benefits require 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 evaluations by the district management.

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

### **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 municipalities. Annual appropriated budgets are adopted for the general fund, special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year.

**FINANCIAL POLICIES**

The School District operates on a program functioning budget system, with legally adopted budgets prepared by fund, program, and department. The legal level of control is at the department level. The School District's administrators may request transfers of appropriations within their department. The Superintendent may request transfers of appropriations between departments. All transfers of appropriations require the approval of Board.

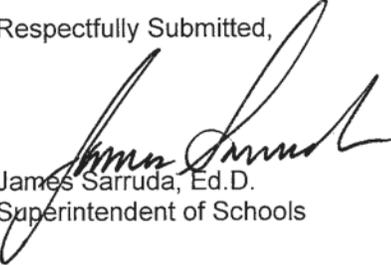
**OTHER INFORMATION - INDEPENDENT AUDIT**

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman, Frenia & Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and State Treasury Circular letter 04-04. The auditor's report on the basic financial statements and combining 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 Audit section of this report.

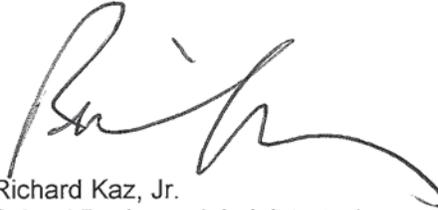
**ACKNOWLEDGMENTS**

We would like to express our appreciation to the members of the Northern Burlington County Regional Board of Education for their concern and guidance in providing fiscal accountability to the citizens and taxpayers of the Regional School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

Respectfully Submitted,

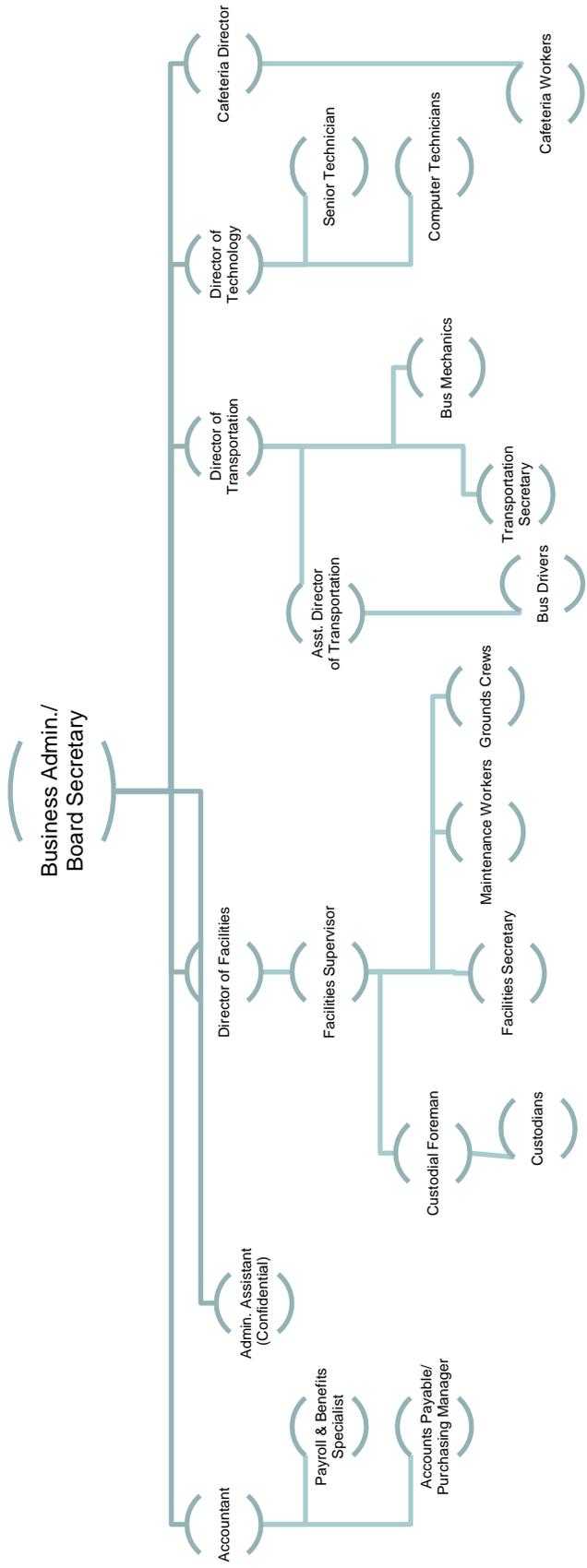


James Sarruda, Ed.D.  
Superintendent of Schools

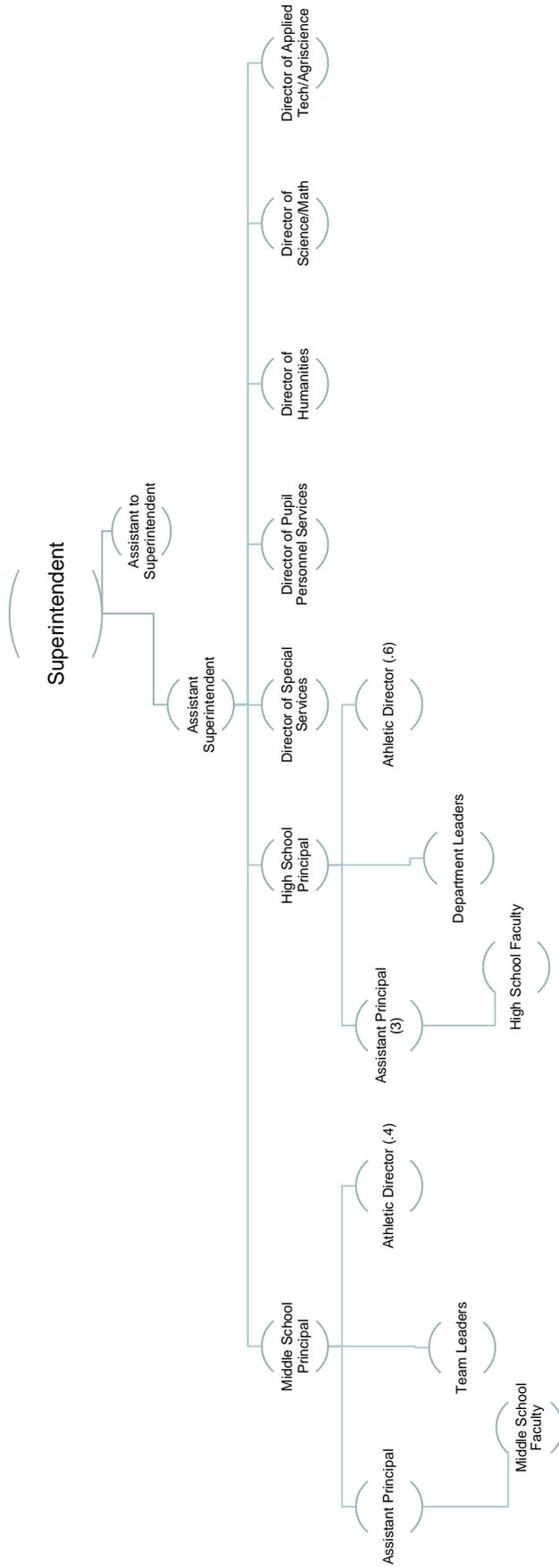


Richard Kaz, Jr.  
School Business Administrator/  
Board Secretary

# Northern Burlington County Regional School District Business Office



# Northern Burlington County Regional School District Educational Branch



**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NEW JERSEY**

**ROSTER OF OFFICIALS**

**JUNE 30, 2015**

<b>MEMBERS OF THE BOARD OF EDUCATION</b>	<b>TERM EXPIRES</b>
James R. Nucito, President	2015
Kevin Zimmer, Vice President	2016
Michael Crawford	2016
Marie Goodwin	2017
Edmund Nowak	2017
Andrew Litecky	2015
Natalka Pavlovsky	2016
F. Gerald Spence	2015
Matthew Varava	2017

Lt. Col. Ivory D. Carter, McGuire Joint Military Base Liaison

**OTHER OFFICIALS**

Dr. James Sarruda, Superintendent

Dr. Kathy McCormick, Assistant Superintendent

Richard Kaz, Board Secretary/Business Administrator

Joseph Monzo, Treasurer

Stephen J. Mushinski, Esquire, Solicitor

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NEW JERSEY**

**CONSULTANTS AND ADVISORS**

**ARCHITECT**

Fraytak Veisz Hopkins Duthie, P.C.  
Trenton, New Jersey

**ENGINEER**

Van Cleef Engineering, Inc.  
Robbinsville, New Jersey

**AUDIT FIRM**

Holman Frenia Allison, P.C.  
Kevin P. Frenia, PSA, CPA  
Medford, New Jersey

**ATTORNEY**

Stephen J. Mushinski, Esq.  
Parker McCay P.A.  
Mount Laurel, New Jersey

**OFFICIAL DEPOSITORY**

**TD Bank**

Lumberton, New Jersey

**Susequehanna Bank**

Cinnaminon, New Jersey

**ABCO Federal Credit Union**

Rancocas, New Jersey

# Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award  
is presented to*

## Northern Burlington County Regional School District

*For Its Comprehensive Annual Financial Report (CAFR)  
For the Fiscal Year Ended June 30, 2014*

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO  
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA  
Executive Director

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## **FINANCIAL SECTION**

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## INDEPENDENT AUDITOR'S REPORT

Honorable President and Members  
of the Board of Education  
Northern Burlington County Regional School District  
County of Burlington  
Columbus, New Jersey 08022

### 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 Northern Burlington County Regional School District, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements which collectively comprise the District's 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 and audit requirements as prescribed by the, Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## **Opinions**

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

## **Emphasis of Matter**

### *Change in Accounting Principle*

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

## **Other Matters**

### *Required Supplementary Information*

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

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Northern Burlington County Regional School District's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular(s) 04-04 and/or 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

#### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 7, 2015 on our consideration of the Northern Burlington County Regional School 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 Northern Burlington Regional School District's internal control over financial reporting and compliance.

Respectfully submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
December 7, 2015

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**REQUIRED SUPPLEMENTARY INFORMATION - PART I**

**Management's Discussion and Analysis**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

The Discussion and Analysis (MD&A) of Northern Burlington County Regional School District's (the District) financial performance provides an overall review of the District financial activities for the fiscal year ended on June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance. Certain comparative information between the current fiscal year (2014-2015) and the prior fiscal year (2013-2014) is required and is presented in the MD&A.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2015 fiscal year are as follows:

- After eighteen months of working with New Jersey's Department of Education (NJDOE) and Assemblyman Ronald Dancer of the 12<sup>th</sup> legislative district, Superintendent Dr. James Sarruda Sarruda and Business Administrator Mr. Richard Kaz were pleased to see Assembly Bill 1286 pass in House of the New Jersey General Assembly on September 29, 2014. The bill passed at a margin of 71 – 0. Assembly bill 1286 authorizes local districts to establish a federal impact aid reserve account whereas a board of education may appropriate federal impact aid funds to a reserve in the district's annual budget or through a transfer by board resolution at the end of the year for withdrawal in any subsequent school year. The board may use federal impact aid funds to finance the district's general fund budget or school facilities projects.
- The Senate version of Assembly bill 1286 is Senate bill 2439. The bill was approved by the Senate on March 16, 2015.
- A-1286/S-2439 was signed by Gov. Chris Christie on May 7, 2015. The new law authorizes a school district that receives federal impact aid to establish a federal impact aid reserve account.
- In Fiscal Year 2010 Northern Burlington \$2.1 million in State Aid payments was withheld, or roughly 20 percent of the total state aid promised that fiscal year. The district appealed the withholding, arguing that \$1.67 million of its surplus was federal impact aid, and that federal law prohibits states from providing less aid to districts because of the federal aid they receive. A state appeals court ruled in Northern Burlington's favor, and the Department of Education reimbursed the district the \$1.67 million it had withheld. This money was received in Fiscal Year 2015 and deposited in the Northern Burlington's federal impact aid reserve account.
- Northern Burlington formally reserved \$3,070,959 of unanticipated Federal Impact Aid bringing the total reserve to \$5,116,126.
- During Fiscal Year 2015, Northern allocated \$123,510 of Federal Impact Aid funds to cover the purchase of Chrome Books and associated computer carts, along with capital improvements which included expansion of the track to eight lanes.
- The overall General Fund balance increased \$2,173,191 from the prior fiscal year to \$10,952,777.
- At the conclusion of the fiscal year, the district's Unassigned General Fund balance is \$772,804. The amount of unassigned general fund balance is absent two State aid payments for Fiscal Year 2015 that are traditionally paid in June but now paid in July. The absent State aid payments amount to \$1,155,828. If these two State aid payments were received or recorded as receivable at fiscal year-end June 30, 2015 then the unassigned general fund balance would be \$1,928,632. Please note that Chapter 73, Public Law of 2004 ("S1701") limits the amount of unassigned fund balance to 2% of the adjusted 2015 General Fund Expenditures plus allowable adjustments or \$4,824,168.
- During Fiscal Year 2015, Northern transferred \$175,423 into the Capital Reserve account to fund future Capital expenditures of the District
- The Food Service Enterprise Fund is reporting a net change in position of \$(28,797) due to various capital improvements made during the fiscal year. The enterprise fund balance is \$224,063. This fund continues to be self-sustaining.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

**Using this Comprehensive Annual Financial Report (CAFR)**

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

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing of service that can be provided by the governmental along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Northern Burlington County Regional School District, the general fund is by far the most significant fund.

**Reporting the School District as a Whole**

**Statement of Net Position and the Statement of Activities**

This document contains the large number of funds used by the District to provide programs and activities. The view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. These bases of accounting takes into account 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 those assets. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the District has improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and others.

In the Statement of Net Position and the Statement of Activities, the school district is divided into two distinct kinds of activities:

- ◆ Governmental Activities – All of the District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation, and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis in order to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. The District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

**Governmental Funds**

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

**Proprietary Funds**

The District maintains four proprietary fund types, enterprise funds. The enterprise 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 is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in the District's middle and high schools. The transportation services enterprise fund provides for the operation of a transportation system that provides transportation services to three school districts within the regional system. Likewise, the technology fund provides for shared technology services such as computer technicians and Internet access to three school districts within the regional system. The proprietary funds have been included within the business-type activities in the government-wide financial statements.

**Fiduciary funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside the government entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for payroll transactions, student activities, retirement trust, and for the District's unemployment trust fund.

**Notes to the Government-wide Financial Statements**

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found after the fund financial statements in this report.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the school district as a whole. Net position may serve over time as a useful indicator of a government'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.

As described in Note 1 to the financial statements "Change in Accounting Principal", the District has adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. The adoption of this principal resulted in a restatement of the District's opening net position as of July 1, 2014 in the amount of \$(9,774,214), as indicated in Note 18 to the financial statements. Prior year balances reflected in the MD&A have not been updated to reflect this change.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

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

<b>Table 1</b>				
<b>Net Position</b>				
<b>As of June 30, 2015</b>				
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>	
	<u><b>2015</b></u>	<u><b>2014</b></u>	<u><b>2015</b></u>	<u><b>2014</b></u>
<b>Assets</b>				
Current and Other Assets	\$ 11,971,331	\$ 9,155,351	\$ 553,669	\$ 261,759
Capital Assets, Net	34,736,953	36,324,735	139,860	170,424
<b>Total Assets</b>	<u>46,708,284</u>	<u>45,480,086</u>	<u>693,529</u>	<u>432,183</u>
<b>Deferred Outflows</b>				
Deferred Charges on Refunding of Debt	329,791	350,842	-	-
Deferred Outflows Related to Pensions	713,844	-	-	-
<b>Total Deferred Outflows</b>	<u>1,043,635</u>	<u>350,842</u>	<u>-</u>	<u>-</u>
<b>Liabilities</b>				
Long-term Liabilities	28,276,007	20,817,878	-	-
Other Liabilities	1,047,603	357,206	215,638	5,294
<b>Total Liabilities</b>	<u>29,323,610</u>	<u>21,175,084</u>	<u>215,638</u>	<u>5,294</u>
<b>Deferred Inflows</b>				
Deferred Inflows Related to Pension	1,021,975	-	-	-
<b>Total Deferred Inflows</b>	<u>1,021,975</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Position</b>				
Net Investment in capital assets	18,425,737	17,957,455	139,860	170,424
Restricted	11,028,010	2,694,782	-	-
Unrestricted	(12,047,413)	4,354,449	338,031	256,465
<b>Total Net Position</b>	<u>\$ 17,406,334</u>	<u>\$ 25,006,686</u>	<u>\$ 477,891</u>	<u>\$ 426,889</u>

The District's combined net position was \$17,884,225 on June 30, 2015. This was a decrease of \$8,027,241 or 30.39% from the prior year.

The District's largest item of net position is the \$18,425,737 portion of net position shown above that is buildings, equipment, and other net investments in capital assets. Restricted represents resources that are subject to external restrictions on how they may be used. These accounts include Capital Reserve, Capital Projects Funds, and Debt Service Fund. Unrestricted net position is any remaining funds not included in capital assets and restricted net positions.

The beginning net position for the district's governmental activities was restated at the beginning of the year from \$25,006,686 to \$15,232,472. This restatement was the cumulative effect of a change in accounting principle as a result of implementing GASB Statement 68, *Accounting and Financial Reporting for Pensions*.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

Table 2 shows the changes in net position from fiscal year 2015 and fiscal year 2014.

<b>Table 2 Changes in Net Position</b>					
<b>Revenues</b>	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>	
<b>Program revenues</b>					
Operating grants and contributions	\$ 6,943,041	\$ 1,240,694	\$ 173,032	\$ 171,873	
Charges for Services	166,593	175,667	1,735,464	1,584,154	
<b>General revenues</b>					
Property taxes	19,993,700	19,324,785	-	-	
State and Federal Aid	16,525,759	15,979,507	-	-	
Other charges	(1,312,606)	391,121	-	-	
<b>Total Revenues</b>	<b>42,316,487</b>	<b>37,111,774</b>	<b>1,908,496</b>	<b>1,756,027</b>	
<b>Expenses</b>					
Governmental Activities:					
Instruction:					
Regular	\$ 9,486,398	\$ 8,902,718	-	-	
Special Education	2,450,328	2,301,724	-	-	
Other Special Instruction	81,612	267,606	-	-	
Other Instruction	1,543,266	1,492,982	-	-	
Transfer of Funds to Charter Schools	-	-	-	-	
Support Services:					
Tuition	1,442,300	1,309,562	-	-	
Attendance & Social Work Services	179,256	149,994	-	-	
Health Services	345,076	321,523	-	-	
Student & Instruction Related Services	3,017,555	2,816,716	-	-	
Educational Media Services/School Library	196,039	164,586	-	-	
Instructional Staff Training	246,700	243,444	-	-	
School Administrative Services	1,112,411	1,077,495	-	-	
Central Services	433,347	431,114	-	-	
Administrative Information Technology	56,410	60,899	-	-	
Other Administrative Services	572,815	649,771	-	-	
Plant Operations & Maintenance	3,132,914	3,204,197	-	-	
Pupil Transportation	2,050,359	2,004,656	-	-	
Unallocated Benefits	11,584,527	8,028,599	-	-	
Interest on Long-Term Debt	736,902	865,093	-	-	
Cancellation of Accounts Receivable	-	-	-	-	
Unallocated Depreciation	1,474,410	1,403,796	-	-	
Food Service	-	-	1,857,494	1,930,394	
<b>Total Expenses</b>	<b>40,142,625</b>	<b>35,696,475</b>	<b>1,857,494</b>	<b>1,930,394</b>	
Net Increase (Decrease) in Net Position	2,173,862	1,415,299	51,002	(174,367)	
<b>Net Position - Beginning</b>	<b>15,232,472</b>	<b>23,713,524</b>	<b>426,889</b>	<b>601,256</b>	
<b>Cumulative effect of change in accounting principle</b>	<b>-</b>	<b>(122,137)</b>	<b>-</b>	<b>-</b>	
<b>Net Position, Beginning, as restated</b>	<b>15,232,472</b>	<b>23,591,387</b>	<b>426,889</b>	<b>601,256</b>	
<b>Net Position, Ending</b>	<b>\$ 17,406,334</b>	<b>\$ 25,006,686</b>	<b>\$ 477,891</b>	<b>\$ 426,889</b>	

Property taxes made up 47.25% of revenues for governmental activities for the Northern Burlington County Regional School District for fiscal year 2015 and 52.07% of revenues for fiscal year 2014. Property tax revenues increased \$668,915 which is a 3.46% increase over the prior year. The increase was within the State mandated cap of 2% on property tax increases exclusive of cap adjustments for health care costs and bank cap. The District's total revenues for governmental activities were \$42,316,487 for the year ended June 30, 2015. Federal, state and local grants accounted for another 39.05% of revenue.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

**Governmental Activities**

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

<u>Governmental Activities:</u>	<u>Source</u>	<u>2015</u>		<u>2014</u>	
		Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:					
Regular	A-2	\$ 9,486,398	\$ 9,319,805	\$ 8,902,718	\$ 8,727,051
Special Education	A-2	2,450,328	1,904,826	2,301,724	1,822,095
Other Special Education	A-2	81,612	81,612	267,606	267,606
Other Instruction	A-2	1,543,266	1,543,266	1,492,982	1,492,982
Support Services & Undistributed Costs:					
Tuition	A-2	1,442,300	1,442,300	1,309,562	1,309,562
Attendance & Social Work Services	A-2	179,256	179,256	149,994	149,994
Health Services	A-2	345,076	345,076	321,523	321,523
Student & Instruction Related Services	A-2	3,017,555	2,991,002	2,816,716	2,774,901
Educational Media Services/School Library	A-2	196,039	196,039	164,586	164,586
Instructional Staff Training	A-2	246,700	246,700	243,444	243,444
School Administrative Services	A-2	1,112,411	1,112,411	1,077,495	1,077,495
Central Services	A-2	433,347	433,347	431,114	431,114
Administrative Information Technology	A-2	56,410	56,410	60,899	60,899
Other Administrative Services	A-2	572,815	572,815	649,771	649,771
Plant Operations & Maintenance	A-2	3,132,914	3,132,914	3,204,197	3,204,197
Pupil Transportation	A-2	2,050,359	2,050,359	2,004,656	2,004,656
Unallocated Benefits	A-2	11,584,527	5,928,316	8,028,599	8,028,599
Interest on Long-Term Debt	A-2	736,902	22,127	865,093	145,843
Unallocated Depreciation (Excludes Direct Expenses)	A-2	1,474,410	1,474,410	1,403,796	1,403,796
<b>Total Governmental Activities</b>		<b><u>\$ 40,142,625</u></b>	<b><u>\$ 33,032,991</u></b>	<b><u>\$ 35,696,475</u></b>	<b><u>\$ 34,280,114</u></b>

- ❖ Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.
- ❖ Support Services include the activities involved with assisting staff with the content and process of teaching to students, including child study team services, curriculum and staff development and extraordinary services.
- ❖ School administration, central services and other administrative services include expenses associated with administrative and financial supervision of the District.
- ❖ Plant Operations and maintenance involve keeping the school grounds, buildings, and equipment in effective working condition.
- ❖ Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.
- ❖ Unallocated benefits include employee health benefits, social security, local and state share of pension costs, workmen's compensation insurance, tuition reimbursement, etc.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

- ❖ Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to District debt.

