

**SCHOOL DISTRICT
OF
PASCACK VALLEY REGIONAL**

**Pascack Valley Regional High School District
Montvale, New Jersey**

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

**Comprehensive Annual
Financial Report**

of the

Pascack Valley Regional High School District

Montvale, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

**Pascack Valley Regional High School District
Board of Education**

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INTRODUCTORY SECTION

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
46 Akers Avenue
Montvale, New Jersey 07645-2028

Mr. P. Erik Gundersen
Superintendent of Schools

Ms. Pamela Baxley
Business Administrator/Board Secretary

September 28, 2015

The Honorable President and Members
of the Board of Education
Pascack Valley Regional High School District
County of Bergen, New Jersey

Dear Board Members:

It is with pleasure that we submit the Comprehensive Annual Financial Report (CAFR) of the Pascack Valley Regional High School District for the fiscal year ended June 30, 2015. This CAFR includes the District's basic financial statements prepared in accordance with pronouncements of the Governmental Accounting Standards Board. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, data presented in this report is accurate in all materials respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

- The Introductory Section contains a Letter of Transmittal, List of Principal Officials, 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 and the Basic Financial Statements and Notes, providing an overview of the School District's financial position and operating results and supplementary schedules providing detailed budgetary information;
- The Statistical Section includes selected financial and demographic information, financial trends, and 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 U.S. Office Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Information related to this single audit, including the independent auditors' reports on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

HILLSDALE

MONTVALE

RIVERVALE

WOODCLIFF LAKE

Schools and Communities – Partners in Education

1) REPORTING ENTITY AND ITS SERVICES

The Pascack Valley Regional High School District is an independent reporting entity within the criteria adopted by the GASB in codification section 2100. All funds of the District are included in this report. The Pascack Valley Regional Board of Education and all its schools constitute the District's reporting entity. The District is comprised of two high schools. Pascack Hills High School, which is located in Montvale, receives students from the towns of Montvale and Woodcliff Lake. Pascack Valley High School, located in Hillsdale, is the receiving school for students who reside in the towns of Hillsdale and River Vale.

The District continues to provide excellent educational opportunities for its students. Pascack Hills and Pascack Valley High Schools are outstanding secondary institutions, offering students rigorous, stimulating, and diverse academic programs, delivered by an experienced and dedicated faculty. Our students perform at an extraordinarily high level, while maintaining substantial involvement in interscholastic sports, clubs and activities and community service. Both schools have been consistently recognized as among the best high schools in New Jersey.

The Pascack Valley Regional High School District provides a full range of educational services appropriate for grade levels 9 through 12. These include regular, as well as, special education for handicapped youngsters. As of June 30, 2015 Pascack Hills High School reported a student enrollment of 842 and Pascack Valley High School had 1,191 students on roll. The District completed the 2014-2015 fiscal year with a total enrollment of 2042 students, which represents a decrease of .97% from the previous year's enrollment.

The administrative team for the Pascack Valley Regional High School District consists of a District Superintendent, a Director of Curriculum Instruction and Assessment, a School Business Administrator/Board Secretary, an Assistant Business Administrator/ Facilities Manager and seven District wide curriculum supervisors. Pascack Hills High School administration is comprised of a principal, assistant principal, and athletic director/assistant principal. A larger student population, Pascack Valley High School is led by a principal, two assistant principals, and an athletic director.

School districts in New Jersey are legally classified as Type I or Type II. Pascack Valley Regional High School District, a Type II district, is one of 68 regional school districts in the state with a nine member, elected board of education. Board members are elected at the annual school election for terms of three years. Meetings of the Pascack Valley Regional Board of Education are held on the first and third Monday of each month. During its meetings, the Board determines District goals and priorities and conducts the business of the Board of Education. Board meetings are open to the public and begin at 7:30 P.M.

To maintain effective communications, the District produces community newsletters. The **Report** and **Pascack Regional Schools** are sent to all parents of children in the District. The **Report** is sent, as needed, to update the public on construction projects and other happenings in the District. Information about the budget is mailed in a special newsletter to all members of the community during the budget review process. Another monthly publication, **Bulletin**, summarizes the regular board meeting actions and is sent to all staff and is posted on the District's website.

PASCACK HILLS HIGH SCHOOL

Pascack Hills High School is an outstanding institution, offering students a rigorous, stimulating, and diverse academic program delivered by an experienced and dedicated faculty. Our students perform at an extraordinarily high level while maintaining substantial involvement in interscholastic sports, clubs and activities, and community service. Pascack Hills High School has been consistently recognized as one of the best high schools in New Jersey.

Both high schools in the Pascack Valley Regional High School District are the first in New Jersey to provide wireless laptops to all students and teachers to be used in classrooms and at home. Now in the eleventh year of implementation, the impact of this initiative on teaching and learning has been substantial, communication between school and home and among teachers is vastly enhanced, and students report that their organizational and study skills are greatly improved. We are an array of electronic resources and social media as we continue to explore the vast possibilities of the global network.

The program of studies at Pascack Hills High School offers a challenging Honors and Advanced Placement Program, two Syracuse University Project Advance courses, specialized electives, and unique programs in humanities, molecular genetics, and video production. The performance of our students has been exceptional. Academic honors awarded to members of the Class of 2015 include twelve National Merit Commended students and 14 Advanced Placement Scholars, 13 Advanced Placement Scholars with Honors, 23 Advanced Placement Scholars with Distinction, and 2 National AP Scholars.

Pascack Hills High School students are also extensively involved in extracurricular activities. We are proud of how our students perform academically within the classroom, artistically on our stage, and athletically on our playing fields. We are extremely proud of the willingness of so many of our students to give of themselves to our community.

We owe much of our success to our parent community. Both directly and indirectly, our parents collaborate with school personnel and function as partners in motivating our students and applauding their achievements. An active Parent Faculty Association provides the formal link between home and school.

Pascack Hills High School participates actively in the Pascack Valley Inter-district Articulation Program, which coordinates the curriculum between the middle schools and the regional high schools. Regular committee meetings are held throughout the school year to ensure curriculum alignment with the sending districts.

Our students will live in a world of global challenge and opportunity. At Pascack Hills High School, a talented faculty, a resourceful community, and an ambitious student body converge to accept the challenge and engage that opportunity.

PASCACK VALLEY HIGH SCHOOL

Pascack Valley High School is a school that focuses on academic excellence and challenges each of its students to meet high expectations. The student/teacher ratio enables the staff to work individually and in clusters with students to maintain high academic standards while meeting student needs. Academic excellence is the foundation of student life. During the 2014-2015 school year we had 1 National Merit Finalist along with 15 National Merit Commended Students. In addition, we had an 18% increase in students challenging themselves at the AP level. We also saw a significant increase in the number of students receiving AP Honors. This year we had 25 students named AP Scholars, 23 AP Scholars with Honors, and 23 students achieved AP Scholar with Distinction status.

There is a broad array of courses that focus on the individual needs of students. Follow-up surveys and visitations by alumni provide consistent feedback, indicating the high level of academic preparation that they have received from their high school experience.

The Student Council is an exceptional group involved in the essence of student life at Pascack Valley. Dedicated to student issues and service to the community, it is truly a student government. Members of the executive council meet on a regular basis to be proactive in creating a positive atmosphere within the building along with reaching out to help the community. All students are encouraged to become engaged in student clubs and activities. As in past years, each grade level committed itself to supporting a charitable cause by raising funds and awareness throughout the school year. Getting involved in positive, focused activities enhances student life and their school experiences. Community service to our local community and the community-at-large is a major commitment by groups within the school. Student opportunities for development and growth are explored beyond the classroom in a variety of co-curricular activities and athletic programs. In 2014-2015 Pascack Valley High School received the honor of being recognized as an Apple Distinguished School for its innovation, leadership, and educational excellence. This is the 7th year in a row Pascack Valley has received such distinction.

The student support services include a Child Study Team and a skilled guidance staff. An Intervention and Referral Services Team specializes in early intervention of at-risk students, and the Student Assistance Coordinator provides services and strategies that focus on prevention and intervention. These carefully coordinated services provide on-going support for students and their families. These personnel are committed to servicing the needs of Pascack Valley students at an exceptional level. The staff at Pascack Valley High School is pleased to provide a supportive environment that expands student experiences and involvement as they develop toward their potential. The Park@PVR program continues to flourish. The program continues to successfully keep students in district and has become a program that many area schools seek to send their district's special education students.

PARENT/FACULTY ORGANIZATIONS

A very active parent association provides an extremely valuable source of support for our students. The PFA (Parent Faculty Association) at Pascack Hills High School and the PFO (Parent Faculty Organization) at the Pascack Valley High School work well with school personnel and act as partners in motivating our students and applauding their achievements.

CURRICULUM AND INSTRUCTION

The office of Curriculum, Instruction, and Assessment has many areas of responsibility. This office is organized as follows: a Director, Supervisor of Mathematics and Art, Supervisor of Science and Technology Education, Supervisor of Special Education, Supervisor of Guidance, Supervisor of World Languages, Music and Family and Consumer Sciences, Supervisor of Social Studies and Physical and

Health Education, Supervisor of English and Media Services, and Director of Instructional Technology. The stated mission of the office of Curriculum, Instruction, and Assessment is to prepare students to be knowledgeable and productive citizens in our society. To make this goal a reality, the Office of Curriculum, Instruction, and Assessment works with the District's energetic, knowledgeable, and professional staff. Furthermore, the District has established innovative ways to articulate and communicate curriculum among the districts of Hillsdale, Montvale, River Vale and Woodcliff Lake so that students receive a quality K-12 education.

Another area of responsibility of the Office of Curriculum, Instruction, and Assessment is to monitor the District curriculum, making certain that it is equivalent in both high schools, that it meets the needs of students as they enter the 21st century, and is aligned to state and national standards. The curriculum of the Pascack Valley Regional High School District is designed to provide students with a rigorous and meaningful educational experience. Students are provided with a firm grounding in the core content areas while independent and critical thinking skills, as well as oral and written expression, are emphasized. College Preparatory, Honors and Advanced Placement and college level courses challenge all students to meet high District expectations.

A goal of the District is to provide differentiated instruction that meets the wide range of student learning. Through staff development opportunities, this office encourages teachers to use a wide variety of instructional strategies and methods of assessment, thus providing students with multiple opportunities to learn and demonstrate understanding and mastery of the material. Teachers are supported and encouraged to infuse technology into instruction so that students learn and practice skills that will serve them in the future.

The Pascack Valley Regional High School District's Professional Development Committee in conjunction with the Office of Curriculum, Instruction, and Assessment continues to develop plans to provide teachers with multiple opportunities for professional development.

During the 2014-15 school year the Pascack Valley Regional High School District devoted two full days for professional development multiple teacher-choice release days. The first professional development day was a highly effective day where teachers at the two high schools taught classes and learned from each other in areas of instruction, wellness, technology, and special services. The second day involved district-wide training in the Canvas Learning Management System. Lastly, this third year of the Regional Curriculum Office, was another successful year of providing curriculum coordination, professional development, and instructional coaching for the four sending districts. This office launched on July 1, 2012.

The Pascack Valley Regional High School District mission is to prepare students to be knowledgeable and productive citizens of our society.

During the exploration phase of our 1:1 eLearning Initiative, this mission was the focal point. Our Board, Administration and stakeholders recognized the need to provide the proper tools for this mission and worked collaboratively to make our 1:1 initiative a reality. Expecting and experiencing challenges along the way, the mission remained clear as all endured the growing pains of the initiative.

The perseverance of all stakeholders has been rewarded. As we enter the 11th year of our Nationally Recognized 1:1 eLearning Initiative, all participants in our learning community, students and teachers alike, are free to try new approaches, take educational risks, and participate in many opportunities to grow as learners and professionals. Through these experiences, coupled with the use of the latest technology, our students continue to achieve the district mission.

Today, technology is woven into the fabric of the Pascack Valley Regional High School District as it is infused and integrated across all curricular areas. Successful integration of technology is made possible through support for creativity and professional growth of our teachers, and the results are a profound impact on the education and future of our students. Outstanding instruction, supported by our 1:1 eLearning Initiative, enables our students to take ownership of their education, pursuing all opportunities our District can provide for knowledge, critical thinking, collaboration and exploration.

Complacency promotes mediocrity, while progression promotes excellence. As we have for the past 11 years, Board Members, Administration, Faculty, Staff, Students and Parents will work together to seek and achieve excellence with our 1:1 initiative. We will continue to explore and embrace the ever-changing tools needed for achieving our mission and excellence. We will continue to work with our community to provide an outstanding and progressive educational environment for our students. We will continue to seek out new global connections to prepare students for the global economy.

With an unwavering commitment to excellence, we will continue to achieve our District mission of preparing students to be knowledgeable and productive citizens of our society.

To achieve our plan, the District has set forth the following Technology goals for 2013 through 2016:

1. With the continued support of the Board of Education and District Administration, foster an environment for our District "community of learners" to further the use of Educational Technology.
2. Through an effective professional development program, support educators in attaining the skills and knowledge necessary to effectively use educational technology in a continued effort to achieve the District mission.
3. Support an environment where students, teachers and administrators have access to the appropriate educational resources at anytime, from anywhere.
4. Seek opportunities for Shared Technology Services with sending and nearby districts in an effort to reduce costs and provide better services for all participating districts.

The continued growth of the use of email, our website, and social media contributes to our efforts of enhancing communication with our community. Our website supports each instructional and non-instructional area of the school, and each staff member is required to maintain a website that includes important course information and support materials. Staff email and phone contact information is also readily available on the site, along with our District Program of Studies, student expectations, summer reading requirements, Board of Education meeting agendas and minutes, as well as many other important District informational items. The Board of Education employs an approach called "The Paperless Board Meeting", whereby all trustees are issued a District tablet computer (iPad), and the traditional mailings are no longer mailed to their homes. Instead, BOE members log in on a secure web site to retrieve all documentation needed for the upcoming meeting. These tablet computers are used during the meetings as well for quick access to all pertinent agenda related materials.

Enhancing our ability to communicate with our District's parents is our student information system, Genesis. Genesis includes two robust portals called Parent Access and Student Access. These portals allow parents and students to login at any time to view student attendance, grades (including gradebook), scheduling, and discipline records. With forms and payment modules available through the portals, parents and students have access to approve District/school forms, and in some cases pay District/school fees. The District continues to distribute report cards via this parent portal. Lastly, the Parent and Student Access portal includes a powerful email function allowing District and building administrators to email District parents directly with information on any building or District news and events.

In the event of a school closing or other emergency, the District also employs an Emergency Notification System, School Messenger, that can be activated to deliver calls to all District home phones and cell phones, with options for text messaging. Integrated with our Student Information System, School Messenger is constantly updated with the latest contact information for all personnel.

SPECIAL SERVICES

The Special Services Department of Pascack Valley Regional High School District (PVRHSD) is committed to ensuring that each student with a disability receives a free and appropriate public education consisting of placement and services based on the student's unique needs. Our students are afforded full educational opportunities, and to the maximum extent possible, are placed in the least restrictive environment.

We believe that all students can learn. We are committed to providing services to students that will ensure personal and academic success and college and/or career readiness.

This is accomplished through a comprehensive continuum of in-district placement options. Classified students can be mainstreamed with supplementary aides and services in general education classes. Also, inclusive education is provided through in-class support from a Special Education Teacher in collaboratively taught classes with approximately 80 such classes offered District wide.

Students also benefit from Secondary Special classes (taught by General Education Content Specialists with no more than 16 classified students per class), Resource Replacement classes (taught by Highly Qualified Special Education Teachers with no more than 12 students per class) and Resource Pull-out Support (Study Skills) classes. The District offers approximately 150 collaborative and special education classes.

In addition to the aforementioned class offerings, PVRHSD has four Special Programs to meet the multiple needs of students with emotional disabilities, other health impairments, specific learning disabilities, multiple disabilities, and communication impairments. There are two programs for students who contend with behavioral disabilities, which provide therapeutic and behavioral services as well as adapted curricula. Also, the District offers a program to students with mild to moderate learning and language disabilities that offers modified curricula, functional life skills development through a Life Skills course, community based learning opportunities, and vocational skill development through the District's Career Exploration and Internship Program. In addition, an Extended School Year program is provided in July, in accordance with a student's IEP, when an interruption in educational programming would cause the student's performance to revert to a lower level of functioning and recoupment would not be expected in a reasonable length of time.

The Special Services Department is comprised of two Child Study Teams (three Psychologists, two Social Workers, and two Learning Consultants), along with 23 Special Education Teachers, 16 one-to-one and Instructional Assistants, a Speech and Language Therapist, Coordinator of Special Programs, School Psychologist for Special Programs and a full-time Behavior Consultant.

As part of school wide Positive Behavior Supports, Special Services, Guidance and Administration (SGA) meet monthly to plan and provide assistance to any student encountering significant difficulties and who may be at-risk. Special Services is also represented on the District's Intervention and Referral Service Committee (I & R/S). This committee assists non-classified students by identifying and collecting information on learning, behavior and health difficulties and develops and implements action plans, and works with teachers to assist in achieving desired outcomes.

Pascack Valley Regional High School District addresses the needs of classified students attending a Non-Public School in Montvale, NJ through a contract with Bergen County Special Services (BCSS). The District Supervisor of Special Services meets annually with Non-Public School personnel and BCSS to ensure appropriate and seamless provision of services.

The District also sponsors a separate public school program, Park Academy (coordinated by the Region II Office of Special Education), for middle school students with behavioral disabilities.

Pascack Valley Regional High School District accepts tuition students into the District's three special programs, from school districts that do not have in-district placement options; this affords classified students, throughout Bergen County, a public school experience with opportunities for inclusion to the maximum extent possible.

Pascack Valley Regional High School District services has approximately 324 classified students within the District. There are an additional 34 students placed out-of-district in county and private facilities. The District has accepted 18 tuition students and services a total of 52 students in the District's special programs.

2) ECONOMIC CONDITION AND OUTLOOK

The economic recovery from the "Great Recession" has been slow over the last few years for New Jersey. Economists are generally forecasting a slow recovery in the foreseeable future. This has led to a reduction in state revenue with fewer companies and consumers contributing to New Jersey's economy. Consequently, Governor Chris Christie withheld the remainder of state aid to schools in February 2010 and then reduced school aid by \$820 million in fiscal year 2011. A New Jersey Superior Court Judge ruled the reduction unconstitutional and aid was restored in fiscal year 2012, 2013 and 2014. However, the District received far less in categorical aid than it was accustomed. Through 2015, the district still has not fully recovered this reduction in state aid.

School districts and municipalities are continuing to work with a tax levy cap increase of 2%. The state took measures to alleviate this impact on school budgets by requiring employees to contribute toward health insurance. They must either contribute 1.5% of their salary or a percentage of their health insurance premium, whichever is higher. The District's two largest bargaining units and its non-bargaining unit all have completed the four year phase-in for health insurance premium contributions. As a result, increases to the state run School Employee Health Benefits Plan will not be mediated with percentage increases in staff contributions.

The implications for the Pascack Valley Regional High School District are that suburban districts will receive some state aid. However, the concern is over the disproportionate means utilized to calculate state aid. Thus, the amount will be significantly less than urban and rural districts, as well as significantly less than districts received in the past. The burden of funding school budgets will continue to rely heavily on community taxpayers.

3) MAJOR INITIATIVES

Our students continue to score significantly above the state and national average in all standardized measures of achievement. The SAT scores for the District Class of 2015 remain substantially above the state and national averages. The mean SAT scores for Pascack Hills High School students were 536 (Critical Reading), 577 (Math), and 548 (Writing). Students attending Pascack Valley High School scored 522 (Critical Reading), 554 (Math) and 525 (Writing).

The mean ACT scores for Pascack Valley High School students were 23.3 (English), 24.7 (Math), 22.9 (Reading) and 22.7 (Science). Students attending Pascack Hills High School scored 25.8 (English), 26.2 (Math), 25.5 (Reading), 24.8 (Science). Of 500 graduates, approximately 98% of the students in the Pascack Valley Regional HS District attend postsecondary schools. The District was honored to announce 44 AP Scholars.

Class of 2015
Total Graduates: 500
% 4 year college: 88
% 2 year college: 9
% Other: 3

Source: District Records

As in years past, a number of building maintenance projects were completed during the year. In general, the buildings are well maintained. A program of preventive maintenance is in place. The comprehensive maintenance plan (CMP), which is approved by the Board each year, identifies a number of priority facility projects. Funding for these projects is included in the annual budget.

The Pascack Valley Regional School District successfully passed a bond referendum in December of 2003 to address a number of facility needs which have since been completed. Additionally, several major projects were completed in 2014-2015, including window replacement projects in both schools, several of which were funded through ROD grants, new tennis courts at Pascack Valley and HVAC upgrades at Pascack Hills in the media center, science wing and main office.

The District is very concerned about maintaining a safe and hazard free working environment for students and staff. Annual safety workshops were held for custodial and maintenance employees. This is part of the District’s membership in North East Bergen Insurance Group in conjunction with Zurich Insurance Co. In addition, all of the required annual and semi-annual health reports, inspections and public press releases, such as AHERA., Right to Know, Medical Waste Disposal, Fire Inspections, Life Hazard Registry, Lab Safety Standards, have been updated, completed and filed promptly. Arrangements have been made for administering blood borne pathogen injections to new staff in accordance with District policy. All required health and safety certificates and employee’ notices are on file in each building.

4) INTERNAL ACCOUNTING CONTROLS

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

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

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

5) BUDGETARY CONTROLS

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

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

6) ACCOUNTING SYSTEMS AND REPORTS

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

7) CASH MANAGEMENT

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

8) RISK MANAGEMENT

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

The Board is a member of the Northeast Bergen County School Board Insurance Group, ("NESBIG"). The NESBIG is a risk-sharing public entity risk fund that is both an insured and self-administered group of school districts established for the purpose of providing low-cost insurance coverage to its members. Additional information on the NESBIG is included in Note 12 to the Basic Financial Statements.

9) OTHER INFORMATION

Independent Audit State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board to perform the audit. In addition to meeting the requirements set forth in state statutes, the audit

also was designed to meet the requirements of the Single Audit Act of 1996, as amended, and the related Federal OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements and specific, required supplementary information 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.

10) ACKNOWLEDGMENTS

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

Respectfully submitted,

P. Erik Gundersen

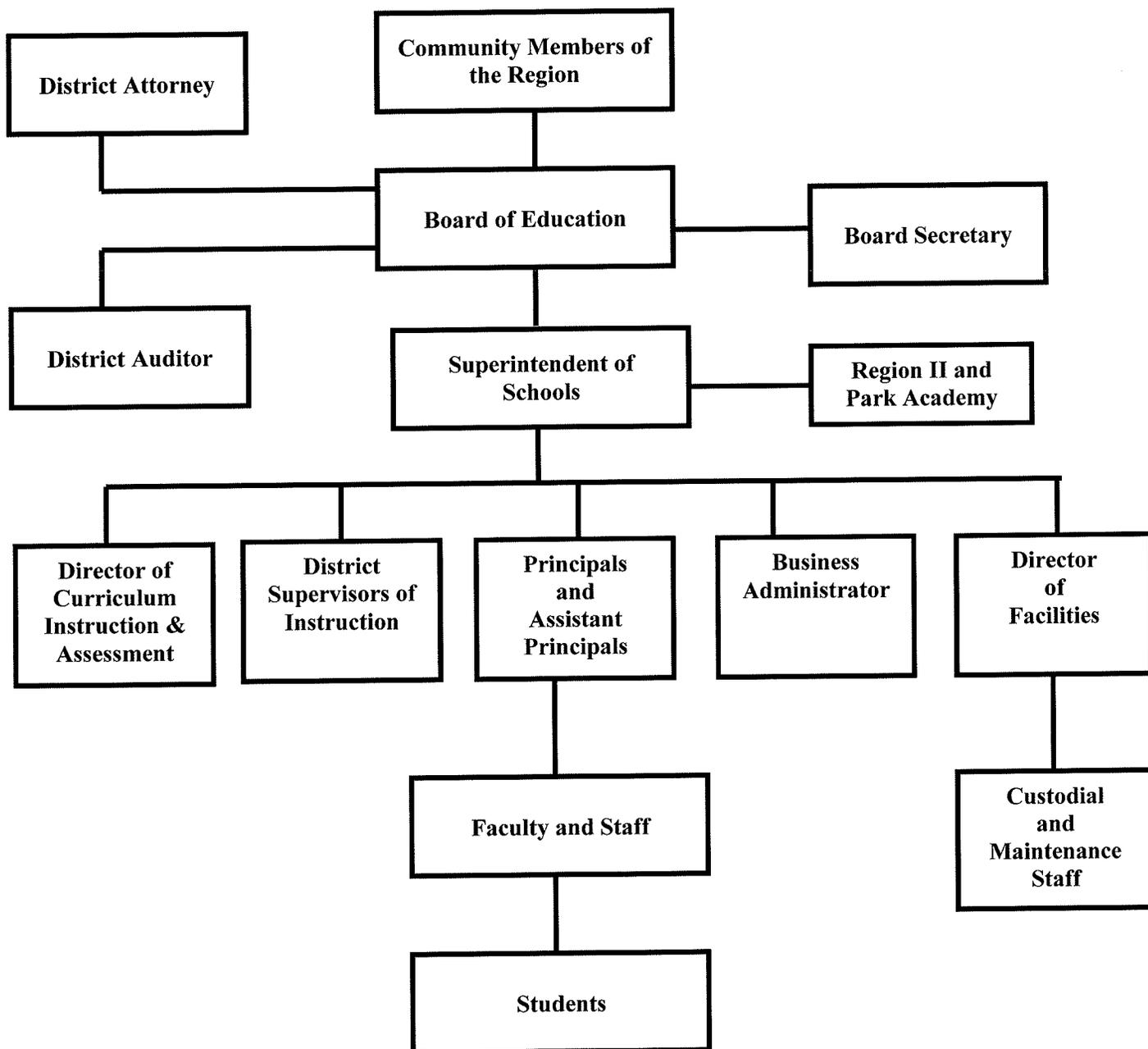
Mr. P. Erik Gundersen
Superintendent

Pamela Baxley

Ms. Pamela Baxley
Business Administrator/Board Secretary

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

ORGANIZATIONAL CHART



**PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
MONTVALE, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2015**

<u>Members of the Board of Education</u>	<u>Term Expires</u>	<u>Sending District</u>
Mr. Jeffrey Steinfeld, President	2015	Hillsdale
Ms. Janet Bissinger, Vice President	2015	Montvale
Mrs. Maura M. Ellis	2016	River Vale
Mr. Brian Hallowell	2017	Montvale
Ms. Tammy Molinelli	2016	Woodcliff Lake
Mr. Alfred J. Murphy	2017	Hillsdale
Mr. Joseph Blundo	2015	River Vale
Mr. David Steinberg	2017	Woodcliff Lake
Mr. Arnold Scher	2017	Hillsdale

Other Officials

Mr. P. Erik Gundersen, Superintendent

Ms. Pamela Baxley, Business Administrator/Board Secretary

Dr. Barry Bachenheimer, Director of Curriculum, Instruction and Assessment

Mrs. Deborah Carpino, Treasurer

Rodney T. Hara, Solicitor

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT

Consultants and Advisors

Architect

Charles L. Koch AIA, PP, NCARP
Environetics Group Architects, PC
180 Sylvan Avenue
Englewood Cliffs, NJ 07632

Audit Firm

Nisivoccia LLP
Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mount Arlington, NJ 07856-1320

and

Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860

Attorney

Stephen R. Fogarty and Rodney T. Hara
Fogarty and Hara Counselors at Law
21-00 Route 208 South
Fair Lawn, NJ 07410

Official Depository

Capital One
553 Broadway
Westwood, NJ 07675

FINANCIAL SECTION



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

Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Pascack Valley Regional High School District
 County of Bergen, New Jersey

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

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 Pascack Valley Regional High School District, in the County of Bergen, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 19 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the fiscal year ended June 30, 2015. Our opinions are not modified with respect to this matter. The implementation resulted in the restatement of certain balances on the Statement of Net Position and the ending balance for Net Position for the Governmental Activities as of June 30, 2014 as detailed in Note 19 to the basic financial statements.

