

**RANCOCAS VALLEY
REGIONAL HIGH SCHOOL DISTRICT
MOUNT HOLLY, NEW JERSEY**



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

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Table of Contents

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
FINANCIAL SECTION	
Independent Auditor's Report	10
Required Supplementary Information – Part I Management's Discussion and Analysis	16
Basic Financial Statements	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	27
A-2 Statement of Activities	28
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	30
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	31
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
Proprietary Funds:	
B-4 Statement of Net Position	33
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	34
B-6 Statement of Cash Flows	35
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	36
B-8 Statement of Changes in Fiduciary Net Position	37
Notes to the Financial Statements	38
Required Supplementary Information – Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule – General Fund	73
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance – Budget and Actual	NA
C-1b Education Jobs Fund Program – Budget and Actual	NA
C-2 Budgetary Comparison Schedule – Special Revenue Fund	81
Notes to the Required Supplementary Information	
C-3 Budgetary Comparison Schedule – Note to RSI	82

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Required Supplementary Information - Part III	
L-1 Schedule of the School District's Proportionate Share of the Net Pension Liability Public Employees' Retirement System (PERS)	84
L-2 Schedule of the School District's Contributions Public Employees' Retirement System (PERS)	85
L-3 Schedule of the School District's Proportionate Share of the Net Pension Liability Teachers' Pension and Annuity Fund (TPAF)	86
L-4 Schedule of School District Contributions Teachers' Pension and Annuity Fund (TPAF)	87
L-5 Notes to Required Supplementary Information – Part III	88
 Other Supplementary Information	
D. School Based Budget Schedules:	
D-1 Combining Balance Sheet	NA
D-2 Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type – Actual	NA
D-3 Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	NA
E. Special Revenue Fund:	
E-1 Combining Schedules of Program Revenues and Expenditures – Budgetary Basis	91
E-2 Preschool Education Aid Schedule(s) of Expenditures – Budgetary Basis	NA
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	93
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budgetary Basis	94
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	95
F-2b Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis	NA
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	97
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	98
G-3 Combining Statement of Cash Flows	99
Internal Service Fund:	
G-4 Combining Statement of Net Position	NA
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	NA
G-6 Combining Statement of Cash Flows	NA

**RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Table of Contents (Cont'd)**

	Page
Other Supplementary Information (Cont'd)	
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	101
H-2 Combining Statement of Changes in Fiduciary Net Position	102
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	103
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	104
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	106
I-2 Schedule of Obligations under Capital Leases	NA
I-3 Debt Service Fund Budgetary Comparison Schedule	107
STATISTICAL SECTION (Unaudited)	
Introduction to the Statistical Section	
Financial Trends	
J-1 Net Position by Component	110
J-2 Changes in Net Position	111
J-3 Fund Balances—Governmental Funds	113
J-4 Changes in Fund Balances—Governmental Funds	114
J-5 General Fund Other Local Revenue by Source	115
Revenue Capacity	
J-6 Assessed Value and Actual Value of Taxable Property	117
J-7 Direct and Overlapping Property Tax Rates	118
J-8 Principal Property Taxpayers	119
J-9 Property Tax Levies and Collections	122
Debt Capacity	
J-10 Ratios of Outstanding Debt by Type	125
J-11 Ratios of General Bonded Debt Outstanding	127
J-12 Direct and Overlapping Governmental Activities Debt	129
J-13 Legal Debt Margin Information	134
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	140
J-15 Principal Employers	142
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	145
J-17 Operating Statistics	146
J-18 School Building Information	147
J-19 Schedule of Required Maintenance Expenditures by School Facility	148
J-20 Insurance Schedule	149

**RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Table of Contents (Cont'd)**

SINGLE AUDIT SECTION		Page
K-1	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	13
K-2	Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 and State of New Jersey Circular 15-08-OMB	151
K-3	Schedule of Expenditures of Federal Awards, Schedule A	153
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	155
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	157
K-6	Schedule of Findings and Questioned Costs	159
K-7	Summary Schedule of Prior Audit Findings	162

INTRODUCTORY SECTION

DR. CHRISTOPHER HEILIG
Superintendent
MR. JOSEPH R. MARTIN
Principal



MRS. LISA GIOVANELLI
Business Administrator
Board Secretary

December 15, 2015

Honorable President and
Members of the Board of Education
Rancocas Valley Regional High School District
Mount Holly, New Jersey 08060

Dear Board Members:

The comprehensive annual financial report of the Rancocas Valley Regional High School District for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund 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 (4) sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis and the basic 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 OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 15-08 OMB, "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:

Rancocas Valley Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All major funds of the District are included in this report.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for handicapped students. The following details the changes in the student enrollment of the District over the last ten years.

Honorable President and
Members of the Board of Education

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Students</u>	<u>Percent Change</u>
2014-2015	2067	+5.35
2013-2014	1962	+0.51
2012-2013	1952	+4.16
2011-2012	1874	-7.02
2010-2011	2016	-7.36
2009-2010	2176	+0.83
2008-2009	2158	-3.91
2007-2008	2245	-2.42
2006-2007	2301	+4.02
2005-2006	2212	+0.59

(2) ECONOMIC CONDITION AND OUTLOOK:

The Rancocas Valley community has remained relatively unchanged over the past few years. Enrollment declined from the 2005-2006 school year through the 2011-2012 school year. Since 2012-2013 enrollment increased by approximately 10 percent.

(3) MAJOR INITIATIVES:

Our Mission

To build a community of empowered learners who value Perseverance, Respect, Integrity, Diversity and Excellence. RV PRIDE!

Our Vision

We will support all students in their transition into, through and beyond high school by assisting them to develop a life plan.

Throughout their high school career we will monitor their progress, offer guidance and support services tailored to their individual needs.

We will strive to cultivate an exemplary learning community by creating a safe and caring environment, which is free from bullying and harassment. Security will be maintained through the use of additional personnel, an expanded camera monitoring system, increased teacher presence and a WE TIP hotline. RV will be a school noted for its character education and conflict resolution programs.

We will embrace the RV community and stress the importance of collaborative relationships with the extended community: families, residents, businesses, and government agencies. Together, we will share and promote the vision and values of the school. The school and community will operate as a partnership by exchanging information and resources.

RV will be a community of high performance learners through diversified instruction, common assessments, and a progressive curriculum. Every student will be encourage and equipped with the skills to succeed at RV. Students will successfully meet state and federal requirements.

Honorable President and
Members of the Board of Education

(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 and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District management.

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

(5) BUDGETARY CONTROLS:

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

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

(6) ACCOUNTING SYSTEM AND REPORTS:

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

(7) FINANCIAL INFORMATION AT FISCAL YEAR-END:

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.

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

Honorable President and
Members of the Board of Education

(10) INDEPENDENT AUDIT:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements, required supplementary information and supplementary information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

(11) ACKNOWLEDGEMENTS:

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

Respectfully Submitted,



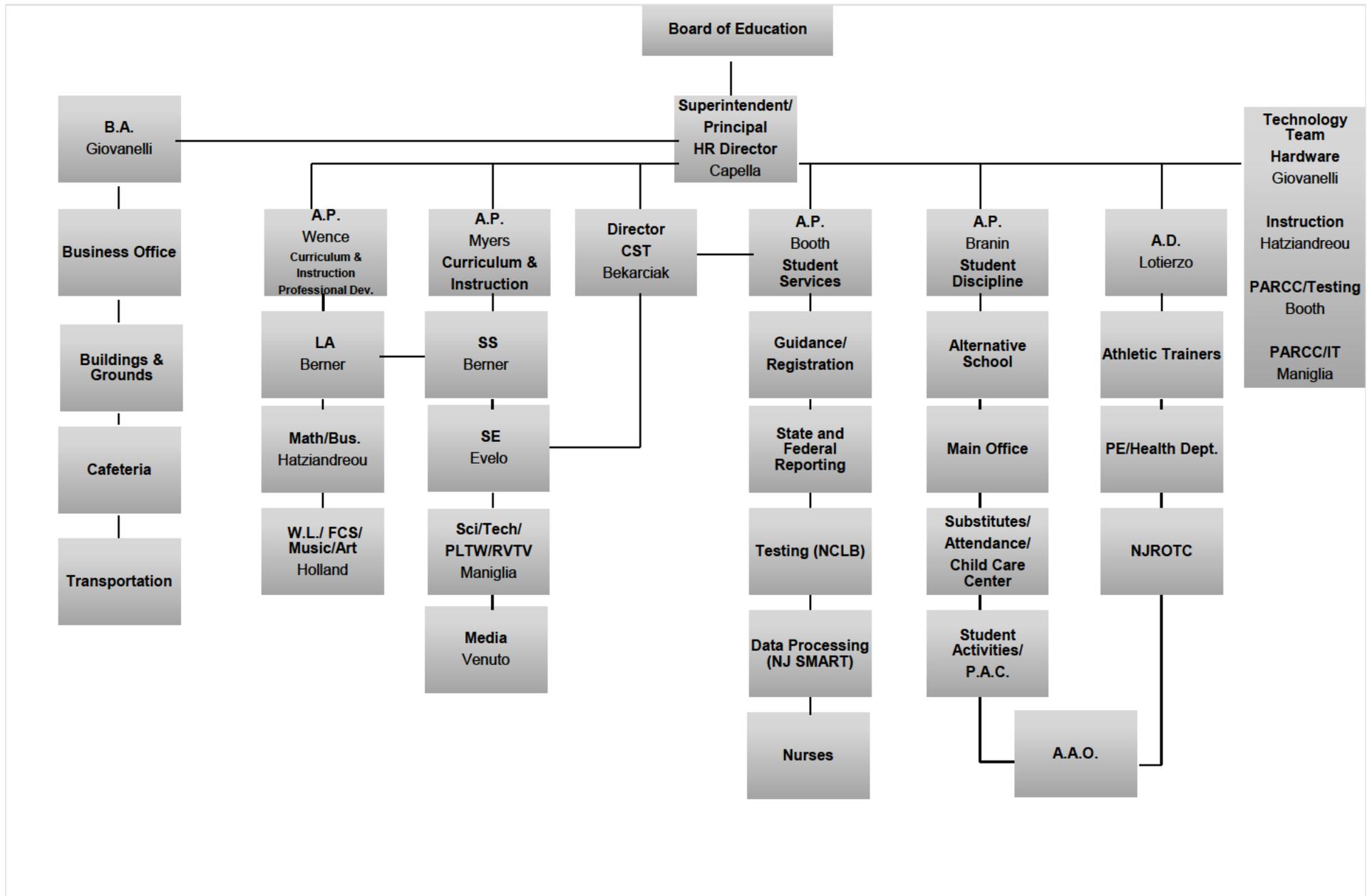
Dr. Chris Heilig
Superintendent

Respectfully Submitted



Lisa Giovanelli
Business Administrator/Board Secretary

RVRHS Organization Chart 2014-15



RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

ROSTER OF OFFICIALS

June 30, 2015

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Charles S. Miller, President	2015
Diane J. Solan, Vice President	2015
Richard A. Alaimo	2017
Eric R. Fueger (appointed until 12/31/15 to an unexpired term)	2016
Allan Hollowell	2017
John M. LaPierre	2017
Daryl Minus-Vincent	2015
Robert Mungo	2015
Robert L. Sapp (appointed until 12/31/15 to an unexpired term)	2016

OTHER OFFICIALS

Emily Capella, Interim Superintendent

Lisa Giovanelli, Business Administrator/Board Secretary

Lawrence E. Fisher, Treasurer of School Monies

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

JUNE 30, 2015

AUDIT FIRM

Bowman & Company LLP
601 White Horse Road
Voorhees, New Jersey 08043

ATTORNEY

Stephen J. Mushinski
Parker McCay P.A.
9000 Midlantic Drive, Suite 300
P.O. Box 5054
Mount Laurel, New Jersey 08054

INSURANCE BROKER

Conner Strong Companies, Inc.
123 Rosenhayn Avenue
P.O. Box 358
Bridgeton, New Jersey 08302

OFFICIAL DEPOSITORY

All banks, located within the boundaries of the School District

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Rancocas Valley Regional High School District
Mount Holly, New Jersey 08060

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 Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School 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 *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with audit requirements as prescribed by the Division of Administration and 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 School 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 School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting principles 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 Rancocas Valley Regional High School District in the County of Burlington, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter*Adoption of New Accounting Principles*

As discussed in note 1 to the financial statements, during the fiscal year ended June 30, 2015, the School District adopted new accounting guidance, Governmental Accounting Standards Board (GASB) Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. Our opinion is not modified with respect to this matter.

Prior Period Restatement

Because of the implementation of GASB Statements No. 68 and No. 71, net position as of June 30, 2014 on the statement of activities has been restated, as discussed in note 22 to the financial statements. 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, schedule of the School District's proportionate share of the net pension liability, and schedule of School District's contributions, 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 Rancocas Valley Regional High School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying 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 State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The introductory section and statistical section listed in the table of contents 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 15, 2015 on our consideration of the Rancocas Valley Regional High 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 the Rancocas Valley Regional High School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
December 15, 2015

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Rancocas Valley Regional High School District
Mount Holly, New Jersey 08060

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 15, 2015. Our report on the financial statements included an emphasis of matter paragraph describing the restatement of the prior period financial statements resulting from the adoption of new accounting principles.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Rancocas Valley Regional High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Rancocas Valley Regional High 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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the School District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School 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 Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
December 15, 2015

**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

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

The Management's Discussion and Analysis (MD&A) of the Rancocas Valley Regional High School District's (District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements, and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

- During the fiscal year ended June 30, 2015 the District was required to implement Governmental Accounting Standard Board (GASB) Statement No. 68 – *Accounting and Financial Reporting for Pensions*, see below discussion. In addition, the notes to the financial statements provide a more thorough discussion of the implementation of GASB 68 and the effects to the financial statements.
- The total assets of the District exceeded its total liabilities at the close of the most recent fiscal year by \$12,563,638.52 (net position).
- The District's total net position increased by \$2,447,576.62 or 24.19%.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$10,892,510.80, a decrease of \$1,921,844.23 in comparison with the prior year.
- Debt was refinanced saving \$2,162,597.36 over the next fourteen years.
- The District's total Noncurrent Liabilities decreased by \$38,290.73.

Overview of the Financial Statements

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

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Overview of the Financial Statements (Cont'd)

Government-Wide Statements

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

The two government-wide statements report the District's net position and how they have changed. Net position – the difference between the District's assets and liabilities – are one way to measure the District's financial health or position.

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

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

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The District charges fees to cover the costs of certain services such as food services.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on the significant funds – not the District as a whole. Funds are used by the District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The District has three kinds of funds:

- *Governmental funds* – The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as food services.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Overview of the Financial Statements (Cont'd)

Fund Financial Statements (Cont'd)

- *Fiduciary funds* – The District is the trustee for assets that belong to others. The student activities funds which include clubs, classes and athletic are maintained in this fund. The District is responsible for insuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the government-wide financial statements since the District is not permitted to use these assets in the District operation.
- *Notes to the Financial Statement* - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

Financial Analysis of the District as a Whole

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

TABLE 1
Net Position

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 11,249,435.80	\$ 14,413,059.17	\$ (3,163,623.37)	-21.95%
Capital Assets	<u>24,725,135.48</u>	<u>21,467,160.27</u>	<u>3,257,975.21</u>	<u>15.18%</u>
Total Assets	<u>35,974,571.28</u>	<u>35,880,219.44</u>	<u>94,351.84</u>	<u>0.26%</u>
Deferred Outflow of Resources	<u>1,710,605.55</u>	<u>-</u>	<u>1,710,605.55</u>	
Long-Term Liabilities	22,860,243.18	16,055,625.18	6,804,618.00	42.38%
Other Liabilities	<u>1,843,748.13</u>	<u>2,829,882.36</u>	<u>(986,134.23)</u>	<u>-34.85%</u>
Total Liabilities	<u>24,703,991.31</u>	<u>18,885,507.54</u>	<u>5,818,483.77</u>	<u>30.81%</u>
Deferred Inflow of Resources	<u>417,547.00</u>	<u>-</u>	<u>417,547.00</u>	
Net Position:				
Net Investment in Capital Assets	8,658,066.63	4,217,664.26	4,440,402.37	105.28%
Restricted	11,461,874.94	13,482,216.08	(2,020,341.14)	-14.99%
Unrestricted (Deficit)	<u>(7,556,303.05)</u>	<u>(705,168.44)</u>	<u>(6,851,134.61)</u>	<u>971.56%</u>
	12,563,638.52	16,994,711.90	(4,431,073.38)	-26.07%
Restatement to Record the School District's Net Pension Liability and Pension Related Deferred Outflows of Resources per GASB 68	<u>-</u>	<u>(6,878,650.00)</u>	<u>6,878,650.00</u>	<u>-100.00%</u>
Total Net Position	<u>\$ 12,563,638.52</u>	<u>\$ 10,116,061.90</u>	<u>\$ 2,447,576.62</u>	<u>24.19%</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Financial Analysis of the District as a Whole (Cont'd)

Table 2 provides an illustration of the impact of the District's Net Position for the implementation of GASB 68.

TABLE 2
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 451,327.00	\$ -	\$ 451,327.00	100.00%
Less: Net Pension Liability	(7,006,454.00)	(6,878,650.00)	(127,804.00)	1.86%
Less: Deferred Inflows Related to Pensions	<u>(417,547.00)</u>	<u>-</u>	<u>(417,547.00)</u>	<u>-100.00%</u>
	<u>\$ (6,972,674.00)</u>	<u>\$ (6,878,650.00)</u>	<u>\$ (94,024.00)</u>	<u>1.37%</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Financial Analysis of the District as a Whole (Cont'd)

Table 3 reflects changes in net position for fiscal years 2015 and 2014.

TABLE 3
Change in Net Position

Revenues:	<u>June 30, 2015</u>	<u>June 30, 2014</u>	<u>Change</u>	<u>% Change</u>
Program revenues:				
Charges for services	\$ 1,205,263.63	\$ 2,104,570.29	\$ (899,306.66)	-42.73%
Operating grants and contributions	5,814,648.01	2,799,317.38	3,015,330.63	107.72%
General Revenues:				
Property taxes	17,053,439.00	16,614,779.00	438,660.00	2.64%
Federal & State Grants	17,027,959.97	16,841,137.93	186,822.04	1.11%
Other	<u>361,273.84</u>	<u>749,668.73</u>	<u>(388,394.89)</u>	<u>-51.81%</u>
Total Revenues	<u>41,462,584.45</u>	<u>39,109,473.33</u>	<u>2,353,111.12</u>	<u>6.02%</u>
Expenses:				
Governmental activities				
Instruction	13,128,029.60	12,524,247.79	603,781.81	4.82%
Tuition	4,453,397.10	4,679,223.40	(225,826.30)	-4.83%
Related Services	2,800,087.01	2,815,271.15	(15,184.14)	-0.54%
Administrative services	2,615,218.21	2,426,352.69	188,865.52	7.78%
Operations and maintenance	3,386,187.71	3,343,921.26	42,266.45	1.26%
Transportation	2,013,352.52	1,901,507.34	111,845.18	5.88%
Employee benefits	9,249,351.17	6,282,630.98	2,966,720.19	47.22%
Special schools	-	5,251.79	(5,251.79)	-100.00%
Interest on debt	449,079.37	814,530.75	(365,451.38)	-44.87%
Unallocated depreciation	<u>158,573.71</u>	<u>145,988.00</u>	<u>12,585.71</u>	<u>8.62%</u>
Total governmental activities expenses	38,253,276.40	34,938,925.15	3,314,351.25	9.49%
Business Type Activities				
Food Service	761,731.43	762,376.22	(644.79)	-0.08%
Alternative School	-	1,264,912.44	(1,264,912.44)	-100.00%
Total business type activities expenses	<u>761,731.43</u>	<u>2,027,288.66</u>	<u>(1,265,557.23)</u>	<u>-62.43%</u>
Total Expenses	<u>39,015,007.83</u>	<u>36,966,213.81</u>	<u>2,048,794.02</u>	<u>5.54%</u>
Net Increase (Decrease) in Net Position	2,447,576.62	2,143,259.52	304,317.10	14.20%
Beginning Net Position	<u>10,116,061.90</u>	<u>14,851,452.38</u>	<u>(4,735,390.48)</u>	<u>-31.89%</u>
Ending Net Position, Prior to Restatement	12,563,638.52	16,994,711.90	(4,431,073.38)	-26.07%
Restatement to Record the School District's Net Pension Liability and Pension Related Deferred Outflows of Resources per GASB 68	<u>-</u>	<u>(6,878,650.00)</u>	<u>6,878,650.00</u>	<u>-100.00%</u>
Ending Net Position	<u>\$12,563,638.52</u>	<u>\$10,116,061.90</u>	<u>\$ 2,447,576.62</u>	<u>24.19%</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Financial Analysis of the District as a Whole (Cont'd)

Governmental-Type Activities

- There was an increase of \$2,392,383.39 or 24.02% in governmental activities net position.
- Property taxes increased \$438,660.00 or 2.64% from the prior year (General Fund \$317,561.00 or 2.00%, Debt Service Fund \$121,099.00 or 16.44%). Most of this increase is the product of funding general fund services and programs. Property taxes had decreased by \$18,642.00 from the 12-13 to the 13-14 school year.
- Total Expenses (GASB level) increased \$3,314,351.25 or 9.49% from the prior year.
 - Salaries increased \$449,648.97 or 2.94% (\$15,728,001.43 - \$15,278,352.46)
 - Health Benefits charged to the general fund budget were \$3,266,843.55 in 2014-2015 compared to \$3,424,576.25 in 2013-2014, a decrease of \$157,732.70.
 - TPAF Pension related expenses and revenues related to GASB 68, increased by \$3,098,180.00 over the prior year Pension related expenses.
- Total Expenses (GASB level) decreased \$1,420,933.82 from the 12-13 to the 13-14 school year.

Business-Type Activities

- There was an increase of \$55,193.23 or 35.11% in business-type activities net position.
- Expenses for food service activities decreased by \$644.79 or -0.08%, revenues increased by \$52,342.38 or 6.85%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

General Fund Budgetary Highlights

During the course of the 2015 fiscal year, the District modified its general fund budget numerous times.

The final budgetary basis anticipated revenue was \$32,589,020.00, actual revenues were \$35,829,654.02.

During fiscal year 2015, the District budgeted \$16,195,617.00 and \$16,008,477.00 for property taxes (local tax levy) and state aid revenues, respectively. The District also received \$833,757.14 and \$1,603,537.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditures was \$37,684,272.85, actual expenditures were \$34,343,362.78.

The District's expenditures also include the reimbursed TPAF Social Security Aid and T.P.A.F. Pension Contributions of \$833,757.14 and \$1,603,537.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

Financial Analysis of the Government's Funds

As stated earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds - The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$10,892,510.80, a decrease of \$1,921,844.23 in comparison with the prior year.

Of the combined ending fund balances of \$10,892,510.80, (\$569,364.14) constitutes unassigned (deficit) fund balance (does not include final state aid payments of \$1,406,381.00). The remainder of fund balance is either restricted or assigned to indicate that it is not available for new spending because it has already been committed. For example, to liquidate contracts and purchase orders of the prior period fund balance of \$722,417.98 is assigned.

The general fund is the main operating fund of the District. At the end of the current fiscal year, unassigned (deficit) fund balance of the general fund was (\$569,364.14) (does not include final state aid payments of \$1,406,381.00), while total fund balance was \$10,719,557.93.

The fund balance of the District's general fund at June 30, 2015 fund decreased by \$1,842,577.87 over the previous year.

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

Unrestricted net position in the food service program was \$182,556.97 compared to \$145,805.26 in the prior year. Other factors concerning the finance of this fund have already been addressed in the discussion of the District's business-type activities.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Capital Asset and Debt Administration

Capital Assets - The District's investment in capital assets for its governmental and business-type activities as of June 30, 2015 amounts to \$24,725,135.48 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

During the fiscal year the Athletic Stadium Project was completed.

TABLE 4
Capital Assets

Capital Assets (Net of Depreciation):	<u>June 30, 2015</u>	<u>June 30, 2014</u>
Land	\$ 1,532,630.00	\$ 1,532,630.00
Equipment	4,068,480.79	3,334,724.79
Building and Improvements	<u>33,923,767.00</u>	<u>30,537,700.00</u>
Total Capital Assets	<u>39,524,877.79</u>	<u>35,405,054.79</u>
Less: Accumulated Depreciation	<u>(14,799,742.31)</u>	<u>(13,937,894.52)</u>
Net Capital Assets	<u>\$ 24,725,135.48</u>	<u>\$ 21,467,160.27</u>

Additional information on the District's capital assets can be found in Note 8.

Long-term Debt - At the end of the current fiscal year, the District had total bonded debt outstanding of \$15,208,000.00 (debt outstanding end of prior year was \$17,613,000.00). The entire District's bonded debt is governmental as opposed to business-type. Bonds mature all the way to 2029.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015
(Unaudited) (Cont'd)

Economic Factors and Next Year's Budget

For the 2014-15 school year, the District was able to sustain its budget through property taxes, federal and state aid, and miscellaneous revenue sources.

