

PINELANDS REGIONAL SCHOOL DISTRICT

Little Egg Harbor, New Jersey
County of Ocean

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

PINELANDS REGIONAL SCHOOL DISTRICT

LITTLE EGG HARBOR, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

**Pinelands Regional School District
Business Administrator's Office**

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INTRODUCTORY SECTION

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PINELANDS REGIONAL SCHOOL DISTRICT

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ROBERT BLAKE, Ed. D.
Superintendent

STEPHEN J. BRENNAN, M.B.A.,
C.P.A.
*Business Administrator/
Board Secretary*

December 16, 2015

Members of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, New Jersey 08087

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) for the Pinelands Regional School District for the fiscal year ending June 30, 2015 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as, the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB's Circular(s) 04-04 and/or 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: The Pinelands Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB Statement 14. All funds and account groups of the District are included in this report. The Pinelands Regional Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational as well as special education for handicapped students, Adult Education Programs and School Based Youth Services.

2) ECONOMIC CONDITION AND OUTLOOK: Pinelands Regional School District encompasses 147.7 square miles and is bordered by the municipalities of Washington Township and Woodland Township (Burlington County), Port Republic and Galloway Township (Atlantic County), and Stafford Township (Ocean County). The regional district is part of Burlington and Ocean Counties and is served by major transportation routes included the Garden State Parkway, Routes 9, 72, and 539. Governed by a nine-member Board of Education elected to serve alternating three year terms, the District is administered by a Superintendent of Schools, two Principals, a Board Secretary/School Business Administrator, four Assistant Principals, Directors and Supervisors.

The District currently operates a 10/12 High School and a 7/9 Junior High School. A major construction project which commenced in Summer 2007 enabled the District to expand its offering by adding an alternative school and upgrading existing facilities in both its Junior High School design and High School.

The District has recently experienced a relatively stable enrollment after several years of rapid growth. However, lack of adequate state funding, burdensome regulation, state mandates and a large special education population continue to strain the resources of the District. However, due to prudent budgetary management, the District has been able to channel limited resources into programs for students from special education, to gifted and talented and advanced placement.

The economic outlook for the District financing continued to depend primarily on the ability and willingness of the Governor and State Legislature to provide funding for education, and the support of the local community in passing the District's budget to provide tax revenues.

Funding from the State and revenues from all other sources cannot be predicted with any degree of certainty and potential shortfalls can be attributed to a variety of factors such as:

- Reduction of State Aid
- Lack of additional State Aid
- The cost of administering increasing state mandates and regulations, and
- The cost of meeting NCLB requirements.

In an effort to minimize property tax increases, the District continues to operate efficiently and aggressively seek cost savings in areas that don't impact the quality of programs.

3) MAJOR INITIATIVES: Despite the unrelenting pressure caused by inadequate financial support, the District continues its commitment to its primary goal of a free public education in the maximum development of each youngster's habits of acquiring, using and enjoying knowledge, so that he/she may develop a well-rounded, contributing member of our diverse world. To reinforce this commitment, the District is directing its efforts and resources toward the following:

- (a) Asset adjustments to provide academic services to a changing student body.
- (b) An aggressive campaign to achieve cost reduction where possible.
- (c) A coordinated effort to provide for the taxpayers and students of the affected communities.

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

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

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

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, or the representatives of each municipality or the State of New Jersey. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service 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-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2015.

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

7) DEBT SERVICE: At June 30, 2015 the District's outstanding debt issues included \$7,813,000 of general obligation bonds.

8) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA

was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

10) OTHER INFORMATION:

INDEPENDENT AUDIT - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The firm of Holman Frenia Allison, P.C., was appointed by the Board of Education to perform this 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 and the related OMB Circular A-133 and State Treasury Circular Letter(s) 04-04 and/or 15-08 OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

11) ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Pinelands Regional 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 financial and accounting staff.

Respectfully submitted,

A handwritten signature in blue ink that reads "Stephen J. Brennan". The signature is fluid and cursive, with a long horizontal line extending to the right.

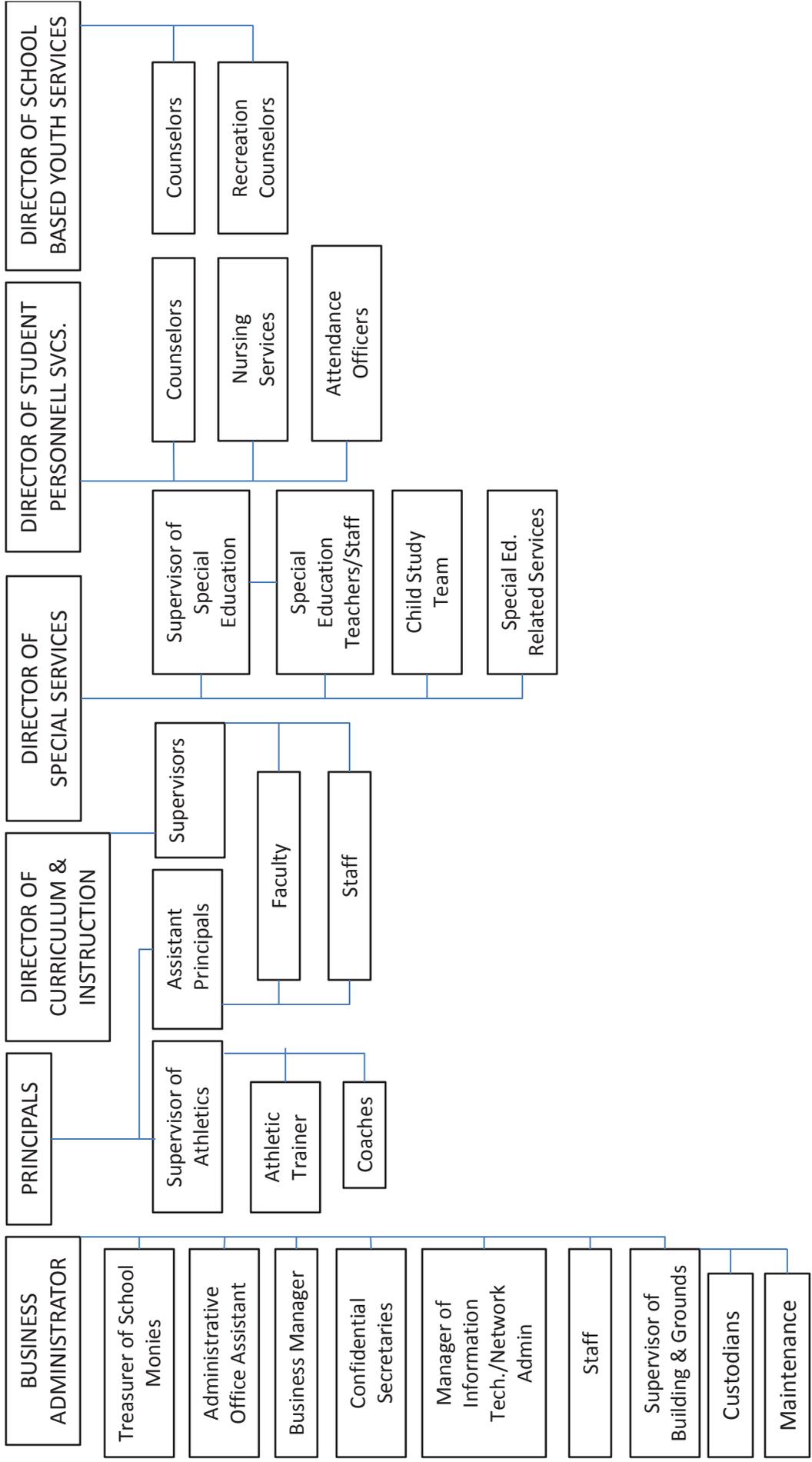
Stephen J. Brennan, M.B.A., C.P.A.
Business Administrator

PINELANDS REGIONAL BOARD OF EDUCATION

BOARD ATTORNEY

Administrative Assistant

SUPERINTENDENT OF SCHOOLS



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PINELANDS REGIONAL SCHOOL DISTRICT
Little Egg Harbor, New Jersey 08087

ROSTER OF OFFICIALS

JUNE 30, 2015

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Thomas Williams, President	2015
Ann McDonald Vice President	2017
Jeffrey Bonicky	2017
Theresa Cardillo	2016
Patricia Chambers	2015
Susan M. Ernst	2016
Kim Hanadel	2017
Betti Anne McVey	2016
Karen Poklikuha	2015

OTHER OFFICIALS

Dr. Robert Blake, Superintendent

Stephen J. Brennan, MBA, CPA, Business Administrator/Board Secretary

James Edwards, Treasurer of School Monies

PINELANDS REGIONAL SCHOOL DISTRICT
Board of Education
Little Egg Harbor, New Jersey 08087

CONSULTANTS AND ADVISORS

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AUDIT FIRM

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Holman Frenia Allison, P. C.
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Ocean First Bank
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Toms River, New Jersey 08753

New Jersey Asset & Rebate Manage Program
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FINANCIAL SECTION

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HOLMAN | FRENIA
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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, 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 Pinelands Regional School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Emphasis of Matter

Change in Accounting Principle

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

Other Matters

Required Supplementary Information

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

Other Information

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

The accompanying combining statements and related major fund supporting statements and schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 16, 2015 on our consideration of the Pinelands Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Pinelands Regional School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey
December 16, 2015

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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PINELANDS REGIONAL SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2015

UNAUDITED

The discussion and analysis of Pinelands Regional School District's financial performance provides an overall review of the School District's financial activities for the year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments issued in June 1999.

As described in Note 18 to the financial statements, "Prior Period Adjustment/Restatement of Net Position", the District has adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. The adoption of this principle resulted in a restatement of the District's opening net position as of July 1, 2014 in the amount of (\$9,555,948), as indicated in Note 18 to the financial statements. Prior year balances reflected in MD&A have been updated, for comparison purposes, to reflect the change where indicated.

Financial Highlights

Key financial highlights for 2015 are as follows:

- The State of New Jersey provided an increase in state aid of \$413,275
- In total, net position of the governmental activities decreased \$64,087.
- General revenues accounted for \$31,742,998 in revenue or 79% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$8,396,442 or 21% of total revenues of \$40,139,440.
- Unrestricted cash and cash equivalents increased by \$291,845 and receivables increased by \$15,067. Capital assets, net of depreciation, decreased by \$1,044,528. Depreciation expense, increase of state aid payments and the increase in the collection of grant funds caused most of the fluctuation in the aforementioned accounts.
- The School District had \$39,149,276 in expenses and charges; \$7,342,944 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$31,742,245 and the utilization fund balance provided for these programs.
- Among governmental funds, the General Fund had \$33,069,460 in revenues, \$33,539,083 in expenditures and \$363,199 in other financing sources. The General Fund's fund balance decreased \$106,424 over 2014. The Board of Education anticipates a decrease of \$968,857 in fund balance for the fiscal year ended June 30, 2016.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Pinelands Regional School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. For example, the food service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Governmental Funds

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

Reporting the School District's Most Significant Funds (continued)

Fund Financial Statements

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

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

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

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

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

	<u>2015</u>	<u>2014</u>
Assets		
Current and Other Assets	\$ 2,989,047	\$ 2,714,179
Capital Assets	<u>21,991,107</u>	<u>23,035,635</u>
Total Assets	<u>24,980,154</u>	<u>25,749,814</u>
Deferred Outflow of Resources		
Total Deferred Outflow of Resources	<u>1,128,362</u>	<u>756,088</u>
Liabilities		
Long-Term Liabilities	18,850,535	20,190,599
Other Liabilities	<u>3,684,712</u>	<u>3,272,891</u>
Total Liabilities	<u>22,535,247</u>	<u>23,463,490</u>
Deferred Inflow of Resources		
Total Deferred Inflow of Resources	<u>561,068</u>	<u>-</u>
Net Position		
Invested in Capital Assets, Net of Debt	13,222,107	12,759,636
Restricted	423,797	328,097
Unrestricted	<u>(10,633,703)</u>	<u>(10,045,321)</u>
Total Net Position	<u>\$ 3,012,201</u>	<u>\$ 3,042,412</u>

The District's combined net position was \$3,012,201 on June 30, 2015. This was a decrease of 2.5% from the prior year.

Table 2 shows changes in net position for year 2015. The District has prepared financial statements following GASB Statement 34, with revenue and expense comparisons to year 2014.

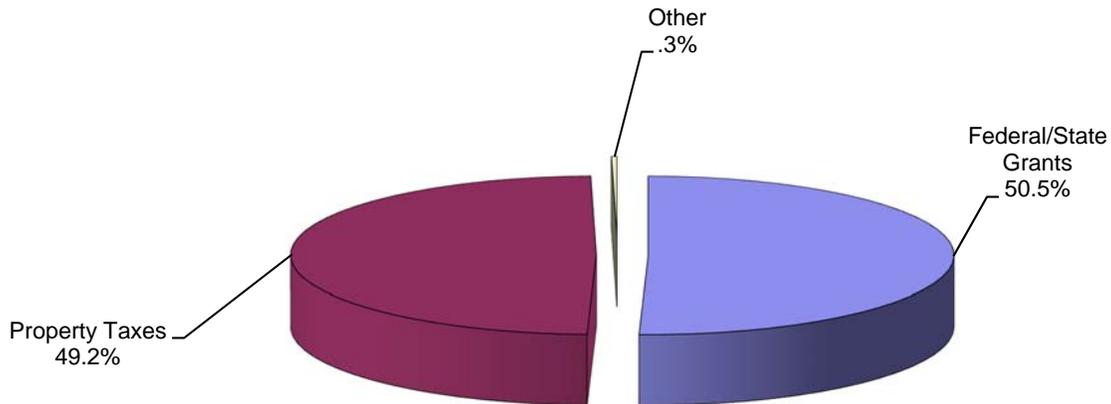
**Table 2
Changes in Net Position**

	2015	2014
Revenues		
Program Revenues:		
Charges for Services	\$ 564,560	\$ 616,957
Operating Grants and Contributions	7,831,882	4,294,857
General Revenues:		
Property Taxes	19,238,454	18,782,164
Grants and Entitlements	12,388,381	12,387,736
Other	116,163	29,882
Total Revenues	40,139,440	36,111,596
Program Expenses		
Instruction	13,563,465.00	13,272,650.00
Support Services:		
Tuition	1,057,050	883,706
Pupils and Instructional Staff	4,258,028	4,347,149
General Administration, School Administration	1,827,963	1,795,880
Business Operations and Maintenance of Facilities	3,039,914	2,964,327
Pupil Transportation	2,168,874	2,134,848
Special Schools and Charter Schools	-	6,204
Employee Benefits	11,243,409	7,786,522
Interest on Debt	435,663	433,200
Depreciation	1,205,751	1,190,039
Food Service	962,762	1,048,483
Unallocated Adjustment on Fixed Assets	349,159	1,084,079
Community Recreation	13,212	9,392
Business Office Services	44,401	46,905
Total Expenses	40,169,651	37,003,384
Change in Net Position	\$ (30,211)	\$ (891,788)

Governmental Activities

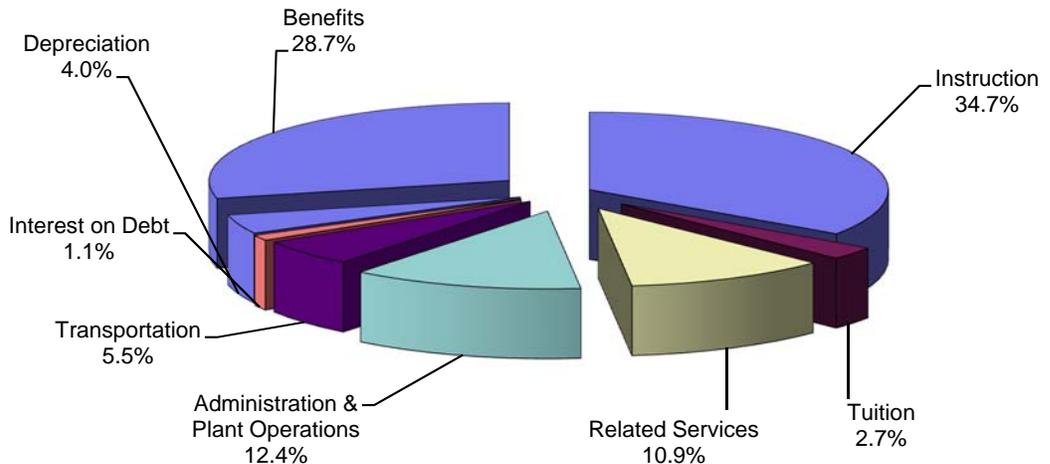
Property taxes made up 49% of revenues for governmental activities for the Pinelands Regional School District for year 2015. The District's total revenues were \$40,139,440 for the year ended June 30, 2015. Federal, state, and local grants accounted for another 21% percent of revenue.

Sources of Revenue for Fiscal Year 2015



The total cost of all governmental activities was \$40,169,651. Instruction expenses (net benefits and tuition) comprise 37% percent of District expenses.

Expenses for 2015



Business-Type Activities

Revenues for the District's business-type activities (food service program, community education program & Business Office Services) were comprised of charges for services and federal and state reimbursements.

- Food service expenditures exceeded program revenues by \$23,940, community recreation program revenues exceeded expenditures by \$8,517, and Business Office Services revenues exceeded expenses by \$49,299.
- Charges for food services represent \$449,131 of revenue. This represents amounts paid by patrons for daily food service. Charges for community education program represent \$21,729 of revenue. This represents amounts paid by patrons for community education. Charges for business office and child study team services represent \$93,700 of revenue. This represents amounts paid by other local education authorities for business & CST services performed.
- Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was \$488,938.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions with comparisons to 2014.

Table 3

	<u>Total Cost of Services 2015</u>	<u>Net Cost of Services 2015</u>	<u>Total Cost of Services 2014</u>	<u>Net Cost of Services 2014</u>
Instruction	\$ 13,563,465	12,750,088	\$ 13,278,854	12,587,802
Support Services:				
Tuition	1,057,050	1,057,050	883,706	883,706
Pupils and Instructional Staff	4,258,028	3,686,839	4,347,149	3,717,964
General & School Admin.	1,827,963	1,827,963	1,795,880	1,795,880
Business Operation and Maintenance of Facilities	3,039,914	3,039,914	2,964,327	2,964,327
Pupil Transportation	2,168,874	2,168,874	2,134,848	2,134,848
Depreciation	1,554,910	1,554,910	2,274,118	2,274,118
Unallocated Benefits	11,243,409	5,285,031	7,786,522	5,302,664
Interest and Fiscal Charges	435,663	435,663	433,200	433,200
Total Expenses	<u>\$ 39,149,276</u>	<u>\$ 31,806,332</u>	<u>\$ 35,898,604</u>	<u>\$ 32,094,509</u>

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

Tuition is predominately made up of charges for private schools for disabled students.

Student and instruction related services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

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

Benefits represent total cost to maintain employee benefit programs.

Depreciation depicts a non-cash expense that reduces the value of District assets.

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

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

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

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital fund, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$35,962,120, expenditures were \$36,548,668 and other financing sources were \$480,124.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the year ended June 30, 2015 and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease)
Local Sources	\$ 19,379,575	53.89%	\$ 553,478	2.94%
State Sources	15,641,646	43.49%	413,275	2.71%
Federal Sources	940,899	2.62%	(7,603)	-0.80%
Total	<u>\$ 35,962,120</u>	100.00%	<u>\$ 959,150</u>	2.74%

Local revenues increased by \$553,478. This increase was predominantly due to an increase in tax revenue. State resources increased by \$413,275. This decrease was predominantly due to an increase in on-behalf TPAF Pension contributions.

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

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2013	Percent Increase (Decrease)
Current expense:				
Instruction	\$ 13,563,465	37.11%	\$ 290,815	2.19%
Undistributed expenditures	20,865,700	57.09%	596,603	2.94%
Capital Outlay	531,285	1.45%	(588,449)	-52.55%
Special Schools	-	0.00%	(6,204)	-100.00%
Debt Service:				
Principal	1,130,000	3.09%	65,000	6.10%
Interest	458,218	1.25%	35,849	8.49%
Total	<u>\$ 36,548,668</u>	100.00%	<u>\$ 393,614</u>	1.09%

Changes in expenditures were the results of varying factors. Current expense increased mainly due to the increase in employee health benefits.