Other Matters

Required Supplementary Information

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

Other Information

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

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

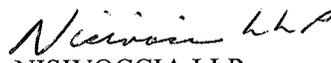
The accompanying supplementary schedules such as the combining and individual non-major fund financial statements and the schedules of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 8, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Mount Arlington, New Jersey
December 8, 2015


NISIVOCCIA LLP


Francis J. Jones, Jr.
Licensed Public School Accountant #1154
Certified Public Accountant

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

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

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

Financial Highlights

- The District's financial status improved by \$2,084,363 on a District-wide basis.
- Overall revenue was \$62.68 million.
- Actual General Fund revenue was \$503,850 higher than expected, primarily due to extraordinary special education aid, nonpublic transportation aid, tuition and other miscellaneous revenues.
- Overall expenses were \$60.60 million.
- Net position from the District's governmental activities increased \$2,292,504.
- Net position from the District's business-type activities decreased \$208,141.

Overview of the Financial Statements

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

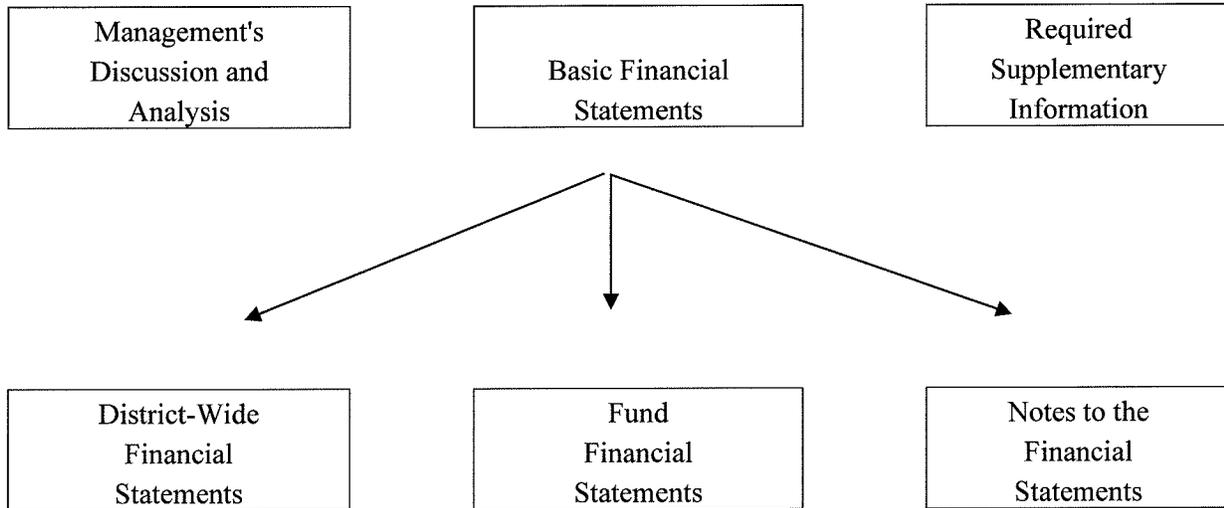
- The first two statements are *District-wide financial statements* that provide both *short-term* and *long-term* information about the District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the District, reporting the District's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

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the fiscal year.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

**Figure A-1
Organization of the Board of Education of Pascack Valley Regional
High School's Financial Report**



**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

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

Figure A-2

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

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

District-wide Statements

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

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

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

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

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

Notes to the Basic Financial Statements

Provide additional information essential to a full understanding of the district-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides one perspective of the District as a whole. Figure A-3 provides a summary of the District's net position as of June 30, 2015 and 2014. The District's combined net position was \$37,324,912 on June 30, 2015, \$2,084,363 or 5.91% more than the year before. Net investment in capital assets increased by \$3,081,638 primarily due to capital additions of \$2,036,006 and the retirement of \$1,155,000 of bonded debt and \$1,288,009 of capital leases, offset by \$1,472,431 and \$7,656 of depreciation related to governmental and business-type capital assets, respectively. Restricted net position increased by \$2,249,697 due to increases in excess surplus of \$217,735, emergency reserve of \$1,250, capital projects fund of \$2,029,962 and maintenance reserve of \$750. Unrestricted net position decreased by \$3,246,972 primarily due to a decrease of \$2,204,693 in capital projects, a decrease in encumbrances of \$667,713, a \$102,635 net increase in compensated absences, the change in deferred outflows from the prior year of \$485,163, and a decrease of \$177,963 of bond premiums amortized, offset by a decrease of \$283,195 in the operations of the business-type activities, a decrease in accrued interest of \$16,077, an increase in net pension liability of \$109,664, an increase in deferred inflows of \$670,172, and the increase in unassigned fund balance of \$111,897.

**Figure A-3
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2014/15	2013/14 *	2014/15	2013/14 *	2014/15	2013/14 *	
Assets:							
Current and Other Assets	\$ 12,672,975	\$ 12,741,631	\$ 328,284	\$ 520,984	\$ 13,001,259	\$ 13,262,615	-1.97%
Capital Assets, Net	62,149,155	61,585,580	87,137	12,083	62,236,292	61,597,663	1.04%
Total Assets	<u>74,822,130</u>	<u>74,327,211</u>	<u>415,421</u>	<u>533,067</u>	<u>75,237,551</u>	<u>74,860,278</u>	0.50%
Deferred Outflows of Resources	<u>2,338,365</u>	<u>1,853,202</u>	<u>54,636</u>		<u>2,393,001</u>	<u>1,853,202</u>	29.13%
Liabilities:							
Long-Term Debt Outstanding	35,574,080	37,804,790	954,415	945,107	36,528,495	38,749,897	-5.73%
Other Liabilities	2,858,199	2,610,083	191,896	112,951	3,050,095	2,723,034	12.01%
Total Liabilities	<u>38,432,279</u>	<u>40,414,873</u>	<u>1,146,311</u>	<u>1,058,058</u>	<u>39,578,590</u>	<u>41,472,931</u>	-4.57%
Deferred Inflows of Resources	<u>670,172</u>		<u>56,878</u>		<u>727,050</u>		100.00%
Net Position:							
Net Investment in Capital Assets	38,756,146	35,749,562	87,137	12,083	38,843,283	35,761,645	8.62%
Restricted	10,050,676	7,800,979			10,050,676	7,800,979	28.84%
Unrestricted	<u>(10,748,778)</u>	<u>(7,785,001)</u>	<u>(820,269)</u>	<u>(537,074)</u>	<u>(11,569,047)</u>	<u>(8,322,075)</u>	-39.02%
Total Net Position	<u>\$ 38,058,044</u>	<u>\$ 35,765,540</u>	<u>\$ (733,132)</u>	<u>\$ (524,991)</u>	<u>\$ 37,324,912</u>	<u>\$ 35,240,549</u>	5.91%

* - Restated

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

Financial Analysis of the District as a Whole

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

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Revenue:							
Program Revenue:							
Charges for Services	\$ 477,831	\$ 523,008	\$ 5,983,214	\$ 6,083,356	\$ 6,461,045	\$ 6,606,364	-2.20%
Grants and Contributions:							
Operating	10,818,467	5,454,526			10,818,467	5,454,526	98.34%
General Revenue:							
Property Taxes	45,151,995	44,292,465			45,151,995	44,292,465	1.94%
State Aid Not Restricted	31,308	31,466			31,308	31,466	-0.50%
Other	218,265	227,713	236	841	218,501	228,554	-4.40%
Total Revenue	<u>56,697,866</u>	<u>50,529,178</u>	<u>5,983,450</u>	<u>6,084,197</u>	<u>62,681,316</u>	<u>56,613,375</u>	10.72%
Expenses:							
Instruction	29,202,208	23,449,499			29,202,208	23,449,499	24.53%
Pupil and Instruction Services	10,638,253	9,871,368			10,638,253	9,871,368	7.77%
Administrative and Business	4,549,910	4,046,255			4,549,910	4,046,255	12.45%
Maintenance and Operations	5,856,064	4,555,728			5,856,064	4,555,728	28.54%
Transportation	1,771,462	1,604,132			1,771,462	1,604,132	10.43%
Other	2,387,465	1,573,836	6,191,591	6,101,322	8,579,056	7,675,158	11.78%
Total Expenses	<u>54,405,362</u>	<u>45,100,818</u>	<u>6,191,591</u>	<u>6,101,322</u>	<u>60,596,953</u>	<u>51,202,140</u>	18.35%
Increase/(Decrease) in Net Position	<u>\$ 2,292,504</u>	<u>\$ 5,428,360</u>	<u>\$ (208,141)</u>	<u>\$ (17,125)</u>	<u>\$ 2,084,363</u>	<u>\$ 5,411,235</u>	-61.48%

Revenue Sources. The District's total revenue for the 2014/2015 school year was \$62,681,316 (See Figure A-5 on next page). Property taxes accounted for most of the District's revenue, \$45,151,995 of the total, or 72.03 percent (See Figure A-5). The remaining 27.97 percent of revenue is comprised of 17.31 percent from state formula aid and federal and state categorical grants, 10.31 percent from charges for services and .35 percent from other miscellaneous sources. The \$10,849,775 of federal and state categorical grants revenue includes \$6,962,633 of funds that are not paid to the District, but are included in funding for TPAF Post-Retirement Medical Benefits and Pension Contributions that the State of New Jersey is paying on behalf of the District as well as \$1,388,972 of reimbursed TPAF Social Security Contributions. The Pascack Valley Regional High School District primarily conducts its operations from the revenue it receives from its local taxpayers and State Aid.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

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

	<u>Amount</u>	<u>Percentage</u>
Sources of Income:		
Property Taxes	\$ 45,151,995	72.03%
Federal and State Categorical Grants	10,849,775	17.31%
Charges for Services	6,461,045	10.31%
Other	218,501	0.35%
	<u>\$ 62,681,316</u>	<u>100.00 %</u>

The total cost of all programs and services was \$60,596,953. The District's expenses are predominantly related to instructing, caring for pupil and instruction services and transporting students (68.67 percent) (See Figure A-6). The District's administrative and business activities accounted for 7.51 percent of total costs and the other costs which accounted for 14.16 percent of total costs were primarily in the business-type activities for transportation related costs and food service costs.

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

	<u>Amount</u>	<u>Percentage</u>
Expense Category:		
Instruction	\$ 29,202,208	48.19%
Pupil and Instruction Services	10,638,253	17.56%
Administrative and Business	4,549,910	7.51%
Maintenance and Operations	5,856,064	9.66%
Transportation	1,771,462	2.92%
Other	8,579,056	14.16%
	<u>\$ 60,596,953</u>	<u>100.00 %</u>

Governmental Activities

As discussed elsewhere in this commentary, the district-wide financial position of the District improved from the prior fiscal year. However, maintaining existing programs with increased regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. During the past five years, a number of veteran teachers have retired and have been replaced by teachers with less experience. Such changes have generated significant salary savings, but these have not been sufficient enough to offset increased enrollment, increased special education programs and increased health benefit costs.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

Governmental Activities (Cont'd)

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions during the past three years were:

- Region II, a joint venture with other area school districts, provides all of the transportation routes to out-of-district special education schools.
- The District has in-district special education programs that saved on out-of-district tuition and transportation. In addition, out-of-district students pay tuition to attend these programs.
- Standard practice has been to maintain lower maintenance costs by seeking competitive proposals each fiscal year for these services.
- Participation in energy and telecommunication consortiums.
- Participation in a purchasing cooperative with over 300 school districts.
- Participation in the Northeast Bergen School Board Insurance Group.

It is crucial that the District examine its expenses carefully. Increasing parental and student demands for new activities and programs must be evaluated thoroughly.

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

**Figure A-7
Net Cost of Governmental Activities**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2014/15</u>	<u>2013/14</u>	<u>2014/15</u>	<u>2013/14</u>
Instruction	\$ 29,202,208	\$ 23,449,499	\$ 21,139,987	\$19,117,867
Pupil and Instruction Services	10,638,253	9,871,368	9,212,819	8,944,995
Administrative and Business	4,549,910	4,046,255	3,832,428	3,703,526
Maintenance and Operations	5,856,064	4,555,728	5,180,022	4,303,014
Transportation	1,771,462	1,604,132	1,632,558	1,480,046
Other	2,387,465	1,573,836	2,111,250	1,573,836
	<u>\$ 54,405,362</u>	<u>\$ 45,100,818</u>	<u>\$ 43,109,064</u>	<u>\$ 39,123,284</u>

- The cost of all governmental activities this fiscal year was \$54,405,362.
- The federal and state governments subsidized certain programs with grants and contributions (\$10.85 million).
- Most of the District's costs were financed by District taxpayers.
- The remainder of the funding came from charges for services, miscellaneous revenue and investment earnings.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

Business-Type Activities

Net position from the District's business-type activity decreased by \$208,141 (Refer to Figure A-4). Factors contributing to these results included:

- Park Academy enterprise fund decreased in net position by \$60,274. In addition, there was a decrease in net position of \$139,187 in the food service enterprise fund, mainly due to the modification to the school lunch program, which increased operational costs and decreased revenue. Additionally, the food service company decreased its guarantee from \$20,000 in the prior year to a no cost of operation guarantee. Lastly, there was a decrease in the net position of \$8,680 in the Region II fund administration account, due to the change in net pension liability of 6,994, investment gains in pensions of \$42,742, offset by changes in proportion in pensions of \$18,504 and changes in pension assumptions of \$22,553.

Financial Analysis of the District's Funds

Difficult economic times have had a direct impact upon the District's revenue sources. Interest from investments remained unfavorable. Ratables in the municipalities remain more or less stable, thus generating concern for the local tax levy in the future.

These factors are likely to continue for the near future. To maintain a stable financial position, the District must continue to practice sound fiscal management.

General Fund Budgetary Highlights

Over the course of the fiscal year, the District revised the annual operating budget several times. These budget amendments fall into two categories:

- Changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.
- The preparation of the 2014/2015 budget was difficult as a result of rising costs. This resulted in the need for line item transfers during the fiscal year.

Capital Asset and Debt Administration

Figure A-8

Capital Assets (Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15
Land	\$ 6,245,500	\$ 6,245,500			\$ 6,245,500	\$ 6,245,500	0.00%
Construction in Progress	2,085,696	45,940,055			2,085,696	45,940,055	-95.46%
Land Improvements	1,146,657	1,309,624			1,146,657	1,309,624	-12.44%
Buildings and Building Improvements	49,304,735	3,712,972			49,304,735	3,712,972	1227.90%
Machinery and Equipment	3,366,567	4,377,429	\$ 87,137	\$ 12,083	3,453,704	4,389,512	-21.32%
Total Capital Assets (Net of Depreciation)	\$ 62,149,155	\$ 61,585,580	\$ 87,137	\$ 12,083	\$ 62,236,292	\$ 61,597,663	1.04%

During the 2014/2015 school year the District authorized and continued work on various projects within the District, some of which are being funded in part with Schools Development Authority grants.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

Long-term Debt

At fiscal year end, the District had \$22,105,000 of general obligation bonds outstanding – a decrease of \$1,155,000 from last year and \$1,288,009 in capital leases – a decrease of \$1,288,009 from last year. In addition, the District has \$12,199,901 of net pension liability – a net increase of \$118,972 from last year and \$935,585 in compensated absences payable – a net increase of \$102,635 from the prior year.

**Figure A-9
Outstanding Long-Term Debt**

	Total School District		Total Percentage Change
	2014/15	2013/14 *	2014/15
General Obligation Bonds (Financed with Property Taxes)	\$ 22,105,000	\$ 23,260,000	-4.97%
Other Long - Term Liabilities	14,423,495	15,489,897	-6.88%
	<u>\$ 36,528,495</u>	<u>\$ 38,749,897</u>	-5.73%

* - Restated

Factors Bearing on the District's Future Revenue/Expenses

The board and the administration have had discussions on how existing circumstances could affect the future financial health of the School District. The following examples may have an impact and affect the financial operation in the future:

- The current economic crisis in our state has generated concern in the educational community for public school funding.
- Governor Christopher Christie has and continues to initiate a number of fiscal reforms that directly impact public education.
- The District faces challenges for financial planning to continue the expansion and renovation of both Pascack Hills and Pascack Valley High Schools to meet increasing enrollment and curriculum demands.

The current economic crisis in our state has generated concern in the educational community for public school funding.

Schools around the country were impacted by the worst recession in decades. The response was to impose such measures as larger class sizes, cuts of jobs and textbook budgets, reduced school bus service, and fewer resources for state education departments. In New Jersey, Governor Christie cut state aid payments to schools in order to help address the state's 2010 fiscal year budget deficit. In addition, state aid to schools in 2010-11 was cut by \$820 million and specifically, the District received no categorical state aid. In 2011-12, the District did receive a reduced amount of categorical state aid, however, it has remained flat since that time at a level \$700,000 below what was received in 2010.

The economic crisis, and the uncertainty that state legislation could impose greater constraints on public school districts, has had an effect on suburban public school districts recognized for providing innovative and cutting edge programs to their students to place a hold on expanding their academic offerings. Wealthy districts such as the sending districts of Hillsdale, Montvale, River Vale and Woodcliff Lake to the Pascack Valley Regional High School District, which are mostly residential, are concerned that if the state does not provide these districts their fair share of state aid, the schools will be unable to provide the programs that made them high achieving districts and to maintain the condition of the school facilities.

**Pascack Valley Regional High School District
Management's Discussion and Analysis
Unaudited**

The discussion about the constant increases in local property taxes in the media has polarized many communities, and in the center of this discontent is the cost of education. The state legislatures have embraced this opportunity to shift the problems of inefficiency and accountability from state bureaucracy to the cost of funding public schools.

Facility Upgrades

Financial planning is required to fund the future challenges of needed expansion and renovation in both Pascack Hills and Pascack Valley High Schools in order to meet enrollment and curriculum demands along with necessary facility modifications. The current plan is to continue allocations in the Fund 12, General Fund Capital Outlay section of the school budget. This financial plan has allowed the District to identify projects to be included in the General Fund Capital Outlay section of the school budget without the need to include a special question for the voters to approve at the annual school election. Furthermore, by maintaining the line item at the previous level there is a neutral effect on the tax base. Below is a listing of projects completed in the 2013-2014 school year and started in the 2013-2014 and 2014-2015 school years. The first five projects have SDA grant funding which covers 40% of the cost; while the last project was locally funded.

SUMMARY OF PROJECTS

	Project	Funding	Change Orders	Cost of Project	Notes
	A-Wing HVAC PH	2013-14 and 2014-15 Budgets	-\$13,000	\$107,558	Complete
	D-Wing window PH	2013-14 and 2014-15 Budgets	-\$6,033	\$553,500	Substantially Complete
	54-56 wing Window PV	2013-14 and 2014-15 Budgets	-\$2,919	\$529,515	In progress
	72 Wing window PV	2013-14 and 2014-15 Budgets		\$397,094	Out to bid
	A Wing Window PH	2013-14 and 2014-15 Budgets		\$710,940	Out to bid
	Girl's Locker Room Renovation	2013-14 and 2014-15 Budgets	\$37,111	\$1,060,828	Substantially complete

Contracting the District's Financial Management

This financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Pascack Valley Regional Board of Education Office located at 46 Akers Avenue, Montvale, New Jersey.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

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

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,948,349	\$ 307,625	\$ 6,255,974
Interfund Receivables	19,559		19,559
Internal Balances	569,885	(569,885)	
Receivables from Federal Government	147,341		147,341
Receivables from State Government	407,028		407,028
Receivables from Other Governments	15,208	577,573	592,781
Other Receivables	19,034	6,612	25,646
Inventory		6,359	6,359
Restricted Cash and Cash Equivalents:			
Capital Reserve Account	5,141,321		5,141,321
Maintenance Reserve Account	151,500		151,500
Emergency Reserve Account	253,750		253,750
Capital Assets, Net:			
Sites (Land) and Construction in Progress	7,392,157		7,392,157
Depreciable Land Improvements, Buildings and Building Improvements and Machinery and Equipment	54,756,998	87,137	54,844,135
Total Assets	<u>74,822,130</u>	<u>415,421</u>	<u>75,237,551</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Refunding	1,694,618		1,694,618
Changes in Assumptions - Pensions	353,618	30,012	383,630
Changes in Proportions - Pensions	290,129	24,624	314,753
Total Deferred Outflows of Resources	<u>2,338,365</u>	<u>54,636</u>	<u>2,393,001</u>
LIABILITIES			
Current Liabilities:			
Accounts Payable	540,901	118,049	658,950
Accrued Interest Payable	290,604		290,604
Payable to State Government	50,905		50,905
Unamortized Bond Issuance Premium	1,968,450		1,968,450
Unearned Revenue	7,339	73,847	81,186
Noncurrent Liabilities:			
Due Within One Year	2,493,009		2,493,009
Due Beyond One Year	33,081,071	954,415	34,035,486
Total Liabilities	<u>38,432,279</u>	<u>1,146,311</u>	<u>39,578,590</u>
DEFERRED INFLOWS OF RESOURCES			
Investment Gains - Pensions	670,172	56,878	727,050
Total Deferred Inflows of Resources	<u>670,172</u>	<u>56,878</u>	<u>727,050</u>
NET POSITION			
Net Investment in Capital Assets	38,756,146	87,137	38,843,283
Restricted for:			
Capital Projects	5,201,515		5,201,515
Debt Service	51,515		51,515
Other Purposes	4,797,646		4,797,646
Unrestricted/(Deficit)	(10,748,778)	(820,269)	(11,569,047)
Total Net Position	<u>\$ 38,058,044</u>	<u>\$ (733,132)</u>	<u>\$ 37,324,912</u>

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

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

Functions/Programs	Expenses	Program Revenues			Net (Expenses)/Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 22,153,918		\$ 4,626,355		\$ (17,527,563)		\$ (17,527,563)
Special Education	4,337,466	\$ 477,831	2,476,754		(1,382,881)		(1,382,881)
Other Special Instruction	20,467		53,536		33,069		33,069
Other Instruction	2,690,357		427,745		(2,262,612)		(2,262,612)
Support Services:							
Tuition	2,566,495				(2,566,495)		(2,566,495)
Student & Instruction Related Services	8,071,758		1,425,434		(6,646,324)		(6,646,324)
General Administrative Services	1,109,752		146,837		(962,915)		(962,915)
School Administrative Services	1,851,421		300,769		(1,550,652)		(1,550,652)
Central Services	923,446		164,632		(758,814)		(758,814)
Administration Information Technology	665,291		105,244		(560,047)		(560,047)
Plant Operations and Maintenance	5,856,064		676,042		(5,180,022)		(5,180,022)
Pupil Transportation	1,771,462		138,904		(1,632,558)		(1,632,558)
Interest on Long-Term Debt	771,332				(771,332)		(771,332)
Capital Outlay	813,635			\$ 276,215	(537,420)		(537,420)
Unallocated Depreciation	802,498				(802,498)		(802,498)
Total Governmental Activities	54,405,362	477,831	10,542,252	276,215	(43,109,064)		(43,109,064)

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

Functions/Programs	Expenses	Program Revenues		Net (Expenses)/Revenues and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities
Business-Type Activities:						
Food Service	\$ 965,990	\$ 826,567			\$ (139,423)	\$ (139,423)
Park Academy	585,055	524,781			(60,274)	(60,274)
Region II Transportation	3,972,383	3,972,383				
Region II Administration	531,632	522,952			(8,680)	(8,680)
Region II Summer School	34,883	34,883				
Transportation	101,648	101,648				
Total Business-Type Activities	<u>6,191,591</u>	<u>5,983,214</u>			<u>(208,377)</u>	<u>(208,377)</u>
Total Primary Government	<u>\$ 60,596,953</u>	<u>\$ 6,461,045</u>	<u>\$ 10,542,252</u>	<u>\$ 276,215</u>	<u>\$ (43,109,064)</u>	<u>(208,377)</u>
						<u>(43,317,441)</u>
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				43,190,207		43,190,207
Taxes Levied for Debt Service				1,961,788		1,961,788
State Aid Not Restricted				31,308		31,308
Interest and Miscellaneous Income				218,265	236	218,501
Total General Revenues				<u>45,401,568</u>	<u>236</u>	<u>45,401,804</u>
Change in Net Position				2,292,504	(208,141)	2,084,363
Net Position - Beginning - (Restated)				<u>35,765,540</u>	<u>(524,991)</u>	<u>35,240,549</u>
Net Position - Ending				<u>\$ 38,058,044</u>	<u>\$ (733,132)</u>	<u>\$ 37,324,912</u>

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

FUND FINANCIAL STATEMENTS

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and Cash Equivalents	\$ 3,831,649		\$ 2,065,185	\$ 51,515	\$ 5,948,349
Interfund Receivable	2,178,677				2,178,677
Receivables from Federal Government		\$ 147,341			147,341
Receivables from State Government	406,331	697			407,028
Receivables from Other Governments	15,208				15,208
Other Receivables	18,927	107			19,034
Restricted Cash and Cash Equivalents	5,546,571				5,546,571
Total Assets	<u>\$ 11,997,363</u>	<u>\$ 148,145</u>	<u>\$ 2,065,185</u>	<u>\$ 51,515</u>	<u>\$ 14,262,208</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Interfund Payable	\$ 69,209	\$ 61,046	\$ 1,458,978		\$ 1,589,233
Payable to State Government		50,905			50,905
Accounts Payable	387,946	28,855	124,100		540,901
Unearned Revenue		7,339			7,339
Total Liabilities	<u>457,155</u>	<u>148,145</u>	<u>1,583,078</u>		<u>2,188,378</u>
Fund Balances:					
Restricted:					
Excess Surplus	2,100,007				2,100,007
Excess Surplus - Designated for Subsequent Year's Expenditures	2,292,389				2,292,389
Capital Reserve Account	5,141,321				5,141,321
Maintenance Reserve Account	151,500				151,500
Emergency Reserve Account	253,750				253,750
Capital Projects Fund			60,194		60,194
Debt Service Fund				\$ 51,515	51,515
Committed - Capital Projects Fund			421,913		421,913
Assigned:					
Encumbrances	419,303				419,303
Unassigned - General Fund	1,181,938				1,181,938
Total Fund Balances	<u>11,540,208</u>		<u>482,107</u>	<u>51,515</u>	<u>12,073,830</u>
Total Liabilities and Fund Balances	<u>\$ 11,997,363</u>	<u>\$ 148,145</u>	<u>\$ 2,065,185</u>	<u>\$ 51,515</u>	<u>\$ 14,262,208</u>