One of the most important factors affecting the District's budget is state aid. The 2015-16 budget was adopted with a general fund tax levy increase of \$323,912.00 (2%); based in part on the state aid the District anticipates receiving. The anticipated state aid general fund amount was the same as the prior year.

Summary of budgeted state aid revenue anticipated - general fund

<u>Fiscal Year</u>	<u>Amount</u>	<u>Change</u>
2015-2016	\$ 16,008,477	\$ -0-
2014-2015	16,008,477	40,120
2013-2014	15,968,357	52,274
2012-2013	15,916,083	560,023
2011-2012	15,356,060	382,973
2010-2011	14,973,087	

Any reduction of state aid and increase in expenditures will put an additional burden on the taxpayers of the District.

Requests for Information

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Lisa Giovanelli, Board Secretary/School Business Administrator at:

Rancocas Valley Regional High School District
520 Jacksonville Road
Mount Holly, New Jersey 08060

BASIC FINANCIAL STATEMENTS

GOVERNMENT- WIDE FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 10,172,815.24	\$ 214,822.18	\$ 10,387,637.42
Investments	280.04		280.04
Receivables, net	671,211.61	19,865.66	691,077.27
Inventory		7,171.24	7,171.24
Restricted Assets:			
Restricted Cash and Cash Equivalents	163,269.83		163,269.83
Capital Assets, net (Note 8)	<u>24,695,281.69</u>	<u>29,853.79</u>	<u>24,725,135.48</u>
Total Assets	<u>35,702,858.41</u>	<u>271,712.87</u>	<u>35,974,571.28</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Related to Pensions (Note 10)	764,411.00		764,411.00
Deferred Loss on Defeasance	<u>946,194.55</u>		<u>946,194.55</u>
Total Deferred Outflows of Resources	<u>1,710,605.55</u>	<u>-</u>	<u>1,710,605.55</u>
LIABILITIES:			
Accounts Payable	393,034.41	52,955.09	445,989.50
Accrued Interest	257,090.63		257,090.63
Unearned Revenue	35,115.51	6,347.02	41,462.53
Noncurrent Liabilities (Note 9):			
Due within One Year	1,099,205.47		1,099,205.47
Due beyond One Year	<u>22,860,243.18</u>		<u>22,860,243.18</u>
Total Liabilities	<u>24,644,689.20</u>	<u>59,302.11</u>	<u>24,703,991.31</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 10)	<u>417,547.00</u>		<u>417,547.00</u>
NET POSITION:			
Net Investment in Capital Assets	8,628,212.84	29,853.79	8,658,066.63
Nonspendable:			
Permanent Endowment	77,823.77		77,823.77
Restricted for:			
Debt Service	95,129.10		95,129.10
Capital Projects	3,509,400.00		3,509,400.00
Other Purposes	7,779,522.07		7,779,522.07
Unrestricted (Deficit)	<u>(7,738,860.02)</u>	<u>182,556.97</u>	<u>(7,556,303.05)</u>
Total Net Position	<u>\$ 12,351,227.76</u>	<u>\$ 212,410.76</u>	<u>\$ 12,563,638.52</u>

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

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 10,001,698.74	\$ 643,286.31	\$ 620,676.10	\$ -	\$ (8,737,736.33)	\$ -	\$ (8,737,736.33)
Special Education	2,032,162.32				(2,032,162.32)		(2,032,162.32)
Other Instruction	1,094,168.54				(1,094,168.54)		(1,094,168.54)
Support Services:							
Tuition	4,453,397.10				(4,453,397.10)		(4,453,397.10)
Student and Instruction Related Services	2,800,087.01		23,453.50		(2,776,633.51)		(2,776,633.51)
General Administrative Services	607,255.63				(607,255.63)		(607,255.63)
School Administrative Services	1,059,036.30				(1,059,036.30)		(1,059,036.30)
Central Services	479,923.85				(479,923.85)		(479,923.85)
Administrative Information Technology	469,002.43				(469,002.43)		(469,002.43)
Plant Operations and Maintenance	3,386,187.71				(3,386,187.71)		(3,386,187.71)
Pupil Transportation	2,013,352.52				(2,013,352.52)		(2,013,352.52)
Unallocated Benefits	9,249,351.17		4,915,749.14		(4,333,602.03)		(4,333,602.03)
Interest on Long-Term Debt	449,079.37				(449,079.37)		(449,079.37)
Unallocated Depreciation	158,573.71				(158,573.71)		(158,573.71)
Total Governmental Activities	38,253,276.40	643,286.31	5,559,878.74	-	(32,050,111.35)	-	(32,050,111.35)
Business-Type Activities:							
Food Service	761,731.43	561,977.32	254,769.27			55,015.16	55,015.16
Total Business-Type Activities	761,731.43	561,977.32	254,769.27	-	-	55,015.16	55,015.16
Total Primary Government	\$ 39,015,007.83	\$ 1,205,263.63	\$ 5,814,648.01	\$ -	(32,050,111.35)	55,015.16	(31,995,096.19)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					16,195,617.00		16,195,617.00
Property Taxes, Levied for Debt Service					857,822.00		857,822.00
Federal and State Aid - Unrestricted					17,027,959.97		17,027,959.97
Miscellaneous					361,095.77	178.07	361,273.84
Total General Revenues, Special Items, Extraordinary Items and Transfers					34,442,494.74	178.07	34,442,672.81
Change in Net Position					2,392,383.39	55,193.23	2,447,576.62
Net Position -- July 1 (Restated)					9,958,844.37	157,217.53	10,116,061.90
Net Position -- June 30					\$ 12,351,227.76	\$ 212,410.76	\$ 12,563,638.52

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

FUND FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS:						
Cash and Cash Equivalents	\$ 10,172,815.24			\$ 85,726.10	\$ 77,543.73	\$ 10,336,085.07
Investments					280.04	280.04
Interfunds Receivable	77,790.55					77,790.55
Intergovernmental Accounts Receivable:						
Federal		\$ 112,906.06				112,906.06
State	147,259.80					147,259.80
Other	401,642.75			9,403.00		411,045.75
Total Assets	\$ 10,799,508.34	\$ 112,906.06	\$ -	\$ 95,129.10	\$ 77,823.77	\$ 11,085,367.27
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Interfunds Payable		\$ 77,790.55				\$ 77,790.55
Accounts Payable	\$ 79,950.41					79,950.41
Unearned Revenues		35,115.51				35,115.51
Total Liabilities	79,950.41	112,906.06	-	-	-	192,856.47
Fund Balances:						
Nonspendable:						
Permanent Fund					\$ 77,823.77	77,823.77
Restricted:						
Debt Service				\$ 95,129.10		95,129.10
Emergency Reserve	351,914.00					351,914.00
Maintenance Reserve	1,651,100.00					1,651,100.00
Capital Reserve Account	3,509,400.00					3,509,400.00
Excess Surplus - Current Year	2,317,868.79					2,317,868.79
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	1,183,305.00					1,183,305.00
Assigned:						
Other Purposes	722,417.98					722,417.98
Designated for Subsequent Year's Expenditures	1,547,953.00					1,547,953.00
ARRA/SEMI	4,963.30					4,963.30
Unassigned	(569,364.14)					(569,364.14)
Total Fund Balances	10,719,557.93	-	-	95,129.10	77,823.77	10,892,510.80
Total Liabilities and Fund Balances	\$ 10,799,508.34	\$ 112,906.06	\$ -	\$ 95,129.10	\$ 77,823.77	

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 \$39,406,486.00, and the accumulated depreciation is \$14,711,204.31.	24,695,281.69
Deferred Loss on Defeasance	946,194.55
Interest on long-term debt in the statement of activities is accrued, regardless of when due.	(257,090.63)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(16,952,994.65)
Net Pension Liability	(7,006,454.00)
Accounts Payable related to the April 1, 2016 Required PERS pension contribution that is not liquidated with current financial resources.	(313,084.00)
Deferred Outflows of Resources - Related to Pensions	764,411.00
Deferred Inflows of Resources - Related to Pensions	(417,547.00)
Net Position of Governmental Activities	\$ 12,351,227.76

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local Tax Levy	\$ 16,195,617.00			\$ 857,822.00		\$ 17,053,439.00
Tuition Charges	643,286.31					643,286.31
Miscellaneous	361,230.60	\$ 19,886.54	\$ 171.11	58.62	\$ (364 56)	380,982.31
State Sources	18,608,869.14			779,553.00		19,388,422.14
Federal Sources	76,831.97	624,243.06				701,075.03
Total Revenues	35,885,835.02	644,129.60	171.11	1,637,433.62	(364 56)	38,167,204.79
EXPENDITURES:						
Current:						
Regular Instruction	8,785,796.88	620,676.10				9,406,472.98
Special Education Instruction	1,997,149.04					1,997,149.04
Other Instruction	1,094,168.54					1,094,168.54
Support Services and Undistributed Costs:						
Tuition	4,453,397.10					4,453,397.10
Student and Instruction Related Services	2,773,633.51	23,453.50			3,000 00	2,800,087.01
General Administrative Services	525,255.63			82,000.00		607,255.63
School Administrative Services	989,009.74					989,009.74
Central Services	479,923.85					479,923.85
Administrative Information Technology	469,002.43					469,002.43
Plant Operations and Maintenance	3,394,243.02					3,394,243.02
Pupil Transportation	2,013,352.52					2,013,352.52
Unallocated Benefits	6,663,162.94					6,663,162.94
Capital Outlay	705,267.58		3,385,050.11			4,090,317.69
Debt Service:						
Principal				1,165,000.00		1,165,000.00
Interest and Other Charges				548,506.53		548,506.53
Total Expenditures	34,343,362.78	644,129.60	3,385,050.11	1,795,506.53	3,000 00	40,171,049.02
Excess (Deficiency) of Revenues over Expenditures	1,542,472.24	-	(3,384,879.00)	(158,072.91)	(3,364 56)	(2,003,844.23)
OTHER FINANCING SOURCES (USES):						
Proceeds of Refunding Bonds				14,220,000.00		14,220,000.00
Deferred Loss of Defeasance of Bonds				(336,756.60)		(336,756.60)
Premium - Refunding Bonds				1,658,756.60		1,658,756.60
Payment to Refunded Bond Escrow Agent				(15,460,000.00)		(15,460,000.00)
Operating Transfers In			3,385,050.11	171.11		3,385,221.22
Operating Transfers Out	(3,385,050.11)		(171.11)			(3,385,221.22)
Total Other Financing Sources and Uses	(3,385,050.11)	-	3,384,879.00	82,171.11	-	82,000.00
Net Change in Fund Balances	(1,842,577.87)	-		(75,901.80)	(3,364 56)	(1,921,844.23)
Fund Balance -- July 1	12,562,135.80	-	-	171,030.90	81,188 33	12,814,355.03
Fund Balance -- June 30	\$ 10,719,557.93	\$ -	\$ -	\$ 95,129.10	\$ 77,823.77	\$ 10,892,510.80

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2015

Total Net Change in Fund Balances - Governmental Funds	\$ (1,921,844.23)
--	-------------------

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	\$ (858,839.31)	
Capital Outlays	<u>4,090,317.69</u>	3,231,478.38

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.	1,165,000.00
---	--------------

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)	56,428.65
--	-----------

Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.	(94,024.00)
--	-------------

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	<u>(44,655.41)</u>
---	--------------------

Change in Net Position of Governmental Activities	<u><u>\$ 2,392,383.39</u></u>
---	-------------------------------

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Proprietary Funds
Statement of Net Position
June 30, 2015

	Business-Type Activities Enterprise Funds
	Food Service
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 214,822.18
Accounts Receivable:	
State	345.24
Federal	16,422.92
Other	3,097.50
Inventories	7,171.24
Total Current Assets	241,859.08
Noncurrent Assets:	
Furniture, Fixtures and Equipment	118,391.79
Less Accumulated Depreciation	(88,538.00)
Total Noncurrent Assets	29,853.79
Total Assets	271,712.87
LIABILITIES :	
Current Liabilities:	
Accounts Payable	52,955.09
Unearned Revenues	6,347.02
Total Liabilities	59,302.11
NET POSITION:	
Net Investment in Capital Assets	29,853.79
Unrestricted	182,556.97
Total Net Position	\$ 212,410.76

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

RANCOCAS VALLEY REGIONAL HIGH 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 Fund
	Food Service
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 148,963.45
Daily Sales - Non-Reimbursable Programs	413,013.87
Total Operating Revenues	561,977.32
OPERATING EXPENSES:	
Salaries	243,147.66
Employee Benefits	52,454.15
Purchased Professional Educational Services	45,815.00
Supplies and Materials	29,988.05
Depreciation	3,008.48
Cost of Sales	299,924.08
Uniforms & Laundry	2,169.96
Management Fees	35,998.00
Insurance	8,021.64
Equipment Repair	21,636.86
Bank Fees	6,126.12
Miscellaneous	13,441.43
Total Operating Expenses	761,731.43
Operating Income (Loss)	(199,754.11)
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	4,869.59
Federal Sources:	
National School Lunch Program	186,340.84
National School Breakfast Program	32,123.38
Food Distribution Program	31,435.46
Interest Revenue	178.07
Total Nonoperating Revenues (Expenses)	254,947.34
Change in Net Position	55,193.23
Net Position -- July 1	157,217.53
Net Position -- June 30	\$ 212,410.76

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Proprietary Funds
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2015

	Business-Type Activities Enterprise Funds
	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 559,830.95
Payments for Purchased Professional Services	(680,360.72)
Payments to Suppliers	(30,091.14)
Refunds	(424.20)
	(151,045.11)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Federal and State Sources	283,756.71
	283,756.71
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of Capital Assets	(21,450.00)
	(21,450.00)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	178.07
	178.07
Net Cash Provided by (Used for) Investing Activities	178.07
Net Increase (Decrease) in Cash and Cash Equivalents	111,439.67
Cash and Cash Equivalents -- July 1	103,382.51
Cash and Cash Equivalents -- June 30	\$ 214,822.18
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (199,754.11)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	3,008.48
Food Distribution Program	31,435.46
(Increase) Decrease in Accounts Receivable	(1,478.40)
(Increase) Decrease in Inventories	(1,548.17)
Increase (Decrease) in Accounts Payable	18,383.80
(Increase) Decrease in Unearned Revenues	(1,092.17)
	48,709.00
Total Adjustments	48,709.00
Net Cash Provided by (Used for) Operating Activities	\$ (151,045.11)

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2015

	<u>Trust Funds</u>	<u>Agency Funds</u>	
	Unemployment Compensation <u>Trust</u>	Student <u>Activity</u>	<u>Payroll</u>
ASSETS:			
Cash and Cash Equivalents	\$ 782,379.83	\$ 576,009.91	\$ 172,288.27
Total Assets	<u>782,379.83</u>	<u>\$ 576,009.91</u>	<u>\$ 172,288.27</u>
LIABILITIES:			
Payable to Student Groups	-	\$ 576,009.91	\$ -
Accrued Salaries and Wages	-	-	6,791.40
Payroll Deductions and Withholdings	-	-	52,372.22
Interfund Accounts Payable:			
Due to General Fund	-	-	113,124.65
Total Liabilities	<u>-</u>	<u>\$ 576,009.91</u>	<u>\$ 172,288.27</u>
NET POSITION:			
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 782,379.83</u>		

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended June 30, 2015

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 39,910.80
Total Contributions	<u>39,910.80</u>
Investment Earnings:	
Interest	<u>800.21</u>
Net Investment Earnings	<u>800.21</u>
Total Additions	<u>40,711.01</u>
DEDUCTIONS:	
Unemployment Claims	<u>78,216.58</u>
Total Deductions	<u>78,216.58</u>
Change in Net Position	(37,505.57)
Net Position -- July 1	<u>819,885.40</u>
Net Position -- June 30	<u><u>\$ 782,379.83</u></u>

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2015

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Rancocas Valley Regional High School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades 9 through 12 at its one school. The School District has an approximate enrollment at June 30, 2015 of 2,067.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

Component Units

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units, and is not a component unit of another governmental agency.

Government-wide and Fund Financial Statements

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Burlington County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. 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.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It 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 non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District reports the following major governmental funds (cont'd):

Special Revenue Fund - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

Capital Projects Fund - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

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

Permanent Fund - The permanent fund is used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the School District's programs, that is, for the benefit of the School District or its students as a whole. The School District maintains a non-expendable scholarship fund.

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. 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. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

Food Service Fund - This fund accounts for the financial transactions related to the food service operations of the School District.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

Agency Funds - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

The School District maintains the following fiduciary funds (cont'd):

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

New Jersey Unemployment Compensation Insurance Trust Fund - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

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 property taxes.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. 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:23A-16.2(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:23A-13.3.

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 one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Budgets / Budgetary Control (Cont'd)**

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule 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 balances – governmental funds. Note that the School 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 of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected in the balance sheet as deferred revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, 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. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

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 units shall deposit public funds in public depositories unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, 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 amount of their deposits to the governmental units.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

The cost of inventories in the governmental fund financial statements is recorded as expenditures when purchased rather than when consumed.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

Tuition Receivable

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

In the governmental fund financial statements, however, payments for prepaid items are fully recognized as expenditures in the fiscal year of payment. No asset for the prepayment is created, and no expenditure allocation to future accounting periods is required (*non-allocation method*). This is consistent with the basic governmental concept that only expendable financial resources are reported by a specific fund.

Short-Term Interfund Receivables / Payables

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable.

Capital Assets

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at fair market value at the time received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Capital Assets (Cont'd)**

The School District capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings and Improvements	10-50 Years	N/A
Furniture, Fixtures and Equipment	5-20 Years	5-20 Years

The School District does not possess any infrastructure assets.

Deferred Outflows and Deferred Inflows of Resources

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

Defined Benefit Pension Plans - The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the School District's proportion of expenses and liabilities to the pension as a whole, differences between the School District's pension contribution and its proportionate share of contributions, and the School District's pension contributions subsequent to the pension valuation measurement date.

In addition, the School District reports the following as deferred outflows of resources:

Loss on Refunding of Debt - The loss on refunding arising from the issuance of refunding bonds, which is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2015 and 2014 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

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 measurable and the School District is eligible to realize the revenue.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accrued Salaries and Wages**

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2015, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences

Compensated absences are payments to employees for accumulated time such as paid vacation, paid holidays, sick pay, and sabbatical leave. A liability for compensated absences that is attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the School 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 School District and its employees, are accounted for in the period in which such services are rendered or in which such events take place.

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

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, governmental 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. Bonds are recognized as a liability on the governmental fund financial statements when due.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System ("PERS") and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by the plans. 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.

Bond Discounts / Premiums

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Net Position**

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into 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 the 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 School 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.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Fund Balance

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

Nonspendable - The nonspendable fund balance 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. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

Restricted - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

Committed - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, 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) it employed to previously commit those amounts.

Assigned - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position, approved by the Board of Education.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Fund Balance (Cont'd)**

Unassigned - The unassigned fund balance classification is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, and then unassigned.

Interfund Activity

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

Accounting 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 assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Principles**Recently Issued and Adopted Accounting Pronouncements**

For the fiscal year ended June 30, 2015, the School District adopted GASB 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. As a result of adopting such Statements, the School District was required to measure and recognize liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to their defined benefit pensions. The cumulative effect of adopting GASB Statements No. 68 and No. 71 totaled \$6,878,650.00 and was recognized as a restatement of the School District's June 30, 2014 net position on the statement of activities (see note 22).

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The Statement will become effective for the School District in fiscal year 2016. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The Statement will become effective for the School District in fiscal year 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement will become effective for the School District in fiscal year 2018. Management has not yet determined the impact of this Statement on the financial statements.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The Statement will become effective for the School District in fiscal year 2016. Management does not expect this Statement will have an impact on the financial statements.

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the notes to the financial statements.

Note 2: CASH AND CASH EQUIVALENTS

Custodial Credit Risk Related to Deposits - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, athletic and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uncollateralized.

As of June 30, 2015, the School District's bank balances of \$12,781,184.10 were exposed to custodial credit risk as follows:

Uninsured and Uncollateralized	\$ 820,393.34
Collateralized with securities held by the pledging financial institution's trust department or agent but not in the School District's name	<u>11,960,790.76</u>
Total	<u>\$ 12,781,184.10</u>

Note 3: INVESTMENTS

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. These permissible investments generally include bonds or other obligations of the United States of America or obligations guaranteed by the United States of America, government money market mutual funds, any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, bonds or other obligations of the School District or other obligations of the local unit or units within which the School District is located, bonds or other obligations approved by the Division of Investment in the Department of Treasury for investment by school districts, local government investment pools, deposits with the State of New Jersey Cash Management Fund, and agreements for the purchase of fully collateralized securities with certain provisions. The School District has no investment policy that would further limit its investment choices.

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy to limit its exposure to custodial credit risk. As of June 30, 2015, the School District's investments were exposed to custodial credit risk as follows:

Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the School District's name	\$280.04
--	----------

As of June 30, 2015, the School District had the following investments:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
Common Stock	Daily	\$280.04

Note 3: INVESTMENTS (CONT'D)

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School 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 - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in Note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy that would further limit its exposure to credit risk. As of June 30, 2015, the School District's investments had the following ratings:

<u>Investment</u>	<u>Standard & Poor's</u>	<u>Moody's</u>
Common Stock	Not rated	Not rated

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District's investment policies place no limit on the amount the School District may invest in any one issuer. As of June 30, 2015, 100% of the School District's Permanent Fund investment is in common stock of one organization.

Note 4: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District, by inclusion of amounts in previously adopted budgets, 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either 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. 6A: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		\$ 5,892,256.00
Increased by:		
Interest Earnings	\$ 3,000.00	
Prior Year Accounts Payable on GAAP Basis	1,213,874.00	
Deposits:		
2014-2015 Budget Appropriation	1,200,000.00	
Board Resolution	<u>342,525.11</u>	
		<u>2,759,399.11</u>
		8,651,655.11
Decreased by:		
Withdrawals:		
2014-2015 Budget Appropriation	4,598,924.11	
Board Resolution	<u>543,331.00</u>	
		<u>5,142,255.11</u>
Ending Balance, June 30, 2015		<u>\$ 3,509,400.00</u>

Note 4: CAPITAL RESERVE ACCOUNT (CONT'D)

The June 30, 2015 LRFP balance of local support costs of uncompleted projects at June 30, 2015 exceeds \$3,509,400.00. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

Note 5: TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2015, the School District transferred \$543,331.00 to the capital outlay accounts. The transfer was made (by board resolution) from the fund balance restricted for capital reserve, for replacing roofs on various buildings, which were approved facilities projects listed in the School District's LRFP.

Note 6: ACCOUNTS RECEIVABLE

Accounts Receivable at June 30, 2015 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal state programs and the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>		<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	
Federal Awards		\$ 112,906.06		\$ 112,906.06	\$ 345.24	\$ 113,251.30
State Awards	\$ 147,259.80			147,259.80	16,422.92	163,682.72
Other	401,642.75		\$ 9,403.00	411,045.75	3,097.50	414,143.25
	<u>\$ 548,902.55</u>	<u>\$ 112,906.06</u>	<u>\$ 9,403.00</u>	<u>\$ 671,211.61</u>	<u>\$ 19,865.66</u>	<u>\$ 691,077.27</u>

Note 7: INVENTORY

Inventory recorded at June 30, 2015 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 5,416.57
Commodities	-
Supplies	<u>1,754.67</u>
Total	<u>\$ 7,171.24</u>

Note 8: CAPITAL ASSETS

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

	<u>Balance</u> <u>July 1, 2014</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>June 30, 2015</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,532,630.00			\$ 1,532,630.00
Total Capital Assets, not being Depreciated	1,532,630.00	-	-	1,532,630.00
Capital Assets, being Depreciated:				
Buildings and Improvements	30,537,700.00	\$ 3,386,067.00		33,923,767.00
Equipment	3,237,783.00	712,306.00		3,950,089.00
Total Capital Assets, being Depreciated	33,775,483.00	4,098,373.00	-	37,873,856.00
Total Capital Assets, Cost	35,308,113.00	4,098,373.00	-	39,406,486.00
Less Accumulated Depreciation for:				
Buildings and Improvements	(11,276,260.00)	(700,265.60)		(11,976,525.60)
Equipment	(2,576,105.00)	(158,573.71)		(2,734,678.71)
Total Accumulated Depreciation	(13,852,365.00)	(858,839.31)*	-	(14,711,204.31)
Total Capital Assets, being Depreciated, Net	19,923,118.00	3,239,533.69	-	23,162,651.69
Governmental Activities Capital Assets, Net	<u>\$ 21,455,748.00</u>	<u>\$ 3,239,533.69</u>	<u>\$ -</u>	<u>\$ 24,695,281.69</u>
Business-Type Activities:				
Furniture, Fixtures and Equipment	\$ 96,941.79	\$ 21,450.00		\$ 118,391.79
Less Accumulated Depreciation	(85,529.52)	(3,008.48)*		(88,538.00)
Business-Type Activities Capital Assets, Net	<u>\$ 11,412.27</u>	<u>\$ 18,441.52</u>	<u>\$ -</u>	<u>\$ 29,853.79</u>

* Depreciation expense was charged to functions / programs of the School District as follows:

Governmental Activities:

Regular Instruction	\$ 595,225.76
Special Education	35,013.28
School Administrative Service	70,026.56
Unallocated	158,573.71
Total Depreciation Expense - Governmental Activities	<u>\$ 858,839.31</u>

Business-Type Activities:

Food Service	\$ 3,008.48
Total Depreciation Expense - Business-Type Activities	<u>\$ 3,008.48</u>

Note 9: LONG-TERM LIABILITIES

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

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 17,613,000.00		\$(2,405,000.00)	\$ 15,208,000.00	\$ 1,050,000.00
Add Amounts:					
Bond Premium	134,099.09	\$ 1,658,756.60	(244,682.93)	1,548,172.76	
Total Bonds Payable	<u>17,747,099.09</u>	<u>1,658,756.60</u>	<u>(2,649,682.93)</u>	<u>16,756,172.76</u>	<u>1,050,000.00</u>
Other Liabilities:					
Compensated Absences (note 15)	183,112.66	66,342.00	(52,632.77)	196,821.89	49,205.47
Net Pension Liability (note 10)	6,878,650.00	127,804.00		7,006,454.00	
Total Other Liabilities	<u>7,061,762.66</u>	<u>194,146.00</u>	<u>(52,632.77)</u>	<u>7,203,275.89</u>	<u>49,205.47</u>
Governmental Activity Long-Term Liabilities	<u>\$ 24,808,861.75</u>	<u>\$ 1,852,902.60</u>	<u>\$(2,702,315.70)</u>	<u>\$ 23,959,448.65</u>	<u>\$ 1,099,205.47</u>

The bonds payable are generally liquidated by the debt service fund, while compensated absences and net pension liability are liquidated by the general fund.