Increase/decrease in Government-wide and fund statements:

-  Regular Instruction- increase in teachers
-  Other Instruction – increase in vocational, co-curricular & athletic instruction
-  Tuition – increase in students and services for the special services school
-  Other Administrative Services – decrease in administrative salaries and professional services
-  Student & Instruction Related Services – increase in support and extra services
-  Plant and Operations – increase in cost of utilities
-  Unallocated Benefits – increase in health benefits premiums
-  Capital Outlay – increase in instructional equipment

**The School District's Funds**

All governmental funds (i.e., 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 \$41,033,279 and expenditures were \$39,110,088. The net positive changes in fund balance for the year were in the general fund which showed an increase of \$2,173,191. 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.

<b>Table 4 Summary of Governmental Fund Revenues</b>				
	Year Ended June 30, 2015	Year Ended June 30, 2014	Amount of Increase (Decrease)	Percent Increase (Decrease)
<b>REVENUES</b>				
Local sources:				
Local Tax Levy	\$ 19,993,700	\$ 19,324,785	\$ 668,915	3.5%
Tuition	166,593	175,667	(9,074)	-5.2%
Transportation	106,099	117,623	(11,524)	-9.8%
Miscellaneous	<u>200,276</u>	<u>93,651</u>	<u>106,625</u>	<u>113.9%</u>
Total - Local Sources	<u>20,466,668</u>	<u>19,711,726</u>	<u>754,942</u>	<u>3.8%</u>
Federal Sources	4,544,075	1,417,894	3,126,181	220.5%
State Sources	<u>16,022,536</u>	<u>15,802,307</u>	<u>(220,229)</u>	<u>-1.4%</u>
Total - Govt Sources	<u>20,566,611</u>	<u>17,220,201</u>	<u>2,905,952</u>	<u>14.1%</u>
<b>Total Revenues</b>	<u>\$ 41,033,279</u>	<u>\$ 36,931,927</u>	<u>\$ 4,101,352</u>	<u>11.1%</u>

Revenues were up \$4,101,352 or 11.1% over the prior year, mostly due to increases in impact aid receipts.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

	Year Ended June 30, 2015	Year Ended June 30, 2014	Amount of Increase/ (Decrease)	Percent Increase/ (Decrease)
Current:				
Regular Instruction	\$ 9,454,824	\$ 8,927,326	\$ 527,498	5.91%
Special Education Instruction	2,450,328	2,301,724	\$ 148,604	6.46%
Other Instruction	1,624,878	1,760,588	\$ (135,710)	-7.71%
Support Services and Undistributed Costs:			\$ -	
Tuition	1,442,300	1,309,562	\$ 132,738	10.14%
Student & Instruction Related Services	3,984,626	3,696,263	\$ 288,363	7.80%
School Administrative Services	1,602,168	1,569,508	\$ 32,660	2.08%
General Administrative Services	572,815	632,889	\$ (60,074)	-9.49%
Plant Operations and Maintenance	3,132,914	3,204,197	\$ (71,283)	-2.22%
Pupil Transportation	2,050,359	2,004,656	\$ 45,703	2.28%
Unallocated Benefits	8,464,319	7,799,785	\$ 664,534	8.52%
Debt Service	2,824,948	2,827,898	\$ (2,950)	-0.10%
Capital Outlay	<u>1,505,609</u>	<u>1,139,958</u>	<u>\$ 365,651</u>	<u>32.08%</u>
Total Expenditures	<u>\$ 39,110,088</u>	<u>\$ 37,174,354</u>	<u>\$ 1,935,734</u>	<u>5.21%</u>

Expenditures were up \$1,935,734 or an increase of 5.21% over the prior year. This increase is attributed to a significant increase in health care, increase in the District's special needs population and ancillary services, and the track widening project that expands the track to eight lanes from six lanes.

In 2003, P.L. 2003, c.97 provided that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides the legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes the liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the District cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

In 2015, due to severe budget issues at the state level, the Governor withheld the second state aid payment, in the same manner as was done in 2003 which is explained above, which totals \$1,155,828.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

Table 6 highlights various significant budgetary variations for the 2014-15 school year.

<b>Table 6 Fiscal Year 2015 Highlights of Significant Budgetary Variations</b>							
<b>Account Description</b>	<b>Account Number</b>	<b>Original Budget</b>	<b>Budget Transfers</b>	<b>Final Budget</b>	<b>Actual</b>	<b>Over/ (Under)</b>	<b>Explanation</b>
Tuition	10-1300	142,867	-	142,867	166,593	23,726	See Schedule \$1,672,507 State aid, \$120,468 DOD, \$471,400 FY '15, \$446,777 FY '13 & \$473,707 FY '12
Impact Aid	10-4100	814,677	-	814,677	388,678	3,074,001	
School Choice	10-3116	406,798	-	406,798	340,382	(66,416)	Change in Funding & Pre-enrollment
Extraordinary Aid	10-3xxx	-	-	-	267,825	267,825	Not included in budget
Educational Services	11-190-100-310	4,150	228,704	232,854	228,280	4,574	Sub-teachers budgeted under salaries
General Supplies	11-190-100-610	479,266	455,313	934,579	850,952	83,627	Chromebooks
Purchased Services	11-213-100-320	111,906	27,898	139,804	129,858	9,946	Sub-teachers budgeted under salaries High jump & pole vault equipment, football uniforms
Supplies and Materials	11-402-100-600	130,557	53,279	183,836	157,329	26,507	ACA
Purchased Services	11-000-217-320	952,083	(176,258)	775,825	719,711	56,114	Track widening, tennis courts, traffic study, referendum
Architectural/Engineering Services	11-000-230-334	-	96,995	96,995	48,299	48,696	
Principals	11-000-240-103	690,373	(82,618)	607,755	552,590	55,165	Reclassification of AP to Director
Salaries of Other Prof. Staff	11-000-240-104	200,026	82,618	282,644	282,644	-	Reclassification of AP to Director
Supplies and Materials	11-000-240-600	6,200	60,814	67,014	50,564	16,450	Student desks
Cleaning, Repair & Maintenance Services	11-000-261-420	262,434	160,358	422,792	347,786	75,006	\$32k Casework & \$27k metal shop painting contract
Other Purchased & Technical Services	12-000-400-390	-	332,040	332,040	36,264	295,776	Ground soil remediation
Construction Services	12-000-400-450	-	561,760	561,760	561,760	-	Track widening and tennis courts

**Proprietary Funds**

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Food Service Enterprise Fund's net position decreased by \$28,797 over that of the 2013-14 school year, from \$252,860 to \$224,063. The food services program continues to be self-sustaining.

The Regional Transportation Enterprise Fund's net position increased by \$39,532 over that of the 2013-14 school year, from \$2,950 to \$42,482.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

**Capital Assets**

At the end of the fiscal year 2015, the school district had \$34,736,953 invested in land, buildings and improvements and machinery and equipment. Table 7 shows fiscal 2015 balances compared to 2014.

<b>Table 7</b>			
<b>Capital Assets</b>			
<b>Governmental Activities</b>			
	<u>2015</u>	<u>2014</u>	
Building & Bldg Improvements	\$ 41,932,678	\$ 42,150,309	
Machinery and Equipment	7,291,279	6,552,653	
Construction in Progress	-	1,640,796	
Land	640,900	640,900	
Land Improvements	<u>5,567,527</u>	<u>4,951,424</u>	
Total Capital Assets	55,432,384	55,936,082	
Less: Accumulated Depreciation	<u>(20,695,431)</u>	<u>(19,611,347)</u>	
<b>Net Capital Assets</b>	<b><u>\$ 34,736,953</u></b>	<b><u>\$ 36,324,735</u></b>	

Overall, the capital assets decreased \$1,587,782 from fiscal year 2014 to fiscal year 2015. The decrease in net position is due to the depreciation of assets exceeding new asset purchases. For more detailed information, please refer to Note 6 in the Notes to the Basic Financial Statements.

**Debt Administration**

As of June 30, 2015 the District had \$17,881,324 of outstanding debt. Of this amount, \$1,055,638 is for compensated absences, \$414,686 is for capital lease and the balance of \$16,411,000 is for bonds for school construction.

At June 30, 2015, the District's overall legal debt limit was \$77,448,674. For more detailed information, please refer to Note 7 in the Notes to the Basic Financial Statements. Following is a listing of all bond issues for which the District is currently paying debt service.

	<u>Date of Issue</u>	<u>Original Amount of Issue</u>	<u>Balance Remaining</u>
School Refunding	10/1/2001	\$11,750,000	\$2,265,000
School Refunding	11/2/2006	\$15,205,000	\$12,90,000
School Bonds	6/17/2009	\$2,731,000	\$1,956,000

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

**For the Future**

It is the opinion of the Superintendent and Business Administrator that the Northern Burlington County Regional School District has historically maintained and continues to maintain a strong financial position. The District anticipates that the approved 2014-2015 budget will be adequate to satisfy all financial needs of the 2014-2015 school year, barring any significant unexpected situations or conditions unforeseen at this time.

The Northern Burlington County Regional School District, along with many other public school districts in the state faces a difficult economic future since the primary sources of funding are property tax revenue and state aid. As a result, the financial well-being of the District is tied in large measure to the actions of the state legislature. Significant cuts in state funding and/or restrictions on the growth rate of the local property tax levy could have a substantial impact on the District's programs and services. The growth rate on local property taxes is restricted to 2%.

With the continued concern of property taxes it is important to highlight the areas of either shared services or buying cooperatives in an effort to reduce expenses. These areas include sharing services with elementary school district constituents in busing, transportation routing, fuel, instructional assistants and technology including E-rate services. The District continues to participate in reverse energy auctions to procure competitive natural gas and electric supply pricing. The District belongs to a handful of purchasing cooperatives recognizing efficiency and cost savings on technology, paper, office supplies, capital assets and equipment. Further, the District is self-insured through a Joint Insurance Fund for workers compensation insurance, legal liability insurance, property and auto insurance. For Fiscal Year 2015 the District renewed its' shared services agreement with the Mansfield Township Police Department for vehicle maintenance of their police vehicles. Further, the District entered into shared service agreements with Hainesport Township Elementary School District for Technology services and Westampton Township Elementary School District for Social Worker services.

The Northern Burlington County Regional School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting and internal financial controls are well regarded. The District plans to continue its sound fiscal management practices to meet the challenges of the future. **Correspondingly, we are pleased to report that the district was awarded the Certificate of Excellence (COE) in Financial Reporting for the fiscal year ended June 30, 2014 from the Association of School Business Officials International (ASBO).** For many years, ASBO's Certificate of Excellence in Financial Reporting Program has been the "gold standard" for school districts wanting to demonstrate superior accounting practices and reporting procedures to the communities they serve.

During Fiscal Year 2014 Northern Burlington opened a 5,000 square foot Transportation Center that provides 3 repair bays, department offices and a drivers' training center. The project was funded by Enterprise Funds and Federal Impact Aid. The Center has created shared service opportunities whereas Northern Burlington is now maintaining vehicles of local law enforcement and elementary constituent districts.

Also, the school district upgraded its infrastructure by rewiring the entire high school for digital security cameras. The district continues to upgrade the wiring in the middle school for digital security cameras. Fifteen digital security cameras were installed. While it appears the Fiscal Year 2016 budget cannot afford any capital improvements the Board of Education is desirous of upgrading security cameras on the school campus and expanding coverage. A strategic plan for the replacement of analog security cameras and expansion of digital security cameras has been developed.

The Building and Grounds Committee reviewed and presented to the full Board, the Comprehensive Feasibility report completed by the district's architect and mechanical engineer. Simultaneously the educational specifications were adopted and a Building Excellence referendum scheduled for September 29, 2015 was approved by the Board.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
COLUMBUS, NJ**

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

The Board's bond referendum was divided into two questions, totaling \$65 million. The question sought approval to borrow \$53.9 million to cover construction of a school addition that comprised of an up-to-date media center and an auditorium that connects the east and west buildings of the high school. The building project also includes roof replacement, electrical and heating, ventilation and air-conditioning improvements. The building project qualified for approximately \$15.5 million of reimbursement by the New Jersey Department of Education. The second question asked residents to approve \$11.5 million to construct a new high school gymnasium.

The referendum failed and the Board is currently meeting with district residents to determine how to proceed with capital projects needed on the 55+ year high school building, as well as the need for additional parking. It is Board's intention to revise the Building Excellence referendum project and present a revised ballot question for the November 2016 general election. In order to alleviate an increase in the debt service tax levy the Board is attempting to present the building project in conjunction with the expiration of debt in 2017.

**Requests for Information**

This financial report is designed to provide a general overview of the Northern Burlington County Regional School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary at the Northern Burlington County Regional High School, located at 160 Mansfield East, Columbus, New Jersey 08022.

## **BASIC FINANCIAL STATEMENTS**

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**A. Government-Wide Financial Statements**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2015**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS <u>JUNE 30,</u> 2015
Cash & Cash Equivalents	\$ 11,414,231	\$ 529,541	\$ 11,943,772
Receivables, Net	373,492	15,363	388,855
Internal Balances	183,608	-	183,608
Inventory	-	8,765	8,765
Capital Assets, Non-Depreciable (Note 6)	2,281,696	-	2,281,696
Capital Assets, Depreciable, Net (Note 6)	32,455,257	139,860	32,595,117
<b>Total Assets</b>	<b>46,708,284</b>	<b>693,529</b>	<b>47,401,813</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Deferred Charges on Refunding of Debt	329,791	-	329,791
Deferred Outflows Related to Pensions	713,844	-	713,844
<b>Total Deferred Outflow of Resources</b>	<b>1,043,635</b>	<b>-</b>	<b>1,043,635</b>
<b>Total Assets and Deferred Outflow of Resources</b>	<b>47,751,919</b>	<b>693,529</b>	<b>48,445,448</b>
<b>LIABILITIES</b>			
Accounts Payable	339,243	27,706	366,949
Accrued Interest Expense	271,231	-	271,231
Intergovernmental Payable	3,990	-	3,990
Unearned Revenue	2,707	6,474	9,181
Internal Balances	-	181,458	181,458
PERS Pension Payable	430,432	-	430,432
Noncurrent Liabilities (Note 7):			
Due Within One Year	1,527,771	-	1,527,771
Due Beyond One Year	26,748,236	-	26,748,236
<b>Total Liabilities</b>	<b>29,323,610</b>	<b>215,638</b>	<b>29,539,248</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred Inflows Related to Pensions	1,021,975	-	1,021,975
<b>Total Deferred Inflow of Resources</b>	<b>1,021,975</b>	<b>-</b>	<b>1,021,975</b>
<b>Total Liabilities and Deferred Inflow of Resources</b>	<b>30,345,585</b>	<b>215,638</b>	<b>30,561,223</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	18,425,737	139,860	18,565,597
Restricted For:			
Capital Projects	672,614	-	672,614
Other Purposes	10,355,396	-	10,355,396
Unrestricted	(12,047,413)	338,031	(11,709,382)
<b>Total Net Position</b>	<b>\$ 17,406,334</b>	<b>\$ 477,891</b>	<b>\$ 17,884,225</b>

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	
Governmental Activities:						
Instruction:						
Regular	\$ 9,486,398	\$ 166,593	\$ -	(9,319,805)	-	(9,319,805)
Special Education	2,450,328	-	545,502	(1,904,826)	-	(1,904,826)
Other Special Instruction	81,612	-	-	(81,612)	-	(81,612)
Other Instruction	1,543,266	-	-	(1,543,266)	-	(1,543,266)
Support Services & Undistributed Costs:						
Tuition	1,442,300	-	-	(1,442,300)	-	(1,442,300)
Attendance & Social Work Services	179,256	-	-	(179,256)	-	(179,256)
Health Services	345,076	-	-	(345,076)	-	(345,076)
Student & Instruction Related Services	3,017,555	-	26,553	(2,991,002)	-	(2,991,002)
Educational Media Services/School Library	196,039	-	-	(196,039)	-	(196,039)
Instructional Staff Training	246,700	-	-	(246,700)	-	(246,700)
School Administrative Services	1,112,411	-	-	(1,112,411)	-	(1,112,411)
Central Services	433,347	-	-	(433,347)	-	(433,347)
Administrative Information Technology	56,410	-	-	(56,410)	-	(56,410)
Other Administrative Services	572,815	-	-	(572,815)	-	(572,815)
Plant Operations & Maintenance	3,132,914	-	-	(3,132,914)	-	(3,132,914)
Pupil Transportation	2,050,359	-	-	(2,050,359)	-	(2,050,359)
Unallocated Benefits	11,584,527	-	5,656,211	(5,928,316)	-	(5,928,316)
Interest on Long-Term Debt and Other Charges	736,902	-	714,775	(22,127)	-	(22,127)
Unallocated Depreciation (Excludes Direct Expenses)	1,474,410	-	-	(1,474,410)	-	(1,474,410)
Total Governmental Activities	40,142,625	166,593	6,943,041	(33,032,991)	-	(33,032,991)

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Business-Type Activities:						
Food Service	777,411	575,582	173,032	-	(28,797)	(28,797)
Regional Transportation	744,999	784,531	-	-	39,532	39,532
Adult Schools	52,073	81,394	-	-	29,321	29,321
Technologies	283,011	293,957	-	-	10,946	10,946
Total Business-Type Activities	1,857,494	1,735,464	173,032	-	51,002	51,002
Total Primary Government	\$ 42,000,119	\$ 1,902,057	\$ 7,116,073	(33,032,991)	51,002	(32,981,989)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				17,983,527	-	17,983,527
Taxes Levied for Debt Service				2,010,173	-	2,010,173
Federal & State Aid Not Restricted				16,525,759	-	16,525,759
Loss on Adjustment to Capital Assets				(1,618,981)	-	(1,618,981)
Miscellaneous Income				306,375	-	306,375
Total General Revenues, Special Items & Extraordinary Items				35,206,853	-	35,206,853
Change In Net Position				2,173,862	51,002	2,224,864
Net Position - Beginning, as restated				15,232,472	426,889	15,659,361
Net Position - Ending				\$ 17,406,334	\$ 477,891	\$ 17,884,225

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**B. Fund Financial Statements**

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## **Governmental Funds**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**BALANCE SHEET**  
**JUNE 30, 2015**

						<u>TOTALS</u>
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	JUNE 30, 2015	
<b>ASSETS &amp; OTHER DEBITS</b>						
Cash & Cash Equivalents	\$ 8,740,595	\$ -	\$ 672,614	\$ -	\$ 9,413,209	
Accounts Receivable:						
Federal Aid	-	34,469	-	-	34,469	
State Aid	317,840	2,328	-	-	320,168	
Interfund	183,608	-	-	-	183,608	
Other	18,855	-	-	-	18,855	
Restricted Cash	2,026,354	-	-	-	2,026,354	
	<hr/>					
Total Assets	\$ 11,287,252	\$ 36,797	\$ 672,614	\$ -	\$ 11,996,663	
	<hr/>					
<b>LIABILITIES &amp; FUND BALANCES</b>						
<b>Liabilities:</b>						
Cash Deficit	\$ -	\$ 25,332	\$ -	\$ -	\$ 25,332	
Accounts Payable	334,475	4,768	-	-	339,243	
Intergovernmental Payable:						
State	-	3,990	-	-	3,990	
Unearned Revenue	-	2,707	-	-	2,707	
	<hr/>					
Total Liabilities	334,475	36,797	-	-	371,272	
	<hr/>					
<b>Fund Balances:</b>						
<b>Restricted for:</b>						
Capital Reserve Account	2,101,822	-	-	-	2,101,822	
Capital Projects Fund	-	-	672,614	-	672,614	
Federal Impact Aid Reserve	5,116,126	-	-	-	5,116,126	
<b>Committed to:</b>						
Other Purposes	1,067,944	-	-	-	1,067,944	
Remediation of Ground Water	395,500	-	-	-	395,500	
<b>Assigned to:</b>						
Designated for Subsequent Year's Expenditures	1,674,004	-	-	-	1,674,004	
Unassigned Fund Balance	597,381	-	-	-	597,381	
	<hr/>					
Total Fund Balances	10,952,777	-	672,614	-	11,625,391	
	<hr/>					
Total Liabilities & Fund Balances	\$ 11,287,252	\$ 36,797	\$ 672,614	\$ -		
	<hr/>					

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$55,432,384 and the accumulated depreciation is \$20,695,431.	34,736,953
Accrued interest payable and PERS pension payable are not recorded in the fund Financial Statements due to the fact that the payables are not due in the period.	(701,663)
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	21,660
Long-term liabilities, including bonds payable, compensated absences payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(28,276,007)</u>
Net Position of Governmental Activities	<u>\$ 17,406,334</u>

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**GOVERNMENTAL FUNDS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**FOR FISCAL YEAR ENDED JUNE 30, 2015**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2015
Revenues:					
Local Sources:					
Local Tax Levy	\$ 17,983,527	\$ -	\$ -	\$ 2,010,173	\$ 19,993,700
Tuition	166,593	-	-	-	166,593
Transportation	106,099	-	-	-	106,099
Miscellaneous	193,677	6,599	-	-	200,276
Total Local Sources	<u>18,449,896</u>	<u>6,599</u>	<u>-</u>	<u>2,010,173</u>	<u>20,466,668</u>
State Sources	15,277,235	30,526	-	714,775	16,022,536
Federal Sources	4,009,145	534,930	-	-	4,544,075
Total Revenues	<u>37,736,276</u>	<u>572,055</u>	<u>-</u>	<u>2,724,948</u>	<u>41,033,279</u>
Expenditures:					
Current Expense:					
Instruction					
Regular Instruction	9,454,824	-	-	-	9,454,824
Special Education Instruction	1,904,826	545,502	-	-	2,450,328
Other Special Instruction	81,612	-	-	-	81,612
Other Instruction	1,543,266	-	-	-	1,543,266
Support Services					
Tuition	1,442,300	-	-	-	1,442,300
Attendance	179,256	-	-	-	179,256
Health Services	345,076	-	-	-	345,076
Student & Instruction Related Services	2,991,002	26,553	-	-	3,017,555
Educational Media Services/School					
Library	196,039	-	-	-	196,039
Instructional Staff Training	246,700	-	-	-	246,700
School Administrative Services	1,112,411	-	-	-	1,112,411
Central Services	433,347	-	-	-	433,347
Administrative Information Technology	56,410	-	-	-	56,410
Other Administrative Services	572,815	-	-	-	572,815
Plant Operations & Maintenance	3,132,914	-	-	-	3,132,914
Pupil Transportation	2,050,359	-	-	-	2,050,359
Employee Benefits	8,464,319	-	-	-	8,464,319
Capital Outlay	1,505,609	-	-	-	1,505,609
Debt Service:					
Principal	-	-	-	2,020,000	2,020,000
Interest & Other Charges	-	-	-	804,948	804,948
Total Expenditures	<u>35,713,085</u>	<u>572,055</u>	<u>-</u>	<u>2,824,948</u>	<u>39,110,088</u>
Excess/(Deficiency) of Revenues					
Over/(Under) Expenditures	<u>2,023,191</u>	<u>-</u>	<u>-</u>	<u>(100,000)</u>	<u>1,923,191</u>
Other Financing Sources/(Uses):					
Transfer from Enterprise Funds	-	-	-	-	-
Capital Leases (Nonbudgeted)	250,000	-	-	-	250,000
Transfers In	-	-	-	100,000	100,000
Transfers Out	(100,000)	-	-	-	(100,000)
Total Other Financing Sources & Uses	<u>150,000</u>	<u>-</u>	<u>-</u>	<u>100,000</u>	<u>250,000</u>
Net Change in Fund Balances	2,173,191	-	-	-	2,173,191
Fund Balances July 1, 2014	<u>8,779,586</u>	<u>-</u>	<u>672,614</u>	<u>-</u>	<u>9,452,200</u>
Fund Balances June 30, 2015	<u>\$ 10,952,777</u>	<u>\$ -</u>	<u>\$ 672,614</u>	<u>\$ -</u>	<u>\$ 11,625,391</u>

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS  
TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 2,173,191

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

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

Depreciation Expense	\$ (1,474,410)	
Adjustment to Fixed Assets	(1,618,981)	
Capital Outlays	1,505,609	(1,587,782)

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

Bonds	2,020,000	
Capital Leases	52,945	2,072,945

Repayment of annual other postemployment benefits is an expenditure in the governmental funds, but the repayment of benefits decreases long-term liabilities in the statement of net position and is not reported in the statement of activities.