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

Funds Balances - Governmental Funds (Above)	\$ 12,073,830
Capital Assets Used in Governmental Activities are not Financial Resources and therefore are not reported in the Funds. The cost of the assets is \$74,068,076 and the accumulated depreciation is \$11,918,921.	62,149,155
Deferred interest costs are not reported as expenditures in the Governmental Funds in the year of the expenditure. The Deferred Interest is \$2,170,388 and the accumulated amortization is \$475,770.	1,694,618
Interest on Long-Term Debt is not Accrued in the Governmental Funds, but rather is recognized as an expenditure when due.	(290,604)
Bond Premiums are reported as revenue in the Funds. These premiums total \$2,502,352 and the accumulated amortization is \$533,902.	(1,968,450)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(11,245,486)

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

	<u>Total Governmental Funds</u>
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds.	
Changes in Assumptions - Pensions	353,618
Investments in Gains - Pensions	(670,172)
Changes in Proportions - Pensions	290,129
Long-Term Liabilities, Including Bonds Payable, are not due and payable in the current period and therefore are not reported as liabilities in the Funds.	<u>(24,328,594)</u>
Net Position of Governmental Activities	<u><u>\$ 38,058,044</u></u>

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

Exhibit B-2

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

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 43,190,207			\$ 1,961,788	\$ 45,151,995
Tuition Charges	477,831				477,831
Miscellaneous	208,137	\$ 2,443	\$ 10,128		220,708
Total - Local Sources	43,876,175	2,443	10,128	1,961,788	45,850,534
State Sources	5,438,684	200,463	276,215		5,915,362
Federal Sources		557,103			557,103
Total Revenues	49,314,859	760,009	286,343	1,961,788	52,322,999
EXPENDITURES					
Current:					
Regular Instruction	15,644,107	100,786			15,744,893
Special Education Instruction	2,569,818	384,823			2,954,641
Other Instruction	1,958,522				1,958,522
Support Services and Undistributed Costs:					
Tuition	2,566,495				2,566,495
Student & Instruction Related Services	5,403,500	274,400			5,677,900
General Administrative Services	871,596				871,596
School Administrative Services	1,346,991				1,346,991
Central Services	639,900				639,900
Administration Information Technology	372,732				372,732
Plant Operations and Maintenance	4,538,424				4,538,424
Pupil Transportation	1,738,123				1,738,123
Unallocated Benefits	9,450,304				9,450,304
Debt Service:					
Principal				1,155,000	1,155,000
Interest and Other Charges				806,788	806,788
Capital Outlay	1,122,642		1,888,860		3,011,502
Total Expenditures	48,223,154	760,009	1,888,860	1,961,788	52,833,811
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	1,091,705		(1,602,517)		(510,812)
OTHER FINANCING SOURCES/(USES)					
Transfers In	617,176		15,000		632,176
Transfers Out	(15,000)		(617,176)		(632,176)
Total Other Financing Sources/(Uses)	602,176		(602,176)		
Net Change in Fund Balances	1,693,881		(2,204,693)		(510,812)
Fund Balance — July 1	9,846,327		2,686,800	51,515	12,584,642
Fund Balance — June 30	\$ 11,540,208	\$ -0-	\$ 482,107	\$ 51,515	\$ 12,073,830

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

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

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ (510,812)

Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:

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

Depreciation expense	\$ (1,472,431)	
Capital outlays	<u>2,036,006</u>	563,575

Repayment of debt service 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. (+) 1,155,000

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when accrued, regardless of when due. In the governmental funds, interest is reported when due. When the accrued interest exceeds the interest paid, the difference is a reduction in the reconciliation (-); when the interest paid exceeds the accrued interest, the difference is an addition to the reconciliation (+). 16,077

Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. (+) 1,288,009

The governmental funds report the effect of bond premiums when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (+) 177,963

The governmental funds report the effect of deferred bond interest when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities (-) (158,584)

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:

Changes in Net Pension Liability (109,664)

Deferred Outflows:

Changes in Assumptions 353,618

Changes in Proportions 290,129

Deferred Inflows:

Net Difference between projected and actual investment earnings on Pension Plan Investments (670,172)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid).

When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). (102,635)

Change in Net Position of Governmental Activities (A-2) \$ 2,292,504

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

Exhibit B-4

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

	Business-Type Activities - Enterprise Funds		
	Non-Major Funds	Major Fund	Total Enterprise
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 307,625		\$ 307,625
Accounts Receivable:			
Interfund Receivable - General Fund	69,209		69,209
Intergovernmental - Other	21,380	\$ 556,193	577,573
Other	6,612		6,612
Inventories	6,359		6,359
Total Current Assets	<u>411,185</u>	<u>556,193</u>	<u>967,378</u>
Non-Current Assets:			
Capital Assets	276,967		276,967
Less: Accumulated Depreciation	<u>(189,830)</u>		<u>(189,830)</u>
Total Non-Current Assets	<u>87,137</u>	<u>-0-</u>	<u>87,137</u>
DEFERRED OUTFLOWS OF RESOURCES			
Changes in Assumptions - Pensions	30,012		30,012
Changes in Proportions - Pensions	<u>24,624</u>		<u>24,624</u>
Total Deferred Outflows of Resources	<u>54,636</u>		<u>54,636</u>
Total Assets	<u>552,958</u>	<u>556,193</u>	<u>1,109,151</u>
LIABILITIES			
Current Liabilities:			
Interfund Payable - General Fund	142,000	497,094	639,094
Accounts Payable - Vendors	58,950	59,099	118,049
Unearned Revenue	73,847		73,847
Net Pension Liability	<u>954,415</u>		<u>954,415</u>
Total Current Liabilities	<u>1,229,212</u>	<u>556,193</u>	<u>1,785,405</u>
DEFERRED INFLOWS OF RESOURCES			
Investment Gains - Pensions	<u>56,878</u>		<u>56,878</u>
Total Deferred Outflows of Resources	<u>56,878</u>		<u>56,878</u>
NET POSITION			
Net Investment in Capital Assets	87,137		87,137
Unrestricted	<u>(820,269)</u>		<u>(820,269)</u>
Total Net Position	<u>\$ (733,132)</u>	<u>\$ -0-</u>	<u>\$ (733,132)</u>

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

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

	Business-Type Activities - Enterprise Funds		
	Non-Major Funds	Major Fund	Total Enterprise
Operating Revenue:			
Charges for Services:			
Daily Sales	\$ 790,111		\$ 790,111
Special Events	12,339		12,339
Free Lunch Subsidized	24,117		24,117
Miscellaneous	1,556		1,556
Charges and Fees	1,182,708	\$ 3,972,383	5,155,091
Total Operating Revenue	<u>2,010,831</u>	<u>3,972,383</u>	<u>5,983,214</u>
Operating Expenses:			
Cost of Sales	393,022		393,022
Salaries	996,201	156,470	1,152,671
Employee Benefits	288,760		288,760
Purchased Services	354,305	1,320,397	1,674,702
Contracted Services	13,819	2,495,516	2,509,335
Supplies and Materials	104,087		104,087
Depreciation Expense	7,656		7,656
Rent	60,000		60,000
Miscellaneous	1,358		1,358
Total Operating Expenses	<u>2,219,208</u>	<u>3,972,383</u>	<u>6,191,591</u>
Operating Income/(Loss)	<u>(208,377)</u>	<u>-0-</u>	<u>(208,377)</u>
Non-Operating Revenue:			
Interest Revenue	236		236
Total Non-Operating Revenue	<u>236</u>	<u>-0-</u>	<u>236</u>
Change in Net Position	(208,141)		(208,141)
Net Position - Beginning of Year - Restated	<u>(524,991)</u>		<u>(524,991)</u>
Net Position - End of Year	<u>\$ (733,132)</u>	<u>\$ -0-</u>	<u>\$ (733,132)</u>

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

Exhibit B-6

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

	Business-Type Activities - Enterprise Funds		
	Non-Major Funds	Major Fund	Total Enterprise
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 2,009,709	\$ 3,972,383	\$ 5,982,092
Receipts from District	166,117		166,117
Payments to Employees	(663,947)	(156,470)	(820,417)
Payments for Employee Benefits	(266,501)		(266,501)
Payments for Services	(184,365)	(3,815,913)	(4,000,278)
Payments for Rent	(60,000)		(60,000)
Payments to District	(69,209)		(69,209)
Payments to Food Service Vendor	(776,038)		(776,038)
Payments to Suppliers	(203,234)		(203,234)
Net Cash Provided by/(Used for) Operating Activities	<u>(47,468)</u>	<u>-0-</u>	<u>(47,468)</u>
Cash Flows from Investing Activities:			
Interest Revenue	236		236
Net Cash Provided by Investing Activities	<u>236</u>	<u>-0-</u>	<u>236</u>
Cash Flows from Capital and Related Financing Activities:			
Purchase of Capital Assets	(82,710)		(82,710)
Net Cash Used for Noncapital Financing Activities	<u>(82,710)</u>		<u>(82,710)</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	(129,942)	-0-	(129,942)
Cash and Cash Equivalents, July 1	437,567	-0-	437,567
Cash and Cash Equivalents, June 30	<u>\$ 307,625</u>	<u>\$ -0-</u>	<u>\$ 307,625</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Operating Income/(Loss)	\$ (208,377)	\$ -0-	\$ (208,377)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:			
Depreciation	7,656		7,656
Changes in Assets and Liabilities:			
(Increase)/Decrease in Accounts Receivable	40,646	(144,148)	(103,502)
(Increase) in Inventory	(2,043)		(2,043)
(Increase)/Decrease in Pension Liability	9,308		9,308
(Increase) in Change in Assumptions	(30,012)		(30,012)
Increase in Investment Gains - Pensions	56,878		56,878
Increase in Changes in Proportion - Pensions	(24,624)		(24,624)
(Increase)/Decrease in Interfund Receivable	(69,209)		(69,209)
Increase/(Decrease) in Interfund Payable	142,000	95,512	237,512
Increase in Accounts Payable	47,960	59,099	107,059
(Decrease) in Unearned Revenue	(17,651)	(10,463)	(28,114)
Net Cash Provided by/(Used for) Operating Activities	<u>\$ (47,468)</u>	<u>\$ -0-</u>	<u>\$ (47,468)</u>

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

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
JUNE 30, 2015

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Account Trust</u>	<u>Private Purpose Scholarship Trust</u>
ASSETS:				
Cash and Cash Equivalents	\$ 553,435	\$ 75,726		\$ 17,774
Investments	40,404			259,964
Other Receivables			\$ 12,194	
Total Assets	<u>593,839</u>	<u>75,726</u>	<u>12,194</u>	<u>277,738</u>
LIABILITIES:				
Interfund Payable:				
General Fund	19,559			
Payroll Deductions and Withholdings	81,264			
Due to Student Groups	304,760			
Professional Development Costs	28			
E- Learning Costs	188,228			
Total Liabilities	<u>593,839</u>			
NET POSITION:				
Held in Trust for:				
Unemployment Claims		75,726		
Flexible Spending Claims			12,194	
Restricted for Scholarships				277,738
Total Net Position	<u>\$ -0-</u>	<u>\$ 75,726</u>	<u>\$ 12,194</u>	<u>\$ 277,738</u>

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

Exhibit B-8

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

	Unemployment Compensation Trust	Flexible Spending Account Trust	Private Purpose Scholarship Trust
ADDITIONS:			
Contributions:			
Plan Member	\$ 40,302	\$ 58,358	
Other			\$ 8,010
Total Contributions	40,302	58,358	8,010
Investment Earnings:			
Interest	204		982
Net Investment Earnings	204		982
Total Additions	40,506	58,358	8,992
DEDUCTIONS:			
Quarterly Contribution Reports	34,118		
Flexible Spending Claims		102,220	
Scholarships Awarded			21,501
Total Deductions	34,118	102,220	21,501
Change in Net Position	6,388	(43,862)	(12,509)
Net Position - Beginning of the Year	69,338	56,056	290,247
Net Position - End of the Year	\$ 75,726	\$ 12,194	\$ 277,738

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

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Reporting Entity:

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

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

B. Basis of Presentation:

District-Wide Financial Statements:

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

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and

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

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

B. Basis of Presentation: (Cont'd)

District-Wide Financial Statements: (Cont'd)

contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements:

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

The District reports the following governmental funds:

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

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

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

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

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

B. Basis of Presentation: (Cont'd)

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

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

The District reports the following proprietary funds:

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

Additionally, the District reports the following fund type:

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

C. Measurement Focus and Basis of Accounting:

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

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

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

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

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

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

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

D. Budgets/Budgetary Control:

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

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

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

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

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

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

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

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 49,302,579	\$ 760,009
Difference - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	54,694	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(42,414)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 49,314,859</u>	<u>\$ 760,009</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 48,223,154</u>	<u>\$ 760,009</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 48,223,154</u>	<u>\$ 760,009</u>

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

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

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

Explanation of Differences between Budgetary Fund Balance and GAAP Fund Balance:

	Capital Projects Fund	
	Revenue	Fund Balance
Committed Fund Balance		\$ 1,273,524
Restricted Fund Balance		60,194
Total Revenue/Fund Balance - Budgetary Basis	\$ (30,029)	1,333,718
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Receivable/Revenue Recognized/(Not Recognized) on the GAAP Basis	306,244	(851,611)
Revenue/Fund Balance per Governmental Funds (GAAP Basis)	\$ 276,215	\$ 482,107

E. Cash and Cash Equivalents and Investments:

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

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

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

F. Interfund Transactions:

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

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

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

F. Interfund Transactions: (Cont'd)

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

G. Allowance for Uncollectible Accounts:

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

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

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

J. Inventories and Prepaid Expenses:

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

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

K. Capital Assets:

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

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

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

K. Capital Assets: (Cont'd)

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

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

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

L. Long Term Liabilities:

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

M. Accrued Salaries and Wages:

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

N. Compensated Absences:

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent fiscal years.

Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

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

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

N. Compensated Absences: (Cont'd)

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

O. Unearned Revenue:

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

P. Fund Balance Appropriated:

General Fund: Of the \$11,540,208 General Fund fund balance at June 30, 2015 \$419,303 is assigned for encumbrances; \$5,141,321, \$151,500 and \$253,750 is restricted in the capital reserve, maintenance reserve and emergency reserve accounts, respectively; \$4,392,396 is restricted for excess surplus in accordance with N.J.S.A. 18A:7F-7, as amended (\$2,292,389 is prior fiscal year excess surplus and is included as anticipated revenue for the fiscal year ending June 30, 2016 and the remaining \$2,100,007 is current fiscal year excess surplus and will be included as anticipated revenue for the fiscal year ending June 30, 2017); and \$1,181,938 is unassigned which is \$42,414 less on the GAAP basis than the calculated maximum unassigned fund balance (budgetary basis) due to the June state aid payments which are not recognized until the fiscal year ended June 30, 2016.

Capital Projects Fund: Of the \$482,107 Capital Projects Fund fund balance at June 30, 2015 \$60,194 is restricted for capital projects authorized by referendum and \$421,913 is committed for capital projects which are financed with SDA grants, capital outlay, or capital reserve funds which is \$851,611 less than the budgetary basis due to SDA Grants receivable not recognized on the GAAP basis.

Debt Service Fund: The Debt Service Fund fund balance of \$51,515 at June 30, 2015, is restricted for debt service.

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

The District's unassigned fund balance in the General Fund is less on a GAAP basis than the budgetary basis by \$42,414 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event one or more state school aid payments are not made until the following school budget year, districts must record the June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the school district cannot recognize the June state aid payments on the GAAP financial statements until the fiscal year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the June state aid payments and not the fund balance reported on the fund statement which excludes the June state aid payments.

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

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

Q. Deficit Net Position

The District has a deficit in unrestricted net position of \$10,748,778 in governmental activities, which is due to \$935,585 of compensated absences payable, accrued interest payable of \$290,604, investment gains in pensions of \$670,172, net unamortized bond premium of \$1,968,450, and net pension liability of \$11,245,486; offset by net changes in proportions in pensions of \$290,129, changes in pension assumptions of \$353,618, deferred interest of \$1,694,618, \$419,303 assigned for encumbrances, \$1,181,938 unassigned fund balance and \$421,913 committed capital projects fund balance. The Food Service Enterprise Fund has a deficit in unrestricted net position of \$370,816, which is primarily due to current liabilities of \$383,434, which includes net pension liability of \$237,197, investment gains in pensions of \$14,136, offset by current assets of \$13,175, changes in proportions in pensions of \$6,120, and changes in pension assumptions of \$7,459. The Region II Enterprise Fund Administration Account has a deficit in unrestricted net position of \$718,903, which is primarily due to current liabilities of \$824,795, which includes net pension liability of \$717,218, investment gains in pensions of \$42,742, offset by current assets of \$107,577, changes in proportions in pensions of \$18,504, and changes in pension assumptions of \$22,553. These deficits do not indicated that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

R. Fund Balance Restrictions, Commitments and Assignments:

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for excess surplus, capital reserve, maintenance reserve, emergency reserve, the capital projects fund and debt service.

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

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

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

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

S. Net Position

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

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had a deferred outflow of resources at June 30, 2015 for the deferred amount on the refunding of debt related to the District's 2012 and 2013 refunding bonds and for changes in assumptions for pensions and changes in proportion in pensions.

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

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

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

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

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

T. Revenue - Exchange and Nonexchange Transactions:

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

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

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

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

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

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and charges for services for transportation and administration of Region II and Park Academy. Operating expenses are necessary costs incurred to provide the services that are the primary activity of the Enterprise Funds.

V. Management Estimates:

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

W. Pensions

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

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

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

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

Credit Risk – The Board limits its investments to those authorized in its formal cash management plan which are those permitted under state statute as detailed below.

Deposits:

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

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

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

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

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

Investments

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

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

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

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

Investments (Cont'd)

- (d) the underlying securities are purchased through a public depository as defined in statute; and
- (e) a master repurchase agreement providing for the custody and security of collateral is executed.

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

	Cash and Cash Equivalents		Restricted Cash and Cash Equivalents			Total
	Equivalents	Investments	Capital	Maintenance	Emergency	
Checking Accounts	\$ 6,885,135		\$ 5,141,321	\$ 151,500	\$ 253,750	\$12,431,706
Savings Accounts	17,774					17,774
Certificates of Deposit		\$ 300,368				300,368
	<u>\$ 6,902,909</u>	<u>\$ 300,368</u>	<u>\$ 5,141,321</u>	<u>\$ 151,500</u>	<u>\$ 253,750</u>	<u>\$12,749,848</u>

During the period ended June 30, 2015, the District did not hold any investments other than certificates of deposit. The carrying amount of the Board's cash and cash equivalents and investments, at June 30, 2015, was \$12,749,848 and the bank balance was \$14,364,776.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by Board resolution by inclusion of \$1 in September 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, 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 fiscal year end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized by 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	\$ 3,111,359
Interest Earnings	5,000
Deposit by Board Resolution	1,600,000
Unexpended Projects Returned	439,962
Withdrawals by Board Resolutions	<u>(15,000)</u>
Ending Balance, June 30, 2015	<u>\$ 5,141,321</u>

The June 30, 2015 capital reserve account balance does not exceed the local support costs of uncompleted capital projects in the District's Long Range Facilities Plan ("LRFP"). The withdrawals from the capital reserve account were for use in facilities projects, consistent with the District's LRFP.

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

NOTE 5. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution on June 20, 2011 by inclusion of \$250,000 for the accumulation of funds for use as unanticipated general fund expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the General Fund annual budget.

The emergency reserve is restricted to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a through and efficient education. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1% of the general fund budget not to exceed one million dollars. Deposits may be made to the emergency reserve account by board resolution between June 1st and June 30th of any unanticipated revenue or unexpended line item appropriation or both. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of four percent.

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

Beginning Balance, July 1, 2014	\$ 252,500
Interest Earnings	1,250
Ending Balance, June 30, 2015	\$ 253,750

NOTE 6. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account in the amount of \$150,000 was established by Board resolution on June 27, 2012. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

NOTE 6. MAINTENANCE RESERVE ACCOUNT (Cont'd)

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

Beginning Balance, July 1, 2014	\$ 150,750
Interest Earnings	<u>750</u>
Ending Balance, June 30, 2015	<u><u>\$ 151,500</u></u>

NOTE 7. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ending June 30, 2015, the district transferred \$216,533 to the capital outlay accounts for equipment, which did not require County Superintendent approval.

NOTE 8. CAPITAL ASSETS

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

	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 6,245,500			\$ 6,245,500
Construction in Progress	45,940,055	\$ 1,888,860	\$(45,743,219)	<u>2,085,696</u>
Total Capital Assets Not Being Depreciated	<u>52,185,555</u>	<u>1,888,860</u>	<u>(45,743,219)</u>	<u>8,331,196</u>
Capital Assets Being Depreciated:				
Land Improvements	3,265,740			3,265,740
Buildings and Building Improvements	9,177,597		45,743,219	54,920,816
Machinery and Equipment	7,403,178	147,146		<u>7,550,324</u>
Total Capital Assets Being Depreciated	<u>19,846,515</u>	<u>147,146</u>	<u>45,743,219</u>	<u>65,736,880</u>
Governmental Activities Capital Assets	<u>72,032,070</u>	<u>2,036,006</u>		<u>74,068,076</u>
Less Accumulated Depreciation for:				
Land Improvements	(1,956,116)	(162,967)		(2,119,083)
Buildings and Building Improvements	(5,464,625)	(151,456)		(5,616,081)
Machinery and Equipment	(3,025,749)	(1,158,008)		<u>(4,183,757)</u>
	<u>(10,446,490)</u>	<u>(1,472,431)</u>		<u>(11,918,921)</u>
Governmental Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 61,585,580</u>	<u>\$ 563,575</u>	<u>\$ - 0 -</u>	<u>\$ 62,149,155</u>
	Beginning Balance	Increases	Adjustments/ Decreases	Ending Balance
Business-Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 194,257	\$ 82,710		\$ 276,967
Less Accumulated Depreciation	(182,174)	(7,656)		<u>(189,830)</u>
Business-Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 12,083</u>	<u>\$ 75,054</u>	<u>\$ - 0 -</u>	<u>\$ 87,137</u>

The \$1,888,860 addition to construction in progress is the result of the District's various Capital Projects Fund expenditures.

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

NOTE 8. CAPITAL ASSETS (Cont'd)

The District had various active construction projects as of June 30, 2015.

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 531,701
Administrative Information Technology	115,996
Plant Operations and Maintenance	22,236
Unallocated	802,498
	\$ 1,472,431

NOTE 9. LONG-TERM LIABILITIES

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

	(Restated) Balance 6/30/14	Added	Retired	Balance 6/30/15
Serial Bonds Payable	\$ 23,260,000		\$ 1,155,000	\$ 22,105,000
Capital Leases Payable	2,576,018		1,288,009	1,288,009
Net Pension Liability	12,080,929	\$ 118,972		12,199,901
Compensated Absences Payable	832,950	134,490	31,855	935,585
	\$ 38,749,897	\$ 253,462	\$ 2,474,864	\$ 36,528,495

A. Bonds Payable:

Bonds are authorized in accordance with State law by the voters of the municipalities through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds. The current portion of bonds at June 30, 2015 is \$1,205,000 and the long-term portion is \$20,900,000. Bonds are liquidated through the debt service fund.

On November 1, 2012, the District issued \$8,710,000 refunding bonds with an interest rate of 3.00% to advance refund \$8,600,000 school bonds with an interest rate of 4.00%. The refunding bonds mature on August 15, 2013 through 2022. On February 26, 2013, the District issued \$12,335,000 refunding bonds with interest rates ranging from 2.00% to 4.00% to advance refund \$12,538,000 school bonds with interest rates of 4.00% to 4.25%. The refunding bonds mature on August 15 annually through 2028. The net proceeds from the issuance of the refunding bonds were used to purchase U.S. government securities and those securities were deposited in an irrevocable trust with an escrow agent to provide debt service payments until the school bonds are called on August 15, 2015. The advance refundings met the requirements of an in-substance debt defeasance and the school bonds were removed from the District's financial statements.

As a result of the advance refundings, the District reduced its total debt service requirements by \$1,266,275, which resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$1,091,018.

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

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

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

<u>Final Maturity</u>	<u>Interest Rate</u>	<u>Amount</u>
08/15/2015	3.75%-4.00%	\$ 1,160,000
08/15/2022	3.00%	8,645,000
08/15/2028	2.00%-4.00%	<u>12,300,000</u>
		<u>\$ 22,105,000</u>

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

<u>Fiscal Year Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,205,000	\$ 761,525	\$ 1,966,525
2017	1,255,000	718,875	1,973,875
2018	1,305,000	680,475	1,985,475
2019	1,350,000	640,650	1,990,650
2020	1,400,000	599,400	1,999,400
Thereafter:			
2021-2025	8,245,000	2,287,450	10,532,450
2026-2029	<u>5,895,000</u>	<u>632,400</u>	<u>6,527,400</u>
	<u>\$ 20,655,000</u>	<u>\$ 6,320,775</u>	<u>\$ 26,975,775</u>

B. Bonds Authorized But Not Issued:

As of June 30, 2015, the Board had no bonds authorized but not issued.

C. Capital Leases Payable:

The following is a schedule of the future minimum lease payments under the District's three year capital lease, and the present value of the net minimum lease payments at June 30, 2015.

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 1,288,009
Less: Amount Representing Interest	<u>-0-</u>
Present Value of Net Minimum Lease Payments	<u>\$ 1,288,009</u>

The current portion of capital lease payable at June 30, 2015 is \$1,288,009. The capital lease relates to the financing of technology equipment.

Capital leases are liquidated by the general fund.

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

NOTE 9. LONG-TERM LIABILITIES (Cont'd)

D. Compensated Absences

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The entire \$935,585 of compensated absences is a long-term liability.

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 funds. Compensated absences are liquidated by the related fund, in this case the general fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2015 is \$-0- and the long-term portion is \$12,199,901 See Note 10 for further information on the PERS.

NOTE 10. PENSION PLANS

Substantially all of the Board's employees are enrolled in one of two cost sharing multiple-employer public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS); or the Defined Contribution Retirement Program (DCRP).

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Benefits Provided (Cont'd)

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

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$537,177 for fiscal year 2015.