Note 9: LONG-TERM LIABILITIES (CONT'D)

Bonds Payable - Bonds and loans are authorized in accordance with State law by the voters of the municipality through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the School District are general obligation bonds.

On October 23, 2014, the School District issued \$14,220,000.00 refunding general obligation bonds at interest rates varying from 3.00% to 5.00%, original proceeds were for various construction and renovation projects. The final maturity of these bonds is February 1, 2029. The bonds will be paid from property taxes.

On June 11, 2008, the School District issued \$2,483,000.00 general obligation bonds at interest rates varying from 3.00% to 3.50% for various renovations and improvement projects. The final maturity of these bonds is August 1, 2018. The bonds will be paid from property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,050,000.00	\$ 612,873.75	\$ 1,662,873.75
2017	1,085,000.00	580,155.00	1,665,155.00
2018	1,110,000.00	546,080.00	1,656,080.00
2019	1,148,000.00	511,240.00	1,659,240.00
2020	885,000.00	471,800.00	1,356,800.00
2021-2025	5,025,000.00	1,739,050.00	6,764,050.00
2026-2030	4,905,000.00	445,850.00	5,350,850.00
Total	<u>\$ 15,208,000.00</u>	<u>\$ 4,907,048.75</u>	<u>\$ 20,115,048.75</u>

Bonds Authorized But Not Issued - As of June 30, 2015, the School District had no authorizations to issue additional bonded debt.

Note 10: PENSION PLANS

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits. In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the New Jersey Division of Pensions and Benefits. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey
 Division of Pensions and Benefits
 P.O. Box 295
 Trenton, New Jersey 08625-0295
<http://www.state.nj.us/treasury/pensions>

General Information about the Pension Plans**Plan Descriptions**

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

Public Employees' Retirement System - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

Defined Contribution Retirement Program - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for a certain enrollment tier but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for certain enrollment tiers, but who earn salary of at least \$5,000.00 annually.

Note 10: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

Tier Definition

- 1 Members enrolled before July 1, 2007
- 2 Members eligible for enrollment on or after July 1, 2007 and before November 2, 2008
- 3 Members eligible for enrollment on or after November 2, 2008 and on or before May 21, 2010
- 4 Members eligible for enrollment after May 21, 2010 and before June 28, 2011
- 5 Members eligible for enrollment on or after June 28, 2011

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62, 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.

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 8 to 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

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

Note 10: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

Defined Contribution Retirement Program - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. 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.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2015 was 3.97% of the School District's covered-employee payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2015 because of the 100.00% special funding situation with the State of New Jersey.

Public Employees' Retirement System - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 6.78% in State fiscal year 2014. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

Note 10: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The School Districts' contractually required contribution rate for the fiscal year ended June 30, 2015 was 13.26% of the School District's covered-employee payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. Contributions to the pension plan from the School District were \$313,084.00 for the fiscal year ended June 30, 2015. Employee contributions were \$167,247.82 for the fiscal year ended June 30, 2015.

Defined Contribution Retirement Program - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period, 3% of the employees' base salary, are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

The School District had no employees in the Defined Contribution Retirement Program for the fiscal year ended June 30, 2015.

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

Teachers' Pension and Annuity Fund - At June 30, 2015, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% reduction for State of New Jersey pension support provided to the School District. The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	<u>57,576,943.00</u>
	<u>\$ 57,576,943.00</u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2015, the School District proportion was 0.00% due to the 100% special funding situation of the State of New Jersey. For the fiscal year ended June 30, 2015, the School District recognized \$3,098,180.00 in revenue and expense, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions.

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System - At June 30, 2015, the School District reported a liability of \$7,006,454.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2014, the School District's proportion was 0.0374221734%, which was an increase of 0.0014308859% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the School District recognized \$402,684.00, in the government-wide financial statements, for pension expense for PERS.

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ -
Changes of Assumptions	220,321.00	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	417,547.00
Changes in Proportion and Differences Between School District Contributions and Proportionate Share of Contributions	231,006.00	-
School District Contributions Subsequent to the Measurement Date	<u>313,084.00</u>	<u>-</u>
	<u>\$ 764,411.00</u>	<u>\$ 417,547.00</u>

Note 10: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System (Cont'd) - \$764,411.00 reported as deferred outflows of resources related to pensions will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2016.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year	<u>Ending June 30.</u>	<u>PERS</u>
2015	\$	10,942
2016		10,942
2017		10,942
2018		10,942
2019		(6,937)
Thereafter		<u>(3,052)</u>
	<u>\$</u>	<u>33,780</u>

Actuarial Assumptions

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<u>TPAF</u>	<u>PERS</u>
Inflation	2.50%	3.01%
Salary Increases:		
2012-2021	Varies Based on Experience	2.15% - 4.40% Based on Age
Thereafter	Varies Based on Experience	3.15% - 5.40% Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2009 - June 30, 2012	July 1, 2008 - June 30, 2011

For TPAF, mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements were 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.

Note 10: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

For PERS, 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.

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 Pension and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of returns for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>TPAF</u>		<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%	6.00%	0.80%
Core Fixed Income	-	2.19%	-	-
Core Bonds	1.00%	1.38%	1.00%	2.49%
Short-Term Bonds	-	1.00%	-	-
Intermediate-Term Bonds	11.20%	2.60%	11.20%	2.26%
Long-Term Bonds	-	3.23%	-	-
Mortgages	2.50%	2.84%	2.50%	2.17%
High Yield Bonds	5.50%	4.15%	5.50%	4.82%
Non-US Fixed Income	-	1.41%	-	-
Inflation-Indexed Bonds	2.50%	1.30%	2.50%	3.51%
Broad US Equities	25.90%	5.88%	25.90%	8.22%
Large Cap US Equities	-	5.62%	-	-
Mid Cap US Equities	-	6.39%	-	-
Small Cap US Equities	-	7.39%	-	-
Developed Foreign Equities	12.70%	6.05%	12.70%	8.12%
Emerging Market Equities	6.50%	8.90%	6.50%	9.91%
Private Equity	8.25%	9.15%	8.25%	13.02%
Hedge Funds / Absolute Return	12.25%	3.85%	12.25%	4.92%
Real Estate (Property)	3.20%	4.43%	3.20%	5.80%
Real Estate (REITS)	-	5.58%	-	-
Commodities	2.50%	3.60%	2.50%	5.35%
Long Credit Bonds	-	3.74%	-	-
	<u>100.00%</u>		<u>100.00%</u>	

Note 10: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

Discount Rate - The discount rate used to measure the total pension liability was 4.68% and 4.95% for TPAF as of June 30, 2014 and 2013, respectively, and 5.39% and 5.55% for PERS as of June 30, 2014 and 2013, respectively. For TPAF and PERS, these single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/ Aa or higher. The projection of cash flows used to determine the discount rates for TPAF and PERS assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. 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 for TPAF and 2033 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027 for TPAF and 2033 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

Teachers' Pension and Annuity Fund (TPAF) - As indicated above, TPAF has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the net pension liability as of June 30, 2014 attributable to the School District is \$0 and the State's net pension liability attributable to the School District using a discount rate of 4.68%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<u>TPAF</u>		
	1% Decrease <u>(3.68%)</u>	Current Discount Rate <u>(4.68%)</u>	1% Increase <u>(5.68%)</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability	<u>69,249,938.02</u>	<u>57,576,943.00</u>	<u>47,868,064.70</u>
	<u>\$ 69,249,938.02</u>	<u>\$ 57,576,943.00</u>	<u>\$ 47,868,064.70</u>

Note 10: PENSION PLANS (CONT'D)**Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate (Cont'd)**

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2014 calculated using a discount rate of 5.39% for PERS, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<u>PERS</u>		
	1% Decrease <u>(4.39%)</u>	Current Discount Rate <u>(5.39%)</u>	1% Increase <u>(6.39%)</u>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 8,814,358.16</u>	<u>\$ 7,006,454.00</u>	<u>\$ 5,488,275.27</u>

Pension Plan Fiduciary Net Position

Detailed information about each pension plan's fiduciary net position is available in the separately issued New Jersey Division of Pension and Benefits financial report. Information on where to obtain the report is indicated at the beginning of this note.

Note 11: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of 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 postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving postemployment medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a 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 free health benefits to members of PERS and the Alternate Benefit Program who retire 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 12: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2015, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were \$619,725.00 and \$983,812.00, respectively.

Note 13: RISK MANAGEMENT

The School 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 School 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 School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year Ended June 30,</u>	<u>School District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015	\$ -	\$ 40,711.01	\$ 78,216.58	\$ 782,379.83
2014	-	43,797.11	53,885.34	819,885.40
2013	-	38,174.10	48,338.41	829,973.63

Note 14: DEFERRED COMPENSATION

The School District offers its employees a choice of five deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are AXA Equitable and Lincoln Investment.

Note 15: COMPENSATED ABSENCES

The School 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.

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may be carried forward to subsequent years. Up to five vacation days not used during the year may be accumulated and carried forward with the approval of the Superintendent. Benefits paid in any future year will be calculated according to formulas outlined in the School Districts' agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2015, the liability for compensated absences in the governmental fund types was \$196,821.89. As of June 30, 2015, no liability existed for compensated absences in the proprietary fund types.

Note 16: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances and interfund transfers as of June 30, 2015 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 77,790.55	
Special Revenue		\$ 77,790.55
	<u>\$ 77,790.55</u>	<u>\$ 77,790.55</u>

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General		\$ 3,385,050.11
Capital Projects	\$ 3,385,050.11	171.11
Debt Service	171.11	
	<u>\$ 3,385,221.22</u>	<u>\$ 3,385,221.22</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2016, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

The interfund transfer from the General Fund to the Capital Project Fund was for the Athletic Stadium Renovations Project.

The interfund transfer from the Capital Projects Fund to the Debt Service Fund was interest earnings.

Note 17: CONTINGENCIES

Grantor Agencies - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

Litigation - The School District is a defendant in several legal proceedings that are in various stages of litigation. It is believed that the outcome, or exposure to the School District, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

Note 18: CONCENTRATIONS

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

Note 19: CAPITAL DEBT REFUNDING

On October 23, 2014, the School District issued \$14,220,000.00 in general obligation bonds with an interest rate of 3.00-5.00% to advance refund \$15,460,000.00 of outstanding 2005 series bonds with an interest rate of 4.00-4.75%. The net proceeds of \$15,796,756.60 (after payment of issuance costs) were used to purchase U.S. Treasury Bills. These securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2005 series bonds. As a result of the current refunding, the School District will reduce its total debt service payments over the next fourteen years by almost \$2,162,597.36, which results in an economic gain (difference between the present values of the debt service payments of the old and new debt) of \$1,810,719.65, or 11.71% of the principal amount being refunded. The current refunding meets the requirements of an in-substance defeasance and the liability for the refunded bonds was removed from the School District's financial statements.

Note 20: DEFICIT FUND BALANCES

The School District has a deficit fund balance of \$569,364.14 in the general fund as of June 30, 2015 as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$569,364.14 is less than the June state aid payments.

Note 21: FUND BALANCES**NONSPENDABLE**

As stated in note 1, the nonspendable fund balance 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. The nonspendable fund balances of the School District, as of June 30, 2015, are summarized as follows:

Permanent Fund - The School District has three named scholarship funds. In accordance with the terms of the donation, the principal is to be invested upon good security, and the income only, derived there from, is to be used solely for student scholarships. As of June 30, 2015, the nonspendable fund balance amount was \$77,823.77.

Note 21: FUND BALANCES (CONT'D)**RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

General Fund

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$2,317,868.79. Additionally, \$1,183,305.00 of excess fund balance generated during 2013-2014 has been restricted and designated for utilization in the 2015-2016 budget.

For Capital Reserve Account - As of June 30, 2015, the balance in the capital reserve account is \$3,509,400.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2015, the balance in the maintenance reserve account is \$1,651,100.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Emergency Reserve - As of June 30, 2015, the balance in the emergency reserve is \$351,914.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the reserve is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District will appropriate and include as anticipated revenue for the fiscal year ending June 30, 2017 \$95,129.10 of debt service fund balance at June 30, 2015.

Note 21: FUND BALANCES (CONT'D)**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

General Fund

For Subsequent Year's Expenditures - The School District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2016 \$1,547,953.00 of general fund balance at June 30, 2015.

The School District will appropriate and include as anticipated revenue for the fiscal year ending June 30, 2017 \$4,963.30 of general fund balance at June 30, 2015, resulting from the Special Education Medicaid Initiative (SEMI) reimbursement received during the current fiscal year for reimbursement of previous fiscal year expenditures.

Other Purposes - As of June 30, 2015, the School District had \$722,417.98 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

General Fund - As of June 30, 2015, a deficit of \$569,364.14 in the general fund balance was unassigned.

Note 22: RESTATEMENT OF PRIOR PERIOD NET POSITION

As indicated in note 1 to the financial statements, the School District adopted GASB Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, for the fiscal year ended June 30, 2015. As a result of implementing these two Statements, a restatement of unrestricted net position on the government-wide statement of activities was required to record the School District's proportionate share of its net pension liability. The cumulative effect on the financial statements as reported for June 30, 2014 is as follows:

	Net Position As Previously Reported June 30, 2014	GASB 68 Implementation			Net Position As Restated June 30, 2014
		Net Pension Liability (1)	Deferred Outflows (2)	Accounts Payable (3)	
Governmental Activities:					
Net Investment in Capital Assets	\$ 4,217,664.26	\$ -	\$ -	\$ -	\$ 4,217,664.26
Nonspendable:					
Permanent Endowment	81,188.33				81,188.33
Reserve for:					
Capital Projects	5,892,256.00				5,892,256.00
Other Purposes	7,508,771.75				7,508,771.75
Unrestricted (Deficit)	<u>(705,168.44)</u>	<u>(6,878,650.00)</u>	<u>308,503.00</u>	<u>(308,503.00)</u>	<u>(7,583,818.44)</u>
Total Net Position	<u>\$ 16,994,711.90</u>	<u>\$ (6,878,650.00)</u>	<u>\$ 308,503.00</u>	<u>\$ (308,503.00)</u>	<u>\$ 10,116,061.90</u>

(1) Represents the District's proportionate share of the Public Employees' Retirement System (PERS) June 30, 2013 Net Pension Liability.

(2) Represents the District's beginning deferred outflow of resources for contributions subsequent to the measurement date, paid on April 1, 2015.

(3) Represents the District's accounts payable for contributions subsequent to the measurement date, paid on April 1, 2015. The State of New Jersey Division of Pension and Benefits has an accounts receivable recorded in the PERS Plan Audit.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 16,195,617.00	\$ -	\$ 16,195,617.00	\$ 16,195,617.00	\$ -
Tuition	200,000.00	-	200,000.00	643,286.31	443,286.31
Unrestricted Miscellaneous Revenues	152,500.00	-	152,500.00	357,730.60	205,230.60
Interest Earned on Maintenance Reserve Funds	500.00	-	500.00	500.00	-
Interest Earned on Capital Reserve Funds	3,000.00	-	3,000.00	3,000.00	-
Total - Local Sources	16,551,617.00	-	16,551,617.00	17,200,133.91	648,516.91
State Sources:					
Extraordinary Aid	-	-	-	94,386.00	94,386.00
Categorical Transportation Aid	957,133.00	-	957,133.00	957,133.00	-
Categorical Special Education Aid	1,209,933.00	-	1,209,933.00	1,209,933.00	-
Equalization Aid	13,307,513.00	-	13,307,513.00	13,307,513.00	-
Categorical Security Aid	215,416.00	-	215,416.00	215,416.00	-
Adjustment Aid	278,362.00	-	278,362.00	278,362.00	-
PARCC Readiness Aid	20,060.00	-	20,060.00	20,060.00	-
Per Pupil Growth Aid	20,060.00	-	20,060.00	20,060.00	-
Non-Public School Transportation Costs	-	-	-	12,531.00	12,531.00
On-Behalf TPAF Pension (non-budgeted)	-	-	-	619,725.00	619,725.00
On-Behalf TPAF Post Retirement Benefits (non-budgeted)	-	-	-	983,812.00	983,812.00
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	833,757.14	833,757.14
Total - State Sources	16,008,477.00	-	16,008,477.00	18,552,688.14	2,544,211.14
Federal Sources:					
Semi-Medicaid	28,926.00	-	28,926.00	71,868.67	42,942.67
ARRA/SEMI Revenue	-	-	-	4,963.30	4,963.30
Total - Federal Sources	28,926.00	-	28,926.00	76,831.97	47,905.97
Total Revenues	32,589,020.00	-	32,589,020.00	35,829,654.02	3,240,634.02

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	\$ 8,046,603.00	\$ 183,981.00	\$ 8,230,584.00	\$ 7,821,368.11	\$ 409,215.89
Regular Programs - Home Instruction:					
Salaries of Teachers	25,000.00	37,685.00	62,685.00	62,685.00	-
Purchased Professional Educational Services	7,000.00	34,200.00	41,200.00	41,109.77	90.23
Regular Programs - Undistributed Instruction:					
Purchased Professional Educational Services	15,000.00	274.00	15,274.00	15,273.50	0.50
Other Purchased Services (400-500 Series)	131,000.00	12,000.00	143,000.00	134,622.37	8,377.63
General Supplies	832,222.65	(198,844.00)	633,378.65	530,174.60	103,204.05
Textbooks	201,397.00	(33,296.00)	168,101.00	142,350.46	25,750.54
Other Objects	85,985.00	-	85,985.00	38,213.07	47,771.93
Total Regular Programs	<u>9,344,207.65</u>	<u>36,000.00</u>	<u>9,380,207.65</u>	<u>8,785,796.88</u>	<u>594,410.77</u>
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	65,212.00	3,125.00	68,337.00	68,337.00	-
General Supplies	7,950.00	(7,125.00)	825.00	50.00	775.00
Total Behavioral Disabilities	<u>73,162.00</u>	<u>(4,000.00)</u>	<u>69,162.00</u>	<u>68,387.00</u>	<u>775.00</u>
Multiple Disabilities:					
Salaries of Teachers	126,005.00	4,000.00	130,005.00	130,005.00	-
Other Salaries for Instruction	136,559.00	10,250.00	146,809.00	146,808.47	0.53
Purchased Professional Educational Services	25,000.00	93,636.00	118,636.00	117,029.87	1,606.13
General Supplies	36,148.22	(6,000.00)	30,148.22	30,121.48	26.74
Total Multiple Disabilities	<u>323,712.22</u>	<u>101,886.00</u>	<u>425,598.22</u>	<u>423,964.82</u>	<u>1,633.40</u>
Resource Room / Resource Center:					
Salaries of Teachers	1,321,015.00	101,041.00	1,422,056.00	1,422,055.12	0.88
General Supplies	32,000.00	-	32,000.00	30,805.85	1,194.15
Textbooks	7,000.00	(7,000.00)	-	-	-
Other Objects	3,000.00	(3,000.00)	-	-	-
Total Resource Room / Resource Center	<u>1,363,015.00</u>	<u>91,041.00</u>	<u>1,454,056.00</u>	<u>1,452,860.97</u>	<u>1,195.03</u>

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Home Instruction:					
Salaries of Teachers	\$ 35,000.00	\$ 15,600.00	\$ 50,600.00	\$ 50,566.25	\$ 33.75
Purchased Professional Educational Services	25,000.00	(19,600.00)	5,400.00	1,370.00	4,030.00
Total Home Instruction	60,000.00	(4,000.00)	56,000.00	51,936.25	4,063.75
Total Special Education - Instruction	1,819,889.22	184,927.00	2,004,816.22	1,997,149.04	7,667.18
School Sponsored Cocurricular Activities - Instruction:					
Salaries	122,279.00	180,200.00	302,479.00	302,478.96	0.04
Purchased Services (300-500 series)	27,350.00	(21,300.00)	6,050.00	5,863.21	186.79
Supplies and Materials	112,645.00	(5,100.00)	107,545.00	100,926.19	6,618.81
Total School Sponsored Cocurricular Activities - Instruction	262,274.00	153,800.00	416,074.00	409,268.36	6,805.64
School Sponsored Athletics - Instruction:					
Salaries	384,798.00	(600.00)	384,198.00	340,233.81	43,964.19
Purchased Services (300-500 series)	44,509.00	600.00	45,109.00	41,899.32	3,209.68
Supplies and Materials	260,177.86	3,101.00	263,278.86	248,339.35	14,939.51
Other Objects	118,628.00	(58,901.00)	59,727.00	54,427.70	5,299.30
Total School Sponsored Athletics - Instruction	808,112.86	(55,800.00)	752,312.86	684,900.18	67,412.68
Total Instruction	12,234,483.73	318,927.00	12,553,410.73	11,877,114.46	676,296.27
Undistr buted Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	59,286.00	-	59,286.00	31,506.53	27,779.47
Tuition to County Voc. School Dist. - Regular	583,627.00	-	583,627.00	583,627.00	-
Tuition to County Voc. School Dist. - Special	177,897.00	-	177,897.00	134,203.00	43,694.00
Tuition to CSSD and Reg. Day Schools	2,076,563.00	(651,981.00)	1,424,582.00	997,171.98	427,410.02
Tuition to Private Schools for the Disabled - Within State	2,511,402.37	247,659.00	2,759,061.37	2,191,902.33	567,159.04
Tuition Priv Sch Disbl & Otr LEA o/s State	100,000.00	(60,800.00)	39,200.00	-	39,200.00
Tuition - State Facilities	359,051.00	-	359,051.00	359,051.00	-
Tuition - Other	366,240.00	-	366,240.00	155,935.26	210,304.74
Total Undistr buted Expenditures - Instruction	6,234,066.37	(465,122.00)	5,768,944.37	4,453,397.10	1,315,547.27
Undistr buted Expenditures - Attendance and Social Work:					
Salaries	128,937.00	1,500.00	130,437.00	130,410.76	26.24
Purchased Professional and Technical Services	6,000.00	(1,500.00)	4,500.00	2,392.78	2,107.22
Supplies and Materials	2,050.00	-	2,050.00	675.51	1,374.49
Total Undistr buted Expenditures - Attendance and Social Work	136,987.00	-	136,987.00	133,479.05	3,507.95