General Fund Budgeting Highlights

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual operating budget. Revisions in the budget were made to prevent over-expenditures in specific line item accounts.

2015 also reflects the District's continuing initiative to seek cost savings & revenue generation in the areas of inter local agreements and banking service consortiums.

Capital Assets

At the end of the year 2015, the School District had \$41,489,336 invested in land, building, furniture and equipment, and vehicles. Table 4 shows year 2015 balances compared to 2014.

Table 4
Capital Assets at June 30, 2015

	<u>2015</u>		<u>2014</u>
Land and Improvements	\$ 412,912	\$	412,912
Site Improvements	1,329,983		1,329,983
Building and Building Improvements	38,533,343		38,533,343
Machinery and Equipment	1,213,098		1,086,607
Total	<u>\$ 41,489,336</u>	<u>\$</u>	<u>41,362,845</u>

Overall capital assets increased \$126,491 from year 2015 to year 2014. The increase in capital assets is due primarily to equipment purchases. For more detailed information, please refer to the Notes to the Financial Statements.

Debt Administration

At June 30, 2015, the School District had \$20,442,936 of outstanding debt. Of this amount, \$1,834,514 is for compensated absences, \$956,000 reflects capital lease balances, \$7,813,000 of serial bonds for school construction, \$424,679 of bond premiums on serial bonds issued and \$9,414,743 of net pension liability.

Table 5
Outstanding Bonded Debt at June 30, 2015

	<u>2015</u>		<u>2014</u>
2005 Refunding Bonds	\$ -	\$	5,955,000
2007 General Obligation Bonds	2,538,000		3,318,000
2015 Refunding Bonds	5,275,000		-
Total	<u>\$ 7,813,000</u>	<u>\$</u>	<u>9,273,000</u>

At June 30, 2015, the School District's was within its legal debt margin. For more detailed information, please refer to Schedule J-13.

For the Future

The Pinelands Regional School District is presently in stable financial condition. The School District is proud of its community support of the public schools.

Pinelands Regional School District's budget for the 2015-2016 school year reflects prudent expenditure reduction in cooperation with its constituent municipalities.

The District's enrollment has leveled off, and now the District is concentrating its resources in the academic areas to meet the requirements of Common Core, NCLB and the State mandated QSAC program. The District also plans to continue to budget resources to maintain and upgrade the existing infrastructure where possible.

The lack of governmental aid, the State's constraints on municipal tax levies to support the budget and the States increasing demands on school districts continue to place financial pressure on the District.

The Pinelands Regional School District maintains its commitment to financial excellence and will continue to strive to maximize the use of limited funds by careful budget management and identifying cost savings opportunities. The School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Stephen Brennan, Business Administration/Board Secretary at Pinelands Regional Board of Education, 520 Nugentown Road, P.O. Box 248, Little Egg Harbor, NJ 08087-0248. Please visit our website at www.pinelandsregional.org.

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BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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PINELANDS REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTAL JUNE 30, 2015
Cash & Cash Equivalents	\$ 1,085,681	\$ 1,036,762	\$ 2,122,443
Receivables, Net	323,895	111,352	435,247
Inventory	-	7,560	7,560
Restricted Assets:			
Cash Reserve Accounts	423,797	-	423,797
Capital Assets, Net (Note #5)	21,940,933	50,174	21,991,107
Total Assets	23,774,306	1,205,848	24,980,154
DEFERRED OUTFLOW OF RESOURCES			
Deferred Outflows Related to Pensions	789,678	-	789,678
Deferred Charges on Refunding of Debt	338,684	-	338,684
Total Deferred Outflow of Resources	1,128,362	-	1,128,362
Total Assets & Deferred Outflow of Resources	24,902,668	1,205,848	26,108,516
LIABILITIES			
Accounts Payable	533,788	171,733	705,521
Accrued Salary and Wages	40,887	-	40,887
Accrued Interest Payable	93,730	-	93,730
Due to Other Funds	-	472,441	472,441
Payable to Federal & State Government	250,582	15,812	266,394
Unearned Revenue	53,983	11,790	65,773
PERS Pension Payable	447,565	-	447,565
Noncurrent Liabilities (Note #7):			
Due Within One Year	1,592,401	-	1,592,401
Due Beyond One Year	18,850,535	-	18,850,535
Total Liabilities	21,863,471	671,776	22,535,247
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions	561,068	-	561,068
Total Deferred Inflow of Resources	561,068	-	561,068
Total Liabilities & Deferred Inflow of Resources	22,424,539	671,776	23,096,315
NET POSITION			
Net Investment in Capital Assets	13,171,933	50,174	13,222,107
Restricted For:			
Other Purposes	423,797	-	423,797
Unrestricted	(11,117,601)	483,898	(10,633,703)
Total Net Position	\$ 2,478,129	\$ 534,072	\$ 3,012,201

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

**PINELANDS REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES					NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			TOTAL JUNE 30, 2015
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	CHANGES IN NET POSITION			
						GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES		
Governmental Activities:									
Instruction:									
Regular Instruction	\$ 8,514,470	\$ -	\$ -	\$(8,514,470)	-			\$(8,514,470)	
Special Education Instruction	3,783,708	-	813,377	(2,970,331)	-			(2,970,331)	
Other Instruction	1,265,287	-	-	(1,265,287)	-			(1,265,287)	
Support Services & Undistributed Costs:									
Tuition Charges	1,057,050	-	-	(1,057,050)	-			(1,057,050)	
Student & Instruction Related Services	4,258,028	-	571,189	(3,686,839)	-			(3,686,839)	
School Administrative Services	1,235,702	-	-	(1,235,702)	-			(1,235,702)	
General Administrative Services	592,261	-	-	(592,261)	-			(592,261)	
Plant Operations & Maintenance	2,680,768	-	-	(2,680,768)	-			(2,680,768)	
Pupil Transportation	2,168,874	-	-	(2,168,874)	-			(2,168,874)	
Business & Other Support Services	359,146	-	-	(359,146)	-			(359,146)	
Unallocated Employee Benefits	11,243,409	-	5,958,378	(5,285,031)	-			(5,285,031)	
Interest and Costs on Long-Term Debt	435,663	-	-	(435,663)	-			(435,663)	
Change in Estimate of Capital Assets	349,159	-	-	(349,159)	-			(349,159)	
Unallocated Depreciation	1,205,751	-	-	(1,205,751)	-			(1,205,751)	
Total Governmental Activities	39,149,276	-	7,342,944	(31,806,332)	-			(31,806,332)	
Business-Type Activities:									
Business Office Services	44,401	93,700	-	-	49,299			49,299	
Community Recreation	13,212	21,729	-	-	8,517			8,517	
Food Service	962,762	449,131	488,938	-	(24,693)			(24,693)	

**PINELANDS REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTAL
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	
Total Business-Type Activities	1,020,375	564,560	488,938	-	33,123	33,123
Total Primary Government	\$ 40,169,651	\$ 564,560	\$ 7,831,882	(31,806,332)	33,123	(31,773,209)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				18,455,152	-	18,455,152
Taxes Levied for Debt Service				783,302	-	783,302
Federal & State Aid Not Restricted				12,388,381	-	12,388,381
Investment Earnings				-	753	753
Miscellaneous Income				115,410	-	115,410
Total General Revenues				31,742,245	753	31,742,998
Change In Net Position				(64,087)	33,876	(30,211)
Net Position - Beginning, as restated, see Note 18				2,542,216	500,196	3,042,412
Net Position - Ending				\$ 2,478,129	\$ 534,072	\$ 3,012,201

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

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B. Fund Financial Statements

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Governmental Funds

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**PINELANDS REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL JUNE 30, 2015
ASSETS & OTHER DEBITS					
Cash & Cash Equivalents	\$ 914,114	\$ 171,567	\$ -	\$ -	\$ 1,085,681
Receivable, Net	16,523	-	-	-	16,523
Interfunds Receivable	472,441	-	-	-	472,441
Receivables from Other Governments	292,752	14,620	-	-	307,372
Restricted Cash & Cash Equivalents	423,797	-	-	-	423,797
Total Assets	\$ 2,119,627	\$ 186,187	\$ -	\$ -	\$ 2,305,814
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 539,289	\$ 61,664	\$ -	\$ -	\$ 600,953
Interfund Payables	405,276	-	-	-	405,276
Payable to Other Governments	180,882	69,700	-	-	250,582
Accrued Salaries & Wages	40,047	840	-	-	40,887
Unearned Revenue	-	53,983	-	-	53,983
Total Liabilities	1,165,494	186,187	-	-	1,351,681
Fund Balances:					
Restricted for:					
Capital Reserve	422,389	-	-	-	422,389
Maintenance Reserve	939	-	-	-	939
Emergency Reserve	469	-	-	-	469
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures	530,336	-	-	-	530,336
Total Fund Balances	954,133	-	-	-	954,133
Total Liabilities & Fund Balances	\$ 2,119,627	\$ 186,187	\$ -	\$ -	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$41,489,336 and the accumulated depreciation is \$19,548,403.	21,940,933
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	228,610
Accrued interest payable and PERS pension payable are not recorded in the fund financials due to the fact that the payables are not due in the current period.	(541,295)
Long-term liabilities, including net pension payable, bonds payable, compensated absense payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and, therefore, are not reported as a liability in the funds.	(20,442,936)
Unamortized bond issuance loss on refunding net of bond premium is not recorded in the fund financials but is recorded on the district-wide financials.	338,684
Net position of Governmental Activities	\$ 2,478,129

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

**PINELANDS REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL JUNE 30, 2015
Revenues:					
Local Sources:					
Local Tax Levy	\$ 18,455,152	\$ -	\$ -	\$ 783,302	\$ 19,238,454
Tuition	18,371	-	-	-	18,371
Rents and Royalties	6,348	-	-	-	6,348
Miscellaneous	16,998	25,711	-	-	42,709
Insurance Recovery	73,693	-	-	-	73,693
Total Local Sources	18,570,562	25,711	-	783,302	19,379,575
State Sources	14,412,909	503,945	-	724,792	15,641,646
Federal Sources	85,989	854,910	-	-	940,899
Total Revenues	33,069,460	1,384,566	-	1,508,094	35,962,120
Expenditures:					
Current Expense:					
Regular Instruction	8,514,470	-	-	-	8,514,470
Special Education Instruction	2,970,331	813,377	-	-	3,783,708
Other Special Instruction	1,265,287	-	-	-	1,265,287
Support Services:					
Tuition	1,057,050	-	-	-	1,057,050
Student & Instruction Related Services	3,686,839	571,189	-	-	4,258,028
School Administrative Services	1,235,702	-	-	-	1,235,702
General Administrative	592,261	-	-	-	592,261
Plant Operations & Maintenance	3,127,767	-	-	-	3,127,767
Pupil Transportation	2,168,874	-	-	-	2,168,874
Central Services	359,146	-	-	-	359,146
Employee Benefits	8,066,872	-	-	-	8,066,872
Debt Service:					
Principal	-	-	-	1,130,000	1,130,000
Interest & Related Costs	-	-	-	458,218	458,218
Capital Outlay	494,484	-	36,801	-	531,285
Total Expenditures	33,539,083	1,384,566	36,801	1,588,218	36,548,668
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(469,623)	-	(36,801)	(80,124)	(586,548)
Other Financing Sources/(Uses):					
Transfer In/(Out)	(36,801)	-	36,801	-	-
Capital Leases Proceeds	400,000	-	-	-	400,000
Refunding Bond Proceeds	-	-	-	5,711,812	5,711,812
Deposit with Fiscal Agent	-	-	-	(5,631,688)	(5,631,688)
Total Other Financing Sources/(Uses)	363,199	-	36,801	80,124	480,124
Excess/(Deficiency) of Revenues & Other Financing Sources Over/ (Under) Expenditures & Other Financing Uses	(106,424)	-	-	-	(106,424)
Fund Balances, July 1	1,060,557	-	-	-	1,060,557
Fund Balances June 30	\$ 954,133	\$ -	\$ -	\$ -	\$ 954,133

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

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

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (106,424)

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

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

Depreciation Expense	(1,205,751)	
Unallocated Adjustment to Fixed Assets	(349,159)	
Capital Outlays	<u>531,285</u>	(1,023,625)

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

Unfunded TPAF Pension Expense	(3,123,069)	
State Share of Unfunded TPAF Pension Expense	3,123,069	
District PERS Pension Contributions	414,543	
Pension Expense	<u>(492,293)</u>	(77,750)

Repayment of bond 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. 1,130,000

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

Capital Lease Proceeds		(400,000)
2015 Bond Refunding:		
Bond Proceeds	(5,275,000)	
Premiums	<u>(436,812)</u>	(5,711,812)

Advance refunding of debt issues are financing uses in the governmental funds. They are not expenses in the statement of activities; refunding of debt decreases long term liabilities in the statement of net position.

Loss on Refunding	26,688	
Bonds Refunded	<u>5,605,000</u>	5,631,688

Deferred Charge on Retirement of Debt, cost of issuance on refunding, and original issue premiums are recorded when incurred in the governmental funds but are deferred and recognized in the statement of activities over the life of the refunding:

Amortization of Loss on Early Retirement of Debt	(27,653)	
Amortization of Bond Premiums	<u>12,239</u>	(15,414)

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 446,999

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

Prior Year	131,699	
Current Year	<u>(93,730)</u>	37,969

In the statement of activities, certain operating expenses, e.g. compensated expenses (vacation & sick time) 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 paid. When the paid amount exceeds the earned amount the difference is an addition to the reconciliation; when the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation.

Prior Year	1,858,796	
Current Year	<u>(1,834,514)</u>	24,282

Change in Net Position of Governmental Activities \$ (64,087)

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

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Proprietary Funds

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**PINELANDS REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	JUNE 30, 2015
Current Assets:				
Cash & Cash Equivalents	\$ 844,695	\$ 29,025	\$ 163,042	\$ 1,036,762
Intergovernmental Accounts Receivable	34,522	-	-	34,522
Accounts Receivable	51,830	-	25,000	76,830
Inventory	7,560	-	-	7,560
Total Current Assets	938,607	29,025	188,042	1,155,674
Capital Assets:				
Furniture, Machinery & Equipment	488,958	-	-	488,958
Less: Accumulated Depreciation	(438,784)	-	-	(438,784)
Total Capital Assets	50,174	-	-	50,174
Total Assets	988,781	29,025	188,042	1,205,848
LIABILITIES				
Accounts Payable	170,758	975	-	171,733
Interfund Payable	472,441	-	-	472,441
Profit Distribution Payable	15,812	-	-	15,812
Unearned Revenue	1,767	10,023	-	11,790
Total Liabilities	660,778	10,998	-	671,776
NET POSITION				
Net Investment in Capital Assets	50,174	-	-	50,174
Unrestricted Net Position	277,829	18,027	188,042	483,898
Total Net Position	\$ 328,003	\$ 18,027	\$ 188,042	\$ 534,072

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

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	JUNE 30, 2015
Operating Revenues:				
Charges for Services:				
Daily Sales	\$ 413,113	\$ -	\$ -	\$ 413,113
Profit Guarantee	36,018	-	-	36,018
Interlocal Services Agreement	-	-	93,700	93,700
Community Recreation Fees	-	21,729	-	21,729
	<hr/>			
Total Operating Revenue	449,131	21,729	93,700	564,560
	<hr/>			
Operating Expenses:				
Cost of Sales	468,472	-	-	468,472
Salaries	356,595	5,635	41,246	403,476
Employee Benefits	-	-	3,155	3,155
General Supplies	48,409	6,602	-	55,011
Miscellaneous Purchased Services	54,255	975	-	55,230
Management Fee	14,128	-	-	14,128
Depreciation	20,903	-	-	20,903
	<hr/>			
Total Operating Expenses	962,762	13,212	44,401	1,020,375
	<hr/>			
Operating Income/(Loss)	(513,631)	8,517	49,299	(455,815)
	<hr/>			
Nonoperating Revenues:				
State Sources:				
State School Lunch Program	9,044	-	-	9,044
Federal Sources:				
National School Lunch Program	333,255	-	-	333,255
National School Performance Based Program	11,137	-	-	11,137
National School Breakfast Program	88,226	-	-	88,226
National School After School Snack Program	840	-	-	840
Food Distribution Program	46,436	-	-	46,436
Interest Income	753	-	-	753
	<hr/>			
Total Nonoperating Revenues	489,691	-	-	489,691
	<hr/>			
Net Income	(23,940)	8,517	49,299	33,876
Net Position - July 1	351,943	9,510	138,743	500,196
	<hr/>			
Net Position - June 30	\$ 328,003	\$ 18,027	\$ 188,042	\$ 534,072
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The accompanying Notes to Financial Statements are an integral part of this statement.

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			TOTAL
	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	JUNE 30, 2015
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 437,465	\$ 19,324	\$ 68,700	\$ 525,489
Payments to Employees	(356,595)	(5,635)	(44,401)	(406,631)
Payments to Vendors	(597,547)	(6,602)	-	(604,149)
Net Cash Flows From Operating Activities	(516,677)	7,087	24,299	(485,291)
Cash Flows From Noncapital Financing Activities:				
Cash Received from State & Federal Reimbursements	442,502	-	-	442,502
Net Cash Flows From Noncapital Financing Activities	442,502	-	-	442,502
Cash Flows From Capital & Related Financing Activities:				
Transfer of Funds	521,563	-	-	521,563
Net Cash Flows From Capital & Related Financing Activities	521,563	-	-	521,563
Cash Flows From Investing Activities:				
Interest & Dividends	753	-	-	753
Net Cash Flows From Investing Activities	753	-	-	753
Net Change in Cash & Cash Equivalents	448,141	7,087	24,299	479,527
Balances - Beginning of Year	396,554	21,938	138,743	557,235
Balances - Ending of Year	\$ 844,695	\$ 29,025	\$ 163,042	\$ 1,036,762

Reconciliation of Operating Income to Net Cash Flows From Operating Activities:

Operating Income	\$ (513,631)	\$ 8,517	\$ 49,299	\$ (455,815)
Adjustments to Reconcile Operating Income to Cash Flows From Operating Activities:				
Depreciation Expense	20,903	-	-	20,903
Commodities Received	46,436	-	-	46,436
(Increase)/Decrease in Accounts Receivable	(13,192)	-	(25,000)	(38,192)
(Increase)/Decrease in Inventory	(3,955)	-	-	(3,955)
Increase/(Decrease) in Accounts Payable	(54,764)	975	-	(53,789)
Increase/(Decrease) in Unearned Revenue	1,526	(2,405)	-	(879)
Total Adjustments	(3,046)	(1,430)	(25,000)	(29,476)
Net Cash Flows From Operating Activities	\$ (516,677)	\$ 7,087	\$ 24,299	\$ (485,291)

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

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Fiduciary Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE			TOTAL
	UNEMPLOYMENT TRUST	SCHOLARSHIP TRUST FUND	AGENCY FUNDS	JUNE 30, 2015
Cash & Cash				
Equivalents	\$ 10,418	\$ 81,723	\$ -	\$ 92,141
Interfund Receivable	-	-	405,276	405,276
Total Assets	10,418	81,723	405,276	497,417
LIABILITIES				
Cash Overdraft	-	-	91,149	91,149
Payable to Student Groups	-	-	184,592	184,592
Payroll Deductions & Withholdings	-	-	129,535	129,535
Total Liabilities	-	-	405,276	405,276
NET POSITION				
Held in Trust for Unemployment & Other Purposes	10,418	81,723	-	92,141
Total Net Position	\$ 10,418	\$ 81,723	\$ -	\$ 92,141

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

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

ADDITIONS	PRIVATE PURPOSE		TOTAL
	UNEMPLOYMENT FUND	SCHOLARSHIP TRUST	JUNE 30, 2015
Contributions:			
Scholarship Donations	\$ -	\$ 85,976	\$ 85,976
Total Contributions	-	85,976	85,976
Investment Earnings:			
Interest - Checking	14	65	79
Net Investment Earnings	14	65	79
Total Additions	14	86,041	86,055
DEDUCTIONS			
Scholarships Awarded	-	83,150	83,150
Claims Paid	695	-	695
Total Deductions	695	83,150	83,845
Change in Net Position	(681)	2,891	2,210
Net Position - Beginning of the Year	11,099	78,832	89,931
Net Position - End of the Year	\$ 10,418	\$ 81,723	\$ 92,141

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

PINELANDS REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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PINELANDS REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies

The accompanying financial statements of the Pinelands Regional School District (the “District”) have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

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

A. Reporting Entity

The Pinelands Regional School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three members’ terms expire each year. The District provides a full range of educational services appropriate to grade levels seven through twelve. These include regular, vocational, as well as special education for handicapped youngsters. The operation of the District includes one regional junior high and one senior high school, located in Little Egg Harbor. The Pinelands Regional School District has an approximate enrollment at June 30, 2015 of 1,635 students.