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

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

At June 30, 2015, the District reported a liability of \$12,199,901 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.065%, which was an increase of 0.0019% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$685,087. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in Assumptions	\$ 383,630	
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		\$ 727,050
Changes in Proportion	314,753	
	\$ 698,383	\$ 727,050

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

Fiscal Year Ending June 30,	Total
2015	\$ (111,242)
2016	(111,242)
2017	(111,242)
2018	(111,242)
2019	70,520
Thereafter	31,028
	\$ (343,420)

Actuarial Assumptions

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

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

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

NOTE 10. PENSION PLANS (Cont'd)A. Public Employees' Retirement System (PERS) (Cont'd)Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

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

	Fiscal Year Ended June 30, 2014		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39)
District's proportionate share of the Net Pension Liability	\$ 15,347,891	\$ 12,199,901	\$ 9,556,391

Pension plan Fiduciary Net Position

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

B. Teachers' Pension and Annuity Fund (TPAF)Plan Description

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

www.state.nj.us/treasury/pensions/annrpts.shtml.

Benefits Provided

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Contributions

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2015, the State of New Jersey contributed \$1,000,103 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$5,374,970.

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

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

At June 30, 2015, the State's proportionate share of the net pension liability associated with the District was \$99,889,073. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.187%, which was a decrease of .000% from its proportion measured as of June 30, 2013.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>99,889,073</u>
Total	<u>\$ 99,889,073</u>

For the fiscal year ended June 30, 2014, the State recognized pension expense on behalf of the District in the amount of \$5,374,970 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2015 financial statements.

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

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

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

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

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

Actuarial Assumptions

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

Discount Rate – TPAF

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

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

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

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

Pension Plan Fiduciary Net Position - TPAF

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

NOTE 10. PENSION PLANS (Cont'd)

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

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

For DCRP, the District recognized pension expense of \$4,392 for the fiscal year ended June 30, 2015. Employee contributions to DCRP amounted to \$8,051 for the year ended June 30, 2015.

NOTE 11. POST-RETIREMENT BENEFITS

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

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

The State's on-behalf Post-Retirement Medical Contributions to TPAF for the District amounted to \$1,587,663, \$1,296,353 and \$1,362,741 for 2015, 2014 and 2013, respectively.

NOTE 12. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits are provided to employees through the State of New Jersey Health Benefits Plan.

Property and Liability Insurance

The District is a member of the Northeast Bergen School Board Insurance Group and 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 its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

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

NOTE 12. RISK MANAGEMENT (Cont'd)

The following is a summary of District contributions, employee contributions, interest earnings, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and previous two fiscal years:

Fiscal Year	District Contributions	Interest Earned	Employee Contributions	Amount Reimbursed	Ending Balance
2014-2015	\$ -0-	\$ 204	\$ 40,302	\$ 34,118	\$ 75,726
2013-2014	-0-	288	21,994	40,718	69,338
2012-2013	-0-	295	32,578	21,719	87,774

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

As a member of NESBIG, the District could be subject to supplemental assessments in the event of deficiencies. If the assets of NESBIG were to be exhausted, members would become responsible for their respective shares of the liabilities. NESBIG can declare and distribute dividends to members upon approval of the State of New Jersey Department of Banking and Insurance. These distributions are divided among the members in the same ratio as their individual assessment related to the total assessment of the membership body.

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

Total Assets	\$ 25,219,616
Net Position	\$ 16,531,754
Total Revenue	\$ 12,384,255
Total Expenses	\$ 9,783,929
Change in Net Position	\$ 2,600,326
Member Dividends	\$ 1,300,000

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

Burton Agency
44 Bergen Street
PO Box 270
Westwood, NJ 07675
(201) 664-0310

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

NOTE 13. COMMITMENTS AND CONTINGENCIES

Litigation

The Board is periodically involved in lawsuits arising in the normal course of business, including claims regarding special education, disputes over contract awards and performance, and employment matters. The Board does not believe that the ultimate outcome of these cases will have a material negative effect on the District’s financial position.

Grant Programs

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

Encumbrances

At June 30, 2015, there were encumbrances as detailed below in the governmental funds. All of the governmental funds are considered to be major funds.

Governmental Funds		
General	Capital Projects	Total
\$ 419,303	\$ 8,753	\$ 428,056

The \$8,753 of fiscal year-end encumbrances in the Capital Projects Fund on a budgetary basis are included in the \$421,913 committed fund balance on a GAAP basis at June 30, 2015 which is \$851,611 less on the GAAP basis due to SDA grants which have not been recognized.

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances existed at June 30, 2015:

<u>Fund</u>	Interfund Receivable	Interfund Payable
General Fund	\$ 2,178,677	\$ 69,209
Special Revenue		61,046
Capital Projects Fund		1,458,978
Proprietary Funds	69,209	639,094
Agency Fund:		
Payroll		19,559
	\$ 2,247,886	\$ 2,247,886

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

NOTE 14. INTERFUND RECEIVABLES AND PAYABLES (Cont'd)

The general fund interfund receivable consists of monies loaned to the special revenue fund as the federal grant funds had not been received by fiscal year end creating a negative cash flow; on-behalf expenditures due from the capital projects fund; monies loaned to the proprietary funds (transportation and food service fund) to meet short-term cash flow needs as the proprietary funds have outstanding receivables at fiscal year end; and monies due from the agency fund (payroll) for an interfund loan and interest earnings. The interfund payable from the general fund to the proprietary funds (transportation) is due to an error in posting and funds were incorrectly transferred to the general fund.

NOTE 15. DEFERRED COMPENSATION

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

Oldham Resource Group	AXA-Equitable
MetLife	The Legend Group
Vanguard	Variable Annuity Life Insurance

NOTE 16. TAX CALENDAR

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

Taxes are collected by the constituent municipalities and are remitted to the District on a predetermined mutually agreed-upon schedule.

NOTE 17. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2015:

	Governmental Activities			Business-Type
	General Fund	Special Revenue Fund	Capital Projects Fund	Activities
			Total Governmental Funds	Proprietary Funds
Vendors	\$ 387,946	\$ 17,770	\$ 124,100	\$ 118,049
State of NJ		11,085	11,085	
	<u>\$ 387,946</u>	<u>\$ 28,855</u>	<u>\$ 124,100</u>	<u>\$ 118,049</u>

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

NOTE 18. ECONOMIC DEPENDENCY

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

NOTE 19. PRIOR YEAR RESTATEMENT

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

	<u>Balance 6/30/14</u> <u>as Previously</u> <u>Reported</u>	<u>Retroactive</u> <u>Adjustments</u>	<u>Balance 6/30/15</u> <u>as Restated</u>
<u>Governmental Activities:</u>			
Non Current Liabilities:			
Due Beyond One Year	\$ 24,225,959	\$ 11,135,822	\$ 35,361,781
Total Liabilities	29,279,051	11,135,822	40,414,873
Net Position:			
Unrestricted/(Deficit)	3,350,821	(11,135,822)	(7,785,001)
Total Net Position	46,901,362	(11,135,822)	35,765,540
<u>Business-Type Activities:</u>			
Non Current Liabilities:			
Due Beyond One Year		945,107	945,107
Total Liabilities	112,951	945,107	1,058,058
Net Position:			
Unrestricted/(Deficit)	408,033	(945,107)	(537,074)
Total Net Position	420,116	(945,107)	(524,991)

**SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION**

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

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability	0.0632112689%	0.0651608925%
District's proportionate share of the net pension liability	\$ 12,080,929	\$ 12,199,901
District's covered employee payroll	\$ 4,617,790	\$ 4,699,693
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	261.62%	259.59%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%

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

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

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 476,284	\$ 537,177
Contributions in relation to the contractually required contribution	<u>(476,284)</u>	<u>(537,177)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 4,617,790	\$ 4,699,693
Contributions as a percentage of covered employee payroll	10.31%	11.43%

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

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

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
State's proportion of the net pension liability attributable to the District	0.1865138308%	0.0333773035%
State's proportionate share of the net pension liability attributable to the District	\$ 94,262,623	\$ 99,889,073
District's covered employee payroll	\$ 19,161,369	\$ 19,640,775
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	491.94%	508.58%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%

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

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

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

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

**BUDGETARY COMPARISON SCHEDULES
(UNAUDITED)**

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 43,190,207		\$ 43,190,207	\$ 43,190,207	
Tuition	327,703		327,703	477,831	\$ 150,128
Interest Earned on Emergency Reserve Funds	1,250		1,250	1,250	
Interest Earned on Capital Reserve Funds	3,750		3,750	5,000	1,250
Interest Earned on Maintenance Reserve	750		750	750	
Miscellaneous	187,789		187,789	201,137	13,348
Total - Local Sources	<u>43,711,449</u>		<u>43,711,449</u>	<u>43,876,175</u>	<u>164,726</u>
State Sources:					
Special Education Categorical Aid	942,532		942,532	942,532	
Security Aid	31,308		31,308	31,308	
Transportation Aid	95,402		95,402	95,402	
PARCC Readiness Aid	20,650		20,650	20,650	
Per Pupil Growth Aid	20,650		20,650	20,650	
Extraordinary Special Education Costs Aid				315,503	315,503
Nonpublic School Transportation Costs				23,621	23,621
TPAF Pension Contributions (Non-Budgeted)				1,000,103	1,000,103
TPAF Post Retirement Medical Benefits (On-Behalf - Nonbudgeted)				1,587,663	1,587,663
Reimbursed TPAF Social Security Contributions (Nonbudgeted)				1,388,972	1,388,972
Total State Sources	<u>1,110,542</u>		<u>1,110,542</u>	<u>5,426,404</u>	<u>4,315,862</u>
TOTAL REVENUES	<u>44,821,991</u>		<u>44,821,991</u>	<u>49,302,579</u>	<u>4,480,588</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Regular Programs - Instruction:					
Grades 9-12 - Salaries of Teachers	\$ 12,942,150	\$ 47,335	\$ 12,989,485	\$ 12,892,103	\$ 97,382
Regular Programs - Home Instruction:					
Salaries of Teachers	100,000	31,843	131,843	131,843	
Purchased Professional - Educational Services	33,298	2,400	35,698	24,979	10,719
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	90,921	92,522	183,443	162,135	21,308
Other Purchased Services (400-500 series)	2,235,638	(121,870)	2,113,768	1,976,792	136,976
General Supplies	430,450	21,389	451,839	355,115	96,724
Textbooks	110,834	(9,866)	100,968	65,766	35,202
Other Objects	47,461	(600)	46,861	35,374	11,487
Total Regular Programs - Instruction	<u>15,990,752</u>	<u>63,153</u>	<u>16,053,905</u>	<u>15,644,107</u>	<u>409,798</u>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	127,533	131,717	259,250	255,250	4,000
Other Salaries for Instruction	76,850	(32,578)	44,272	39,098	5,174
General Supplies	5,200	1,006	6,206	3,812	2,394
Textbooks	1,500	(1,006)	494	494	
Total Learning and/or Language Disabilities	<u>211,083</u>	<u>99,139</u>	<u>310,222</u>	<u>298,654</u>	<u>11,568</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Special Education - Instruction: (Cont'd)					
Behavioral Disabilities:					
Salaries of Teachers	\$ 260,804	\$ 209,349	\$ 470,153	\$ 470,153	
Other Salaries for Instruction	68,573	(4,573)	64,000	62,100	\$ 1,900
Purchased Professional - Educational Services	10,300		10,300		10,300
General Supplies	2,470		2,470	2,145	325
Textbooks	600		600		600
Total Behavioral Disabilities	<u>342,747</u>	<u>204,776</u>	<u>547,523</u>	<u>534,398</u>	<u>13,125</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,704,958	(201,090)	1,503,868	1,502,268	1,600
Other Salaries for Instruction	224,585	(7,819)	216,766	213,585	3,181
General Supplies	1,000		1,000	585	415
Textbooks	2,000	(400)	1,600		1,600
Total Resource Room/Resource Center	<u>1,932,543</u>	<u>(209,309)</u>	<u>1,723,234</u>	<u>1,716,438</u>	<u>6,796</u>
Home Instruction:					
Salaries of Teachers	25,000	(14,218)	10,782	5,998	4,784
Purchased Professional - Educational Services	15,000	4,100	19,100	14,330	4,770
Total Home Instruction	<u>40,000</u>	<u>(10,118)</u>	<u>29,882</u>	<u>20,328</u>	<u>9,554</u>
Total Special Education Instruction	<u>2,526,373</u>	<u>84,488</u>	<u>2,610,861</u>	<u>2,569,818</u>	<u>41,043</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	\$ 81,509	\$ (58,055)	\$ 23,454	\$ 19,908	\$ 3,546
Total Basic Skills/Remedial - Instruction	<u>81,509</u>	<u>(58,055)</u>	<u>23,454</u>	<u>19,908</u>	<u>3,546</u>
Bilingual Education - Instruction:					
Salaries of Teachers	33,324	(14,660)	18,664	18,046	618
Total Bilingual Education - Instruction	<u>33,324</u>	<u>(14,660)</u>	<u>18,664</u>	<u>18,046</u>	<u>618</u>
School-Sponsored Cocurricular Activities - Instruction:					
Salaries	410,000	(1,450)	408,550	378,030	30,520
Purchased Services (300-500 series)	3,075	25	3,100	2,214	886
Supplies and Materials	50,425	(2,975)	47,450	36,001	11,449
Other Objects	20,000	1,022	21,022	21,022	
Total School-Sponsored Cocurricular Activities - Instruction	<u>483,500</u>	<u>(3,378)</u>	<u>480,122</u>	<u>437,267</u>	<u>42,855</u>
School-Sponsored Cocurricular Athletics - Instruction:					
Salaries	980,705	(5,267)	975,438	948,729	26,709
Purchased Services (300-500 series)	320,955	3,642	324,597	324,228	369
Supplies and Materials	123,823	(6,770)	117,053	116,674	379
Other Objects	77,005	16,665	93,670	93,670	
Total School-Sponsored Cocurricular Athletics - Instruction	<u>1,502,488</u>	<u>8,270</u>	<u>1,510,758</u>	<u>1,483,301</u>	<u>27,457</u>
Total Instruction	<u>20,617,946</u>	<u>79,818</u>	<u>20,697,764</u>	<u>20,172,447</u>	<u>525,317</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State - Special	\$ 136,612		\$ 136,612	\$ 65,805	\$ 70,807
Tuition to County Vocational Schools - Regular	670,530	\$ (972)	669,558	659,520	10,038
Tuition to County Vocational Schools - Special	61,965	61,350	123,315	114,840	8,475
Tuition to County Special Services Schools and Regional Day Schools	481,834	126,516	608,350	608,350	
Tuition to Private Schools for the Disabled - Within the State	1,275,240	(210,866)	1,064,374	1,021,643	42,731
Tuition to Private Schools for the Disabled and Other LEAs - Special - Outside the State	103,950		103,950	(12,183)	116,133
Tuition - Other	89,775	23,000	112,775	108,520	4,255
Total Undistributed Expenditures - Instruction	<u>2,819,906</u>	<u>(972)</u>	<u>2,818,934</u>	<u>2,566,495</u>	<u>252,439</u>
Attendance and Social Work Services:					
Salaries	116,713		116,713	111,282	5,431
Total Attendance and Social Work Services	<u>116,713</u>		<u>116,713</u>	<u>111,282</u>	<u>5,431</u>
Health Services:					
Salaries	197,939	7,299	205,238	202,897	2,341
Other Purchased Services (400-500 series)	42,669	2,070	44,739	38,798	5,941
Supplies and Materials	4,960		4,960	4,402	558
Total Health Services	<u>245,568</u>	<u>9,369</u>	<u>254,937</u>	<u>246,097</u>	<u>8,840</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Speech, OT, PT and Related Services:					
Salaries	\$ 88,694	\$ (5,538)	\$ 83,156	\$ 71,200	\$ 11,956
Purchased Professional - Educational Services	161,876	116	161,992	94,977	67,015
Total Speech, OT, PT and Related Services	<u>250,570</u>	<u>(5,422)</u>	<u>245,148</u>	<u>166,177</u>	<u>78,971</u>
Other Support Services - Students - Extraordinary Services:					
Salaries	293,295	(75,561)	217,734	189,976	27,758
Purchased Professional - Educational Services	304,884	(6,877)	298,007	178,110	119,897
Total Other Support Services - Students - Extraordinary Services	<u>598,179</u>	<u>(82,438)</u>	<u>515,741</u>	<u>368,086</u>	<u>147,655</u>
Guidance:					
Salaries of Other Professional Staff	1,130,922	(15,413)	1,115,509	1,087,640	27,869
Salaries of Secretarial and Clerical Assistants	247,402	(22,235)	225,167	216,735	8,432
Other Purchased Services (400-500 series)	15,300	280	15,580	5,349	10,231
Supplies and Materials	10,347	5,642	15,989	14,748	1,241
Other Objects	26,530	(217)	26,313	22,395	3,918
Total Guidance	<u>1,430,501</u>	<u>(31,943)</u>	<u>1,398,558</u>	<u>1,346,867</u>	<u>51,691</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Unaudited)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Child Study Teams:					
Salaries of Other Professional Staff	\$ 909,623	\$ (181,119)	\$ 728,504	\$ 701,951	\$ 26,553
Salaries of Secretarial and Clerical Assistants	117,067	18,968	136,035	134,511	1,524
Purchased Professional - Educational Services	100,000		100,000	83,161	16,839
Supplies and Materials	11,000		11,000	9,491	1,509
Total Child Study Teams	<u>1,137,690</u>	<u>(162,151)</u>	<u>975,539</u>	<u>929,114</u>	<u>46,425</u>
Improvement of Instructional Services:					
Salaries of Supervisors of Instruction	1,234,088	98,268	1,332,356	1,332,356	
Salaries of Secretarial and Clerical Assistants	43,564	3,304	46,868	46,868	
Salaries of Facilitators, Math & Literacy Coaches	77,889	(19,398)	58,491	4,667	53,824
Other Purchased Services (400-500 series)	35,250		35,250	4,419	30,831
Other Objects	14,920		14,920	14,875	45
Total Improvement of Instructional Services	<u>1,405,711</u>	<u>82,174</u>	<u>1,487,885</u>	<u>1,403,185</u>	<u>84,700</u>
Educational Media Services/School Library:					
Salaries	270,754	2,487	273,241	272,736	505
Purchased Professional and Technical Services	4,400		4,400	4,015	385
Other Purchased Services (400-500 series)	3,200		3,200	1,345	1,855
Supplies and Materials	79,870		79,870	69,653	10,217
Total Educational Media Services/School Library	<u>358,224</u>	<u>2,487</u>	<u>360,711</u>	<u>347,749</u>	<u>12,962</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	\$ 156,520	\$ 10,263	\$ 166,783	\$ 166,783	
Salaries of Other Professional Staff	46,662		46,662	43,022	\$ 3,640
Salaries of Secretarial and Clerical Assistants	57,683	(39)	57,644	55,456	2,188
Purchased Professional - Educational Services	134,910	1,512	136,422	126,689	9,733
Other Purchased Services (400-500 series)	43,948	1,625	45,573	36,379	9,194
Supplies and Materials	19,699	1,025	20,724	20,394	330
Other Objects	105,500	(2,650)	102,850	36,220	66,630
Total Instructional Staff Training Services	<u>564,922</u>	<u>11,736</u>	<u>576,658</u>	<u>484,943</u>	<u>91,715</u>
Support Services - General Administration:					
Salaries	408,119	47,335	455,454	455,454	
Legal Services	75,000		75,000	52,435	22,565
Audit Fees	46,000		46,000	44,000	2,000
Architectural/Engineering Services	40,000	17,236	57,236	39,936	17,300
Other Purchased Professional Services	8,000	(2,000)	6,000		6,000
Communications/Telephone	101,500	(53,700)	47,800	34,946	12,854
BOE Other Purchased Services	15,000		15,000	2,260	12,740
Miscellaneous Purchased Services (400-500 series)	127,339	2,494	129,833	95,790	34,043
General Supplies	16,320	(4,387)	11,933	9,762	2,171
Miscellaneous Expenditures	179,632	(12,753)	166,879	117,532	49,347
BOE Membership Dues and Fees	24,000		24,000	19,481	4,519
Total Support Services - General Administration	<u>1,040,910</u>	<u>(5,775)</u>	<u>1,035,135</u>	<u>871,596</u>	<u>163,539</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	\$ 906,564	\$ 26,348	\$ 932,912	\$ 932,912	
Salaries of Secretarial and Clerical Assistants	395,809	(20,870)	374,939	374,764	\$ 175
Other Purchased Services (400-500 series)	36,076	(4,573)	31,503	22,937	8,566
Supplies and Materials	20,181	67	20,248	15,603	4,645
Other Objects	4,684		4,684	775	3,909
Total Support Services - School Administration	<u>1,363,314</u>	<u>972</u>	<u>1,364,286</u>	<u>1,346,991</u>	<u>17,295</u>
Central Services:					
Salaries	507,784	12,339	520,123	510,647	9,476
Purchased Professional Services	33,300	90,527	123,827	92,897	30,930
Purchased Technical Services	25,000	(1,573)	23,427	11,840	11,587
Miscellaneous Purchased Services (400-500 series)	35,000	(4,779)	30,221	11,014	19,207
Supplies and Materials	14,496		14,496	8,821	5,675
Miscellaneous Expenditures	17,645	(3,245)	14,400	4,681	9,719
Total Central Services	<u>633,225</u>	<u>93,269</u>	<u>726,494</u>	<u>639,900</u>	<u>86,594</u>
Administration Information Technology:					
Salaries	415,238		415,238	326,440	88,798
Purchased Technical Services	1,764		1,764		1,764
Other Purchased Services (400-500 series)	15,425		15,425	15,226	199
Supplies and Materials	44,800	11,192	55,992	31,066	24,926
Total Administration Information Technology	<u>477,227</u>	<u>11,192</u>	<u>488,419</u>	<u>372,732</u>	<u>115,687</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Required Maintenance for School Facilities:					
Salaries	\$ 402,905	\$ 9,009	\$ 411,914	\$ 411,914	
Cleaning, Repair and Maintenance Services	1,426,068	81,042	1,507,110	951,773	\$ 555,337
General Supplies	86,850	4,400	91,250	89,133	2,117
Total Required Maintenance for School Facilities	<u>1,915,823</u>	<u>94,451</u>	<u>2,010,274</u>	<u>1,452,820</u>	<u>557,454</u>
Custodial Services:					
Salaries	1,503,939	(5,671)	1,498,268	1,494,088	4,180
Purchased Professional and Technical Services	40,000	(3,916)	36,084	19,459	16,625
Cleaning, Repair and Maintenance Services	68,450	2,120	70,570	44,721	25,849
Other than Lease Purchase Agreements	11,500		11,500	7,024	4,476
Other Purchased Property Services	150,332	(18,393)	131,939	49,006	82,933
Insurance	182,400	1,071	183,471	183,257	214
Miscellaneous Purchased Services	159,578	(2,696)	156,882	127,925	28,957
General Supplies	102,617	122	102,739	98,033	4,706
Energy (Natural Gas)	322,000	3,503	325,503	195,786	129,717
Energy (Electricity)	772,037	(16,249)	755,788	518,742	237,046
Other Objects	16,850	(1,500)	15,350	10,103	5,247
Total Custodial Services	<u>3,329,703</u>	<u>(41,609)</u>	<u>3,288,094</u>	<u>2,748,144</u>	<u>539,950</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Care & Upkeep of Grounds:					
Salaries	\$ 56,747		\$ 56,747	\$ 56,612	\$ 135
Cleaning, Repair and Maintenance Services	94,050	\$ 21,000	115,050	101,244	13,806
General Supplies	30,525		30,525	19,771	10,754
Total Care & Upkeep of Grounds	<u>181,322</u>	<u>21,000</u>	<u>202,322</u>	<u>177,627</u>	<u>24,695</u>
Security:					
Salaries	136,256	578	136,834	134,304	2,530
Purchased Professional and Technical Services	11,700		11,700		11,700
Cleaning, Repair and Maintenance Services	41,525		41,525	22,323	19,202
General Supplies	16,000		16,000	3,206	12,794
Total Security	<u>205,481</u>	<u>578</u>	<u>206,059</u>	<u>159,833</u>	<u>46,226</u>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	62,199		62,199	61,665	534
Cleaning, Repair and Maintenance Services	11,740	(8,230)	3,510	3,510	
Contracted Services:					
Between Home and School - Vendors	619,092	(72,806)	546,286	546,286	
Other Than Between Home and School - Vendors	365,565	7,170	372,735	365,288	7,447
Special Education Students - Joint Agreements	619,626	47,339	666,965	666,965	
Aid in Lieu - Nonpublic Students	65,416	26,202	91,618	91,618	
General Supplies	200	(166)	34		34
Transportation Supplies	2,300	491	2,791	2,791	
Total Student Transportation Services	<u>1,746,138</u>	<u>491</u>	<u>1,746,138</u>	<u>1,738,123</u>	<u>8,015</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CURRENT EXPENSE					
Undistributed Expenditures:					
Unallocated Benefits:					
Social Security Contributions	\$ 570,000		\$ 570,000	\$ 549,443	\$ 20,557
Other Retirement Contributions - PERS	560,000	\$ (23,399)	536,601	495,508	41,093
Other Retirement Contributions - Regular	4,536	1,399	5,935	5,935	
Unemployment Compensation	47,250		47,250		47,250
Workmen's Compensation	266,060	(40,339)	225,721	191,808	33,913
Health Benefits	4,552,442		4,552,442	4,075,001	477,441
Tuition Reimbursement	75,005		75,005	51,021	23,984
Other Employee Benefits	169,308		169,308	104,850	64,458
Total Unallocated Benefits	<u>6,244,601</u>	<u>(62,339)</u>	<u>6,182,262</u>	<u>5,473,566</u>	<u>708,696</u>
On-Behalf Contributions:					
TPAF Pension Contributions (Non-Budgeted)				1,000,103	(1,000,103)
TPAF Post Retirement Medical Benefits (On-Behalf - Nonbudgeted)				1,587,663	(1,587,663)
Reimbursed TPAF Social Security Contributions (Nonbudgeted)				1,388,972	(1,388,972)
Total On-Behalf Contributions				<u>3,976,738</u>	<u>(3,976,738)</u>
Total Personal Services - Employee Benefits	<u>6,244,601</u>	<u>(62,339)</u>	<u>6,182,262</u>	<u>9,450,304</u>	<u>(3,268,042)</u>
Total Undistributed Expenses	<u>26,065,728</u>	<u>(65,421)</u>	<u>26,000,307</u>	<u>26,928,065</u>	<u>(927,758)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>46,683,674</u>	<u>14,397</u>	<u>46,698,071</u>	<u>47,100,512</u>	<u>(402,441)</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CAPITAL OUTLAY					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12	\$ 22,000	\$ 11,173	\$ 33,173	\$ 33,173	
School-Sponsored and Other Instructional Programs	38,000	116,217	154,217	29,185	\$ 125,032
Undistributed Expenditures:					
Administrative Information Technology		87,619	87,619	87,619	
Custodial Services	45,650	1,524	47,174	45,270	1,904
Total Equipment	<u>105,650</u>	<u>216,533</u>	<u>322,183</u>	<u>195,247</u>	<u>126,936</u>
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services		91,297	91,297	22,487	68,810
Construction Services	798,545		798,545	798,545	
Capital Outlay - Transfers to Capital Projects Fund	91,297	(91,297)			
Assessment for Debt Service on SDA Funding	106,363		106,363	106,363	
Total Facilities Acquisition and Construction Services	<u>996,205</u>		<u>996,205</u>	<u>927,395</u>	<u>68,810</u>
TOTAL CAPITAL OUTLAY	<u>1,101,855</u>	<u>216,533</u>	<u>1,318,388</u>	<u>1,122,642</u>	<u>195,746</u>
TOTAL EXPENDITURES	<u>47,785,529</u>	<u>230,930</u>	<u>48,016,459</u>	<u>48,223,154</u>	<u>(206,695)</u>
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	(2,963,538)	(230,930)	(3,194,468)	1,079,425	4,273,893