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original <u>Budget</u>	Budget <u>Modifications</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
Undistr buted Expenditures - Health Services:					
Salaries	\$ 161,253.00	\$ -	\$ 161,253.00	\$ 148,143.58	\$ 13,109.42
Purchased Professional and Technical Services	52,000.00	-	52,000.00	39,540.49	12,459.51
Other Purchased Services (400-500 Series)	2,400.00	-	2,400.00	818.62	1,581.38
Supplies and Materials	25,500.00	-	25,500.00	19,914.53	5,585.47
Total Undistr buted Expenditures - Health Services	241,153.00	-	241,153.00	208,417.22	32,735.78
Undist Expend - Other Supp Serv Student-Related Serv:					
Salaries	-	51,100.00	51,100.00	51,060.98	39.02
Purchased Professional - Educational Services	326,540.05	(12,400.00)	314,140.05	167,774.22	146,365.83
Supplies and Materials	4,500.00	(112.00)	4,388.00	3,038.46	1,349.54
Total Undist Expend-Other Supp Serv Students-Related Serv.	331,040.05	38,588.00	369,628.05	221,873.66	147,754.39
Undistr buted Expenditures - Guidance					
Salaries of Other Professional Staff	707,704.00	18,300.00	726,004.00	725,957.14	46.86
Salaries Secr. & Clerical Asst.	35,331.20	1,020.00	36,351.20	36,349.55	1.65
Supplies and Materials	39,788.46	(11,020.00)	28,768.46	28,526.71	241.75
Other Objects	400.00	-	400.00	-	400.00
Total Undistributed Expenditures - Guidance	783,223.66	8,300.00	791,523.66	790,833.40	690.26
Undistr buted Expenditures - Child Study Teams					
Salaries of Other Professional Staff	301,576.00	9,260.00	310,836.00	310,833.04	2.96
Salaries Secr. & Clerical Asst.	36,394.12	-	36,394.12	35,375.17	1,018.95
Purchased Professional - Educational Services	45,000.00	90,740.00	135,740.00	100,862.25	34,877.75
Supplies and Materials	50,000.00	(4,665.00)	45,335.00	31,346.35	13,988.65
Other Objects	2,500.00	4,665.00	7,165.00	7,165.00	-
Total Undistributed Expenditures - Child Study Teams	435,470.12	100,000.00	535,470.12	485,581.81	49,888.31
Undistr buted Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	601,369.00	20,186.00	621,555.00	621,554.63	0.37
Total Undist Expend - Improvement of Inst Serv	601,369.00	20,186.00	621,555.00	621,554.63	0.37
Undist Expend - Edu Media Serv/Sch Library:					
Salaries	199,582.00	5,000.00	204,582.00	204,550.32	31.68
Other Purchased Services (400 - 500 Series)	2,400.00	-	2,400.00	420.00	1,980.00
Supplies and Materials	92,923.14	(5,000.00)	87,923.14	70,419.73	17,503.41
Total Undist Expend Edu Media Serv/Sch Library	294,905.14	-	294,905.14	275,390.05	19,515.09

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistr buted Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 32,400.00	\$ -	\$ 32,400.00	\$ -	\$ 32,400.00
Other Purchased Services (400 - 500 Series)	41,700.00	-	41,700.00	36,503.69	5,196.31
Total Undist Expend - Instructional Staff Training Serv	74,100.00	-	74,100.00	36,503.69	37,596.31
Undist Expend - Support Serv - Gen Admin:					
Salaries	270,000.00	26,730.00	296,730.00	263,392.31	33,337.69
Legal Services	75,000.00	5,282.00	80,282.00	78,178.78	2,103.22
Audit Fees	40,000.00	3,960.00	43,960.00	39,950.00	4,010.00
Communications / Telephone	74,176.07	14,103.00	88,279.07	87,332.99	946.08
BOE Other Purchased Services	14,595.00	(5,369.00)	9,226.00	1,595.00	7,631.00
General Supplies	5,076.88	7,758.00	12,834.88	12,264.18	570.70
Miscellaneous Expenditures	25,000.00	(4,780.00)	20,220.00	19,736.93	483.07
BOE Membership Dues and Fees	21,000.00	4,277.00	25,277.00	22,805.44	2,471.56
Total Undist Expend - Support Serv - Gen Admin	524,847.95	51,961.00	576,808.95	525,255.63	51,553.32
Undist Expend - Support Serv - School Admin:					
Salaries of Principals / Assistant Principals	457,345.00	45,277.00	502,622.00	472,013.83	30,608.17
Salaries of Other Professional Staff	123,591.00	12,236.00	135,827.00	126,290.88	9,536.12
Salaries of Secretarial and Clerical Assistants	392,238.62	38,830.00	431,068.62	356,579.65	74,488.97
Other Purchased Services	3,000.00	297.00	3,297.00	-	3,297.00
Supplies and Materials	32,229.00	3,190.00	35,419.00	20,555.38	14,863.62
Other Objects	13,500.00	1,337.00	14,837.00	13,570.00	1,267.00
Total Undist Expend - Support Serv - School Admin	1,021,903.62	101,167.00	1,123,070.62	989,009.74	134,060.88
Undistr buted Expenditures - Central Services:					
Salaries	413,783.00	6,500.00	420,283.00	360,194.64	60,088.36
Purchased Professional Services	68,340.00	41,252.00	109,592.00	88,508.30	21,083.70
Misc Purchased Services (400-500 series)	19,205.00	1,880.00	21,085.00	9,249.74	11,835.26
Supplies and Materials	33,123.91	3,279.00	36,402.91	7,964.00	28,438.91
Other Object	36,858.81	3,424.00	40,282.81	14,007.17	26,275.64
Total Undistr buted Expenditures - Central Services	571,310.72	56,335.00	627,645.72	479,923.85	147,721.87

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Undistr buted Expenditures - Admin Info Technology:					
Salaries	\$ 295,094.00	\$ (105,006.00)	\$ 190,088.00	\$ 189,773.58	\$ 314.42
Purchased Technical Services	76,006.00	167,195.00	243,201.00	237,967.77	5,233.23
Supplies and Materials	100,000.00	(21,325.00)	78,675.00	41,261.08	37,413.92
Total Undistr buted Expenditures - Admin Info Technology	471,100.00	40,864.00	511,964.00	469,002.43	42,961.57
Undist Expend - Required Maint for Sch Facil:					
Salaries	452,053.00	9,316.00	461,369.00	461,366.78	2.22
Cleaning, Repair and Maintenance Services	287,200.00	49,781.00	336,981.00	336,911.80	69.20
General Supplies	237,700.00	14,755.00	252,455.00	252,145.88	309.12
Total Undist Expend - Required Maint for Sch Facil	976,953.00	73,852.00	1,050,805.00	1,050,424.46	380.54
Undistr buted Expenditures - Custodial Services					
Salaries	737,126.00	14,460.00	751,586.00	751,583.31	2.69
Purchased Professional and Technical Services	250,840.00	64,297.00	315,137.00	315,126.90	10.10
Cleaning, Repair and Maintenance Services	84,300.00	-	84,300.00	84,292.39	7.61
Other Purchased Property Services	70,000.00	67,821.00	137,821.00	119,136.82	18,684.18
Insurance	219,276.00	(3,000.00)	216,276.00	216,159.98	116.02
General Supplies	226,180.30	(22,632.00)	203,548.30	203,526.89	21.41
Energy (Natural Gas)	600,000.00	181,409.00	781,409.00	633,853.30	147,555.70
Energy (Electricity)	275,000.00	(275,000.00)	-	-	-
Other Objects	20,187.96	-	20,187.96	20,138.97	48.99
Total Undistr buted Expenditures - Custodial Services	2,482,910.26	27,355.00	2,510,265.26	2,343,818.56	166,446.70
Undistr buted Expenditures - Student Transportation Services:					
Contr Serv. Aid in Lieu of Payments - Non Public Sch	68,113.51	-	68,113.51	57,627.64	10,485.87
Contracted Services - (Between Home and School) - Vendors	941,060.81	-	941,060.81	867,875.27	73,185.54
Contr Serv. - (Other than Between Home and School) - Vendors	183,650.00	-	183,650.00	132,935.00	50,715.00
Contracted Services (Special Education Students) - Vendors	20,000.00	47,960.00	67,960.00	54,610.60	13,349.40
Contracted Services (Special Education Students) - Joint Agrmnts.	34,672.82	18,040.00	52,712.82	37,301.56	15,411.26
Contracted Services (Regular Students) - ESC's & CTSA's	197,672.50	(60,500.00)	137,172.50	126,465.91	10,706.59
Contracted Services (Special Ed. Students) - ESC's & CTSA's	737,484.89	11,700.00	749,184.89	736,536.54	12,648.35
Total Undistr buted Expenditures - Student Transportation Services	2,182,654.53	17,200.00	2,199,854.53	2,013,352.52	186,502.01

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Unallocated Benefits:					
Social Security Contributions	\$ 355,000.00	\$ 36,500.00	\$ 391,500.00	\$ 391,440.09	\$ 59.91
Other Retirement Contributions - PERS	350,000.00	-	350,000.00	308,626.46	41,373.54
Workmen's Compensation	184,000.00	17,300.00	201,300.00	201,222.96	77.04
Health Benefits	4,184,671.00	(443,413.00)	3,741,258.00	3,266,843.55	474,414.45
Tuition Reimbursement	68,000.00	-	68,000.00	57,224.24	10,775.76
Other Employee Benefits	40,000.00	-	40,000.00	511.50	39,488.50
Total Unallocated Benefits	5,181,671.00	(389,613.00)	4,792,058.00	4,225,868.80	566,189.20
On-Behalf TPAF Pension (non-budgeted)	-	-	-	619,725.00	(619,725.00)
On-Behalf TPAF Post Retirement Benefits (non-budgeted)	-	-	-	983,812.00	(983,812.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	833,757.14	(833,757.14)
Total On-behalf Contributions	-	-	-	2,437,294.14	(2,437,294.14)
Total Undistributed Expenditures	22,545,665.42	(318,927.00)	22,226,738.42	21,760,980.74	465,757.68
Total Current Expense	34,780,149.15	-	34,780,149.15	33,638,095.20	1,142,053.95
Increase in Reserves:					
Increase in Capital Reserve	1,200,000.00	-	1,200,000.00	-	1,200,000.00
Interest Deposit to Capital Reserve	3,000.00	-	3,000.00	-	3,000.00
Increase in Maintenance Reserve	400,000.00	-	400,000.00	-	400,000.00
Interest Deposit to Maintenance Reserve	500.00	-	500.00	-	500.00
Total Increase in Reserves	1,603,500.00	-	1,603,500.00	-	1,603,500.00
Capital Outlay					
Equipment					
Grades 9-12	10,200.00	-	10,200.00	9,495.00	705.00
Undistributed Expenditures - Req. Maint. Schl Facilities	706,765.66	-	706,765.66	657,157.58	49,608.08
Total Equipment	716,965.66	-	716,965.66	666,652.58	50,313.08
Facilities Acquisition and Construction Services:					
Construction Services	40,327.04	543,331.00	583,658.04	38,615.00	545,043.04
Total Facilities Acquisition and Construction Services	40,327.04	543,331.00	583,658.04	38,615.00	545,043.04
Total Capital Outlay	757,292.70	543,331.00	1,300,623.70	705,267.58	595,356.12

(Continued)

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Total Expenditures	\$ 37,140,941.85	\$ 543,331.00	\$ 37,684,272.85	\$ 34,343,362.78	\$ 3,340,910.07
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,551,921.85)	(543,331.00)	(5,095,252.85)	1,486,291.24	6,581,544.09
Other Financing Sources (Uses):					
Operating Transfers Out:					
Transfer to Capital Projects Fund	(5,000,000.00)	-	(5,000,000.00)	(4,598,924.11)	401,075.89
Total Other Financing Sources (Uses)	(5,000,000.00)	-	(5,000,000.00)	(4,598,924.11)	401,075.89
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(9,551,921.85)	(543,331.00)	(10,095,252.85)	(3,112,632.87)	6,982,619.98
Fund Balances, July 1	15,238,571.80	-	15,238,571.80	15,238,571.80	-
Fund Balances, June 30	\$ 5,686,649.95	\$ (543,331.00)	\$ 5,143,318.95	\$ 12,125,938.93	\$ 6,982,619.98
Recapitulation:					
Restricted:					
Emergency Reserve				\$ 351,914.00	
Maintenance Reserve				1,651,100.00	
Capital Reserve				3,509,400.00	
Excess Surplus - Current Year				2,317,868.79	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				1,183,305.00	
Assigned:					
Year-End Encumbrances				722,417.98	
Designated for Subsequent Year's Expenditures				1,547,953.00	
ARRA/SEMI - Designated for Subsequent Year's Expenditures				4,963.30	
Unassigned				837,016.86	
				<u>12,125,938.93</u>	
Reconciliation to Governmental Funds Statements (GAAP):					
June State Aid Payments not recognized on GAAP basis				(1,406,381.00)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 10,719,557.93</u>	

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Required Supplementary Information
 Special Revenue Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Federal Sources:					
Title I	\$ 65,723.00	\$ 56,768.00	\$ 122,491.00	\$ 108,511.06	\$ (13,979.94)
Title IIA	34,113.00	2,403.00	36,516.00	36,460.00	(56.00)
I.D.E.A., Part B	353,732.00	117,080.00	470,812.00	470,812.00	-
Total - Federal Sources	453,568.00	176,251.00	629,819.00	615,783.06	(14,035.94)
Local Sources:					
PLTW Supplies	-	46,587.78	46,587.78	11,830.54	(34,757.24)
HP Grant Supplies	-	10.00	10.00	-	(10.00)
ISTE Grant Supplies	-	8.27	8.27	-	(8.27)
NJSBAIG Safety Grant	-	8,056.00	8,056.00	8,056.00	-
Total - Local Sources	-	54,662.05	54,662.05	19,886.54	(34,775.51)
Total Revenues	453,568.00	230,913.05	684,481.05	635,669.60	(48,811.45)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	99,836.00	47,871.00	147,707.00	138,033.56	9,673.44
Tuition	353,732.00	117,080.00	470,812.00	470,812.00	-
Supplies and Materials	-	46,606.05	46,606.05	11,830.54	34,775.51
Total Instruction	453,568.00	211,557.05	665,125.05	620,676.10	44,448.95
Support Services:					
Personal Services - Employee Benefits	-	11,299.00	11,299.00	6,937.50	4,361.50
Purchased Professional and Technical Services	-	1.00	1.00	-	1.00
Supplies and Materials	-	8,056.00	8,056.00	8,056.00	-
Total Support Services	-	19,356.00	19,356.00	14,993.50	4,362.50
Total Expenditures	453,568.00	230,913.05	684,481.05	635,669.60	48,811.45
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

RANCOCAS VALLEY REGIONAL HIGH 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) "revenues" from the budgetary comparison schedules	\$ 35,829,654.02	\$ 635,669.60
Differences - 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		8,460.00
Current Year		-
The June 2014 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	1,462,562.00	
The June 2015 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(1,406,381.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 35,885,835.02</u>	<u>\$ 644,129.60</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 34,343,362.78	\$ 635,669.60
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior Year		8,460.00
Current Year		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 34,343,362.78</u>	<u>\$ 644,129.60</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Two Fiscal Years

	<u>Measurement Date Ending June 30,</u>	
	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0374222173%	0.0359912875%
School District's Proportionate Share of the Net Pension Liability	\$ 7,006,454.00	\$ 6,878,650.00
School District's Covered-Employee Payroll	\$ 2,438,868.00	\$ 2,495,349.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	287.28%	275.66%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Two Fiscal Years

	<u>Fiscal Year Ended June 30,</u>	
	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 313,084.00	\$ 308,503.00
Contributions in Relation to the Contractually Required Contribution	<u>(313,084.00)</u>	<u>(308,503.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
School District's Covered-Employee Payroll	\$ 2,361,491.00	\$ 2,438,868.00
Contributions as a Percentage of School District's Covered-Employee Payroll	13.26%	12.65%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Two Fiscal Years

	<u>Measurement Date Ending June 30,</u>	
	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>57,576,943.00</u>	<u>57,787,343.00</u>
	<u>\$ 57,576,943.00</u>	<u>\$ 57,787,343.00</u>
School District's Covered-Employee Payroll	\$ 11,325,442.00	\$ 10,807,293.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	508.39%	534.71%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
Schedule of School District Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last 10 Fiscal Years

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2015

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

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

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	<u>Total</u>	<u>N.C.L.B.</u>		<u>I.D.E.A. Part B, Basic</u>	<u>PLTW Supplies</u>	<u>NJSBAIG Safety Grant</u>
		<u>Title I</u>	<u>Title II Part A</u>			
REVENUES:						
Federal Sources	\$ 615,783.06	\$ 108,511.06	\$ 36,460.00	\$ 470,812.00		
Local Sources	19,886.54				\$ 11,830.54	\$ 8,056.00
State Sources	-					
Total Revenues	635,669.60	108,511.06	36,460.00	470,812.00	11,830.54	8,056.00
EXPENDITURES:						
Instruction:						
Salaries of Teachers	138,033.56	104,113.56	33,920.00			
Tuition	470,812.00			470,812.00		
Supplies and Materials	11,830.54				11,830.54	
Total Instruction	620,676.10	104,113.56	33,920.00	470,812.00	11,830.54	-
Support Services:						
Personal Services - Employee Benefits	6,937.50	4,397.50	2,540.00			
Supplies and Materials	8,056.00					8,056.00
Total Support Services	14,993.50	4,397.50	2,540.00	-	-	8,056.00
Total Expenditures	\$ 635,669.60	\$ 108,511.06	\$ 36,460.00	\$ 470,812.00	\$ 11,830.54	\$ 8,056.00

CAPITAL PROJECTS FUND

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2015

<u>Project Title / Issue</u>	<u>Approval Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Cancellations</u>	<u>Unexpended Balance June 30, 2015</u>
			<u>Prior Years</u>	<u>Current Year</u>		
Athletic Stadium Complex Renovations	11/26/2013	\$ 5,000,000.00	\$ -	\$ 4,598,924.11	\$ 401,075.89	\$ -

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance
 For the Fiscal Year Ended June 30, 2015

Revenues and Other Financing Sources	
State Sources - SCC Grant	\$ -
Bond Proceeds and Transfers	-
Refund of Prior Years Expenditures	-
Contributions from Private Source	-
Transfer from Capital Reserve	4,598,924.11
Transfer from Capital Outlay	-
	-
Total Revenues	4,598,924.11
 Expenditures and Other Financing Uses	
Construction Services	4,598,924.11
Total Expenditures	4,598,924.11
Excess (Deficiency) of Revenues Over (Under) Expenditures	-
Fund Balance - July 1	-
Fund Balance - June 30	\$ -

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Athletic Stadium Complex Renovations
 From Inception and for the Fiscal Year Ended June 30, 2015

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ -
Bond Proceeds and Transfers	-	-	-	-
Contributions from Private Source	-	-	-	-
Transfer from Capital Reserve	-	4,598,924.11	4,598,924.11	4,598,924.11
Transfer from Capital Outlay	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	4,598,924.11	4,598,924.11	4,598,924.11
Expenditures and Other Financing Uses				
Construction Services	-	4,598,924.11	4,598,924.11	4,598,924.11
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	4,598,924.11	4,598,924.11	4,598,924.11
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	4320-050-14-2000			
Grant Date	NA			
Bond Authorization Date	NA			
Bonds Authorized	NA			
Bonds Issued	NA			
Original Authorized Cost	5,000,000.00			
Additional Authorized Cost	-			
Revised Authorized Cost	4,598,924.11			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	09/01/14			
Revised Target Completion Date	10/31/14			

PROPRIETARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Proprietary Funds
Statement of Net Position
June 30, 2015

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 214,822.18
Accounts Receivable:	
State	345.24
Federal	16,422.92
Other	3,097.50
Inventories	7,171.24
Total Current Assets	241,859.08
Noncurrent Assets:	
Furniture, Fixtures and Equipment	118,391.79
Less Accumulated Depreciation	(88,538.00)
Total Noncurrent Assets	29,853.79
Total Assets	271,712.87
LIABILITIES:	
Current Liabilities:	
Accounts Payable	52,955.09
Unearned Revenues	6,347.02
Total Liabilities	59,302.11
NET POSITION:	
Net Investment in Capital Assets	29,853.79
Unrestricted	182,556.97
Total Net Position	\$ 212,410.76

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Proprietary Funds
 Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2015

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 148,963.45
Daily Sales - Non-Reimbursable Programs	<u>413,013.87</u>
Total Operating Revenues	<u>561,977.32</u>
OPERATING EXPENSES:	
Salaries	243,147.66
Employee Benefits	52,454.15
Purchased Professional Educational Services	45,815.00
Supplies and Materials	29,988.05
Depreciation	3,008.48
Cost of Sales	299,924.08
Uniforms & Laundry	2,169.96
Management Fees	35,998.00
Insurance	8,021.64
Equipment Repair	21,636.86
Bank Fees	6,126.12
Miscellaneous	<u>13,441.43</u>
Total Operating Expenses	<u>761,731.43</u>
Operating Income / (Loss)	<u>(199,754.11)</u>
NONOPERATING REVENUES (EXPENSES):	
State Sources:	
State School Lunch Program	4,869.59
Federal Sources:	
National School Lunch Program	186,340.84
National School Breakfast Program	32,123.38
Food Distribution Program	31,435.46
Interest Revenue	<u>178.07</u>
Total Nonoperating Revenues (Expenses)	<u>254,947.34</u>
Change in Net Position	55,193.23
Net Position -- July 1	<u>157,217.53</u>
Net Position -- June 30	<u><u>\$ 212,410.76</u></u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2015

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 559,830.95
Payments for Purchased Professional Services	(680,360.72)
Payments to Suppliers	(30,091.14)
Refunds	<u>(424.20)</u>
Net Cash Provided by (Used for) Operating Activities	<u>(151,045.11)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Federal and State Sources	<u>283,756.71</u>
Net Cash Provided by (Used for) Noncapital Financing Activities	<u>283,756.71</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Purchase of Capital Assets	<u>(21,450.00)</u>
Net Cash Provided by (Used for) Capital and Related Financing Activities	<u>(21,450.00)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest and Dividends	<u>178.07</u>
Net Cash Provided by (Used for) Investing Activities	<u>178.07</u>
Net Increase (Decrease) in Cash and Cash Equivalents	111,439.67
Cash and Cash Equivalents -- July 1	<u>103,382.51</u>
Cash and Cash Equivalents -- June 30	<u><u>\$ 214,822.18</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (199,754.11)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	3,008.48
Food Distribution Program	31,435.46
(Increase) Decrease in Accounts Receivable	(1,478.40)
(Increase) Decrease in Inventories	(1,548.17)
Increase (Decrease) in Accounts Payable	18,383.80
(Increase) Decrease in Unearned Revenues	<u>(1,092.17)</u>
Total Adjustments	<u>48,709.00</u>
Net Cash Provided by (Used for) Operating Activities	<u><u>\$ (151,045.11)</u></u>

FIDUCIARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2015

	<u>Trust Funds</u>	<u>Agency Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS:				
Cash and Cash Equivalents	<u>\$ 782,379.83</u>	<u>\$ 576,009.91</u>	<u>\$ 172,288.27</u>	<u>\$ 1,530,678.01</u>
Total Assets	<u>782,379.83</u>	<u>\$ 576,009.91</u>	<u>\$ 172,288.27</u>	<u>1,530,678.01</u>
LIABILITIES:				
Payable to Student Groups	-	\$ 576,009.91	\$ -	576,009.91
Accrued Salaries and Wages	-	-	6,791.40	6,791.40
Payroll Deductions and Withholdings	-	-	52,372.22	52,372.22
Interfund Accounts Payable:				
Due to General Fund	-	-	113,124.65	113,124.65
Total Liabilities	<u>-</u>	<u>\$ 576,009.91</u>	<u>\$ 172,288.27</u>	<u>748,298.18</u>
NET POSITION:				
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 782,379.83</u>			<u>\$ 782,379.83</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Fiduciary Funds

Statement of Changes in Fiduciary Net Position

For the Fiscal Year Ended June 30, 2015

	Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Contributions:	
Plan member	\$ 39,910.80
Total Contributions	<u>39,910.80</u>
Investment earnings:	
Interest	<u>800.21</u>
Net Investment Earnings	<u>800.21</u>
Total Additions	<u>40,711.01</u>
DEDUCTIONS:	
Unemployment Claims	<u>78,216.58</u>
Total Deductions	<u>78,216.58</u>
Change in Net Position	(37,505.57)
Net Position -- July 1	<u>819,885.40</u>
Net Position -- June 30	<u><u>\$ 782,379.83</u></u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
High School	<u>\$ 546,848.35</u>	<u>\$ 1,266,822.90</u>	<u>\$ 1,237,661.34</u>	<u>\$ 576,009.91</u>

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Fiduciary Funds
 Payroll and Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2015

	<u>Balance</u> <u>June 30, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and Cash Equivalents	\$ 52,017.99	\$ 17,798,651.02	\$ 17,678,380.74	\$ 172,288.27
Total Assets	<u>\$ 52,017.99</u>	<u>\$ 17,798,651.02</u>	<u>\$ 17,678,380.74</u>	<u>\$ 172,288.27</u>
LIABILITIES:				
Accrued Salaries and Wages	\$ 6,791.40	\$ 9,417,837.22	\$ 9,417,837.22	\$ 6,791.40
Payroll Deductions and Withholdings	45,226.59	8,267,689.15	8,260,543.52	52,372.22
Interfund Accounts Payable:				
Due to General Fund	-	113,124.65	-	113,124.65
Total Liabilities	<u>\$ 52,017.99</u>	<u>\$ 17,798,651.02</u>	<u>\$ 17,678,380.74</u>	<u>\$ 172,288.27</u>