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

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

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

B. Component Units

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

C. Government-Wide Financial Statements

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

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

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

D. Governmental Fund Financial Statements

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

E. Proprietary Fund Financial Statements

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

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

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

F. Fiduciary Fund Financial Statements

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

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

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

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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

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

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

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

The District reports the following major governmental funds:

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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

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

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

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

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

The District reports the following major proprietary funds:

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

Community Education Fund - This fund accounts for the revenues and expenses pertaining to the District's adult education services

Inter-Local Services Fund - This fund accounts for revenues and expenses pertaining to the District's shared service agreements with other local governmental agencies.

Additionally, the District reports the following major fiduciary funds:

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

G. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued)

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

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

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

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

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

H. Budgets/Budgetary Control

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

H. Budgets/Budgetary Control (continued)

of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the last state aid payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules and the Special Revenue Fund Budgetary Comparison Schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

I. Encumbrances

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

Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue at fiscal year-end.

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

J. Cash and Cash Equivalents

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

J. Cash and Cash Equivalents (continued)

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

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

K. Tuition Payable/Receivable

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

L. Inventories

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

M. Short-Term Interfund Receivables/Payables

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

N. Capital Assets

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

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

N. Capital Assets (continued)

General Fund:

Building & Building Improvements	20 - 50 Years
Furniture & Fixtures	7 - 20 Years
Machinery & Equipment	5 - 12 Years
Vehicles	5 - 20 Years

Food Service Fund:

Equipment	15 Years
Light Trucks & Vehicles	8 Years
Heavy Trucks & Vehicles	8 Years

O. Compensated Absences

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

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

P. Unearned Revenue

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

Q. Accrued Liabilities and Long-Term Obligations

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

PINELANDS REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015

Note 1. Summary of Significant Accounting Policies (continued)

R. Use of Estimates

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

S. Fund Balance

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

- Non-spendable – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements. The School Board did not have any committed resources as of June 30, 2015.
- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

T.Net Position

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

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

U. Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

For the year ended June 30, 2015, the District implemented GASB Statement No. 68 *Accounting and Financial Reporting for Pensions* – (Amendment to GASB Statement No. 27) and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*. The implementation of the Statements requires the District to report as an asset and/or a liability its portion of the collective net pension's asset and liability of the New Jersey Public Employees' Retirement System (PERS). The implementation of the Statements also requires the District to report a deferred outflow and/or inflow for the effect of the net change in the District's proportion of the collective net pension asset and/or liability and difference during the measurement period between the District's contributions and its proportionate share of total contributions to the pension systems not included in pension expense. Also included as a deferred outflow is the District contributions to the pension system subsequent to the measurement date.

Recently Issued and Adopted Accounting Pronouncements

The District has adopted and implemented all current standards of the Governmental Accounting Standards Board (GASB) that are applicable as of June 30, 2015.

GASB has issued Statement No. 72, *Fair Value Measurement and Application*, effective for the year ending June 30, 2016

GASB has issued Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*, effective for the year ending June 30, 2018. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans.

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

U. Impact of Recently Issued Accounting Principles (continued)

GASB has issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, effective for the year ending June 30, 2016.

The District will evaluate the impact each of these pronouncements may have on its financial statements and will implement them as applicable and when material.

V. Bond Premiums, Discounts and Issuance Costs

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

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

W. Deferred Loss on Refunding Debt

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

X. Deferred Inflows/Outflows of Resources

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

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 1. Summary of Significant Accounting Policies (continued)

Z. Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2015 through December 16, 2015, which is the date the financial statements were available to be issued.

Note 2. Cash Deposits and Investments

A. Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2015, the District’s bank balance of \$2,926,437 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$	250,000
Uninsured and uncollateralized		117,452
Collateralized by securities held by Pledging financial institution		<u>2,558,985</u>
Total	\$	<u>2,926,437</u>

B. Investments

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

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 2. Cash Deposits and Investments (continued)

B. Investments (continued)

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

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

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

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

Note 3. Reserve Accounts

A. Capital Reserve

A capital reserve account was established by the Pinelands Regional School District by inclusion of \$1,000 in the original 2000-2001 annual capital outlay budget, which was certified for taxes, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2014	\$	458,787
Transfer to Capital Projects		(36,801)
Plus:		
Interest Earnings		403
Ending Balance, June 30, 2015	\$	<u>422,389</u>

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 3. Reserve Accounts (continued)

A. Capital Reserve (continued)

The June 30, 2015 LRFP balance of local support costs of uncompleted capital projects at June 30, 2015 is \$17,497,332.

B. Maintenance Reserve

A maintenance reserve account was established by the Pinelands Regional School District by inclusion of \$300,000 on June 25, 2009 for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (*N.J.S.A.18A:7G-9*) as amended by P.L. 2004, c. 73 (\$1701). Districts may only increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes (*N.J.A.C. 6A:23A-14.2*) or by deposit of any unanticipated revenue or unexpended line-item appropriation by board resolution at year end. The board resolution for deposit at year end into a maintenance reserve account must be made between June 1 and June 30 of the budget year. EFCFA requires that upon District completion of a school facilities project, the district must submit a plan for the maintenance of that facility.

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

Balance Beginning, July 1, 2014	\$	673
Plus:		
Deposits		<u>266</u>
Ending Balance, June 30, 2015	\$	<u><u>939</u></u>

C. Emergency Reserve

An emergency reserve account was established by the Pinelands Regional School District by inclusion of \$260,000 on June 25, 2009 for the accumulation of funds for use as maintenance expenditures in subsequent fiscal years. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with *N.J.S.A. 18A:7F-41c(1)* to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of \$250,000 or 1 percent of the general fund budget not to exceed \$1 million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30.

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 3. Reserve Accounts (continued)

C. Emergency Reserve (continued)

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 4 percent.

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	\$	336
Plus:		
Deposits		<u>133</u>
Ending Balance, June 30, 2015	\$	<u><u>469</u></u>

Note 4. Accounts Receivable

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

	<u>General</u>	<u>Special</u>	<u>Proprietary</u>	<u>Total</u>
	<u>Fund</u>	<u>Revenue</u>	<u>Funds</u>	
		<u>Fund</u>		
Intergovernmental	\$ 292,752	\$ 14,620	\$ 34,522	\$ 341,894
Other	16,523	-	76,830	93,353
	<u>\$ 309,275</u>	<u>\$ 14,620</u>	<u>\$ 111,352</u>	<u>\$ 435,247</u>

Note 5. Capital Assets

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 5. Capital Assets

	June 30, 2014	Increases	Decreases	June 30, 2015
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$ 412,912	\$ -	\$ -	\$ 412,912
Total capital assets not being depreciated	<u>412,912</u>	<u>-</u>	<u>-</u>	<u>412,912</u>
Capital assets being depreciated:				
Buildings and improvements	38,533,343	-	-	38,533,343
Site improvements	1,329,983	-	-	1,329,983
Machinery and equipment	1,086,607	182,126	(55,635)	1,213,098
Subtotal	40,949,933	182,126	(55,635)	41,076,424
Less: accumulated depreciation:	<u>(18,398,287)</u>	<u>(1,205,751)</u>	<u>55,635</u>	<u>(19,548,403)</u>
Total capital assets being depreciated, net	<u>22,551,646</u>	<u>(1,023,625)</u>	<u>-</u>	<u>21,528,021</u>
Governmental activities capital assets, net	<u>\$ 22,964,558</u>	<u>\$ (1,023,625)</u>	<u>\$ -</u>	<u>\$ 21,940,933</u>

The following schedule is a summarization of the proprietary fund capital assets recorded at historical cost by source for the fiscal year ended June 30, 2015:

	June 30, 2014	Increases	Decreases	June 30, 2015
Business-Type Activities				
Capital assets being depreciated:				
Machinery and Equipment	\$ 488,958	\$ -	\$ -	\$ 488,958
Total capital assets being depreciated	<u>488,958</u>	<u>-</u>	<u>-</u>	<u>488,958</u>
Less: accumulated depreciation				
Machinery & Equipment	<u>(417,881)</u>	<u>(20,903)</u>	<u>-</u>	<u>(438,784)</u>
Total accumulated depreciation	<u>(417,881)</u>	<u>(20,903)</u>	<u>-</u>	<u>(438,784)</u>
Total Business-type activities capital assets, net	<u>\$ 71,077</u>	<u>\$ (20,903)</u>	<u>\$ -</u>	<u>\$ 50,174</u>

Depreciation expense was charged to governmental functions/programs as follows:

Governmental Activities:	
Unallocated	<u>\$ 1,205,751</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 1,205,751</u>

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2015 are as follows:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 472,441	\$ 405,276
Food Service Fund	-	472,441
Fiduciary Funds	405,276	-
	<u>\$ 877,717</u>	<u>\$ 877,717</u>

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

The summary of interfund transfers follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 969,423	\$ 862,404
Food Service Fund	447,861	969,423
Fiduciary Funds	414,543	-
	<u>\$ 1,831,827</u>	<u>\$ 1,831,827</u>

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

Note 7. Long-Term Obligations

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

	Balance 06/30/14	Issued	Retired/ Adjusted	Balance 06/30/15	Due Within One Year
Governmental Activities:					
Net Pension Liability	\$ 9,555,948	\$ -	\$ (141,205)	\$ 9,414,743	\$ -
Compensated Absences Payable	1,858,796	567,816	(592,098)	1,834,514	-
Bonds Payable	9,273,000	5,275,000	(6,735,000)	7,813,000	1,185,000
Obligations Under Capital Leases	1,002,999	400,000	(446,999)	956,000	371,000
Bond Premium	2,002	436,812	(14,135)	424,679	36,401
Total	<u>\$ 21,692,745</u>	<u>\$ 6,679,628</u>	<u>\$ (7,929,437)</u>	<u>\$ 20,442,936</u>	<u>\$ 1,592,401</u>

For governmental activities, the bonds payable are liquidated from the District's debt service fund. Compensated absences and capital leases are liquidated by the general fund.

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 7. Long-Term Obligations (continued)

A. Bonds Payable

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

Purpose	Interest Rate	Maturity Date	Amount Issued	Amount Outstanding
Serial Bonds	4.10%	2/15/2018	\$ 7,108,000	\$ 2,538,000
Refunding Bonds	2.00% - 4.00%	2/15/2027	5,275,000	<u>5,275,000</u>
Total				<u><u>\$ 7,813,000</u></u>

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

Year Ending, June 30,	Principal	Interest	Total
2016	\$ 1,185,000	\$ 270,590	\$ 1,508,094
2017	1,235,000	234,648	1,507,804
2018	1,268,000	192,098	1,520,461
2019	395,000	148,300	1,513,211
2020	410,000	136,450	589,213
2021-2025	2,275,000	475,350	3,014,898
2026-2027	1,045,000	63,000	1,819,020
Total	<u><u>\$ 7,813,000</u></u>	<u><u>\$ 1,520,436</u></u>	<u><u>\$ 11,472,701</u></u>

B. Bonds Authorized But Not Issued

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

C. Capital Lease Obligations

The District is obligated under certain leases accounted for as capital leases. The leased assets and related obligations are accounted for in the general capital assets and the general long-term obligations account groups, respectively. Assets under capital leases total \$2,225,000. The following is a schedule of future minimum lease payments under capital leases as of June 30, 2015:

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 7. Long-Term Obligations (continued)

C. Capital Lease Obligations (continued)

Year-ending June 30,	Amount
2016	\$ 385,079
2017	297,281
2018	212,959
2019	<u>85,612</u>
Total Minimum Lease Payments	980,931
Less: Amount Representing Interest	<u>(24,931)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$ 956,000</u></u>

Note 8: Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

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

Three-Year Trend Information for PERS

<u>Year</u> <u>Funding</u>	<u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net</u> <u>Pension</u> <u>Obligation</u>
06/30/15	\$ 414,543	100%	\$ 9,414,743
06/30/14	419,202	100%	9,555,948
06/30/13	382,020	100%	N/A

Components of Net Pension Liability - At June 30, 2015, the District reported a liability of \$9,414,743 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers'

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014, was 0.05029%, which was an increase of 0.00029% from its proportion measured as of June 30, 2013.

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

	<u>6/30/2015</u>	<u>6/30/2014</u>
	July 1, 2014	July 1, 2013
Actuarial valuation date		
Deferred Outflows of Resources	\$ 789,678	\$ 414,543
Deferred Inflows of Resources	\$ 561,068	N/A
Net Pension Liability	\$ 9,414,743	\$ 9,555,948
District's portion of the Plan's total net pension Liability	0.05029%	0.05000%

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2015, the District recognized pension expense of \$492,293. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 296,050	\$ -
Net difference between projected and actual earnings on pension plan investments	-	561,068
Changes in proportion and differences between District contributions and proportionate share of contributions	46,063	-
District contributions subsequent to the measurement date	447,565	-
Total	<u>\$ 789,678</u>	<u>\$ 561,068</u>

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

\$447,565 was reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended		<u>PERS</u>
<u>June 30:</u>		
2016	\$	(57,031)
2017		(57,031)
2018		(57,031)
2019		(57,031)
2020		(57,031)
Thereafter		<u>66,200</u>
Total	\$	<u><u>(218,955)</u></u>

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

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

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

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

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate - Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%
Total	100.00%	

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

	<u>1%</u> <u>Decrease</u>		<u>Current</u> <u>Discount</u>		<u>1%</u> <u>Increase</u>
	<u>4.39%</u>		<u>Rate (5.39%)</u>		<u>6.39%</u>
District's proportionate share of					
the net pension liability	\$ 11,844,068		\$ 9,414,743		\$ 7,374,729

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

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

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

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

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

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

Three-Year Trend Information for TPAF (Paid on behalf of the District)

<u>Year</u>	<u>Post-Retirement Medical & Annual Pension Cost (APC)</u>	<u>Percentage of APC Contributed</u>	<u>Net Pension Obligation</u>
06/30/15	\$ 1,872,662	100%	\$ -
06/30/14	1,493,636	100%	-
06/30/13	1,974,727	100%	-

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

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

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

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 8: Pension Obligations (continued)

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

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

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

C. Defined Contribution Retirement Program (DCRP)

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

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

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

Note 9. Post-Retirement Benefits

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS.

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 9. Post-Retirement Benefits (continued)

It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the state contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

Note 10. Risk Management

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

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

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

Fiscal Year	Interest Earned	Amount Reimbursed	Ending Balance
2014-2015	\$ 14	\$ 695	\$ 10,418
2013-2014	16	704	11,099
2012-2013	22	698	11,787

Joint Insurance Pool – The Pinelands Regional School District participates in the School Alliance Insurance Fund and, public entity risk pool. The Fund provides its members with the following coverage’s:

Property – Blanket Building & Grounds	General & Automobile Liability
Boiler & Machinery	Workers’ Compensation
School Board Legal Liability	Crime Coverage

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 11. Contingencies

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

Pending Litigation – The District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's attorney that resolution of these matters will not have a material adverse effect on the financial condition of the District.

Note 12. Economic Dependency

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

Note 13. Deferred Compensation

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

Met Life	Equitable Life Assurance Company
Discovery Financial	Lincoln Investment Planning, Inc.
PFS Shareholder Services	USAA Life Insurance
The Vanguard Group	

Note 14. Compensated Absences

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

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

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 14. Compensated Absences (continued)

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2015 is \$1,834,514.

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

Note 15. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to *N.J.S.A.18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District had no excess fund balance at June 30, 2015.

Note 16. Fund Balance Disclosures

General Fund – Of the \$954,133 General Fund fund balance at June 30, 2015, \$422,389 has been restricted for the capital reserve account; \$939 has been restricted for the maintenance reserve account; \$469 has been restricted for the emergency reserve account and \$530,336 is designated for subsequent year's expenditures.

Note 17: Deficit Unrestricted Net Position

As reflected on Exhibit A-1, Statement of Net Position, a deficit in unrestricted net position of \$(11,117,601) existed as of June 30, 2015 for governmental activities. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the long-term liability for compensated absences and net pension. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net Position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences and pension liabilities that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

PINELANDS REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS (continued)
YEAR ENDED JUNE 30, 2015**

Note 18. Prior Period Adjustment/Restatement of Net Position

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

	<u>Governmental Activities</u>	
Net Position as previously reported at June 30, 2014		\$ 12,098,164
Prior period adjustment - Implementation of GASB #68:		
Net Pension Liability (Measurement date as of June 30, 2013)	\$ (9,555,948)	
Pension Payable at June 30, 2015	(414,543)	
Deferred Outflows (District contributions made during fiscal year 2014)	<u>414,543</u>	
Total prior period adjustment		<u>(9,555,948)</u>
Net Position as restated, July 1, 2014		<u><u>\$ 2,542,216</u></u>

REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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

	ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 18,455,152	\$ -	\$ 18,455,152	\$ 18,455,152	\$ -
Tuition	10-1330	-	-	-	18,371	18,371
Rents and Royalties	10-1910	-	-	-	6,348	6,348
Miscellaneous	10-1990	8,277	-	8,277	16,998	8,721
Insurance Recovery	10-1xxx	-	-	-	73,693	73,693
Total Local Sources		18,463,429	-	18,463,429	18,570,562	107,133
State Sources:						
Categorical Transportation Aid	10-3121	810,479	-	810,479	810,479	-
Categorical Special Education Aid	10-3132	961,334	-	961,334	961,334	-
Equalization Aid	10-3176	8,420,721	-	8,420,721	8,420,721	-
Categorical Security Aid	10-3177	299,661	-	299,661	299,661	-
Adjustment Aid	10-3178	784,462	-	784,462	784,462	-
Extraordinary Aid	10-3131	129,434	-	129,434	240,489	111,055
Non-Public Transportation Aid	10-3121	-	-	-	4,735	4,735
Parcc Readiness Aid	10-3190	15,930	-	15,930	15,930	-
Per Pupil Choice Aid	10-3191	15,930	-	15,930	15,930	-
School Choice Aid	10-3116	29,679	-	29,679	29,679	-
On-Behalf TPAF Pension Contribution (Nonbudgeted):						
Normal Cost		-	-	-	723,734	723,734
Post-Retirement Medical		-	-	-	1,148,928	1,148,928
Reimbursed TPAF Social Security (Nonbudgeted)		-	-	-	962,647	962,647
Total State Sources		11,467,630	-	11,467,630	14,418,729	2,951,099
Federal Sources:						
Medicaid Reimbursement	10-4200	32,063	-	32,063	85,989	53,926
Total Federal Sources		32,063	-	32,063	85,989	53,926
Total Revenues		29,963,122	-	29,963,122	33,075,280	3,112,158
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Grades 6-8 Salaries of Teachers	11-130-100-101	3,902,565	37,200	3,939,765	3,937,315	2,450
Grades 9-12 Salaries of Teachers	11-140-100-101	3,664,871	189,254	3,854,125	3,843,311	10,814
Home Instruction - Regular Programs:						
Salaries of Teachers	11-150-100-101	60,000	18,400	78,400	73,983	4,417
Purchased Professional - Educational Services	11-150-100-320	25,000	10,200	35,200	31,539	3,661
Purchased Professional - Educational Services	11-190-100-320	15,423	-	15,423	13,476	1,947
Other Purchased Services - (400-500 Series)	11-190-100-500	362,936	(3,498)	359,438	349,428	10,010
General Supplies	11-190-100-610	274,030	5,822	279,852	253,383	26,469
Textbooks	11-190-100-640	21,755	(4,500)	17,255	10,289	6,966
Other Objects	11-190-100-800	7,505	-	7,505	1,746	5,759
Total Regular Programs		8,334,085	252,878	8,586,963	8,514,470	72,493