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Other Financing Sources/(Uses):					
Operating Transfers In/(Out):					
Transfer to Capital Projects Fund from Capital Reserve				\$ (15,000)	\$ (15,000)
Capital Projects Fund - Interest Earned				10,128	10,128
Return of Funds from Capital Projects Fund to Capital Outlay				167,086	167,086
Return of Funds from Capital Projects Fund to Capital Reserve				439,962	439,962
Total Other Financing Sources/(Uses)				<u>602,176</u>	<u>602,176</u>
Excess/(Deficiency) of Revenues and Other Financing Sources Over/(Under) Expenditures and Other Financing (Uses)	\$ (2,963,538)	\$ (230,930)	\$ (3,194,468)	1,681,601	4,876,069
Fund Balance, July 1	<u>9,901,021</u>		<u>9,901,021</u>	<u>9,901,021</u>	
Fund Balance, June 30	<u>\$ 6,937,483</u>	<u>\$ (230,930)</u>	<u>\$ 6,706,553</u>	<u>\$ 11,582,622</u>	<u>\$ 4,876,069</u>
Recapitulation:					
Restricted Fund Balance:					
Excess Surplus				\$ 2,100,007	
Excess Surplus - Designated for Subsequent Year's Expenditures				2,292,389	
Capital Reserve				5,141,321	
Maintenance Reserve				151,500	
Emergency Reserve				253,750	
Assigned Fund Balance:					
Year-End Encumbrances				419,303	
Unassigned Fund Balance				<u>1,224,352</u>	
Fund Balance per Governmental Funds (Budgetary)				11,582,622	
Reconciliation to Governmental Funds Statement (GAAP):					
June State Aid Payments not Recognized on GAAP Basis				<u>(42,414)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 11,540,208</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	\$ 193,489	\$ 58,096	\$ 251,585	\$ 200,463	\$ (51,122)
Federal Sources	336,266	222,955	559,221	557,103	(2,118)
Local Sources		6,733	6,733	2,443	(4,290)
Total Revenues	<u>529,755</u>	<u>287,784</u>	<u>817,539</u>	<u>760,009</u>	<u>(57,530)</u>
EXPENDITURES:					
Instruction:					
Salaries	16,844	33,364	50,208	48,092	2,116
Tuition	291,674	93,149	384,823	384,823	
General Supplies	24,980	5,491	30,471	30,471	
Textbooks	20,898	1,325	22,223	22,223	
Total Instruction	<u>354,396</u>	<u>133,329</u>	<u>487,725</u>	<u>485,609</u>	<u>2,116</u>
Support Services:					
Personal Services - Employee Benefits	10,388		10,388	10,388	
Purchased Professional/Educational Services	125,753	138,377	264,130	213,006	51,124
Other Purchased Professional and Technical Services	39,218	9,345	48,563	48,563	
Supplies and Materials		6,733	6,733	2,443	4,290
Total Support Services	<u>175,359</u>	<u>154,455</u>	<u>329,814</u>	<u>274,400</u>	<u>55,414</u>
Total Expenditures	<u>529,755</u>	<u>287,784</u>	<u>817,539</u>	<u>760,009</u>	<u>57,530</u>
Excess of Revenues Over Expenditures	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 49,302,579	\$ 760,009
Difference - Budget to GAAP:		
Prior Year State Aid Payments Recognized for GAAP Statements, not Recognized for Budgetary Purposes	54,694	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(42,414)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	<u>\$ 49,314,859</u>	<u>\$ 760,009</u>
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	<u>\$ 48,223,154</u>	<u>\$ 760,009</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	<u>\$ 48,223,154</u>	<u>\$ 760,009</u>

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTES TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Unaudited)

Budgets/Budgetary Control:

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

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

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

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

**SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)**

SPECIAL REVENUE FUND

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

	<u>No Child Left Behind</u>		<u>IDEA Part B, Basic Regular</u>	<u>NJ Nonpublic Auxiliary Services (Chapter 192) Compensatory Education</u>
	<u>Title I</u>	<u>Title II, Part A</u>		
REVENUE:				
Federal Sources	\$ 58,480	\$ 24,780	\$ 473,843	
State Sources				\$ 36,101
Local Sources				
Total Revenue	<u>58,480</u>	<u>24,780</u>	<u>473,843</u>	<u>36,101</u>
EXPENDITURES:				
Instruction:				
Salaries	48,092			
Tuition			384,823	
General Supplies		18,535		
Textbooks				
Total Instruction	<u>48,092</u>	<u>18,535</u>	<u>384,823</u>	
Support Services:				
Personal Services - Employee Benefits	10,388			
Purchased Professional/Educational Services		6,245	89,020	36,101
Other Purchased Professional and Technical Services				
Supplies and Materials				
Total Support Services	<u>10,388</u>	<u>6,245</u>	<u>89,020</u>	<u>36,101</u>
Total Expenditures	<u>\$ 58,480</u>	<u>\$ 24,780</u>	<u>\$ 473,843</u>	<u>\$ 36,101</u>

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

	NJ Nonpublic			
	Handicapped Services (Chapter 193)		Textbook Aid	Nursing Services
	Supplementary Instruction	Examination and Classification		
REVENUE:				
Federal Sources				
State Sources	\$ 44,308	\$ 37,116	\$ 22,223	\$ 48,563
Local Sources				
Total Revenue	<u>44,308</u>	<u>37,116</u>	<u>22,223</u>	<u>48,563</u>
EXPENDITURES:				
Instruction:				
Salaries				
Tuition				
General Supplies				
Textbooks			22,223	
Total Instruction			<u>22,223</u>	
Support Services:				
Personal Services - Employee Benefits				
Purchased Professional/Educational Services	44,308	37,116		
Other Purchased Professional and Technical Services				48,563
Supplies and Materials				
Total Support Services	<u>44,308</u>	<u>37,116</u>		<u>48,563</u>
Total Expenditures	<u>\$ 44,308</u>	<u>\$ 37,116</u>	<u>\$ 22,223</u>	<u>\$ 48,563</u>

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

	<u>NJ Nonpublic</u>		<u>Other Local Grants</u>	<u>Totals June 30, 2015</u>
	<u>Anti-Bullying</u>	<u>Technology Initiative</u>		
REVENUE:				
Federal Sources				\$ 557,103
State Sources	\$ 216	\$ 11,936		200,463
Local Sources			\$ 2,443	2,443
Total Revenue	<u>216</u>	<u>11,936</u>	<u>2,443</u>	<u>760,009</u>
EXPENDITURES:				
Instruction:				
Salaries				48,092
Tuition				384,823
General Supplies		11,936		30,471
Textbooks				22,223
Total Instruction		<u>11,936</u>		<u>485,609</u>
Support Services:				
Personal Services - Employee Benefits				10,388
Purchased Professional/Educational Services	216			213,006
Other Purchased Professional and Technical Services				48,563
Supplies and Materials			2,443	2,443
Total Support Services	<u>216</u>		<u>2,443</u>	<u>274,400</u>
Total Expenditures	<u>\$ 216</u>	<u>\$ 11,936</u>	<u>\$ 2,443</u>	<u>\$ 760,009</u>

CAPITAL PROJECTS FUND

Exhibit F-1

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

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ (30,029)
Transfer from Capital Reserve	15,000
Interest Revenue	10,128
	<hr/>
Total Revenue and Other Financing Sources	(4,901)
	<hr/>
Expenditures and Other Financing Uses:	
Legal Services	2,739
Purchased Professional and Technical Services	11,789
Construction Services	1,874,332
Operating Transfers Out:	
Transfer to Capital Outlay	167,086
Transfer to Capital Reserve	439,962
General Fund - Interest Earned	10,128
	<hr/>
Total Expenditures and Other Financing Uses	2,506,036
	<hr/>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures and Other Financing Uses	(2,510,937)
	<hr/>
Fund Balance - Beginning	3,844,655
	<hr/>
Fund Balance - Ending	\$ 1,333,718
	<hr/> <hr/>
Recapitulation:	
Committed Fund Balance	\$ 1,273,524
Restricted Fund Balance	60,194
	<hr/>
	1,333,718
	<hr/>
Reconciliation to Governmental Funds Statement (GAAP):	
SDA Grant Revenue Not Recognized on the GAAP Basis	(851,611)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 482,107
	<hr/> <hr/>
Reconciliation of Revenue from Budgetary Basis to GAAP Basis:	
SDA Grant Revenue (Budgetary Basis)	\$ (30,029)
SDA Grants are recognized as revenue on the Budgetary Basis when awarded but are not recognized on the GAAP Basis until expended and submitted for reimbursement.	306,244
	<hr/>
SDA Grant Revenue (GAAP Basis)	\$ 276,215
	<hr/> <hr/>

Exhibit F-1a

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCT AND EQUIP ADDITIONS AND RENOVATIONS TO BOTH HIGH SCHOOLS
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 11,543,555		\$ 11,543,555	\$ 11,543,555
Bond Proceeds and Transfers	30,723,000		30,723,000	30,723,000
Transfer from Capital Outlay	240		240	240
Total Revenue and Other Financing Sources	42,266,795	\$ -0-	42,266,795	42,266,795
Expenditures:				
Legal Services	98,474		98,474	98,474
Purchased Professional and Technical Services	3,947,503		3,947,503	3,947,503
Land and Improvements	207,919		207,919	207,919
Construction Services	37,309,883		37,309,883	37,460,934
Equipment Purchases	203,996		203,996	113,139
Other Objects	438,826		438,826	438,826
Total Expenditures	42,206,601		42,206,601	42,266,795
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 60,194	\$ -0-	\$ 60,194	\$ -0-

Additional Project Information:

Project Number(s)	SP-3960-050-03-1417 & 1418
Grant Date	03/19/04
Bond Authorization Date	12/09/03
Bonds Authorized	\$ 30,723,000
Bonds Issued	\$ 30,723,000
Original Authorized Cost	\$ 40,746,409
Change Orders	\$ 1,520,386
Revised Authorized Cost	\$ 42,266,795
Change Order Percentage	3.73%
Percentage Completion	100.00%
Original Target Completion Date	08/01/06
Revised Target Completion Date	03/31/11

Exhibit F-1b

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WINDOW REPLACEMENT AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 75,194		\$ 75,194	\$ 87,705
Transfer from Capital Outlay	131,557	\$ (18,767)	112,790	131,557
Total Revenue and Other Financing Sources	<u>206,751</u>	<u>(18,767)</u>	<u>187,984</u>	<u>219,262</u>
Expenditures:				
Legal Services				5,000
Purchased Professional and Technical Services	18,737		18,737	28,000
Construction Services	169,247		169,247	186,262
Total Expenditures	<u>187,984</u>		<u>187,984</u>	<u>219,262</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 18,767</u>	<u>\$ (18,767)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

Project Number(s)	SP-3960-050-09-1004
Grant Date	05/27/10
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 219,262
Change Orders	\$ -0-
Revised Authorized Cost	\$ 219,262
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	12/3/10
Revised Target Completion Date	11/30/11

Exhibit F-1c

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
EMERGENCY GENERATOR AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 266,400	\$ (12,399)	\$ 254,001	\$ 266,400
Total Revenue and Other Financing Sources	<u>266,400</u>	<u>(12,399)</u>	<u>254,001</u>	<u>266,400</u>
Expenditures:				
Construction Services	259,996	(5,995)	254,001	266,400
Total Expenditures	<u>259,996</u>	<u>(5,995)</u>	<u>254,001</u>	<u>266,400</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 6,404</u>	<u>\$ (6,404)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)	N/A			
SDA Project Number(s)	N/A			
Grant Date	N/A			
Original Authorized Cost	\$ 184,500			
Increase in Authorized Cost	\$ 81,900			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 266,400			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	4/17/14			
Revised Target Completion Date	4/17/14			

Exhibit F-1d

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
GYM ROOF REPLACEMENT AT PASCACK HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 134,140	\$ (30,029)	\$ 104,111	\$ 134,140
Transfer from Capital Outlay	201,929	(48,270)	153,659	201,929
	<u>336,069</u>	<u>(78,299)</u>	<u>257,770</u>	<u>336,069</u>
Total Revenue and Other Financing Sources				
Expenditures:				
Legal Services	808		808	5,000
Purchased Professional and Technical Services	19,432	(5,000)	14,432	30,850
Construction Services	242,530		242,530	270,000
Other Objects				30,219
	<u>262,770</u>	<u>(5,000)</u>	<u>257,770</u>	<u>336,069</u>
Total Expenditures				
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 73,299</u>	<u>\$ (73,299)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

DOE Project Number(s)	3960-040-10-1003
SDA Project Number(s)	3960-040-10-G0NF
Grant Date	04/26/11
Original Authorized Cost	\$ 335,350
Change Orders	\$ 719
Revised Authorized Cost	\$ 336,069
Change Order Percentage	0.21%
Percentage Completion	100.00%
Original Target Completion Date	10/28/13
Revised Target Completion Date	10/28/13

Exhibit F-1e

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
CONSTRUCTION OF SCIENCE LAB AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 173,291		\$ 173,291	\$ 242,822
Transfer from Capital Outlay	328,968	\$ (71,500)	257,468	364,234
Total Revenue and Other Financing Sources	502,259	(71,500)	430,759	607,056
Expenditures:				
Legal Services	566		566	4,500
Purchased Professional and Technical Services	73,768		73,768	64,100
Construction Services	356,425		356,425	493,625
Other Objects				44,831
Total Expenditures	430,759		430,759	607,056
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ 71,500	\$ (71,500)	\$ -0-	\$ -0-

Additional Project Information:

DOE Project Number(s)	3960-050-10-1006
SDA Project Number(s)	3960-050-10-G0NJ
Grant Date	04/26/11
Original Authorized Cost	\$ 607,056
Change Orders	\$ -0-
Revised Authorized Cost	\$ 607,056

Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

Exhibit F-1f

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
UPGRADE OF EXISTING ELEVATOR AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 107,420		\$ 107,420	\$ 110,800
Transfer from Capital Outlay	166,200	\$ (4,290)	161,910	166,200
Total Revenue and Other Financing Sources	<u>273,620</u>	<u>(4,290)</u>	<u>269,330</u>	<u>277,000</u>
Expenditures:				
Legal Services	1,287		1,287	3,500
Purchased Professional and Technical Services	23,828		23,828	24,000
Construction Services	244,215		244,215	249,500
Total Expenditures	<u>269,330</u>		<u>269,330</u>	<u>277,000</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 4,290</u>	<u>\$ (4,290)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>

Additional Project Information:

DOE Project Number(s)	3960-050-10-1005
SDA Project Number(s)	3960-050-10-G0NI
Grant Date	04/26/11
Original Authorized Cost	\$ 277,000
Change Orders	\$ -0-
Revised Authorized Cost	\$ 277,000
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	11/30/11
Revised Target Completion Date	11/30/11

Exhibit F-1g

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
ADDITION AND RENOVATION TO PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,232,864	\$ (210,427)	\$ 1,022,437	\$ 1,232,864
Transfer from Capital Outlay	736,315	(21,686)	714,629	736,315
Total Revenue and Other Financing Sources	<u>1,969,179</u>	<u>(232,113)</u>	<u>1,737,066</u>	<u>1,969,179</u>
Expenditures:				
Construction Services	<u>1,742,490</u>	<u>(5,424)</u>	<u>1,737,066</u>	<u>1,969,179</u>
Total Expenditures	<u>1,742,490</u>	<u>(5,424)</u>	<u>1,737,066</u>	<u>1,969,179</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 226,689</u>	<u>\$ (226,689)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)	N/A			
SDA Project Number(s)	N/A			
Grant Date	N/A			
Original Authorized Cost	\$ 1,449,000			
Increase in Authorized Cost	\$ 520,179			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 1,969,179			
Change Order Percentage	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	6/10/14			
Revised Target Completion Date	6/10/14			

Exhibit F-1h

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
APPLIED TECH WING PARTIAL BUILDING DEMOLITION AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 98,536	\$ (98,536)		\$ 98,536
Transfer from Capital Outlay	224,966	(1,185)	\$ 223,781	225,685
Total Revenue and Other Financing Sources	<u>323,502</u>	<u>(99,721)</u>	<u>223,781</u>	<u>324,221</u>
Expenditures:				
Purchased Professional and Technical Services	36,966	(1,185)	35,781	37,685
Construction Services	188,000		188,000	286,536
Total Expenditures	<u>224,966</u>	<u>(1,185)</u>	<u>223,781</u>	<u>324,221</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 98,536</u>	<u>\$ (98,536)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)		N/A		
SDA Project Number(s)		N/A		
Grant Date		N/A		
Original Authorized Cost	\$ 188,000			
Increase in Authorized Cost	\$ 136,221			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 324,221			
Change Order Percentage		0.00%		
Percentage Completion		100.00%		
Original Target Completion Date		6/10/14		
Revised Target Completion Date		6/10/14		

Exhibit F-1i

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
LOCKER ROOM HVAC UPGRADE AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 118,600	\$ (118,600)		\$ 118,600
Transfer from Capital Outlay	177,100	(1,173)	\$ 175,927	177,100
Total Revenue and Other Financing Sources	<u>295,700</u>	<u>(119,773)</u>	<u>175,927</u>	<u>295,700</u>
Expenditures:				
Purchased Professional and Technical Services	5,000	(1,173)	3,827	5,000
Construction Services	172,100		172,100	290,700
Total Expenditures	<u>177,100</u>	<u>(1,173)</u>	<u>175,927</u>	<u>295,700</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 118,600</u>	<u>\$ (118,600)</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)		N/A		
SDA Project Number(s)		N/A		
Grant Date		N/A		
Original Authorized Cost		\$ 295,700		
Change Orders		\$ -0-		
Revised Authorized Cost		\$ 295,700		
Change Order Percentage		0.00%		
Percentage Completion		100.00%		
Original Target Completion Date		6/10/14		
Revised Target Completion Date		6/10/14		

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
A WING HVAC CONTROLS UPGRADE AT PASCACK HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 37,023		\$ 37,023	\$ 37,023
Transfer from Capital Reserve	55,535	\$ 15,000	70,535	70,535
Total Revenue and Other Financing Sources	<u>\$ 92,558</u>	<u>15,000</u>	<u>107,558</u>	<u>107,558</u>
Expenditures:				
Legal Services	2,062		2,062	2,062
Purchased Professional and Technical Services	11,100		11,100	11,100
Construction Services		91,275	91,275	94,396
Total Expenditures	<u>13,162</u>	<u>91,275</u>	<u>104,437</u>	<u>107,558</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 79,396</u>	<u>\$ (76,275)</u>	<u>\$ 3,121</u>	<u>\$ -0-</u>

Additional Project Information:

DOE Project Number(s)	3960-040-14-1001
SDA Project Number(s)	3960-040-14-G1FR
Grant Date	06/09/14
Original Authorized Cost	\$ 92,558
Change Orders	\$ 15,000
Revised Authorized Cost	\$ 107,558
Change Order Percentage	16.21%
Percentage Completion	97.10%
Original Target Completion Date	10/15/15
Revised Target Completion Date	10/15/15

Exhibit F-1k

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
A WING WINDOW REPLACEMENT AT PASCACK HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 284,376		\$ 284,376	\$ 284,376
Transfer from Capital Reserve	426,564		426,564	426,564
Total Revenue and Other Financing Sources	<u>\$ 710,940</u>		<u>710,940</u>	<u>710,940</u>
Expenditures:				
Legal Services	45	\$ 157	202	2,500
Purchased Professional and Technical Services	28,600	10,000	38,600	72,640
Construction Services				635,800
Total Expenditures	<u>28,645</u>	<u>10,157</u>	<u>38,802</u>	<u>710,940</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 682,295</u>	<u>\$ (10,157)</u>	<u>\$ 672,138</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)	3960-040-14-1002			
SDA Project Number(s)	3960-040-14-G1FS			
Grant Date	06/09/14			
Original Authorized Cost	\$ 710,940			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 710,940			
Change Order Percentage	0.00%			
Percentage Completion	5.46%			
Original Target Completion Date	6/30/16			
Revised Target Completion Date	6/30/16			

Exhibit F-11

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
D WING WINDOW REPLACEMENT AT PASCACK HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 221,400		\$ 221,400	\$ 221,400
Transfer from Capital Reserve	332,100		332,100	332,100
Total Revenue and Other Financing Sources	<u>\$ 553,500</u>		<u>553,500</u>	<u>553,500</u>
Expenditures:				
Legal Services	902	\$ 1,812	2,714	2,500
Purchased Professional and Technical Services	23,000	1,200	24,200	56,000
Construction Services		434,967	434,967	495,000
Total Expenditures	<u>23,902</u>	<u>437,979</u>	<u>461,881</u>	<u>553,500</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 529,598</u>	<u>\$ (437,979)</u>	<u>\$ 91,619</u>	<u>\$ -0-</u>
Additional Project Information:				
DOE Project Number(s)	3960-040-14-1003			
SDA Project Number(s)	3960-040-14-G1FT			
Grant Date	06/09/14			
Original Authorized Cost	\$ 553,500			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 553,500			
Change Order Percentage	0.00%			
Percentage Completion	83.45%			
Original Target Completion Date	10/31/15			
Revised Target Completion Date	10/31/15			

Exhibit F-1m

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
54-56 WING WINDOW REPLACEMENT AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 211,806		\$ 211,806	\$ 211,806
Transfer from Capital Reserve	317,709		317,709	317,709
Total Revenue and Other Financing Sources	<u>\$ 529,515</u>		<u>529,515</u>	<u>529,515</u>
Expenditures:				
Legal Services	424	\$ 109	533	2,500
Purchased Professional and Technical Services	34,200		34,200	53,465
Construction Services		460,000	460,000	473,550
Total Expenditures	<u>34,624</u>	<u>460,109</u>	<u>494,733</u>	<u>529,515</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 494,891</u>	<u>\$ (460,109)</u>	<u>\$ 34,782</u>	<u>\$ -0-</u>

Additional Project Information:

DOE Project Number(s)	3960-050-14-1004
SDA Project Number(s)	3960-050-14-G1FU
Grant Date	06/09/14
Original Authorized Cost	\$ 529,515
Change Orders	\$ -0-
Revised Authorized Cost	\$ 529,515
Change Order Percentage	0.00%
Percentage Completion	93.43%
Original Target Completion Date	10/31/15
Revised Target Completion Date	10/31/15

Exhibit F-1n

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
72 WING WINDOW REPLACEMENT AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 158,838		\$ 158,838	\$ 158,838
Transfer from Capital Reserve	238,256		238,256	238,256
Total Revenue and Other Financing Sources	<u>\$ 397,094</u>		<u>397,094</u>	<u>397,094</u>
Expenditures:				
Legal Services	45	\$ 149	194	2,500
Purchased Professional and Technical Services	24,300		24,300	39,470
Construction Services				355,124
Total Expenditures	<u>24,345</u>	<u>149</u>	<u>24,494</u>	<u>397,094</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 372,749</u>	<u>\$ (149)</u>	<u>\$ 372,600</u>	<u>\$ -0-</u>

Additional Project Information:

DOE Project Number(s)	3960-050-14-1005
SDA Project Number(s)	3960-050-14-G1FV
Grant Date	06/09/14
Original Authorized Cost	\$ 397,094
Change Orders	\$ -0-
Revised Authorized Cost	\$ 397,094
Change Order Percentage	0.00%
Percentage Completion	6.17%
Original Target Completion Date	6/30/16
Revised Target Completion Date	6/30/16

Exhibit F-1o

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
GIRL'S LOCKER ROOM AND CLASSROOM RENOVATION AT PASCACK VALLEY HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve	\$ 1,060,828		\$ 1,060,828	\$ 1,060,828
Total Revenue and Other Financing Sources	<u>\$ 1,060,828</u>		<u>1,060,828</u>	<u>1,060,828</u>
Expenditures:				
Legal Services	1,431	\$ 512	1,943	2,000
Purchased Professional and Technical Services	51,950	8,162	60,112	104,925
Construction Services		899,509	899,509	953,903
Total Expenditures	<u>53,381</u>	<u>908,183</u>	<u>961,564</u>	<u>1,060,828</u>
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 1,007,447</u>	<u>\$ (908,183)</u>	<u>\$ 99,264</u>	<u>\$ -0-</u>
Additional Project Information:				
Project Number(s)	3960-050-14-2000			
Grant Date	06/09/14			
Original Authorized Cost	\$ 1,060,828			
Change Orders	\$ -0-			
Revised Authorized Cost	\$ 1,060,828			
Change Order Percentage	0.00%			
Percentage Completion	90.64%			
Original Target Completion Date	11/15/15			
Revised Target Completion Date	11/15/15			

Exhibit F-1p

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUE, EXPENDITURES, PROJECT BALANCE
AND PROJECT STATUS - BUDGETARY BASIS
WINDOW REPLACEMENT AT PASCACK HILLS HIGH SCHOOL
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Project Authorization
Revenue and Other Financing Sources:				
State Sources - SDA Grant	\$ 110,272		\$ 110,272	\$ 110,272
Transfer from Capital Outlay	171,133	\$ (215)	170,918	171,133
Total Revenue and Other Financing Sources	281,405	(215)	281,190	281,405
Expenditures:				
Legal Services	990		990	990
Purchased Professional and Technical Services	21,415	(215)	21,200	21,415
Construction Services	259,000		259,000	259,000
Total Expenditures	281,405	(215)	281,190	281,405
Excess/(Deficiency) of Revenue and Other Financing Sources Over/(Under) Expenditures	\$ -0-	\$ -0-	\$ -0-	\$ -0-

Additional Project Information:

DOE Project Number(s)	N/A
SDA Project Number(s)	SP 3960-040-10-1009
Grant Date	04/26/11
Original Authorized Cost	\$ 275,681
Increase in Authorized Cost	\$ 5,724
Change Orders	\$ -0-
Revised Authorized Cost	\$ 281,405
Change Order Percentage	0.00%
Percentage Completion	100.00%
Original Target Completion Date	07/31/12
Revised Target Completion Date	07/31/12