LONG-TERM DEBT

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2015

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance June 30, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2015</u>
			<u>Date</u>	<u>Amount</u>					
Refunding Series 2005	2/10/2005	\$ 21,170,000.00				\$ 16,275,000.00		\$ 16,275,000.00	
Series 2008	6/11/2008	2,483,000.00	8/1/2015	\$ 255,000.00	3.25%				
			8/1/2016	270,000.00	3.50%				
			8/1/2017	280,000.00	3.50%				
			8/1/2018	288,000.00	3.50%	1,338,000.00		245,000.00	\$ 1,093,000.00
2014 Refunding Bonds	10/23/2014	14,220,000.00	2/1/2016	795,000.00	3.00%				
			2/1/2017	815,000.00	3.00%				
			2/1/2018	830,000.00	3.00%				
			2/1/2019	860,000.00	4.00%				
			2/1/2020	885,000.00	4.00%				
			2/1/2021	920,000.00	4.00%				
			2/1/2022	955,000.00	5.00%				
			2/1/2023	1,000,000.00	5.00%				
			2/1/2024	1,050,000.00	5.00%				
			2/1/2025	1,100,000.00	5.00%				
			2/1/2026	1,155,000.00	5.00%				
			2/1/2027	1,205,000.00	5.00%				
			2/1/2028	1,260,000.00	3.00%				
			2/1/2029	1,285,000.00	3.00%		\$ 14,220,000.00	105,000.00	14,115,000.00
						\$ 17,613,000.00	\$ 14,220,000.00	\$ 16,625,000.00	\$ 15,208,000.00
								\$ 15,460,000.00	
								1,165,000.00	
								\$ 16,625,000.00	

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2015

	<u>Original Budget</u>	<u>Budget Modifications / Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 857,822.00	\$ -	\$ 857,822.00	\$ 857,822.00	\$ -
Miscellaneous	-	-		58.62	58.62
Total Revenues from Local Sources	<u>857,822.00</u>	<u>-</u>	<u>857,822.00</u>	<u>857,880.62</u>	<u>58.62</u>
State Sources:					
Debt Service Aid Type II	<u>779,553.00</u>	<u>-</u>	<u>779,553.00</u>	<u>779,553.00</u>	<u>-</u>
Total Revenue from State Sources	<u>779,553.00</u>	<u>-</u>	<u>779,553.00</u>	<u>779,553.00</u>	<u>-</u>
Total Revenues	<u>1,637,375.00</u>	<u>-</u>	<u>1,637,375.00</u>	<u>1,637,433.62</u>	<u>58.62</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	748,465.00	(105,000.00)	643,465.00	548,506.53	94,958.47
Redemption of Principal	<u>1,060,000.00</u>	<u>105,000.00</u>	<u>1,165,000.00</u>	<u>1,165,000.00</u>	<u>-</u>
Total Expenditures	<u>1,808,465.00</u>	<u>-</u>	<u>1,808,465.00</u>	<u>1,713,506.53</u>	<u>94,958.47</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(171,090.00)</u>	<u>-</u>	<u>(171,090.00)</u>	<u>(76,072.91)</u>	<u>95,017.09</u>
OTHER FINANCING SOURCES:					
Interest Earned in Capital Projects Fund				171.11	171.11
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>171.11</u>	<u>171.11</u>
Net Change in Fund Balances	<u>(171,090.00)</u>	<u>-</u>	<u>(171,090.00)</u>	<u>(75,901.80)</u>	<u>95,188.20</u>
Fund Balance, July 1	<u>171,030.90</u>	<u>-</u>	<u>171,030.90</u>	<u>171,030.90</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (59.10)</u>	<u>\$ -</u>	<u>\$ (59.10)</u>	<u>\$ 95,129.10</u>	<u>\$ 95,188.20</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	<u>\$ (171,090.00)</u>	<u>\$ -</u>	<u>\$ (171,090.00)</u>	<u>\$ (75,901.80)</u>	<u>\$ 95,188.20</u>

STATISTICAL SECTION

FINANCIAL TRENDS INFORMATION

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental activities										
Net Investment in Capital Assets	8,628,212.84	4,206,251.99	728,308.00	6,090,106.55	5,668,890.61	4,672,846.05	2,135,523.63	1,346,244.25	3,233,526.18	3,007,276.73
Nonspendable	77,823.77	81,188.33	81,125.66	-	-	-	-	-	-	-
Restricted	11,384,051.17	13,401,027.75	14,821,816.60	13,204,316.26	9,264,873.16	8,646,209.29	13,778,521.75	11,954,956.65	8,416,575.95	7,107,050.15
Unrestricted (Deficit)	(7,738,860.02)	(850,973.70)	(934,809.35)	(780,790.63)	(659,899.05)	(919,216.03)	(915,754.91)	(53,481.86)	(97,784.79)	(116,957.82)
Total governmental activities net position	12,351,227.76	16,837,494.37	14,696,440.91	18,513,632.18	14,273,864.72	12,399,839.31	14,998,290.47	13,247,719.04	11,552,317.34	9,997,369.06
Business-type activities										
Net Investment in Capital Assets	29,853.79	11,412.27	20,491.34	29,570.38	39,057.75	48,477.10	39,696.48	46,088.43	38,188.30	46,060.84
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	182,556.97	145,805.26	134,520.13	99,277.04	67,219.68	92,249.33	113,182.77	136,268.61	151,638.11	151,362.56
Total business-type activities net position	212,410.76	157,217.53	155,011.47	128,847.42	106,277.43	140,726.43	152,879.25	182,357.04	189,826.41	197,423.40
District-wide										
Net Investment in Capital Assets	8,658,066.63	4,217,664.26	748,799.34	6,119,676.93	5,707,948.36	4,721,323.15	2,175,220.11	1,392,332.68	3,271,714.48	3,053,337.57
Nonspendable	77,823.77	81,188.33	81,125.66	-	-	-	-	-	-	-
Restricted	11,384,051.17	13,401,027.75	14,821,816.60	13,204,316.26	9,264,873.16	8,646,209.29	13,778,521.75	11,954,956.65	8,416,575.95	7,107,050.15
Unrestricted (Deficit)	(7,556,303.05)	(705,168.44)	(800,289.22)	(681,513.59)	(592,679.37)	(826,966.70)	(802,572.14)	82,786.75	53,853.32	34,404.74
Total district net position	12,563,638.52	16,994,711.90	14,851,452.38	18,642,479.60	14,380,142.15	12,540,565.74	15,151,169.72	13,430,076.08	11,742,143.75	10,194,792.46

Note: GASB 68 was implemented for June 30, 2015 year end

Source: District Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses										
Governmental activities										
Instruction										
Regular	10,001,698.74	9,908,603.66	9,898,759.02	9,284,651.40	9,499,959.00	10,227,748.53	9,784,520.81	9,230,253.82	8,867,727.29	8,431,834.82
Special education	2,032,162.32	1,848,914.17	1,887,837.70	1,674,090.44	1,694,153.33	1,616,906.28	1,408,101.80	1,298,755.30	1,178,302.60	1,230,949.66
Other special education	-	-	-	-	-	-	-	22,174.00	22,174.00	22,082.70
Other instruction	1,094,168.54	766,729.96	769,541.60	828,098.25	915,100.76	1,059,119.15	1,097,408.86	1,024,266.18	978,134.11	891,922.45
Support Services:										
Tuition	4,453,397.10	4,679,223.40	5,081,355.59	4,434,118.27	4,315,637.40	3,943,862.35	3,756,706.59	4,153,593.17	3,966,086.66	3,426,094.50
Student & instruction related services	2,800,087.01	2,815,271.15	2,677,145.09	2,465,855.34	2,477,619.45	3,013,646.39	3,016,823.43	2,802,097.07	2,764,575.27	2,561,532.70
General administration	607,255.63	459,987.22	478,471.87	412,633.25	532,803.58	524,204.33	545,977.91	523,835.30	643,470.38	723,549.49
School Administrative services	1,059,036.30	1,075,470.32	1,052,347.42	1,053,441.15	1,050,437.10	1,456,541.96	1,369,316.06	1,192,734.44	1,248,279.11	1,152,523.58
Central Services	479,923.85	453,163.35	506,811.02	557,865.44	522,478.71	531,312.48	572,608.19	634,325.40	554,366.95	476,892.85
Administrative information technology	469,002.43	437,731.80	408,134.08	353,572.45	364,460.04	353,623.61	375,199.35	353,878.15	323,760.33	372,597.48
Plant operations and maintenance	3,386,187.71	3,343,921.26	2,780,182.16	2,810,911.43	2,987,311.09	3,069,578.27	3,075,432.06	3,000,866.51	2,554,957.40	2,535,622.08
Pupil transportation	2,013,352.52	1,901,507.34	1,971,153.84	1,818,285.55	1,789,861.82	1,909,355.33	2,064,380.23	2,056,501.34	1,888,005.30	1,868,809.69
Unallocated Benefits	9,249,351.17	6,282,630.98	6,602,626.22	5,839,054.48	6,586,712.41	6,035,074.37	5,254,834.91	5,844,103.56	5,327,081.98	4,715,728.29
Special Schools	-	5,251.79	1,241,180.99	1,305,522.02	1,231,686.64	1,462,259.36	1,303,293.98	1,326,638.97	1,225,237.67	1,077,796.32
Interest on long-term debt	449,079.37	814,530.75	852,664.37	900,676.25	937,535.65	968,381.30	1,002,704.84	962,678.83	993,747.21	1,028,004.85
Unallocated depreciation	158,573.71	145,988.00	151,648.00	133,112.00	170,406.85	174,144.25	183,507.86	177,394.02	231,889.00	311,334.00
Total governmental activities expenses	38,253,276.40	34,938,925.15	36,359,858.97	33,871,887.72	35,076,163.83	36,345,757.96	34,810,816.88	34,604,096.06	32,767,795.26	30,827,275.46
Business-type activities:										
Food service	761,731.43	762,376.22	759,517.00	856,632.66	880,500.33	918,956.02	948,145.86	944,937.90	976,720.18	914,238.31
Total business-type activities expense	761,731.43	762,376.22	759,517.00	856,632.66	880,500.33	918,956.02	948,145.86	944,937.90	976,720.18	914,238.31
Total district expenses	39,015,007.83	35,701,301.37	37,119,375.97	34,728,520.38	35,956,664.16	37,264,713.98	35,758,962.74	35,549,033.96	33,744,515.44	31,741,513.77
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	643,286.31	290,684.05	484,382.66	377,626.56	351,836.85	315,961.52	330,439.33	307,140.02	215,525.58	164,287.82
Special Schools	-	-	1,274,312.00	1,183,637.20	1,169,576.37	1,201,518.54	1,124,401.18	1,115,304.80	1,046,667.28	943,819.86
Operating grants and contributions	5,559,878.74	2,583,860.26	3,067,980.32	2,626,092.63	2,363,513.10	2,472,004.83	2,287,967.99	3,308,379.45	3,069,024.40	2,376,221.23
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	6,203,165.05	2,874,544.31	4,826,674.98	4,187,356.39	3,884,926.32	3,989,484.89	3,742,808.50	4,730,824.27	4,331,217.26	3,484,328.91
Business-type activities:										
Charges for services										
Food service	561,977.32	548,973.80	582,099.88	681,977.81	654,189.90	705,936.24	750,630.24	794,932.84	843,960.69	826,625.50
Operating grants and contributions	254,769.27	215,457.12	203,249.76	196,960.69	191,676.58	199,888.54	166,672.17	136,421.17	117,075.69	101,308.55
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	816,746.59	764,430.92	785,349.64	878,938.50	845,866.48	905,824.78	917,302.41	931,354.01	961,036.38	927,934.05
Total district program revenues	7,019,911.64	3,638,975.23	5,612,024.62	5,066,294.89	4,730,792.80	4,895,309.67	4,660,110.91	5,662,178.28	5,292,253.64	4,412,262.96
Net (Expense)/Revenue										
Governmental activities	(32,050,111.35)	(32,064,380.84)	(31,533,183.99)	(29,684,531.33)	(31,191,237.51)	(32,356,273.07)	(31,068,008.38)	(29,873,271.79)	(28,436,578.00)	(27,342,946.55)
Business-type activities	55,015.16	2,054.70	25,832.64	22,305.84	(34,633.85)	(13,131.24)	(30,843.45)	(13,583.89)	(15,683.80)	13,695.74
Total district-wide net expense	(31,995,096.19)	(32,062,326.14)	(31,507,351.35)	(29,662,225.49)	(31,225,871.36)	(32,369,404.31)	(31,098,851.83)	(29,886,855.68)	(28,452,261.80)	(27,329,250.81)

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years
(accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	16,195,617.00	15,878,056.00	15,566,722.00	15,412,596.00	15,110,388.00	14,913,835.00	14,913,835.00	15,429,674.00	14,225,203.00	12,111,206.00
Taxes levied for debt service	857,822.00	736,723.00	1,066,699.00	776,476.00	1,078,684.00	892,863.00	731,366.00	752,249.00	761,784.00	777,079.00
Federal and State Aid Not Restricted	17,027,959.97	16,841,137.93	16,979,355.28	17,249,007.02	16,207,419.27	13,585,250.98	16,927,299.16	14,941,320.00	14,495,170.00	14,425,334.00
Federal and State Aid Restricted	-	-	-	-	373,863.10	40,302.90	-	-	-	-
Miscellaneous income	361,095.77	749,517.37	454,849.61	486,219.77	294,908.55	325,570.03	246,079.65	445,430.49	533,528.59	447,348.43
Special items	-	-	-	-	-	-	-	-	(24,159.31)	-
Total governmental activities	<u>34,442,494.74</u>	<u>34,205,434.30</u>	<u>34,067,625.89</u>	<u>33,924,298.79</u>	<u>33,065,262.92</u>	<u>29,757,821.91</u>	<u>32,818,579.81</u>	<u>31,568,673.49</u>	<u>29,991,526.28</u>	<u>27,760,967.43</u>
Business-type activities:										
Miscellaneous income	178.07	151.36	331.41	264.15	184.85	978.42	1,365.66	6,114.52	8,086.81	7,961.06
Special items	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>178.07</u>	<u>151.36</u>	<u>331.41</u>	<u>264.15</u>	<u>184.85</u>	<u>978.42</u>	<u>1,365.66</u>	<u>6,114.52</u>	<u>8,086.81</u>	<u>7,961.06</u>
Total district-wide	<u><u>34,442,672.81</u></u>	<u><u>34,205,585.66</u></u>	<u><u>34,067,957.30</u></u>	<u><u>33,924,562.94</u></u>	<u><u>33,065,447.77</u></u>	<u><u>29,758,800.33</u></u>	<u><u>32,819,945.47</u></u>	<u><u>31,574,788.01</u></u>	<u><u>29,999,613.09</u></u>	<u><u>27,768,928.49</u></u>
Change in Net Position										
Governmental activities	2,392,383.39	2,141,053.46	2,534,441.90	4,239,767.46	1,874,025.41	(2,598,451.16)	1,750,571.43	1,695,401.70	1,554,948.28	418,020.88
Business-type activities	55,193.23	2,206.06	26,164.05	22,569.99	(34,449.00)	(12,152.82)	(29,477.79)	(7,469.37)	(7,596.99)	21,656.80
Total district	<u>2,447,576.62</u>	<u>2,143,259.52</u>	<u>2,560,605.95</u>	<u>4,262,337.45</u>	<u>1,839,576.41</u>	<u>(2,610,603.98)</u>	<u>1,721,093.64</u>	<u>1,687,932.33</u>	<u>1,547,351.29</u>	<u>439,677.68</u>

Note: GASB 68 was implemented for June 30, 2015 year end

Source: District Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Reserved	-	-	-	-	-	8,043,180.16	11,597,690.89	9,256,688.08	7,947,264.22	6,576,047.20
Unreserved	-	-	-	-	-	(790,811.11)	(766,190.31)	87,899.19	47,203.61	4,428.32
Restricted	9,013,587.79	11,712,123.00	13,709,127.86	12,069,060.93	8,337,845.30	-	-	-	-	-
Assigned	2,275,334.28	1,517,873.85	941,895.19	877,374.98	349,903.63	-	-	-	-	-
Unassigned	(569,364.14)	(667,861.05)	(725,368.20)	(617,526.48)	(511,261.31)	-	-	-	-	-
Total general fund	<u>10,719,557.93</u>	<u>12,562,135.80</u>	<u>13,925,654.85</u>	<u>12,328,909.43</u>	<u>8,176,487.62</u>	<u>7,252,369.05</u>	<u>10,831,500.58</u>	<u>9,344,587.27</u>	<u>7,994,467.83</u>	<u>6,580,475.52</u>
All Other Governmental Funds										
Reserved	-	-	-	-	-	43,791.80	28,124.95	39,393.80	36,280.28	44,512.91
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	(2,349.15)	(2,349.15)	(2,349.15)
Capital projects fund	-	-	-	-	-	472,691.56	2,056,404.96	2,577,293.21	361,582.11	416,255.03
Debt service fund	-	-	-	-	-	7,943.90	27,744.57	12,078.15	23,347.21	20,233.48
Permanent fund	-	-	-	-	-	78,601.87	68,556.38	71,852.56	50,451.28	52,350.68
Nonspendable	77,823.77	81,188.33	81,125.66	-	-	-	-	-	-	-
Restricted	95,129.10	171,030.90	154,746.75	241,833.55	561,077.43	-	-	-	-	-
Assigned	-	-	16,046.80	16,046.80	16,046.80	-	-	-	-	-
Total all other governmental funds	<u>172,952.87</u>	<u>252,219.23</u>	<u>251,919.21</u>	<u>257,880.35</u>	<u>577,124.23</u>	<u>603,029.13</u>	<u>2,180,830.86</u>	<u>2,698,268.57</u>	<u>469,311.73</u>	<u>531,002.95</u>

(1) In accordance with GASB 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify fund Balance was changed. See the notes to the financial statements.

Source: District Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years
 (modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues										
Tax levy	17,053,439.00	16,614,779.00	16,633,421.00	16,189,072.00	16,189,072.00	15,806,698.00	15,645,201.00	16,181,923.00	14,986,987.00	12,888,285.00
Tuition charges	643,286.31	290,684.05	1,758,694.66	1,561,263.76	1,521,413.22	1,517,480.06	1,454,840.51	1,422,444.82	1,262,192.86	1,108,107.68
Miscellaneous	380,982.31	780,292.01	476,317.34	487,364.57	264,172.78	315,524.54	249,963.53	445,971.94	535,066.49	445,693.14
State sources	19,388,422.14	18,841,213.71	19,386,718.47	18,602,048.01	17,815,815.17	12,638,176.18	18,477,564.74	17,536,525.88	16,894,164.54	16,155,748.93
Federal sources	701,075.03	553,346.93	640,448.28	1,273,051.64	1,145,611.42	3,459,382.53	737,702.41	713,173.57	670,029.86	645,806.30
Total revenue	38,167,204.79	37,080,315.70	38,895,599.75	38,112,799.98	36,936,084.59	33,737,261.31	36,565,272.19	36,300,039.21	34,348,440.75	31,243,641.05
Expenditures										
Instruction										
Regular Instruction	9,406,472.98	9,375,312.81	9,362,266.22	8,573,551.06	8,816,536.99	9,606,513.37	9,339,991.97	8,791,668.57	8,526,257.20	8,060,427.14
Special education instruction	1,997,149.04	1,817,544.12	1,856,279.30	1,631,698.81	1,653,952.03	1,580,363.04	1,374,810.32	1,266,044.96	1,145,388.46	1,196,656.28
Other special instruction	-	-	-	-	-	-	-	22,174.00	22,174.00	22,082.70
Other instruction	1,094,168.54	766,729.96	769,541.60	828,098.25	915,100.76	1,059,119.15	1,097,408.86	1,024,266.18	978,134.11	891,922.46
Support Services:										
Tuition	4,453,397.10	4,679,223.40	5,081,355.59	4,434,118.27	4,315,637.40	3,943,862.35	3,756,706.59	4,153,593.17	3,966,086.66	3,426,094.50
Student & inst. related services	2,800,087.01	2,815,271.15	2,677,145.09	2,465,855.34	2,477,619.45	3,013,646.39	3,016,823.43	2,802,097.07	2,764,575.27	2,561,532.70
General administration	607,255.63	459,987.22	478,471.87	412,633.25	532,803.58	524,204.33	545,977.91	523,835.30	643,470.38	723,549.49
School administrative services	989,009.74	1,012,730.22	989,230.62	968,657.89	970,034.51	1,383,455.47	1,302,733.09	1,192,734.44	1,182,450.82	1,083,936.81
Central services	479,923.85	453,163.35	506,811.02	557,865.44	522,478.71	531,312.48	572,608.19	634,325.40	554,366.95	476,892.86
Admin. information technology	469,002.43	437,731.80	408,134.08	353,572.45	364,460.04	353,623.61	375,199.35	353,878.15	323,760.33	372,597.48
Plant operations and maintenance	3,394,243.02	3,343,921.26	2,780,182.16	2,810,911.43	2,987,311.09	3,069,578.27	3,075,432.06	3,000,866.51	2,554,957.40	2,535,622.08
Pupil transportation	2,013,352.52	1,901,507.34	1,971,153.84	1,818,285.55	1,789,861.82	1,909,355.33	2,064,380.23	2,056,501.34	1,888,005.30	1,868,809.69
Unallocated Benefits	6,663,162.94	6,308,959.47	6,556,449.21	5,824,428.07	6,566,479.59	6,056,234.05	5,246,651.36	5,847,710.91	5,303,479.72	4,705,019.80
Special Schools	-	5,251.79	1,241,180.99	1,305,522.02	1,231,686.64	1,462,259.36	1,303,293.98	1,261,218.30	1,225,237.67	1,077,796.32
Capital outlay	4,090,317.69	3,221,798.00	744,818.74	377,270.66	957,847.95	2,599,438.41	2,586,474.11	636,455.92	242,576.23	272,300.36
Debt service:										
Principal	1,165,000.00	1,055,000.00	1,055,000.00	1,050,000.00	1,050,000.00	830,000.00	710,000.00	710,000.00	710,000.00	710,000.00
Interest and other charges	548,506.53	789,065.75	825,496.26	866,008.76	900,165.01	981,274.45	888,421.26	926,051.26	963,681.26	980,041.50
Total expenditures	40,171,049.02	38,443,197.64	37,303,516.59	34,278,477.25	36,051,975.57	38,904,240.06	37,256,912.71	35,203,421.48	32,994,601.76	30,965,282.17
Excess (Deficiency) of revenues over (under) expenditures	(2,003,844.23)	(1,362,881.94)	1,592,083.16	3,834,322.73	884,109.02	(5,166,978.75)	(691,640.52)	1,096,617.73	1,353,838.99	278,358.88
Other Financing sources (uses)										
Proceeds of Refunding Bonds	14,220,000.00	-	-	-	-	-	-	-	-	-
Deferred Loss on Defeasance of Bonds	(336,756.60)	-	-	-	-	-	-	-	-	-
Premium -- Refunding Bonds	1,658,756.60	-	-	-	-	-	-	-	-	-
Payment to Refunded Bond Escrow Account	(15,460,000.00)	-	-	-	-	-	-	-	-	-
Proceeds from Issuance of Bonds	-	-	-	-	-	-	-	2,483,000.00	-	-
Capital Leases	-	-	-	-	-	-	1,665,000.00	-	-	-
Increase (Decrease) in Market Value of Permanent Fund Investments	-	(337.09)	(1,298.88)	(1,144.80)	1,104.65	728.00	(3,883.88)	(541.45)	(1,537.90)	1,655.29
Contributions	-	-	-	-	13,000.00	9,317.49	-	-	-	-
Transfers in	3,385,221.22	482,023.46	340.92	304,416.62	1,066.78	7,943.63	27,744.83	12,076.72	23,346.36	20,233.09
Transfers out	(3,385,221.22)	(482,023.46)	(340.92)	(304,416.62)	(1,066.78)	(7,943.63)	(27,744.83)	(12,076.72)	(23,346.36)	(20,233.09)
Total other financing sources (uses)	82,000.00	(337.09)	(1,298.88)	(1,144.80)	14,104.65	10,045.49	1,661,116.12	2,482,458.55	(1,537.90)	1,655.29
Net change in fund balances	(1,921,844.23)	(1,363,219.03)	1,590,784.28	3,833,177.93	898,213.67	(5,156,933.26)	969,475.60	3,579,076.28	1,352,301.09	280,014.17
Debt service as a percentage of noncapital expenditures	4.75%	5.24%	5.14%	5.65%	5.56%	4.99%	4.61%	4.73%	5.11%	5.51%

Source: District Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 General Fund - Other Local Revenue By Source
 Last Ten Fiscal Years
(modified accrual basis of accounting)
 Unaudited