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Special Education:						
Cognitive - Mild:						
Salaries of Teachers	11-201-100-101	172,004	13,745	185,749	185,748	1
Other Salaries for Instruction	11-201-100-106	66,422	(36,800)	29,622	29,571	51
General Supplies	11-201-100-610	4,000	-	4,000	3,359	641
Total Cognitive - Mild		242,426	(23,055)	219,371	218,678	693
Behavioral Disabilities:						
Salaries of Teachers	11-209-100-101	451,533	(69,000)	382,533	381,963	570
Other Purchased Services	11-209-100-500	500	3,112	3,612	3,611	1
General Supplies	11-209-100-610	2,000	-	2,000	464	1,536
Textbooks	11-209-100-640	2,000	(1,900)	100	80	20
Other Objects	11-209-100-800	1,500	-	1,500	300	1,200
Total Behavioral Disabilities		457,533	(67,788)	389,745	386,418	3,327
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	108,377	(53,000)	55,377	54,900	477
Other Salaries for Instruction	11-212-100-106	32,662	-	32,662	30,536	2,126
General Supplies	11-212-100-610	5,000	(1,300)	3,700	3,681	19
Total Multiple Disabilities		146,039	(54,300)	91,739	89,117	2,622
Resource Room/Resource Center						
Salaries of Teachers	11-213-100-101	1,877,976	22,100	1,900,076	1,900,048	28
Other Salaries for Instruction	11-213-100-106	90,163	(10,906)	79,257	79,257	-
General Supplies	11-213-100-610	5,000	12,900	17,900	17,846	54
Total Resource Room/Resource Center		1,973,139	24,094	1,997,233	1,997,151	82
Autism:						
Salaries of Teachers	11-214-100-101	54,280	620	54,900	54,900	-
Other Salaries for Instruction	11-214-100-106	42,444	103,700	146,144	146,062	82
General Supplies	11-214-100-610	4,000	500	4,500	2,999	1,501
Other Objects	11-214-100-800	-	1,200	1,200	730	470
Total Autism		100,724	106,020	206,744	204,691	2,053
Homebound Instruction:						
Salaries of Teachers	11-219-100-101	70,000	(17,800)	52,200	47,759	4,441
Purchased Professional & Educational Services	11-219-100-320	50,000	(9,087)	40,913	26,517	14,396
Total Homebound Instruction		120,000	(26,887)	93,113	74,276	18,837
Total Special Education		3,039,861	(41,916)	2,997,945	2,970,331	27,614
Other Instructional Programs:						
Basic Skills/Remedial - Instruction:						
Salaries of Teachers	11-230-100-101	52,823	-	52,823	48,650	4,173
General Supplies	11-230-100-610	8,000	-	8,000	-	8,000
Total Basic Skills/Remedial Instruction		60,823	-	60,823	48,650	12,173
Bilingual Education - Instruction:						
Other Purch. Serv.(400-500 Series)	11-240-100-500	700	-	700	691	9
General Supplies	11-240-100-610	2,820	-	2,820	2,819	1
Textbooks	11-240-100-640	1,100	-	1,100	879	221
Other Objects	11-240-100-800	786	-	786	439	347
Total Bilingual Education - Instruction		5,406	-	5,406	4,828	578

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	134,000	31,500	165,500	165,488	12
Other Objects	11-401-100-800	20,600	(4,304)	16,296	15,196	1,100
Total School Sponsored Cocurricular - Activities		154,600	27,196	181,796	180,684	1,112
School Sponsored Athletics - Instruction:						
Salaries	11-402-100-100	554,749	25,000	579,749	578,005	1,744
Purchased Services - (300-500 Series)	11-402-100-500	7,000	6,000	13,000	6,606	6,394
Supplies and Materials	11-402-100-600	60,000	7,660	67,660	65,858	1,802
Other Objects	11-402-100-800	80,000	900	80,900	80,787	113
Total School Sponsored Athletics - Instruction:		701,749	39,560	741,309	731,256	10,053
Alternative Education Programs - Instruction:						
Salaries	11-423-100-101	134,833	-	134,833	126,002	8,831
Purchased Services - (300-500 Series)	11-423-100-500	2,000	-	2,000	554	1,446
General Supplies	11-423-100-610	9,775	-	9,775	7,944	1,831
Total Alternative Education Programs - Instruction:		146,608	-	146,608	134,500	12,108
Community Service Programs & Operations:						
Salaries	11-800-330-100	173,294	-	173,294	165,369	7,925
Total Community Service Programs & Operations:		173,294	-	173,294	165,369	7,925
Total - Instruction		12,616,426	277,718	12,894,144	12,750,088	144,056
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs						
Within the State - Regular	11-000-100-561	5,000	-	5,000	-	5,000
Within the State - Special	11-000-100-562	384,101	-	384,101	374,797	9,304
Tuition to County Vocational School District - Regular						
School District - Regular	11-000-100-563	-	10,000	10,000	10,000	-
Tuition to County Special Services & Regular Day Schools						
& Regular Day Schools	11-000-100-565	226,677	62,903	289,580	289,579	1
Tuition to Private Schools for the Handicapped - Within the State						
Handicapped - Within the State	11-000-100-566	484,221	(93,017)	391,204	305,903	85,301
Tuition to Private Schools for the Handicapped - Out of State						
Handicapped - Out of State	11-000-100-567	-	-	-	-	-
Tuition - State Facilities	11-000-100-568	73,165	3,607	76,772	76,771	1
Total Instruction		1,173,164	(16,507)	1,156,657	1,057,050	99,607
Attendance/Social Work:						
Salaries	11-000-211-100	84,661	839	85,500	85,500	-
Other Purchased Services (400-500 Series)	11-000-211-500	250	-	250	13	237
Supplies and Materials	11-000-211-600	3,000	-	3,000	2,631	369
Total Attendance/Social Work		87,911	839	88,750	88,144	606

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Health Services:						
Salaries	11-000-213-100	169,451	-	169,451	167,822	1,629
Purchased Professional & Technical Services	11-000-213-300	6,000	-	6,000	4,137	1,863
Other Purchased Services	11-000-213-500	3,600	-	3,600	2,093	1,507
Supplies and Materials	11-000-213-600	5,250	-	5,250	5,250	-
Other Objects	11-000-213-800	200	-	200	110	90
Total Health Services		184,501	-	184,501	179,412	5,089
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	237,252	2,400	239,652	239,650	2
Purchased Professional & Educational Services	11-000-216-320	85,000	-	85,000	84,945	55
Supplies and Materials	11-000-216-600	3,000	-	3,000	2,263	737
Total Other Support Services - Students - Related Services		325,252	2,400	327,652	326,858	794
Other Support Services - Students - Extraordinary Services:						
Salaries	11-000-217-100	179,905	35,900	215,805	215,805	-
Purchased Professional & Educational Services	11-000-217-320	82,000	11,000	93,000	92,999	1
Total Other Support Services - Students - Extraordinary Services		261,905	46,900	308,805	308,804	1
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	645,540	5,921	651,461	651,461	-
Salaries of Secretarial & Clerical Assistants	11-000-218-105	226,358	556	226,914	226,913	1
Other Purchased Professional & Technical Services	11-000-218-390	38,000	-	38,000	36,384	1,616
Other Purchased Services - (400-500 Series)	11-000-218-500	2,500	-	2,500	549	1,951
Supplies and Materials	11-000-218-600	9,250	-	9,250	9,230	20
Other Objects	11-000-218-800	250	-	250	165	85
Total Other Support Services - Students - Regular		921,898	6,477	928,375	924,702	3,673
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	546,472	14,989	561,461	561,460	1
Salaries of Secretarial & Clerical Assistants	11-000-219-105	108,019	1,482	109,501	109,500	1
Purchased Professional - Educational Services	11-000-219-320	17,000	1,350	18,350	7,190	11,160
Other Purchased Services - (400-500 Series)	11-000-219-500	2,500	-	2,500	2,099	401
Misc. Pur Serv (400-500 series other than Resid. Costs)	11-000-219-592	9,000	200	9,200	9,183	17
Supplies and Materials	11-000-219-600	5,000	(2,600)	2,400	2,379	21
Other Objects	11-000-219-800	2,000	-	2,000	500	1,500
Total Other Support Services - Students - Special Services		689,991	15,421	705,412	692,311	13,101

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Improvement of Instruction Services:						
Salaries of Supervisors of Instruction	11-000-221-102	539,149	(55,000)	484,149	484,148	1
Salaries of Secretarial & Clerical Assistants	11-000-221-105	138,716	2,900	141,616	141,616	-
Purchased Prof. - Ed. Services	11-000-221-320	10,000	-	10,000	5,132	4,868
Other Purchased Services	11-000-221-500	6,225	365	6,590	2,049	4,541
Supplies & Materials	11-000-221-600	2,000	27	2,027	1,725	302
Other Objects	11-000-221-800	1,500	-	1,500	414	1,086
Total Improvement of Instruction Services:		697,590	(51,708)	645,882	635,084	10,798
Educational Media Services/School Library:						
Salaries of Teachers	11-000-222-100	178,621	-	178,621	165,625	12,996
Salaries of Technology Coordinators	11-000-222-177	331,190	-	331,190	326,305	4,885
Purchased Professional & Technical Services	11-000-222-300	8,170	-	8,170	4,105	4,065
Other Purchased Services - (400-500 Series)	11-000-222-500	3,200	-	3,200	1,763	1,437
Supplies and Materials	11-000-222-600	32,535	-	32,535	30,378	2,157
Total Educational Media Services/School Library:		553,716	-	553,716	528,176	25,540
Instructional Staff Training Services:						
Other Purchased Professional - Educational Services	11-000-223-320	1,200	-	1,200	-	1,200
Other Purchased Services - (400-500 Series)	11-000-223-500	3,200	730	3,930	1,249	2,681
Supplies and Materials	11-000-223-600	3,000	-	3,000	2,099	901
Total Instructional Staff Training Services:		7,400	730	8,130	3,348	4,782
Support Services General Administration:						
Salaries	11-000-230-100	241,124	-	241,124	238,165	2,959
Legal Services	11-000-230-331	76,337	28,700	105,037	93,223	11,814
Audit Fees	11-000-230-332	29,000	(4,930)	24,070	24,070	-
Other Purchased Professional Services	11-000-230-339	10,000	31,275	41,275	38,317	2,958
Communications/Telephone	11-000-230-530	120,000	(23,000)	97,000	95,401	1,599
Other Purchased Services - (400-500)	11-000-230-590	94,100	3,000	97,100	88,665	8,435
General Supplies	11-000-230-610	10,000	(6,000)	4,000	3,999	1
BOE In-House Training/Meeting Supplies	11-000-230-630	5,000	(5,000)	-	-	-
Miscellaneous	11-000-230-890	4,000	-	4,000	3,793	207
BOE Membership Dues & Fees	11-000-230-895	8,500	-	8,500	6,628	1,872
Total Support Services General Administration:		598,061	24,045	622,106	592,261	29,845
Support Services School Administration:						
Salaries of Principals & Assistant Principals	11-000-240-103	920,162	(54,060)	866,102	863,484	2,618
Salaries of Secretarial & Clerical Assistants	11-000-240-105	325,838	-	325,838	307,903	17,935
Other Purchased Services - (400-500 Series)	11-000-240-500	17,685	(4,000)	13,685	10,371	3,314
Supplies and Materials	11-000-240-600	40,760	1,790	42,550	42,548	2
Other Objects	11-000-240-800	11,675	-	11,675	11,396	279
Total Support Services School Administration:		1,316,120	(56,270)	1,259,850	1,235,702	24,148

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Central Services:						
Salaries	11-000-251-100	320,053	-	320,053	299,524	20,529
Purchased Technical Services	11-000-251-340	43,500	(4,000)	39,500	39,233	267
Other Purchased Services - (400-500 series)	11-000-251-592	6,900	-	6,900	5,222	1,678
Supplies & Materials	11-000-251-600	7,500	(2,500)	5,000	4,440	560
Miscellaneous Expenditures	11-000-251-890	3,000	-	3,000	2,699	301
Total Central Services		380,953	(6,500)	374,453	351,118	23,335
Administrative Information Technology:						
Other Purchased Services	11-000-252-500	5,000	(5,000)	-	-	-
Supplies and Materials	11-000-252-600	10,000	-	10,000	8,028	1,972
Total Administrative Information Technology		15,000	(5,000)	10,000	8,028	1,972
Required Maintenance for School Facilities:						
Salaries	11-000-261-100	387,239	-	387,239	387,008	231
Cleaning, Repair & Maintenance Services	11-000-261-420	183,300	66,858	250,158	250,158	-
Travel	11-000-261-580	1,000	-	1,000	-	1,000
General Supplies	11-000-261-610	83,000	(2,699)	80,301	78,839	1,462
Subtotal Allowable Maintenance for School Facilities:		654,539	64,159	718,698	716,005	2,693
Custodial Services:						
Salaries	11-000-262-100	958,392	-	958,392	944,522	13,870
Purchased Professional & Technical Service	11-000-262-300	1,000	-	1,000	228	772
Cleaning, Repair & Maintained Service	11-000-262-420	21,000	628	21,628	20,527	1,101
Other Purchased Property Service	11-000-262-490	303,506	-	303,506	280,595	22,911
Insurance	11-000-262-520	153,500	4,100	157,600	157,580	20
Misc Purchased Services	11-000-262-590	1,500	-	1,500	-	1,500
General Supplies	11-000-262-610	94,000	(38,231)	55,769	54,470	1,299
Energy (Natural Gas)	11-000-262-621	252,000	(5,400)	246,600	246,585	15
Energy (Electricity)	11-000-262-622	535,000	7,087	542,087	542,086	1
Other Objects	11-000-262-800	4,000	-	4,000	775	3,225
Total Custodial Services		2,323,898	(31,816)	2,292,082	2,247,368	44,714
Care & Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	3,000	-	3,000	1,895	1,105
General Supplies	11-000-263-610	45,500	-	45,500	44,613	887
Total Care & Upkeep of Grounds		48,500	-	48,500	46,508	1,992
Security:						
Cleaning, Repair & Maintenance Services	11-000-266-420	122,000	-	122,000	114,438	7,562
General Supplies	11-000-266-610	6,000	-	6,000	3,448	2,552
Total Security		128,000	-	128,000	117,886	10,114
Total Operations & Maintenance of Plant		3,154,937	32,343	3,187,280	3,127,767	59,513

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Student Transportation Services:						
Salaries for Pupil Transportation - (Between Home & School - Special Ed Students	11-000-270-161	29,000	-	29,000	26,877	2,123
Other Purchased Professional & Technical Services	11-000-270-390	8,261	3,035	11,296	8,651	2,645
Contracted Services (Between Home & School) - Vendors	11-000-270-511	1,208,711	(38,550)	1,170,161	1,145,682	24,479
Contracted Services (Other than Between Home & School) - Vendors	11-000-270-512	250,426	-	250,426	237,242	13,184
Contracted Services (Between Home & School)-Joint Agree.	11-000-270-513	21,233	-	21,233	21,120	113
Contracted Services (Special Ed Students) - Vendors	11-000-270-514	236,874	-	236,874	220,510	16,364
Contracted Services (Special Ed Students) - Joint Agreements	11-000-270-515	38,125	-	38,125	37,810	315
Contracted Services (Regular Students) - ESCs & CTSA	11-000-270-517	18,846	49,429	68,275	54,248	14,027
Contracted Services (Special Ed Students) - ESCs & CTSA	11-000-270-518	505,509	-	505,509	414,816	90,693
Contracted Services - Aid in Lieu of Payments	11-000-270-503	8,989	-	8,989	1,768	7,221
Travel	11-000-270-580	3,523	-	3,523	-	3,523
General Supplies	11-000-270-610	500	-	500	-	500
Miscellaneous Expenditures	11-000-270-800	-	150	150	150	-
Total Student Transportation Services		2,329,997	14,064	2,344,061	2,168,874	175,187
Unallocated Benefits - Employee Benefits						
Social Security Contributions	11-000-291-220	390,000	82,200	472,200	469,009	3,191
Other Retirement Contributions - Regular	11-000-291-241	450,000	(33,870)	416,130	414,543	1,587
Unemployment Compensation	11-000-291-250	68,000	(34,500)	33,500	-	33,500
Workman's Compensation	11-000-291-260	195,000	(23,100)	171,900	171,853	47
Health Benefits	11-000-291-270	4,377,000	(228,400)	4,148,600	4,038,577	110,023
Tuition Reimbursement	11-000-291-280	70,000	-	70,000	53,013	16,987
Other Employee Benefits	11-000-291-290	62,000	23,000	85,000	84,568	432
Total Unallocated Benefits - Employee Benefit:		5,612,000	(214,670)	5,397,330	5,231,563	165,767
Nonbudgeted:						
On-Behalf TPAF Pension Contribution:						
Normal Cost		-	-	-	723,734	(723,734)
Post-Retirement Medical		-	-	-	1,148,928	(1,148,928)
Reimbursed TPAF Social Security Contributions		-	-	-	962,647	(962,647)
Total On-Behalf Contributions		-	-	-	2,835,309	(2,835,309)
Total Personal Services - Employee Benefits		5,612,000	(214,670)	5,397,330	8,066,872	(2,669,542)
Total Undistributed Expenditures		18,310,396	(207,436)	18,102,960	20,294,511	(2,191,551)
Total Expenditures - Current Expense		30,926,822	70,282	30,997,104	33,044,599	(2,047,495)

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

ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Capital Outlay:					
Facilities Acquisition & Construction Services					
Assessment for Debt					
Construction Services	12-000-400-450	-	69,500	69,500	68,809
Supplies & Materials	12-000-400-600	20,000	-	20,000	18,810
Assessment on SDA Projects	12-000-400-896	6,865	-	6,865	6,865
Total Facilities Acquisition & Construction Services		26,865	69,500	96,365	94,484
Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	400,000
Total Capital Outlay		26,865	69,500	96,365	494,484
Total Expenditures		30,953,687	139,782	31,093,469	33,539,083
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(990,565)	(139,782)	(1,130,347)	(463,803)
Other Financing Sources/(Uses):					
Operating Transfers Out:					
Capital Reserve Transfer to Capital Projects Fund		-	-	-	(36,801)
Capital Lease Proceeds (Nonbudgeted)		-	-	-	400,000
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses		(990,565)	(139,782)	(1,130,347)	(100,604)
Fund Balances, July 1		2,161,826	-	2,161,826	2,161,826
Fund Balances, June 30		\$ 1,171,261	\$ (139,782)	\$ 1,031,479	\$ 2,061,222

RECAPITULATION OF BUDGET TRANSFERS

Prior Year Roll-Over Encumbrances	\$ 139,782
Total Budget Transfers	<u>\$ 139,782</u>

RECAPITULATION OF FUND BALANCE

Restricted Fund Balance:	
Capital Reserve	\$ 422,389
Maintenance Reserve	939
Emergency Reserve	469
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	968,857
Year-End Encumbrances	12,353
Unassigned Fund Balance	<u>656,215</u>
Subtotal	2,061,222
Reconciliation to Governmental Funds Statements (GAAP)	
Reconciliation of State Aid Payments For GAAP to Budgetary Basis & Other Adjustments	<u>(1,107,089)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 954,133</u>

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

	JUNE 30, 2015				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
Local Sources	\$ 29,700	\$ 2,839	\$ 32,539	\$ 25,711	\$ (6,828)
State Sources	503,945	-	503,945	503,945	-
Federal Sources	889,456	587	890,043	878,764	(11,279)
Total Revenues	1,423,101	3,426	1,426,527	1,408,420	(18,107)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	216,646	(2,903)	213,743	211,056	2,687
Tuition	530,658	(567)	530,091	527,385	2,706
Travel	3,011	(738)	2,273	48	2,225
General Supplies	99,261	6,309	105,570	98,742	6,828
Other Objects		-		-	-
Total Instruction	849,576	2,101	851,677	837,231	14,446
Support Services:					
Salaries for Other Professional Staff	351,077	(3,471)	347,606	347,606	-
Personal Services - Employee Benefits	172,137	-	172,137	172,137	-
Purchased Professional - Educational Services	-	-	-	-	-
Other Purchased Services	15,475	(680)	14,795	14,795	-
Supplies & Materials	16,750	6,561	23,311	23,311	-
Other Objects	18,086	(1,085)	17,001	13,340	3,661
Total Support Services	573,525	1,325	574,850	571,189	3,661
Facilities Acquisitions & Construction Services:					
Instructional Equipment		-		-	-
Total Facilities Acquisitions & Construction Services	-	-	-	-	-
Total Outflows	1,423,101	3,426	1,426,527	1,408,420	18,107
Excess/(Deficiency) of Revenues Over/ Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 33,075,280	\$ 1,408,420
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	12,201
Current Year	-	(36,055)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,101,269	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(1,107,089)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	\$ 33,069,460	\$ 1,384,566
	<hr/> <hr/>	<hr/> <hr/>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 33,539,083	\$ 1,408,420
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.	-	(23,854)
	<hr/>	<hr/>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	\$ 33,539,083	\$ 1,384,566
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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT PLAN
LAST TWO FISCAL YEARS