PROPRIETARY FUNDS

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
ENTERPRISE FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	Non-Major Funds				Total	Major Fund	Enterprise
	Food Service	Region II Administration	Transportation	Park Academy		Region II Transportation	Fund Totals
ASSETS							
Current Assets:							
Cash and Cash Equivalents	\$ 204	\$ 37,198	\$ 14,583	\$ 255,640	\$ 307,625		\$ 307,625
Accounts Receivable:							
Interfund Receivable - General Fund		69,209			69,209		69,209
Intergovernmental - Other		1,170		20,210	21,380	\$ 556,193	577,573
Other	6,612				6,612		6,612
Inventories	6,359				6,359		6,359
Total Current Assets	13,175	107,577	14,583	275,850	411,185	556,193	967,378
Non-Current Assets:							
Capital Assets	276,967				276,967		276,967
Less: Accumulated Depreciation	(189,830)				(189,830)		(189,830)
Total Non-Current Assets	87,137				87,137		87,137
DEFERRED OUTFLOWS OF RESOURCES							
Changes in Assumptions - Pensions	7,459	22,553			30,012		30,012
Changes in Proportions - Pensions	6,120	18,504			24,624		24,624
Total Deferred Outflows of Resources	13,579	41,057			54,636		54,636
Total Assets	113,891	148,634	14,583	275,850	552,958	556,193	1,109,151
LIABILITIES							
Current Liabilities:							
Interfund Payable - General Fund	142,000				142,000	497,094	639,094
Accounts Payable - Vendors		52,550		6,400	58,950	59,099	118,049
Unearned Revenue	4,237	55,027	14,583		73,847		73,847
Net Pension Liability	237,197	717,218			954,415		954,415
Total Current Liabilities	383,434	824,795	14,583	6,400	1,229,212	556,193	1,785,405
DEFERRED INFLOWS OF RESOURCES							
Investment Gains - Pensions	14,136	42,742			56,878		56,878
Total Deferred Inflows of Resources	14,136	42,742			56,878		56,878
NET POSITION							
Net Investment in Capital Assets	87,137				87,137		87,137
Unrestricted/(Deficit)	(370,816)	(718,903)		269,450	(820,269)		(820,269)
Total Net Position/(Deficit)	\$ (283,679)	\$ (718,903)	\$ -0-	\$ 269,450	\$ (733,132)	\$ -0-	\$ (733,132)

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

	Non-Major Funds					Major Fund	Enterprise Fund Totals
	Food Service	Region II			Park Academy	Totals	
		Summer School	Administration	Transportation			
Operating Revenue:							
Charges for Services:							
Daily Sales - Non-Reimbursable Programs	\$ 790,111					\$ 790,111	\$ 790,111
Special Events	12,339					12,339	12,339
Free Lunch Subsidized	24,117					24,117	24,117
Miscellaneous					\$ 1,556	1,556	1,556
Charges and Fees		\$ 34,883	\$ 522,952	\$ 101,648	523,225	1,182,708	\$ 3,972,383
							5,155,091
Total Operating Revenue	826,567	34,883	522,952	101,648	524,781	2,010,831	3,972,383
							5,983,214
Operating Expenses:							
Cost of Sales	393,022					393,022	393,022
Salaries	320,704	28,645	327,076		319,776	996,201	1,152,671
Employee Benefits	22,259	2,191	128,792		135,518	288,760	288,760
Purchased Services	128,804	3,500	68,406	90,543	63,052	354,305	1,674,702
Contracted Services			2,000	11,105	714	13,819	2,495,516
Supplies and Materials	93,545	547	4,000		5,995	104,087	104,087
Depreciation Expense	7,656					7,656	7,656
Rent					60,000	60,000	60,000
Miscellaneous			1,358			1,358	1,358
Total Operating Expenses	965,990	34,883	531,632	101,648	585,055	2,219,208	3,972,383
Operating Income/(Loss)	(139,423)		(8,680)		(60,274)	(208,377)	(208,377)
Non-Operating Revenue:							
Interest Revenue	236					236	236
Total Non-Operating Revenue	236					236	236
Change in Net Position	(139,187)		(8,680)		(60,274)	(208,141)	(208,141)
Net Position - Beginning of Year - Restated	(144,492)		(710,223)		329,724	(524,991)	(524,991)
Net Position/(Deficit) - End of Year	\$ (283,679)	\$ -0-	\$ (718,903)	\$ -0-	\$ 269,450	\$ (733,132)	\$ (733,132)

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

	Non-Major Funds					Major Fund		Enterprise Fund Totals
	Food Service	Region II Summer School	Administration	Transportation	Park Academy	Totals	Region II Transportation	
Cash Flows from Operating Activities:								
Receipts from Customers	\$ 794,435	\$ 34,883	\$ 519,237	\$ 110,345	\$ 550,809	\$ 2,009,709	\$ 3,972,383	\$ 5,982,092
Receipts from District	166,117					166,117		166,117
Payments to Employees	2,870	(28,645)	(318,396)		(319,776)	(663,947)	(156,470)	(820,417)
Payments for Employee Benefits		(2,191)	(128,792)		(135,518)	(266,501)		(266,501)
Payments for Services		(3,500)	(20,838)	(101,648)	(58,379)	(184,365)	(3,815,913)	(4,000,278)
Payments for Rent					(60,000)	(60,000)		(60,000)
Payments to District			(69,209)			(69,209)		(69,209)
Payments to Food Service Vendor	(776,038)					(776,038)		(776,038)
Payments to Suppliers	(191,334)	(547)	(5,358)		(5,995)	(203,234)		(203,234)
Net Cash Provided by/(Used for) Operating Activities	(3,950)		(23,356)	8,697	(28,859)	(47,468)		(47,468)
Cash Flows from Investing Activities:								
Interest Income	236					236		236
Net Cash Provided by Investing Activities	236					236		236
Cash Flows from Capital and Related Financing Activities:								
Purchase of Capital Assets	(82,710)					(82,710)		(82,710)
Net Cash Used for Capital and Related Financing Activities	(82,710)					(82,710)		(82,710)
Net Increase/(Decrease) in Cash and Cash Equivalents	(86,424)		(23,356)	8,697	(28,859)	(129,942)		(129,942)
Cash and Cash Equivalents, July 1	86,628		60,554	5,886	284,499	437,567		437,567
Cash and Cash Equivalents, June 30	\$ 204	\$ -0-	\$ 37,198	\$ 14,583	\$ 255,640	\$ 307,625	\$ -0-	\$ 307,625
Reconciliation of Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:								
Operating Income/(Loss)	\$ (139,423)	\$ -0-	\$ (8,680)	\$ -0-	\$ (60,274)	\$ (208,377)	\$ -0-	\$ (208,377)
Adjustment to Reconcile Operating Income/(Loss) to Net Cash Provided by/(Used for) Operating Activities:								
Depreciation	7,656					7,656		7,656
Changes in Assets and Liabilities:								
(Increase)/Decrease in Accounts Receivable	(6,211)		14,415	6,414	26,028	40,646	(144,148)	(103,502)
(Increase) in Inventory	(2,043)					(2,043)		(2,043)
(Increase)/Decrease in Pension Liability	2,313		6,995			9,308		9,308
(Increase) in Change in Assumptions	(7,459)		(22,553)			(30,012)		(30,012)
Increase in Investment Gains - Pensions	14,136		42,742			56,878		56,878
Increase in Changes in Proportion - Pensions	(6,120)		(18,504)			(24,624)		(24,624)
(Increase)/Decrease in Interfund Receivable			(69,209)			(69,209)		(69,209)
Increase/(Decrease) in Interfund Payable	142,000					142,000	95,512	237,512
Increase/(Decrease) in Accounts Payable	(6,995)		49,568		5,387	47,960	59,099	107,059
Increase/(Decrease) in Unearned Revenue	(1,804)		(18,130)	2,283		(17,651)	(10,463)	(28,114)
Net Cash Provided by/(Used for) Operating Activities	\$ (3,950)	\$ -0-	\$ (23,356)	\$ 8,697	\$ (28,859)	\$ (47,468)	\$ -0-	\$ (47,468)

FIDUCIARY FUNDS

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Agency</u>				<u>Total</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Account Trust</u>	<u>Private Purpose Scholarship Trust</u>
	<u>Student Activity</u>	<u>Payroll</u>	<u>Professional Development</u>	<u>E-Learning</u>				
ASSETS								
Cash and Cash Equivalents	\$ 264,356	\$ 100,823	\$ 28	\$ 188,228	\$ 553,435	\$ 75,726		\$ 17,774
Investments	40,404				40,404			259,964
Other Receivables							\$ 12,194	
Total Assets	<u>304,760</u>	<u>100,823</u>	<u>28</u>	<u>188,228</u>	<u>593,839</u>	<u>75,726</u>	<u>12,194</u>	<u>277,738</u>
LIABILITIES								
Interfund Payable:								
General Fund		19,559			19,559			
Payroll Deductions and Withholdings		81,264			81,264			
Due to Student Groups	304,760				304,760			
Professional Development Costs			28		28			
E-Learning				188,228	188,228			
Total Liabilities	<u>304,760</u>	<u>100,823</u>	<u>28</u>	<u>188,228</u>	<u>593,839</u>			
NET POSITION								
Held in Trust for:								
Unemployment Claims						75,726		
Flexible Spending Claims							12,194	
Restricted for Scholarships								277,738
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 75,726</u>	<u>\$ 12,194</u>	<u>\$ 277,738</u>

Exhibit H-2

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
FIDUCIARY FUND
STATEMENT OF CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

	Unemployment Compensation Trust	Flexible Spending Account Trust	Private Purpose Scholarship Trust
ADDITIONS:			
Contributions:			
Plan Member	\$ 40,302	\$ 58,358	
Other			\$ 8,010
Total Contributions	<u>40,302</u>	<u>58,358</u>	<u>8,010</u>
Investment Earnings:			
Interest	<u>204</u>		<u>982</u>
Net Investment Earnings	<u>204</u>		<u>982</u>
Total Additions	<u>40,506</u>	<u>58,358</u>	<u>8,992</u>
DEDUCTIONS:			
Quarterly Contribution Reports	34,118		
Flexible Spending Claims		102,220	
Scholarships Awarded			<u>21,501</u>
Total Deductions	<u>34,118</u>	<u>102,220</u>	<u>21,501</u>
Change in Net Position	6,388	(43,862)	(12,509)
Net Position - Beginning of the Year	<u>69,338</u>	<u>56,056</u>	<u>290,247</u>
Net Position - End of the Year	<u>\$ 75,726</u>	<u>\$ 12,194</u>	<u>\$ 277,738</u>

Exhibit H-3

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and Cash Equivalents	\$ 347,249	\$ 1,130,965	\$ 1,213,858	\$ 264,356
Investments	40,223	181		40,404
Total Assets	<u>\$ 387,472</u>	<u>\$ 1,131,146</u>	<u>\$ 1,213,858</u>	<u>\$ 304,760</u>
LIABILITIES:				
Interfund Payable - General Fund	\$ 45,008		\$ 45,008	
Due to Student Groups	342,464	1,131,146	1,168,850	\$ 304,760
Total Liabilities	<u>\$ 387,472</u>	<u>\$ 1,131,146</u>	<u>\$ 1,213,858</u>	<u>\$ 304,760</u>

Exhibit H-4

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
High Schools:				
Pascack Hills Activities	\$ 156,858	\$ 505,741	\$ 513,291	\$ 149,308
Pascack Hills Athletics	1,691	62,745	60,385	4,051
Pascack Valley Activities	182,724	438,300	470,837	150,187
Pascack Valley Athletics	1,191	124,360	124,337	1,214
	<u>342,464</u>	<u>1,131,146</u>	<u>1,168,850</u>	<u>304,760</u>
Total All Schools	<u>\$ 342,464</u>	<u>\$ 1,131,146</u>	<u>\$ 1,168,850</u>	<u>\$ 304,760</u>

Exhibit H-5

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and Cash Equivalents	\$ 68,134	\$ 30,623,594	\$ 30,590,905	\$ 100,823
Total Assets	<u>\$ 68,134</u>	<u>\$ 30,623,594</u>	<u>\$ 30,590,905</u>	<u>\$ 100,823</u>
 LIABILITIES:				
Interfund Payable:				
General Fund	\$ 21,038	\$ 1,983	\$ 3,462	\$ 19,559
Unemployment Compensation Trust Fund	5,197		5,197	
Payroll Deductions and Withholdings	<u>41,899</u>	<u>39,365</u>	<u> </u>	<u>81,264</u>
Total Liabilities	<u>\$ 68,134</u>	<u>\$ 41,348</u>	<u>\$ 8,659</u>	<u>\$ 100,823</u>

Exhibit H-6

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROFESSIONAL DEVELOPMENT COSTS AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and Cash Equivalents	<u>\$ 2,839</u>	<u> </u>	<u>\$ 2,811</u>	<u>\$ 28</u>
Total Assets	<u><u>\$ 2,839</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 2,811</u></u>	<u><u>\$ 28</u></u>
LIABILITIES:				
Professional Development Costs	<u>\$ 2,839</u>	<u> </u>	<u>\$ 2,811</u>	<u>\$ 28</u>
Total Liabilities	<u><u>\$ 2,839</u></u>	<u><u>\$ -0-</u></u>	<u><u>\$ 2,811</u></u>	<u><u>\$ 28</u></u>

Exhibit H-7

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
E-LEARNING AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and Cash Equivalents	\$ 206,551	\$ 129,566	\$ 147,889	\$ 188,228
Total Assets	<u>\$ 206,551</u>	<u>\$ 129,566</u>	<u>\$ 147,889</u>	<u>\$ 188,228</u>
 LIABILITIES:				
Accounts Payable	\$ 1,044		\$ 1,044	
E-Learning Costs	<u>205,507</u>	<u>\$ 129,566</u>	<u>146,845</u>	<u>\$ 188,228</u>
Total Liabilities	<u>\$ 206,551</u>	<u>\$ 129,566</u>	<u>\$ 147,889</u>	<u>\$ 188,228</u>

LONG-TERM DEBT

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

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance July 1, 2014	Retired/ Matured	Balance June 30, 2015
			Date	Amount				
Various School Improvements	04/01/04	\$ 30,723,000	08/15/15	\$ 1,160,000	4.000%	\$ 2,270,000	\$ 1,110,000	\$ 1,160,000
School Refunding Bonds	11/01/12	8,710,000	08/15/15	35,000	3.000%	8,680,000	35,000	8,645,000
			08/15/16	35,000	3.000%			
			08/15/17	1,305,000	3.000%			
			08/15/18	1,350,000	3.000%			
			08/15/19	1,400,000	3.000%			
			08/15/20	1,450,000	3.000%			
			08/15/21	1,505,000	3.000%			
			08/15/22	1,565,000	3.000%			
			School Refunding Bonds	02/26/13	12,335,000			
08/15/16	1,220,000	3.000%						
08/15/23	1,650,000	4.000%						
08/15/24	1,720,000	4.000%						
08/15/25	1,805,000	4.000%						
08/15/26	1,880,000	4.000%						
08/15/27	1,965,000	4.000%						
08/15/28	2,050,000	4.000%						
						<u>\$ 23,260,000</u>	<u>\$ 1,155,000</u>	<u>\$ 22,105,000</u>

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

<u>Item</u>	<u>Interest Rate</u>	<u>Original Issue</u>	<u>Balance July 1, 2014</u>	<u>Retired/ Matured</u>	<u>Balance June 30, 2015</u>
Laptop Computers	0.00%	\$ 4,890,989	<u>\$ 2,576,018</u>	<u>\$ 1,288,009</u>	<u>\$ 1,288,009</u>

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

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,961,788		\$ 1,961,788	\$ 1,961,788	
Total Revenues	<u>1,961,788</u>		<u>1,961,788</u>	<u>1,961,788</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	806,788		806,788	806,788	
Redemption of Principal	1,155,000		1,155,000	1,155,000	
Total Regular Debt Service	<u>1,961,788</u>		<u>1,961,788</u>	<u>1,961,788</u>	
Total Expenditures	<u>1,961,788</u>		<u>1,961,788</u>	<u>1,961,788</u>	
Excess of Revenues Over Expenditures	-0-		-0-	-0-	
Fund Balance, July 1	<u>51,515</u>		<u>51,515</u>	<u>51,515</u>	
Fund Balance, June 30	<u>\$ 51,515</u>	<u>\$ -0-</u>	<u>\$ 51,515</u>	<u>\$ 51,515</u>	<u>\$ -0-</u>

Recapitulation of Fund Balance at June 30, 2015:

Restricted for Debt Service	<u>\$ 51,515</u>
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**STATISTICAL SECTION
(UNAUDITED)**

STATISTICAL SECTION
(UNAUDITED)

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

Contents

Exhibit

Financial Trends

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

J-1 thru J-5

Revenue Capacity

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

J-6 thru J-9

Debt Capacity

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

J-10 thru J-13

Demographic and Economic Information

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

J-14 thru J-15

Operating Information

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

J-16 thru J-20

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

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental Activities:										
Instruction:										
Regular	\$14,775,535	\$16,391,932	\$18,049,771	\$17,799,822	\$18,662,942	\$18,522,299	\$17,368,051	\$20,558,959	\$17,413,349	\$22,153,918
Special Education	2,164,916	2,437,500	2,694,886	2,499,184	2,789,331	3,620,154	3,621,058	3,436,296	3,610,323	4,337,466
Other Special Instruction	69,177	76,015	1,598	635	2,242					20,467
Other Instruction	1,555,972	1,711,986	1,702,518	1,776,634	1,909,687	2,215,217	2,331,477	2,428,660	2,425,827	2,690,357
Support Services:										
Tuition	2,161,121	2,220,111	2,256,889	2,363,094	2,413,892	2,063,727	1,973,523	2,303,026	2,438,356	2,566,495
Student & Instruction Related Services	5,732,855	6,757,750	6,647,232	6,357,319	6,301,186	6,726,057	6,538,289	7,136,392	7,433,012	8,071,758
General Administrative Services	800,806	848,572	940,215	891,731	914,052	835,620	1,128,278	969,838	891,617	1,109,752
School Administrative Services	1,343,221	1,349,464	1,402,397	1,513,852	1,734,721	1,683,322	1,736,237	1,701,922	1,768,137	1,851,421
Central Services	707,342	751,352	896,910	557,092	621,175	570,202	688,662	732,019	737,628	923,446
Administration Information Technology				354,603	359,340	429,278	740,536	606,281	648,873	665,291
Plant Operations and Maintenance	3,362,175	3,565,424	4,151,628	3,821,228	3,923,799	3,703,306	4,195,624	4,870,496	4,555,728	5,856,064
Pupil Transportation	1,241,841	1,466,377	1,584,187	1,624,356	1,813,479	1,663,499	1,643,515	1,653,207	1,604,132	1,771,462
Special Schools	2,000	700	1,000							
Interest on Temporary Note			185,865							
Interest on Long-term Debt	1,128,716	1,186,251	1,156,916	1,125,599	1,089,086	1,070,182	1,036,136	1,145,348	771,338	771,332
Capital Outlay			1,344,570	435,502	89,905	28,110				813,635
Unallocated Depreciation					109,616	1,163,238	321,435	320,817	802,498	802,498
Total Governmental Activities Expenses	35,045,677	38,763,434	43,016,582	41,120,651	42,734,453	44,294,211	43,322,821	47,863,261	45,100,818	54,405,362
Business-type Activities:										
Food Service	729,394	807,418	815,718	820,000	861,055	891,012	945,980	944,770	1,006,835	965,990
Park Academy							650,376	661,405	728,124	585,055
Region II Transportation	4,360,781	5,185,953	5,614,784	5,958,156	5,891,856	4,439,850	3,833,892	3,731,661	3,738,667	3,972,383
Region II Administration	459,081	562,834	632,209	470,569	512,514	570,032	471,231	485,210	479,069	531,632
Region II Summer School	35,962	39,460	39,404	40,334	41,314	29,539	29,192	30,446	28,921	34,883
Transportation	160,984	157,134	155,527	162,987	137,333	126,769	125,094	117,538	119,706	101,648
Total Business-type Activities Expenses	5,746,202	6,752,799	7,257,642	7,452,046	7,444,072	6,057,202	6,055,765	5,971,030	6,101,322	6,191,591

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Total District Expenses	\$40,791,879	\$45,516,233	\$50,274,224	\$48,572,697	\$50,178,525	\$50,351,413	\$49,378,586	\$53,834,291	\$51,202,140	\$60,596,953
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	120,745	124,758	127,005	153,035	121,063	295,888	322,372	514,615	523,008	477,831
Operating Grants and Contributions	4,624,636	5,833,456	5,994,221	4,891,308	4,741,047	3,995,540	5,161,539	5,928,996	5,454,526	10,542,252
Capital Grants and Contributions	4,242,310	7,019,793			612,872	816,410	195,059	616,766		276,215
Total Governmental Activities Program Revenues	8,987,691	12,978,007	6,121,226	5,044,343	5,474,982	5,107,838	5,678,970	7,060,377	5,977,534	11,296,298
Program Revenues										
Business-Type Activities:										
Charges for Services:										
Food Service	740,291	796,341	796,298	835,609	887,330	933,755	942,051	924,405	956,330	826,567
Park Academy							646,201	816,438	760,663	524,781
Region II Transportation	4,360,781	5,185,953	5,614,784	5,958,156	5,891,856	4,435,596	3,831,849	3,731,661	3,738,667	3,972,383
Region II Administration	459,081	562,834	632,209	470,569	512,514	574,286	473,274	485,210	479,069	522,952
Region II Summer School	35,962	39,460	39,404	40,334	41,314	29,539	29,192	30,446	28,921	34,883
Transportation	160,984	157,134	155,527	163,896	136,424	126,769	125,094	117,538	119,706	101,648
Total Business-Type Activities Revenues	5,757,099	6,741,722	7,238,222	7,468,564	7,469,438	6,099,945	6,047,661	6,105,698	6,083,356	5,983,214
Total District Program Revenues	14,744,790	19,719,729	13,359,448	12,512,907	12,944,420	11,207,783	11,726,631	13,166,075	12,060,890	17,279,512
Net (Expense)/Revenue										
Governmental Activities	(26,057,986)	(25,785,427)	(36,895,356)	(36,076,308)	(37,259,471)	(39,186,373)	(37,643,851)	(40,802,884)	(39,123,284)	(43,109,064)
Business-Type Activities	10,897	(11,077)	(19,420)	16,518	25,366	42,743	(8,104)	134,668	(17,966)	(208,377)
Total District-Wide Net (Expense)/Revenue	(26,047,089)	(25,796,504)	(36,914,776)	(36,059,790)	(37,234,105)	(39,143,630)	(37,651,955)	(40,668,216)	(39,141,250)	(43,317,441)

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
CHANGES IN NET ASSETS, LAST TEN FISCAL YEARS
(accrual basis of accounting)
UNAUDITED

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$29,443,931	\$31,336,279	\$35,979,512	\$36,442,436	\$37,896,490	\$39,995,215	\$40,699,097	\$41,513,079	\$42,343,341	\$43,190,207
Taxes Levied for Debt Service	1,508,189	1,793,563	1,896,127	1,988,652	1,993,464	1,990,196	2,009,376	2,029,152	1,949,124	1,961,788
Unrestricted Grants and Contributions	214,815	284,719	336,793	285,576	161,664	12,938		28,883	31,466	31,308
Investment Earnings	925,254	499,032	286,672	82,974	51,356		21,787	36,246	35,002	17,128
Miscellaneous Income	66,067	131,975	83,167	8,707	217,222	218,609	279,516	167,946	192,711	201,137
Cancellation of Prior Year Accounts Payable					(16,579)					
Cancellation of SDA Grant Receivable				(295,726)						
Total Governmental Activities	32,158,256	34,045,568	38,582,271	38,512,619	40,303,617	42,216,958	43,009,776	43,775,306	44,551,644	45,401,568
Business-Type Activities:										
Investment Earnings	2,263	3,793	2,886	807	652	1,172	799	929	841	236
Contributed Capital Settlement			(5,204)							
Transfers	22,171						146,327			
Total Business-Type Activities	24,434	3,793	(2,318)	807	652	1,172	147,126	929	841	236
Total District-Wide	32,182,690	34,049,361	38,579,953	38,513,426	40,304,269	42,218,130	43,156,902	43,776,235	44,552,485	45,401,804
Change in Net Position										
Governmental Activities	6,100,270	8,260,141	1,686,915	2,436,311	3,044,146	3,030,585	5,365,925	2,972,422	5,428,360	2,292,504
Business-Type Activities	35,331	(7,284)	(21,738)	17,325	26,018	43,915	139,022	135,597	(17,125)	(208,141)
Total District	\$ 6,135,601	\$ 8,252,857	\$ 1,665,177	\$ 2,453,636	\$ 3,070,164	\$ 3,074,500	\$ 5,504,947	\$ 3,108,019	\$ 5,411,235	\$ 2,084,363

Source: School District Financial Reports.