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Tuition	643,286.31	631,268.39	1,758,694.66	1,561,263.76	1,521,413.22	1,591,708.06	1,454,840.51	1,422,444.82	1,262,192.86	1,108,107.68
Interest on Investments	13,752.58	21,844.48	30,936.10	24,223.57	20,537.47	117,653.45	130,145.40	328,916.12	419,562.61	328,301.66
Student Activity Fee	68,837.50	69,030.00	71,427.50	75,411.99						
Transportation Fees	43,447.67	89,741.42	47,586.07							
Miscellaneous	110,080.84	126,677.17	127,175.87	137,536.84	69,626.24	25,670.79	16,506.08	38,728.43	30,653.42	54,956.14
Refund of Prior Year Expenditures	125,112.01	101,100.19	178,218.95	142,635.49	89,927.61	33,468.67	47,849.42			15,479.15
E-Rate					19,731.00	10,080.00	14,130.10	26,807.94		
Vending Machine Revenue									32,681.69	
Dodge Foundation									21,000.00	
Wordsworth Academy									5,683.91	9,659.94
Lockheed Martin Grant				33,000.00	33,000.00	33,000.00	10,000.00	15,000.00		15,460.00
ISTE Int'l Soc. Tech.				53,897.00	15,000.00					
NJSBIG Safety Grant					14,165.00					
NJSBEC - Grant						13,480.00				
Pandemic Grant				18,988.00						
FEMA					16,631.12					
Total Miscellaneous Revenues	1,004,516.91	1,039,661.65	2,214,039.15	2,046,956.65	1,800,031.66	1,825,060.97	1,673,471.51	1,831,897.31	1,771,774.49	1,531,964.57

Source: District Records

REVENUE CAPACITY INFORMATION

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Years
 Unaudited

Year	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
Eastampton													
2015	4,996,800	362,032,700	1,988,700	444,100	20,501,150	3,324,400	34,282,700	427,570,550	472,151	428,042,701	49,580,700	465,975,489	0.473
2014	5,070,500	362,322,100	2,235,700	444,100	20,195,800	3,324,400	34,282,700	427,875,300	548,286	428,423,586	49,400,500	473,952,326	0.457
2013	8,611,760	440,467,880	3,117,100	424,800	25,116,200	4,450,000	36,350,000	518,537,740	575,757	519,113,497	75,079,000	479,223,664	0.379
2012	8,970,300	439,853,860	3,333,000	440,400	25,622,300	4,450,000	36,900,000	519,569,860	614,257	520,184,117	74,867,300	496,153,126	0.379
2011	8,052,300	437,550,860	4,101,000	453,000	25,752,300	4,405,000	36,900,000	517,214,460	625,015	517,839,475	74,597,300	506,149,928	0.376
2010	8,230,300	438,491,560	4,101,000	457,600	28,423,300	4,405,000	36,900,000	521,008,760	778,297	521,787,057	73,813,200	515,465,254	0.373
2009	8,193,100	439,228,360	4,251,000	457,600	28,706,000	4,405,000	36,900,000	522,141,060	769,323	522,910,383	72,797,100	534,014,423	0.350
2008	8,672,100	437,682,600	4,642,000	461,600	30,941,000	2,655,000	36,900,000	521,954,300	678,643	522,632,943	49,922,600	526,968,749	0.364
2007	9,364,100	437,165,100	4,726,600	462,300	29,141,000	2,655,000	36,900,000	520,414,100	669,304	521,083,404	49,031,700	492,594,001	0.376
2006	R 7,700,000	438,166,300	4,902,700	538,400	30,855,000	1,300,000	36,900,000	520,362,400	646,816	521,009,216	49,165,600	429,516,224	0.351
Hainesport													
2015	17,589,300	605,896,300	8,740,600	363,800	80,125,000	46,460,900	606,000	759,781,900	1,271,371	761,053,271	47,121,600	780,920,684	0.412
2014	14,931,100	608,153,200	7,841,800	361,800	81,808,400	47,825,200	606,000	761,527,500	1,223,181	762,750,681	44,457,500	780,765,445	0.355
2013	R 15,858,500	607,273,000	9,180,700	356,600	78,592,900	48,382,700	606,000	760,250,400	1,178,706	761,429,106	43,909,000	788,149,363	0.338
2012	7,072,400	359,354,600	4,916,000	321,000	40,490,733	26,969,900	247,500	439,372,133	723,220	440,095,353	16,960,900	823,623,985	0.559
2011	7,353,700	356,556,700	5,219,500	349,100	40,933,333	27,543,700	247,500	438,203,533	734,285	438,937,818	16,286,400	865,284,295	0.543
2010	7,509,600	355,461,900	5,618,900	221,300	42,825,433	28,180,100	247,500	440,064,733	835,159	440,899,892	15,613,500	884,588,474	0.525
2009	9,394,000	353,561,400	5,618,900	221,300	39,800,433	29,918,500	247,500	438,762,033	864,453	439,626,486	15,583,900	935,706,047	0.564
2008	9,168,000	351,430,400	5,768,600	221,300	39,889,933	29,918,500	247,500	436,644,233	844,818	437,489,051	15,425,600	895,510,227	0.533
2007	8,893,800	352,740,900	4,762,400	221,700	35,102,400	30,836,700	247,500	432,805,400	888,480	433,693,880	15,425,600	817,347,978	0.597
2006	10,628,000	340,352,400	5,157,900	223,200	40,020,700	27,174,900	247,500	423,804,600	1,002,720	424,807,320	15,218,500	701,924,862	0.546
Lumberton													
2015	9,972,300	1,130,249,300	19,771,000	1,983,400	132,675,900	65,632,623	29,091,200	1,389,375,723	1,997,273	1,391,372,996	108,610,500	1,349,818,549	0.398
2014	9,997,200	1,136,968,200	21,338,400	1,994,400	130,711,000	64,072,723	29,352,400	1,394,434,323	2,026,623	1,396,460,946	110,463,900	1,349,322,042	0.393
2013	10,798,700	1,153,722,800	20,915,900	1,948,180	134,718,400	64,115,823	29,352,400	1,415,572,203	1,945,138	1,417,517,341	106,953,400	1,420,703,445	0.392
2012	10,631,900	1,168,180,400	20,715,800	2,446,300	134,628,400	63,115,823	29,352,400	1,429,071,023	1,838,276	1,430,909,299	106,013,700	1,534,388,232	0.390
2011	11,087,100	1,180,483,600	20,403,100	2,002,800	132,617,800	63,115,823	28,954,400	1,438,664,623	2,000,688	1,440,665,311	102,092,000	1,445,992,334	0.358
2010	11,698,400	1,187,781,700	20,484,200	1,902,800	131,564,300	64,304,600	28,954,400	1,446,690,400	2,285,933	1,448,976,333	101,665,363	1,523,480,241	0.354
2009	11,597,000	1,190,946,000	20,915,300	1,923,700	127,543,600	64,941,400	28,954,400	1,446,821,400	2,245,784	1,449,067,184	101,216,800	1,566,514,606	0.319
2008	11,963,500	1,191,093,800	20,850,000	1,997,980	122,340,000	55,956,100	28,954,400	1,433,155,780	2,103,413	1,435,259,193	100,642,000	1,514,653,856	0.318
2007	R 12,793,600	1,194,523,300	19,555,800	1,980,100	115,446,100	57,422,000	30,929,800	1,432,650,700	2,115,070	1,434,765,770	99,789,700	1,301,375,968	0.320
2006	5,357,300	601,863,900	10,190,000	1,112,600	71,115,200	29,051,100	21,610,300	740,300,400	1,197,965	741,498,365	84,536,000	1,272,162,007	0.569
Mount Holly													
2015	11,853,500	508,003,300	-	7,100	93,835,500	8,136,400	19,445,000	641,280,800	5,439,973	646,720,773	296,032,400	595,346,901	0.362
2014	12,135,700	511,597,700	-	7,100	92,450,900	8,286,200	20,222,500	644,700,100	5,502,557	650,202,657	288,503,000	596,263,126	0.349
2013	11,313,500	516,060,100	-	7,100	94,111,100	8,406,600	19,225,200	649,123,600	5,389,334	654,512,934	286,322,000	615,244,409	0.354
2012	11,457,200	515,910,300	-	7,100	93,711,000	8,406,600	20,180,500	649,672,700	7,547,722	657,220,422	287,734,300	633,441,106	0.372
2011	R 11,413,200	515,471,900	-	7,100	95,095,200	8,460,000	20,587,900	651,035,300	7,829,084	658,864,384	290,989,500	672,902,539	0.369
2010	5,876,700	248,952,700	-	8,300	45,352,200	4,370,300	9,748,500	314,308,700	3,553,287	317,861,987	148,335,600	674,010,703	0.747
2009	5,901,800	248,239,500	-	8,300	44,879,100	4,485,300	9,748,500	313,262,500	3,444,405	316,706,905	148,105,800	692,020,480	0.774
2008	6,044,900	247,721,300	142,700	14,200	45,706,700	4,485,300	11,250,700	315,365,800	3,156,029	318,521,829	149,398,300	709,679,409	0.797
2007	6,168,700	248,390,800	142,700	14,200	44,018,800	4,847,700	11,395,400	314,978,300	3,649,818	318,628,118	149,642,000	642,521,772	0.771
2006	5,473,000	250,726,100	142,700	14,200	43,281,500	4,847,700	12,157,000	316,642,200	4,223,486	320,865,686	147,589,500	546,950,563	0.748
Westampton													
2015	8,731,300	760,078,900	4,878,800	1,223,400	186,932,700	182,544,400	-	1,144,389,500	1,889,479	1,146,278,979	207,595,300	1,091,864,932	0.386
2014	24,369,500	761,663,000	4,878,800	1,085,600	195,725,700	187,030,200	-	1,174,752,800	2,202,407	1,176,955,207	205,246,000	1,165,838,789	0.386
2013	8,525,300	762,429,600	4,775,300	1,301,000	203,919,100	191,228,900	-	1,172,179,200	1,830,441	1,174,009,641	204,196,300	1,175,796,516	0.364
2012	8,922,800	762,261,200	4,775,300	1,301,000	202,520,500	191,228,900	-	1,171,009,700	2,037,190	1,173,046,890	204,178,000	1,152,400,819	0.356
2011	R 11,867,200	762,879,400	5,198,300	1,309,800	194,915,400	192,508,100	-	1,168,678,200	2,084,423	1,170,762,623	203,366,800	1,168,604,406	0.358
2010	5,765,300	476,102,200	3,393,900	1,332,100	205,709,800	11,261,400	-	703,564,700	1,413,756	704,978,456	118,994,700	1,248,552,779	0.624
2009	5,594,800	471,418,100	3,393,900	1,335,000	197,854,500	11,261,400	-	694,857,700	1,398,525	696,256,225	118,686,000	1,258,699,814	0.645
2008	10,919,600	463,505,000	4,013,700	999,650	199,197,200	11,261,400	-	689,896,550	1,313,152	691,209,702	113,479,900	1,235,266,586	0.617
2007	11,196,200	456,815,600	4,214,100	1,043,250	187,973,100	11,261,400	-	672,503,650	1,342,566	673,846,216	110,583,500	1,128,558,828	0.665
2006	12,721,100	446,894,400	4,117,400	1,048,950	180,183,900	11,261,400	-	656,227,150	1,447,205	657,674,355	109,805,100	998,224,187	0.642

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
 b Tax rates are per \$100

Source: Abstract of Ratables for the County of Burlington
 R = reassessment was performed

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Property Tax Rates
 Per \$100.00 of Assessed Valuation
 Last Ten Years
 Unaudited

Year	School District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	(From J-6) Total Direct School Tax Rate	Local School District	Municipal	County	Fire District	
<u>Eastampton</u>								
2015	0.446	0.027	0.473	1.180	0.902	0.450	0.066	3.071
2014	0.434	0.023	0.457	1.145	0.903	0.421	0.070	2.996
2013	0.362	0.017	0.379	0.916	0.746	0.348	0.058	2.447
2012	0.355	0.024	0.379	0.916	0.729	0.362	0.059	2.445
2011	0.358	0.018	0.376	0.912	0.712	0.371	0.059	2.430
2010	0.348	0.025	0.373	0.916	0.676	0.372	0.059	2.396
2009	0.330	0.020	0.350	0.916	0.631	0.388	0.058	2.343
2008	0.347	0.017	0.364	0.905	0.583	0.393	0.057	2.302
2007	0.359	0.017	0.376	0.956	0.568	0.396	0.057	2.353
2006	R 0.333	0.018	0.351	0.930	0.562	0.365	0.061	2.269
<u>Hainesport</u>								
2015	0.389	0.023	0.412	1.067	0.346	0.425	-	2.250
2014	0.337	0.018	0.355	1.051	0.330	0.391	-	2.127
2013	R 0.323	0.015	0.338	1.029	0.315	0.394	-	2.076
2012	0.523	0.036	0.559	1.761	0.502	0.709	-	3.531
2011	0.517	0.026	0.543	1.760	0.499	0.746	-	3.548
2010	0.490	0.035	0.525	1.709	0.491	0.761	-	3.486
2009	0.532	0.032	0.564	1.614	0.475	0.808	-	3.461
2008	0.508	0.025	0.533	1.584	0.481	0.792	-	3.390
2007	0.569	0.028	0.597	1.565	0.453	0.795	-	3.410
2006	0.518	0.028	0.546	1.544	0.433	0.732	-	3.255
<u>Lumberton</u>								
2015	0.375	0.023	0.398	1.019	0.426	0.400	-	2.243
2014	0.373	0.020	0.393	0.990	0.409	0.366	-	2.158
2013	0.375	0.017	0.392	0.997	0.378	0.392	-	2.159
2012	0.365	0.025	0.390	0.974	0.375	0.406	-	2.145
2011	0.341	0.017	0.358	0.951	0.358	0.381	-	2.048
2010	0.330	0.024	0.354	0.947	0.340	0.400	-	2.041
2009	0.301	0.018	0.319	0.932	0.323	0.411	-	1.985
2008	0.303	0.015	0.318	0.937	0.308	0.408	-	1.971
2007	R 0.305	0.015	0.320	0.948	0.268	0.383	-	1.919
2006	0.540	0.029	0.569	1.815	0.410	0.757	-	3.551
<u>Mount Holly</u>								
2015	0.342	0.020	0.362	1.167	0.733	0.380	0.096	2.738
2014	0.331	0.018	0.349	1.130	0.718	0.349	0.091	2.637
2013	0.338	0.016	0.354	1.111	0.687	0.357	0.091	2.600
2012	0.348	0.024	0.372	1.092	0.638	0.366	0.090	2.558
2011	R 0.351	0.018	0.369	1.068	0.597	0.387	0.090	2.511
2010	0.697	0.050	0.747	2.171	1.154	0.806	0.179	5.057
2009	0.730	0.044	0.774	2.127	1.155	0.830	0.173	5.059
2008	0.760	0.037	0.797	2.135	1.076	0.867	0.172	5.047
2007	0.735	0.036	0.771	2.077	1.002	0.849	0.172	4.871
2006	0.710	0.038	0.748	1.939	0.929	0.752	0.171	4.539
<u>Westampton</u>								
2015	0.364	0.022	0.386	0.854	0.603	0.389	-	2.232
2014	0.367	0.019	0.386	0.847	0.564	0.378	-	2.175
2013	0.348	0.016	0.364	0.831	0.545	0.381	-	2.121
2012	0.333	0.023	0.356	0.816	0.522	0.373	-	2.067
2011	R 0.341	0.017	0.358	0.804	0.498	0.379	-	2.039
2010	0.582	0.042	0.624	1.311	0.748	0.665	-	3.348
2009	0.609	0.036	0.645	1.225	0.631	0.688	-	3.189
2008	0.588	0.029	0.617	1.170	0.621	0.696	-	3.104
2007	0.634	0.031	0.665	1.169	0.554	0.703	-	3.091
2006	0.609	0.033	0.642	1.177	0.544	0.670	-	3.033

Source: Abstract of Ratables for the County of Burlington
 R = reassessment was performed

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Eastampton Taxpayer						
East Coast Sherwood Village, LLC	19,282,600	1	4.50%	21,500,000	1	4.13%
East Coast Eastampton Apts, LLC	14,189,500	2	3.31%	14,400,000	2	2.76%
Sharbell Eastampton Corporation	3,985,300	3	0.93%			
Infosino, Inc	1,460,800	4	0.34%	2,300,000	5	0.44%
Pharmacy Development (CVS)	1,435,900	5	0.34%	1,700,000	6	0.33%
Inter Bro of Boilermaker Local 28, LLC	1,319,500	6	0.31%			
Compass Road, LLC	1,315,600	7	0.31%			
Sussex Real Estate Services LLC	1,243,900	8	0.29%			
1200 Woodlane, LLC	1,044,850	9	0.24%			
Waste Management 1170, Inc.	999,900	10	0.23%	3,570,000	4	0.69%
Casano, Frank & Joseph Jr				4,800,000	3	0.92%
Hitner Enterprises				1,300,000	7	0.25%
Gbros Prop. LLC C/O Classic Dessert				1,222,800	8	0.23%
Third Garden Park LTD Partnership				1,100,000	9	0.21%
				1,100,000	10	0.21%
Total	46,277,850		10.81%	52,992,800		10.17%
Hainesport Taxpayer						
DDRM Crossroads Plaza	13,504,400	1	1.77%			
South Hainesport Ind Trust	10,875,400	2	1.43%	6,223,100	2	1.47%
Berry Drive LLC	9,692,700	3	1.27%	2,908,500	4	0.69%
Creek Crossing LLC	7,369,900	4	0.97%	1,570,700	9	0.37%
Mt. Laurel Rd LTD	6,295,300	5	0.83%	4,161,000	3	0.98%
Diamantis Children's Trust	3,400,300	6	0.45%			
Hoppecks USA Rem, LLC	3,279,100	7	0.43%			
Hainesport Industrial Park	3,201,000	8	0.42%			
Hainesport Complex LP	2,914,100	9	0.38%			
Winzinger	2,518,100	10	0.33%			
Inland Southeast Hainesport, LLC				10,465,000	1	2.47%
Creek Crossing II				2,682,600	5	0.63%
Arrow International				2,531,800	6	0.60%
White Cap, Inc				1,731,500	7	0.41%
Ventimiglia, Giuseppe				1,639,100	8	0.39%
Drenk Institute				1,338,500	10	0.32%
Total	63,050,300		8.28%	35,251,800		8.32%

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Lumberton Taxpayer						
CVS	31,950,000	1	2.30%	14,630,300	2	1.97%
The Estraugh	29,812,800	2	2.14%	17,315,300	1	2.34%
Whitehall Apartment Associates	12,900,000	3	0.93%	8,500,000	6	1.15%
BF Saul Holding Ltd Partnership	12,000,000	4	0.86%	10,500,000	4	1.42%
541 Associates, LLC	11,321,200	5	0.81%	13,080,500	3	1.76%
Newman Development Group of Hainesport	10,354,400	6	0.74%			
Wal-Mart	10,116,600	7	0.73%	8,715,600	5	1.18%
Mount Holly By-Pass LLC	9,176,300	8	0.66%	7,398,500	8	1.00%
East Coast Lumberton Apartments	8,400,000	9	0.60%			
Evergreen I Associates, LLC	7,000,000	10	0.50%	4,066,800	10	0.55%
Lumberton Mount Holly Associates, LP				7,680,000	7	1.04%
Mount Holly By-Pass LLC				4,424,600	9	0.60%
Total	143,031,300		10.28%	96,311,600		12.99%
Mount Holly Taxpayer						
Levine Properties, LP	12,967,000	1	2.01%	5,633,800	1	1.76%
Mount Holly Associates	10,576,100	2	1.64%	5,500,000	2	1.71%
Verizon	7,606,873	3	1.18%	5,367,786	3	1.67%
Virtua Memorial Hospital	6,965,200	4	1.08%	3,279,000	5	1.02%
Mt. Holly Equities	6,723,100	5	1.04%	4,854,000	4	1.51%
Richard A. Alaimo	4,179,300	6	0.65%	2,380,700	6	0.74%
Amcors Flexibles, Inc	3,605,200	7	0.56%	1,761,000	7	0.55%
Memorial Ambul-Surgi Center	2,423,900	8	0.37%			
Public Storage, Inc.	2,349,700	9	0.36%	950,000	9	0.30%
Mill Race, Inc	1,796,700	10	0.28%			
The Estraugh Corp.				1,298,300	8	0.40%
NJ Madison Avenue Associates				869,800	10	0.27%
Total	59,193,073		9.15%	31,894,386		9.94%

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Westampton Taxpayer						
Ikea Property, Inc.	36,250,000	1	3.16%	30,408,800	1	4.62%
Rowan Technologies, Inc	17,702,800	2	1.54%	9,343,450	5	1.42%
BRE/EX Properties, LLC	17,293,300	3	1.51%			
Prologis-Macquarie	13,606,700	4	1.19%	10,029,800	4	1.53%
Home Depot USA	12,981,800	5	1.13%	7,338,600	7	1.12%
Shri Sai Dev. LLC	12,500,000	6	1.09%			
100 Highland LLC	11,886,400	7	1.04%			
Edgewood Partners, LLC	10,498,900	8	0.92%			
Westampton Hospitality, LLC	9,401,000	9	0.82%			
UHS of Hampton	9,379,500	10	0.82%	5,858,000	8	0.89%
Brandywine Industrial, LLC				15,400,500	2	2.34%
RPE Ventures II, LLC				10,988,800	3	1.67%
H.A.T., Inc				9,186,700	6	1.40%
Jenciky, LLC				5,680,700	9	0.86%
Kohl's Department Store				5,053,800	10	0.77%
Total	151,500,400		13.22%	109,289,150		16.62%

Source: Municipal Tax Assessor

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Property Tax Levies and Collections

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		
		Amount	Percentage of Levy	Collections in Subsequent Years
<u>2015</u>				
Eastampton	1,957,968.00	1,957,968.00	100.00%	
Hainesport	2,709,343.02	2,709,343.02	100.00%	
Lumberton	5,496,507.02	5,496,507.02	100.00%	
Mount Holly	2,343,086.00	2,288,498.00	97.67%	54,588.00
Westhampton	4,546,540.00	4,546,540.00	100.00%	
	<u>17,053,444.04</u>	<u>16,998,856.04</u>	<u>99.68%</u>	<u>54,588.00</u>
<u>2014</u>				
Eastampton	1,969,680.00	1,969,680.00	100.00%	
Hainesport	2,577,492.00	2,577,492.00	100.00%	
Lumberton	5,558,281.00	5,558,281.00	100.00%	
Mount Holly	2,233,909.00	2,233,909.00	100.00%	
Westhampton	4,275,416.00	4,275,416.00	100.00%	
	<u>16,614,778.00</u>	<u>16,614,778.00</u>	<u>100.00%</u>	<u>-</u>
<u>2013</u>				
Eastampton	1,968,922.23	1,968,922.23	100.00%	
Hainesport	2,460,799.51	2,460,799.51	100.00%	
Lumberton	5,585,009.80	5,585,009.80	100.00%	
Mount Holly	2,435,271.74	2,435,271.74	100.00%	
Westhampton	4,183,417.72	4,183,417.72	100.00%	
	<u>16,633,421.00</u>	<u>16,633,421.00</u>	<u>100.00%</u>	<u>-</u>
<u>2012</u>				
Eastampton	1,943,247.50	1,943,247.50	100.00%	
Hainesport	2,387,059.80	2,387,059.80	100.00%	
Lumberton	5,164,088.15	5,164,088.15	100.00%	
Mount Holly	2,495,805.68	2,495,805.68	100.00%	
Westhampton	4,198,870.87	4,198,870.87	100.00%	
	<u>16,189,072.00</u>	<u>16,189,072.00</u>	<u>100.00%</u>	<u>-</u>
<u>2011</u>				
Eastampton	1,941,607.57	1,941,607.57	100.00%	-
Hainesport	2,312,010.67	2,312,010.67	100.00%	-
Lumberton	5,131,459.97	5,131,459.97	100.00%	-
Mount Holly	2,398,524.03	2,398,524.03	100.00%	-
Westhampton	4,405,469.76	4,405,469.76	100.00%	-
	<u>16,189,072.00</u>	<u>16,189,072.00</u>	<u>100.00%</u>	<u>-</u>

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Property Tax Levies and Collections

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		
		Amount	Percentage of Levy	Collections in Subsequent Years
<u>2010</u>				
Eastampton	1,829,530.80	1,829,530.80	100.00%	-
Hainesport	2,477,007.23	2,477,007.23	100.00%	-
Lumberton	4,614,774.74	4,614,774.74	100.00%	-
Mount Holly	2,392,247.24	2,392,247.24	100.00%	-
Westampton	4,493,137.99	4,493,137.99	100.00%	-
	<u>15,806,698.00</u>	<u>15,806,698.00</u>	<u>100.00%</u>	<u>-</u>
<u>2009</u>				
Eastampton	1,903,150.83	1,903,150.83	100.00%	-
Hainesport	2,334,026.17	2,334,026.17	100.00%	-
Lumberton	4,576,768.80	4,576,768.80	100.00%	-
Mount Holly	2,563,357.53	2,563,357.53	100.00%	-
Westampton	4,267,897.67	4,267,897.67	100.00%	-
	<u>15,645,201.00</u>	<u>15,645,201.00</u>	<u>100.00%</u>	<u>-</u>
<u>2008</u>				
Eastampton	1,960,285.24	1,960,285.24	100.00%	-
Hainesport	2,587,411.12	2,587,411.12	100.00%	-
Lumberton	4,590,046.32	4,590,046.32	100.00%	-
Mount Holly	2,565,366.65	2,565,366.65	100.00%	-
Westampton	4,478,813.67	4,478,813.67	100.00%	-
	<u>16,181,923.00</u>	<u>16,181,923.00</u>	<u>100.00%</u>	<u>-</u>
<u>2007</u>				
Eastampton	1,827,739.60	1,827,739.60	100.00%	-
Hainesport	2,317,930.44	2,317,930.44	100.00%	-
Lumberton	4,218,001.31	4,218,001.31	100.00%	-
Mount Holly	2,399,930.94	2,399,930.94	100.00%	-
Westampton	4,223,384.71	4,223,384.71	100.00%	-
	<u>14,986,987.00</u>	<u>14,986,987.00</u>	<u>100.00%</u>	<u>-</u>
<u>2006</u>				
Eastampton	1,610,690.12	1,610,690.12	100.00%	-
Hainesport	2,078,070.56	2,078,070.56	100.00%	-
Lumberton	3,556,990.28	3,556,990.28	100.00%	-
Mount Holly	2,062,217.31	2,062,217.31	100.00%	-
Westampton	3,580,316.73	3,580,316.73	100.00%	-
	<u>12,888,285.00</u>	<u>12,888,285.00</u>	<u>100.00%</u>	<u>-</u>