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.05029%	0.05000%
District's proportionate share of the net pension liability (asset)	\$ 9,414,743	\$ 9,555,948
District's covered-employee payroll	\$ 6,030,634	\$ 5,839,515
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	156.12%	163.64%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT PLAN
LAST TWO FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 447,565	\$ 414,543
Contributions in relation to the contractually required contribution	<u>447,565</u>	<u>414,543</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	6,030,634	5,839,515
Contributions as a percentage of covered-employee payroll	7.42%	7.10%

PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.13376%	0.14343%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 57,362,420	\$ 53,396,894
District's covered-employee payroll	\$ 24,385,047	\$ 24,317,206
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the calendar year-end that occurred within the fiscal year.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

Teachers' Pension and Annuity Fund (TPAF)

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

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

Public Employees' Retirement System (PERS)

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

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

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	TITLE I PART A CURRENT	TITLE IIA	IDEA-B
Revenues:			
Local Sources	\$ -	\$ -	\$ -
State Sources	-	-	-
Federal Source	339,512	41,462	440,658
	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 339,512	\$ 41,462	\$ 440,658
	<hr/>	<hr/>	<hr/>
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 150,393	\$ 32,906	\$ -
Tuition	79,432	-	440,658
Travel	-	-	-
General Supplies	75,031	-	-
Other Purchased Services	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total Instruction	304,856	32,906	440,658
	<hr/>	<hr/>	<hr/>
Support Services:			
Salaries of Other Professional Staff	-	-	-
Personal Services - Employee Benefits	34,656	8,556	-
Purchased Professional Services	-	-	-
Other Purchased Services	-	-	-
Supplies & Materials	-	-	-
Miscellaneous	-	-	-
	<hr/>	<hr/>	<hr/>
Total Support Services	34,656	8,556	-
	<hr/>	<hr/>	<hr/>
Facilities Acquisitions & Construction Services:			
Instructional Equipment	-	-	-
	<hr/>	<hr/>	<hr/>
Total Facilities Acquisitions & Construction Services	-	-	-
	<hr/>	<hr/>	<hr/>
Total Outflows	\$ 339,512	\$ 41,462	\$ 440,658
	<hr/>	<hr/>	<hr/>

**PINELANDS REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	SAFETY GRANT	PREGNANCY PREVENTION	SCHOOL YOUTH SERVICES CURRENT	RACE TO THE TOP GRANT	GOLDMAN SACHS FINANCIAL SUCCESS
Revenues:					
Local Sources	\$ 2,000	\$ -	\$ -	\$ -	\$ 5,732
State Sources	-	-	503,945	-	-
Federal Source	-	49,837	-	7,295	-
Total Revenues	\$ 2,000	\$ 49,837	\$ 503,945	\$ 7,295	\$ 5,732
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 27,757	\$ -	\$ -	\$ -
Tuition	-	-	-	7,295	-
Travel	-	48	-	-	-
General Supplies	-	-	-	-	5,732
Other Purchased Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Instruction	-	27,805	-	7,295	5,732
Support Services:					
Salaries of Other Professional Staff	-	-	347,606	-	-
Personal Services - Employee Benefits	-	3,882	125,043	-	-
Purchased Professional Services	-	-	-	-	-
Other Purchased Services	-	-	14,795	-	-
Supplies & Materials	2,000	11,352	9,959	-	-
Miscellaneous	-	6,798	6,542	-	-
Total Support Services	2,000	22,032	503,945	-	-
Facilities Acquisitions & Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisitions & Construction Services	-	-	-	-	-
Total Outflows	\$ 2,000	\$ 49,837	\$ 503,945	\$ 7,295	\$ 5,732

**PINELANDS REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2015**

	ATLANTIC CARE GRANT	ATHLETIC 5K	TB ATHLETICS	COCA COLA	2015
Revenues:					
Local Sources	\$ 1,250	\$ 9,890	\$ 2,000	\$ 4,839	\$ 25,711
State Sources	-	-	-	-	503,945
Federal Source	-	-	-	-	878,764
Total Revenues	\$ 1,250	\$ 9,890	\$ 2,000	\$ 4,839	\$ 1,408,420
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 211,056
Tuition	-	-	-	-	527,385
Travel	-	-	-	-	48
General Supplies	1,250	9,890	2,000	4,839	98,742
Other Purchased Services	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Total Instruction	1,250	9,890	2,000	4,839	837,231
Support Services:					
Salaries of Other Professional Staff	-	-	-	-	347,606
Personal Services - Employee Benefits	-	-	-	-	172,137
Purchased Professional Services	-	-	-	-	-
Other Purchased Services	-	-	-	-	14,795
Supplies & Materials	-	-	-	-	23,311
Miscellaneous	-	-	-	-	13,340
Total Support Services	-	-	-	-	571,189
Facilities Acquisitions & Construction Services:					
Instructional Equipment	-	-	-	-	-
Total Facilities Acquisitions & Construction Services	-	-	-	-	-
Total Outflows	\$ 1,250	\$ 9,890	\$ 2,000	\$ 4,839	\$ 1,408,420

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F. Capital Projects Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS
SUMMARY STATEMENT OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

PROJECT TITLE/ISSUE	DATE	ORIGINAL APPROPRIATIONS	EXPENDITURES TO DATE		UNEXPENDED BALANCE 2015
			PRIOR YEARS	CURRENT YEARS	
HS Renovations	4/17/2007	4,881,018	4,844,217	36,801	-
		\$ 4,881,018	\$ 4,844,217	\$ 36,801	\$ -

**PINELANDS REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS
YEAR ENDED JUNE 30, 2015**

Expenditures & Other Financing Uses:	
Construction Services	<u>\$ 36,801</u>
Total Expenditures	<u>36,801</u>
Other Financing Sources/(Uses):	
Transfer from General Fund	<u>36,801</u>
Total Other Financing Sources/(Uses)	<u>36,801</u>
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Uses	-
Fund Balance - Beginning	<u>-</u>
Fund Balance - Ending	<u><u>\$ -</u></u>

**PINELANDS REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS
HIGH SCHOOL RENOVATIONS
FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 2015**

	PRIOR PERIODS	CURRENT PERIODS	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds & Transfers	\$ 4,722,846	\$ -	\$ 4,722,846	\$ 4,722,846
Transfer from General Fund	121,371	36,801	158,172	158,119
Total Revenues	4,844,217	36,801	4,881,018	4,880,965
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	385,797	-	385,797	386,800
Construction Services	4,458,420	36,801	4,495,221	4,494,165
Total Expenditures	4,844,217	36,801	4,881,018	4,880,965
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	FVF#3765,69,73,74,77
Grant Date	N/A
Bond Authorization Date	7/1/2008
Bonds Authorized	\$4,578,353
Bonds Issued	4,578,353
Original Authorized Cost	\$4,880,965
Additional Authorized Cost	-
Revised Authorized Cost	4,578,353
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	100.00%
Original Target Completion Date	6/30/2009
Revised Target Completion Date	06/30/15

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G. Proprietary Funds

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Enterprise Funds

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**PINELANDS REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			2015
	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	
Current Assets:				
Cash & Cash Equivalents	\$ 844,695	\$ 29,025	\$ 163,042	\$ 1,036,762
Intergovernmental Accounts Receivable	34,522	-	-	34,522
Accounts Receivable	51,830	-	25,000	76,830
Inventory	7,560	-	-	7,560
Total Current Assets	938,607	29,025	188,042	1,155,674
Capital Assets:				
Furniture, Machinery & Equipment	488,958	-	-	488,958
Less: Accumulated Depreciation	(438,784)	-	-	(438,784)
Total Capital Assets	50,174	-	-	50,174
Total Assets	988,781	29,025	188,042	1,205,848
LIABILITIES				
Accounts Payable	170,758	975	-	171,733
Interfund Payable	472,441	-	-	472,441
Profit Distribution Payable	15,812	-	-	15,812
Unearned Revenue	1,767	10,023	-	11,790
Total Liabilities	660,778	10,998	-	671,776
NET POSITION				
Net Investment in Capital Assets	50,174	-	-	50,174
Unrestricted Net Position	277,829	18,027	188,042	483,898
Total Net Position	\$ 328,003	\$ 18,027	\$ 188,042	\$ 534,072

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

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS			2015
	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	
Operating Revenues:				
Charges for Services:				
Daily Sales	\$ 413,113	\$ -	\$ -	\$ 413,113
Profit Guarantee	36,018	-	-	36,018
Interlocal Services Agreement	-	-	93,700	93,700
Community Recreation Fees	-	21,729	-	21,729
Total Operating Revenue	449,131	21,729	93,700	564,560
Operating Expenses:				
Cost of Sales	468,472	-	-	468,472
Salaries	356,595	5,635	41,246	403,476
Employee Benefits	-	-	3,155	3,155
General Supplies	48,409	6,602	-	55,011
Miscellaneous Purchased Services	54,255	975	-	55,230
Management Fee	14,128	-	-	14,128
Depreciation	20,903	-	-	20,903
Total Operating Expenses	962,762	13,212	44,401	1,020,375
Operating Income/(Loss)	(513,631)	8,517	49,299	(455,815)
Nonoperating Revenues:				
State Sources:				
State School Lunch Program	9,044	-	-	9,044
Federal Sources:				
National School Lunch Program	333,255	-	-	333,255
National School Performance Based Program	11,137	-	-	11,137
National School Breakfast Program	88,226	-	-	88,226
National School After School Snack Program	840	-	-	840
Food Distribution Program	46,436	-	-	46,436
Interest Income	753	-	-	753
Total Nonoperating Revenues	489,691	-	-	489,691
Net Income	(23,940)	8,517	49,299	33,876
Net Position - July 1	351,943	9,510	138,743	500,196
Net Position - June 30	\$ 328,003	\$ 18,027	\$ 188,042	\$ 534,072

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

BUSINESS-TYPE
ACTIVITIES -
ENTERPRISE FUNDS

	FOOD SERVICE	COMMUNITY EDUCATION	INTER- LOCAL SERVICES	2015
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 437,465	\$ 19,324	\$ 68,700	\$ 525,489
Payments to Employees	(356,595)	(5,635)	(44,401)	(406,631)
Payments to Vendors	(597,547)	(6,602)	-	(604,149)
Net Cash Flows From Operating Activities	(516,677)	7,087	24,299	(485,291)
Cash Flows From Noncapital Financing Activities:				
Cash Received from State & Federal Reimbursements	442,502	-	-	442,502
Net Cash Flows From Noncapital Financing Activities	442,502	-	-	442,502
Cash Flows From Capital & Related Financing Activities:				
Transfer of Funds	521,563	-	-	521,563
Net Cash Flows From Capital & Related Financing Activities	521,563	-	-	521,563
Cash Flows From Investing Activities:				
Interest & Dividends	753	-	-	753
Net Cash Flows From Investing Activities	753	-	-	753
Net Change in Cash & Cash Equivalents	448,141	7,087	24,299	479,527
Balances - Beginning of Year	396,554	21,938	138,743	557,235
Balances - Ending of Year	\$ 844,695	\$ 29,025	\$ 163,042	\$ 1,036,762

Reconciliation of Operating Income to Net Cash Flows From Operating Activities:

Operating Income	\$ (513,631)	\$ 8,517	\$ 49,299	\$ (455,815)
Adjustments to Reconcile Operating Income to Cash Flows From Operating Activities:				-
Depreciation Expense	20,903	-	-	20,903
Commodities Received	46,436	-	-	46,436
(Increase)/Decrease in Accounts Receivable	(13,192)	-	(25,000)	(38,192)
(Increase)/Decrease in Inventory	(3,955)	-	-	(3,955)
Increase/(Decrease) in Accounts Payable	(54,764)	975	-	(53,789)
Increase/(Decrease) in Unearned Revenue	1,526	(2,405)	-	(879)
Total Adjustments	(3,046)	(1,430)	(25,000)	(29,476)
Net Cash Flows From Operating Activities	\$ (516,677)	\$ 7,087	\$ 24,299	\$ (485,291)

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PURPOSE		AGENCY FUNDS		2015
	UNEMPLOYMENT COMPENSATION TRUST	SCHOLARSHIP TRUST	STUDENT ACTIVITIES	PAYROLL	
Cash & Cash Equivalents	\$ 10,418	\$ 81,723	\$ 184,592	\$ -	\$ 276,733
Interfund Receivable	-	-	-	405,276	405,276
Total Assets	10,418	81,723	184,592	405,276	682,009
LIABILITIES					
Cash Overdraft	-	-	-	275,741	275,741
Due to Student Groups	-	-	184,592	-	184,592
Payroll Deductions & Withholdings	-	-	-	129,535	129,535
Total Liabilities	-	-	184,592	405,276	589,868
NET POSITION					
Reserved for:					
Scholarships	-	81,723	-	-	81,723
Unemployment Claims & Other Purposes	10,418	-	-	-	10,418
Total Net Position	\$ 10,418	\$ 81,723	\$ -	\$ -	\$ 92,141

**PINELANDS REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
JUNE 30, 2015**

ADDITIONS	PRIVATE PURPOSE		2015
	UNEMPLOYMENT FUND	SCHOLARSHIP TRUST	
Contributions:			
Donations	\$ -	\$ 85,976	\$ 85,976
Total Contributions	-	85,976	85,976
Investment Earnings:			
Interest - Checking	14	65	79
Net Investment Earnings	14	65	79
Total Additions	14	86,041	86,055
DEDUCTIONS			
Scholarships Awarded	-	83,150	83,150
Claims Paid	695	-	695
Total Deductions	695	83,150	83,845
Change in Net Position	(681)	2,891	2,210
Net Position - Beginning of the Year	11,099	78,832	89,931
Net Position - End of the Year	\$ 10,418	\$ 81,723	\$ 92,141

**PINELANDS REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF CHANGES OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
ASSETS				
Cash & Cash Equivalents:				
High School	\$ 124,580	\$ 448,591	\$ 443,989	\$ 129,182
Middle School	59,981	98,327	102,898	55,410
Total Assets	\$ 184,561	\$ 546,918	\$ 546,887	\$ 184,592
LIABILITIES				
Due to Student Groups	\$ 184,561	\$ 546,918	\$ 546,887	\$ 184,592
Total Liabilities	\$ 184,561	\$ 546,918	\$ 546,887	\$ 184,592

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

	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
ASSETS				
Cash & Cash Equivalents	\$ 66,563	\$ 20,703,095	\$ 21,045,399	\$ (275,741)
Interfund Receivable	-	405,276	-	405,276
Total Assets	66,563	21,108,371	21,045,399	129,535
LIABILITIES				
Payroll Deductions & Withholdings	57,296	20,703,095	20,630,856	129,535
Interfund Payable	9,267	-	9,267	-
Total Liabilities	\$ 66,563	\$ 20,703,095	\$ 20,640,123	\$ 129,535

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I. Long-Term Debt

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**PINELANDS REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITIES DATE	AMOUNT	INTEREST RATE	BALANCE JULY 1, 2014	ISSUED	REFUNDED	RETIRED	BALANCE JUNE 30, 2015
Refunding School Bonds	8/30/2005	\$ 7,545,000				\$ 5,955,000	\$ -	\$ 5,605,000	\$ 350,000	\$ -
Refunding School Bonds	3/11/2015	5,275,000	2/15/2016	375,000	2.000%	-	5,275,000	-	-	5,275,000
			2/15/2017	385,000	2.000%					
			2/15/2018	390,000	2.000%					
			2/15/2019	395,000	3.000%					
			2/15/2020	410,000	3.000%					
			2/15/2021	425,000	3.000%					
			2/15/2022	440,000	3.000%					
			2/15/2023	450,000	4.000%					
			2/15/2024	470,000	4.000%					
			2/15/2025	490,000	4.000%					
			2/15/2026	515,000	4.000%					
			2/15/2027	530,000	4.000%					
H.S. & Middle School Construction Renovations and H.S. Classrooms	7/15/2007	7,108,000	02/15/2016	810,000	4.100%	3,318,000	-	-	780,000	2,538,000
			02/15/2017	850,000	4.100%					
			02/15/2018	878,000	4.100%					
Total										
										\$ 9,273,000
										\$ 5,275,000
										\$ 1,130,000
										\$ 7,813,000

**PINELANDS REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

SERIES	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2014	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2015
Facility Equipment	400,000	85,000	-	85,000	-
Equipment & Textbooks	400,000	167,999	-	81,999	86,000
Technology, Instructional, Facility and Athletic Equipment	700,000	490,000	-	140,000	350,000
Ground	325,000	260,000	-	65,000	195,000
Equipment	400,000	-	400,000	75,000	325,000
Total		<u>\$ 1,002,999</u>	<u>\$ 400,000</u>	<u>\$ 446,999</u>	<u>\$ 956,000</u>

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

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:						
Local Sources:						
Local Tax Levy	40-1210	\$ 783,302	\$ -	\$ 783,302	\$ 783,302	\$ -
State Sources:						
Debt Service Aid Type II	40-3160	724,792	-	724,792	724,792	-
Total Revenues		1,508,094	-	1,508,094	1,508,094	-
Expenditures						
Regular Debt Service:						
Redemption of Principal	40-701-510-910	1,130,000	-	1,130,000	1,130,000	-
Interest on Bonds	40-701-510-834	378,094	-	378,094	378,094	-
Bond Issuance Costs		-	-	-	80,124	(80,124)
Total Expenditures		1,508,094	-	1,508,094	1,588,218	(80,124)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		-	-	-	(80,124)	80,124
Other Financing Sources/(Uses):						
Refunding Bond Proceeds		-	-	-	5,711,812	5,711,812
Deposit with Escrow Agent		-	-	-	(5,631,688)	(5,631,688)
Total Other Financing Sources/(Uses)		-	-	-	80,124	80,124
Excess/(Deficiency) of Revenues & Other Financing Sources Over/ (Under) Expenditures		-	-	-	-	-
Fund Balance, July 1		-	-	-	-	-
Fund Balance, June 30		\$ -	\$ -	\$ -	\$ -	\$ -

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STATISTICAL SECTION (Unaudited)

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PINELANDS REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net Investment in Capital Assets	\$ 13,171,933	\$ 12,688,559	\$ 12,954,946	\$ 12,889,100	\$ 13,074,181	\$ 13,240,561	\$ 14,945,234	\$ 9,196,082	\$ 13,349,500	\$ 15,217,968
Restricted	423,797	328,097	1,177,593	1,668,074	1,148,462	1,528,574	1,630,569	8,136,227	176,231	292,618
Unrestricted	(11,117,601)	(918,492)	(1,062,036)	(717,182)	(1,200,145)	(977,937)	744,137	(1,753,754)	1,985,812	227,499
Total Governmental Activities Net Position	\$ 2,478,129	\$ 12,098,164	\$ 13,070,503	\$ 13,839,992	\$ 13,022,498	\$ 13,791,198	\$ 17,319,940	\$ 15,578,555	\$ 15,511,543	\$ 15,738,085
Business-Type Activities:										
Net Investment in Capital Assets	\$ 50,174	\$ 71,077	\$ 103,252	\$ 124,126	\$ 155,556	\$ 186,985	\$ 218,414	\$ 6,766	\$ 31,580	\$ 56,394
Unrestricted	483,898	429,119	393,098	347,831	292,719	248,367	192,732	166,235	96,493	55,525
Total Business-Type Activities Net Position	\$ 534,072	\$ 500,196	\$ 496,350	\$ 471,957	\$ 448,275	\$ 435,352	\$ 411,146	\$ 173,001	\$ 128,073	\$ 111,919
Government-Wide:										
Net Investment in Capital Assets	\$ 13,222,107	\$ 12,759,636	\$ 13,058,198	\$ 13,013,226	\$ 13,013,226	\$ 13,229,737	\$ 13,427,546	\$ 15,163,648	\$ 9,202,848	\$ 13,381,080
Restricted	423,797	328,097	1,177,593	1,668,074	1,668,074	1,148,462	1,528,574	1,630,569	8,136,227	176,231
Unrestricted	(10,633,703)	(489,373)	(668,938)	(369,351)	(369,351)	(907,426)	(729,570)	936,869	(1,587,519)	2,082,305
Total Government-Wide Net Position	\$ 3,012,201	\$ 12,598,360	\$ 13,566,853	\$ 14,311,949	\$ 14,311,949	\$ 13,470,773	\$ 14,226,550	\$ 17,731,086	\$ 15,751,556	\$ 15,639,616