Prior Year	1,075,692	
Current Year	(1,316,515)	(240,823)

In the governmental funds, Bond Proceeds and Capital Leases are reported as an other financing source. These leases are liabilities and are a reduction to the reconciliation.

Capital Lease Proceeds		(250,000)
------------------------	--	-----------

Amortization of losses on early extinguishments of debt and premiums from refunded debt issuances are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities.

Prior Year	(281,352)	
Current Year	264,471	(16,881)

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

Pension Expense - PERS Contribution - 2015	396,847	
Unfunded TPAF Pension Expense	(2,902,189)	
State Share of Unfunded TPAF Pension Expense	2,902,189	
Pension Expense	(374,043)	22,804

Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due.

Prior Year	303,213	
Current Year	(271,231)	31,982

Increase in compensated absences is not an expenditure in the governmental funds, but increases long-term liabilities in the statement of net position and is not reported in the statement of activities.

Prior Year	1,024,064	
Current Year	(1,055,638)	(31,574)

Change in Net Position of Governmental Activities \$ 2,173,862

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## **Proprietary Funds**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF NET POSITION  
 FOR FISCAL YEAR ENDED JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	JUNE 30, 2015
Current Assets:					
Cash & Cash Equivalents	\$ 73,106	\$ 223,940	\$ 141,674	\$ 90,821	\$ 529,541
Accounts Receivable:					
State	564	-	-	-	564
Federal	8,282	-	-	-	8,282
Miscellaneous	-	-	275	6,242	6,517
Inventories	8,765	-	-	-	8,765
Total Current Assets	90,717	223,940	141,949	97,063	553,669
Capital Assets:					
Equipment	446,325	-	-	-	446,325
Accumulated Depreciation	(306,465)	-	-	-	(306,465)
Total Capital Assets	139,860	-	-	-	139,860
Total Assets	230,577	223,940	141,949	97,063	693,529
Current Liabilities:					
Accounts Payable	40	-	45	27,621	27,706
Interfund Payable	-	181,458	-	-	181,458
Unearned Revenue	6,474	-	-	-	6,474
Total Current Liabilities	6,474	181,458	45	27,621	215,638
NET POSITION					
Net Investment in Capital Assets	139,860	-	-	-	139,860
Unrestricted	84,203	42,482	141,904	69,442	338,031
Total Net Position	\$ 224,063	\$ 42,482	\$ 141,904	\$ 69,442	\$ 477,891

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF REVENUES, EXPENSES AND CHANGES  
 IN FUND NET POSITION  
 FOR FISCAL YEAR ENDED JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS JUNE 30, 2015
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	
	Operating Revenue:				
Daily Sales - Reimbursable Programs:					
School Lunch Program	\$ 265,628	\$ -	\$ -		\$ 265,628
Total - Daily Sales - Reimbursable Programs	265,628	-	-	-	265,628
Daily Sales Nonreimbursable Programs	309,954	-	-	-	309,954
Transportation Fees	-	784,531	-	-	784,531
Fees	-	-	81,394	293,957	375,351
Total Operating Revenue	575,582	784,531	81,394	293,957	1,735,464
Operating Expenses:					
Salaries & Employee Benefits	304,868	358,146	50,747	222,590	936,351
Supplies and Materials	72,886	119,960	1,326	56,421	250,593
Depreciation	20,207	-	-	-	20,207
Management Fee	45,388	-	-	-	45,388
Contracted Services	-	256,402	-	-	256,402
Miscellaneous	21,047	10,491	-	4,000	35,538
Cost of Sales	313,015	-	-	-	313,015
Total Operating Expenses	777,411	744,999	52,073	283,011	1,857,494
Operating (Loss)/Gain	(201,829)	39,532	29,321	10,946	(122,030)
Nonoperating Revenues:					
State Sources:					
State School Lunch Program	6,437	-	-	-	6,437
Federal Sources:					
National School Lunch Program	134,705	-	-	-	134,705
Food Distribution Program	31,890	-	-	-	31,890
Total Nonoperating Revenues	173,032	-	-	-	173,032
Change in Net Position	(28,797)	39,532	29,321	10,946	51,002
Total Net Position - Beginning	252,860	2,950	112,583	58,496	426,889
Total Net Position - Ending	\$ 224,063	\$ 42,482	\$ 141,904	\$ 69,442	\$ 477,891

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
 PROPRIETARY FUNDS  
 STATEMENT OF CASH FLOWS  
 FOR FISCAL YEAR ENDED JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	JUNE 30, 2015
Cash Flows From Operating Activities:					
Receipts from Customers	\$ 600,289	\$ 785,026	\$ 81,119	\$ 287,715	\$ 1,754,149
Payments to Employees	(244,817)	(249,868)	(50,747)	(164,099)	(709,531)
Payments for Employee Benefits	(60,051)	(108,278)	-	(58,491)	(226,820)
Payments to Suppliers	(414,086)	(386,867)	(1,281)	(32,800)	(835,034)
Net Cash Provided/(Used) by Operating Activities	(118,665)	40,013	29,091	32,325	(17,236)
Cash Flows From Noncapital Financing Activities:					
Cash Received From State & Federal Reimbursements	132,296	-	-	-	132,296
Net Cash Provided by Noncapital Financing Activities	132,296	-	-	-	132,296
Cash Flows From Capital & Related Financing Activities:					
Purchase of Capital Assets	10,357	-	-	-	10,357
Net Cash Provided/(Used) by Capital & Related Financing Activities	10,357	-	-	-	10,357
Net Increase/(Decrease) in Cash & Cash Equivalents	23,988	40,013	29,091	32,325	125,417
Cash and Cash Equivalents, July 1	49,118	183,927	112,583	58,496	404,124
Cash & Cash Equivalents, June 30	\$ 73,106	\$ 223,940	\$ 141,674	\$ 90,821	\$ 529,541

RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

Cash Provided/(Used) by Operating Activities:					
Operating Income/(Loss)	\$ (201,829)	\$ 39,532	\$ 29,321	\$ 10,946	\$ (122,030)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:					
Depreciation Expense	20,207	-	-	-	20,207
Food Distribution Program	31,890	-	-	-	31,890
Increase/(Decrease) in Unearned Revenue	1,194	-	-	-	1,194
Change in Assets & Liabilities:					
(Increase)/Decrease in Inventory	6,320	-	-	-	6,320
(Increase)/Decrease in Interfund Receivable	-	-	-	-	-
Increase/(Decrease) in Accounts Payable	40	(14)	45	27,621	27,692
Decrease/(Increase) in Accounts Receivable	23,513	495	(275)	(6,242)	17,491
Total Adjustments	83,164	481	(230)	21,379	104,794
Net Cash Provided/(Used) by Operating Activities	\$ (118,665)	\$ 40,013	\$ 29,091	\$ 32,325	\$ (17,236)

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## **Fiduciary Fund**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE TRUST FUNDS	AGENCY FUNDS	<u>TOTALS</u> JUNE 30, 2015
Cash & Cash Equivalents	\$ 222,154	\$ 331,491	\$ 553,645
Total Assets	<u>222,154</u>	<u>331,491</u>	<u>553,645</u>
<b>LIABILITIES</b>			
Payroll Deductions & Withholdings	-	16,953	16,953
Due to General Fund	-	2,150	2,150
Due to Student Groups	-	312,388	312,388
Total Liabilities	<u>-</u>	<u>331,491</u>	<u>331,491</u>
<b>NET POSITION</b>			
Held in Trust For:			
Unemployment Claims	90,377	-	90,377
Retirement Claims	131,777	-	131,777
Total Net Position	<u>\$ 222,154</u>	<u>\$ -</u>	<u>\$ 222,154</u>

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

EXHIBIT B-8

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	PRIVATE PURPOSE TRUST FUNDS TRUST	TOTALS  JUNE 30, 2015
ADDITIONS:		
Contributions:		
Deductions From Employees' Salaries	\$ 29,508	\$ 29,508
Total Contributions	29,508	29,508
Investment Earnings:		
Interest on Investments	-	-
Total Investment Earnings	-	-
Total Additions	29,508	29,508
DEDUCTIONS:		
Unemployment Claims	10,728	10,728
Total Deductions	10,728	10,728
Change in Net Position	18,780	18,780
Net Position - Beginning of Year	203,374	203,374
Net Position - End of Year	\$ 222,154	\$ 222,154

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS**

**JUNE 30, 2015**

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# NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

### Note 1. Summary of Significant Accounting Policies

The financial statements of the Northern Burlington County Regional School District (the 'District') have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

#### **Reporting Entity**

The Northern Burlington County Regional School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The operations of the District include two schools located in Mansfield Township. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Northern Burlington County Regional School District has an approximate enrollment at June 30, 2015 of 2,148 students.

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

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

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

#### **Component Units**

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

#### **Government-Wide Financial Statements**

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

# NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

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

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

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

### **Governmental Fund Financial Statements**

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

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

### **Proprietary Fund Financial Statements**

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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

decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

**Fiduciary Fund Financial Statements**

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

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

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

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

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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

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

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

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

The District reports the following major governmental funds:

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

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

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

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

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

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

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

The District reports the following major proprietary funds:

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

**Regional Transportation Program** – This fund accounts for the revenues and expenses pertaining to the District’s transportation services provided to other districts.

**Evening School** – This fund accounts for the revenues and expenses pertaining to the District’s adult education evening school program.

**Technology Fund** – This fund accounts for the revenues and expenses pertaining to the District’s adult education evening school program.

Additionally, the District reports the following major fiduciary funds:

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

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

Retirement Trust Fund – There are no current year revenues or expenditures for this Trust Fund.

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

# NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2015

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

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

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

### **Budgets/Budgetary Control**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in *N.J.A.C.6A:23-1.2*. All budget amendments must be approved by School Board resolution.

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

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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

year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

**Encumbrances**

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

Open encumbrances in the special revenue fund for which the Northern Burlington County Regional School District has received advances are reflected in the balance sheet as deferred 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.

**Cash and Cash Equivalents**

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

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

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

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

**Tuition Payable/Receivable**

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

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

**Inventories**

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

**Short-Term Interfund Receivables/Payables**

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

**Capital Assets**

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

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

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

Buildings	20-50 Years
Machinery and Equipment	5-10 Years
Improvements	10-20 Years

**Compensated Absences**

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

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

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

**Unearned Revenue**

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

**Accrued Liabilities and Long-Term Obligations**

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

**Use of Estimates**

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

**Fund Balance**

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

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

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

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

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

**Net Position**

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

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

**Impact of Recently Issued Accounting Principles**

Recently Issued and Adopted Accounting Pronouncements

The GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement 27* effective for fiscal years beginning after June 15, 2014. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

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

**Bond Premiums, Discounts and Issuance Costs**

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

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

**Deferred Loss on Refunding Debt**

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

**Deferred Inflows/Outflows of Resources**

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

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

**Subsequent Events**

The Northern Burlington County Regional School District has evaluated subsequent events occurring after June 30, 2015 through the date of December 7, 2015, which is the date the financial statements were available to be issued.

**Pensions Section**

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2015, the District’s bank balance of \$13,363,108 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$	500,135
Collateralized by securities held by Pledging financial institution		11,956,161
Uninsured and uncollateralized		<u>906,812</u>
Total	\$	<u>13,363,108</u>

Investments

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

1. Bonds and other obligations of the United State or obligations guaranteed by the United States.
2. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank , which have a maturity date not greater than twelve months from the date of purchase.
3. New Jersey Cash Management Fund, New Jersey Asset and Rebate Management Fund and MBIA CLASS.

Custodial credit risk - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have custodial credit risk policies for investments.

Interest rate risk - This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit risk - Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure..

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 2. Cash Deposits and Investments (continued):**

Concentrations - The District places no limit in the amount the District may invest in any one issuer

The District did not hold any investments at June 30, 2015.

**Note 3. Capital Reserve Account**

A capital reserve account was established by the Northern Burlington County Regional School District by inclusion of \$10,000 on October 10, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning Balance, July 1 2014	\$ 2,022,168
Interest Earnings	4,231
Transfer In, as approved in June 2015	175,423
Anticipated in 2014-2015 Budget	<u>(100,000)</u>
Ending Balance, June 30 , 2015	<u>\$ 2,101,822</u>

**Note 4. Accounts Receivable**

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

	<b>General Fund</b>	<b>Special Revenue Fund</b>	<b>Proprietary Funds</b>	<b>Total</b>
State Aid	\$ 317,840	\$ 2,328	\$ 564	\$ 320,732
Federal Aid	-	34,469	8,282	42,751
Other	18,855	-	6,517	25,372
	<hr/>			
Total	\$ 336,695	\$ 36,797	\$ 15,363	\$ 388,855
	<hr/>			

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 5. Transfers to Capital Outlay**

During the year ending June 30, 2015 the District transferred \$1,489,184 to the capital outlay account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to *N.J.A.C.6A:23-8.4*.

**Note 6. Capital Assets**

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

	June 30, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	June 30, <u>2015</u>
<u>Non-Depreciable Assets</u>					
Land	\$ 640,900	\$ -	\$ -	\$ -	\$ 640,900
Construction in Progress	1,640,796	-	-	(1,640,796)	-
Total Non-Depreciable Assets	<u>2,281,696</u>	<u>-</u>	<u>-</u>	<u>(1,640,796)</u>	<u>640,900</u>
<u>Depreciable Assets</u>					
Land Improvements	4,951,424	616,103	-	-	5,567,527
Buildings	41,932,678	-	-	-	41,932,678
Machinery & Equipment	6,770,284	639,506	118,511	-	7,291,279
Subtotal	<u>55,936,082</u>	<u>1,255,609</u>	<u>118,511</u>	<u>(1,640,796)</u>	<u>55,432,384</u>
<u>Accumulated Depreciation</u>					
Land Improvements	(2,555,168)	(249,416)	-	-	(2,804,584)
Buildings	(11,800,554)	(855,404)	-	-	(12,655,958)
Machinery & Equipment	(5,255,625)	(369,590)	(118,511)	271,815	(5,234,889)
Subtotal	<u>(19,611,347)</u>	<u>(1,474,410)</u>	<u>(118,511)</u>	<u>271,815</u>	<u>(20,695,431)</u>
Total	<u>\$ 36,324,735</u>	<u>\$ (218,801)</u>	<u>\$ -</u>	<u>\$ (1,368,981)</u>	<u>\$ 34,736,953</u>

All depreciation will be shown as unallocated, unless it is otherwise broken out by function for governmental activities.

The following is a summary of proprietary fund type capital assets at June 30, 2015:

	June 30, <u>2014</u>	<u>Additions</u>	<u>Deletions</u>	June 30, <u>2015</u>
<u>Depreciable Assets</u>				
Machinery & Equipment	\$ 456,682	\$ -	\$ 10,357	\$ 446,325
Subtotal	<u>456,682</u>	<u>-</u>	<u>10,357</u>	<u>446,325</u>
<u>Accumulated Depreciation</u>				
Machinery & Equipment	(286,258)	(20,207)	-	(306,465)
Total	<u>\$ 170,424</u>	<u>\$ (20,207)</u>	<u>\$ 10,357</u>	<u>\$ 139,860</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 7. Long-Term Obligations**

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

	June 30, <u>2014</u>	<u>Increase</u>	<u>Decrease</u>	June 30, <u>2015</u>	Due Within <u>One Year</u>
GASB #45 - Other Post					
Employment Benefits	\$ 1,075,692	\$ 240,823	\$ -	\$ 1,316,515	\$ -
Bonds Payable	18,431,000	-	2,020,000	16,411,000	1,420,000
Capital Lease Payable	217,631	250,000	52,945	414,686	104,565
Net Pension Liability	9,774,214		761,367	9,012,847	-
Unamortized Bond Premium	69,491	-	4,170	65,321	4,169
Compensated Absences Payable	1,024,064	31,574	-	1,055,638	-
<b>Total</b>	<b>\$ 30,592,092</b>	<b>\$ 522,397</b>	<b>\$ 2,838,482</b>	<b>\$ 28,276,007</b>	<b>\$ 1,528,734</b>

**A. Bonds Payable:**

The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

On September 1, 2001, the Northern Burlington County Regional School District advance refunded prior bond issues. The District Issued \$11,750,000 of refunding school bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt of the District. This advance refunding was undertaken to reduce the debt service payments over the next 15 years. The interest rate is 5.25%.

On November 2, 2006, the Northern Burlington County Regional School District advance refunded a portion of the 2002 school bonds. The District Issued \$15,205,000 of refunding school bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt of the District. This advance refunding was undertaken to reduce the debt service payments over the next 25 years by \$874,755 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$564,401. The interest rate ranges from 3.50% - 5.00%.

On June 17, 2009, the Northern Burlington County Regional School District issued \$2,731,000 in school bonds in order to undertake improvements and renovations to the Northern Burlington County Regional High School. The interest rate ranges from 3.00% - 4.50%.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 7. Long-Term Obligations (continued):**

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

Year-ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,080,000	\$ 704,698	\$ 2,784,698
2017	2,101,000	603,893	2,704,893
2018	975,000	498,900	1,473,900
2019	975,000	452,763	1,427,763
2020	985,000	413,925	1,398,925
2021-2025	4,850,000	1,478,250	6,328,250
2026-2030	3,725,000	593,199	4,318,199
2031	720,000	25,200	745,200
Total	<u>\$ 16,411,000</u>	<u>\$ 4,770,828</u>	<u>\$ 21,181,828</u>

**B. Compensated Absences:**

The compensated absences will be paid from the fund from which the employees' salaries are paid. All compensated absence payments are made from the general fund.

**C. Capital Leases Payable**

The school district approved a lease during the 2012/2013 school year to lease 4 school buses with a total purchase price of \$284,529 with lease terms of 5 years at a 1.82% fixed interest rate. During the 2015/2015 school year, the District approved an additional school bus lease with a total purchase price of \$261,754 with lease terms of 5 years at a 1.999% fixed interest rate. The General Fund has typically been used in prior years to liquidate capital leases. The following is a schedule of future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2015 :

Year-ending <b>June 30,</b>	Amount
2016	\$ 109,257
2017	109,257
2018	109,257
2019	52,351
2020	<u>52,351</u>
Total Minimum Lease Payments	432,473
Less: Amount Representing Interest	<u>(17,787)</u>
Present Value of Lease Payments	<u>\$ 414,686</u>

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

Note 8. Pension 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/annrprts.shtml](http://www.state.nj.us/treasury/pensions/annrprts.shtml).

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/5 5th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Basis of Presentation** - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating

employers. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

**Contributions** - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

**Three-Year Trend Information for PERS**

<b>Year Funded</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/2015	\$ 396,847	100%	\$ 9,012,847
6/30/2014	385,343	100%	9,774,214
6/30/2013	394,685	100%	-

**Components of Net Pension Liability** - At June 30, 2015, the District reported a liability of \$9,012,847 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014, was .04814%, which was an decrease of .00300% from its proportion measured as of June 30, 2013.

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

	<u>6/30/2015</u>	<u>6/30/2014</u>
	July 1, 2014	July 1, 2013
Actuarial valuation date		
Deferred Outflows of Resources	\$ 713,844	\$ 396,847
Deferred Inflows of Resources	\$ 1,021,975	\$ -
Net Pension Liability	\$ 9,012,847	\$ 9,774,214
District's portion of the Plan's total net pension Liability	0.04814%	0.05114%

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

**Pension Expense and Deferred Outflows/Inflows of Resources** - For the year ended June 30, 2015, the District recognized pension expense of \$374,043. 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>
Changes of assumptions	\$ 283,412	\$ -
Net difference between projected and actual earnings on pension plan investments	-	537,117
Changes in proportion and differences between District contributions and proportionate share of contributions	-	484,858
District contributions subsequent to the measurement date	430,432	-
<b>Total</b>	<b>\$ 713,844</b>	<b>\$ 1,021,975</b>

The \$430,432 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ended June 30:</u>		<u>PERS</u>
2016	\$	(160,387)
2017		(160,387)
2018		(160,387)
2019		(160,387)
2020		(160,387)
Thereafter		63,372

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

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

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

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate - Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%
Total	100%	

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

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

**Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate** - The following presents the collective net pension liability of the participating employers as of June 30, 2014, calculated using the discount rate as disclosed above, as well as what the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.39%) or 1-percentage-point higher (6.39%) than the current rate:

	<u>1% Decrease (4.39%)</u>	<u>Current Discount Rate (5.39%)</u>	<u>1% Increase (6.39%)</u>
District's proportionate share of the net pension liability	11,338,469	9,012,847	7,059,917

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

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

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

Note 8: Pension Obligations (continued)

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

The following represents the membership tiers for TPAF:

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

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

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

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

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

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

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

<b>Year Funded</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/2015	\$ 1,792,902	100%	-
6/30/2014	1,395,907	100%	-
6/30/2013	1,661,033	100%	-

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

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

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

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%
Total	100%	

**Discount rate** - The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate, contributions from school districts will be made at contractually required rates (actuarially determined), and contributions from the State will be made at current statutorily required rates. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 8: Pension Obligations (continued)**

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

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

**C. Defined Contribution Retirement Program (DCRP)**

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

When enrolled in the DCRP, members contribute 5.5 percent of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3 percent employer contribution.

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

**Note 9. Post-Retirement Benefits**

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

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165,8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 10. Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the previous three years there have been no insurance claims that have exceed the insurance coverage.

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

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

<b>Fiscal Year</b>	<b>District Contributions</b>	<b>Employee Contributions</b>	<b>Amount Reimbursed</b>	<b>Ending Balance</b>
2014-2015	\$ -	\$ 29,508	\$ 10,728	\$ 90,377
2013-2014	-	18,510	1,961	71,597
2012-2013	-	11,100	24,950	55,048

**Note 11. Contingent Liabilities**

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

**Note 12. Economic Dependency**

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 13. Interfund Receivables and Payables**

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

<b>Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
General Fund	\$ 183,608	\$ -
Enterprise Funds	-	181,458
Fiduciary Funds	-	2,150
	<u>\$ 183,608</u>	<u>\$ 183,608</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

The summary of interfund transfers follows:

<b>Fund</b>	<b>Transfers In</b>	<b>Transfers Out</b>
General Fund	\$ 2,150	\$ 100,000
Debt Service Fund	100,000	-
Fiduciary Funds	-	2,150
	<u>\$ 102,150</u>	<u>\$ 102,150</u>

The purpose of interfunns transfers were for the liquidation of prior year interfund receivables and payables and for payments made on behalf of other funds.

**Note 14. Fund Balance Disclosures**

**General Fund (Exhibit B-1)** – Of the \$10,952,777 General Fund fund balance at June 30, 2015, \$1,067,944 has been committed to other purposes; \$2,101,822 has been restricted for the Capital Reserve Account; \$395,500 has been committed for a ground water remediation project; \$5,116,126 has been restricted for future use of Federal Impact Aid reserves; \$1,674,004 has been appropriated and included as anticipated revenue for the year-ending June 30, 2016 and \$597,381 is unassigned.

**Capital Projects Fund (Exhibit B-1)** – The fund balance of \$672,614 has been restricted for the Capital Projects Fund.

**Impact Aid Reserve** – The District receives a large portion of its annual operating revenue from Federal Impact Aid. Due to the uncertainty of future funding the District has reserved Federal Impact Aid Fund Balance for use in future years. Reserves have been set up to fund future capital projects as well as future operating expenses.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015

**Note 14. Fund Balance Disclosures (continued):**

**Remediation of Ground Water** - The Board passed a resolution during 2004 to reserve funds from a ground water remediation settlement. The reservation of these funds will be cancelled when all necessary expenditures in connection with the project have been completed.

**Note 15. Deferred Compensation**

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

Equitable	Van Guard	Lincoln
Waddell & Reed	Siracusa	Citistreet

**Note 16. Compensated Absences**

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2015 is \$1,055,638.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015 no liability existed for compensated absences in the proprietary fund types.

**Note 17. Post Retirement Health Benefits**

This note analyzes the other post-employment benefits (OPEB) offered by the Northern Burlington County Regional School District. It establishes the actuarial liability of the post-retirement welfare benefit plan in accordance with GASB Statements Number 43 and 45 for the fiscal year beginning July 1, 2013. Provided within is the Annual Required Contribution (ARC), and summarized census data statistics. The note reflects the plan design, premium rates, and cost sharing effective July 1, 2013.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 17. Post Retirement Health Benefits (continued):**

The accounting standard prescribes an accrual methodology for accumulating the value of postretirement welfare benefits over participants' active working lifetimes. This is consistent with Generally Accepted Accounting Principles (GAAP) that tries to match the recognition of costs and obligations with the events that give rise to those costs and obligations. The postretirement benefit obligations shown in this report are a function of many assumptions about future demographic and economic experience. Actual experience is likely to vary from these assumptions.

The ARC is calculated to be \$272,452. The ARC is an amount that is actuarially determined to recognize the value, and cost, of post-retirement healthcare over an employee's working lifetime. As such, if contributed it would pre-fund the benefits, and is thought of as a budgetary method. Currently the plan is funded on a pay-as-you-go basis, meaning benefits are being paid as they come due. Net claims for the plan year ending June 30, 2015 are projected to be \$37,136.

**Summary of Valuation Results**

	As of June 30, <u>2015</u>
A. Annual Required Contribution (ARC)	
1. Amortization of Unfunded Accrued Actuarial Liability (UAAL)	\$ 77,571
2. Normal Cost	<u>194,881</u>
3. Total ACR for Year	\$ 277,452
 B. Discount Rate	 3.75%
C. Actuarial Accrued Liability	
1. Retired participants and beneficiaries	\$ 44,419
2. Active participants:	
a. Fully eligible to receive benefits	33,592
b. Not yet eligible to receive benefits	<u>2,169,617</u>
c. Subtotal active	<u>2,203,209</u>
3. Subtotal postretirement benefits	\$ 2,247,628
 D. Market Value of Assets	 \$ 0
 E. Unfunded actuarial liability (C.3. – D)	 \$ 2,247,628
 <b>Benefit Payment Comparison</b>	 \$ 272,452
1. Annual Required Contribution (ARC)	
2. Pay-As-You-Go Retiree Medical Cost	<u>37,136</u>
3. Net Increase (Decrease) (1-2)	\$ 235,316

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 17. Post Retirement Health Benefits (continued):**

As of 6/30	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<b>A. Net OPEB Obligation (NOO)</b>				
1. NOO @ BOY	\$ 523,780	\$ 689,047	\$ 884,149	\$ 1,075,174
a. ARC @ BOY	\$ 172,717	\$ 203,126	\$ 211,726	\$ 272,452
b. Interest on NOO	26,189	27,562	35,366	40,319
c. ARC Adjustment	<u>(19,466)</u>	<u>(24,609)</u>	<u>(28,799)</u>	<u>(37,107)</u>
2. Annual OPEB Cost (a+b+c)	\$ 179,440	\$ 206,079	\$ 218,293	\$ 275,664
3. Contributions Made	<u>14,173</u>	<u>10,977</u>	<u>27,268</u>	<u>34,323</u>
4. Net Change (2-3)	\$ 165,267	\$ 195,102	\$ 191,025	\$ 241,342
5. NOO @ EOY (1+4)	\$ 689,047	\$ 884,149	\$ 1,075,174	\$ 1,316,515
<b>B. Schedule</b>				
1. Sub-Total AOC (A.2)	\$ 179,440	\$ 206,079	\$ 218,293	\$ 275,664
2. Contributions Made	<u>14,173</u>	<u>10,977</u>	<u>27,268</u>	<u>34,323</u>
3. Remaining AOC (1-2)	\$ 165,267	\$ 195,102	\$ 191,025	\$ 241,342
4. Percent Contributed (2÷1)	7.9%	5.3%	12.5%	12.5%
<b>C. Funding Progress</b>				
1. Assets	\$ -	\$ -	\$ -	\$ -
2. Accrued Liability	<u>1,345,859</u>	<u>1,515,678</u>	<u>1,720,062</u>	<u>2,247,628</u>
3. Unfunded Liability (UAL) (2-3)	\$ 1,345,859	\$ 1,515,678	\$ 1,720,062	\$ 2,247,628
4. Funded Ratio (1÷2)	0.00%	0.00%	0.00%	0.00%
5. Covered Payroll	\$18,755,410	\$18,256,639	\$18,499,005	\$18,785,199
6. UAL as % of Payroll (2÷5)	6.32%	8.30%	9.30%	11.96%

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 17. Post Retirement Health Benefits (continued):**

**Monthly Claims Costs and Self-Pay Rates**

	As of June 30, <u>2015</u>
Composite Claims Cost Pre – 65	\$ 935
Composite Self Pay Rates Pre – 65	None

<b>Participant Statistics</b>	<b><u>2015</u></b>	<b><u>2013</u></b>
a. Participant Counts		
Retirees	4	4
Actives eligible to receive benefits	18	10
Actives not fully eligible to receive benefits	<u>283</u>	<u>232</u>
Sub Total actives	<u>301</u>	<u>242</u>
Total	305	246
b. Average Ages		
Retirees	65.6	67.0
Actives eligible to receive benefits	66.6	64.6
Actives not fully eligible to receive benefits	<u>45.5</u>	<u>45.0</u>
Sub Total actives	<u>46.8</u>	<u>45.8</u>
Total	47.0	46.2
c. Active Counts by Department		
Administrators	30	13
Custodians	31	29
Child Study Team	12	6
Secretarial	8	19
Teachers	169	142
Transportation	<u>51</u>	<u>33</u>
Total	301	242

**Actuarial Assumptions**

Valuation date:	June 30, 2015
Measurement date:	June 30, 2015
Actuarial method:	Projected unit credit

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 17. Post Retirement Health Benefits (continued):**

Actuarial assumptions:

Discount rate	3.75%
Mortality	Sex distinct RP-2014 tables with sex distinct Improvement Scale BB from the year 2014.
Turnover	In accordance with The U.S. Office of Personnel
Spouse coverage	66%
Spouse's age	Males are 3 years older than females
Retirement rates	100% when first eligible but not before age 55 and one more Year of service.
Disability rates	No disabilities were assumed before retirement.

Inflation:

Medical Trend

<u>Year</u>	<u>Trend</u>
2016	6.0%
2017	5.5%
2018	5.0%
2019+	4.5%

Contribution Trend                      No trend

Administrative expenses:                      2.0% of net costs

ARC Amortization Period:                      30 years, as a level percent of payroll

Salary Scale                                      3.5% per year

**Plan Summary**

The Northern Burlington County Regional School District provides a medical bridge benefit payable to those retirees who are not eligible for the State Employees Health Benefits Plan (SEHBP) until the participant becomes eligible for Medicare. In order to be eligible for SEHBP a participant must have at least 25 years of service.

Departments Summary of Eligibility within Labor Agreements

<u>Department</u>	<u>Years of Service</u>	<u>Years of Retirement</u>
Teachers*	15	5
Administrators	15	5
Child Study Team	15	5
Custodians	15	4
Transportation	20	3
Secretarial	15	5

\* While the other Labor Agreements specify only single coverage is available, the Teachers does not specify the only single coverage is available, we have assumed Member only benefits are available upon retirement.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 17. Post Retirement Health Benefits (continued):**

Benefits

The following are the monthly insurance premiums paid on behalf of the participant by the plan:

	<u>As of June 30,</u> <u>2015</u>
Medical	
Single	\$ 715.06
Member & Spouse	\$ 1,430.14
Family	\$ 1,966.42
Parent & Child	\$ 1,251.36
Prescription Drug	
Single	\$ 187.27
Member & Spouse	\$ 374.54
Family	\$ 514.99
Parent & Child	\$ 327.72
Dental	
Single	\$ 32.58
Member & Spouse	\$ 65.16
Family	\$ 87.59
Parent & Child	\$ 63.56
 Total Premiums by Group	
Single	\$ 934.91
Member & Spouse	\$ 1,869.84
Family	\$ 2,569.00
Parent & Child	\$ 1,642.64

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED JUNE 30, 2015**

**Note 18. Deficit Unrestricted Net Position**

As reflected on Exhibit A-1, Statement of Net position, a deficit in unrestricted net position of \$(12,047,413) existed as of June 30, 2015 for governmental activities. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the long-term liability for compensated absences and net pension. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences and pension liabilities that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events that place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

**Note 19. Federal Impact Aid Reserve**

As permitted by P.L.2015, c.46 which amended *N.J.S.A.* 18A:7F-41 a federal impact reserve account was established by the Northern Burlington County Regional School District. The district increased the impact aid – general reserve by transfer of \$3,070,959 by board resolution for the amount of federal impact aid funds – general fund – received during the current fiscal year for use as general fund expenditures in subsequent fiscal years. The federal impact aid – general reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

**Note 20. Change in Accounting Principle**

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

	Governmental Activities
Net Position as previously reported at June 30, 2014	\$25,006,686
Prior period adjustment - Implementation of GASB 68: Net Pension Liability (measurement date as of June 30, 2013)	(9,774,214)
Deferred Outflows – district contributions made during fiscal year 2014	396,847
PERS Pension Payable (2015 district PERS Pension Contribution)	<u>(396,847)</u>
Total prior period adjustment	<u>(9,774,214)</u>
Net Position as restated, July 1, 2014.	<u>\$ 15,232,472</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**C. Budgetary Comparison Schedules**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
<b>Revenues:</b>					
Local Tax Levy	10-1210	\$ 17,983,527	\$ -	\$ 17,983,527	\$ -
Tuition	10-1300	142,867	-	142,867	166,593
Transportation	10-1420-1440	100,000	-	100,000	106,099
Interest on Capital Reserve Funds	10-1XXX	2,100	-	2,100	4,231
Miscellaneous Revenues	10-1XXX	83,000	-	83,000	189,446
<b>Total Local Sources</b>		<b>18,311,494</b>	<b>-</b>	<b>18,311,494</b>	<b>138,402</b>
<b>Federal Sources:</b>					
Impact Aid	10-4100	814,677	-	814,677	3,888,678
Department of Defense Aid	10-4XXX	-	-	-	120,467
<b>Total Federal Sources</b>		<b>814,677</b>	<b>-</b>	<b>814,677</b>	<b>4,009,145</b>
<b>State Sources:</b>					
Categorical Special Education Aid	10-3132	1,064,239	-	1,064,239	-
Equalization Aid	10-3176	10,071,884	-	10,071,884	-
Categorical Security Aid	10-3177	152,560	-	152,560	-
School Choice Aid	10-3116	406,798	-	406,798	340,382
Categorical Transportation Aid	10-3121	558,546	-	558,546	-
Adjustment Aid	10-3197	8,302	-	8,302	-
PARCC Readiness Aid	10-3XXX	21,780	-	21,780	-
Per Pupil Growth Aid	10-3XXX	21,780	-	21,780	-
Extraordinary Aid	10-3XXX	-	-	-	267,825
Non-Public Transportation Aid	10-3XXX	-	-	-	11,484
<b>Nonbudgeted:</b>					
On-Behalf TPAF Pension Contribution		-	-	-	692,909
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	1,099,993
Reimbursed TPAF Social Security Contribution		-	-	-	961,120
<b>Total State Sources</b>		<b>12,305,889</b>	<b>-</b>	<b>12,305,889</b>	<b>15,272,804</b>
<b>Total Revenues</b>		<b>31,432,060</b>	<b>-</b>	<b>31,432,060</b>	<b>6,299,785</b>
<b>Expenditures:</b>					
<b>Current Expense:</b>					
<b>Instruction - Regular Programs:</b>					
Salaries of Teachers:					
Grades 6 - 8	11-130-100-101	3,035,733	(115,288)	2,920,445	2,906,609
Grades 9 - 12	11-140-100-101	5,558,566	(285,992)	5,272,574	5,221,778
Home Instruction:					
Salaries of Teachers	11-150-100-101	38,000	(1,848)	36,152	25,682
Purchased Professional - Educational Services	11-150-100-320	7,500	15,937	23,437	15,837
<b>Total Expenditures</b>		<b>16,639,809</b>	<b>(513,128)</b>	<b>16,126,681</b>	<b>13,836</b>
<b>Total</b>		<b>14,792,251</b>	<b>(513,128)</b>	<b>14,279,123</b>	<b>50,796</b>
<b>Balance Forward</b>		<b>18,311,494</b>	<b>-</b>	<b>18,311,494</b>	<b>10,470</b>
<b>Total</b>		<b>33,103,745</b>	<b>(513,128)</b>	<b>32,590,617</b>	<b>7,600</b>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
JUNE 30, 2015						
Other Purchased Services	11-150-100-500	7,000	(2,000)	5,000	1,424	3,576
Regular Programs - Undistributed Instruction:						
Purchased Professional - Educational Services	11-190-100-320	4,150	228,704	232,854	228,280	4,574
Purchased Technical Services	11-190-100-340	140,060	(17,711)	122,349	107,539	14,810
Other Purchased Services	11-190-100-500	73,731	9,071	82,802	52,494	30,308
General Supplies	11-190-100-610	479,266	455,313	934,579	850,952	83,627
Textbooks	11-190-100-640	92,382	(54,297)	38,085	33,836	4,249
Other Objects	11-190-100-890	24,475	(1,351)	23,124	10,393	12,731
Total Regular Programs		9,460,863	230,538	9,691,401	9,454,824	236,577
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	227,757	(3,417)	224,340	214,469	9,871
Other Salaries for Instruction	11-212-100-106	-	-	-	-	-
Purchased Professional - Educational Services	11-212-100-320	27,352	10,000	37,352	36,304	1,048
Other Purchased Services	11-212-100-500	150	-	150	64	86
General Supplies	11-212-100-610	11,900	2,232	14,132	13,392	740
Textbooks	11-212-100-640	400	(200)	200	200	-
Other	11-212-100-800	1,800	(500)	1,300	1,140	160
Total Multiple Disabilities		269,359	8,115	277,474	265,569	11,905
Resource Room:						
Salaries of Teachers	11-213-100-101	1,508,272	(6,720)	1,501,552	1,500,795	757
Purchased Services	11-213-100-320	1,111,906	27,898	1,139,804	1,29,858	9,946
Other Purchased Services	11-213-100-500	700	-	700	51	649
General Supplies	11-213-100-610	2,750	-	2,750	2,685	65
Textbooks	11-213-100-640	1,000	1,893	2,893	2,702	191
Other Objects	11-213-100-800	2,650	1,110	3,760	3,166	594
Total Resource Room		1,627,278	24,181	1,651,459	1,639,257	12,202
Total Special Education		1,896,637	32,296	1,928,933	1,904,826	24,107
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	165,519	(85,020)	80,499	79,961	538
Other Purchased Services	11-230-100-500	-	-	-	-	-
General Supplies	11-230-100-610	6,970	(5,307)	1,663	1,651	12
Total Basic Skills/Remedial		172,489	(90,327)	82,162	81,612	550
Vocational Programs- Local - Instruction:						

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Salaries of Teachers	11-300-100-101	344,304	(2,400)	341,904	338,285	3,619
Other Salaries for Instruction	11-300-100-106	10,725	-	10,725	10,410	315
Purchased Professional - Technical Services	11-300-100-340	3,500	2,000	5,500	5,134	366
Other Purchased Services	11-300-100-500	12,600	(9,100)	3,500	872	2,628
General Supplies	11-300-100-610	51,952	(39,352)	12,600	10,172	2,428
Textbooks	11-300-100-640	-	52,215	52,215	46,491	5,724
Other Objects	11-300-100-800	2,500	-	2,500	160	2,340
<b>Total Vocational Programs - Local Instruction</b>		<b>425,581</b>	<b>3,363</b>	<b>428,944</b>	<b>411,524</b>	<b>17,420</b>
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	302,425	(19,391)	283,034	282,404	630
Supplies and Materials	11-401-100-600	32,300	4,352	36,652	28,602	8,050
Transfers to Cover Deficit	11-401-100-930	3,000	-	3,000	2,580	420
<b>Total School Sponsored Cocurricular Activities</b>		<b>337,725</b>	<b>(15,039)</b>	<b>322,686</b>	<b>313,586</b>	<b>9,100</b>
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	570,407	26,020	596,427	596,427	-
Other Purchased Services	11-402-100-500	-	1,400	1,400	1,400	-
Supplies and Materials	11-402-100-600	130,557	53,279	183,836	157,329	26,507
Transfers to Cover Deficit	11-402-100-930	63,000	-	63,000	63,000	-
<b>Total School Sponsored Athletics Instruction</b>		<b>763,964</b>	<b>80,699</b>	<b>844,663</b>	<b>818,156</b>	<b>26,507</b>
<b>Total Instruction</b>		<b>13,057,259</b>	<b>241,530</b>	<b>13,298,789</b>	<b>12,984,528</b>	<b>314,261</b>
Community Services Programs/Operations:						
Other Objects	11-800-330-800	1,075	-	1,075	-	1,075
<b>Total Community Services Programs/Operations</b>		<b>1,075</b>	<b>-</b>	<b>1,075</b>	<b>-</b>	<b>1,075</b>
Undistributed Expenditures:						
Instruction :						
Tuition to Other LEAs Within the State - Regular	11-000-100-561	73,248	(25,515)	47,733	42,785	4,948
Tuition to Other LEAs Within the State - Special	11-000-100-562	73,248	(23,393)	49,855	47,860	1,995
Tuition to County Vocational School District - Regular	11-000-100-563	68,662	(21,847)	46,815	46,815	-
Tuition to County Vocational School District - Special	11-000-100-564	31,210	(12,484)	18,726	18,726	-
Tuition to CSSD & Regional Day School	11-000-100-565	385,276	(14,715)	370,561	370,561	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Instruction (continued):						
Tuition to Private School for the Handicapped - State	11-000-100-566	809,800	78,673	888,473	830,063	58,410
Tuition to Private School Other LEAs Outside State	11-000-100-567	40,500	41,300	81,800	81,800	-
Tuition - Other	11-000-100-569	-	3,690	3,690	3,690	-
<b>Total Undistributed Expenditures - Instruction</b>		<b>1,481,944</b>	<b>25,709</b>	<b>1,507,653</b>	<b>1,442,300</b>	<b>65,353</b>
Attendance & Social Work Services:						
Salaries	11-000-211-100	75,694	-	75,694	75,334	360
Purchased Professional & Technical Services	11-000-211-300	180,000	(47,266)	132,734	103,922	28,812
<b>Total Attendance &amp; Social Work Services</b>		<b>255,694</b>	<b>(47,266)</b>	<b>208,428</b>	<b>179,256</b>	<b>29,172</b>
Health Services:						
Salaries	11-000-213-100	309,142	5,895	315,037	314,841	196
Purchased Professional & Technical Services	11-000-213-300	19,701	122	19,823	18,774	1,049
Other Purchased Services	11-000-213-500	175	(139)	36	-	36
Supplies and Materials	11-000-213-600	11,753	1,135	12,888	11,266	1,622
Other Objects	11-000-213-800	500	4,541	5,041	195	4,846
<b>Total Health Services</b>		<b>341,271</b>	<b>11,554</b>	<b>352,825</b>	<b>345,076</b>	<b>7,749</b>
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	92,331	-	92,331	92,331	-
Purchased Services	11-000-216-320	123,330	19,358	142,688	124,238	18,450
Travel	11-000-216-580	-	175	175	14	161
Supplies and Materials	11-000-216-600	724	(175)	549	546	3
Other Objects	11-000-216-800	350	-	350	194	156
<b>Total Other Support Services - Students - Related Services</b>		<b>216,735</b>	<b>19,358</b>	<b>236,093</b>	<b>217,323</b>	<b>18,770</b>
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	135,240	33,400	168,640	157,905	10,735
Purchased Services	11-000-217-320	952,083	(176,258)	775,825	719,711	56,114
<b>Total Other Support Services - Students - Extra Services</b>		<b>1,087,323</b>	<b>(142,858)</b>	<b>944,465</b>	<b>877,616</b>	<b>66,849</b>
Other Support Services - Students - Regular: Salaries of Other Professional Staff	11-000-218-104	620,667	(3,445)	617,222	577,559	39,663

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Salaries of Secretarial & Clerical Assistants	11-000-218-105	178,827	-	178,827	1,660
Purchased Professional & Technical Services	11-000-218-320	4,000	550	4,550	2,013
Other Purchased Professional & Technical Services	11-000-218-390	30,545	(4,130)	26,415	15,945
Other Purchased Services	11-000-218-500	1,075	-	1,075	1,075
Supplies and Materials	11-000-218-600	4,615	-	4,615	1,107
Other Objects	11-000-218-800	2,165	-	2,165	2,165
<b>Total Other Support Services - Students - Regular</b>		<b>841,894</b>	<b>(7,025)</b>	<b>834,869</b>	<b>63,628</b>
Other Support Services - Students - Special Services:					
Salaries of Other Professional Staff	11-000-219-104	490,603	7,269	497,872	-
Salaries of Secretarial & Clerical Assistants	11-000-219-105	99,195	(319)	98,876	-
Purchased Professional - Educational Services	11-000-219-320	20,900	13,964	34,864	3,157
Other Purchased Professional & Technical Services	11-000-219-390	300	275	575	266
Miscellaneous Purchased Services	11-000-219-592	3,000	-	3,000	2,028
Supplies and Materials	11-000-219-600	8,500	2,125	10,625	1
Other Objects	11-000-219-800	4,650	(346)	4,304	753
<b>Total Other Support Services - Students - Special Services</b>		<b>627,148</b>	<b>22,968</b>	<b>650,116</b>	<b>6,205</b>
Improvement of Instruction Services/Other Support Services - Instruction Staff:					
Salaries of Supervisors of Instruction	11-000-221-102	265,781	(17,176)	248,605	12,075
Salaries of Other Professional Staff	11-000-221-104	46,000	10,320	56,320	20,189
Salaries of Secretarial & Clerical Assistants	11-000-221-105	83,783	15,565	99,348	10,582
Other Salaries	11-000-221-110	116,783	-	116,783	14,204
Purchased Professional - Educational Services	11-000-221-320	3,000	200	3,200	3,126
Other Purchased Professional & Technical Services	11-000-221-390	-	-	-	-
Other Purchased Services	11-000-221-500	1,545	(1,500)	45	45
Supplies and Materials	11-000-221-600	4,600	1,500	6,100	1,898
Other Objects	11-000-221-800	22,800	1,620	24,420	11,791

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Total Improvement of Instruction Services/Other Support Services Instructional Staff		544,292	10,529	554,821	480,911	73,910
Educational Media Services/School Library:						
Salaries	11-000-222-100	138,273	-	138,273	138,273	-
Purchased Professional & Technical Services	11-000-222-300	15,790	3,050	18,840	18,649	191
Other Purchased Services	11-000-222-500	600	-	600	454	146
Supplies and Materials	11-000-222-600	46,636	4,400	51,036	38,401	12,635
Other Objects	11-000-222-800	360	-	360	262	98
Total Educational Media Services/School Library		201,659	7,450	209,109	196,039	13,070
Support Services Instructional Staff Training Service:						
Salaries of Supervisors of Instruction	11-000-223-102	200,766	(8,627)	192,139	177,046	15,093
Salaries of Other Professional	11-000-223-104	14,250	5,160	19,410	3,997	15,413
Salaries of Secretarial & Clerical Assistants	11-000-223-105	47,615	8,627	56,242	46,018	10,224
Purchased Professional - Educational Services	11-000-223-320	9,680	-	9,680	-	9,680
Other Purchased Services	11-000-223-500	5,500	-	5,500	24	5,476
Supplies and Materials	11-000-223-600	5,275	2,482	7,757	6,548	1,209
Other Objects	11-000-223-800	13,690	2,020	15,710	13,067	2,643
Total Support Services Instructional Staff Training Services		296,776	9,662	306,438	246,700	59,738
Support Services General Administration:						
Salaries	11-000-230-100	303,968	-	303,968	301,819	2,149
Legal Services	11-000-230-331	51,000	-	51,000	12,341	38,659
Audit Services	11-000-230-332	30,000	20,860	50,860	22,900	27,960
Architectural/Engineering Services	11-000-230-334	-	96,995	96,995	48,299	48,696
Other Purchased Professional Services	11-000-230-339	64,425	(5,550)	58,875	43,943	14,932
Purchased Technical Services	11-000-230-340	2,600	-	2,600	1,780	820
Communications/Telephone	11-000-230-530	79,470	(5,519)	73,951	45,522	28,429
BOE Other Purchased Professional Services	11-000-230-585	24,000	1,222	25,222	22,019	3,203
Other Purchased Services	11-000-230-590	76,545	(3,361)	73,184	47,194	25,990
General Supplies	11-000-230-610	3,050	745	3,795	1,168	2,627
Miscellaneous Expenditures	11-000-230-890	4,311	-	4,311	3,399	912
BOE Membership Dues & Fees	11-000-230-895	22,850	-	22,850	22,431	419
Total Support Services General Administration		662,219	105,392	767,611	572,815	194,796

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**GENERAL FUND**  
**BUDGETARY COMPARISON SCHEDULE**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
				ACTUAL		
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	690,373	(82,618)	607,755	552,590	55,165
Salaries of Other Professional Staff	11-000-240-104	200,026	82,618	282,644	282,644	-
Salaries of Secretarial & Clerical Assistants	11-000-240-105	217,826	-	217,826	209,096	8,730
Purchased Technical Services	11-000-240-300	2,400	200	2,600	560	2,040
Other Purchased Services	11-000-240-500	7,165	100	7,265	3,300	3,965
Supplies and Materials	11-000-240-600	6,200	60,814	67,014	50,564	16,450
Other Objects	11-000-240-800	15,600	3,400	19,000	13,657	5,343
<b>Total Support Services School Administration</b>		<b>1,139,590</b>	<b>64,514</b>	<b>1,204,104</b>	<b>1,112,411</b>	<b>91,693</b>
Central Services:						
Salaries	11-000-251-100	414,925	(1,491)	413,434	410,908	2,526
Purchased Professional Services	11-000-251-330	14,721	(150)	14,571	5,605	8,966
Miscellaneous Purchased Services	11-000-251-592	26,200	-	26,200	6,529	19,671
Supplies & Materials	11-000-251-600	7,950	571	8,521	8,506	15
Miscellaneous Expenditures	11-000-251-890	2,176	-	2,176	1,799	377
<b>Total Central Services</b>		<b>465,972</b>	<b>(1,070)</b>	<b>464,902</b>	<b>433,347</b>	<b>31,555</b>
Administrative Information Technology:						
Salaries	11-000-252-100	72,463	(15,000)	57,463	53,741	3,722
Other Purchased Services	11-000-252-500	1,350	1,958	3,308	2,669	639
<b>Total Administrative Information Technology</b>		<b>73,813</b>	<b>(13,042)</b>	<b>60,771</b>	<b>56,410</b>	<b>4,361</b>
Allowance Maintenance for School Facilities:						
Salaries	11-000-261-100	227,318	-	227,318	217,855	9,463
Cleaning, Repair & Maintenance Services	11-000-261-420	262,434	160,358	422,792	347,786	75,006
General Supplies	11-000-261-610	58,500	(3,929)	54,571	51,091	3,480
Other Objects	11-000-261-800	1,200	480	1,680	1,161	519
<b>Total Allowance Maintenance for School Facilities</b>		<b>549,452</b>	<b>156,909</b>	<b>706,361</b>	<b>617,893</b>	<b>88,468</b>
Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	1,170,596	(26,743)	1,143,853	1,127,755	16,098
Purchased Professional & Technical Services	11-000-262-300	21,083	(8,435)	12,648	11,198	1,450
Cleaning, Repair & Maintenance Services	11-000-262-420	148,606	(7,779)	140,827	131,367	9,460
Other Purchased Property Services	11-000-262-490	284,682	12,007	296,689	232,336	64,353
Insurance	11-000-262-520	106,745	5,202	111,947	111,947	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Miscellaneous Purchased Services	11-000-262-590	4,150	504	4,654	4,104	550
General Supplies	11-000-262-610	113,427	13,507	126,934	114,737	12,197
Energy (Natural Gas)	11-000-262-621	150,000	1,031	151,031	111,850	39,181
Energy (Electricity)	11-000-262-622	660,000	(21,205)	638,795	572,366	66,429
Other Objects	11-000-262-800	1,620	-	1,620	1,523	97
<b>Total Operation &amp; Maintenance of Plant Services</b>		<b>2,660,909</b>	<b>(31,911)</b>	<b>2,628,998</b>	<b>2,419,183</b>	<b>209,815</b>
Care & Upkeep of Grounds						
Cleaning, Repair & Maintenance Services	11-000-263-420	62,200	(9,558)	52,642	36,372	16,270
General Supplies	11-000-263-610	55,500	6,632	62,132	55,475	6,657
<b>Total Care &amp; Upkeep of Grounds</b>		<b>117,700</b>	<b>(2,926)</b>	<b>114,774</b>	<b>91,847</b>	<b>22,927</b>
Security						
Cleaning, Repair & Maintenance Services	11-000-266-420	5,000	-	5,000	3,991	1,009
<b>Total Security</b>		<b>5,000</b>	<b>-</b>	<b>5,000</b>	<b>3,991</b>	<b>1,009</b>
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular Salaries for Pupil Transportation	11-000-270-160	673,309	(29,722)	643,587	641,700	1,887
Salaries for Pupil Transportation (Between Home & School) - Special Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-161	105,021	41,081	146,102	145,900	202
Purchased Professional & Technical Services	11-000-270-162	146,268	(11,359)	134,909	121,998	12,911
Cleaning, Repair & Maintenance Services	11-000-270-390	11,872	763	12,635	12,012	623
Lease Purchase Payments - School Buses	11-000-270-420	25,938	(11,450)	14,488	14,009	479
Contracted Services (Other Than Between School - Vendors	11-000-270-443	56,874	56,906	113,780	56,873	56,907
Contracted Services Between Home & School - Vendors	11-000-270-511	409,510	(8,000)	401,510	400,639	871
Contracted Services (Special Education Students) - Vendors	11-000-270-512	4,000	(805)	3,195	470	2,725
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-514	324,208	(59,616)	264,592	264,592	-
Aid in Lieu of Payments - Nonpublic	11-000-270-515	19,334	71,658	90,992	85,930	5,062
Miscellaneous Purchased Services - Transportation Supplies and Materials	11-000-270-503	53,040	8,684	61,724	56,682	5,042
	11-000-270-593	20,514	-	20,514	20,370	144
	11-000-270-610	-	-	-	-	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

		JUNE 30, 2015				
	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
Transportation Supplies	11-000-270-615	253,574	(7,499)	246,075	222,150	23,925
Other Objects	11-000-270-800	5,510	1,524	7,034	7,034	-
Total Student Transportation Services		2,108,972	52,165	2,161,137	2,050,359	110,778
Instruction - Regular Programs: Health Benefits	11-100-100-270	2,097,875	43,310	2,141,185	1,906,794	234,391
Total Regular Programs		2,097,875	43,310	2,141,185	1,906,794	234,391
Special Education: Health Benefits	11-200-100-270	471,722	31,117	502,839	448,219	54,620
Total Special Education		471,722	31,117	502,839	448,219	54,620
Vocational Programs- Local - Instruction: Health Benefits	11-300-100-270	57,672	2,585	60,257	55,590	4,667
Total Vocational Programs - Local Instruction		57,672	2,585	60,257	55,590	4,667
Attendance & Social Work Services: Health Benefits	11-000-211-270	34,140	1,080	35,220	33,931	1,289
Total Attendance & Social Work Services		34,140	1,080	35,220	33,931	1,289
Health Services: Health Benefits	11-000-213-270	84,871	6,845	91,716	82,963	8,753
Total Health Services		84,871	6,845	91,716	82,963	8,753
Other Support Services - Students - Related Services: Health Benefits	11-000-216-270	25,575	2,417	27,992	23,966	4,026
Total Other Support Services - Students - Related Services		25,575	2,417	27,992	23,966	4,026
Other Support Services - Students - Extra Services: Health Benefits	11-000-217-270	43,509	(10,758)	32,751	32,151	600
Total Other Support Services - Students - Extra Services		43,509	(10,758)	32,751	32,151	600
Other Support Services - Students - Regular: Health Benefits	11-000-218-270	186,400	21,051	207,451	191,255	16,196
Total Other Support Services - Students - Regular		186,400	21,051	207,451	191,255	16,196

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015		OVER/ (UNDER)
		ORIGINAL BUDGET	FINAL BUDGET	
Other Support Services - Student - Special Services: Health Benefits	11-000-219-270	123,775	129,282	13,154
Total Other Support Services - Students - Special Services		123,775	129,282	13,154
Improvement of Instructional Services/Other Support Services - Instruction Staff: Health Benefits	11-000-221-270	89,577	99,250	8,663
Total Improvement of Instruction Services/Other Support Services - Instructional Staff		89,577	99,250	8,663
Educational Media Services/School Library: Health Benefits	11-000-222-270	26,427	27,325	2,242
Total Educational Media Services/School Library		26,427	27,325	2,242
Instructional Staff Training Services: Health Benefits	11-000-223-270	39,405	46,126	3,602
Total Instructional Staff Training Services		39,405	46,126	3,602
Support Services General Administration: Health Benefits	11-000-230-270	31,584	37,005	7,699
Total Support Services General Administration		31,584	37,005	7,699
Support Services School Administration: Health Benefits	11-000-240-270	257,837	258,097	30,107
Total Support Services School Administration		257,837	258,097	30,107
Central Services: Health Benefits	11-000-251-270	108,922	116,162	13,034
Total Central Services		108,922	116,162	13,034
Administrative Information Technology: Health Benefits	11-000-252-270	13,159	15,636	4,216
Total Administrative Information Technology		13,159	15,636	4,216
Operation & Maintenance of Plant Services: Health Benefits	11-000-260-270	659,658	661,894	21,342

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Total Operation & Maintenance of Plant Services		659,658	2,236	661,894	640,552	21,342
Student Transportation Services:						
Health Benefits	11-000-270-270	633,890	35,959	669,849	633,554	36,295
Total Student Transportation Services		633,890	35,959	669,849	633,554	36,295
Total Allocated Benefits		4,985,998	174,039	5,160,037	4,695,141	464,896
Unallocated Benefits - Employee Benefits:						
Social Security	11-000-291-220	555,148	(29,102)	526,046	418,319	107,727
Other Retirement Contributions - PERS	11-000-291-241	418,223	-	418,223	389,997	28,226
Unemployment Compensation	11-000-291-250	38,000	-	38,000	720	37,280
Worker's Compensation	11-000-291-260	166,033	(1,000)	165,033	164,868	165
Tuition Reimbursement	11-000-291-280	63,600	1,000	64,600	41,252	23,348
Total Unallocated Benefits - Employee Benefits		1,241,004	(29,102)	1,211,902	1,015,156	196,746
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	692,909	(692,909)
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	1,099,993	(1,099,993)
Reimbursed TPAF Social Security Contribution		-	-	-	961,120	(961,120)
Total Undistributed Expenditures		19,905,365	385,049	20,290,414	21,222,948	(932,534)
Total Expenditures - Current Expense		32,963,699	626,579	33,590,278	34,207,476	(617,198)
Capital Outlay:						
Interest Deposit to Capital Reserve		2,100	(2,100)	-	-	-
Equipment:						
Regular Programs - Instruction:						
Grades 6 - 8	12-130-100-730	22,500	52,224	74,724	70,779	3,945
Grades 9 - 12	12-140-100-730	10,000	232,183	242,183	239,330	2,853
Special Education - Instruction:						
School Sponsored Other	12-400-100-730	-	22,730	22,730	10,590	12,140
Instruction						
Undistributed Expense -						
Required Maintenance of						
School Facilities	12-000-261-730	-	37,138	37,138	3,953	33,185
Undistributed Expense -						
Custodial Services	12-000-262-730	-	8,431	8,431	8,431	-
Undistributed Expense -						
Care and Upkeep of Grounds	12-000-263-730	-	69,669	69,669	12,180	57,489
Student Transportation:						
Noninstructional Equipment	12-000-270-732	-	173,009	173,009	173,009	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
School Buses - Regular	12-000-270-733	-	-	-	-
Total Equipment		32,500	595,384	627,884	518,272
Facilities Acquisition & Construction Services:					
Other Purchased Professional & Technical Services	12-000-400-390		332,040	332,040	36,264
Construction Services	12-000-400-450		561,760	561,760	561,760
Assessment for Debt Service on SDA Funding	12-000-400-896	139,313	-	139,313	139,313
Capital Reserve - Transfer to Capital Projects	12-000-400-931	-	2,100	2,100	-
Capital Reserve - Transfer to Repayment of Debt	12-000-400-933	100,000	-	100,000	100,000
Total Facilities Acquisition & Construction Services		239,313	895,900	1,135,213	837,337
Assets Acquired Under Capital Leases (Nonbudgeted):					
Capital Leases		-	-	-	250,000
Total Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	250,000
Total Capital Outlay		273,913	1,489,184	1,763,097	1,605,609
Total Expenditures		33,237,612	2,115,763	35,353,375	35,813,085
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(1,805,552)	(2,115,763)	(3,921,315)	1,918,760
Other Financing Sources/(Uses):					
Operating Transfer In/(Out):					
Transfer from Enterprise Funds		-	-	-	-
Transfer of Funds to Charter Schools		-	-	-	-
Capital Leases (Nonbudgeted)	10-000-100-560	-	-	-	-
Total Other Financing Sources/(Uses)		-	-	-	250,000
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources		(1,805,552)	(2,115,763)	(3,921,315)	2,168,760
Fund Balances, July 1		9,939,845	-	9,939,845	9,939,845
Fund Balances, June 30		\$ 8,134,293	\$ (2,115,763)	\$ 6,018,530	\$ 12,108,605
					\$ 6,090,075

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
		JUNE 30, 2015			
RECAPITULATION OF BUDGET TRANSFERS:					
Prior Year Encumbrances		\$ 2,173,000			
Cancellation of Prior Year Encumbrances		(180,747)			
Utilization of Reserve for Federal Impact Aid		<u>123,510</u>			
Total		<u>\$ 2,115,763</u>			
RECAPITULATION OF FUND BALANCE:					
Restricted Fund Balance:					
Capital Reserve				\$ 2,101,822	
Reserve for Impact Aid				5,116,126	
Committed Fund Balance:					
Year-end Encumbrances				1,067,944	
Reserve for Legal Remediation				395,500	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				1,674,004	
Unassigned Fund Balance				<u>1,753,209</u>	
Subtotal				12,108,605	
Reconciliation to Governmental Fund Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				<u>(1,155,828)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 10,952,777</u>	

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	JUNE 30, 2015				
	BUDGET				
	ORIGINAL BUDGET	TRANSFERS/ ADJUSTMENTS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
Revenues:					
State Sources	\$ 28,983	\$ (118)	\$ 28,865	\$ 30,526	\$ 1,661
Federal Sources	482,639	43,884	526,523	515,159	(11,364)
Local Sources	-	12,599	12,599	6,599	(6,000)
<b>Total Revenues</b>	<b>511,622</b>	<b>56,365</b>	<b>567,987</b>	<b>552,284</b>	<b>(15,703)</b>
Expenditures:					
Instruction:					
Salaries of Teachers	85,507	(52,451)	33,056	24,832	8,224
Purchase of Professional Education Services	-	-	-	-	-
Tuition	372,776	30,832	403,608	403,608	-
General Supplies	30,163	59,683	89,846	89,437	409
Textbooks	581	789	1,370	1,355	15
Other Objects	7,170	(300)	6,870	6,499	371
<b>Total Instruction</b>	<b>496,197</b>	<b>38,553</b>	<b>534,750</b>	<b>525,731</b>	<b>9,019</b>
Support Services:					
Benefits	-	2,514	2,514	1,899	615
Purchase of Professional Education Services	-	4,839	4,839	3,051	1,788
Other Purchased Service	15,425	9,170	24,595	20,619	3,976
Travel	-	680	680	375	305
Other Objects	-	609	609	609	-
<b>Total Support Services</b>	<b>15,425</b>	<b>17,812</b>	<b>33,237</b>	<b>26,553</b>	<b>6,684</b>
<b>Total Expenditures</b>	<b>511,622</b>	<b>56,365</b>	<b>567,987</b>	<b>552,284</b>	<b>15,703</b>
<b>Total Outflows</b>	<b>511,622</b>	<b>56,365</b>	<b>567,987</b>	<b>552,284</b>	<b>15,703</b>
<b>Excess/(Deficiency) of Revenues Over/(Under) Expenditures &amp; Other Financing Sources/(Uses)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
REQUIRED SUPPLEMENTARY INFORMATION  
BUDGETARY COMPARISON SCHEDULE  
NOTE TO RSI  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 37,731,845	\$ 552,284
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	25,695
Current Year	-	(5,924)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,160,259	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,155,828)	-
	\$ 37,736,276	\$ 572,055
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	\$ 37,736,276	\$ 572,055
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 35,813,085	\$ 552,284
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year	-	25,695
Current Year	-	(5,924)
	-	(5,924)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 35,813,085	\$ 572,055

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**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**  
**PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.04814%	0.05114%
District's proportionate share of the net pension liability (asset)	\$ 9,012,847	\$ 9,774,214
District's covered-employee payroll	\$ 3,214,021	\$ 3,236,834
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	280.42%	301.97%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	48.72%

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF DISTRICT CONTRIBUTIONS  
PUBLIC EMPLOYEES' RETIREMENT SYSTEM  
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 430,432	\$ 396,847
Contributions in relation to the contractually required contribution	<u>430,432</u>	<u>396,847</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 3,214,021	\$ 3,236,834
Contributions as a percentage of covered- employee payroll	13.39%	12.26%

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS' PENSION AND ANNUITY FUND  
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.12501%	0.12065%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 66,811,725	\$ 60,973,040
District's covered-employee payroll	\$ 13,023,015	\$ 12,799,821
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	33.76%

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

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**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2015**

**Teachers Pension and Annuity Fund (TPAF)**

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

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

**Public Employees' Retirement System (PERS)**

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

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

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**OTHER SUPPLEMENTARY INFORMATION**

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**D. School Based Budget Schedules**

**Not Applicable**

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**E. Special Revenue Fund**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	<u>NO CHILD LEFT BEHIND</u>						
	TITLE II PART A	TITLE I	FOOD FOR ALL	FMC CHAPTER	STEM GRANT	PSLP GRANT	
Revenues:							
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,651
Federal Sources	18,590	55,913	-	-	5,930	-	-
Local Sources	-	-	2,499	4,100	-	-	-
Total Revenues	<u>\$ 18,590</u>	<u>\$ 55,913</u>	<u>\$ 2,499</u>	<u>\$ 4,100</u>	<u>\$ 5,930</u>	<u>\$ -</u>	<u>\$ 5,651</u>
Expenditures:							
Instruction:							
Salaries of Teachers	\$ 17,269	\$ 5,457	\$ -	\$ -	\$ -	\$ -	\$ 2,106
Purchase of Professional Educational Services	-	-	-	-	-	-	-
Other Professional Services	-	-	-	-	-	-	-
Tuition	-	-	-	-	-	-	-
General Supplies	-	50,039	2,499	4,100	4,541	-	3,323
Textbooks	-	-	-	-	-	-	-
Other Objects	-	-	-	-	449	-	-
Total Instruction	<u>17,269</u>	<u>55,496</u>	<u>2,499</u>	<u>4,100</u>	<u>4,990</u>	<u>-</u>	<u>5,429</u>
Support Services:							
Salaries	-	-	-	-	-	-	-
Purchase of Professional Education Services	-	-	-	-	-	-	-
Personal Services - Employee Benefits	1,321	417	-	-	-	-	161
Other Professional Services	-	-	-	-	-	-	17
Travel	-	-	-	-	331	-	44
Other Objects	-	-	-	-	609	-	-
Total Support Services	<u>1,321</u>	<u>417</u>	<u>-</u>	<u>-</u>	<u>940</u>	<u>-</u>	<u>222</u>
Total Expenditures	<u>\$ 18,590</u>	<u>\$ 55,913</u>	<u>\$ 2,499</u>	<u>\$ 4,100</u>	<u>\$ 5,930</u>	<u>\$ -</u>	<u>\$ 5,651</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	I.D.E.A. PART B BASIC		NONPUBLIC			
	PERKINS GRANT	REGULAR PROGRAM	AUXILIARY TEXTBOOK	CORRECTIVE SPEECH	CHP. 192 ESL	SUPPLEMENTAL INSTRUCTION
Revenues:						
State Sources	\$ -	\$ -	\$ 1,355	\$ 2,474	\$ -	\$ 1,726
Federal Sources	28,067	406,659	-	-	-	-
<b>Total Revenues</b>	<b>\$ 28,067</b>	<b>\$ 406,659</b>	<b>\$ 1,355</b>	<b>\$ 2,474</b>	<b>\$ -</b>	<b>\$ 1,726</b>
Expenditures:						
Instruction:						
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase of Professional Education Services	-	-	-	-	-	-
Other Professional Services	-	-	-	-	-	-
Tuition	-	403,608	-	-	-	-
General Supplies	22,017	-	-	-	-	-
Textbooks	-	-	1,355	-	-	-
Other Objects	6,050	-	-	-	-	-
<b>Total Instruction</b>	<b>28,067</b>	<b>403,608</b>	<b>1,355</b>	<b>-</b>	<b>-</b>	<b>-</b>
Support Services:						
Salaries	-	-	-	-	-	-
Purchase of Professional Education Services	-	3,051	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-
Other Professional Services	-	-	-	2,474	-	1,726
Travel	-	-	-	-	-	-
Other Objects	-	-	-	-	-	-
<b>Total Support Services</b>	<b>-</b>	<b>3,051</b>	<b>-</b>	<b>2,474</b>	<b>-</b>	<b>1,726</b>
<b>Total Expenditures</b>	<b>\$ 28,067</b>	<b>\$ 406,659</b>	<b>\$ 1,355</b>	<b>\$ 2,474</b>	<b>\$ -</b>	<b>\$ 1,726</b>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	NONPUBLIC				2015
	CH. 192 EXAMINATION	CH 192/193 COMP. ED.	TECHNOLOGY	NURSING	
Revenues:					
State Sources	\$ 1,621	\$ 14,781	\$ 736	\$ 2,182	\$ 30,526
Federal Sources	-	-	-	-	515,159
Local Sources	-	-	-	-	6,599
<b>Total Revenues</b>	<b>\$ 1,621</b>	<b>\$ 14,781</b>	<b>\$ 736</b>	<b>\$ 2,182</b>	<b>\$ 552,284</b>
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 24,832
Purchase of Professional Education Services	-	-	-	-	-
Tuition	-	-	-	-	403,608
General Supplies	-	-	736	2,182	89,437
Textbooks	-	-	-	-	1,355
Other Objects	-	-	-	-	6,499
<b>Total Instruction</b>	<b>-</b>	<b>-</b>	<b>736</b>	<b>2,182</b>	<b>525,731</b>
Support Services:					
Purchase of Professional Education Services	-	-	-	-	3,051
Personal Services - Employee Benefits	-	-	-	-	1,899
Other Professional Services	1,621	14,781	-	-	20,619
Travel	-	-	-	-	375
Other Objects	-	-	-	-	609
<b>Total Support Services</b>	<b>1,621</b>	<b>14,781</b>	<b>-</b>	<b>-</b>	<b>26,553</b>
<b>Total Expenditures</b>	<b>\$ 1,621</b>	<b>\$ 14,781</b>	<b>\$ 736</b>	<b>\$ 2,182</b>	<b>\$ 552,284</b>

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**F. Capital Projects Fund**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PROJECT EXPENDITURES  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES		CANCELLATION	UNEXPENDED BALANCE 2015
			PRIOR YEAR	CURRENT YEAR		
Renovations to High School	06/17/09	\$ 3,915,136	\$ 3,242,522	\$ -	\$ -	\$ 672,614
Total		\$ 3,915,136	\$ 3,242,522	\$ -	\$ -	\$ 672,614

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE-BUDGETARY BASIS  
FOR THE YEAR ENDED JUNE 30, 2015**

Fund Balance - Beginning	\$ 672,614
Fund Balance - Ending	<u>\$ 672,614</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND  
PROJECT STATUS - BUDGETARY BASIS  
RENOVATIONS TO HIGH SCHOOL  
FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 1,184,040	\$ -	\$ 1,184,040	\$ 1,184,040
Bond Proceeds & Transfers	2,731,096	-	2,731,096	2,731,096
<b>Total Revenues</b>	<b>3,915,136</b>	<b>-</b>	<b>3,915,136</b>	<b>3,915,136</b>
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	284,547	-	284,547	284,547
Construction Services	2,957,879	-	2,957,879	3,630,589
Cancellation of Receivable	96	-	96	-
<b>Total Expenditures</b>	<b>3,242,522</b>	<b>-</b>	<b>3,242,522</b>	<b>3,915,136</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 672,614	\$ -	\$ 672,614	\$ -

**ADDITIONAL PROJECT INFORMATION**

Project Number	
Grant Date	
Bond Authorization Date	6/17/2009
Bonds Authorized	\$2,731,000
Bonds Issued	\$2,731,000
Original Authorized Cost	\$3,800,323
Revised Authorized Cost	n/a
Percentage Increase Over Original Authorized Cost	n/a
Original Target Completion Date	n/a
Revised Target Completion Date	n/a

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**G. Proprietary Funds**

**These Statements are Presented as Exhibit B-4, Exhibit B-5 & Exhibit B-6.  
Duplication as G-Exhibits is not required.**

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**Enterprise Funds**

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**Internal Service Fund**

**Not Applicable**

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## **H. Fiduciary Fund**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUNDS  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE		AGENCY		TOTAL 2015
	UNEMPLOYMENT COMPENSATION TRUST	RETIREMENT TRUST	PAYROLL FUND	STUDENT ACTIVITY	
Cash & Cash Equivalents	\$ 90,377	\$ 131,777	\$ 19,103	\$ 312,388	\$ 553,645
Total Assets	90,377	131,777	19,103	312,388	553,645
<b>LIABILITIES</b>					
Payroll Deductions & Withholdings	-	-	16,953	-	16,953
Due to General Fund	-	-	2,150	-	2,150
Due to Student Groups	-	-	-	312,388	312,388
Total Liabilities	-	-	19,103	312,388	331,491
<b>NET POSITION</b>					
Held in Trust For:					
Unemployment Claims	90,377	-	-	-	90,377
Retirement Claims	-	131,777	-	-	131,777
Total Net Position	\$ 90,377	\$ 131,777	\$ -	\$ -	\$ 222,154

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FIDUCIARY FUND  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

ADDITIONS:	PRIVATE PURPOSE		
	UNEMPLOYMENT COMPENSATION TRUST	RETIREMENT TRUST	TOTAL 2015
Contributions:			
Deductions From Employee's Salaries	\$ 29,508	\$ -	\$ 29,508
Total Contributions	29,508	-	29,508
Investment Earnings			
Interest on Investments	-	-	-
Total Investment Earnings	-	-	-
Total Additions	29,508	-	29,508
DEDUCTIONS:			
Unemployment Claims	10,728	-	10,728
Total Deductions	10,728	-	10,728
Change in Net Position	18,780	-	18,780
Net Position - Beginning of Year	71,597	131,777	203,374
Net Position - End of Year	\$ 90,377	\$ 131,777	\$ 222,154

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS & LIABILITIES  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	BALANCE JULY 1, 2014	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2015
Due to Student Groups	\$ 312,810	\$ 766,291	\$ 766,713	\$ 312,388
Total	<u>\$ 312,810</u>	<u>\$ 766,291</u>	<u>\$ 766,713</u>	<u>\$ 312,388</u>

**PAYROLL AGENCY FUND  
STATEMENT OF CHANGES IN ASSETS & LIABILITIES  
FOR FISCAL YEAR ENDED JUNE 30, 2015**

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Cash & Cash Equivalents	\$ 19,754	\$ 20,678,281	\$ 20,678,932	\$ 19,103
Total Assets	<u>\$ 19,754</u>	<u>\$ 20,678,281</u>	<u>\$ 20,678,932</u>	<u>\$ 19,103</u>
<b>LIABILITIES</b>				
Net Payroll Deductions & Withholdings	\$ 19,754	\$ 20,678,281	\$ 20,678,932	\$ 19,103
Total Liabilities	<u>\$ 19,754</u>	<u>\$ 20,678,281</u>	<u>\$ 20,678,932</u>	<u>\$ 19,103</u>

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## **I. Long-Term Debt**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**LONG-TERM DEBT**  
**SCHEDULE OF SERIAL BONDS**  
**JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITY DATE	INTEREST RATE	BALANCE JUNE 30, 2014	RETIRED	BALANCE JUNE 30, 2015
School Refunding Bonds	10/1/2001	\$ 11,750,000	April 1, 2016	5.25%	\$ 3,375,000	\$ 1,110,000	\$ 2,265,000
			2017	5.25%			
School Refunding Bonds	11/2/2006	15,205,000	March 1, 2016	3.75%	12,920,000	730,000	12,190,000
			2017	4.75%			
			2018	5.00%			
			2019	5.00%			
			2020	4.00%			
			2021	4.00%			
			2022	4.00%			
			2023	4.00%			
			2024	4.00%			
			2025	4.00%			
			2026	4.125%			
			2027	4.125%			
			2028	4.125%			
2030	4.25%						
2031	3.50%						
School Bonds	6/17/2009	2,731,000	July, 15 2015	3.00%	2,136,000	180,000	1,956,000
			2016	3.50%			
			2017	3.50%			
			2018	3.75%			
			2019	3.88%			
			2020	4.00%			
			2021	4.25%			
			2022	4.25%			
			2023	4.50%			
			2024	4.50%			
Total							\$ 16,411,000
Total							\$ 18,431,000

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
LONG-TERM DEBT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
JUNE 30, 2015**

SERIES	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2014	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2015
2013 Purchase of Buses	1.82%	\$270,000	\$ 217,631	\$ -	\$ 52,945	\$ 164,686
2015 Purchase of Buses	1.99%	\$250,000	-	250,000	-	250,000
			\$ 217,631	\$ 250,000	\$ 52,945	\$ 414,686

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	JUNE 30, 2015			OVER/ (UNDER)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:				
Local Sources:				
Local Tax Levy	\$ 2,010,173	\$ -	\$ 2,010,173	\$ -
State Sources:				
Debt Service Aid Type II	714,775	-	714,775	-
Repayment of Debt:				
Transfers from Capital Reserve	100,000	-	100,000	-
<b>Total Revenues</b>	<b>2,824,948</b>	<b>-</b>	<b>2,824,948</b>	<b>-</b>
Expenditures:				
Regular Debt Service:				
Interest	804,948	-	804,948	-
Principal	2,020,000	-	2,020,000	-
<b>Total Expenditures</b>	<b>2,824,948</b>	<b>-</b>	<b>2,824,948</b>	<b>-</b>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	-
Fund Balance July 1	-	-	-	-
Fund Balance June 30	-	-	-	-
	\$ -	\$ -	\$ -	\$ -

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**STATISTICAL SECTION (Unaudited)**

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
 (Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 18,425,737	\$ 17,957,455	\$ 16,274,942	\$ 14,206,320	\$ 12,927,726	\$ 12,125,692	\$ 11,229,091	\$ 11,916,606	\$ 10,320,576	\$ 9,629,838
Restricted	11,028,010	2,694,782	2,677,062	6,110,173	4,525,689	7,862,456	9,523,641	6,474,610	6,798,913	7,258,664
Unrestricted	(12,047,413)	4,354,449	4,761,520	385,937	833,241	(1,749,501)	(2,491,607)	916,859	1,663,410	1,204,349
<b>Total Governmental Activities</b>	<b>\$ 17,406,334</b>	<b>\$ 25,006,686</b>	<b>\$ 23,713,524</b>	<b>\$ 20,702,430</b>	<b>\$ 18,286,656</b>	<b>\$ 18,238,647</b>	<b>\$ 18,261,125</b>	<b>\$ 19,308,075</b>	<b>\$ 18,782,899</b>	<b>\$ 18,092,851</b>
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 139,860	\$ 170,424	\$ 130,252	\$ 141,222	\$ 24,434	\$ 33,480	\$ 29,806	\$ 38,854	\$ 47,900	\$ 21,480
Unrestricted	338,031	256,465	471,004	697,600	828,643	750,020	548,394	610,497	422,307	294,996
<b>Total Business-Type Activities</b>	<b>\$ 477,891</b>	<b>\$ 426,889</b>	<b>\$ 601,256</b>	<b>\$ 838,822</b>	<b>\$ 853,077</b>	<b>\$ 783,500</b>	<b>\$ 578,200</b>	<b>\$ 649,351</b>	<b>\$ 470,207</b>	<b>\$ 316,476</b>
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 18,565,597	\$ 18,127,879	\$ 16,405,194	\$ 14,347,542	\$ 12,952,160	\$ 12,159,172	\$ 11,258,897	\$ 11,955,460	\$ 10,368,476	\$ 9,651,318
Restricted	11,028,010	2,694,782	2,677,062	6,110,173	4,525,689	7,862,456	9,523,641	6,474,610	6,798,913	7,258,664
Unrestricted	(11,709,382)	4,610,914	5,232,524	1,083,537	1,661,884	(999,481)	(1,943,213)	1,527,356	2,085,717	1,499,345
<b>Total District Net Position</b>	<b>\$ 17,884,225</b>	<b>\$ 25,433,575</b>	<b>\$ 24,314,780</b>	<b>\$ 21,541,252</b>	<b>\$ 19,139,733</b>	<b>\$ 19,022,147</b>	<b>\$ 18,839,325</b>	<b>\$ 19,957,426</b>	<b>\$ 19,253,106</b>	<b>\$ 18,409,327</b>

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
 CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
 LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses:</b>										
<b>Governmental Activities</b>										
<b>Instruction:</b>										
Regular	\$ 9,486,398	\$ 8,727,051	\$ 8,520,223	\$ 8,499,224	\$ 8,326,740	\$ 8,213,138	\$ 9,219,218	\$ 8,819,284	\$ 8,658,655	\$ 8,387,366
Special Education	2,450,328	2,301,724	2,263,281	2,111,357	1,940,360	2,157,565	1,598,828	1,564,120	1,541,829	1,407,533
Other Special Instruction	81,612	267,606	347,334	350,963	240,525	462,740	300,187	251,254	252,540	219,216
Other Instruction	1,543,266	1,492,982	1,383,126	1,314,700	1,318,793	1,319,907	1,296,907	1,254,115	1,220,411	1,151,053
<b>Support Services:</b>										
Tuition	1,442,300	1,309,562	1,156,994	1,040,201	927,092	539,348	1,001,125	917,919	1,030,441	1,083,899
Student & Instruction Related Services	3,984,626	3,696,263	3,716,110	3,259,385	3,212,310	3,340,263	3,404,210	3,048,686	2,824,743	2,689,522
School Administrative Services	1,112,411	177,495	996,378	1,029,322	1,095,064	1,291,712	1,210,498	1,246,588	1,214,006	1,247,100
General & Business Administrative Services	1,062,572	1,141,784	1,101,914	1,055,122	1,045,767	1,083,668	1,052,726	1,035,740	1,040,935	1,009,476
Plant Operations & Maintenance	3,132,914	3,204,197	2,897,805	3,026,494	2,914,623	3,377,381	3,369,244	3,495,796	2,867,661	2,819,453
Pupil Transportation	2,050,359	2,004,656	1,930,611	1,843,691	1,742,377	1,669,298	1,747,329	1,828,848	1,724,894	1,764,631
Business & Other Support Services	-	-	-	-	-	-	-	-	-	33
Special Schools	-	-	-	-	9,610	9,582	9,240	8,824	8,405	7,988
Interest on Long-Term Debt	736,902	865,093	1,040,073	1,081,842	1,193,432	1,187,648	1,119,976	1,171,905	1,109,731	1,344,050
Unallocated Benefits	11,584,527	8,028,599	7,111,018	6,765,425	8,058,785	7,841,839	7,197,782	7,469,765	7,236,262	6,266,454
Transfer to Charter Schools	-	-	9,182	9,554	-	-	-	-	-	-
Amortization of Debt Refunding Costs	-	-	-	23,795	23,794	23,794	23,795	23,795	15,863	-
Compensated Absences	-	-	-	115,139	3,310	126,296	31,690	122,620	(57,544)	21,514
Unallocated Depreciation	1,474,410	103,796	1,406,229	1,419,971	1,403,418	1,306,379	1,285,162	1,428,312	1,384,599	1,382,955
Cancellation of Accounts Receivable	-	-	96	306,794	-	-	-	-	-	-
Loss on Disposal of Assets	-	-	-	-	-	-	-	-	917,999	602,636
<b>Total Governmental Activities Expenses</b>	<b>40,142,625</b>	<b>33,320,808</b>	<b>33,880,374</b>	<b>33,252,979</b>	<b>33,456,000</b>	<b>33,950,558</b>	<b>33,867,917</b>	<b>33,687,571</b>	<b>32,991,430</b>	<b>31,404,879</b>
<b>Business-Type Activities:</b>										
Food Service	777,411	725,789	716,716	887,752	774,331	702,206	688,339	654,812	664,759	680,579
Regional Transportation	744,999	769,823	700,345	697,562	792,598	761,431	786,951	618,585	590,559	586,176
Evening Schools	52,073	45,490	66,772	50,432	50,168	60,093	61,565	63,036	74,727	55,258
Job Fair	-	-	-	-	-	-	6,606	6,451	4,815	9,102
Shared Services	-	-	49,228	-	20,454	32,604	-	-	-	-
Technologies	283,011	209,445	214,279	126,790	156,143	121,276	94,931	89,100	75,854	74,562
<b>Total Business-Type Activities Expense</b>	<b>1,857,494</b>	<b>1,750,547</b>	<b>1,747,340</b>	<b>1,762,536</b>	<b>1,793,694</b>	<b>1,677,610</b>	<b>1,638,392</b>	<b>1,431,984</b>	<b>1,410,714</b>	<b>1,405,677</b>
<b>Total District Expenses</b>	<b>\$ 42,000,119</b>	<b>\$ 35,071,355</b>	<b>\$ 35,627,714</b>	<b>\$ 35,015,515</b>	<b>\$ 35,249,694</b>	<b>\$ 35,628,168</b>	<b>\$ 35,506,309</b>	<b>\$ 35,119,555</b>	<b>\$ 34,402,144</b>	<b>\$ 32,810,556</b>
<b>Program Revenues:</b>										
<b>Governmental Activities:</b>										
Operating Grants & Contributions	\$ 6,943,041	\$ 1,240,694	\$ 1,244,759	\$ 748,802	\$ 783,595	\$ 863,907	\$ 1,261,023	\$ 1,210,509	\$ 813,978	\$ 1,157,884

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Charges for Services</b>	166,593	-	-	-	-	-	-	-	-	-
<b>Total Governmental Activities Program Revenues</b>	7,109,634	1,240,694	1,244,759	748,802	783,595	863,907	1,261,023	1,210,509	813,978	1,157,884
<b>Business-Type Activities:</b>										
Charges for Services:										
Food Service	575,582	570,318	577,473	621,854	569,428	578,874	573,286	538,810	594,473	522,952
Regional Transportation	784,531	755,527	750,717	741,687	889,123	887,159	958,087	880,530	653,935	639,495
Evening Schools	81,394	60,780	64,943	59,128	67,345	82,298	65,953	86,935	79,355	63,010
Job Fair							6,600	10,900	6,650	9,450
Shared Services			49,228	17	16,311	36,837				
Regional Technologies	293,957	197,529	191,449	180,107	170,406	122,480	115,434	86,573	82,238	74,660
Operating Grants & Contributions	173,032	171,873	183,702	160,858	150,392	148,428	127,086	107,653	113,365	108,633
<b>Total Business Type Activities Program Revenues</b>	1,908,496	1,756,027	1,817,512	1,763,651	1,863,005	1,856,076	1,846,446	1,711,401	1,530,016	1,418,200
<b>Total District Program Revenues</b>	<u>\$ 9,018,130</u>	<u>\$ 2,996,721</u>	<u>\$ 3,062,271</u>	<u>\$ 2,512,453</u>	<u>\$ 2,646,600</u>	<u>\$ 2,719,983</u>	<u>\$ 3,107,469</u>	<u>\$ 2,921,910</u>	<u>\$ 2,343,994</u>	<u>\$ 2,576,084</u>
<b>Net/(Expense)/Revenue:</b>										
Governmental Activities	\$(33,032,991)	\$(34,280,114)	\$(32,635,615)	\$(32,504,177)	\$(32,672,405)	\$(33,086,651)	\$(32,606,894)	\$(32,477,062)	\$(32,177,452)	\$(30,246,995)
Business-Type Activities	51,002	5,480	70,172	1,115	69,311	178,466	208,054	279,417	119,302	12,523
<b>Total Government-Wide Net Expense</b>	<u>\$(32,981,989)</u>	<u>\$(34,274,634)</u>	<u>\$(32,565,443)</u>	<u>\$(32,503,062)</u>	<u>\$(32,603,094)</u>	<u>\$(32,908,185)</u>	<u>\$(32,398,840)</u>	<u>\$(32,197,645)</u>	<u>\$(32,058,150)</u>	<u>\$(30,234,472)</u>
<b>General Revenues &amp; Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 17,983,527	\$ 17,316,137	\$ 16,654,619	\$ 15,846,421	\$ 15,996,421	\$ 15,996,421	\$ 15,461,943	\$ 15,054,234	\$ 14,475,225	\$ 13,444,765
Taxes Levied for Debt Service	2,010,173	2,008,648	2,007,523	2,015,105	2,072,399	1,777,183	1,772,714	1,730,229	2,184,215	1,802,335
Unrestricted Grants & Contributions	16,525,759	15,979,507	16,461,954	16,579,063	14,245,032	14,158,139	16,776,948	15,479,032	15,260,143	14,252,972
Tuition Received				162,316	171,924	138,606	176,098	93,847	180,074	100,946
Miscellaneous Income	306,375	211,274	215,873	274,782	980,867	270,037	270,842	508,496	782,748	617,731
Revaluation of Capital Assets	(1,618,981)				(746,229)	723,787	(2,209,674)			
Transfers	-	179,847	306,740	42,264			321,126	136,400	(14,905)	(26,049)
<b>Total Governmental Activities</b>	<u>35,206,853</u>	<u>35,695,413</u>	<u>35,646,709</u>	<u>34,919,951</u>	<u>32,720,414</u>	<u>33,064,173</u>	<u>32,569,997</u>	<u>33,002,238</u>	<u>32,867,500</u>	<u>30,192,700</u>
<b>Business-Type Activities:</b>										
Cancellation of Prior Year Receivable			(1,050)	(16,993)						

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)  
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Miscellaneous Income Transfers	-	(179,847)	(306,740)	52	1,623	266	26,834	41,921	36,127	43,709
Total Business-Type Activities	-	(179,847)	(307,738)	(15,370)	266	26,834	(279,205)	(100,273)	34,429	69,758
Total District-Wide	<u>\$ 35,206,853</u>	<u>\$ 35,515,566</u>	<u>\$ 35,338,971</u>	<u>\$ 34,904,581</u>	<u>\$ 32,720,680</u>	<u>\$ 33,091,007</u>	<u>\$ 32,290,792</u>	<u>\$ 32,901,965</u>	<u>\$ 32,901,929</u>	<u>\$ 30,262,458</u>
Change in Net Position:										
Governmental Activities	\$ 2,173,862	\$ 1,415,299	\$ 3,011,094	\$ 2,415,774	\$ 48,009	\$ (22,478)	\$ (36,897)	\$ 525,176	\$ 690,048	\$ (54,295)
Business-Type Activities	<u>51,002</u>	<u>(174,367)</u>	<u>(237,566)</u>	<u>(14,255)</u>	<u>69,577</u>	<u>205,300</u>	<u>(71,151)</u>	<u>179,144</u>	<u>153,731</u>	<u>82,281</u>
Total District	<u>\$ 2,224,864</u>	<u>\$ 1,240,932</u>	<u>\$ 2,773,528</u>	<u>\$ 2,401,519</u>	<u>\$ 117,586</u>	<u>\$ 182,822</u>	<u>\$ (108,048)</u>	<u>\$ 704,320</u>	<u>\$ 843,779</u>	<u>\$ 27,986</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FUND BALANCES AND GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Restricted	\$ 7,217,948	\$ 2,022,168	\$ 2,119,261	\$ 1,713,945	\$ 5,003,250	\$ 6,317,845	\$ 5,924,235	\$ 6,041,677	\$ 6,224,970	\$ 6,029,610
Committed	1,463,444	4,737,177	4,480,518	4,505,540	-	-	-	-	-	-
Assigned	1,674,004	1,705,552	1,524,784	1,403,663	-	-	-	-	-	-
Unassigned	597,381	314,689	562,416	651,280	1,471,354	113,849	1,967,503	1,439,375	1,778,811	1,749,229
<b>Total General Fund</b>	<b>\$ 10,952,777</b>	<b>\$ 8,779,586</b>	<b>\$ 8,686,979</b>	<b>\$ 8,274,428</b>	<b>\$ 6,474,604</b>	<b>\$ 6,431,694</b>	<b>\$ 7,891,738</b>	<b>\$ 7,481,052</b>	<b>\$ 8,003,781</b>	<b>\$ 7,778,839</b>
All Other Governmental Funds:										
Restricted										
Capital Projects Fund	\$ 672,614	\$ 672,614	\$ 557,801	\$ 557,897	\$ 1,108,715	\$ 1,148,731	\$ 2,099,920	\$ 776,144	\$ 586,276	\$ 679,178
Debt Service Fund	-	-	-	2	2	-	-	-	36,174	-
<b>Total All Other Governmental Funds</b>	<b>\$ 672,614</b>	<b>\$ 672,614</b>	<b>\$ 557,801</b>	<b>\$ 557,899</b>	<b>\$ 1,108,717</b>	<b>\$ 1,148,731</b>	<b>\$ 2,099,920</b>	<b>\$ 776,144</b>	<b>\$ 622,450</b>	<b>\$ 679,178</b>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues:</b>										
Taxes Local	\$ 19,993,700	\$ 19,324,785	\$ 18,662,142	\$ 17,861,526	\$ 18,068,820	\$ 17,773,604	\$ 17,234,657	\$ 16,784,463	\$ 16,659,440	\$ 15,247,100
Tuition Charges	166,593	175,667	196,020	162,316	171,924	138,606	176,098	93,847	180,074	100,946
Transportation	106,099	117,623	128,954	110,742	119,759	118,652	51,522	130,332	165,330	203,369
Miscellaneous	200,276	93,651	86,919	164,040	861,108	151,385	219,320	378,164	617,418	414,362
State Sources	16,022,536	15,802,307	15,728,728	14,655,690	13,655,756	11,394,499	15,337,095	14,953,670	14,202,668	13,640,747
Federal Sources	4,544,075	1,417,894	1,977,985	2,672,175	1,372,871	3,627,547	2,700,876	1,735,871	1,871,453	1,770,109
<b>Total Revenue</b>	<b>41,033,279</b>	<b>36,931,927</b>	<b>36,780,748</b>	<b>35,626,489</b>	<b>34,250,238</b>	<b>33,204,293</b>	<b>35,719,568</b>	<b>34,076,347</b>	<b>33,696,383</b>	<b>31,376,633</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	9,454,824	8,927,326	8,745,164	8,499,224	8,326,740	8,213,138	9,219,218	8,819,284	8,658,655	8,387,366
Special Education Instruction	2,450,328	2,301,724	2,263,281	2,111,357	1,940,360	2,157,565	1,598,828	1,564,120	1,541,829	1,407,533
Other Special Instruction	81,612	267,606	347,334	350,963	240,525	462,740	300,187	251,254	252,540	219,216
Other Instruction	1,543,266	1,492,982	1,383,126	1,314,700	1,318,793	1,319,907	1,296,907	1,254,115	1,220,411	1,151,053
<b>Support Services:</b>										
Tuition	1,442,300	1,309,562	1,156,994	1,040,201	927,092	539,348	1,001,125	917,919	1,030,441	1,083,899
Student & Instruction Related Services	3,984,626	3,696,263	3,716,110	3,259,385	3,212,310	3,340,263	3,404,210	3,048,686	2,824,743	2,689,522
School Administrative Services	1,112,411	1,077,495	996,378	1,029,322	1,095,064	1,291,712	1,210,498	1,246,588	1,214,006	1,247,100
General & Business Administration Services	1,062,572	1,124,902	1,078,120	1,055,122	1,045,767	1,083,668	1,052,726	1,035,740	1,040,935	1,009,476
Plant Operations & Maintenance	3,132,914	3,204,197	2,897,805	3,026,494	2,914,623	3,377,381	3,369,244	3,495,796	2,867,661	2,819,453
Pupil Transportation	2,050,359	2,004,656	1,985,079	1,896,446	1,793,471	1,718,784	1,800,226	1,828,848	1,724,894	1,764,631
Other Support Services	-	-	-	-	-	-	-	-	-	33
Employee Benefits	8,464,319	7,799,785	7,609,999	6,771,225	8,103,085	7,648,886	7,004,829	7,469,765	7,236,262	6,266,454
Special Schools	-	-	-	-	9,610	9,582	9,240	8,824	8,405	7,988
Capital outlay	1,505,609	1,139,958	1,660,732	942,519	1,379,499	2,923,510	1,432,321	1,719,342	1,655,407	1,398,662
Debt service:										
Principal	2,020,000	1,935,000	1,850,000	1,765,000	1,625,000	1,445,000	1,375,000	1,305,000	1,330,000	1,145,000
Interest & Other Charges	804,948	892,898	975,635	1,041,441	1,157,816	1,073,351	1,130,951	1,185,626	1,148,526	1,357,975
<b>Total Expenditures</b>	<b>39,110,088</b>	<b>37,174,354</b>	<b>36,665,757</b>	<b>34,103,399</b>	<b>35,089,755</b>	<b>36,604,835</b>	<b>35,205,510</b>	<b>35,150,907</b>	<b>33,754,715</b>	<b>31,955,361</b>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Excess (Deficiency) of Revenues Over/(Under) Expenditures	1,923,191	(242,427)	114,991	1,523,090	(839,517)	(3,400,542)	514,058	(1,074,560)	(58,332)	(578,728)
Other Financing Sources/(Uses):										
Cancellation of Accounts Receivable	-	-	(96)	(306,794)	-	-	-	-	-	-
Transfer to Charter School Capital Leases (Nonbudgeted)	-	-	(9,182)	(9,554)	-	-	-	-	-	-
Transfers in	250,000	270,000	-	-	-	-	-	260,700	-	-
Transfers Out	100,000	279,847	406,740	142,264	-	-	324,544	145,400	-	-
Bond Proceeds	(100,000)	(100,000)	(100,000)	(100,000)	-	-	(3,418)	(9,000)	(14,905)	(26,049)
	-	-	-	-	-	-	2,731,000	-	-	-
Total Other Financing Sources/(Uses)	250,000	449,847	297,462	(274,084)	-	-	3,052,126	397,100	(14,905)	(26,049)
Net Change in Fund Balances	\$ 2,173,191	\$ 207,420	\$ 412,453	\$ 1,249,006	\$ (839,517)	\$ (3,400,542)	\$ 3,566,184	\$ (677,460)	\$ (73,237)	\$ (604,777)
Debt Service as a Percentage of Noncapital Expenditures	7.5%	7.8%	8.1%	8.5%	8.3%	7.5%	7.4%	7.4%	8.2%	8.2%

Source: District Records

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	TRANSPORTATION FROM LEAS	SRECS REVENUE	SERVICE AND USE FEES	MISCELLANEOUS	TOTAL
2015	\$ 21,171	\$ 166,593	\$ 106,099	\$ 42,023	\$ 30,800	\$ 99,683	\$ 466,369
2014	25,890	175,667	117,623	-	14,792	52,969	386,941
2013	25,890	196,020	128,954	-	14,792	46,237	411,893
2012	38,711	162,316	110,742	-	22,394	102,935	437,098
2011	51,520	171,924	119,759	-	288,703	517,868	1,149,774
2010	87,913	138,606	118,652	-	-	62,722	407,893
2009	170,486	176,098	51,522	-	32,188	14,276	444,570
2008	325,152	93,847	130,332	-	30,579	22,433	602,343
2007	512,893	180,074	165,330	-	21,568	82,957	962,822
2006	344,141	100,946	203,369	-	6,860	45,710	701,026

Source: District records

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,  
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET TAXABLE VALUATION	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
<b>Chesterfield</b>												
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	720,431,868	N/A	730,924,803	1.938	730,924,803
2014	16,999,100	605,978,600	63,921,400	6,399,100	26,821,768	N/A	311,900	721,859,956	1,428,088	721,859,956	1.721	721,859,956
2013	16,999,100	605,978,600	63,921,400	6,399,100	26,821,768	N/A	311,900	721,859,956	1,428,088	721,859,956	1.721	721,859,956
2012	17,452,700	595,722,000	64,404,000	6,406,500	28,426,700	N/A	311,900	714,138,185	1,414,385	714,138,185	1.638	714,138,185
2011	28,535,250	646,753,950	74,048,800	6,365,000	29,487,200	N/A	336,700	787,000,869	1,473,969	787,000,869	1.432	787,000,869
2010	41,851,975	603,223,800	74,378,100	6,317,500	31,673,300	N/A	336,700	757,781,375	1,090,910	758,872,285	1.344	646,960,178
2009	61,646,900	565,065,600	55,031,700	6,407,900	32,209,000	N/A	336,700	720,697,800	1,090,910	721,788,710	1.249	603,060,976
2008	82,590,600	496,199,700	53,793,300	9,730,800	29,990,500	N/A	336,700	672,641,600	956,969	673,598,569	1.142	467,524,506
2007	16,617,100	215,877,000	25,557,500	5,910,385	20,145,700	N/A	161,700	284,269,385	535,021	284,804,406	2.427	400,025,757
2006	19,989,000	192,059,500	25,595,000	5,905,600	19,985,700	N/A	161,700	263,696,500	593,012	264,289,512	2.321	345,767,571
<b>Mansfield</b>												
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	953,750,426	N/A	953,750,426	2.130	953,750,426
2014	26,630,600	1,145,919,600	48,395,700	4,555,700	95,256,100	N/A	1,549,700	1,327,608,600	2,218,786	1,209,236,086	0.725	1,261,563,098
2013	26,630,600	1,145,919,600	48,395,700	4,555,700	95,256,100	N/A	1,549,700	1,327,608,600	2,218,786	1,209,236,086	0.725	1,261,563,098
2012	31,041,800	1,131,661,700	48,095,900	4,583,000	93,223,200	N/A	1,549,700	1,315,456,500	2,453,660	1,199,019,660	0.688	1,346,272,138
2011	37,953,900	1,118,913,700	49,117,800	4,416,400	90,481,100	N/A	1,549,700	1,307,733,800	2,323,604	1,191,166,904	0.664	1,364,791,953
2010	40,718,500	1,105,446,900	48,025,500	4,040,600	89,713,300	N/A	1,898,100	1,295,144,100	2,235,393	1,184,394,093	0.637	1,297,379,493
2009	45,735,400	1,094,648,400	47,024,100	4,218,900	89,409,800	N/A	2,165,400	1,288,503,200	1,517,603	1,178,091,703	0.610	1,290,671,921
2008	17,388,103	554,560,315	25,660,900	2,244,700	47,667,900	N/A	918,900	650,772,018	1,513,781	563,239,199	1.209	1,272,162,007
2007	13,961,600	541,902,415	24,745,000	2,316,600	44,453,400	N/A	918,900	630,629,115	1,513,781	547,531,596	1.204	940,809,581
2006	11,980,000	512,806,215	25,424,900	2,400,900	44,156,100	N/A	918,900	600,018,215	1,683,852	537,419,567	1.218	817,790,604
<b>North Hanover</b>												
2015	N/A	N/A	N/A	N/A	N/A	N/A	N/A	422,232,797	N/A	422,232,797	1.323	422,232,797
2014	7,626,700	299,041,200	47,208,400	3,817,000	55,552,750	N/A	14,068,500	427,642,350	186,808,500	614,450,850	0.514	440,784,678
2013	7,626,700	299,041,200	47,208,400	3,817,000	55,552,750	N/A	14,068,500	427,642,350	186,808,500	614,450,850	0.514	440,784,678
2012	7,469,300	300,264,900	42,790,000	3,828,800	58,829,650	N/A	14,139,900	427,322,550	1,130,610	428,772,960	0.494	458,272,038
2011	4,201,200	171,210,250	22,355,150	2,855,777	26,918,100	N/A	7,127,300	234,667,777	473,019	427,795,569	0.863	496,725,277
2010	4,534,700	171,085,100	21,676,400	2,643,127	29,645,700	N/A	7,127,300	236,712,327	473,019	235,140,796	0.823	556,802,474
2009	4,701,550	169,389,600	21,988,750	2,691,627	29,309,650	N/A	7,120,300	235,201,477	507,590	237,219,917	0.803	461,269,812
2008	5,054,100	165,948,150	21,257,600	2,871,377	29,440,250	N/A	7,346,300	231,917,777	490,186	235,691,663	0.783	455,320,108
2007	4,328,050	162,828,650	18,051,600	2,914,050	27,434,000	N/A	7,346,300	222,902,650	689,343	223,591,993	0.743	425,751,605
2006	4,657,100	159,428,750	17,230,300	3,059,850	27,205,400	N/A	7,346,300	218,927,700	689,343	219,617,043	0.743	359,822,709
<b>Springfield</b>												
2015	8,960,950	280,027,800	48,404,200	8,247,250	39,626,130	N/A	N/A	385,266,330	1,042,493	386,308,823	1.899	391,454,551
2014	10,200,450	285,013,000	46,312,500	8,516,310	40,271,630	N/A	N/A	390,313,890	941,780	391,255,670	0.882	399,666,076
2013	9,148,800	319,406,300	58,130,350	8,141,325	44,744,730	N/A	N/A	443,198,535	1,059,877	440,631,382	N/A	N/A
2012	8,693,800	320,597,900	59,831,550	7,705,755	46,369,530	N/A	N/A	444,449,935	1,064,130	444,262,665	0.746	N/A
2011	8,829,800	321,062,500	59,498,670	7,845,835	47,213,330	N/A	N/A	446,264,359	1,058,600	445,508,735	0.722	459,515,714
2010	9,494,300	322,408,700	57,574,970	9,248,059	47,538,330	N/A	N/A	443,862,429	1,231,512	447,495,871	0.729	484,277,796
2009	7,384,000	322,920,700	55,634,310	9,881,839	48,041,580	N/A	N/A	440,123,649	1,189,150	445,051,579	0.711	505,358,815
2008	7,097,900	322,260,900	54,235,910	9,176,159	47,352,780	N/A	N/A	433,668,709	1,095,081	441,218,730	0.691	491,033,999
2007	7,222,300	321,869,699	52,533,150	6,777,679	45,265,980	N/A	N/A	429,413,028	1,038,693	434,707,402	0.678	481,778,051
2006	8,718,460	318,183,000	49,888,600	6,723,889	45,899,080	N/A	N/A	428,547,003	1,109,999	430,523,028	0.655	422,427,176

b. Tax rates are per \$100

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN FISCAL YEARS  
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TWP OF SENDING DISTRICT	BURLINGTON COUNTY	COUNTY LIBRARY	
<b>Chesterfield</b>							
2015	1.345	0.593	1.938	0.224	0.341	0.032	0.040
2014	1.156	0.575	1.731	0.129	0.332	0.031	0.015
2013	1.156	0.575	1.731	0.129	0.332	0.031	0.015
2012	1.124	0.597	1.721	0.295	0.318	0.032	0.042
2011	1.094	0.544	1.638	0.053	0.388	N/A	N/A
2010	0.931	0.501	1.432	0.041	0.295	0.028	0.039
2009	0.883	0.461	1.344	0.041	0.354	N/A	N/A
2008	0.803	0.446	1.249	0.041	0.348	N/A	N/A
2007	0.734	0.408	1.142	0.042	0.376	N/A	N/A
2006	1.407	1.020	2.427	0.099	0.724	N/A	N/A
<b>Mansfield</b>							
2015	1.118	1.012	2.130	0.465	0.405	0.038	0.048
2014	1.080	0.945	2.025	0.430	0.415	0.038	0.019
2013	1.080	0.945	2.025	0.430	0.415	0.038	0.019
2012	0.725	0.635	1.360	0.287	0.293	0.029	0.038
2011	0.702	0.615	1.317	0.238	0.302	0.029	0.039
2010	0.688	0.636	1.324	0.226	0.317	0.031	0.041
2009	0.664	0.642	1.306	0.219	0.324	0.031	0.420
2008	0.637	0.644	1.281	0.182	0.323	0.030	0.041
2007	0.610	0.637	1.247	0.168	0.334	0.032	0.039
2006	1.209	1.260	2.469	0.315	0.613	0.056	0.067
<b>North Hanover</b>							
2015	0.641	0.682	1.323	0.354	0.326	0.031	0.039
2014	0.546	0.653	1.199	0.293	0.335	0.031	0.015
2013	0.546	0.653	1.199	0.293	0.335	0.031	0.015
2012	0.514	0.617	1.131	0.277	0.316	0.031	0.041
2011	0.494	0.603	1.097	0.273	0.406	N/A	N/A
2010	0.863	1.106	1.969	0.457	0.794	N/A	N/A
2009	0.823	1.179	2.002	0.406	0.897	N/A	N/A
2008	0.803	1.039	1.842	0.381	0.761	N/A	N/A
2007	0.783	1.039	1.822	0.297	0.802	N/A	N/A
2006	0.743	1.043	1.786	0.297	0.604	0.055	0.066
<b>Springfield</b>							
2015	0.899	1.000	1.899	0.532	0.342	0.032	0.041
2014	0.769	0.778	1.547	0.434	0.310	0.029	0.014
2013	0.769	0.778	1.547	0.434	0.310	0.029	0.014
2012	0.746	0.734	1.480	0.418	0.298	0.030	0.039
2011	0.729	0.728	1.457	0.398	0.391	N/A	N/A
2010	0.722	0.699	1.421	0.378	0.412	N/A	N/A
2009	0.711	0.687	1.398	0.379	0.432	N/A	N/A
2008	0.691	0.727	1.418	0.366	0.433	N/A	N/A
2007	0.678	0.782	1.460	0.352	0.468	N/A	N/A
2006	0.655	0.748	1.403	0.329	0.359	0.033	0.039

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS,  
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
<b>CHESTERFIELD TOWNSHIP</b>						
Three Putt LLC	N/A	1	N/A	N/A	1	N/A
Colonial Pipeline Co	N/A	2	N/A	N/A	2	N/A
Colonial Pipeline Co	N/A	3	N/A	N/A	3	N/A
Taxpayer #1	N/A	4	N/A	N/A	4	N/A
Taxpayer #2	N/A	5	N/A	N/A	5	N/A
Taxpayer #3	N/A	6	N/A	N/A	6	N/A
Anna N A Black Farm LLC	N/A	7	N/A	N/A	7	N/A
Crosbie Enterprises LLC	N/A	8	N/A	N/A	8	N/A
Mekwin LLC	N/A	9	N/A	N/A	9	N/A
Transcontinental Gas Pipeline	N/A	10	N/A	N/A	10	N/A
Total						
<b>MANSFIELD TOWNSHIP</b>						
N.A.D.E./Manheim Auto Auction	N/A	1	N/A	N/A	1	N/A
Vanco USA LLC	N/A	2	N/A	N/A	2	N/A
Homestead Plaza II	N/A	3	N/A	N/A	3	N/A
Transcontinental Gas Pipeline	N/A	4	N/A	N/A	4	N/A
Cubesmart LP	N/A	5	N/A	N/A	5	N/A
MLC Developers LLC	N/A	6	N/A	N/A	6	N/A
NJ American Water	N/A	7	N/A	N/A	7	N/A
Taxpayer #1	N/A	8	N/A	N/A	8	N/A
Taxpayer #2	N/A	9	N/A	N/A	9	N/A
NJ BM&P Apprentice	N/A	10	N/A	N/A	10	N/A
Total						
<b>NORTH HANOVER TOWNSHIP</b>						
Spartan Village Inc.	N/A	1	N/A	N/A	1	N/A
Riteaid	N/A	2	N/A	N/A	2	N/A
Hanover Village LLC	N/A	3	N/A	N/A	3	N/A
Matrix Hanver Golf LLC	N/A	4	N/A	N/A	4	N/A
California Village LLC	N/A	5	N/A	N/A	5	N/A
North Mill Assoc.	N/A	6	N/A	N/A	6	N/A
South Mill Assoc.	N/A	7	N/A	N/A	7	N/A
Store & Lock Self Storage	N/A	8	N/A	N/A	8	N/A
JCP & L	N/A	9	N/A	N/A	9	N/A
Maplewood Apartments	N/A	10	N/A	N/A	10	N/A
Total						
<b>SPRINGFIELD TOWNSHIP</b>						
Columbus Farmers Market	\$8,855,400	1	1.331%	N/A	1	N/A
Helis Enterprise	2,414,900	2	0.363%	N/A	2	N/A
Transcontinental Pipeline	2,251,630	3	0.338%	N/A	3	N/A
NJ Land	1,651,100	4	0.248%	N/A	4	N/A
Milo Corporation	1,600,000	5	0.240%	N/A	5	N/A
Interstate Storage & Pipeline	1,584,290	6	0.238%	N/A	6	N/A
K&P Ganesh Corporation	1,265,100	7	0.190%	N/A	7	N/A
Store & Lock Self Storage	1,112,400	8	0.167%	N/A	8	N/A
Verizon	959,580	9	0.144%	N/A	9	N/A
Taxpayer #1	N/A	10	N/A	N/A	10	N/A
Total	<u>\$21,694,400</u>		<u>3.259%</u>			

Source: Municipal Tax Assessor

**PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2015	\$19,993,700	19,993,700	100.00%	N/A
2014	19,324,785	19,324,785	100.00%	N/A
2013	18,662,142	18,662,142	100.00%	N/A
2012	17,861,526	17,861,526	100.00%	N/A
2011	18,068,820	18,068,820	100.00%	N/A
2010	17,773,604	17,773,604	100.00%	N/A
2009	17,234,657	17,234,657	100.00%	N/A
2008	16,784,463	16,784,463	100.00%	N/A
2007	16,659,440	16,659,440	100.00%	N/A
2006	15,247,100	15,247,100	100.00%	N/A

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT
2015	\$ 16,411,000	\$ 164,686	\$ 16,575,686
2014	18,431,000	217,631	18,648,631
2013	18,516,000	-	18,516,000
2012	22,216,000	54,468	22,270,468
2011	23,981,000	107,223	24,088,223
2010	25,606,000	158,317	25,764,317
2009	27,051,000	207,803	27,258,803
2008	25,695,000	260,700	25,955,700
2007	27,000,000	-	27,000,000
2006	27,751,000	-	27,751,000

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		NET GENERAL BONDED DEBT OUTSTANDING	PERCENTAGE OF AVERAGE PER CAPITA INCOME	PER AVERAGE PER CAPITA INCOME
	GENERAL OBLIGATION BONDS	DEDUCTIONS			
2015	\$ 16,411,000	\$ -	\$ 16,411,000	N/A	N/A
2014	18,431,000	-	18,431,000	N/A	N/A
2013	18,516,000	-	18,516,000	N/A	359
2012	22,216,000	-	22,216,000	0.84%	434
2011	23,981,000	-	23,981,000	0.95%	485
2010	25,606,000	-	25,606,000	1.09%	538
2009	27,051,000	-	27,051,000	1.20%	571
2008	25,695,000	-	25,695,000	1.14%	538
2007	27,000,000	-	27,000,000	1.22%	583
2006	27,751,000	-	27,751,000	1.35%	623

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF JUNE 30, 2015**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE	OVERLAPPING DEBT
<b>Chesterfield</b>			
Debt Repaid With Property Taxes:			
Chesterfield Township	\$ 4,733,699	100.000%	\$ 4,733,699
Burlington County General Obligation Debt	303,356,410	1.309%	3,970,935
Regional School Debt	16,411,000	25.333%	<u>4,157,477</u>
Subtotal, Overlapping Debt			12,862,112
Chesterfield Township Schools			<u>36,260,000</u>
Total Direct & Overlapping Debt			<u>\$ 49,122,112</u>
<b>Mansfield</b>			
Debt Repaid With Property Taxes:			
Mansfield Township	\$ 7,622,887	100.000%	\$ 7,622,887
Burlington County General Obligation Debt	303,356,410	2.572%	7,802,327
Regional School Debt	16,411,000	43.830%	<u>7,193,010</u>
Subtotal, Overlapping Debt			22,618,224
Mansfield Township School District			<u>9,960,000</u>
Total Direct & Overlapping Debt			<u>\$ 32,578,224</u>
<b>North Hanover</b>			
Debt Repaid With Property Taxes:			
North Hanover Township	\$ 2,741,409	100.000%	\$ 2,741,409
Burlington County General Obligation Debt	303,356,410	1.070%	3,245,914
Regional School Debt	16,411,000	15.628%	<u>2,564,662</u>
Subtotal, Overlapping Debt			8,551,984
North Hanover Township School District			<u>-</u>
Total Direct & Overlapping Debt			<u>\$ 8,551,984</u>
<b>Springfield</b>			
Debt Repaid With Property Taxes:			
Springfield Township	\$ 5,585,000	100.000%	\$ 5,585,000
Burlington County General Obligation Debt	303,356,410	1.074%	3,258,048
Regional School Debt	16,411,000	15.208%	<u>2,495,842</u>
Subtotal, Overlapping Debt			11,338,890
Springfield Township School District Direct Debt			<u>-</u>
Total Direct & Overlapping Debt			<u>\$ 11,338,890</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington 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 above Townships. This process recognizes that, when considering the District's ability to issue and repay Long-Term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
LEGAL DEBT MARGIN INFORMATION  
LAST TEN FISCAL YEARS**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 93,859,674	\$ 94,061,997	\$ 96,486,171	\$ 105,417,938	\$ 106,800,265	\$ 104,471,068	\$ 100,139,959	\$ 89,299,923	\$ 77,838,496	\$ 64,366,123
Total Net Debt Applicable to Limit	16,411,000	18,431,000	20,366,000	22,216,000	23,981,000	25,606,000	27,051,000	25,695,000	27,000,000	27,751,000
Legal Debt Margin	\$ 77,448,674	\$ 75,630,997	\$ 76,120,171	\$ 83,201,938	\$ 82,819,265	\$ 78,865,068	\$ 73,088,959	\$ 63,604,923	\$ 50,838,496	\$ 36,615,123
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	17.48%	19.59%	21.11%	21.07%	22.45%	24.51%	27.01%	28.77%	34.69%	43.11%

**Legal Debt Margin Calculation for Fiscal Year 2014**

Equalized Valuation Basis	Equalized Valuation Basis				Total
	Chesterfield	Mansfield	North Hanover	Springfield	
2014	\$ 720,521,819	\$ 1,126,982,679	\$ 398,592,589	\$ 393,977,884	2,640,074,971
2013	708,713,580	1,125,459,812	407,804,453	398,344,556	2,640,322,401
2012	715,854,042	1,201,890,820	435,880,491	411,092,232	2,764,717,585
Average Equalized Valuation of Taxable Property					\$ 8,045,114,957
Debt Limit (3.5 % of Average Equalization Value)					\$ 2,681,704,986
Net Bonded School Debt					\$ 93,859,674
Legal Debt Margin					16,411,000
					\$ 77,448,674

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
<b>Chesterfield</b>			
2015	N/A	N/A	N/A
2014	7,693	N/A	5.7%
2013	7,755	51,638	9.0%
2012	7,649	51,149	8.6%
2011	7,790	49,471	N/A
2010	7,723	47,586	N/A
2009	7,620	47,384	N/A
2008	7,421	47,758	N/A
2007	6,973	46,295	3.9%
2006	6,543	44,519	3.6%
<b>Mansfield</b>			
2015	N/A	N/A	N/A
2014	8,563	N/A	5.9%
2013	8,550	51,638	11.7%
2012	8,582	51,149	11.3%
2011	8,555	49,471	N/A
2010	8,548	47,586	10.9%
2009	8,000	47,384	6.4%
2008	7,958	47,758	4.7%
2007	7,926	46,295	5.2%
2006	7,957	44,519	4.3%
<b>North Hanover</b>			
2015	N/A	N/A	N/A
2014	7,647	N/A	7.1%
2013	7,661	51,638	11.5%
2012	7,689	51,149	0
2011	7,690	49,471	N/A
2010	7,676	47,586	N/A
2009	7,368	47,384	6.3%
2008	7,371	47,758	4.6%
2007	7,401	46,295	5.1%
2006	7,503	44,519	4.7%
<b>Springfield</b>			
2015	N/A	N/A	N/A
2014	3,387	N/A	6.0%
2013	3,401	51,638	8.9%
2012	3,416	51,149	8.5%
2011	3,416	49,471	8.8%
2010	3,412	47,586	8.3%
2009	3,454	47,384	4.8%
2008	3,466	47,758	3.5%
2007	3,487	46,295	3.9%
2006	3,539	44,519	4.1%

**Source:**

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

(c) Per Capita data provided by the NJ Dept of Labor and Workforce Development

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO**

	2015		
	ESTIMATED EMPLOYEES	RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Albert C. Wagner Youth Correctional Facility	550	1	N/A
Garden State Youth Correctional Center	500	2	N/A
Northern Burlington Regional	315	3	N/A
North Hanover School District	250	4	N/A
Mansfield School District	150	5	N/A
Chesterfield School District	125	6	N/A
Springfield School District	55	7	N/A
	<u>1,945</u>		

2006

NOT AVAILABLE

Source: Comprehensive Annual Financial Reports of Individual School Districts

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEAR**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:										
Regular	129.75	122.99	122.99	117.85	117.17	129.39	135.80	136.50	129.50	128.00
Special Education	28.44	29.68	29.68	29.54	29.13	29.01	25.00	24.00	28.80	28.00
Vocational	5.00	4.83	4.83	5.33	5.00	5.00	5.00	5.00	4.70	4.50
Support Services:										
Student & Instruction Related Services	43.66	45.73	45.73	44.80	62.56	65.55	66.05	61.75	60.50	57.00
School Administrative Services	16.40	15.60	15.60	16.60	17.60	18.85	19.75	19.75	21.50	20.00
General & Business Administrative Services	9.30	9.30	9.30	9.30	9.30	8.80	8.60	8.90	7.62	8.00
Plant Operations & Maintenance	31.00	29.00	29.00	29.00	30.00	32.00	32.00	32.00	30.00	30.00
Pupil Transportation	44.00	44.00	44.00	41.00	41.00	44.00	43.00	42.00	42.00	42.00
<b>Total</b>	<b>307.55</b>	<b>301.13</b>	<b>301.13</b>	<b>301.13</b>	<b>293.42</b>	<b>311.76</b>	<b>332.60</b>	<b>335.20</b>	<b>329.90</b>	<b>324.62</b>

**Source:** District Personnel Records

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						DISTRICT	DISTRICT				
2015	2,148	\$32,685,054	15,217	-3.32%	157	13.68	13.68	2,105.0	1,987	2.036%	94.39%
2014	2,011	32,685,054	16,253	8.16%	157	12.81	12.81	2,063.0	1,884	4.139%	91.32%
2013	2,011	31,652,741	15,740	4.74%	157	12.81	12.81	1,981.0	1,884	1.434%	95.10%
2012	1,986	29,843,543	15,027	-5.81%	153	12.98	12.98	1,953.0	1,850	4.831%	94.73%
2011	1,904	30,376,175	15,954	-3.48%	151	12.61	12.61	1,863.0	1,763	2.537%	94.63%
2010	1,836	30,347,500	16,529	-2.00%	166	11.06	11.06	1,816.9	1,717	1.333%	94.50%
2009	1,822	30,730,212	16,866	2.37%	166	10.98	10.98	1,793.0	1,720	-2.305%	95.93%
2008	1,848	30,445,829	16,475	5.18%	166	11.13	11.13	1,835.3	1,720	-1.861%	93.72%
2007	1,891	29,620,782	15,664	7.71%	163	11.60	11.60	1,870.1	1,764	-0.442%	94.30%
2006	1,929	28,053,724	14,543	11.12%	158	12.21	12.21	1,878.4	1,774	-1.526%	94.44%

**Sources:** District records

**Note:** Enrollment based on annual October district count.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHOOL BUILDING INFORMATION  
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Middle School:										
Middle School (2004):										
Square Feet	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
Capacity (Students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	768	726	726	736	658	656	602	602	601	661
High School:										
High School (1960):										
Square Feet	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,380	1,285	1,285	1,250	1,158	1,156	1,246	1,246	1,254	1,253

Number of Schools at June 30, 2013:

- Middle School = 1
- Senior High School = 1
- Other = 0

**Source:** District Facilities Office

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF REQUIRED MAINTENANCE  
LAST TEN FISCAL YEARS**

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

	*	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	TOTAL
School Facilities	\$	617,893	\$ 601,618	\$ 573,459	\$ 613,877	\$ 511,264	\$ 718,612	\$ 632,115	\$ 754,682	\$ 432,297	\$ 412,221	\$ 5,868,038

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

Source: District records

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2015**

	COVERAGE	DEDUCTIBLE
<b>School Package Policy (1):</b>		
Building & Contents (All Locations)	Replacement Cost	500
Limits of Liability per Occurrence	150,000,000	500
Boiler & Machinery	50,000,000	1,000
General Automobile Liability	10,000,000	N/A
Educator's Legal Liability	10,000,000	N/A
Workers' Compensation	Statutory	N/A
Pollution Legal Liability	3,000,000	10,000
 Student Accident Insurance (2)	 5,000,000	
 Surety Bonds (3)		
Treasurer	250,000	N/A
Board Secretary	100,000	N/A

- (1) Burlington County Insurance Pool - Joint Insurance Fund (BCIPJIF)  
(2) AIG Life Insurance Company  
(3) Utica Mutual Insurance Company

Source: District records

**SINGLE AUDIT SECTION**

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EXHIBIT K-1

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

Honorable President and Members  
of the Board of Education  
Northern Burlington County Regional School District  
County of Burlington  
Mansfield, New Jersey 08022

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Northern Burlington County Regional School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively the Northern Burlington County Regional School District's basic financial statements, and have issued our report thereon dated December 7, 2015.

**Internal Control Over Financial Reporting**

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

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

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

## **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
December 7, 2015

EXHIBIT K-2

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

Honorable President and Members  
of the Board of Education  
Northern Burlington County Regional School District  
County of Burlington  
Mansfield, New Jersey 08022

**Report on Compliance for Each Major Federal and State Program**

We have audited the Northern Burlington County Regional School District’s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District’s major federal and state programs for the year ended June 30, 2015. The Northern Burlington County School District’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 Northern Burlington County Regional School District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the *New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB’s Circular 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133 and New Jersey OMB’s Circulars 04-04 and 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of

compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Northern Burlington County Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Northern Burlington County Regional School District's compliance with those requirements.

### **Opinion on Each Major Federal and State Program**

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

### **Report on Internal Control Over Compliance**

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia  
Certified Public Accountant  
Public School Accountant  
No. 1011

Medford, New Jersey  
December 7, 2015

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE  
FOR FISCAL YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE, AT JUNE 30, 2015	DEFERRED REVENUE AT JUNE 30, 2015	DUE TO GRANTOR AT JUNE 30, 2015
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED-THROUGH</b>											
<b>STATE DEPARTMENT OF EDUCATION:</b>											
Food Distribution Program	10.551	\$ 31,890	7/1/14-6/30/15	\$ -	\$ 31,890	\$ (31,890)	\$ -	\$ -	\$ -	\$ -	\$ -
National School Lunch Program	10.555	134,705	7/1/14-6/30/15	-	126,422	(134,705)	-	-	(8,283)	-	-
National School Lunch Program	10.555	133,059	7/1/13-6/30/14	(22,500)	22,500	-	-	-	-	-	-
Total U.S. Department of Agriculture				(22,500)	180,812	(166,595)	-	-	(8,283)	-	-
<b>U.S. DEPARTMENT OF EDUCATION:</b>											
Title VIII, Impact Aid, 8003(d) Department of Defense Aid	84.041 84.041	3,888,678 120,467	9/1/14-8/30/15 9/1/14-8/30/15	- -	3,888,678 120,467	(3,888,678) (120,467)	- -	- -	- -	- -	- -
Total U.S. Department of Education				-	4,009,145	(4,009,145)	-	-	-	-	-
<b>U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH</b>											
<b>STATE DEPARTMENT OF EDUCATION:</b>											
N.C.L.B.											
Title I	84.010	54,992	9/1/11-8/30/12	45	-	-	(45)	-	-	-	-
Title I	84.010	50,813	7/1/13-6/30/14	(15,263)	13,953	-	-	-	(1,310)	-	-
Title I	84.010	58,907	9/1/12-8/30/13	(12)	-	-	-	-	(12)	-	-
Title I	84.010	55,913	7/1/14-6/30/15	-	55,388	(55,913)	-	-	(525)	-	-
Title II	84.367A	27,236	7/1/14-6/30/15	-	18,590	(18,590)	-	-	-	-	-
Title II	84.367A	26,995	7/1/13-6/30/14	(17,560)	17,421	-	-	-	(139)	-	-
Title II	84.367A	27,405	9/1/12-8/30/13	139	-	-	(139)	-	-	-	-
I.D.E.A. Part B, Basic Regular	84.027	387,640	9/1/12-8/30/13	175	-	-	(175)	-	-	-	-
I.D.E.A. Part B, Basic Regular	84.027	408,447	7/1/14-6/30/15	-	369,229	(405,875)	-	-	(36,646)	-	-
I.D.E.A. Part B, Basic Regular	84.027	377,847	7/1/13-6/30/14	(152,913)	152,737	(784)	-	1,506	(960)	1,506	
I.D.E.A. Basic - A.R.R.A.	84.391	392,074	9/1/09-8/30/11	(801)	-	-	-	-	(801)	-	-
STEM Grant	12.330	6,250	7/1/14-6/30/15	-	6,250	(5,920)	-	-	-	330	-
STEM Grant	12.330	6,535	9/1/12-8/30/13	11	-	(10)	-	597	-	598	-
Vocational Education:											
Perkins Grant	84.048A	28,067	7/1/14-6/30/15	-	28,067	(28,067)	-	-	-	-	-
Perkins Grant	84.048A	24,356	7/1/13-6/30/14	(185)	185	-	-	-	-	-	-
Total U.S. Department of Education				(186,364)	661,820	(515,159)	(359)	2,103	(40,393)	2,434	-
Total Federal Financial Assistance				\$ (208,864)	\$ 4,851,777	\$ (4,690,899)	\$ (359)	\$ 2,103	\$ (48,676)	\$ 2,434	\$ -

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF STATE FINANCIAL ASSISTANCE  
FOR FISCAL YEAR ENDED JUNE 30, 2015

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEAR BALANCES	ADJUSTMENTS	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	DEFERRED REVENUE AT JUNE 30, 2015	DUE TO GRANTOR AT JUNE 30, 2015	MEMO									
												BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES								
<b>State Department of Education:</b>																					
General Fund:																					
Equitization Aid	15-495-034-5120-078	\$ 10,071,884	7/1/14-6/30/15	\$ -	\$ 10,071,884	\$ (10,071,884)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (951,133)	\$ 10,071,884								
Categorical Special Education Aid	15-495-034-5120-089	1,064,239	7/1/14-6/30/15	-	1,064,239	(1,064,239)	-	-	-	-	-	(100,500)	1,064,239								
Categorical Transportation Aid	15-495-034-5120-014	538,546	7/1/14-6/30/15	-	538,546	(538,546)	-	-	-	-	-	(32,746)	538,546								
Categorical Security Aid	15-495-034-5120-084	152,560	7/1/14-6/30/15	-	152,560	(152,560)	-	-	-	-	-	(14,407)	152,560								
School Choice Aid	15-495-034-5120-068	340,382	7/1/14-6/30/15	-	340,382	(340,382)	-	-	-	-	-	(32,143)	340,382								
Adjustment Aid	15-495-034-5120-085	8,302	7/1/14-6/30/15	-	8,302	(8,302)	-	-	-	-	-	(784)	8,302								
PARCC Readiness Aid	15-495-034-5120-098	21,780	7/1/14-6/30/15	-	21,780	(21,780)	-	-	-	-	-	(2,057)	21,780								
Per Pupil Growth Aid	15-495-034-5120-097	21,780	7/1/14-6/30/15	-	21,780	(21,780)	-	-	-	-	-	(2,057)	21,780								
Extraordinary Aid	14-495-034-5120-044	316,833	7/1/13-6/30/14	(316,833)	316,833	-	-	-	-	-	-	-	-								
Extraordinary Aid	15-495-034-5120-044	267,825	7/1/14-6/30/15	-	-	(267,825)	-	-	(267,825)	-	-	-	267,825								
Transportation Aid:																					
Non-Public School Costs	15-100-034-5120-067	11,484	7/1/14-6/30/15	-	-	(11,484)	-	-	(11,484)	-	-	-	11,484								
Non-Public School Costs	14-100-034-5120-067	9,127	7/1/13-6/30/14	(9,127)	9,127	-	-	-	-	-	-	-	-								
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	15-495-034-5095-002	961,120	7/1/14-6/30/15	-	919,280	(961,120)	-	-	(41,840)	-	-	-	961,120								
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	14-495-034-5095-002	958,510	7/1/13-6/30/14	(41,592)	41,592	-	-	-	-	-	-	-	-								
On-Behalf TPAF Pension Contribution (Non-Budgeted)	15-495-034-5095-001	692,909	7/1/14-6/30/15	-	692,909	(692,909)	-	-	-	-	-	-	692,909								
On-Behalf TPAF Post-Retirement Medical (Non-Budgeted)	15-495-034-5095-001	1,099,993	7/1/14-6/30/15	-	1,099,993	(1,099,993)	-	-	-	-	-	-	1,099,993								
Special Revenue Fund:																					
N.J. Nonpublic Aid:																					
Nursing	15-100-034-5120-070	2,182	7/1/14-6/30/15	-	2,182	(2,182)	-	-	-	-	-	-	2,182								
Nursing	14-100-034-5120-070	1,544	7/1/13-6/30/14	232	-	-	(232)	-	-	-	-	-	-								
Textbook	15-100-034-5120-064	1,370	7/1/14-6/30/15	-	1,370	(1,355)	-	-	-	-	15	-	1,355								
Textbook	14-100-034-5120-064	932	7/1/13-6/30/14	57	-	-	(57)	-	-	-	-	-	-								
Supplemental Instruction	15-100-034-5120-066	2,354	7/1/14-6/30/15	-	2,353	(1,726)	-	-	-	-	627	-	1,726								
Corrective Speech 192	15-100-034-5120-066	2,827	7/1/14-6/30/15	-	2,828	(2,474)	-	-	-	-	354	-	2,474								
Corrective Speech 192	14-100-034-5120-066	937	7/1/13-6/30/14	312	-	-	(312)	-	-	-	-	-	-								
Ch. 192/193 Comp. Ed.	15-100-034-5120-067	15,587	7/1/14-6/30/15	-	15,584	(14,781)	-	-	-	-	803	-	14,781								
Ch. 192/193 Comp. Ed.	14-100-034-5120-067	16,778	7/1/13-6/30/14	1,370	-	-	(1,370)	-	-	-	-	-	-								
Examination 192	15-100-034-5120-066	1,982	7/1/14-6/30/15	-	1,983	(1,621)	-	-	-	-	362	-	1,621								
Examination 192	14-100-034-5120-066	3,143	7/1/13-6/30/14	-	1,829	-	-	-	-	-	1,829	-	-								
ESL	15-100-034-5120-373	3,143	7/1/13-6/30/14	611	-	-	(611)	-	-	-	-	-	-								
ESL	14-100-034-5120-066	736	7/1/14-6/30/15	-	736	(736)	-	-	-	-	-	-	736								
Personalized Student Learning Plan	N/A	7,500	7/1/13-6/30/14	(3,750)	3,750	-	-	-	-	-	-	-	-								
Personalized Student Learning Plan	N/A	6,000	7/1/14-6/30/15	-	3,323	(5,651)	-	-	(2,328)	-	-	-	5,651								
SUNY Grant	N/A	250	7/1/11-6/30/12	220	-	-	-	-	-	220	-	-	-								
Case Grant	N/A	5,000	7/1/13-6/30/14	43	-	-	(43)	-	-	-	-	-	-								
Case Grant	N/A	5,000	7/1/12-6/30/13	44	-	-	(44)	-	-	-	-	-	-								
Case Grant	N/A	10,000	7/1/11-6/30/12	50	-	-	(50)	-	-	-	-	-	-								
Debt Service Fund:																					
Debt Service Aid	15-495-034-5120-032	714,775	7/1/14-6/30/15	-	714,775	(714,775)	-	-	-	-	-	-	714,775								
<b>State Department of Agriculture:</b>																					
Enterprise Fund:																					
National School Lunch Program (State Share)	15-100-010-3360-067	6,437	7/1/14-6/30/15	-	5,873	(6,437)	-	-	(564)	-	-	-	6,437								
National School Lunch Program (State Share)	14-100-010-3360-067	6,056	7/1/13-6/30/14	(1,013)	1,013	-	-	-	-	-	-	-	-								
Total State Financial Assistance													\$ (369,376)	\$ 16,076,806	\$ (16,024,542)	\$ (2,719)	\$ -	\$ 220	\$ 3,990	\$ (1,155,838)	\$ 16,024,542
Less: Grants Not Subject to New Jersey OMB Circular 04-04:																					
On-Behalf TPAF Pension Contributions	15-495-034-5095-001	692,909	7/1/14-6/30/15	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
On-Behalf TPAF Post-Retirement Medical	15-495-034-5095-001	1,099,993	7/1/14-6/30/15	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -								
Total State Financial Assistance subject to New Jersey OMB Circular 04-04													\$ -	\$ (14,231,640)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2015**

**Note 1. General**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Northern Burlington County Regional School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

**Note 2. Basis of Accounting**

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

**Note 3. Relationship to Basic Financial Statements**

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,431 for the general fund and \$19,771 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE  
JUNE 30, 2015**

**Note 3. Relationship to Basic Financial Statements (continued):**

	<b>Federal</b>	<b>State</b>	<b>Total</b>
General Fund	\$4,009,145	\$15,277,235	\$19,286,380
Special Revenue Fund	534,930	30,526	565,456
Debt Service Fund		714,775	714,775
Food Service Fund	<u>166,595</u>	<u>6,437</u>	<u>173,032</u>
Total Financial Assistance	<u>\$4,710,670</u>	<u>\$16,028,973</u>	<u>\$20,739,643</u>

**Note 4. Relationship to Federal and State Financial Reports**

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

**Note 5. Other**

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

**Note 6. Federal and State Loans Outstanding**

The Northern Burlington County Regional School District had no loan balances outstanding at June 30, 2015.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2015**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Noncompliance material to basic financial Statements noted?	None Reported

**Federal Awards**

Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	None Reported

**Identification of major programs:**

<b>CFDA Number(s)</b>	<b>Name of Federal Program or Cluster</b>
84.041	PL81-874 Federal Impact Aid & Defense Aid

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS & QUESTIONED COSTS  
For the Fiscal Year Ended June 30, 2015**

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

**State Awards**

Dollar threshold used to distinguish between type A and type B programs:	\$426,949
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter(s) 04-04 and/or 15-08	None Reported

**Identification of major programs:**

GMIS Number(s)	Name of State Program State Aid Cluster:
15-495-034-5120-078	Equalization Aid
15-495-034-5120-089	Categorical Special Education Aid
15-495-034-5120-068	School Choice Aid
15-495-034-5120-084	Categorical Security Aid
15-495-034-5120-085	Adjustment Aid
15-495-034-5120-097	Per Pupil Growth Aid
15-495-034-5120-098	PARCC Readiness Aid

**Section II – Financial Statement Findings**

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*.

No Current Year Findings

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

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

No Current Year Findings

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT  
For the Fiscal Year Ended June 30, 2015**

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

No Prior Year Findings