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

Source: District Records

Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities	Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Capital Leases	Capital Leases			
<u>2015</u>						
Eastampton	1,637,859.73	-	-	1,637,859.73	Unavailable	Unavailable
Hainesport	2,711,360.64	-	-	2,711,360.64	Unavailable	Unavailable
Lumberton	4,797,707.79	-	-	4,797,707.79	Unavailable	Unavailable
Mount Holly	2,062,309.31	-	-	2,062,309.31	Unavailable	Unavailable
Westampton	3,998,762.52	-	-	3,998,762.52	Unavailable	Unavailable
	<u>15,208,000.00</u>	<u>-</u>	<u>-</u>	<u>15,208,000.00</u>		
<u>2014</u>						
Eastampton	1,888,050.16	-	-	1,888,050.16	Unavailable	312.13
Hainesport	3,117,026.94	-	-	3,117,026.94	Unavailable	511.66
Lumberton	5,674,148.59	-	-	5,674,148.59	Unavailable	455.86
Mount Holly	2,373,800.53	-	-	2,373,800.53	Unavailable	250.14
Westampton	4,559,973.78	-	-	4,559,973.78	Unavailable	521.68
	<u>17,613,000.00</u>	<u>-</u>	<u>-</u>	<u>17,613,000.00</u>		
<u>2013</u>						
Eastampton	2,015,552.91	35,953.46	-	2,051,506.36	0.65%	337.70
Hainesport	3,357,364.54	59,888.71	-	3,417,253.25	1.08%	558.65
Lumberton	6,006,393.43	107,142.12	-	6,113,535.54	0.95%	489.12
Mount Holly	2,554,065.87	45,559.46	-	2,599,625.33	0.54%	278.18
Westampton	4,734,623.25	84,456.26	-	4,819,079.52	1.06%	548.93
	<u>18,668,000.00</u>	<u>333,000.00</u>	<u>-</u>	<u>19,001,000.00</u>		
<u>2012</u>						
Eastampton	2,129,583.82	71,911.11	-	2,201,494.93	0.71%	361.67
Hainesport	3,596,514.65	121,445.96	-	3,717,960.62	1.19%	606.12
Lumberton	6,320,570.83	213,431.03	-	6,534,001.86	1.02%	521.55
Mount Holly	2,710,827.10	91,538.35	-	2,802,365.44	0.59%	299.01
Westampton	4,965,503.61	167,673.55	-	5,133,177.16	1.14%	583.25
	<u>19,723,000.00</u>	<u>666,000.00</u>	<u>-</u>	<u>20,389,000.00</u>		
<u>2011</u>						
Eastampton	2,249,893.30	108,200.23	-	2,358,093.53	0.80%	387.91
Hainesport	3,860,903.11	185,675.74	-	4,046,578.85	1.37%	661.10
Lumberton	6,517,859.79	313,452.17	-	6,831,311.96	1.12%	542.90
Mount Holly	2,887,738.83	138,875.03	-	3,026,613.86	0.66%	316.76
Westampton	5,256,604.98	252,796.82	-	5,509,401.80	1.29%	623.94
	<u>20,773,000.00</u>	<u>999,000.00</u>	<u>-</u>	<u>21,772,000.00</u>		

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Governmental Activities		Business-Type Activities	Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Capital Leases	Capital Leases			
<u>2010</u>						
Eastampton	2,357,401.61	143,887.59	-	2,501,289.21	0.87%	411.80
Hainesport	4,033,521.96	246,192.15	-	4,279,714.11	1.48%	699.87
Lumberton	6,852,955.85	418,280.58	-	7,271,236.44	1.22%	578.41
Mount Holly	3,065,119.46	187,084.23	-	3,252,203.69	0.72%	340.76
Westampton	5,514,001.11	336,555.45	-	5,850,556.56	1.40%	663.25
	<u>21,823,000.00</u>	<u>1,332,000.00</u>	-	<u>23,155,000.00</u>		
<u>2009</u>						
Eastampton	2,476,508.29	182,023.85	-	2,658,532.14	0.88%	407.25
Hainesport	4,172,981.51	306,714.97	-	4,479,696.48	1.62%	752.76
Lumberton	7,097,044.22	521,634.16	-	7,618,678.38	1.37%	637.17
Mount Holly	3,235,134.64	237,783.04	-	3,472,917.68	0.73%	339.48
Westampton	5,671,331.34	416,843.98	-	6,088,175.32	1.51%	702.94
	<u>22,653,000.00</u>	<u>1,665,000.00</u>	-	<u>24,318,000.00</u>		
<u>2008</u>						
Eastampton	2,585,071.06	13,435.60	-	2,598,506.66	0.84%	396.84
Hainesport	4,234,662.43	22,009.15	-	4,256,671.58	1.52%	714.81
Lumberton	7,367,434.79	38,291.36	-	7,405,726.15	1.32%	617.71
Mount Holly	3,367,033.11	17,499.75	-	3,384,532.86	0.70%	329.52
Westampton	5,808,798.61	30,190.53	-	5,838,989.15	1.44%	678.24
	<u>23,363,000.00</u>	<u>121,426.39</u>	-	<u>23,484,426.39</u>		
<u>2007</u>						
Eastampton	2,437,245.72	26,970.78	-	2,464,216.50	0.83%	377.48
Hainesport	3,857,267.95	42,684.87	-	3,899,952.82	1.43%	650.32
Lumberton	6,838,017.72	75,670.11	-	6,913,687.83	1.26%	572.80
Mount Holly	3,087,494.41	34,166.48	-	3,121,660.89	0.66%	301.76
Westampton	5,369,974.20	59,424.61	-	5,429,398.81	1.39%	632.06
	<u>21,590,000.00</u>	<u>238,916.85</u>	-	<u>21,828,916.85</u>		
<u>2006</u>						
Eastampton	2,578,916.00	52,848.95	-	2,631,764.95	0.91%	396.29
Hainesport	3,884,010.46	79,593.86	-	3,963,604.32	1.49%	649.88
Lumberton	7,090,431.69	145,302.09	-	7,235,733.78	1.36%	592.32
Mount Holly	3,225,690.10	66,103.10	-	3,291,793.20	0.72%	312.40
Westampton	5,520,951.75	113,139.21	-	5,634,090.96	1.49%	648.94
	<u>22,300,000.00</u>	<u>456,987.21</u>	-	<u>22,756,987.21</u>		

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Per Capita personal income by municipality-estimated based upon the 2000 Census published

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions			
<u>2015</u>					
Eastampton	1,637,859.73	-	1,637,859.73	0.38%	Unavailable
Hainesport	2,711,360.64	-	2,711,360.64	0.36%	Unavailable
Lumberton	4,797,707.79	-	4,797,707.79	0.34%	Unavailable
Mount Holly	2,062,309.31	-	2,062,309.31	0.32%	Unavailable
Westampton	3,998,762.52	-	3,998,762.52	0.35%	Unavailable
	<u>15,208,000.00</u>	<u>-</u>	<u>15,208,000.00</u>		
<u>2014</u>					
Eastampton	1,888,050.16	-	1,888,050.16	0.44%	312.13
Hainesport	3,117,026.94	-	3,117,026.94	0.41%	511.66
Lumberton	5,674,148.59	-	5,674,148.59	0.41%	455.86
Mount Holly	2,373,800.53	-	2,373,800.53	0.37%	250.14
Westampton	4,559,973.78	-	4,559,973.78	0.39%	521.68
	<u>17,613,000.00</u>	<u>-</u>	<u>17,613,000.00</u>		
<u>2013</u>					
Eastampton	2,015,552.91	-	2,015,552.91	0.39%	331.78
Hainesport	3,357,364.54	-	3,357,364.54	0.44%	548.86
Lumberton	6,006,393.43	-	6,006,393.43	0.42%	480.55
Mount Holly	2,554,065.87	-	2,554,065.87	0.39%	273.31
Westampton	4,734,623.25	-	4,734,623.25	0.40%	539.31
	<u>18,668,000.00</u>	<u>-</u>	<u>18,668,000.00</u>		
<u>2012</u>					
Eastampton	2,129,583.82	-	2,129,583.82	0.41%	349.86
Hainesport	3,596,514.65	-	3,596,514.65	0.82%	586.32
Lumberton	6,320,570.83	-	6,320,570.83	0.44%	504.52
Mount Holly	2,710,827.10	-	2,710,827.10	0.41%	289.25
Westampton	4,965,503.61	-	4,965,503.61	0.42%	564.20
	<u>19,723,000.00</u>	<u>-</u>	<u>19,723,000.00</u>		
<u>2011</u>					
Eastampton	2,249,893.30	-	2,249,893.30	0.43%	370.11
Hainesport	3,860,903.10	-	3,860,903.10	0.88%	630.76
Lumberton	6,517,859.79	-	6,517,859.79	0.45%	517.99
Mount Holly	2,887,738.83	-	2,887,738.83	0.44%	302.22
Westampton	5,256,604.98	-	5,256,604.98	0.45%	595.31
	<u>20,773,000.00</u>	<u>-</u>	<u>20,773,000.00</u>		

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

Ratios of Net General Bonded Debt Outstanding

Last Ten Fiscal Years

Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Deductions			
<u>2010</u>					
Eastampton	2,357,401.61	-	2,357,401.61	0.45%	388.11
Hainesport	4,033,521.96	-	4,033,521.96	0.91%	659.61
Lumberton	6,852,955.85	-	6,852,955.85	0.47%	545.14
Mount Holly	3,065,119.46	-	3,065,119.46	0.96%	321.16
Westampton	5,514,001.11	-	5,514,001.11	0.78%	625.10
	<u>21,823,000.00</u>	<u>-</u>	<u>21,823,000.00</u>		
<u>2009</u>					
Eastampton	2,476,508.29	-	2,476,508.29	0.47%	379.37
Hainesport	4,172,981.51	-	4,172,981.51	0.95%	701.22
Lumberton	7,097,044.22	-	7,097,044.22	0.49%	593.55
Mount Holly	3,235,134.64	-	3,235,134.64	1.02%	316.24
Westampton	5,671,331.34	-	5,671,331.34	0.81%	654.81
	<u>22,653,000.00</u>	<u>-</u>	<u>22,653,000.00</u>		
<u>2008</u>					
Eastampton	2,585,071.06	-	2,585,071.06	0.49%	394.79
Hainesport	4,234,662.43	-	4,234,662.43	0.97%	711.11
Lumberton	7,367,434.79	-	7,367,434.79	0.51%	614.52
Mount Holly	3,367,033.11	-	3,367,033.11	1.06%	327.82
Westampton	5,808,798.61	-	5,808,798.61	0.84%	674.74
	<u>23,363,000.00</u>	<u>-</u>	<u>23,363,000.00</u>		
<u>2007</u>					
Eastampton	2,437,245.72	-	2,437,245.72	0.47%	373.35
Hainesport	3,857,267.95	-	3,857,267.95	0.89%	643.20
Lumberton	6,838,017.72	-	6,838,017.72	0.48%	566.53
Mount Holly	3,087,494.41	-	3,087,494.41	0.97%	298.45
Westampton	5,369,974.20	-	5,369,974.20	0.80%	625.14
	<u>21,590,000.00</u>	<u>-</u>	<u>21,590,000.00</u>		
<u>2006</u>					
Eastampton	2,578,916.00	-	2,578,916.00	0.49%	388.33
Hainesport	3,884,010.46	-	3,884,010.46	0.91%	636.83
Lumberton	7,090,431.69	-	7,090,431.69	0.96%	580.42
Mount Holly	3,225,690.10	-	3,225,690.10	1.01%	306.13
Westampton	5,520,951.76	-	5,520,951.76	0.84%	635.91
	<u>22,300,000.00</u>	<u>-</u>	<u>22,300,000.00</u>		

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Per Capita personal income by municipality-estimated based upon the 2010 Census published

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

<u>Governmental Unit - Eastampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Eastampton Township (1)	7,503,206.42	100.00%	7,503,206.42
Eastampton Township Board of Education (1)	9,170,000.00	100.00%	9,170,000.00
County of Burlington (2) (A)	303,356,410.00	1.02%	<u>3,094,505.71</u>
Subtotal, overlapping debt			19,767,712.13
Rancocas Valley Regional School District Direct Debt (1) (B)	16,128,000.00	10.77%	<u>1,736,941.20</u>
Total direct and overlapping debt			<u><u>21,504,653.33</u></u>

Sources:

(1) Eastampton Township Annual Debt Statement - December 31, 2014

(2) County of Burlington Audit Report - December 31, 2014

(A) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2014 equalized value by the total 2014 equalized value for the County of Burlington, which results in an apportionment of 1.02%.

(B) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2014 average equalized value by the total 2014 average equalized value for the entire Regional School District, which results in an apportionment of 10.77%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

<u>Governmental Unit - Hainesport</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Hainesport Township (1)	5,490,428.22	100.00%	5,490,428.22
Hainesport Township Board of Education (1)	7,208,000.00	100.00%	7,208,000.00
County of Burlington (2) (A)	303,356,410.00	1.71%	<u>5,180,874.05</u>
Subtotal, overlapping debt			17,879,302.27
Rancocas Valley Regional School District Direct Debt (1) (B)	16,128,000.00	17.83%	<u>2,875,382.99</u>
Total direct and overlapping debt			<u><u>20,754,685.26</u></u>

Sources:

(1) Hainesport Township Annual Debt Statement - December 31, 2014

(2) County of Burlington Audit Report - December 31, 2014

(A) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2014 equalized value by the total 2014 equalized value for the County of Burlington, which results in an apportionment of 1.71%.

(B) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2014 average equalized value by the total 2014 average equalized value for the entire Regional School District, which results in an apportionment of 17.83%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

<u>Governmental Unit - Lumberton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Lumberton Township (1)	5,570,783.25	100.00%	5,570,783.25
Lumberton Township Board of Education (1)	11,415,000.00	100.00%	11,415,000.00
County of Burlington (2) (A)	303,356,410.00	2.96%	<u>8,965,016.46</u>
Subtotal, overlapping debt			25,950,799.71
Rancocas Valley Regional School District Direct Debt (1) (B)	16,128,000.00	31.55%	<u>5,087,942.61</u>
Total direct and overlapping debt			<u><u>31,038,742.32</u></u>

Sources:

(1) Lumberton Township Annual Debt Statement - December 31, 2014

(2) County of Burlington Audit Report - December 31, 2014

(A) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2014 equalized value by the total 2014 equalized value for the County of Burlington, which results in an apportionment of 2.96%.

(B) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2014 average equalized value by the total 2014 average equalized value for the entire Regional School District, which results in an apportionment of 31.55%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

<u>Governmental Unit - Mount Holly</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Mount Holly Township (1)	17,385,605.00	100.00%	17,385,605.00
Mount Holly Township Board of Education (1)	-	100.00%	-
County of Burlington (2) (A)	303,356,410.00	1.29%	<u>3,905,560.08</u>
Subtotal, overlapping debt			21,291,165.08
Rancocas Valley Regional School District Direct Debt (1) (B)	16,128,000.00	13.56%	<u>2,187,067.63</u>
Total direct and overlapping debt			<u><u>23,478,232.71</u></u>

Sources:

(1) Mount Holly Township Annual Debt Statement - December 31, 2014

(2) County of Burlington Audit Report - December 31, 2014

(A) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2014 equalized value by the total 2014 equalized value for the County of Burlington, which results in an apportionment of 1.29%.

(B) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2014 average equalized value by the total 2014 average equalized value for the entire Regional School District, which results in an apportionment of 13.56%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2014
Unaudited

<u>Governmental Unit - Westampton</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Westampton Township (1)	3,629,895.00	100.00%	3,629,895.00
Westampton Township Board of Education (1)	6,280,000.00	100.00%	6,280,000.00
County of Burlington (2) (A)	303,356,410.00	2.45%	7,429,156.55
Subtotal, overlapping debt			17,339,051.55
Rancocas Valley Regional School District Direct Debt (1) (B)	16,128,000.00	26.29%	<u>4,240,665.57</u>
Total direct and overlapping debt			<u><u>21,579,717.12</u></u>

Sources:

(1) Westampton Township Annual Debt Statement - December 31, 2014

(2) County of Burlington Audit Report - December 31, 2014

(A) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2014 equalized value by the total 2014 equalized value for the County of Burlington, which results in an apportionment of 2.45%.

(B) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2014 average equalized value by the total 2014 average equalized value for the entire Regional School District, which results in an apportionment of 26.29%.

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

<u>Eastampton</u>	Legal Debt Margin Calculation for Fiscal Year 2015	
	<u>Equalized Valuation Basis (1)</u>	
	2014	465,182,975 00
	2013	467,530,196 00
	2012	<u>478,910,370 00</u>
	[A]	<u>1,411,623,541 00</u>
	Average equalized valuation of taxable property	[A/3] 470,541,180 33
	Debt limit (3% of average equalization value) (2)	[B] 14,116,235.41
	Total Net Debt Applicable to Limit	[C] <u>1,637,859.73</u>
	Legal Debt Margin	[B-C] <u><u>12,478,375 68</u></u>

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debit Limit	14,116,235.41	14,390,257 66	14,799,952 38	15,161,184.64	15,558,138.07	15,713,440.45	15,475,427.72	14,413,718 07	12,939,004.20	11,319,459 39
Total net debt applicable to limit (3)	<u>1,637,859.73</u>	<u>1,888,050.16</u>	<u>2,015,552 91</u>	<u>2,129,583.82</u>	<u>2,249,893.30</u>	<u>2,357,401.61</u>	<u>2,476,508.29</u>	<u>2,585,071 06</u>	<u>2,437,245.72</u>	<u>2,578,916 00</u>
Legal Debt Margin	<u><u>12,478,375.68</u></u>	<u><u>12,502,207 50</u></u>	<u><u>12,784,399.47</u></u>	<u><u>13,031,600.82</u></u>	<u><u>13,308,244.77</u></u>	<u><u>13,356,038.84</u></u>	<u><u>12,998,919.43</u></u>	<u><u>11,828,647 01</u></u>	<u><u>10,501,758.48</u></u>	<u><u>8,740,543 39</u></u>
Total net debt applicable to the limit as a percentage of debt limit	11 60%	13.12%	13.62%	14.05%	14.46%	15.00%	16 00%	17.93%	18 84%	22.78%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A 24-19 for a 9 through 12 district.
 (3) District Records

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

<u>Hainesport</u>	Legal Debt Margin Calculation for Fiscal Year 2015	
	<u>Equalized Valuation Basis (1)</u>	
	2014	778,817,243 00
	2013	775,528,308 00
	2012	<u>782,497,120 00</u>
	[A]	<u>2,336,842,671 00</u>
	Average equalized valuation of taxable property	[A/3] 778,947,557 00
	Debt limit (3% of average equalization value) (2)	[B] 23,368,426.71
	Total Net Debt Applicable to Limit	[C] <u>2,711,360 64</u>
	Legal Debt Margin	[B-C] <u><u>20 657 066 07</u></u>

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debit Limit	23,368,426.71	23,757,218 88	24,652,707 04	25,604,731.90	26,698,345.50	26,885,748.65	26,076,502.17	23,611,432 29	20,477,708.45	17,047,821.12
Total net debt applicable to limit (3)	<u>2,711,360.64</u>	<u>3,117,026 94</u>	<u>3,357,364 54</u>	<u>3,596,514.65</u>	<u>3,860,903.11</u>	<u>4,033,521.96</u>	<u>4,172,981.51</u>	<u>4,234,662.43</u>	<u>3,857,267.95</u>	<u>3,884,010.46</u>
Legal Debt Margin	<u><u>20,657,066.07</u></u>	<u><u>20,640,191 94</u></u>	<u><u>21,295,342 50</u></u>	<u><u>22,008,217.25</u></u>	<u><u>22,837,442.39</u></u>	<u><u>22,852,226.69</u></u>	<u><u>21,903,520.66</u></u>	<u><u>19,376,769 86</u></u>	<u><u>16,620,440.50</u></u>	<u><u>13,163,810 66</u></u>
Total net debt applicable to the limit as a percentage of debt limit	11 60%	13.12%	13.62%	14.05%	14.46%	15.00%	16 00%	17.93%	18 84%	22.78%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A 24-19 for a 9 through 12 district.
 (3) District Records

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

<u>Lumberton</u>	Legal Debt Margin Calculation for Fiscal Year 2015	
	<u>Equalized Valuation Basis (1)</u>	
	2014	1,347,670,168 00
	2013	1,361,258,008 00
	2012	<u>1,426,076,263 00</u>
	[A]	<u>4,135,004,439 00</u>
Average equalized valuation of taxable property	[A/3]	1,378,334,813 00
Debt limit (3% of average equalization value) (2)	[B]	41,350,044 39
Total Net Debt Applicable to Limit	[C]	<u>4,797,707.79</u>
Legal Debt Margin	[B-C]	<u>36 552 336 60</u>

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debit Limit	41,350,044.39	43,246,976 21	44,104,194 09	44,998,154.41	45,071,338.97	45,678,900.51	44,348,648.15	41,078,997 63	36,302,100.22	31,121,546 25
Total net debt applicable to limit (3)	<u>4,797,707.79</u>	<u>5,674,148 59</u>	<u>6,006,393.43</u>	<u>6,320,570.83</u>	<u>6,517,859.79</u>	<u>6,852,955.85</u>	<u>7,097,044.22</u>	<u>7,367,434.79</u>	<u>6,838,017.72</u>	<u>7,090,461 69</u>
Legal Debt Margin	<u>36,552,336.60</u>	<u>37,572,827 62</u>	<u>38,097,800 66</u>	<u>38,677,583.58</u>	<u>38,553,479.18</u>	<u>38,825,944.66</u>	<u>37,251,603.93</u>	<u>33,711,562 84</u>	<u>29,464,082.50</u>	<u>24,031,084 56</u>
Total net debt applicable to the limit as a percentage of debt limit	11 60%	13.12%	13.62%	14.05%	14.46%	15.00%	16 00%	17.93%	18 84%	22.78%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A:24-19 for a 9 through 12 district.
 (3) District Records

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

<u>Mount Holly</u>	Legal Debt Margin Calculation for Fiscal Year 2015	
	<u>Equalized Valuation Basis (1)</u>	
	2014	587,105,091.00
	2013	587,282,729.00
	2012	<u>603,056,437.00</u>
	[A]	<u>1,777,444,257.00</u>
	Average equalized valuation of taxable property	[A/3] 592,481,419.00
	Debt limit (3% of average equalization value) (2)	[B] 17,774,442.57
	Total Net Debt Applicable to Limit	[C] <u>2,062,309.31</u>
	Legal Debt Margin	[B-C] <u>15,712,133.26</u>

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debit Limit	17,774,442.57	18,092,528.46	18,754,185.58	19,299,240.44	20,001,975.58	20,430,787.82	20,216,000.25	18,773,745.43	16,391,086.99	14,158,306.65
Total net debt applicable to limit (3)	<u>2,062,309.31</u>	<u>2,373,800.53</u>	<u>2,554,065.87</u>	<u>2,710,827.10</u>	<u>2,887,738.83</u>	<u>3,065,119.46</u>	<u>3,235,134.64</u>	<u>3,367,033.11</u>	<u>3,087,494.41</u>	<u>3,225,690.10</u>
Legal Debt Margin	<u>15,712,133.26</u>	<u>15,718,727.93</u>	<u>16,200,119.71</u>	<u>16,588,413.34</u>	<u>17,114,236.75</u>	<u>17,365,668.36</u>	<u>16,980,865.61</u>	<u>15,406,712.32</u>	<u>13,303,592.58</u>	<u>10,932,616.55</u>
Total net debt applicable to the limit as a percentage of debt limit	11.60%	13.12%	13.62%	14.07%	14.44%	15.00%	16.00%	17.93%	18.84%	22.78%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A 24-19 for a 9 through 12 district.
 (3) District Records

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Computation of Legal Debt Margin
 Last Ten Fiscal Years
Unaudited