**PINELANDS REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 8,514,470	\$ 8,447,048	\$ 8,548,819	\$ 8,404,641	\$ 8,057,522	\$ 8,158,671	\$ 8,037,613	\$ 10,438,468	\$ 9,991,640	\$ 9,501,684
Special Education	3,783,708	3,539,174	3,956,388	4,034,671	3,922,028	4,349,550	4,116,310	5,617,632	5,563,160	5,529,902
Other Special Education	1,265,287	1,286,428	1,275,408	1,194,713	1,228,053	1,328,171	1,255,739	1,667,574	1,592,119	1,385,880
Support Services:										
Tuition	1,057,050	883,706	1,021,406	764,269	769,011	759,678	747,935	850,457	908,997	929,118
Student & Instruction Related Services	4,258,028	4,347,149	3,879,545	3,878,948	4,383,171	4,680,379	4,156,819	5,006,006	4,622,213	4,449,784
General Administrative Services	592,261	567,292	538,248	544,249	538,275	630,730	593,750	749,606	714,312	643,427
School Administrative Services	1,235,702	1,228,588	1,292,130	1,104,483	1,257,920	1,248,358	1,109,165	1,405,695	1,446,288	1,377,284
Business Administrative Services	359,146	387,060	421,410	393,593	355,648	360,603	493,698	688,625	749,937	602,806
Plant Operations & Maintenance	2,680,768	2,577,267	2,554,528	2,547,173	3,312,353	4,063,371	2,885,583	3,097,794	3,343,568	3,030,962
Pupil Transportation	2,168,874	2,134,848	2,276,541	1,941,986	1,808,908	1,971,159	1,807,796	1,949,219	1,881,131	1,875,325
Special Schools	-	6,204	7,915	10,456	11,158	12,586	17,174	21,237	11,570	12,493
Unallocated Employee Benefits	11,243,409	7,786,522	7,954,782	6,964,590	6,848,029	6,566,197	6,405,343	-	-	-
Interest on Long-Term Debt	435,663	433,200	449,470	490,669	528,061	565,514	553,430	646,242	347,755	205,940
Unallocated Bond Costs	-	-	32,418	32,419	32,419	32,418	-	-	-	-
Unallocated Adjustment to Fixed Assets	349,159	1,084,079	677,570	403,097	-	-	-	-	-	-
Unallocated Depreciation	1,205,751	1,190,039	1,181,406	1,168,164	1,153,915	1,176,457	789,721	-	-	-
Total Governmental Activities Expense:	39,149,276	35,898,604	36,067,984	33,878,121	34,206,471	35,903,842	33,002,495	32,138,555	31,172,690	29,544,605
Business-Type Activities:										
Food Service	962,762	1,048,483	990,606	893,997	897,998	853,402	744,728	665,622	714,308	711,741
Other	57,613	56,297	76,375	89,093	95,605	88,589	54,528	22,279	28,663	200
Total Business-Type Activities Expense	1,020,375	1,104,780	1,066,981	983,090	993,603	941,991	799,256	687,901	742,971	711,941
Total Government-Wide Expense:	\$ 40,169,651	\$ 37,003,384	\$ 37,134,965	\$ 34,861,211	\$ 35,200,074	\$ 36,845,833	\$ 33,801,751	\$ 32,826,456	\$ 31,915,661	\$ 30,256,546
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Operating Grants & Contributions	\$ 7,342,944	\$ 3,804,095	\$ 4,399,501	\$ 1,360,371	\$ 1,621,145	\$ 1,746,570	\$ 1,455,857	\$ 4,643,773	\$ 4,349,344	\$ 4,075,052
Capital Grants & Contributions	-	-	-	-	-	-	-	995	-	308,894
Total Governmental Activities Program Revenues	7,342,944	3,804,095	4,399,501	1,360,371	1,621,145	1,746,570	1,455,857	4,644,768	4,349,344	4,383,946

**PINELANDS REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Business-Type Activities:										
Charges for Services:										
Food Service	449,131	505,227	501,180	522,361	525,216	530,458	500,932	473,530	505,610	510,390
Other	115,429	111,730	117,916	102,853	100,884	90,881	63,755	37,663	33,400	200
Operating Grants & Contributions	488,938	490,762	471,564	380,437	378,230	342,640	242,378	219,734	215,379	201,758
Total Business Type Activities Program Revenues	1,053,498	1,107,719	1,090,660	1,005,651	1,004,330	963,979	807,065	730,927	754,389	712,348
Total Government-Wide Program Revenue:	\$ 8,396,442	\$ 4,911,814	\$ 5,490,161	\$ 2,366,022	\$ 2,625,475	\$ 2,710,549	\$ 2,262,922	\$ 5,375,695	\$ 5,103,733	\$ 5,096,294
Net (Expense)/Revenue:										
Governmental Activities	\$(31,806,332)	\$(32,094,509)	\$(31,668,483)	\$(32,517,750)	\$(32,585,326)	\$(34,157,272)	\$(31,546,638)	\$(27,493,787)	\$(26,823,346)	\$(25,160,659)
Business-Type Activities	33,123	2,939	23,679	22,561	10,727	21,988	7,809	43,026	11,418	407
Total Government-Wide Net Expense	\$(31,773,209)	\$(32,091,570)	\$(31,644,804)	\$(32,495,189)	\$(32,574,599)	\$(34,135,284)	\$(31,538,829)	\$(27,450,761)	\$(26,811,928)	\$(25,160,252)
General Revenues & Other Changes in Net Position										
Governmental Activities										
Property Taxes Levied for General Purposes, Net	\$ 18,455,152	\$ 18,009,085	\$ 17,738,517	\$ 17,390,703	\$ 17,049,709	\$ 16,646,284	\$ 16,006,042	\$ 15,390,425	\$ 14,766,460	\$ 13,665,543
Taxes Levied for Debt Service	783,302	773,079	771,759	769,465	755,791	639,492	644,747	273,900	267,252	861,142
Unrestricted Grants & Contributions	12,388,381	12,387,736	12,340,438	15,128,579	13,936,055	13,919,434	14,376,975	11,598,651	11,315,660	11,308,602
Interest Income	-	-	-	-	-	-	1,122	-	-	-
Miscellaneous Income	115,410	28,975	48,280	46,497	75,071	86,462	214,728	124,819	247,430	212,365
Total Governmental Activities	31,742,245	31,198,875	30,898,994	33,335,244	31,816,626	31,291,672	31,243,614	27,560,799	26,596,802	26,047,652
Business-Type Activities:										
Investment Earnings	753	907	714	1,121	2,196	2,218	785	1,903	4,137	3,709
Total Business-Type Activities	753	907	714	1,121	2,196	2,218	785	1,903	4,137	3,709
Total Government-Wide	\$ 31,742,998	\$ 31,199,782	\$ 30,899,708	\$ 33,336,365	\$ 31,818,822	\$ 31,293,890	\$ 31,244,399	\$ 27,562,702	\$ 26,600,939	\$ 26,051,361
Change in Net Position:										
Governmental Activities	\$(64,087)	\$(895,634)	\$(769,489)	\$ 817,494	\$(768,700)	\$(2,865,600)	\$(303,024)	\$ 67,012	\$(226,544)	\$ 886,993
Business-Type Activities	33,876	3,846	24,393	23,682	12,923	24,206	8,594	44,929	15,555	4,116
Total Government-Wide	\$ (30,211)	\$(891,788)	\$(745,096)	\$ 841,176	\$(755,777)	\$(2,841,394)	\$ (294,430)	\$ 111,941	\$(210,989)	\$ 891,109

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

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Restricted/Reserved	\$ 423,797	\$ 459,796	\$ 870,239	\$ 956,110	\$ 701,104	\$ 2,025,743	\$ 3,630,392	\$ 3,187,850	\$ 2,044,235	\$ 1,456,546
Assigned	530,336	573,600	410,048	710,880	-	-	-	-	-	-
Unassigned/Unreserved	-	-	-	-	(43,319)	(1,079,459)	(617,085)	7,330	310,662	88,615
Total General Fund	\$ 954,133	\$ 1,033,396	\$ 1,280,287	\$ 1,666,990	\$ 657,785	\$ 946,284	\$ 3,013,306	\$ 3,195,180	\$ 2,354,897	\$ 1,545,161
All Other Governmental Funds:										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,732	\$ 73,283	\$ 4,229,024	\$ 34,872	\$ 223,064
Unreserved, Reported in:										
Special Revenue Fund	-	-	-	-	-	-	-	(27,754)	(15,916)	(15,916)
Capital Projects Fund	-	-	307,354	711,964	711,964	912,916	934,993	1,139,140	144,894	160,560
Debt Service Fund	-	-	-	-	-	8,789	8,789	-	10,202	36,331
Total All Other Governmental Funds	\$ -	\$ -	\$ 307,354	\$ 711,964	\$ 711,964	\$ 957,437	\$ 1,017,065	\$ 5,340,410	\$ 174,052	\$ 404,039

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Tax Levy	\$ 19,238,454	\$ 18,782,164	\$ 18,510,276	\$ 18,160,168	\$ 17,805,500	\$ 17,285,776	\$ 16,650,789	\$ 15,664,325	\$ 15,033,712	\$ 14,526,685
Miscellaneous	141,121	43,933	48,280	46,497	75,071	86,462	215,850	356,645	247,430	212,366
State Sources	15,641,646	15,228,371	15,818,784	15,187,450	14,437,692	12,901,377	15,064,400	15,498,092	14,882,120	14,901,555
Federal Sources	940,899	948,502	921,155	1,301,500	1,119,508	2,764,627	768,432	744,332	743,420	790,994
Total Revenue	35,962,120	35,002,970	35,298,495	34,695,615	33,437,771	33,038,242	32,699,471	32,263,394	30,906,682	30,431,600
Expenditures:										
Instruction:										
Regular Instruction	8,514,470	8,447,048	8,548,819	8,404,641	8,057,522	8,158,671	8,037,613	7,366,353	6,917,557	6,828,465
Special Education Instruction	3,783,708	3,539,174	3,956,388	4,034,671	3,922,028	4,349,550	4,116,310	4,190,124	4,073,088	4,083,295
Other Special Education Instruction	1,265,287	1,286,428	1,275,408	1,194,713	1,228,053	1,328,171	1,255,739	1,221,122	1,144,494	1,028,316
Support Services:										
Tuition	1,057,050	883,706	1,021,406	764,269	769,011	759,678	747,935	822,638	880,296	929,118
Student & Instruction Related Services	4,258,028	4,347,149	3,879,545	3,878,948	4,383,171	4,680,379	4,156,819	3,711,933	3,398,601	3,568,919
General Administration Services	592,261	567,292	538,248	544,249	538,275	630,730	593,750	598,998	565,557	567,694
School Administrative Services	1,235,702	1,228,588	1,292,130	1,104,483	1,257,920	1,248,358	1,109,165	1,070,255	1,007,301	1,090,113
Business Administrative Services	359,146	387,060	421,410	393,593	355,648	360,603	493,698	490,369	529,386	481,084
Plant Operations & Maintenance	3,127,767	3,025,264	3,038,114	2,939,525	3,104,415	2,993,426	2,885,583	2,554,640	2,545,079	2,619,733
Pupil Transportation	2,168,874	2,134,848	2,276,541	1,941,986	1,808,908	1,971,159	1,807,796	1,885,458	1,810,194	1,875,325
Unallocated Benefits	8,066,872	7,695,190	7,927,878	6,975,754	6,799,116	6,887,437	6,114,622	6,575,400	6,429,107	4,576,628
Special Schools	-	6,204	7,915	10,456	11,158	12,586	17,174	15,534	11,275	11,874
Capital Outlay	531,285	1,119,734	821,236	418,828	665,473	614,871	4,394,610	2,214,435	433,883	1,407,253
Debt Service:										
Principal	1,130,000	1,065,000	1,020,000	975,000	930,000	890,000	705,000	255,000	235,000	1,520,000
Interest & Other Charges	458,218	422,369	464,770	505,294	541,045	579,274	768,874	334,666	346,116	241,212
Total Expenditures	36,548,668	36,155,054	36,489,808	34,086,410	34,371,743	35,464,893	37,204,688	33,306,925	30,326,934	30,829,029
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(586,548)	(1,152,084)	(1,191,313)	609,205	(933,972)	(2,426,651)	(4,505,217)	(1,043,531)	579,748	(397,429)
Other Financing Sources/(Uses):										
Cancellation of Receivable	-	-	-	-	-	-	-	(57,827)	-	-
Capital Lease Proceeds	400,000	625,000	400,000	400,000	400,000	300,000	-	-	-	-
Bond Proceeds	5,711,812	-	-	-	-	-	-	7,108,000	-	-
Deposit with Fiscal Agent	(5,631,688)	-	-	-	-	-	-	-	-	-

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Other Financing Sources/(Uses)	480,124	625,000	400,000	400,000	400,000	300,000	-	7,050,173	-	-
Net Change in Fund Balances	\$ (106,424)	\$ (527,084)	\$ (791,313)	\$ 1,009,205	\$ (533,972)	\$ (2,126,651)	\$ (4,505,217)	\$ 6,006,642	\$ 579,748	\$ (397,429)
Debt Service as a Percentage of Noncapital Expenditures	4.6%	4.4%	4.3%	4.6%	4.6%	4.4%	4.7%	1.9%	2.0%	6.4%

Source: District records

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

FISCAL YEAR ENDING JUNE 30,	INTEREST ON	RENTALS	COMMUNITY ACTIVITIES	MISCELLANEOUS	TOTAL
	INVESTMENTS				
2015	\$ 3,835	\$ 6,348	\$ -	\$ 6,815	\$ 16,998
2014	4,062	5,189	-	2,651	11,902
2013	5,949	2,844	-	8,442	17,235
2012	3,288	7,109	-	12,892	23,289
2011	29,097	-	-	12,866	41,963
2010	35,146	1,470	-	46,789	83,405
2009	53,900	8,690	-	36,479	99,069
2008	114,204	-	-	10,615	124,819
2007	144,022	-	-	27,805	171,827
2006	81,943	-	14,458	38,265	134,666

Source: District records

**PINELANDS REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 LITTLE EGG HARBOR TOWNSHIP**

FISCAL YEAR ENDED JUNE 30	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2015(r)	\$ 112,347,900	1,941,283,983	1,705,400	35,392	147,741,815	558,100	2,883,700	2,206,556,290	167,395,174	2,373,951,464	0.656	2,267,936,874
2014	152,049,100	2,425,444,439	1,953,200	79,058	159,319,263	566,100	3,060,000	2,742,471,160	200,555,596	2,943,026,756	0.516	2,342,388,469
2013	111,911,000	2,531,443,939	2,819,400	78,896	144,064,463	566,100	3,060,000	2,793,943,798	200,256,596	2,994,200,394	0.500	2,718,812,880
2012	116,303,400	2,636,568,189	2,819,400	78,896	149,605,749	566,100	3,060,000	2,909,001,734	5,955,862	2,903,045,872	0.436	2,711,597,440
2011	124,822,000	2,666,799,789	2,843,400	80,631	151,717,049	566,100	3,060,000	2,949,888,969	5,955,862	2,943,933,107	0.450	2,866,592,618
2010	136,785,500	2,655,632,189	2,558,600	79,939	162,071,049	566,100	3,060,000	2,960,753,377	6,570,969	2,954,182,408	0.397	3,066,000,647
2009	147,903,300	2,805,870,709	2,637,500	79,732	168,048,700	566,100	3,060,000	3,128,166,041	6,570,969	3,121,595,072	0.397	3,101,827,805
2008	158,794,300	2,837,818,989	2,638,500	70,366	163,633,500	566,100	3,060,000	3,166,581,755	6,439,970	3,160,141,785	0.330	3,094,582,895
2007	160,884,400	2,804,394,189	2,220,700	73,427	145,989,800	566,100	3,060,000	3,117,188,616	6,158,472	3,111,030,144	0.362	2,872,595,997
2006	179,042,600	2,703,572,989	2,220,700	68,671	145,661,400	566,100	3,060,000	3,034,192,460	5,988,464	3,028,203,996	0.354	2,331,506,329

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 EAGLESWOOD TOWNSHIP**

2015	\$ 25,145,900	178,845,900	268,900	63,100	29,963,700	440,200	319,200	235,046,900	33,671,900	268,718,800	0.629	243,481,828
2014	27,018,000	180,405,800	268,900	52,400	29,865,300	4,440,200	319,200	242,369,800	33,284,800	275,654,600	0.615	236,954,038
2013	25,860,200	182,014,100	268,900	52,400	29,239,800	4,440,200	319,200	242,194,800	33,446,100	275,640,900	0.612	271,217,359
2012	26,699,700	183,965,880	268,900	32,400	29,565,800	4,300,500	319,200	245,152,380	452,190	244,730,110	0.477	270,501,214
2011	34,511,900	210,822,000	281,500	50,600	33,519,900	3,967,600	436,900	283,590,400	452,190	283,138,210	0.513	264,279,064
2010	36,756,300	209,278,500	281,500	50,600	32,640,200	3,967,600	436,900	283,411,600	521,335	282,890,265	0.490	307,728,267
2009	37,902,600	208,021,100	281,500	50,600	33,617,900	3,967,600	436,900	284,278,200	491,494	283,786,706	0.490	307,511,034
2008	41,450,500	204,913,500	281,500	48,700	33,293,500	3,967,600	436,900	284,392,200	491,494	283,900,706	0.463	308,215,616
2007	43,644,500	197,300,400	265,300	48,300	33,120,400	3,967,600	436,900	278,783,400	420,205	278,363,195	0.421	295,921,202
2006	46,129,200	187,393,700	177,600	39,700	33,122,600	3,967,600	436,900	271,267,300	457,556	270,809,744	0.366	229,866,568

(r) - Reassessment
 Source: County Abstract of Ratables & Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 TUCKERTON BOROUGH**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REGULAR	Q FARM	COMMERCIAL	INDUSTRIAL	APARTMENT	NET VALUATION TAXABLE	PUBLIC UTILITIES	TOTAL ASSESSED VALUE	REGIONAL DISTRICT SCHOOL TAX RATE	ESTIMATED COUNTY EQUALIZED VALUE
2015	29,559,900	318,668,100	17,400	3,000	38,070,000	-	18,614,000	404,932,400	45,553,100	450,485,500	0.554	393,472,893
2014	29,969,400	325,156,800	17,400	3,000	37,638,100	-	18,614,000	411,398,700	45,907,100	457,305,800	0.553	422,706,914
2013	19,711,700	341,609,100	-	-	38,812,800	-	18,614,000	418,747,600	45,317,800	464,065,400	0.519	493,262,812
2012	20,240,900	354,880,700	-	-	39,133,800	-	18,614,000	432,869,400	543,801	432,325,599	0.496	491,227,190
2011	20,760,500	354,316,300	-	-	39,625,830	-	18,614,000	433,316,630	543,801	432,772,829	0.543	514,894,324
2010	22,425,100	351,770,800	-	-	39,725,000	-	21,117,700	435,038,600	628,624	434,409,976	0.526	543,516,309
2009	22,819,600	348,691,000	-	-	39,635,000	-	21,117,700	432,263,300	594,830	431,668,470	0.526	537,336,369
2008	24,278,600	343,774,100	-	-	39,042,000	-	21,117,700	428,212,400	594,830	427,617,570	0.504	536,210,116
2007	24,661,700	339,564,800	-	-	38,634,000	-	21,117,700	423,978,200	619,674	423,358,526	0.495	497,130,477
2006	22,645,400	337,872,600	-	-	38,388,800	-	21,117,700	420,024,500	695,424	419,329,076	0.472	436,987,137

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 BASS RIVER TOWNSHIP**

2015	\$ 8,666,300	117,283,100	5,093,100	707,180	27,354,100	-	-	159,103,780	1,046,301	160,150,081	0.706	177,090,274
2014 (r)	9,048,200	117,471,700	5,136,700	702,600	27,354,100	-	-	159,713,300	1,046,301	160,759,601	0.838	146,998,579
2014	11,631,000	143,885,236	5,791,500	711,600	27,120,500	-	-	189,139,836	1,079,636	190,219,472	0.513	198,462,700
2013	11,631,000	145,382,700	5,898,200	707,700	29,550,500	-	-	193,170,100	1,255,077	191,915,023	0.474	187,416,416
2012	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	192,279,223	0.480	190,674,944
2011	12,014,800	145,419,700	5,992,300	553,000	29,554,500	-	-	193,534,300	1,255,077	192,279,223	0.479	188,904,728
2010	11,725,900	147,096,800	6,195,400	553,000	32,054,500	-	-	197,625,600	1,327,381	196,298,219	0.433	188,264,489
2009	12,596,000	149,793,300	5,915,600	525,300	32,893,200	-	-	201,725,400	1,222,269	200,503,131	0.404	196,172,249
2008	4,812,800	56,004,701	1,961,500	478,600	10,214,700	-	-	73,472,301	205,970	73,266,331	0.996	176,043,174
2007	4,924,800	54,382,800	1,957,000	478,600	10,125,700	-	-	71,868,900	658,514	71,210,386	0.999	130,729,838
2006	5,432,600	53,476,600	1,799,200	431,600	10,151,200	-	-	71,291,200	854,905	70,436,295	1.139	110,581,631

(r) - Reassessment

Source: County Abstract of Ratables & Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
LITTLE EGG HARBOR TOWNSHIP
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	PINELANDS REGIONAL GENERAL			OVERLAPPING RATES							TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	OBLIGATION	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	LITTLE EGG HARBOR SCHOOL	MUNICIPAL LOCAL PURPOSE		
2015(r)	0.508	0.021	0.529	0.286	0.031	0.012	0.011	0.446	0.557	1.872	
2014	0.495	0.021	0.516	0.286	0.031	0.012	0.011	0.446	0.560	1.862	
2013	0.480	0.020	0.500	0.280	0.333	0.012	0.011	0.420	0.546	2.102	
2012	0.453	0.020	0.473	0.273	0.031	0.012	0.011	0.406	0.523	1.729	
2011	0.433	0.017	0.450	0.259	0.037	0.015	0.014	0.602	0.571	1.948	
2010	0.418	0.020	0.438	0.249	0.029	0.012	0.012	0.357	0.451	1.548	
2009	0.372	0.025	0.397	0.247	0.029	0.012	0.012	0.330	0.443	1.140	
2008	0.368	0.010	0.378	0.247	0.029	0.012	0.012	0.330	0.443	1.121	
2007	0.352	0.010	0.362	0.236	0.028	0.012	0.012	0.317	0.414	1.064	
2006	0.332	0.020	0.352	0.217	0.024	0.010	0.009	0.318	0.386	0.998	

**EAGLESWOOD TOWNSHIP
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	PINELANDS REGIONAL GENERAL			OVERLAPPING RATES							TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	OBLIGATION	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	EAGLESWOOD LOCAL SCHOOL DIST	MUNICIPAL LOCAL PURPOSE		
2015	0.606	0.025	0.631	0.335	0.038	0.014	0.012	0.796	0.388	2.214	
2014	0.590	0.025	0.615	0.335	0.038	0.014	0.012	0.796	0.388	2.198	
2013	0.587	0.025	0.612	0.344	0.040	0.015	0.013	0.723	0.379	2.126	
2012	0.358	0.024	0.382	0.331	0.038	0.014	0.014	0.701	0.361	1.841	
2011	0.494	0.020	0.514	0.266	0.030	0.012	0.012	0.513	0.293	1.640	
2010	0.478	0.020	0.498	0.274	0.033	0.013	0.013	0.551	0.283	1.665	
2009	0.471	0.019	0.490	0.274	0.033	0.013	0.013	0.551	0.283	1.657	
2008	0.455	0.008	0.463	0.273	0.032	0.013	0.013	0.542	0.283	1.619	
2007	0.415	0.006	0.421	0.271	0.033	0.013	0.013	0.547	0.264	1.562	
2006	0.347	0.019	0.366	0.239	0.026	0.011	0.011	0.523	0.260	1.436	

(r) Reassessment
Source: Municipal Tax Collector

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

FISCAL YEAR ENDED JUNE 30,	PINELANDS REGIONAL GENERAL			OVERLAPPING RATES				TUCKERTON LOCAL SCHOOL DIST			MUNICIPAL LOCAL PURPOSE		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	OBLIGATION DEBT SERVICE	TOTAL DIRECT	COUNTY GENERAL	COUNTY LIBRARY	COUNTY HEALTH	COUNTY OPEN SPACE	LOCAL SCHOOL	DIST	LOCAL PURPOSE	LOCAL PURPOSE		
2015	0.534	0.022	0.556	0.351	0.039	0.015	0.012	0.667	0.626	0.626	0.626	2.266	
2014	0.531	0.022	0.553	0.351	0.039	0.015	0.012	0.667	0.626	0.626	0.626	2.263	
2013	0.498	0.021	0.519	0.343	0.040	0.015	0.013	0.643	0.612	0.612	0.612	2.185	
2012	0.473	0.021	0.494	0.342	0.039	0.014	0.014	0.625	0.612	0.612	0.612	2.140	
2011	0.496	0.022	0.518	0.327	0.037	0.015	0.014	0.602	0.571	0.571	0.571	2.084	
2010	0.506	0.021	0.527	0.319	0.038	0.016	0.016	0.594	0.572	0.572	0.572	2.082	
2009	0.506	0.020	0.526	0.319	0.038	0.016	0.012	0.594	0.572	0.572	0.572	2.077	
2008	0.495	0.009	0.504	0.319	0.037	0.016	0.015	0.580	0.531	0.531	0.531	2.002	
2007	0.486	0.009	0.495	0.298	0.036	0.015	0.015	0.529	0.483	0.483	0.483	1.871	
2006	0.445	0.027	0.472	0.294	0.032	0.013	0.012	0.519	0.463	0.463	0.463	1.805	

(r) Reassessment

Source: Municipal Tax Collector

**PINELANDS REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
BASS RIVER TOWNSHIP
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	PINELANDS REGIONAL GENERAL			OVERLAPPING RATES BASS RIVER				TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE	OBLIGATION DEBT SERVICE	TOTAL DIRECT	TOTAL COUNTY	LOCAL SCHOOL DISTRICT		MUNICIPAL LOCAL PURPOSE	
					LOCAL SCHOOL DISTRICT	MUNICIPAL LOCAL PURPOSE		
2015	0.678	0.028	0.706	0.461	0.897	0.156	2.220	
2014	0.622	0.026	0.648	0.419	0.838	0.131	2.036	
2013	0.492	0.021	0.513	0.357	0.669	0.107	1.646	
2012	0.473	0.021	0.494	0.372	0.637	0.056	1.559	
2011	0.456	0.018	0.474	0.376	0.621	0.041	1.512	
2010	0.446	0.018	0.464	0.321	0.611	0.042	1.438	
2009	0.417	0.016	0.433	0.353	0.577	0.012	1.375	
2008	0.376	0.028	0.404	0.377	0.545	0.011	1.337	
2007	0.938	0.058	0.996	1.003	1.471	-	3.470	
2006	0.939	0.060	0.999	0.798	1.457	-	3.254	

(r) Reassessment

Source: Municipal Tax Collector

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
LITTLE EGG HARBOR TOWNSHIP**

TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Sea Oaks Golf Club	N/A	1	N/A	N/A	1	N/A
Healthtec Properties	N/A	2	N/A	N/A	2	N/A
Mystic Partners	N/A	3	N/A	N/A	3	N/A
AT & T	N/A	4	N/A	N/A	4	N/A
Armstrong Tuckerton, LLC	N/A	5	N/A	N/A	5	N/A
Andwin Realty Investors, LLC	N/A	6	N/A	N/A	6	N/A
Mystic Investor Association	N/A	7	N/A	N/A	7	N/A
James Properties, LLC	N/A	8	N/A	N/A	8	N/A
Jarat, Inc.	N/A	9	N/A	N/A	9	N/A
Individual Taxpayer, #1	N/A	10	N/A	N/A	10	N/A
Total						

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
EAGLESWOOD TOWNSHIP**

TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Eagles Lake Reserve, Inc.	N/A	1	N/A	N/A	1	N/A
Doland-Eaglewood Assn.	N/A	2	N/A	N/A	2	N/A
Taxpayer #1	N/A	3	N/A	N/A	3	N/A
Steakmaster	N/A	4	N/A	N/A	4	N/A
Atlantic City Electric Co.	N/A	5	N/A	N/A	5	N/A
Stafford Business Park, LLC	N/A	6	N/A	N/A	6	N/A
Osenenko	N/A	7	N/A	N/A	7	N/A
Felman Investment	N/A	8	N/A	N/A	8	N/A
SS West Creek, LLC	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
Total						

Source: Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
TUCKERTON BOROUGH**

TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Cammeby's Management Co. of NJ	N/A	1	N/A	N/A	1	N/A
H2 Investments, LLC	N/A	2	N/A	N/A	2	N/A
Milestone Property	N/A	3	N/A	N/A	3	N/A
Brasil Telecom America Inc.	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Mijan Inc.	N/A	6	N/A	N/A	6	N/A
Cammeby's Barlett Landing, LLC	N/A	7	N/A	N/A	7	N/A
GEB Marina, Inc.	N/A	8	N/A	N/A	8	N/A
Tuckerton Lumber Co	N/A	9	N/A	N/A	9	N/A
Taxpayer #2	N/A	10	N/A	N/A	10	N/A
Total				-		

**PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO
BASS RIVER TOWNSHIP**

TAXPAYER	2015			2006		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Viking Yacht	N/A	1	N/A	N/A	1	N/A
Viking Yachting Center	N/A	2	N/A	N/A	2	N/A
Bayview Capital	N/A	3	N/A	N/A	3	N/A
Gateway Property, LLC	N/A	4	N/A	N/A	4	N/A
Taxpayer #1	N/A	5	N/A	N/A	5	N/A
Chips Folly	N/A	6	N/A	N/A	6	N/A
K.O.A.	N/A	7	N/A	N/A	7	N/A
Timerline Campgrounds	N/A	8	N/A	N/A	8	N/A
Taxpayer #2	N/A	9	N/A	N/A	9	N/A
Taxpayer #3	N/A	10	N/A	N/A	10	N/A
Total						

Source: Municipal Tax Assessor

**PINELANDS REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2015	\$19,238,454	19,238,454	100.00%	-
2014	18,782,164	18,782,164	100.00%	-
2013	18,510,276	18,510,276	100.00%	-
2012	18,160,168	18,160,168	100.00%	-
2011	17,805,500	17,805,500	100.00%	-
2010	17,285,776	17,285,776	100.00%	-
2009	16,650,789	16,650,789	100.00%	-
2008	15,664,325	15,664,325	100.00%	-
2007	15,033,712	15,033,712	100.00%	-
2006	14,526,685	14,526,685	100.00%	-

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

**PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE, 30	GOVERNMENTAL ACTIVITIES			BUSINESS-TYPE ACTIVITIES			TOTAL DISTRICT	* OCEAN COUNTY			* BURLINGTON COUNTY		
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	GRANT ANTICIPATION NOTES (GANs)	CAPITAL LEASES				PERCENTAGE OF PERSONAL INCOME					
2015	\$7,813,000	956,000	-	-	-	-	8,769,000	N/A	N/A	N/A	N/A	N/A	N/A
2014	9,273,000	1,002,999	-	-	-	-	10,275,999	N/A	N/A	N/A	N/A	N/A	N/A
2013	11,358,000	742,410	-	-	-	-	12,100,410	0.36%	43,214	N/A	N/A	N/A	N/A
2012	12,333,000	909,582	-	-	-	-	13,242,582	0.33%	43,200	0.37%	51,079	0.37%	49,626
2011	13,263,000	901,934	-	-	-	-	14,164,934	0.30%	41,986	0.37%	49,626	0.37%	47,849
2010	14,153,000	675,000	-	-	-	-	14,828,000	0.29%	40,611	0.33%	47,849	0.33%	47,849
2009	14,858,000	-	-	-	-	-	14,858,000	0.28%	40,510	0.32%	47,582	0.32%	47,582
2008	8,005,000	-	-	-	-	-	8,005,000	0.25%	41,275	0.29%	47,985	0.29%	47,985
2007	8,240,000	-	500,000	-	-	-	8,740,000	0.41%	40,302	0.48%	46,505	0.48%	46,505
2006	7,918,000	-	800,000	-	-	-	8,718,000	0.37%	38,029	0.44%	44,717	0.44%	44,717

* = The Per Capital Income information presented is for the entire County of Ocean and the entire County of Burlington.

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

**PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
LITTLE EGG HARBOR TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$ 5,855,062	\$ 5,855,062	0.20%	N/A
2014	6,949,186	6,949,186	0.24%	N/A
2013	6,982,909	6,982,909	0.23%	343
2012	8,511,685	8,511,685	0.29%	422
2011	9,242,350	9,242,350	0.31%	460
2010	9,939,292	9,939,292	0.34%	477
2009	10,573,706	10,573,706	0.34%	511
2008	10,994,920	10,994,920	0.35%	537
2007	5,923,700	5,923,700	0.19%	293
2006	6,097,600	6,097,600	0.20%	309

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
EAGLESWOOD TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$568,005	568,005	0.21%	N/A
2014	674,147	674,147	0.24%	N/A
2013	677,419	677,419	0.25%	411
2012	825,727	825,727	0.31%	513
2011	896,609	896,609	0.34%	559
2010	964,220	964,220	0.36%	566
2009	1,082,705	1,082,705	0.35%	645
2008	1,040,060	1,040,060	0.34%	631
2007	560,350	560,350	0.18%	347
2006	576,800	576,800	0.19%	357

**PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
TUCKERTON BOROUGH**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$1,016,471	1,016,471	0.22%	N/A
2014	1,206,417	1,206,417	0.26%	N/A
2013	1,212,272	1,212,272	0.26%	360
2012	1,477,676	1,477,676	0.34%	439
2011	1,604,523	1,604,523	0.37%	479
2010	1,725,516	1,725,516	0.40%	441
2009	1,844,136	1,844,136	0.43%	474
2008	2,080,120	2,080,120	0.49%	540
2007	1,120,700	1,120,700	0.26%	293
2006	1,153,600	1,153,600	0.28%	306

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
BASS RIVER TOWNSHIP**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING		PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$373,461	373,461	0.23%	N/A
2014	443,249	443,249	0.28%	N/A
2013	445,400	445,400	0.23%	309
2012	542,912	542,912	0.28%	375
2011	589,517	589,517	0.31%	408
2010	633,971	633,971	0.33%	411
2009	652,453	652,453	0.33%	422
2008	742,900	742,900	0.37%	479
2007	400,250	400,250	0.55%	256
2006	412,000	412,000	0.58%	266

**PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2015
LITTLE EGG HARBOR TOWNSHIP**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$19,669,870	100.00%	<u>\$19,669,870</u>
Subtotal, Overlapping Debt			
Pinelands Regional School District	8,769,000	74.10%	6,497,829
County of Ocean	424,268,949	2.58%	<u>10,934,860</u>
Subtotal, Overlapping Debt			<u>37,102,559</u>
Local School District Direct Debt	24,490,000	100.00%	<u>24,490,000</u>
Total Direct & Overlapping Debt			<u><u>\$61,592,559</u></u>

**AS OF JUNE 30, 2015
EAGLESWOOD TOWNSHIP**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes: Local Municipality	\$1,249,748	100.00%	<u>\$1,249,748</u>
Subtotal, Overlapping Debt			
Pinelands Regional School District	8,769,000	7.39%	648,029
County of Ocean	424,268,949	0.26%	<u>1,106,161</u>
Subtotal, Overlapping Debt			<u>3,003,938</u>
Local School District Direct Debt	1,017,250	100.00%	1,017,250
Total Direct & Overlapping Debt			<u><u>\$4,021,188</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

**PINELANDS REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2015
TUCKERTON BOROUGH**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Local Municipality	\$ 1,756,011	100.00%	<u>N/A</u>
Subtotal, Overlapping Debt			
Pinelands Regional School District	8,769,000	13.25%	1,161,893
County of Ocean	424,268,949	0.47%	<u>1,973,302</u>
Subtotal, Overlapping Debt			<u>3,135,195</u>
Local School District Direct Debt	1,536,000	100.00%	<u>1,536,000</u>
Total Direct & Overlapping Debt			<u><u>\$4,671,195</u></u>

**AS OF JUNE 30, 2015
BASS RIVER TOWNSHIP**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Local Municipality	\$ 123,925	100.00%	<u>\$ 123,925</u>
Subtotal, Overlapping Debt			
Pinelands Regional School District	8,769,000	5.27%	462,126
County of Burlington	318,797,148	0.39%	<u>1,232,537</u>
Subtotal, Overlapping Debt			<u>1,818,588</u>
Local School District Direct Debt	163,277	100.00%	<u>163,277</u>
Total Direct & Overlapping Debt			<u><u>\$ 1,981,865</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.

**PINELANDS REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
LITTLE EGG HARBOR TOWNSHIP
(Dollars in Thousands)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 84,956,602	\$ 89,494,592	\$ 93,575,311	\$ 95,415,706	\$ 95,415,706	\$ 71,248,066	\$ 106,680,946	\$ 104,114,978	\$ 93,768,925	\$ 78,781,307
Total Net Debt Applicable to Limit	5,855,062	6,949,186	7,747,297	8,511,685	8,511,685	9,242,350	9,908,787	10,573,706	11,253,396	6,133,140
Legal Debt Margin	\$ 79,101,540	\$ 82,545,406	\$ 85,828,014	\$ 86,904,021	\$ 86,904,021	\$ 62,005,716	\$ 96,772,159	\$ 93,541,272	\$ 82,515,529	\$ 72,648,167
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.89%	7.76%	8.28%	8.92%	8.92%	12.97%	9.29%	10.16%	12.00%	7.79%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2014	\$ 2,360,739,571
2013	2,380,863,910
2012	2,540,391,000
	<u>\$ 7,281,994,481</u>
Average Equalized Valuation of Taxable Property	<u>\$ 2,427,331,494</u>
Debt Limit (3.50% of Average Equalization Value) Net Bonded School Debt	\$ 84,956,602
	<u>5,855,062</u>
Legal Debt Margin	<u>\$ 79,101,540</u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
EAGLESWOOD TOWNSHIP
(Dollars in Thousands)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 8,632,370	\$ 8,924,360	\$ 9,343,614	\$ 9,258,816	\$ 9,258,816	\$ 10,150,539	\$ 10,356,442	\$ 10,655,436	\$ 9,626,723	\$ 7,906,660
Total Net Debt Applicable to Limit	568,005	674,147	751,573	751,573	825,727	896,609	1,014,620	1,082,705	1,155,322	615,535
Legal Debt Margin	\$ 8,064,365	\$ 8,250,213	\$ 8,592,041	\$ 8,507,243	\$ 8,433,089	\$ 9,253,930	\$ 9,341,822	\$ 9,572,731	\$ 8,471,401	\$ 7,291,125
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.58%	7.55%	8.04%	8.12%	8.92%	8.83%	9.80%	10.16%	12.00%	7.79%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2014	\$ 246,636,613
2013	236,195,436
2012	257,085,352
	<u>\$ 739,917,401</u>
Average Equalized Valuation of Taxable Property	<u>\$ 246,639,134</u>
Debt Limit (3.50% of Average Equalization Value) Net Bonded School Debt	\$ 8,632,370
Legal Debt Margin	<u>\$ 8,064,365</u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
TUCKERTON BOROUGH
(Dollars in Thousands)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 14,918,634	\$ 16,001,106	\$ 16,774,905	\$ 17,036,868	\$ 17,036,868	\$ 18,340,688	\$ 18,516,728	\$ 18,171,284	16,812,885	14,427,936
Total Net Debt Applicable to Limit	1,016,471	1,206,417	1,344,974	1,477,676	1,477,676	1,604,523	1,728,169	1,844,136	2,017,748	1,123,218
Legal Debt Margin	\$ 13,902,163	\$ 14,794,689	\$ 15,429,931	\$ 15,559,192	\$ 15,559,192	\$ 16,736,165	\$ 16,788,559	\$ 16,327,148	\$ 14,795,137	\$ 13,304,718
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.81%	7.54%	8.02%	8.67%	8.67%	8.75%	9.33%	10.15%	12.00%	7.79%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2014	\$ 398,951,416
2013	428,035,981
2012	451,752,661
	<u>\$ 1,278,740,058</u>
Average Equalized Valuation of Taxable Property	<u>\$ 426,246,686</u>
Debt Limit (3.50% of Average Equalization Value) Net Bonded School Debt	\$ 14,918,634
Legal Debt Margin	<u>\$ 1,016,471</u>
	<u>\$ 13,902,163</u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
BASS RIVER TOWNSHIP
(Dollars in Thousands)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 6,223,152	\$ 6,362,395	\$ 6,725,794	\$ 4,846,216	\$ 4,860,064	\$ 4,860,064	\$ 4,086,104	\$ 4,086,104	\$ 5,720,546	\$ 2,739,155
Total Net Debt Applicable to Limit	373,461	443,249	494,156	542,912	542,912	589,517	661,889	652,453	686,534	368,108
Legal Debt Margin	\$ 5,849,690	\$ 5,919,146	\$ 6,231,638	\$ 4,303,304	\$ 4,317,152	\$ 4,270,547	\$ 3,424,215	\$ 3,433,651	\$ 5,034,012	\$ 2,371,047
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	6.00%	6.97%	7.35%	11.20%	11.17%	12.13%	16.20%	15.97%	12.00%	13.44%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2014	\$ 176,556,821
2013	175,151,625
2012	181,704,543
	<u>\$ 533,412,989</u>
Average Equalized Valuation of Taxable Property	<u>\$ 177,804,330</u>
Debt Limit (3.5% of Average Equalization Value, Net Bonded School Debt)	\$ 6,223,152
Legal Debt Margin	<u>\$ 5,849,690</u>

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

**PINELANDS REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR		POPULATION	PERSONAL INCOME	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE
LITTLE EGG HARBOR TOWNSHIP					
2015		N/A	N/A	N/A	N/A
2014		20,396	N/A	N/A	8.6%
2013		20,396	881,392,744	43,214	11.7%
2012	*	20,482	881,053,712	43,016	11.9%
2011		20,244	852,697,524	42,121	11.7%
2010		20,122	818,744,058	40,689	10.7%
2009		20,824	845,704,288	40,612	6.5%
2008		20,677	854,931,919	41,347	5.0%
2007		20,479	826,696,272	40,368	5.7%
2006		20,215	770,070,210	38,094	5.0%
EAGLESWOOD TOWNSHIP					
2015		N/A	N/A	N/A	N/A
2014		1,617	N/A	N/A	8.9%
2013		1,621	70,049,894	43,214	7.0%
2012	*	1,612	69,341,792	43,016	9.5%
2011		1,608	67,730,568	42,121	9.3%
2010		1,605	65,305,845	40,689	8.4%
2009		1,703	69,162,236	40,612	5.1%
2008		1,679	69,421,613	41,347	3.9%
2007		1,648	66,526,464	40,368	4.2%
2006		1,614	61,483,716	38,094	4.4%
TUCKERTON BOROUGH					
2015		N/A	N/A	N/A	N/A
2014		3,396	N/A	N/A	7.5%
2013		3,377	145,933,678	43,214	9.0%
2012	*	3,356	144,361,696	43,016	14.8%
2011		3,351	141,147,471	42,121	14.5%
2010		3,352	136,389,528	40,689	13.2%
2009		3,916	159,036,592	40,612	8.1%
2008		3,888	160,757,136	41,347	6.3%
2007		3,855	155,618,640	40,368	6.7%
2006		3,830	145,900,020	38,094	7.1%
BASS RIVER TOWNSHIP					
2015		N/A	N/A	N/A	N/A
2014		1,442	N/A	N/A	10.5%
2013		1,446	74,668,548	51,638	12.3%
2012	*	1,449	74,114,901	51,149	9.2%
2011		1,450	71,732,950	49,471	9.0%
2010		1,444	68,714,184	47,586	9.0%
2009		1,541	73,018,744	47,384	8.7%
2008		1,547	73,881,626	47,758	5.1%
2007		1,551	71,803,545	46,295	3.7%
2006		1,562	69,538,678	44,519	4.1%

* 2010 Census

**PINELANDS REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND TEN YEARS AGO**

LITTLE EGG HARBOR TOWNSHIP

NOT AVAILABLE

EAGLESWOOD TOWNSHIP

NOT AVAILABLE

TUCKERTON BOROUGH

NOT AVAILABLE

BASS RIVER TOWNSHIP

NOT AVAILABLE

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

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Instruction:										
Regular	125	124	128	128	130	137	126	130	127	116
Special Education	39	43	43	45	46	49	59	66	68	83
Other Special Education Instruction	16	25	25	14	14	9	10	11	15	21
Support Services:										
Student & Instruction Related Services	58	51	52	67	67	63	55	44	44	41
General Administrative Services	5	5	5	4	4	2	3	3	4	5
School Administrative Services	13	13	13	8	8	15	8	8	14	16
Business Administrative Services	4	4	4	4	4	4	5	5	9	6
Plant Operations & Maintenance	34	34	34	33	33	32	34	29	30	36
Pupil Transportation	1	1	1	1	1	1	1	1	1	1
Total	295	300	305	304	307	312	301	297	312	325

Source: District Personnel Records

**PINELANDS REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						MIDDLE SCHOOL	SENIOR HIGH SCHOOL					
2015	1,602	\$34,923,649	21,800	4.10%	180	1:9:0	1:9:0	1,564	1,459	-2.37%	93.29%	
2014	1,635	34,238,960	20,941	-0.38%	192	1:9:0	1:9:0	1,602	1,483	-0.25%	92.57%	
2013	1,646	34,600,428	21,021	12.82%	196	1:8:0	1:9:0	1,606	1,572	-5.81%	97.88%	
2012	1,750	32,606,116	18,632	1.59%	187	1:8:2	1:9:0	1,705	1,543	-3.18%	90.50%	
2011	1,781	32,664,014	18,340	-1.42%	195	1:7:9	1:9:0	1,761	1,566	-0.90%	88.93%	
2010	1,824	33,935,991	18,605	11.02%	195	1:8:4	1:9:0	1,777	1,635	-1.44%	92.01%	
2009	1,870	31,339,090	16,759	2.74%	254	1:8.5	1:8.9	1,803	1,664	-1.26%	92.29%	
2008	1,870	30,502,825	16,312	6.18%	251	1:9.1	1:9.2	1,826	1,676	-2.41%	91.79%	
2007	1,908	29,311,935	15,363	5.41%	254	1:9.1	1:9.2	1,871	1,705	-1.42%	91.13%	
2006	1,898	27,660,564	14,574	3.81%	325	1:9.6	1:9.6	1,898	1,651	3.38%	86.99%	

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

DISTRICT BUILDINGS	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Middle School:										
Square Feet	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000	151,000
Capacity (Students)	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	768	831	778	822	899	841	634	972	1,017	950
High School:										
Square Feet	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000	219,000
Capacity (Students)	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300	1,300
Enrollment	796	756	935	958	956	956	1,237	880	891	948
Alternate School:										
Square Feet	4,200	4,200	4,200	4,200	4,200	4,200	N/A	N/A	N/A	N/A
Capacity (Students)	48	48	48	48	48	48	N/A	N/A	N/A	N/A
Enrollment	13	15	16	14	15	15	N/A	N/A	N/A	N/A
Other Buildings:										
Administration Building:										
Square Feet	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600

Number of Schools at June 30, 2015:
 Middle School = 1
 High School = 1
 Other = 1

Source: District Facilities Office

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES
11-000-261-xxx

* School Facilities Project Numbers	MIDDLE SCHOOL 4950-060-04-1000	HIGH SCHOOL	TOTAL
2015	\$ 309,576	\$ 406,429	\$ 716,005
2014	260,355	341,809	602,164
2013	235,121	383,337	618,458
2012	240,929	349,427	590,356
2011	356,241	411,450	767,691
2010	260,702	455,778	716,480
2009	356,391	435,590	791,981
2008	329,809	401,800	731,609
2007	319,386	359,484	678,870
2006	354,428	343,912	698,340

EXHIBIT J-20

**INSURANCE SCHEDULE
JUNE 30, 2015**

COMPANY	TYPE OF COVERAGE	AMOUNT OF COVERAGE	DEDUCTIBLE
Graphic Arts Mutual Insurance Co.	School Package Policy	\$87,572,638	\$10,000
	Property - Blanket Buildings & Grnds		
	Flood	1,015,000	25,000
	Earthquake	1,000,000	25,000
	Computers	500,000	1,000
	General Liability	1,000,000	
	Employee Benefit Liability	1,000,000	1,000
	Public Employee Dishonesty & Faithful Performance	100,000	500
	Money & Securities - In/Out	25,000	500
	Forgery or Alteration	100,000	500
	Computer Fraud	100,000	
	Inland Marine: Computers	500,000	1,000
	Boiler & Machinery	87,572,638	41,000
	School Board Legal Liability:		
	Each Loss	1,000,000	
	Aggregate	3,000,000	10,000
	Abuse or Molestation:		
	Each Loss	1,000,000	
	Aggregate	3,000,000	
	Comprehensive Auto Liability: Combined Single Limit	1,000,000	
Auto Only/Garage Operations Liability	1,000,000		
Other Than Auto Only/Garage Operations Liability	1,000,000		
Aggregate Other than Auto Only/Garage Operations Liability	1,000,000		
Utica National Insurance Group	Commerical Umbrella:		
	Occurrence	1,000,000	
	Aggregate	1,000,000	10,000
New Jersey School Board Assoc	Workers Compensation	2,000,000	
Markel Insurance Co.	Student Accident	5,000,000	25,000
Fireman's Fund Insurance Company	Excess Umbrella Policy	50,000,000	10,000,000

Source: District Records

SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Pinelands Regional School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Pinelands Regional School District's basic financial statements, and have issued our report thereon dated December 16, 2015.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Pinelands Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed one instance of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and which are described in the accompanying schedule of findings and questioned costs as item 2015-001.

Management's Response to Findings

Management's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Management's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey
December 16, 2015



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Pinelands Regional School District
County of Ocean
Little Egg Harbor, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited Pinelands Regional School 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 year ended June 30, 2015. Pinelands Regional School District’s major federal and state programs are identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

program occurred. An audit includes examining, on a test basis, evidence about Pinelands Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

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

Toms River, New Jersey
December 16, 2015

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**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FEDERAL GRANTOR PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE AT JUNE 30, 2015	DUE TO GRANTOR AT JUNE 30, 2015
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:										
Food Distribution Program	10.565	N/A	46,436	7/1/14-6/30/15	\$ -	\$ 46,436	\$ -	\$ -	\$ -	-
National School Breakfast Program	10.553	N/A	88,226	7/1/14-6/30/15	-	80,198	(8,028)	-	-	-
National School Breakfast Program	10.553	N/A	89,403	7/1/13-6/30/14	(9,592)	9,592	-	-	-	-
National School Performance Based Program	10.555	N/A	11,137	7/1/14-6/30/15	-	10,328	(11,137)	(809)	-	-
National School Performance Based Program	10.555	N/A	10,593	7/1/13-6/30/14	(982)	982	-	-	-	-
National School After School Snack Program	10.555	N/A	840	7/1/14-6/30/15	-	772	(840)	(68)	-	-
National School After School Snack Program	10.555	N/A	662	7/1/13-6/30/14	(32)	32	-	-	-	-
National School Lunch Program	10.555	N/A	333,255	7/1/14-6/30/15	-	308,299	(333,255)	(24,956)	-	-
National School Lunch Program	10.555	N/A	339,333	7/1/13-6/30/14	(28,478)	28,478	-	-	-	-
Total U.S. Department of Agriculture					(39,084)	485,117	(479,894)	(33,861)	-	-

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

General Fund:	93.778	N/A	85,989	7/1/14-6/30/15	-	85,989	(85,989)	-	-	-
Medical Assistance Program					-	-	-	-	-	-
Total General Fund			85,989		-	85,989	(85,989)	-	-	-
Special Revenue Fund:										
No Child Left Behind:										
Title I, Part A	84.010	NCLB476015	339,512	9/1/14-8/31/15	-	339,512	(339,512)	-	-	-
Title I, Part A	84.010	NCLB476014	284,898	9/1/13-8/31/14	-	-	-	-	-	-
Title II-A	84.367	NCLB476015	41,462	9/1/14-8/31/15	-	41,462	(41,462)	-	-	-
Title II-A	84.367	NCLB476014	39,609	9/1/13-8/31/14	-	-	-	-	-	-
I.D.E.A. Part B - Basic	84.027	IDEA410515	440,658	9/1/14-8/31/15	-	440,658	(440,658)	-	-	-
I.D.E.A. Part B - Basic	84.027	IDEA410514	421,730	9/1/13-8/31/14	-	-	-	-	-	-
Pregnancy Prevention	93.297	N/A	50,098	9/1/14-8/31/15	-	42,512	(49,837)	(7,325)	-	-
Pregnancy Prevention	93.297	N/A	58,411	9/1/13-8/31/14	(7,648)	7,648	-	-	-	-
Race to the Top	84.413a	N/A	18,000	9/1/11-11/30/15	-	-	(7,295)	(7,295)	-	-
Total Special Revenue Fund			871,792		(7,648)	871,792	(878,764)	(14,620)	-	-
Total U.S. Department of Education			957,781		(7,648)	957,781	(964,753)	(14,620)	-	-
Total Federal Financial Assistance			\$ 1,442,898		\$ (46,732)	\$ 1,442,898	\$ (1,444,647)	\$ (48,481)	\$ -	\$ -

**PINELANDS REGIONAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE AT JUNE 30, 2015	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:										
General Fund:										
Categorical Transportation Aid	15-495-034-5120-014	\$810,479	7/1/14-6/30/15	\$ -	\$ 810,479	\$ (810,479)	\$ -	\$ -	\$ 79,157	\$ 810,479
Categorical Special Education Aid	15-495-034-5120-089	961,334	7/1/14-6/30/15	-	961,334	(961,334)	-	-	93,881	961,334
Equalization Aid	15-495-034-5120-078	8,420,721	7/1/14-6/30/15	-	8,420,721	(8,420,721)	-	-	822,235	8,420,721
Categorical Security Aid	15-495-034-5120-084	299,661	7/1/14-6/30/15	-	299,661	(299,661)	-	-	29,227	299,661
Adjustment Aid	15-495-034-5120-085	784,462	7/1/14-6/30/15	-	784,462	(784,462)	-	-	76,611	784,462
Extraordinary Aid	15-100-034-5120-473	240,489	7/1/14-6/30/15	-	-	(240,489)	(240,489)	-	-	240,489
Extraordinary Aid	14-100-034-5120-473	257,462	7/1/13-6/30/14	(257,462)	257,462	-	-	-	-	-
Non-Public Transportation Aid	15-495-034-5120-014	4,735	7/1/14-6/30/15	-	-	(4,735)	(4,735)	-	-	4,735
Non-Public Transportation Aid	14-495-034-5120-014	7,276	7/1/13-6/30/14	(7,276)	7,276	-	-	-	-	-
PARCC Readiness Aid	15-495-034-5120-098	15,930	7/1/14-6/30/15	-	15,930	(15,930)	-	-	1,550	15,930
Per Pupil Choice Aid	15-495-034-5120-097	15,930	7/1/14-6/30/15	-	15,930	(15,930)	-	-	1,550	15,930
School Choice Aid	15-495-034-5120-068	29,679	7/1/14-6/30/15	-	29,679	(29,679)	-	-	2,878	29,679
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	962,647	7/1/14-6/30/15	-	915,119	(962,647)	(47,528)	-	-	962,647
On-Behalf TPAF Pension Contributions (Nonbudgeted)	15-495-034-5095-001	723,734	7/1/14-6/30/15	-	723,734	(723,734)	-	-	-	723,734
On-Behalf TPAF Post-Retirement Medical (Nonbudgeted)	15-495-034-5095-001	1,148,928	7/1/14-6/30/15	-	1,148,928	(1,148,928)	-	-	-	1,148,928
Total General Fund				(264,738)	14,390,715	(14,418,729)	(292,752)	-	1,107,089	14,418,729
Special Revenue Fund:										
School Based Youth Community Partnership for Adolescent Health	12AZQP	503,945	7/1/14-6/30/15	-	503,945	(503,945)	-	-	-	503,945
	N/A	168,380	7/1/10-6/30/11	(20,614)	-	-	(20,614)	-	-	-
Total Special Revenue Fund				(20,614)	503,945	(503,945)	(20,614)	-	-	503,945
Debt Service Fund:										
Debt Service Aid Type II	15-495-034-5120-017	724,792	7/1/14-6/30/15	-	724,792	(724,792)	-	-	-	724,792
Total State Department of Education				(285,352)	15,619,452	(15,647,466)	(313,366)	-	1,107,089	15,647,466
State Department of Agriculture:										
State School Lunch Program	15-100-010-3350-022	9,044	7/1/14-6/30/15	-	8,383	(9,044)	(661)	-	-	9,044
State School Lunch Program	14-100-010-3350-022	9,548	7/1/13-6/30/14	(795)	795	-	-	-	-	-
Total State Department of Agriculture				(795)	9,178	(9,044)	(661)	-	-	9,044
Total State Financial Assistance				\$ (285,147)	\$ 15,628,630	\$ (15,656,510)	\$ (314,027)	\$ -	\$ 1,107,089	\$ 15,656,510
Less: State Financial Assistance Not Subject to New Jersey OMB Circular(s) 04-04 and/or 15-08										
On-Behalf TPAF Pension Contributions (Nonbudgeted)						723,734				
On-Behalf TPAF Post-Retirement Medical (Nonbudgeted)						1,148,928				
Total State Financial Assistance Subject to New Jersey OMB Circular(s) 04-04 and/or 15-08						<u>\$ (13,783,848)</u>				

PINELANDS REGIONAL SCHOOL DISTRICT**NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2015****Note 1. General**

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

Note 2. Basis of Accounting

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

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(5,820) for the general fund and \$(23,854) for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page.

PINELANDS REGIONAL SCHOOL DISTRICT

NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE (continued)
FOR THE YEAR ENDED JUNE 30, 2015**Note 3. Relationship to Basic Financial Statements (continued)**

	<u>State</u>	<u>Federal</u>	<u>Total</u>
General Fund	\$ 14,412,909	\$ 85,989	\$ 14,498,898
Special Revenue Fund	503,945	854,910	1,358,855
Debt Service Fund	724,792	-	724,792
Food Service Fund	9,044	479,894	488,938
Total	<u>\$ 15,650,690</u>	<u>\$ 1,420,793</u>	<u>\$ 17,071,483</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Other

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

Note 6. Federal and State Loans Outstanding

The Pinelands Regional School District had no loan balances outstanding at June 30, 2015.

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

Section I – Summary of Auditor’s Results

Financial Statements

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

Federal Awards

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

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
10.553	School Breakfast Program
10.555	National School Lunch Program

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

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

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

State Financial Assistance

Dollar threshold used to distinguish between type A and type B programs:	\$413,515
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance with NJ OMB Circular(s) 04-04 and/or 15-08	None Reported

Identification of major programs:

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

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

Section II – Financial Statement Findings

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

Finding 2015-001:

Criteria:

N.J.S.A. 18A:66-90 requires that each local board of education reimburse the State of New Jersey for the employer's share of pensions, group life insurance, FICA and other benefits of the Teachers' Pension and Annuity Fund (TPAF) for TPAF members paid from federally funded programs.

Condition:

During our audit it was noted that the District did not reimburse the State of New Jersey for the employer's share of benefits for TPAF members paid from federally funded programs from the year ended June 30, 2014.

Context:

The District's owed the State of New Jersey \$33,800.91.

Cause:

The District failed to file the required reimbursement form with payment.

Effect:

The expenditure was not in accordance with State law.

Recommendation:

The District should adopt internal control procedures designed to ensure that these reimbursements are remitted within the statutory liquidation period.

Management's Response:

The District has corrected this during the year ended June 30, 2016 with a payment to the State of New Jersey in the amount of \$33,800.91 on September 9, 2015.

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

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

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

No Current Year Findings

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

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

No Prior Audit Findings