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

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Reserved/Restricted	\$ 1,744,527	\$ 2,176,188	\$ 3,557,729	\$ 3,539,914	\$ 3,628,582	\$ 1,955,530	\$ 4,431,163	\$ 6,978,406	\$ 7,689,270	\$ 9,938,967
Assigned						2,456,715	1,194,532	1,171,022	1,087,016	419,303
Unassigned						1,099,326	1,062,976	1,088,577	1,070,041	1,181,938
Unreserved	<u>1,656,965</u>	<u>705,133</u>	<u>799,948</u>	<u>1,324,433</u>	<u>1,318,773</u>					
Total General Fund	<u>\$ 3,401,492</u>	<u>\$ 2,881,321</u>	<u>\$ 4,357,677</u>	<u>\$ 4,864,347</u>	<u>\$ 4,947,355</u>	<u>\$ 5,511,571</u>	<u>\$ 6,688,671</u>	<u>\$ 9,238,005</u>	<u>\$ 9,846,327</u>	<u>\$ 11,540,208</u>
All Other Governmental Funds:										
Reserved/Restricted:										
Capital Projects Fund					\$ 22,251	\$ 80,401	\$ 80,401	\$ 80,401	\$ 60,194	\$ 60,194
Debt Service Fund						4,426	1	51,515	51,515	51,515
Committed:										
Capital Projects Fund						1,344,612	1,074,741	540,573	2,626,606	421,913
Unreserved/(Deficit), Reported in:										
Capital Projects Fund				\$ (455,638)	(194,002)					
Debt Service Fund	\$ 1		\$ (10,864)	16,681	21,107					
Designated for Subsequent Year Expenditures	<u>13,239,119</u>	<u>\$ 1,713,691</u>	<u>(124,482)</u>							
Total All Other Governmental Funds	<u>\$ 13,239,120</u>	<u>\$ 1,713,691</u>	<u>\$ (135,346)</u>	<u>\$ (438,957)</u>	<u>\$ (150,644)</u>	<u>\$ 1,429,439</u>	<u>\$ 1,155,143</u>	<u>\$ 672,489</u>	<u>\$ 2,738,315</u>	<u>\$ 533,622</u>
Total Governmental Funds:										
Reserved/Restricted	\$ 1,744,527	\$ 2,176,188	\$ 3,557,729	\$ 3,539,914	\$ 3,650,833	\$ 2,040,357	\$ 4,511,565	\$ 7,110,322	\$ 7,800,979	\$ 10,050,676
Committed						1,344,612	1,074,741	540,573	2,626,606	421,913
Assigned						2,456,715	1,194,532	1,171,022	1,087,016	419,303
Unassigned						1,099,326	1,062,976	1,088,577	1,070,041	1,181,938
Unreserved	<u>14,896,085</u>	<u>2,418,824</u>	<u>664,602</u>	<u>885,476</u>	<u>1,145,878</u>					
Total Governmental Funds	<u>\$ 16,640,612</u>	<u>\$ 4,595,012</u>	<u>\$ 4,222,331</u>	<u>\$ 4,425,390</u>	<u>\$ 4,796,711</u>	<u>\$ 6,941,010</u>	<u>\$ 7,843,814</u>	<u>\$ 9,910,494</u>	<u>\$ 12,584,642</u>	<u>\$ 12,073,830</u>

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Tax Levy	\$ 30,952,120	\$ 33,129,842	\$ 37,875,639	\$ 38,431,088	\$ 39,889,954	\$ 41,985,411	\$ 42,708,473	\$ 43,542,231	\$ 44,292,465	\$ 45,151,995
Tuition Charges	120,745	124,758	127,005	153,035	121,063	295,888	322,372	514,615	523,008	477,831
Interest Earnings	925,254	499,032	286,672	82,974	51,356		21,787	36,246	35,002	19,571
Miscellaneous	68,067	132,675	83,167	8,707	217,222	218,609	279,516	168,446	192,883	201,137
State Sources	8,682,477	12,688,460	6,112,809	4,655,441	4,880,911	3,752,696	4,504,179	6,073,118	4,977,616	5,915,362
Federal Sources	397,284	448,808	218,205	521,443	634,672	1,072,192	852,419	501,027	508,204	557,103
Total Revenues	41,145,947	47,023,575	44,703,497	43,852,688	45,795,178	47,324,796	48,688,746	50,835,683	50,529,178	52,322,999
Expenditures										
Instruction:										
Regular Instruction	11,163,903	12,035,297	12,654,804	13,637,196	14,019,761	14,416,575	14,333,194	14,142,908	14,676,557	15,744,893
Special Education Instruction	1,547,319	1,700,183	1,768,953	1,838,882	2,003,618	2,869,948	2,843,148	2,615,280	2,744,073	2,954,641
Other Special Instruction	51,372	53,681	538	635						
Other Instruction	1,204,245	1,291,449	1,432,055	1,521,626	1,616,780	1,769,748	1,860,630	1,870,262	1,944,375	1,958,522
Support Services:										
Tuition	2,161,121	2,220,111	2,256,889	2,363,094	2,413,892	2,063,727	1,973,523	2,303,026	2,438,356	2,566,495
Student & Instruction Related Services	4,468,787	5,229,548	5,351,314	5,287,961	5,291,708	5,168,587	5,006,271	5,369,768	5,739,316	5,677,900
General Administrative Services	733,976	779,875	858,592	817,930	790,919	762,557	833,063	813,090	755,350	871,596
School Administrative Services	974,312	959,707	960,537	1,122,454	1,386,710	1,250,659	1,285,902	1,273,194	1,305,123	1,346,991
Central Services	575,863	652,992	771,051	476,297	498,832	478,820	517,068	539,381	557,996	639,900
Administration Information Technology				311,877	311,222	242,994	502,713	392,633	415,667	372,732
Plant Operations and Maintenance	2,831,335	2,928,055	3,378,853	3,367,788	3,439,687	3,472,257	3,220,196	3,492,398	3,759,144	4,538,424
Pupil Transportation	1,229,531	1,454,079	1,569,477	1,610,284	1,790,889	1,643,627	1,623,185	1,630,332	1,582,662	1,738,123
Unallocated Benefits	6,350,079	7,341,994	8,414,117	6,522,364	7,181,805	8,013,696	8,503,929	9,446,887	9,056,471	9,450,304

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

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenditures										
Special Schools	\$ 2,000	\$ 700	\$ 1,000							
Capital Outlay	16,755,916	20,627,940	4,963,255	\$ 2,486,863	\$ 3,016,187	\$ 5,957,007	\$ 3,269,319	\$ 7,793,195	\$ 930,816	\$ 3,011,502
Debt Service:										
Principal	300,000	600,000	725,000	845,000	880,000	925,000	965,000	1,015,000	1,115,000	1,155,000
Interest and Other Charges	1,208,189	1,193,564	1,356,991	1,143,652	1,113,464	1,081,877	1,048,801	962,638	834,124	806,788
Total Expenditures	<u>51,557,948</u>	<u>59,069,175</u>	<u>46,463,426</u>	<u>43,353,903</u>	<u>45,755,474</u>	<u>50,117,079</u>	<u>47,785,942</u>	<u>53,659,992</u>	<u>47,855,030</u>	<u>52,833,811</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,412,001)</u>	<u>(12,045,600)</u>	<u>(1,759,929)</u>	<u>498,785</u>	<u>39,704</u>	<u>(2,792,283)</u>	<u>902,804</u>	<u>(2,824,309)</u>	<u>2,674,148</u>	<u>(510,812)</u>
Other Financing Sources (Uses)										
Cancellation of SDA Grant Receivable				(295,726)						
Cancellation of Accounts Payable					(16,579)					
Capital Leases	1,098,540		1,387,248		348,196	4,936,583		4,890,989		
Transfers In	834,678	355,120	175,000	27,545	1,462,626	1,701,088	1,692,045	1,142,435	2,520,024	632,176
Transfers Out	(834,678)	(355,120)	(175,000)	(27,545)	(1,462,626)	(1,701,088)	(1,692,045)	(1,142,435)	(2,520,024)	(632,176)
Total Other Financing Sources (Uses)	<u>1,098,540</u>	<u>-0-</u>	<u>1,387,248</u>	<u>(295,726)</u>	<u>331,617</u>	<u>4,936,583</u>	<u>-0-</u>	<u>4,890,989</u>	<u>-0-</u>	<u>-0-</u>
Net Change in Fund Balances	<u>\$ (9,313,461)</u>	<u>\$ (12,045,600)</u>	<u>\$ (372,681)</u>	<u>\$ 203,059</u>	<u>\$ 371,321</u>	<u>\$ 2,144,300</u>	<u>\$ 902,804</u>	<u>\$ 2,066,680</u>	<u>\$ 2,674,148</u>	<u>\$ (510,812)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.53%	4.89%	5.28%	5.12%	4.89%	4.76%	4.74%	4.51%	4.33%	4.10%

Source: School District Financial Reports.

Exhibit J-5

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Tuition</u>	<u>Rentals - Use</u> <u>of Facilities</u>	<u>Other</u>	<u>Total</u>
2006	\$ 90,576	\$ 120,745	\$ 1,612	\$ 66,455	\$ 279,388
2007	143,912	124,758	4,734	127,941	401,345
2008	111,672	127,005	4,650	78,517	321,844
2009	66,293	153,035	4,200	4,507	228,035
2010	51,356	121,063	8,546	204,250	385,215
2011	52,344	295,888	6,632	155,400	510,264
2012	19,952	322,372	6,525	272,991	621,840
2013	30,411	514,615	10,175	157,771	712,972
2014	37,833	523,008	6,775	175,973	743,589
2015	7,000	477,831	3,600	197,537	685,968

Source: Pascack Valley Regional High School District records.

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

BOROUGH OF HILLSDALE

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 7,840,800	\$ 776,463,400	\$ 396,200	\$ 12,400	\$ 50,529,000	\$ 7,490,000	\$ 950,100	\$ 843,681,900	\$ 73,055,800	\$ 3,716,487	\$ 847,398,387	\$ 0.88	\$ 1,536,045,340
2006	6,441,900	779,488,300	396,200	12,400	51,600,900	7,535,000	950,100	846,424,800	73,983,700	3,110,147	849,534,947	0.92	1,749,040,149
2007	* 12,213,500	1,819,107,700	1,865,800	13,100	108,183,300	14,315,500	1,995,300	1,957,694,200	151,132,300	6,745,700	1,964,439,900	0.46	1,955,372,182
2008	12,449,200	1,818,907,400	745,000	13,100	107,676,500	14,315,500	1,995,300	1,956,102,000	151,688,000	7,462,332	1,963,564,332	0.45	1,984,787,186
2009	12,081,100	1,821,722,900	745,000	13,100	109,531,700	14,315,500	1,995,300	1,960,404,600	152,331,200	7,084,084	1,967,488,684	0.46	2,058,164,361
2010	16,589,400	1,816,609,300	745,000	13,100	109,531,700	14,315,500	1,995,300	1,959,799,300	152,871,600	8,382,930	1,968,182,230	0.51	2,058,164,361
2011	15,864,900	1,816,573,400	745,000	13,100	108,901,100	13,747,600	1,995,300	1,957,840,400	153,960,400	8,579,677	1,966,420,077	0.53	1,952,438,002
2012	15,382,100	1,809,213,560	745,000	13,100	106,992,800	13,747,600	1,995,300	1,948,089,460	153,491,400	8,428,811	1,956,518,271	0.54	1,893,124,566
2013	* 11,462,800	1,543,338,400	676,200	12,200	97,389,700	12,029,100	4,959,700	1,669,868,100	140,637,400	6,484,341	1,676,352,441	0.65	1,760,985,490
2014	10,606,300	1,543,881,100	621,800	12,200	97,025,800	12,029,100	4,959,700	1,669,136,000	140,724,900	5,466,941	1,674,602,941	0.65	1,810,828,300

BOROUGH OF MONTVALE

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 11,640,900	\$ 699,500,500	\$ 832,300	\$ 55,800	\$ 367,170,700	\$ 7,749,600	\$ 7,000,000	\$1,093,949,800	\$ 72,437,700	\$ 1,620,457	\$1,095,570,257	\$ 0.66	\$ 1,738,970,853
2006	* 32,617,600	1,605,160,800	2,246,000	50,100	594,743,900	13,075,000	14,553,000	2,262,446,400	110,482,100	2,491,607	2,264,938,007	0.35	1,941,870,285
2007	66,723,300	1,613,870,800	2,246,000	37,600	589,973,300	13,075,000	14,553,000	2,300,479,000	110,482,100	2,561,681	2,303,040,681	0.38	2,097,531,237
2008	51,808,600	1,641,992,200	2,246,000	37,600	603,707,200	13,075,000	18,753,000	2,331,619,600	110,077,700	2,959,566	2,334,579,166	0.41	2,164,252,522
2009	35,927,700	1,684,771,100	2,246,000	37,600	599,708,200	13,075,000	18,753,000	2,354,518,600	110,100,700	2,814,962	2,357,333,562	0.42	2,271,988,152
2010	30,721,300	1,699,843,800	2,246,000	37,600	589,788,400	13,075,000	18,753,000	2,354,465,100	110,026,100	3,948,799	2,358,413,899	0.44	2,271,988,152
2011	42,391,100	1,711,031,500	2,246,000	37,600	587,625,400	11,339,100	18,753,000	2,373,423,700	110,478,700	2,961,081	2,376,384,781	0.44	2,300,568,569
2012	30,625,900	1,727,073,100	2,246,000	37,600	582,231,700	11,339,100	18,753,000	2,372,306,400	111,007,100	2,939,324	2,375,245,724	0.46	2,280,590,779
2013	* 21,928,800	1,374,516,300	1,939,100	32,400	581,097,200	11,044,100	17,653,000	2,008,210,900	112,457,100	2,735,012	2,010,945,912	0.56	2,177,618,311
2014	25,314,100	1,375,114,800	1,939,100	32,400	576,034,600	11,044,100	17,653,000	2,007,132,100	112,110,400	2,166,301	2,009,298,401	0.59	2,272,470,680

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

b - Tax rates are per \$100.

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation.
Reassessment occurs when ordered by the County Board of Taxation.

* Year in which revaluation became effective.

Source: Municipal Tax Assessors.

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

TOWNSHIP OF RIVER VALE

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 17,305,250	\$ 925,278,767	\$ 714,000	\$ -0-	\$ 49,623,550	\$ -0-	\$ 4,834,400	\$ 997,755,967	\$ 29,446,300	\$ 636,295	\$ 998,392,262	\$ 0.85	\$ 1,735,320,678
2006	16,638,050	930,721,467	714,000	-0-	49,179,450	-0-	4,834,400	1,002,087,367	30,339,000	578,531	1,002,665,898	0.90	1,944,685,768
2007	14,660,850	937,134,067	714,000	-0-	44,232,950	-0-	5,219,700	1,001,961,567	36,750,300	487,641	1,002,449,208	0.97	2,144,817,497
2008	* 27,018,600	1,958,207,600	1,791,500	-0-	103,944,500	-0-	13,034,700	2,103,996,900	91,265,600	1,409,778	2,105,406,678	0.47	2,357,792,210
2009	30,596,900	1,956,094,500	1,791,500	-0-	101,944,500	-0-	13,034,700	2,103,462,100	92,009,600	1,512,178	2,104,974,278	0.47	2,230,833,059
2010	30,632,200	1,963,018,600	1,791,500	-0-	104,445,700	-0-	13,034,700	2,112,922,700	92,396,700	220,618	2,113,143,318	0.47	2,230,833,059
2011	27,416,700	1,969,780,400	-0-	-0-	70,900,800	-0-	13,034,700	2,081,132,600	123,482,200	1,600,551	2,082,733,151	0.49	2,075,161,024
2012	28,687,500	1,961,429,200	-0-	-0-	76,456,600	-0-	13,034,700	2,079,608,000	125,283,200	1,527,724	2,081,135,724	0.51	2,043,697,829
2013	24,311,200	1,961,259,300	-0-	-0-	75,786,600	-0-	13,034,700	2,074,391,800	125,265,600	1,480,772	2,075,872,572	0.52	1,984,989,947
2014	22,643,800	1,953,627,700	-0-	-0-	71,333,700	-0-	13,034,700	2,060,639,900	127,962,100	1,330,849	2,061,970,749	0.53	1,939,589,744

BOROUGH OF WOODCLIFF LAKE

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Tax-Exempt Property	Add: Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 13,457,100	\$ 1,157,148,000	\$ 1,367,100	\$ 18,600	\$ 378,733,100	\$ -0-	\$ -0-	\$1,550,723,900	\$ 57,228,300	\$ 1,794,624	\$1,552,518,524	\$ 0.46	\$ 1,639,917,476
2006	25,990,100	1,168,132,200	1,367,100	18,600	359,444,500	-0-	-0-	1,554,952,500	57,086,800	1,794,624	1,556,747,124	0.50	1,788,286,520
2007	20,990,400	1,205,649,800	930,800	5,600	374,512,000	-0-	-0-	1,602,088,600	57,086,800	1,357,095	1,603,445,695	0.55	2,170,444,682
2008	16,806,600	1,218,110,700	930,800	6,400	415,187,600	-0-	-0-	1,651,042,100	58,224,900	1,584,879	1,652,626,979	0.60	2,245,069,011
2009	16,008,200	1,226,381,100	930,800	6,400	460,623,700	-0-	-0-	1,703,950,200	55,563,000	1,648,608	1,705,598,808	0.61	2,269,801,638
2010	16,806,600	1,218,110,700	930,800	6,400	415,187,600	-0-	-0-	1,651,042,100	58,224,900	1,584,879	1,652,626,979	0.65	2,245,069,011
2011	14,696,900	1,233,145,100	930,800	6,400	454,682,800	-0-	-0-	1,703,462,000	57,760,400	1,723,119	1,705,185,119	0.68	2,183,926,392
2012	24,756,000	1,277,784,100	1,225,400	6,600	542,447,400	-0-	-0-	1,846,219,500	68,044,300	1,723,119	1,847,942,619	0.62	1,969,565,261
2013	21,415,000	1,279,611,400	1,003,600	6,600	526,614,400	-0-	-0-	1,828,651,000	67,849,500	1,902,495	1,830,553,495	0.61	1,999,384,529
2014	14,430,300	1,293,849,200	1,003,600	6,600	473,997,500	-0-	-0-	1,783,287,200	67,303,700	1,488,377	1,784,775,577	0.63	1,924,752,204

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

b - Tax rates are per \$100.

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation.
Reassessment occurs when ordered by the County Board of Taxation.

* Year in which revaluation became effective.

Source: Municipal Tax Assessors.

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

BOROUGH OF HILLSDALE

Year Ended December 31,	Pascack Valley Regional High School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Borough of Hillsdale			
	Basic Rate ^a	Debt Obligation Service ^b	Total Direct	Borough of Hillsdale	Public Schools	Bergen County	
2005	\$ 0.85	\$ 0.03	\$ 0.88	\$ 0.67	\$ 1.63	\$ 0.34	\$ 3.52
2006	0.88	0.04	0.92	0.75	1.74	0.39	3.80
2007	* 0.43	0.02	0.46	0.35	0.79	0.18	1.78
2008	0.43	0.02	0.45	0.39	0.83	0.18	1.85
2009	0.44	0.02	0.46	0.40	0.86	0.20	1.93
2010	0.49	0.02	0.51	0.42	0.91	0.20	2.04
2011	0.51	0.02	0.53	0.43	0.95	0.20	2.11
2012	0.51	0.02	0.54	0.44	0.97	0.21	2.16
2013	* 0.62	0.03	0.65	0.49	1.19	0.24	2.57
2014	0.62	0.03	0.65	0.54	1.17	0.25	2.61

BOROUGH OF MONTVALE

Year Ended December 31,	Pascack Valley Regional High School District			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Direct Rate			Borough of Montvale			
	Basic Rate ^a	Debt Obligation Service ^b	Total Direct	Borough of Montvale	Public Schools	Bergen County	
2005	\$ 0.63	\$ 0.03	\$ 0.66	\$ 0.74	\$ 1.04	\$ 0.30	\$ 2.74
2006	* 0.33	0.02	0.35	0.36	0.53	0.15	1.40
2007	0.36	0.02	0.38	0.38	0.53	0.16	1.45
2008	0.39	0.02	0.41	0.39	0.55	0.16	1.51
2009	0.40	0.02	0.42	0.41	0.56	0.18	1.57
2010	0.42	0.02	0.44	0.43	0.57	0.18	1.63
2011	0.42	0.02	0.44	0.45	0.59	0.20	1.68
2012	0.44	0.02	0.46	0.46	0.60	0.21	1.73
2013	* 0.54	0.02	0.56	0.56	0.73	0.25	2.10
2014	0.56	0.04	0.59	0.58	0.75	0.26	2.18

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

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

* - Property revaluation became effective in this year.

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

Source: Municipal Tax Collectors and School Business Administrator.

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

TOWNSHIP OF RIVER VALE

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Township of River Vale	Township of River Vale		
					Public Schools	Bergen County	
2005	\$ 0.82	\$ 0.03	\$ 0.85	\$ 0.66	\$ 1.52	\$ 0.33	\$ 3.36
2006	0.86	0.04	0.90	0.71	1.59	0.34	3.55
2007	0.92	0.05	0.97	0.78	1.71	0.39	3.85
2008	* 0.45	0.02	0.47	0.39	0.83	0.20	1.89
2009	0.45	0.02	0.47	0.41	0.86	0.20	1.95
2010	0.45	0.02	0.47	0.43	0.90	0.20	2.00
2011	0.46	0.02	0.49	0.70	0.87	0.23	2.29
2012	0.49	0.02	0.51	0.48	0.96	0.22	2.17
2013	0.50	0.02	0.52	0.50	0.99	0.22	2.23
2014	0.51	0.02	0.53	0.50	1.02	0.22	2.27

BOROUGH OF WOODCLIFF LAKE

Year Ended December 31,	Pascack Valley Regional High School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Borough of Woodcliff Lake	Borough of Woodcliff Lake Public Schools		
					Borough of Woodcliff Lake Public Schools	Bergen County	
2005	\$ 0.44	\$ 0.02	\$ 0.46	\$ 0.42	\$ 0.67	\$ 0.20	\$ 1.75
2006	0.48	0.02	0.50	0.43	0.73	0.21	1.87
2007	0.52	0.03	0.55	0.44	0.74	0.24	1.97
2008	0.57	0.03	0.60	0.44	0.75	0.24	2.05
2009	0.58	0.03	0.61	0.45	0.75	0.26	2.08
2010	0.62	0.03	0.65	0.47	0.77	0.27	2.18
2011	0.65	0.03	0.68	0.50	0.80	0.26	2.24
2012	0.59	0.03	0.62	0.49	0.74	0.23	2.08
2013	0.58	0.03	0.61	0.51	0.77	0.24	2.13
2014	0.60	0.03	0.63	0.52	0.81	0.25	2.21

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

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

* - Property revaluation became effective in this year.

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

Source: Municipal Tax Collectors and School Business Administrator.

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

BOROUGH OF HILLSDALE

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
New Creek LLC	\$ 11,522,700	1	1.40%			
Crossroads- Hillsdale Association	9,126,400	2	1.11%			
New Jersey Bell	5,459,352	3	0.66%	\$ 3,110,147	4	0.37%
Edgewood Country Club, Inc.	3,069,400	4	0.37%	1,239,400	8	0.15%
Pavonia Equities, LP	3,008,100	5	0.36%			
New Jersey Bell				2,297,100	5	0.27%
Marsala Enterprises	2,651,000	6	0.32%	1,157,100	10	0.14%
Golden Orchard Assoc., LP	2,621,200	7	0.32%			
100 Park Ave Assoc LLC	2,560,000	8	0.31%			
Bank of America	2,200,000	9	0.27%			
North Bergen County Corp	1,907,100	10	0.23%			
Prima II LLC				4,631,100	1	0.55%
Cuzson Assoc. % Inserra Supermarkets				4,414,300	2	0.52%
USA Waste c/o Waste Management				3,732,500	3	0.44%
Jack Ely Real Estate LLC				1,652,300	6	0.19%
RL Investors				1,580,000	7	0.19%
Hiller & Skoglund Land Associates				1,225,700	9	0.14%
Total	\$ 44,125,252		5.35%	\$ 25,039,647		2.96%

BOROUGH OF MONTVALE

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
KPMG Peat Marwick	\$ 54,785,700	1	2.66%	\$ 48,735,000	1	4.45%
Terraza 18, LLC	45,515,900		2.21%			
CBRE	35,991,100	2	1.75%			
Two Paragon Associates	26,296,100	3	1.28%	29,900,000	2	2.73%
Mercedes Benz	22,138,400	4	1.08%	21,700,000	4	1.98%
Grand Prix Montvale	20,900,000	5	1.02%			
LSREF4 Rebound, LLC	20,376,000	6	0.99%			
Benjamin Moore	18,925,900	7	0.92%			
Western Union Financial c/o First Data	18,620,000	8	0.91%	18,000,000	7	1.64%
Alson Realty Co. LP	17,653,000	9	0.86%			
Prim Montvale LLC				18,400,000	6	1.68%
Individual Taxpayer #1				19,850,000	5	1.81%
50 Chesnut Ridge Associates, LLC				16,500,000	8	1.51%
VV New Jersey				24,200,000	3	2.21%
Urdang/IPA Montvale LLC				16,000,000	9	1.46%
Reckitt & Colman				15,650,000	10	1.43%
Total	\$ 281,202,100		13.68%	\$ 228,935,000		20.90%

Note: Revaluations were effective for the Borough of Hillside and for the Borough of Montvale in the intervening years.

Source: Municipal Tax Assessors.

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

TOWNSHIP OF RIVER VALE

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

Information was not available as of the date of these financial statements.

BOROUGH OF WOODCLIFF LAKE

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value

Information was not available as of the date of these financial statements.

Note: A revaluation was effective for the Township of River Vale in 2008.

Source: Municipal Tax Assessors.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

BOROUGH OF HILLSDALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 7,460,322	\$ 7,460,322	100.00%	-0-
2007	7,828,423	7,828,423	100.00%	-0-
2008	8,931,912	8,931,912	100.00%	-0-
2009	8,895,807	8,895,807	100.00%	-0-
2010	9,133,015	9,133,015	100.00%	-0-
2011	10,001,587	10,001,587	100.00%	-0-
2012	10,380,247	10,380,247	100.00%	-0-
2013	10,476,588	10,476,588	100.00%	-0-
2014	10,875,330	10,875,330	100.00%	-0-
2015	10,809,102	10,809,102	100.00%	-0-

BOROUGH OF MONTVALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 7,534,066	\$ 7,534,066	100.00%	-0-
2007	8,285,027	8,285,027	100.00%	-0-
2008	9,909,433	9,909,433	100.00%	-0-
2009	9,571,945	9,571,945	100.00%	-0-
2010	10,335,456	10,335,456	100.00%	-0-
2011	10,437,043	10,437,043	100.00%	-0-
2012	10,648,223	10,648,223	100.00%	-0-
2013	11,170,880	11,170,880	100.00%	-0-
2014	11,390,163	11,390,163	100.00%	-0-
2015	12,260,632	12,260,632	100.00%	-0-

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

Source: Pascack Valley Regional High School District records, including the Certificate and Report of Report of School Taxes (A4F form).

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

TOWNSHIP OF RIVER VALE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 8,459,185	\$ 8,459,185	100.00%	-0-
2007	9,065,118	9,065,118	100.00%	-0-
2008	9,413,686	9,413,686	100.00%	-0-
2009	9,766,440	9,766,440	100.00%	-0-
2010	9,933,482	9,933,482	100.00%	-0-
2011	9,930,100	9,930,100	100.00%	-0-
2012	10,116,618	10,116,618	100.00%	-0-
2013	10,673,670	10,673,670	100.00%	-0-
2014	10,787,475	10,787,475	100.00%	-0-
2015	11,002,982	11,002,982	100.00%	-0-

BOROUGH OF WOODCLIFF LAKE

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 7,498,547	\$ 7,498,547	100.00%	-0-
2007	7,951,274	7,951,274	100.00%	-0-
2008	9,620,607	9,620,607	100.00%	-0-
2009	10,196,896	10,196,896	100.00%	-0-
2010	10,488,001	10,488,001	100.00%	-0-
2011	11,616,681	11,616,681	100.00%	-0-
2012	11,563,385	11,563,385	100.00%	-0-
2013	11,221,093	11,221,093	100.00%	-0-
2014	11,239,497	11,239,497	100.00%	-0-
2015	11,079,279	11,079,279	100.00%	-0-

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

Source: Pascack Valley Regional High School District records, including the Certificate and Report of Report of School Taxes (A4F form).

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

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2006	\$ 30,423,000	\$ -0-	\$1,325,119	\$ -0-	\$ -0-	\$ 31,748,119	1.59%	\$ 980.09
2007	29,823,000	-0-	1,021,550	-0-	-0-	30,844,550	1.43%	948.28
2008	21,351,609	-0-	1,908,391	2,251,000	-0-	25,511,000	1.15%	776.73
2009	28,253,000	-0-	1,349,428	-0-	-0-	29,602,428	1.40%	894.41
2010	27,373,000	-0-	1,015,428	-0-	-0-	28,388,428	1.33%	847.67
2011	26,448,000	-0-	5,241,931	-0-	-0-	31,689,931	1.40%	941.16
2012	25,483,000	-0-	3,009,995	-0-	-0-	28,492,995	1.20%	839.19
2013	24,375,000	-0-	4,890,989	-0-	-0-	29,265,989	1.22%	855.98
2014	23,260,000	-0-	2,576,018	-0-	-0-	25,836,018	1.08%	755.66
2015	22,105,000	-0-	1,288,009	-0-	-0-	23,393,009	0.98%	684.21

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

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

Source: School District Financial Reports.

Exhibit J-11

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 30,423,000	\$ -0-	\$ 30,423,000	0.457%	\$ 939.18
2007	29,823,000	-0-	29,823,000	0.402%	916.87
2008	21,351,609	-0-	21,351,609	0.255%	650.09
2009	28,253,000	-0-	28,253,000	0.323%	853.64
2010	27,373,000	-0-	27,373,000	0.310%	817.35
2011	26,448,000	-0-	26,448,000	0.300%	785.48
2012	25,483,000	-0-	25,483,000	0.299%	750.54
2013	24,375,000	-0-	24,375,000	0.298%	712.93
2014	23,260,000	-0-	23,260,000	0.294%	680.32
2015	22,105,000	-0-	22,105,000	0.278%	646.53

a - See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

b - See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

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

Source: School District Financial Reports.

Exhibit J-12

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

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Borough of Hillsdale	\$ 3,621,447	100.00%	\$ 3,621,447
Borough of Montvale	8,149,942	100.00%	8,149,942
Township of River Vale	18,527,653	100.00%	18,527,653
Borough of Woodcliff Lake	6,824,228	100.00%	6,824,228
Bergen County General Obligation Debt	933,422,641	5.14%	<u>47,944,625</u>
Subtotal, Overlapping Debt			85,067,895
Pascack Valley Regional High School District Direct Debt			<u>23,260,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 108,327,895</u></u>

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

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

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

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

Legal Debt Margin Calculation for Fiscal Year 2015

Year Ended December 31,	Borough of Hillsdale	Borough of Montvale	Township of River Vale	Borough of Woodcliff Lake	Total Equalized Valuation Basis
2012	\$ 1,835,742,047	\$2,316,479,250	\$1,985,685,095	\$ 2,014,204,124	\$ 8,152,110,516
2013	1,802,729,245	2,263,537,985	1,948,517,565	1,969,680,095	7,984,464,890
2014	1,768,339,867	2,200,320,215	1,947,122,650	2,008,432,481	7,924,215,213
	<u>\$ 3,638,471,292</u>	<u>\$4,580,017,235</u>	<u>\$3,934,202,660</u>	<u>\$ 3,983,884,219</u>	<u>\$24,060,790,619</u>
					<u>Average Equalized Valuation of Taxable Property</u>
					<u>\$ 8,020,263,540</u>
					Debt Limit (3% of Average Equalization Value)
					<u>\$ 240,607,906 *</u>
					Net Bonded School Debt
					<u>22,105,000</u>
					<u>Legal Debt Margin</u>
					<u>\$ 218,502,906</u>
			Fiscal Year		
	2006	2007	2008	2009	2010
Debt Limit	\$ 199,147,970	\$ 221,901,137	\$ 240,998,907	\$ 254,361,354	\$ 260,150,923
Total Net Debt Applicable to Limit	<u>30,423,000</u>	<u>29,823,000</u>	<u>29,098,000</u>	<u>28,253,000</u>	<u>27,373,000</u>
Legal Debt Margin	<u>\$ 168,724,970</u>	<u>\$ 192,078,137</u>	<u>\$ 211,900,907</u>	<u>\$ 226,108,354</u>	<u>\$ 232,777,923</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.28%	13.44%	12.07%	11.11%	10.52%
			Fiscal Year		
	2011	2012	2013	2014	2015
Debt Limit	\$ 259,420,592	\$ 255,222,565	\$ 249,363,315	\$ 244,177,897	\$ 240,607,906
Total Net Debt Applicable to Limit	<u>26,448,000</u>	<u>25,483,000</u>	<u>24,375,000</u>	<u>23,260,000</u>	<u>22,105,000</u>
Legal Debt Margin	<u>\$ 232,972,592</u>	<u>\$ 229,739,565</u>	<u>\$ 224,988,315</u>	<u>\$ 220,917,897</u>	<u>\$ 218,502,906</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	10.20%	9.98%	9.77%	9.53%	9.19%

* - Limit set by NJSA 18A:24-19 for a 9 through 12 district; other % limits would be applicable for other districts.

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

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

BOROUGH OF HILLSDALE

Year	Population ^a	Personal Income (thousands of dollars) ^b	Bergen County Per Capita Personal Income ^c	Unemployment Rate ^d
2006	9,848	\$ 622,058,768.00	\$ 63,166.00	2.70%
2007	9,812	663,350,072	67,606	2.40%
2008	9,814	661,218,250	67,375	3.20%
2009	9,845	628,721,390	63,862	5.80%
2010	10,231	654,272,450	63,950	5.90%
2011	10,286	691,630,640	67,240	5.80%
2012	10,346	723,381,974	69,919	5.90%
2013	10,424	724,415,880 *	69,495 *	6.20%
2014	10,482 **	728,446,590 **	69,495 **	4.70%
2015	10,482 **	728,446,590 **	69,495 **	N/A

BOROUGH OF MONTVALE

Year	Population ^a	Personal Income (thousands of dollars) ^b	Bergen County Per Capita Personal Income ^c	Unemployment Rate ^d
2006	7,154	\$ 451,889,564	\$ 63,166	2.80%
2007	7,259	490,751,954	67,606	2.50%
2008	7,523	506,862,125	67,375	3.20%
2009	7,636	487,650,232	63,862	5.80%
2010	7,853	502,199,350	63,950	6.00%
2011	7,896	530,927,040	67,240	5.90%
2012	7,959	556,485,321	69,919	6.00%
2013	8,020	557,349,900 *	69,495 *	5.70%
2014	8,148 **	566,245,260 **	69,495 **	4.70%
2015	8,148 **	566,245,260 **	69,495 **	N/A

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

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

N/A- Not Available

Source:

- a** - Population information provided by the US Department of Census - Population Division.
- b** - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- c** - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.
- d** - Unemployment data provided by the NJ Department of Labor and Workforce Development.

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

TOWNSHIP OF RIVER VALE

Year	Population ^a	Personal Income (thousands of dollars) ^b	Bergen County Per Capita Personal Income ^c	Unemployment Rate ^d
2006	9,561	\$ 603,930,126	\$ 63,166	2.30%
2007	9,580	647,665,480	67,606	2.00%
2008	9,593	646,328,375	67,375	2.70%
2009	9,655	616,587,610	63,862	4.80%
2010	9,670	618,396,500	63,950	4.90%
2011	9,723	653,774,520	67,240	4.90%
2012	9,821	686,674,499	69,919	4.90%
2013	9,916	689,112,420 *	69,495 *	7.80%
2014	10,021 **	696,409,395 **	69,495 **	4.30%
2015	10,021 **	696,409,395 **	69,495 **	N/A

BOROUGH OF WOODCLIFF LAKE

Year	Population ^a	Personal Income (thousands of dollars) ^b	Bergen County Per Capita Personal Income ^c	Unemployment Rate ^d
2006	5,830	\$ 368,257,780	\$ 63,166	1.50%
2007	5,876	397,252,856	67,606	1.30%
2008	5,914	398,455,750	67,375	1.80%
2009	5,961	380,681,382	63,862	3.20%
2010	5,736	366,817,200	63,950	3.30%
2011	5,766	387,705,840	67,240	3.30%
2012	5,827	407,418,013	69,919	3.30%
2013	5,830	405,155,850 *	69,495 *	6.50%
2014	5,870 **	407,935,650 **	69,495 **	4.00%
2015	5,870 **	407,935,650 **	69,495 **	N/A

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

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

N/A- Not Available

Source:

a - Population information provided by the US Department of Census - Population Division.

b - Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

c - Per Capita Personal Income information provided by the US Department of Commerce - Bureau of Economic Analysis.

d - Unemployment data provided by the NJ Department of Labor and Workforce Development.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
PRINCIPAL EMPLOYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Information was not available as of the date of these financial statements.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction:										
Regular	125	128	128	129	130	136	139	142	138	140
Special Education	22	23	23	24	25	23	23	24	27	26
Other Special Instruction	18	19	19	19	19	17	20	18	10	12
Vocational										
Other Instruction	16	16	16	16	16	0	0	0	0	0
Support Services:										
Student & Instruction Related Services	37	37	37	37	37	45	47	57	59	58
General Administrative Services	7	7	7	7	7	4	4	4	4	4
School Administrative Services	11	11	11	11	11	13	14	14	14	14
Plant Operations and Maintenance	27	7	7	7	7	30	30	31	31	31
Pupil Transportation	1	27	27	27	27	1	1	1	1	1
Business and Other Support Services	7	1	1	1	1	13	14	13	14	12
Total	<u>271</u>	<u>276</u>	<u>276</u>	<u>278</u>	<u>280</u>	<u>282</u>	<u>292</u>	<u>304</u>	<u>298</u>	<u>298</u>

Source: District Personnel Records.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil ^d	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Pascack Hills High School	Pascack Valley High School				
2006	1,849	\$ 33,293,843	\$ 18,006	4.03%	141	1:9	1:10	1,779.2	1,681.8	5.25%	94.53%
2007	1,859	36,647,671	19,714	9.48%	145	1:9	1:10	1,836.0	1,736.9	3.19%	94.60%
2008	1,858	39,418,180	21,215	7.62%	145	1:9	1:10	1,902.8	1,800.0	3.64%	94.60%
2009	1,952	38,878,388	19,917	-6.12%	145	1:9	1:10	1,868.0	1,791.9	-1.83%	95.93%
2010	2,052	40,745,823	19,857	-0.30%	145	1:9	1:10	1,872.4	1,797.6	0.24%	96.01%
2011	2,075	42,153,195	20,315	2.31%	159	1:12	1:14	2,054.8	1,965.6	9.74%	95.66%
2012	2,066	42,502,822	20,573	1.27%	162	1:12	1:13	2,051.1	1,977.4	-0.18%	96.41%
2013	2,080	43,889,159	21,101	2.57%	175	1:10	1:13	2,037.6	1,953.1	-0.66%	95.85%
2014	2,062	44,975,090	21,811	3.37%	157	1:13	1:13	2,070.0	1,984.0	1.59%	95.85%
2015	2,042	47,860,521	23,438	7.46%	169	1:12	1:12	2,027.7	1,954.0	-2.04%	96.37%

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

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

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

d - Cost per pupil is calculated based upon enrollment and operating expenditures as presented and may not be the same as other (State) cost per pupil calculations.

Note: Enrollment based on annual October District count.

Source: Pascack Valley Regional High School District records.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>District Building</u>										
Pascack Valley High School (1962)										
Square Feet	171,594	171,594	171,594	171,594	171,594	171,594	171,594	171,594	200,807	200,807
* Capacity (students)	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,117	1,307	1,307
Enrollment	1,062	1,097	1,121	1,121	1,192	1,248	1,257	1,279	1,265	1,191
Pascack Hills High School (1954)										
Square Feet	161,870	161,870	161,870	161,870	161,870	161,870	161,870	161,870	193,037	193,037
* Capacity (students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	693	724	781	781	810	827	809	801	835	842
Superintendent's Office Building										
Square Feet	877	877	877	877	877	877	877	877	877	877
Board of Education Offices										
Square Feet	1,253	1,253	1,253	1,253	1,253	1,253	1,253	1,253	1,253	1,253

Number of Schools at June 30, 2015
 High School = 2
 Other = 2

* Based on Functional Capacity in District's LRFP

Note: Year of original construction is shown in parentheses. Enrollment is based on the annual October District count.
 Source: Pascack Valley Regional High School District Facilities Office.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
LAST TEN FISCAL YEARS
UNAUDITED

Undistributed Expenditures - Required Maintenance
 For School Facilities - Account #11-000-261-XXX:

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Pascack Hills HS	N/A	\$ 297,751	\$ 319,182	\$ 387,731	\$ 479,057	\$ 528,521
Pascack Valley HS	N/A	266,027	326,945	415,759	440,136	924,300
Total School Facilities		<u>563,778</u>	<u>646,127</u>	<u>803,490</u>	<u>919,193</u>	<u>1,452,820</u>
Grand Total		<u>\$ 563,778</u>	<u>\$ 646,127</u>	<u>\$ 803,490</u>	<u>\$ 919,193</u>	<u>\$ 1,452,820</u>

<u>School Facilities*</u>	<u>Project # (s)</u>	<u>Fiscal Year Ended June 30,</u>				
		<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Pascack Hills HS	N/A	\$ 220,027	\$ 259,645	\$ 259,704	\$ 307,522	\$ 279,207
Pascack Valley HS	N/A	228,544	189,939	255,335	247,623	273,353
Total School Facilities		<u>448,571</u>	<u>449,584</u>	<u>515,039</u>	<u>555,145</u>	<u>552,560</u>
Grand Total		<u>\$ 448,571</u>	<u>\$ 449,584</u>	<u>\$ 515,039</u>	<u>\$ 555,145</u>	<u>\$ 552,560</u>

N/A - Not Applicable.

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

Source: Pascack Valley Regional High School District records.

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy -		
Northeast Bergen County School Board - School Package		
Policy - Selective Insurance Company:		
Property - Blanket Building and Grounds:		
School Limit	\$ 92,547,924	\$ 5,000
Flood:		
Outside Zones A, V or B	5,000,000	50,000
Zones A or V	1,000,000	500,000
Earthquake	5,000,000	50,000
Boiler and Machinery - Selective Insurance Company:		
Property Damage	92,547,924	
General Liability - Selective Insurance Company:		
Per Occurrence	1,000,000	
Aggregate	2,000,000	
Commercial Automobile Liability - Selective Way Insurance Company:		
Combined Single Limit	1,000,000	
Comprehensive		1,000
Collision		1,000
Commercial Umbrella -		
Selective Insurance Company	9,000,000	10,000
Excess Umbrella -		
Fireman's Fund Insurance Company (Excess of \$9,000,000):		
Per Occurrence	50,000,000	
Group Aggregate	50,000,000	
Worker's Compensation - Safety National:		
Per Occurrence	Statutory	
Indemnity Employers Liability per Occurrence	1,000,000	

PASCACK VALLEY REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
Environmental Legal Liability - ACE		
Insurance Company:		
Per Occurrence	\$ 2,000,000	\$ 15,000
Aggregate	600,000	
Group Aggregate	20,000,000	
Crime Coverage - Selective Insurance Company:		
Primary (Per Employee)	100,000	5,000
Blanket Employee Dishonesty	400,000	
Forgery and Alterations	50,000	1,000
Educators Legal Liability - Darwin:		
Educators Legal Ded	1,000,000	35,000
Employment Practices Ded		35,000
Individual Bonds - Selective Insurance Company:		
School Business Administrator/Board Secretary	450,000	
Treasurer of School Monies	450,000	
Accidental Death and Dismemberment - Gerber Life Insurance		
Principal Sum (AD&D)	100,000	
Student and Athletic Accident - Peoples Benefit Life		
Insurance Company:		
Accident Medical Expense Benefit:		
Athletics	5,000,000	
Student	5,000,000	
Voluntary	500,000	
Cyber Liability - XL Insurance		
Each Claim	2,000,000	15,000
Policy Aggregate	6,000,000	

SINGLE AUDIT SECTION



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

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Pascack Valley Regional High School District
 County of Bergen, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Pascack Valley Regional High School District, in the County of Bergen (the "Board") as of, and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements and have issued our report thereon dated December 8, 2015.

Internal Control Over Financial Reporting

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

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Mount Arlington, New Jersey
December 8, 2015


NISIVOCCIA LLP



Francis J. Jones, Jr.
Licensed Public School Accountant #1154
Certified Public Accountant



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

Independent Auditors' Report

The Honorable President and Members
 of the Board of Education
 Pascack Valley Regional High School District
 County of Bergen, New Jersey

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major 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* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid*. Those standards, OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

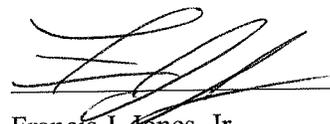
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Mount Arlington, New Jersey
December 8, 2015


NISIVOCCIA LLP


Francis J. Jones, Jr.
Licensed Public School Accountant #1154
Certified Public Accountant

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

Federal Grantor/Pass Through Grantor/ Program Title/Cluster Title	Federal CFDA Number	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2014			Refund of Prior Year Expenditures	Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Balance at June 30, 2015		
			From	To		(Accounts Receivable)	Unearned Revenue	Due to Grantor					(Accounts Receivable)	Unearned Revenue	Due to Grantor
Special Revenue Fund:															
Passed-through State Department of Education:															
No Child Left Behind:															
Title I	84.010	NCLB-3960-15	7/1/14	6/30/15	\$ 60,974						\$ 48,092	\$ (58,480)	\$ (10,388)		
Title I	84.010	NCLB-3960-14	7/1/13	6/30/14	42,072	\$ (4,001)				4,001					
Title II - Part A	84.367	NCLB-3960-15	7/1/14	6/30/15	24,780					24,780	(24,780)				
Title II - Part A	84.367	NCLB-3960-14	7/1/13	6/30/14	24,318	(4,694)				4,694					
Title III	84.365	NCLB-3960-14	7/1/13	6/30/14	1,028					933				\$ 933	
Total No Child Left Behind						(8,695)				82,500	(83,260)	(10,388)	933		
Special Education Cluster:															
I.D.E.A. Part B, Basic Regular	84.027	IDEA-3960-15	7/1/14	6/30/15	473,845					336,889	(473,843)	(136,954)			
I.D.E.A. Part B, Basic Regular	84.027	IDEA-3960-14	7/1/13	6/30/14	435,964	(208,780)		\$ 2,289		206,491					
Total Special Education Cluster						(208,780)		2,289		543,380	(473,843)	(136,954)			
Total Special Revenue Fund						(217,475)		2,289		625,880	(557,103)	(147,342)	933		
Total U.S. Department of Education						(217,475)		2,289		625,880	(557,103)	(147,342)	933		
TOTAL FEDERAL AWARDS						\$ (217,475)	\$ -0-	\$ -0-	\$ 2,289	\$ -0-	\$ 625,880	\$ (557,103)	\$ (147,342)	\$ 933	\$ -0-

N/A - Not Available/Applicable

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

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

State Grantor/Program Title	Grant or State Project Number	Grant Period		Program or Award Amount	Balance at June 30, 2014		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Prior Year Balance Canceled	Balance at June 30, 2015			MEMO			
		From	To		Budgetary (Accounts Receivable)	Due to Grantor						GAAP (Accounts Receivable)	Budgetary Unearned Revenue	Due to Grantor	(Budgetary Receivable)	Cumulative Total Expenditures		
State Department of Education:																		
General Fund:																		
Special Education Categorical Aid	14-495-034-5120-089	7/1/13	6/30/14	\$ 942,532	\$ (48,213)		\$ 48,213									\$ 942,532		
Special Education Categorical Aid	15-495-034-5120-089	7/1/14	6/30/15	942,532			906,535	\$ (942,532)						\$ (35,997)		942,532		
Security Aid	14-495-034-5120-084	7/1/13	6/30/14	31,308	(1,601)		1,601									31,308		
Security Aid	15-495-034-5120-084	7/1/14	6/30/15	31,308			30,112	(31,308)							(1,196)	31,308		
Transportation Aid	14-495-034-5120-014	7/1/13	6/30/14	95,402	(4,880)		4,880									95,402		
Transportation Aid	15-495-034-5120-014	7/1/14	6/30/15	95,402			91,759	(95,402)							(3,643)	95,402		
PARCC Readiness Aid	15-495-034-5120-098	7/1/14	6/30/15	20,650			19,861	(20,650)							(789)	20,650		
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14	6/30/15	20,650			19,861	(20,650)							(789)	20,650		
Extraordinary Special Education Costs Aid	14-495-034-5120-473	7/1/13	6/30/14	230,930	(228,543)		228,543									230,930		
Extraordinary Special Education Costs Aid	15-495-034-5120-473	7/1/14	6/30/15	315,503			2,387	(315,503)				\$ (313,116)			(313,116)	315,503		
Nonpublic Transportation Aid	14-495-034-5120-014	7/1/13	6/30/14	19,988	(19,988)		19,988									19,988		
Nonpublic Transportation Aid	15-495-034-5120-014	7/1/14	6/30/15	23,621				(23,621)				(23,621)			(23,621)	23,621		
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	7/1/14	6/30/15	1,388,972			1,319,378	(1,388,972)				(69,594)			(69,594)	1,388,972		
Total General Fund State Aid								2,693,118	(2,838,638)			(406,331)			(448,745)	4,158,798		
Special Revenue Fund:																		
NJ Nonpublic Aid:																		
Auxiliary Services (Chapter 192):																		
Compensatory Education	15-100-034-5120-067	7/1/14	6/30/15	68,081			68,081	(36,101)						\$ 31,980		36,101		
Compensatory Education	14-100-034-5120-067	7/1/13	6/30/14	67,365	\$ 9,823				\$ (9,823)							67,365		
Compensatory Education	13-100-034-5120-067	7/1/12	6/30/13	96,985	6,354				(6,354)							96,985		
Handicapped Services (Chapter 193):																		
Examination and Classification	15-100-034-5120-066	7/1/14	6/30/15	51,698			51,698	(37,116)							14,582	37,116		
Examination and Classification	14-100-034-5120-066	7/1/13	6/30/14	46,669		10,032			(10,032)							46,669		
Supplementary Instruction	15-100-034-5120-066	7/1/14	6/30/15	48,651			48,651	(44,308)						4,343		44,308		
Supplementary Instruction	14-100-034-5120-066	7/1/13	6/30/14	43,018		3,053			(3,053)							43,018		
Supplementary Instruction	13-100-034-5120-066	7/1/12	6/30/13	45,654		3,746			(3,746)							45,654		
Textbook Aid (Chapter 194)	15-100-034-5120-064	7/1/14	6/30/15	22,223			22,223	(22,223)								22,223		
Textbook Aid (Chapter 194)	14-100-034-5120-064	7/1/13	6/30/14	20,898		56			(56)							20,898		
Nursing Services (Chapter 226)	15-100-034-5120-064	7/1/14	6/30/15	48,563			48,563	(48,563)								48,563		
Technology Initiative	15-100-034-5120-373	7/1/14	6/30/15	11,936			11,936	(11,936)								11,936		
Anti-Bullying Bill of Rights Act	N/A	7/1/13	6/30/14	433			\$ 433	(216)						\$ 217				
Total Special Revenue Fund							33,064	433	251,152	(200,463)	(33,064)			217	50,905	520,836		
Total State Department of Education							(303,225)	33,064	433	2,944,270	(3,039,101)	(33,064)		(406,331)	217	50,905	(448,745)	4,679,634
NJ Schools Development Authority:																		
Capital Projects Fund:																		
Educational Facilities Construction & Financing Act:																		
Pascack Hills High School:																		
Window Replacement	SP-3960-040-10-1009	7/1/10	6/30/15	110,272	(110,272)			110,272								110,272		
Roof Replacement	SP-3960-040-10-1003	7/1/10	6/30/15	134,140	(134,140)			104,111			\$ 30,029					134,140		
A Wing HVAC Controls Upgrade	SP-3960-040-14-1001	06/09/14	6/30/16	37,023	(37,023)			18,511							(18,512)	37,023		
A Wing Window Replacement	SP-3960-040-14-1002	06/09/14	6/30/16	284,376	(284,376)										(284,376)	284,376		
D Wing Window Replacement	SP-3960-040-14-1003	06/09/14	6/30/16	221,400	(221,400)			22,140							(199,260)	221,400		
Pascack Valley High School:																		
Life Skills Room	SP-3960-050-10-1008	7/1/10	6/30/15	192,881												192,881		
54-56 Wing Window Replacement	SP-3960-040-14-1004	06/09/14	6/30/16	211,806	(211,806)			21,181							(190,625)	211,806		
72 Wing Window Replacement	SP-3960-040-14-1005	06/09/14	6/30/16	158,838	(158,838)										(158,838)	158,838		
Total Capital Projects Fund							(1,157,855)		276,215			30,029			(851,611)	1,350,736		
Total NJ Schools Development Authority							(1,157,855)		276,215			30,029			(851,611)	1,350,736		
TOTAL STATE AWARDS							\$ (1,461,080)	\$ 33,064	\$ 433	\$ 3,220,485	\$ (3,039,101)	\$ (33,064)	\$ 30,029	\$ (406,331)	\$ 217	\$ 50,905	\$ (1,300,356)	\$ 6,030,370

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

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

NOTE 1. BASIS OF PRESENTATION

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes these payments are not recognized until the subsequent budget year due to the state deferral and recording of the June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenue, whereas the GAAP basis does not. The capital projects fund is presented in the accompanying schedules on the budgetary basis with the exception of the revenue recognition of the Educational Facilities Construction and Financing Act grants which are realized as revenue upon their award, whereas the GAAP basis recognizes the revenue to the extent of actual expenditures and when funds are submitted for reimbursement.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$12,280 for the general fund, and \$276,215 for the capital projects fund. See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general, special revenue and capital projects funds. Additionally, the schedule of state awards does not include the on-behalf TPAF Post-Retirement Medical Benefit and Pension Contributions revenue of \$1,587,663 and \$1,000,103, respectively.

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

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

Awards and financial assistance revenue are reported on the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 5,438,684	\$ 5,438,684
Special Revenue Fund	\$ 557,103	200,463	757,566
Capital Projects Fund		276,215	276,215
Total Financial Assistance	<u>\$ 557,103</u>	<u>\$ 5,915,362</u>	<u>\$ 6,472,465</u>

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2015.

NOTE 6. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA) GRANTS

The District has been awarded grants in the amount of \$1,768,958 from the New Jersey Schools Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2015, \$817,787 has been expended and drawn down and unexpended balances totaling \$99,560 have been canceled. The District will realize the grant revenue in the Capital Projects Fund on a GAAP basis as it is expended and submitted for reimbursement.

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

Summary of Auditors' Results:

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

	<u>C.F.D.A. Number/ State Grant Number</u>	<u>Grant Period</u>	<u>Award Amount</u>	<u>Budgetary Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Part B,				
Basic Regular				
	84.027	7/1/14-6/30/15	\$ 473,845	\$ 473,843
<u>State:</u>				
Special Education				
Categorical Aid				
	15-495-034-5120-089	7/1/14-6/30/15	\$ 942,532	\$ 942,532
Security Aid				
	15-495-034-5120-084	7/1/14-6/30/15	31,308	31,308
PARCC Readiness Aid				
	15-495-034-5120-098	7/1/14-6/30/15	20,650	20,650
Per Pupil Growth Aid				
	15-495-034-5120-097	7/1/14-6/30/15	20,650	20,650

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

Summary of Auditors' Results: (Cont'd)

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

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

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

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in section 510(a) of the Circular.

Findings and Questioned Costs for State Awards:

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

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

Status of Prior Fiscal Year Findings:

The District had no prior fiscal year audit findings.