Westampton

Legal Debt Margin Calculation for Fiscal Year 2015

		<u>Equalized Valuation Basis (1)</u>
	2014	1,116,791,330 00
	2013	1,158,966,976 00
	2012	<u>1,170,658,502 00</u>
	[A]	<u>3,446,416,808 00</u>
Average equalized valuation of taxable property	[A/3]	1,148,805,602 67
Debt limit (3% of average equalization value) (2)	[B]	34,464,168 08
Total Net Debt Applicable to Limit	[C]	<u>3,998,762 52</u>
Legal Debt Margin	[B-C]	<u>30 465 405 56</u>

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Debit Limit	34,464,168 08	34,755,007.60	34,765,745 09	35,350,999.80	36,649,696.42	36,753,995.52	35,439,525.31	32,388,427 04	28,508,459.97	24,232,735.47
Total net debt applicable to limit (3)	<u>3,998,762 52</u>	<u>4,559,973.78</u>	<u>4,734,623 25</u>	<u>4,965,503.61</u>	<u>5,256,604.98</u>	<u>5,514,001.11</u>	<u>5,671,331.34</u>	<u>5,808,798 61</u>	<u>5,369,974.20</u>	<u>5,520,951.76</u>
Legal Debt Margin	<u>30,465,405 56</u>	<u>30,195,033.82</u>	<u>30,031,121 84</u>	<u>30,385,496.19</u>	<u>31,393,091.44</u>	<u>31,239,994.41</u>	<u>29,768,193.97</u>	<u>26,579,628.43</u>	<u>23,138,485.77</u>	<u>18,711,783.71</u>
Total net debt applicable to the limit as a percentage of debt limit	11.60%	13.12%	13.62%	14.05%	14 34%	15.00%	16 00%	17.93%	18 84%	22.78%

Sources:
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
 (2) Limit set by NJSA 18A 24-19 for a 9 through 12 district.
 (3) District Records

Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
<u>2014</u>				
Eastampton	6,049	Unavailable	Unavailable	6.30%
Hainesport	6,092	Unavailable	Unavailable	5.80%
Lumberton	12,447	Unavailable	Unavailable	6.50%
Mount Holly	9,490	Unavailable	Unavailable	8.50%
Westampton	8,741	Unavailable	Unavailable	5.70%
<u>2013</u>				
Eastampton	6,075	313,700,850.00	51,638.00	9.50%
Hainesport	6,117	315,869,646.00	51,638.00	9.80%
Lumberton	12,499	645,423,362.00	51,638.00	8.00%
Mount Holly	9,345	482,557,110.00	51,638.00	10.80%
Westampton	8,779	453,330,002.00	51,638.00	5.80%
<u>2012</u>				
Eastampton	6,087	310,917,873.00	51,079.00	6.70%
Hainesport	6,134	313,318,586.00	51,079.00	7.60%
Lumberton	12,528	639,917,712.00	51,079.00	8.80%
Mount Holly	9,372	478,712,388.00	51,079.00	14.30%
Westampton	8,801	449,546,279.00	51,079.00	8.10%
<u>2011</u>				
Eastampton	6,079	293,725,122.00	48,318.00	6.40%
Hainesport	6,121	295,754,478.00	48,318.00	7.40%
Lumberton	12,583	607,985,394.00	48,318.00	8.50%
Mount Holly	9,555	461,678,490.00	48,318.00	13.80%
Westampton	8,830	426,647,940.00	48,318.00	7.80%
<u>2010</u>				
Eastampton	6,074	287,852,934.00	47,391.00	6.60%
Hainesport	6,115	289,795,965.00	47,391.00	7.60%
Lumberton	12,571	595,752,261.00	47,391.00	8.70%
Mount Holly	9,544	452,299,704.00	47,391.00	14.10%
Westampton	8,821	418,036,011.00	47,391.00	8.10%

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
<u>2009</u>				
Eastampton	6,528	303,656,448.00	46,516.00	6.20%
Hainesport	5,951	276,816,716.00	46,516.00	7.10%
Lumberton	11,957	556,191,812.00	46,516.00	8.20%
Mount Holly	10,230	475,858,680.00	46,516.00	13.30%
Westampton	8,661	402,875,076.00	46,516.00	7.60%
<u>2008</u>				
Eastampton	6,548	307,546,464.00	46,968.00	3.50%
Hainesport	5,955	279,694,440.00	46,968.00	4.10%
Lumberton	11,989	563,099,352.00	46,968.00	4.70%
Mount Holly	10,271	482,408,328.00	46,968.00	7.90%
Westampton	8,609	404,347,512.00	46,968.00	4.40%
<u>2007</u>				
Eastampton	6,528	296,782,464.00	45,463.00	2.60%
Hainesport	5,997	272,641,611.00	45,463.00	3.00%
Lumberton	12,070	548,738,410.00	45,463.00	3.40%
Mount Holly	10,345	470,314,735.00	45,463.00	5.80%
Westampton	8,590	390,527,170.00	45,463.00	3.20%
<u>2006</u>				
Eastampton	6,641	289,222,191.00	43,551.00	2.80%
Hainesport	6,099	265,617,549.00	43,551.00	3.30%
Lumberton	12,216	532,019,016.00	43,551.00	3.80%
Mount Holly	10,537	458,896,887.00	43,551.00	6.40%
Westampton	8,682	378,109,782.00	43,551.00	3.50%
<u>2005</u>				
Eastampton	6,663	271,817,085.00	40,795.00	2.60%
Hainesport	6,046	246,646,570.00	40,795.00	2.60%
Lumberton	12,289	501,329,755.00	40,795.00	3.50%
Mount Holly	10,583	431,733,485.00	40,795.00	5.90%
Westampton	8,562	349,286,790.00	40,795.00	3.00%

- (1) Population information provided by the NJ Dept Of Labor and Workforce Development
(2) Personal income has been estimated based upon the municipal population and per capita
(3) Per Capita personal income by municipality-estimated based upon the 2010 Census published
(4) Unemployment data provided by the NJ Dept of Labor and Workforce Development

RANOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

<u>Mount Holly</u>	<u>2015</u>			<u>2006</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
			<u>Information Not Available</u>				
			1		1		
			2		2		
			3		3		
			4		4		
			5		5		
			6		6		
			7		7		
			8		8		
			8		8		
			10		10		
			-	0.00%	-	0.00%	

<u>Westampton</u>	<u>2015</u>			<u>2006</u>			
	<u>Employer</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Approximate Number of Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
			<u>Information Not Available</u>				
			1		1		
			2		2		
			3		3		
			4		4		
			5		5		
			6		6		
			7		7		
			8		8		
			8		8		
			10		10		
			-	0.00%	-	0.00%	

Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
Unaudited

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction:										
Regular	116	114	106	111	121	124	121	121	120	119
Special education	29	31	32	25	21	21	21	21	21	21
Other special education	0	0	0	0	0	0	0	1	1	1
Other instruction	1	1	1	1	1	1	1	1	1	1
Support Services:										
Tuition	0	0	0	0	0	0	0	0	0	0
Student & instruction related services	32	31	27	27	35	35	36	34	34	36
General administration	3	3	3	3	4	4	4	4	4	4
School Administrative services	13	14	16	14	16	20	20	17	17	16
Central Services	5	5	5	5	5	5	5	5	5	5
Administrative information technology	2	4	4	4	4	5	5	4	4	4
General and Business Administrative Services	0	0	0	0	0	0	0	0	0	0
Plant operations and maintenance	24	24	24	24	24	26	26	26	26	26
Pupil transportation	0	0	0	0	0	0	0	0	0	0
Unallocated Benefits	0	0	0	0	0	0	0	0	0	0
Special Schools	0	1	1	1	1	3	3	3	3	3
Food Service	0	0	0	0	0	0	0	0	0	0
Total	225	228	219	215	232	244	242	237	236	236

Source: District Personnel Records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
Unaudited

Fiscal Year <u>June 30</u>	Average Daily <u>Enrollment (c)</u>	Operating <u>Expenditures (a)</u>	Cost <u>Per Pupil</u>	Percentage <u>Change</u>	Teaching <u>Staff (b)</u>	Pupil/Teacher Ratio			Average Daily <u>Enrollment (c)</u>	Average Daily <u>Attendance (c)</u>	% Change in <u>Average Daily Enrollment</u>	Student <u>Attendance Percentage</u>
						<u>Elementary</u>	<u>Middle School</u>	<u>High School</u>				
2015	2067	34,367,224.80	16,626.62	-5.83%	146	N/A	N/A	14.16 to 1	2067	1960	5.35%	94.81%
2014	1962	34,642,246.33	17,656.60	-0.61%	146	N/A	N/A	13.44 to 1	1962	1879	0.51%	95.77%
2013	1952	34,678,201.59	17,765.47	4.09%	139	N/A	N/A	14.04 to 1	1952	1897	4.16%	97.18%
2012	1874	31,985,197.83	17,067.88	3.82%	137	N/A	N/A	13.68 to 1	1874	1789	-7.04%	95.46%
2011	2016	33,143,962.61	16,440.46	3.71%	143	N/A	N/A	14.10 to 1	2016	1920	-7.35%	95.24%
2010	2176	34,493,527.20	15,851.80	3.44%	146	N/A	N/A	14.90 to 1	2176	2055	0.83%	94.44%
2009	2158	33,072,017.34	15,325.31	4.48%	143	N/A	N/A	15.09 to 1	2158	2042	-3.88%	94.62%
2008	2245	32,930,914.30	14,668.56	8.60%	144	N/A	N/A	15.59 to 1	2245	2123	-2.43%	94.57%
2007	2301	31,078,344.27	13,506.45	3.01%	143	N/A	N/A	16.09 to 1	2301	2168	4.02%	94.22%
2006	2212	29,002,940.30	13,111.64	5.34%	142	N/A	N/A	15.58 to 1	2212	2088	0.59%	94.39%

Sources: District records

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).

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>District Building</u>										
<u>Senior High School</u>										
Rancocas Valley (1954)										
Square Feet	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574
Capacity (students)	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment	2,082	2,052	2,016	2,081	2,102	2,312	2,340	2,390	2,414	2,367

Number of Schools at June 30, 2015

 Elementary = 0

 Middle School = 0

 Senior High School = 1

 Other = 1

Source: District Records

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
Unaudited

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

			Fiscal Year Ended June 30,									
			<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>* School Facilities</u>	<u>School Number</u>	<u>Project # (s)</u>										
RVRHS	050	N/A	<u>1,050,424.46</u>	<u>816,920.22</u>	<u>646,795.13</u>	<u>731,147.66</u>	<u>638,217.23</u>	<u>673,746.31</u>	<u>643,961.20</u>	<u>649,168.72</u>	<u>604,318.77</u>	<u>586,775.89</u>

* School facilities as defined under EFCFA.
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

Source: District records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2015
Unaudited

	<u>Coverage</u>	<u>Deductible</u>
Property Section:		
Blanket Building and Business Personal Property	72,989,893.00	2,500
General Liability Section:		
Products and Completed Operations Limit	5,000,000	
Personal Advertising Injury Limit	5,000,000	
Bodily Injury and Property Damage Limit	5,000,000	
Commercial Inland Marine Section:		
Blanket Hardware	1,911,932	2,500
Boiler and Machinery Section:		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000	5,000
Commercial Crime Section:		
Employee Dishonesty Coverage	500,000	1,000
Business Auto Section:		
Combined Single Limit	5,000,000	1,000
Pollution Liability:		
Environmental Impairment Incident Limit	1,000,000	10,000
Environmental Impairment Aggregate Limit	25,000,000	10,000
School District Legal Liability Coverage:		
Each Policy Period	6,000,000	5,000
Workers Compensation Coverages:		
Each Accident	2,000,000	
Disease - Policy Limit	2,000,000	
Disease - Each Employee	2,000,000	
Student Accident:		
Compulsory Student Accident Coverage	1,000,000	
Surety Bonds:		
Lisa Giovanelli, Business Administrator	100,000	
Lawrence E. Fisher, Treasurer	300,000	

Source: District Records

SINGLE AUDIT SECTION

Exhibit K-2

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Rancocas Valley Regional High School District
Mount Holly, New Jersey 08060

Report on Compliance for Each Major Federal and State Program

We have audited the Rancocas Valley Regional High School District's, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2015. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the 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; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, OMB Circular A-133, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Rancocas Valley Regional High School District's, State of New Jersey, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of the Rancocas Valley Regional High School District, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the 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 State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the 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 State of New Jersey Circular 15-08-OMB. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



Michael D. Cesaro
Certified Public Accountant
Public School Accountant No. CS 01191

Voorhees, New Jersey
December 15, 2015

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 For the Fiscal Year Ended June 30, 2015

<u>Federal Grantor / Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2014</u>
				<u>From</u>	<u>To</u>	
General Fund:						
<u>U.S. Department of Health and Human Services:</u>						
Passed-through State Department of Education:						
ARRA - Medical Assistance Program	93.778	N/A	\$ 4,963.30	10-1-2008	12-31-2010	
Medical Assistance Program	93.778	N/A	71,868.67	7-1-2014	6-30-2015	_____
Total Medical Assistance Program						_____ -
Total General Fund and Total U.S. Department of Health and Human Services						_____ -
Special Revenue Fund:						
<u>U.S. Department of Education:</u>						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	13-4320	68,277.00	7-1-2013	6-30-2014	\$ (64,429.00)
Title I	84.010	14-4320	122,491.00	7-1-2014	6-30-2015	_____
Total Title I						_____ (64,429.00)
Title II Part A	84.367	13-4320	35,913.00	7-1-2013	6-30-2014	(32,781.00)
Title II Part A	84.367	14-4320	36,516.00	7-1-2014	6-30-2015	_____
Total Title II Part A						_____ (32,781.00)
I.D.E.A. Part B:						
Special Education Cluster:						
Basic Regular	84.027	14-4320	442,165.00	7-1-2013	6-30-2014	(442,165.00)
Basic Regular	84.027	14-4320	470,812.00	7-1-2014	6-30-2015	_____
Total I.D.E.A. Part B Special Education Cluster						_____ (442,165.00)
Total Special Revenue Fund and Total U.S. Department of Education						_____ (539,375.00)
Enterprise Fund:						
<u>U.S. Department of Agriculture</u>						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Food Distribution Program (Non-Cash Assistance)	10.555	N/A	25,244.52	7-1-2013	6-30-2014	1,972.08
Food Distribution Program (Non-Cash Assistance)	10.555	N/A	31,435.46	7-1-2014	6-30-2015	
National School Lunch Program	10.555	N/A	159,307.48	7-1-2013	6-30-2014	(28,696.22)
National School Lunch Program	10.555	N/A	172,530.56	7-1-2014	6-30-2015	
School Breakfast Program	10.553	N/A	28,551.49	7-1-2013	6-30-2014	(5,956.93)
School Breakfast Program	10.553	N/A	29,249.56	7-1-2014	6-30-2015	_____
Total Child Nutrition Cluster						_____ (32,681.07)
Total Enterprise Fund and Total U.S. Department of Agriculture						_____ (32,681.07)
Total Federal Financial Assistance						\$ <u>_____ (572,056.07)</u>

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30 ,2015		
					(Accounts Receivable)	Unearned Revenue	Due to Grantor at June 30, 2015
	\$ 4,963.30	\$ (4,963.30)					
	71,868.67	(71,868.67)					
-	76,831.97	(76,831.97)	-	-	-	-	-
-	76,831.97	(76,831.97)	-	-	-	-	-
	64,429.00						
	25,200.00	(108,511.06)			\$ (83,311.06)		
-	89,629.00	(108,511.06)	-	-	(83,311.06)	-	-
	32,781.00						
	6,865.00	(36,460.00)			(29,595.00)		
-	39,646.00	(36,460.00)	-	-	(29,595.00)	-	-
	442,165.00						
	470,812.00	(470,812.00)			-		
-	912,977.00	(470,812.00)	-	-	-	-	-
-	600,087.00	(615,783.06)	-	-	(112,906.06)	-	-
		(1,972.08)					
	31,435.46	(31,435.46)					
	28,696.22						
	172,791.74	(186,340.84)			(13,549.10)		
	5,956.93						
	29,249.56	(32,123.38)			(2,873.82)		
-	268,129.91	(251,871.76)	-	-	(16,422.92)	-	-
-	268,129.91	(251,871.76)	-	-	(16,422.92)	-	-
\$	\$ 945,048.88	\$ (944,486.79)	\$	\$	\$ (129,328.98)	\$	\$

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2015

State Grantor / Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2014		
			From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor	Carryover / (Walkover) Amount
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Equalization Aid	495-034-5120-078	\$ 13,307,513.00	7-1-2013	6-30-2014	\$ (1,218,851.94)		
Equalization Aid	495-034-5120-078	13,307,513.00	7-1-2014	6-30-2015			
Special Education Categorical Aid	495-034-5120-089	1,209,933.00	7-1-2013	6-30-2014	(110,819.29)		
Special Education Categorical Aid	495-034-5120-089	1,209,933.00	7-1-2014	6-30-2015			
Security Aid	495-034-5120-084	215,416.00	7-1-2013	6-30-2014	(19,730.22)		
Security Aid	495-034-5120-084	215,416.00	7-1-2014	6-30-2015			
Adjustment Aid	495-034-5120-085	278,362.00	7-1-2013	6-30-2014	(25,495.53)		
Adjustment Aid	495-034-5120-085	278,362.00	7-1-2014	6-30-2015			
Per Pupil Growth Aid	495-034-5120-097	20,060.00	7-1-2014	6-30-2015			
PARCC Readiness Aid	495-034-5120-098	20,060.00	7-1-2014	6-30-2015			
Total State Aid - Public Cluster					(1,374,896.98)	-	-
Transportation Aid	495-034-5120-014	957,133.00	7-1-2013	6-30-2014	(87,665.02)		
Transportation Aid	495-034-5120-014	957,133.00	7-1-2014	6-30-2015			
Nonpublic Transportation Aid	495-034-5120-014	13,892.00	7-1-2013	6-30-2014	(13,892.00)		
Nonpublic Transportation Aid	495-034-5120-014	12,531.00	7-1-2014	6-30-2015			
Total Transportation Aid					(101,557.02)	-	-
Extraordinary Special Education Aid	100-034-5120-473	124,781.00	7-1-2013	6-30-2014	(124,781.00)		
Extraordinary Special Education Aid	100-034-5120-473	94,386.00	7-1-2014	6-30-2015			
Total Extraordinary Special Education Aid					(124,781.00)	-	-
Reimbursed TPAF Social Security Contributions	495-034-5094-003	812,564.71	7-1-2013	6-30-2014	(40,993.54)		
Reimbursed TPAF Social Security Contributions	495-034-5094-003	833,757.14	7-1-2014	6-30-2015			
Total Reimbursed TPAF Social Security Contributions					(40,993.54)	-	-
Total General Fund					(1,642,228.54)	-	-
Debt Service Fund:							
New Jersey Department of Education:							
Debt Service Aid	495-034-5120-075	779,553.00	7-1-2014	6-30-2015			
Total Debt Service Fund					-	-	-
Total New Jersey Department of Education					(1,642,228.54)	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
State School Lunch Program	100-010-3350-023	4,333.14	7-1-2013	6-30-2014	(756.99)		
State School Lunch Program	100-010-3350-023	4,869.59	7-1-2014	6-30-2015			
Total Enterprise Fund / New Jersey Department of Agriculture					(756.99)	-	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit					(1,642,985.53)	-	-
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf T.P.A.F. Pension Contributions:							
Normal Costs	495-034-5094-006	619,725.00	7-1-2014	6-30-2015			
Post Retirement Medical	495-034-5094-001	983,812.00	7-1-2014	6-30-2015			
Total General Fund (Non-Cash Assistance)					-	-	-
Total State Financial Assistance					\$ (1,642,985.53)	\$ -	\$ -

The accompanying Notes to Financial Statements and Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2015			Memo	
				(Accounts Receivable)	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30 2015	Cumulative Total Expenditures
\$ 1,218,851.94								
12,138,417.81		\$ (13,307,513.00)		\$ (1,169,095.19)			\$ (1,169,095.19)	\$ 13,307,513.00
110,819.29								
1,103,637.64		(1,209,933.00)		(106,295.36)			(106,295.36)	1,209,933.00
19,730.22								
196,491.22		(215,416.00)		(18,924.78)			(18,924.78)	215,416.00
25,495.53								
253,907.27		(278,362.00)		(24,454.73)			(24,454.73)	278,362.00
18,297.68		(20,060.00)		(1,762.32)			(1,762.32)	20,060.00
18,297.68		(20,060.00)		(1,762.32)			(1,762.32)	20,060.00
15,103,946.28	-	(15,051,344.00)	-	(1,322,294.70)	-	-	(1,322,294.70)	15,051,344.00
87,665.02								
873,046.70		(957,133.00)		(84,086.30)			(84,086.30)	957,133.00
13,892.00								
		(12,531.00)		(12,531.00)				12,531.00
974,603.72	-	(969,664.00)	-	(96,617.30)	-	-	(84,086.30)	969,664.00
124,781.00								
		(94,386.00)		(94,386.00)				94,386.00
124,781.00	-	(94,386.00)	-	(94,386.00)	-	-	-	94,386.00
40,993.54								
793,414.34		(833,757.14)		(40,342.80)				833,757.14
834,407.88	-	(833,757.14)	-	(40,342.80)	-	-	-	833,757.14
17,037,738.88	-	(16,949,151.14)	-	(1,553,640.80)	-	-	(1,406,381.00)	16,949,151.14
779,553.00		(779,553.00)						779,553.00
779,553.00	-	(779,553.00)	-	-	-	-		779,553.00
17,817,291.88	-	(17,728,704.14)	-	(1,553,640.80)	-	-	(1,406,381.00)	17,728,704.14
756.99								
4,524.34		(4,869.59)		(345.25)				4,869.59
5,281.33	-	(4,869.59)	-	(345.25)	-	-	-	4,869.59
17,822,573.21	-	(17,733,573.73)	-	(1,553,986.05)	-	-	(1,406,381.00)	17,733,573.73
619,725.00		(619,725.00)						619,725.00
983,812.00		(983,812.00)						983,812.00
1,603,537.00	-	(1,603,537.00)	-	-	-	-	-	1,603,537.00
\$ 19,426,110.21	\$ -	\$ (19,337,110.73)	\$ -	\$ (1,553,986.05)	\$ -	\$ -	\$ (1,406,381.00)	\$ 19,337,110.73

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal 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 Rancocas Valley Regional High School District (hereafter referred to as the "School District"). The School District is defined in Note 1 to the School 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, are 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 state financial assistance are presented using the budgetary basis of accounting with the exceptions of programs recorded in the food service fund are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: **RELATIONSHIP TO 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 one or more deferred June state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is \$56,181.00 for the general fund and \$8,460.00 for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$-0- for the general fund and \$8,460.00 for the special revenue fund. See Exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS (CONT'D)**

Awards and financial assistance revenues are reported in the School District's basic financial statements on a GAAP basis as presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 76,831.97	\$ 18,608,869.14	\$ 18,685,701.11
Special Revenue Fund	624,243.06	-	624,243.06
Debt Service Fund	-	779,553.00	779,553.00
Food Service Fund	<u>251,871.76</u>	<u>4,869.59</u>	<u>256,741.35</u>
Total	<u>\$ 952,946.79</u>	<u>\$ 19,393,291.73</u>	<u>\$ 20,346,238.52</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: **REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2015, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the Federal Food Distribution Program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. 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 fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF members.

Note 6: **MAJOR PROGRAMS**

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2015

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over compliance:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditor's report on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133? yes X no

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027	Special Education Cluster (I.D.E.A.): I.D.E.A. Part B, Basic Regular
10.553	Child Nutrition Cluster School Breakfast Program
10.555	National School Lunch Program

Dollar threshold used to determine Type A programs \$ 300,000

Auditee qualified as low-risk auditee? yes X no n/a

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2015

Section 1- Summary of Auditor's Results (Cont'd)

State Financial Assistance

Internal control over compliance:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditor's report on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 15-08-OMB? _____ yes X no

Identification of major programs:

<u>GMIS Numbers</u>	<u>Name of State Program</u>
495-034-5120-078	State Aid Public: Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Additional Adjustment Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness Aid

Dollar threshold used to determine Type A programs \$ 532,007

Auditee qualified as low-risk auditee? _____ yes X no _____ n/a

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2015

Section 2- Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

No Current Year Findings.

Section 3- Schedule of Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by OMB Circular A-133.

No Current Year Findings.

Section 4- Schedule of State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

No Current Year Findings.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with *Government Auditing Standards*, OMB Circular A-133 and State of New Jersey Circular 15-08-OMB.

FINANCIAL STATEMENT FINDINGS

Finding No. 2014-001

Condition

In March of 2014, the School District Awarded a construction contract for a project which was to be entirely funded by a withdrawal from the District's Capital Reserve Account. The District did not include the withdrawal in its 2013-2014 budget but did include the withdrawal in its 2014-2015 budget. The District made \$ 875,385.00 in disbursements and had a \$ 1,213,874.00 accounts payable on this contract for the fiscal year ended June 30, 2014.

Current Status

This condition has been resolved.

FEDERAL AWARDS

No Prior Year Finding

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings