

RIVERSIDE BOARD OF EDUCATION

Riverside, New Jersey
County of Burlington

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

RIVERSIDE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

**Riverside Township Board of Education
Finance Department**

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INTRODUCTORY SECTION

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Riverside Township School District

112 E, Washington Street
Riverside, New Jersey 08075-3899
Phone 856-461-1255
Fax 856-461-5168

Robin A. Ehrich
Superintendent of Schools
Ext. 1111

Jodi Lennon
Business Administrator/ Board Secretary
Ext. 1112

November 25, 2015

Honorable President and
Members of the Board of Education
Riverside Township
County of Burlington, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Riverside Township 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 Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections; introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes 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 the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and New Jersey's Circular 04-04 and/or 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES**, Riverside School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Riverside Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for the gifted and handicapped youngsters. The District had an enrollment of 1,404 students as of October 15, 2014. This enrollment reflects a

decrease of fifty-six students from the previous year's enrollment. The following details the changes in the student average daily enrollment of the District over the last five years:

Average Daily Enrollment

Fiscal Year	Student Enrollment
14-15	1,393.3
13-14	1,470.5
12-13	1,444.8
11-12	1,385.8
10-11	1,389.6

2) **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 generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurances recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2015. There were \$0 in reservations of fund balance at June 30, 2015.

4) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board

(GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements" Note 1.

5) **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. The following schedule presents a summary of the general fund, special revenue fund, capital projects fund and debt service fund revenues for the fiscal year ended June 30, 2014 and the fiscal year ended June 30, 2015.

Revenue	2013-14 Amount	Percent of Total	2014-15 Amount	Percent of Total
Local Sources	\$ 9,741,773	40.46%	\$9,896,517	40.28%
State Sources	13,371,948	55.54%	13,674,531	55.65%
Federal Sources	963,341	4.00%	1,000,621	4.07%
Total	<u>\$24,077,062</u>	<u>100.0%</u>	<u>\$24,571,669</u>	<u>100.0%</u>

The following schedule presents a summary of general fund, special revenue fund, capital projects and debt service fund expenditures for the fiscal year ended June 30, 2014 and for the fiscal year ended June 30, 2015.

Expenditures	2013-14 Amount	Percent of Total	2014-15 Amount	Percent of Total
Current Expenses	\$21,662,349	87.10%	\$21,565,953	89.23%
Capital Outlay	829,083	3.33%	182,358	0.75%
Special Revenue Fund	1,552,107	6.24%	1,578,611	6.53%
Debt Service	826,998	3.33%	843,535	3.49%
Total Expenditures	<u>\$24,870,537</u>	<u>100.00%</u>	<u>\$24,170,457</u>	<u>100.00%</u>

6) **DEBT ADMINISTRATION:** At June 30, 2015, the District had \$402,513 outstanding in Capital Leases and \$5,100,000 in bonds.

7) **CASH MANAGEMENT:** The investment policy of the District is guided in part by state statute as detailed in "Notes to the Financial Statement", 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

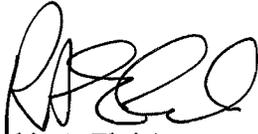
8) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9) **OTHER INFORMATION:**

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P. C., was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and New Jersey Circular 04-04 and/or 15-08. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

10) **ACKNOWLEDGMENTS:** We would like to express our appreciation to the members of the Riverside Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

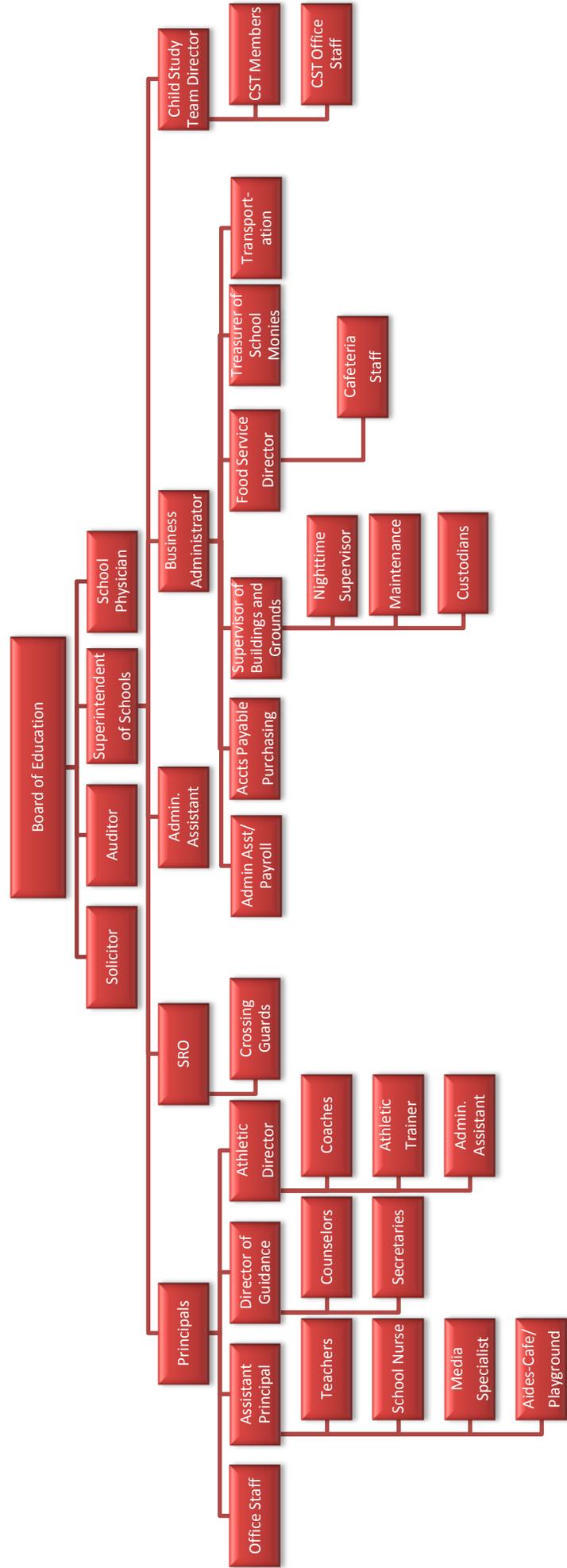


Robin A. Ehrich
Superintendent of Schools



Jodi Lennon
Business Administrator/Board Secretary

RIVERSIDE TOWNSHIP BOARD OF EDUCATION ORGANIZATIONAL CHART



RIVERSIDE TOWNSHIP BOARD OF EDUCATION

112 E. Washington Street
Riverside, New Jersey 08075

ROSTER OF OFFICIALS

JUNE 30, 2015

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Ronald Russell, President	2016
Dean W. Potts, Vice President	2017
Joseph D'Agostino	2017
Deborah Graf	2016
Michael Holak	2016
Agnes Loblely	2017
Timothy McElroy	2015
Scott Parker	2015
Diane Reale	2015

OTHER OFFICIALS

Robin A. Ehrich, Superintendent
Jodi Lennon, Business Administrator/Board Secretary
Eleanor Ruehmling, Treasurer of School Monies
Capehart Scatchard, Solicitor

CONSULTANTS AND ADVISORS

AUDIT FIRM

Holman Frenia Allison, P.C.
Michael Holt, CPA, PSA
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Joseph F. Betley
Capehart Scatchard
8000 Midlantic Drive, Suite 300
Mount Laurel, New Jersey 08054

OFFICIAL DEPOSITORY

Investors Bank
1105 South Fairview Street
Delran, New Jersey 08075

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FINANCIAL SECTION

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HOLMAN | FRENIA
ALLISON, P.C.

Certified Public Accountants & Consultants

680 Hooper Avenue, Bldg B, Suite 201, Toms River, NJ 08753 • Tel: 732.797.1333

618 Stokes Road, Medford, NJ 08055 • Tel: 609.953.0612

912 Highway 33, Suite 2, Freehold, NJ 07728 • Tel: 732.409.0800

795 Canton Street, Troy, PA 16947 • Tel: 570.297.5090

926 Main Street, Suite 103, Rome, PA 18837 • Tel: 570.297.5090

www.hfacpas.com

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Riverside Township Board of Education
County of Burlington
Riverside, New Jersey 08075

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 Riverside Township Board of Education, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Board of Education, 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 year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Change in Accounting Principle

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

Other Matters

Required Supplementary Information

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

Other Information

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

The accompanying combining statements and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information

directly to the underlying accounting other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2015 on our consideration of the Riverside Township Board of Education'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 Riverside Township Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
November 25, 2015

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
MANAGEMENT’S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2015**

UNAUDITED

This section of the Riverside Township Board of Education's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

The Management’s Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Account Standards Board’s (GASB) Statement No. 34 – *Basic Financial Statements and Management’s Discussion and Analysis for State and Local Governments* issued in June 1999. Certain comparative information between the current year (2014-15) and the prior year (2013-14) is required to be presented in the MD&A.

CHANGE IN ACCOUNTING PRINCIPLE

As described in Note 20 to the financial statements, “Change in Accounting Principle”, the District has adopted the provisions of GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for the year ended June 30, 2015. The adoption of this principle resulted in a restatement of the District’s opening net position as of July 1, 2014 in the amount of \$5,317,867 as indicated in Note 20 to the financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District’s finances in a manner similar to a private-sector business.

The statement of net position (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund financial statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the government-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

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

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

The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

Notes to the Financial Statements

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

Other Information

The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2014-2015 fiscal year include the following:

- The General Fund's portion of the local tax levy increased from FY13-14 to FY14-15 by \$366,830.
- The General Fund's local tax levy was \$7,321,322.
- The Debt Service Fund's portion of the local tax levy for 2014-2015 was \$753,298.
- The General Fund's unassigned fund balance at 6/30/15 is \$(14,513).
- State aid increased by \$302,583 in 2014-2015 from 2013-2014.

Government-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position:

	Governmental Activities	Business-Type Activities	Total
Current & Other Assets	\$ 1,876,839	131,361	2,008,200
Capital Assets, net	<u>9,603,033</u>	<u>39,462</u>	<u>9,642,495</u>
Total Assets	<u>11,479,872</u>	<u>170,823</u>	<u>11,650,695</u>
Deferred Outflow of Resources	<u>721,710</u>	-	<u>721,710</u>
Total Assets and Deferred Outflow of Resources	<u>12,201,582</u>	<u>170,823</u>	<u>12,372,405</u>
Long-term Liabilities Outstanding	11,647,288	-	11,647,288
Other Liabilities	<u>991,209</u>	<u>-</u>	<u>991,209</u>
Total Liabilities	<u>12,638,497</u>	<u>-</u>	<u>12,638,497</u>
Deferred Inflow of Resources	<u>321,914</u>	-	<u>321,914</u>
Total Liabilities and Deferred Inflow of Resources	<u>12,960,411</u>	<u>-</u>	<u>12,960,411</u>
Net Position:			
Net Investment in Capital Assets	4,100,520	39,462	4,139,982
Restricted	1,142,346	-	1,142,346
Unrestricted	<u>(6,001,695)</u>	<u>131,361</u>	<u>(5,870,334)</u>
Total Net Position	<u>\$ (758,829)</u>	<u>170,823</u>	<u>(588,006)</u>

Government-wide Financial Analysis (continued):

The District's investment in capital assets within the net position above, less any related debt used to acquire those assets that is still outstanding is \$4,100,520.

The unrestricted net position may be used to meet the District's ongoing obligations to student, employees, and creditors. The unrestricted net position includes the amount of long-term obligations that are not invested in capital assets, such as compensated absences.

At the end of the current fiscal year, the District is able to report a positive balance in total net position. The same situation held true for the prior fiscal year.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position from the prior year:

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 157,092	\$ 157,092
Operating Grants & Contributions	5,987,808	361,723	4,287,545
General Revenues:			
Property Taxes	8,074,620	-	8,074,620
Federal & State Aid not Restricted to Specific Purposes	11,034,555	-	13,096,541
Miscellaneous (Includes Interest & Tuition)	1,821,897	587	1,822,484
Total Revenue	<u>26,918,880</u>	<u>519,402</u>	<u>27,438,282</u>
Expenses:			
Instructional Services	9,674,573	-	9,674,573
Support Services	16,065,970	-	16,065,970
Food Service	-	506,510	506,510
Interest on Long-Term Debt	192,059	-	192,059
Other	181,869	-	181,869
Total Expenses	<u>26,114,471</u>	<u>506,510</u>	<u>26,671,902</u>
Change in Net Position	804,409	(38,029)	766,380
Net Position – Beginning	<u>(1,563,238)</u>	<u>208,852</u>	<u>(1,354,386)</u>
Net Position – Ending	<u>\$ (758,829)</u>	<u>\$ 170,823</u>	<u>\$ (588,006)</u>

Financial Analysis of the District's Funds

As noted 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.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, capital projects and debt service fund revenues for the fiscal year ended June 30, 2015 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	Revenue	Percent of Total	Increase/ (Decrease) From 2014	Percent of Increase/ (Decrease)
Local Sources:				
District Taxes	\$ 8,074,620	32.86%	\$337,171	4.36%
Miscellaneous	1,821,897	7.41%	(182,427)	(9.10)%
State Sources	13,674,531	55.66%	302,583	2.26%
Federal Sources	<u>1,000,621</u>	<u>4.07%</u>	<u>37,280</u>	<u>3.87%</u>
Total	<u>\$ 24,571,669</u>	<u>100.00%</u>	<u>\$ 494,607</u>	<u>2.05%</u>

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

	Expenditures	Percent	Increase/ (Decrease) From 2014	Percent of Increase/ (Decrease)
Current Expenditures:				
Instruction	\$ 9,674,573	40.03%	\$ 7,891	0.08%
Undistributed	13,469,991	55.73%	(77,783)	(0.57)%
Capital Outlay	182,358	0.75%	(646,725)	(78.00)%
Debt Service	<u>843,535</u>	<u>3.49%</u>	<u>16,537</u>	<u>2.00%</u>
Total	<u>\$24,170,457</u>	<u>100.00%</u>	<u>\$ (700,080)</u>	<u>(2.81)%</u>

General Fund Budgetary Highlights

The school district's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2015, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

While the District's final budget for the general fund anticipated that revenues and expenditures would be equal, the actual results for the year show a surplus.

Proprietary Funds

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

The Food Services Enterprise fund's operating revenue decreased by \$(1,403) over the operating revenue in 2013-14, from \$159,082 to \$157,679. The net position of the food service program was \$170,823 at June 30, 2015. The food services program continues to be self-sustaining and does not require any appropriation of funds from the District's general fund budget.

Capital Assets

At June 30, 2015 the District had capital assets of \$9,603,033, net of depreciation, which includes land, land improvements, buildings/construction, machinery and equipment, and vehicles,

Additional information on the District's capital assets can be found in Note 6 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2015 the District's outstanding debt issues included \$5,100,000 in general obligation bonds.

Additional information on the District's debt administration and other obligations can be found in Note 6 to the basic financial statements.

Economic Factors and Next Year's Budget

- The District anticipates that the approved 2015-2016 budget will be adequate to satisfy all 2015-16 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

Requests for Information

This financial report is designed to provide a general overview of the Riverside Township School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Riverside Township Board of Education, 112 E, Washington Street, Riverside, New Jersey 08075,

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2015

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 1,279,632	\$ 122,330	\$ 1,401,962
Receivables, Net	570,032	18,440	588,472
Inventory	-	4,620	4,620
Internal Balances	14,029	(14,029)	-
Restricted Assets:			
Capital Reserve Account - Cash	13,146	-	13,146
Capital Assets:			
Depreciable, Net (Note 5)	9,603,033	39,462	9,642,495
Total Assets	11,479,872	170,823	11,650,695
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges of Refunding of Debt	143,942	-	143,942
Deferred Outflows Related to Pensions	577,768	-	577,768
Total Deferred Outflow of Resources	721,710	-	721,710
Total Assets and Deferred Outflow of Resources	12,201,582	170,823	12,372,405
LIABILITIES			
Accounts Payable	144,514	-	144,514
Accrued Interest Payable	35,146	-	35,146
Unearned Revenue	569,346	-	569,346
PERS Pension Payable	242,203	-	242,203
Noncurrent Liabilities (Note 6):			
Due Within One Year	708,191	-	708,191
Due Beyond One Year	10,939,097	-	10,939,097
Total Liabilities	12,638,497	-	12,638,497
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions	321,914	-	321,914
Total Deferred Inflow of Resources	321,914	-	321,914
Total Liabilities and Deferred Inflow of Resources	12,960,411	-	12,960,411
NET POSITION			
Net Investment in Capital Assets	4,100,520	39,462	4,139,982
Restricted For:			
Debt Service	(32,807)	-	(32,807)
Other Purposes	1,175,153	-	1,175,153
Unrestricted	(6,001,695)	131,361	(5,870,334)
Total Net Position	\$ (758,829)	\$ 170,823	\$ (588,006)

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			TOTALS
		CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES		
Governmental Activities:							
Instruction:							
Regular	\$ 5,867,204	\$ -	\$ -	\$ (5,867,204)	\$ -	\$ (5,867,204)	
Special Education	2,970,421	-	1,162,771	(1,807,650)	-	(1,807,650)	
Other Special Instruction	740,084	-	-	(740,084)	-	(740,084)	
Other Instruction	96,864	-	-	(96,864)	-	(96,864)	
Support Services & Undistributed Costs:							
Tuition	2,068,705	-	-	(2,068,705)	-	(2,068,705)	
Student & Instruction Related Services	1,541,710	-	-	(1,541,710)	-	(1,541,710)	
School Administrative Services	1,353,201	-	415,840	(937,361)	-	(937,361)	
General & Business Administrative Services	696,462	-	-	(696,462)	-	(696,462)	
Plant Operations & Maintenance	1,836,549	-	-	(1,836,549)	-	(1,836,549)	
Pupil Transportation	476,761	-	-	(476,761)	-	(476,761)	
Unallocated Employee Benefits	8,092,582	-	4,409,197	(3,683,385)	-	(3,683,385)	
Interest & Other Changes on Long Term Debt	192,059	-	-	(192,059)	-	(192,059)	
Unallocated Depreciation	181,869	-	-	(181,869)	-	(181,869)	
Total Governmental Activities	\$ 26,114,471	\$ -	\$ 5,987,808	\$ (20,126,663)	\$ -	\$ (20,126,663)	

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	\$ 557,431	\$ 157,092	\$ 361,723	\$ -	\$ (38,616)
Total Business-Type Activities	557,431	157,092	361,723	-	(38,616)
Total Primary Government	26,671,902	157,092	6,349,531	(20,126,663)	(20,165,279)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net				7,321,322	7,321,322
Taxes Levied for Debt Service				753,298	753,298
Federal & State Aid Not Restricted				11,034,555	11,034,555
Tuition Received				1,544,817	1,544,817
Miscellaneous Income				277,080	277,667
Total General Revenues, Special Items, Extraordinary Items & Transfers				20,931,072	20,931,659
Change In Net Position				804,409	766,380
Net Position - Beginning, as restated (see Note 20)				(1,563,238)	(1,354,386)
Net Position - Ending				\$ (758,829)	\$ (588,006)

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

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B. Fund Financial Statements

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Governmental Funds

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015**

ASSETS	GENERAL	SPECIAL REVENUE	DEBT SERVICE	TOTALS
Cash & Cash Equivalents	\$ 823,467	\$ 453,826	\$ 2,339	\$ 1,279,632
Accounts Receivable:				
Receivables - Other - Net	278,311	-	-	278,311
Intergovernmental - State	71,321	-	-	71,321
Intergovernmental - Federal	33,083	187,317	-	220,400
Due from Other Funds	14,029	-	-	14,029
Restricted Cash & Cash Equivalents	13,146	-	-	13,146
	<hr/>	<hr/>	<hr/>	<hr/>
Total Assets	<u>1,233,357</u>	<u>641,143</u>	<u>2,339</u>	<u>1,876,839</u>
 LIABILITIES & FUND BALANCES				
Liabilities:				
Accounts Payable	72,717	71,797	-	144,514
Unearned Revenue	-	569,346	-	569,346
	<hr/>	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>72,717</u>	<u>641,143</u>	<u>-</u>	<u>713,860</u>
 Fund Balances:				
Restricted for:				
Excess Surplus - Current Year	920,669	-	-	920,669
Excess Surplus - Prior Year Designated for Subsequent Year's Expenditures	241,338	-	-	241,338
Capital Reserve Account	13,146	-	-	13,146
Assigned to:				
Debt Service fund	-	-	2,339	2,339
General Fund	(14,513)	-	-	(14,513)
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>1,160,640</u>	<u>-</u>	<u>2,339</u>	<u>1,162,979</u>
Total Liabilities & Fund Balances	<u>\$ 1,233,357</u>	<u>\$ 641,143</u>	<u>\$ 2,339</u>	
 Amounts reported for <i>governmental activities</i> 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 \$15,902,986 and the accumulated depreciation is \$6,299,953			\$	9,603,033
Accrued interest payable and PERS pension payable are not recorded in the fund financial Statements due to the fact that the payables are not due in the current period.				(277,349)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.				255,854
Unamortized bond issuance loss on refunding net of Bond Premium is not recorded in the fund financials But is recorded on the government-wide financials				(175,282)
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 (see Illustrative Note 6)				<u>(11,328,064)</u>
Net Position of Governmental Activities			<u>\$</u>	<u>(758,829)</u>

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 7,321,322	\$ -	\$ 753,298	\$ 8,074,620
Tuition	1,544,817	-	-	1,544,817
Miscellaneous	277,080	-	-	277,080
Total Revenues - Local Sources	<u>9,143,219</u>	<u>-</u>	<u>753,298</u>	<u>9,896,517</u>
State Sources	12,986,069	639,777	48,685	13,674,531
Federal Sources	61,787	938,834	-	1,000,621
Total Revenues	<u>22,191,075</u>	<u>1,578,611</u>	<u>801,983</u>	<u>24,571,669</u>
Expenditures:				
Current Expense				
Instruction - Regular Programs	5,867,204	-	-	5,867,204
Special Education	1,807,650	1,162,771	-	2,970,421
Other Special Instruction	740,084	-	-	740,084
Other Instruction	96,864	-	-	96,864
Support Services:				
Tuition	2,068,705	-	-	2,068,705
Student & Instruction Related Services	1,541,710	-	-	1,541,710
School Administrative Services	937,361	415,840	-	1,353,201
General Administrative Services	696,462	-	-	696,462
Plant Operations & Maintenance	1,657,994	-	-	1,657,994
Pupil Transportation	476,761	-	-	476,761
Employee Benefits	5,675,158	-	-	5,675,158
Debt Service:				
Principal	-	-	645,000	645,000
Interest & Other Charges	-	-	198,535	198,535
Capital Outlay	182,358	-	-	182,358
Total Expenditures	<u>21,748,311</u>	<u>1,578,611</u>	<u>843,535</u>	<u>24,170,457</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	<u>442,764</u>	<u>-</u>	<u>(41,552)</u>	<u>401,212</u>
Fund Balance - July 1	<u>717,876</u>	<u>-</u>	<u>43,891</u>	<u>761,767</u>
Fund Balance - June 30	<u>\$ 1,160,640</u>	<u>\$ -</u>	<u>\$ 2,339</u>	<u>\$ 1,162,979</u>

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 401,212

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:

Adjustment Due to Appraisal	\$ 8,029	
Depreciation Expense	(355,213)	
Fixed Asset Disposals - Accumulated Depreciation	173,344	
Fixed Asset Disposals	(181,584)	
Capital Outlays	25,500	(329,924)

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

Current Year	70,859	
Prior Year	(48,483)	22,376

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. 645,000

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

Pension Expense - PERS Contribution - 2015	237,845	
State Share of Unfunded TPAF Pension Expense	2,347,211	
Unfunded TPAF Pension Expense	(2,347,211)	
Pension Expense	(308,058)	(70,213)

Net Difference Accrued interest on bonds is not recorded in fund financial statements

Current Year	(35,146)	
Prior Year	25,494	(9,652)

Increase in accrual for compensated absences (325)

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 145,935

Change in Net Position of Governmental Activities \$ 804,409

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Proprietary Funds

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u> FOOD SERVICE	TOTALS
Current Assets:		
Cash & Cash Equivalents	\$ 122,330	\$ 122,330
Accounts Receivable:		
State	530	530
Federal	17,910	17,910
Interfund Receivables	-	-
Inventories	4,620	4,620
	<hr/>	<hr/>
Total Current Assets	145,390	145,390
Noncurrent Assets:		
Furniture, Machinery & Equipment	196,443	196,443
Less: Accumulated Depreciation	(156,981)	(156,981)
	<hr/>	<hr/>
Total Noncurrent Assets	39,462	39,462
	<hr/>	<hr/>
Total Assets	184,852	184,852
	<hr/>	<hr/>
LIABILITIES		
Interfund Payables	14,029	14,029
	<hr/>	<hr/>
Total Liabilities	14,029	14,029
	<hr/>	<hr/>
NET POSITION		
Net Investment in Capital Assets	39,462	39,462
Unrestricted	131,361	131,361
	<hr/>	<hr/>
Total Net Position	\$ 170,823	\$ 170,823
	<hr/> <hr/>	<hr/> <hr/>

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>	
	<u>FOOD SERVICE</u>	<u>TOTALS</u>
Operating Revenues:		
Local Sources:		
Daily Sales - Reimbursable Programs	\$ 82,956	\$ 82,956
Daily Sales - Nonreimbursable Programs	73,212	73,212
Special Functions	924	924
Miscellaneous	587	587
	<hr/>	<hr/>
Total Operating Revenue	157,679	157,679
	<hr/>	<hr/>
Operating Expenses:		
Cost of Sales	225,099	225,099
Salaries & Benefits	188,475	188,475
Employee Benefits	47,524	47,524
Other Purchased Professional Services	28,000	28,000
Cleaning, Repair & Maintenance Services	3,192	3,192
Insurance	7,891	7,891
General Supplies	20,673	20,673
Miscellaneous	27,151	27,151
Depreciation	9,426	9,426
	<hr/>	<hr/>
Total Operating Expenses	557,431	557,431
	<hr/>	<hr/>
Operating Income/(Loss)	(399,752)	(399,752)
	<hr/>	<hr/>
Nonoperating Revenues/(Expenses):		
State Sources:		
State School Lunch Program	6,337	6,337
Federal Sources:		
National School Lunch Program	268,330	268,330
Regular School Breakfast Program	37,772	37,772
Special Milk Program	891	891
Healthy Hunger-Free Kids Act	7,252	7,252
Food Distribution Program	39,041	39,041
Interest & Investment Revenue	120	120
Gain on Appraisal of Fixed Assets	1,980	1,980
	<hr/>	<hr/>
Total Nonoperating Revenues/(Expenses)	361,723	361,723
	<hr/>	<hr/>
Net Income/(Loss)	(38,029)	(38,029)
Total Net Position - Beginning	208,852	208,852
	<hr/>	<hr/>
Total Net Position - Ending	\$ 170,823	\$ 170,823
	<hr/> <hr/>	<hr/> <hr/>

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE		TOTALS
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 231,455	\$	231,455
Payments to Employees	(162,928)		(162,928)
Payments for Employee Benefits	(42,752)		(42,752)
Payments to Suppliers	(292,095)		(292,095)
	<hr/>		
Net Cash Provided by/(Used) by Operating Activities	(266,320)		(266,320)
	<hr/>		
Cash Flows From Noncapital Financing Activities:			
State Sources	6,581		6,581
Federal Sources	355,296		355,296
	<hr/>		
Net Cash Provided by/(Used) by Noncapital Financing Activities	361,877		361,877
	<hr/>		
Cash Flows From Investing Activities:			
Interest & Dividends	120		120
	<hr/>		
Net Cash Provided by/(Used) by Investing Activities	120		120
	<hr/>		
Net Increase/(Decrease) in Cash & Cash Equivalents	95,677		95,677
Balances - Beginning of Year	26,653		26,653
	<hr/>		
Balances - End of Year	\$ 122,330	\$	122,330
	<hr/> <hr/>		
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:			
Operating Income/(Loss)	\$ (399,752)	\$	(399,752)
Adjustments to Reconcile Operating Income/Loss to			
Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	9,426		9,426
(Increase)/Decrease in Accounts Receivable, Net	124,697		124,697
(Increase)/Decrease in Inventories	(691)		(691)
	<hr/>		
Total Adjustments	133,432		133,432
	<hr/>		
Net Cash Provided/(Used) by Operating Activities	\$ (266,320)	\$	(266,320)
	<hr/> <hr/>		

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

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Fiduciary Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PUPOSE			TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	AGENCY FUNDS	
Cash & Cash Equivalents	\$ 138,527	\$ 223,212	\$ 190,248	\$ 551,987
Interfund Receivable	5,086	-	-	5,086
Total Assets	143,613	223,212	190,248	557,073
LIABILITIES				
Due to Student Groups	-	-	107,448	107,448
Payroll Deductions & Withholdings	-	-	77,714	77,714
Interfund Payable	-	-	5,086	5,086
Total Liabilities	-	-	190,248	190,248
NET POSITION				
Reserve for Unemployment Compensation	-	223,212	-	223,212
Reserved for Scholarships	143,613	-	-	143,613
Total Net Position	\$ 143,613	\$ 223,212	\$ -	\$ 366,825

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 18,933	\$ 18,933
Other	10,336	-	10,336
Total Contributions	10,336	18,933	29,269
Investment Earnings:			
Interest	490	215	705
Net Investment Earnings	490	215	705
Total Additions	10,826	19,148	29,974
DEDUCTIONS			
Unemployment Claims	-	8,430	8,430
Scholarships Awarded	9,577	-	9,577
Total Deductions	9,577	8,430	18,007
Change in Net Position	1,249	10,718	11,967
Net Position - Beginning of the Year	142,364	212,494	354,858
Net Position - End of the Year	\$ 143,613	\$ 223,212	\$ 366,825

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 1. Summary of Significant Accounting Policies

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

Reporting Entity

The Riverside Township Board of Education 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 consists of 5 members elected to three-year terms. These terms are staggered. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational services appropriate to grade levels K through 12. The Riverside Township Board of Education has an approximate enrollment at June 30, 2015 of 1,404 students.

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

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

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

Component Units

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

Government-Wide Financial Statements

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

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

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

Fiduciary Fund Financial Statements

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

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

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

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

The District reports the following major governmental funds:

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

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

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

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

The District reports the following major proprietary funds:

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

Additionally, the District reports the following major fiduciary funds:

Private Purpose Trust Funds - Private-purpose trust funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund and Scholarship Fund private purpose trusts.

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

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

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

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the District eliminated the April annual voter referendum on

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(f)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23-2-11.

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

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

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

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

Encumbrances

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

Cash and Cash Equivalents

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

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

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

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

Tuition Payable/Receivable

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

Inventories

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

Short-Term Interfund Receivables/Payables

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

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

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

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

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

Compensated Absences

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

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

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

Use of Estimates

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

Fund Balance

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

Net Position

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

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

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

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

Bond Premiums, Discounts and Issuance Costs

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

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

Deferred Loss on Refunding Debt

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

Deferred Inflows/Outflows of Resources

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

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

Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2015 through the date of November 25, 2015, which is the date the financial statements were available to be issued.

Pensions Section

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

Note 2. Cash

Cash Deposits

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 2. Cash and Cash Equivalents (continued):

As of June 30, 2015, the District's bank balance of \$2,267,280 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$ 396,056
Uninsured and uncollateralized	526,862
Collateralized in the District's Name Under GUDPA	<u>1,344,362</u>
Total	<u>\$2,267,280</u>

Investments

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

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

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

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 3. Capital Reserve Account

A capital reserve account was established by the Riverside Township Board of Education by inclusion of \$220,000 in the 2000-2001 budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1, 2014	\$ 13,132
Interest Earnings	<u>14</u>
Ending Balance, June 30, 2015	<u><u>\$ 13,146</u></u>

The June 30, 2015 LRFP balance of local support costs of uncompleted capital projects at June 30, 2015 is \$10,154,000. The withdrawals from the capital reserve were used in a DOE approved facilities project, consistent with the district's Long Range Facilities Plan.

Note 4. Accounts Receivable

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

	General Fund	Special Revenue Fund	Proprietary Funds	Total
State Aid	\$ 71,321	\$ -	\$ 530	\$ 71,851
Federal Aid	33,083	187,317	17,910	238,310
Other	<u>278,311</u>	-	-	<u>278,311</u>
Total	<u><u>\$ 382,715</u></u>	<u><u>\$ 187,317</u></u>	<u><u>\$ 18,440</u></u>	<u><u>\$ 588,472</u></u>

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 5. Capital Assets

The following schedules are a summarization of the capital assets by source for the fiscal year ended June 30, 2015:

	June 30, 2014	Additions	Deletions	Transfers/ Adjustments	June 30, 2015
Governmental Activities:					
Capital assets being depreciated:					
Buildings and improvements	\$ 15,122,117	\$ 13,000	\$ -	\$ 39,365	\$ 15,174,482
Machinery and equipment	929,174	12,500	(181,584)	(31,586)	728,504
Total Capital assets being depreciated	16,051,291	25,500	(181,584)	7,779	15,902,986
Less: accumulated depreciation:					
Buildings and improvements	(5,397,473)	(303,947)	-	(33,047)	(5,734,467)
Machinery and equipment	(720,861)	(51,266)	173,344	33,297	(565,486)
Total accumulated depreciation	(6,118,334)	(355,213)	173,344	250	(6,299,953)
Total capital assets being depreciated, net	9,932,957	(329,713)	(8,240)	8,029	9,603,033
Governmental activities capital assets, net	\$ 9,932,957	\$ (329,713)	\$ (8,240)	\$ 8,029	\$ 9,603,033

	June 30, 2014	Additions	June 30, 2015
Business-Type Activities:			
Machinery and equipment	\$ 191,043	\$ 5,400	\$ 196,443
Subtotal	191,043	5,400	196,443
Less: accumulated depreciation:			
Machinery and equipment	(144,135)	(12,846)	(156,981)
Total accumulated depreciation	(144,135)	(12,846)	(156,981)
Total capital assets being depreciated, net	46,908	(7,446)	39,462
Business-type activities capital assets, net	\$ 46,908	\$ (7,446)	\$ 39,462

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 6. Long-Term Obligations

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

	June 30, 2014	Accrued/ Increases	Retired/ Decreases	June 30, 2015	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 5,745,000	\$ -	\$ (645,000)	\$ 5,100,000	\$ 560,000
Add: Premium	359,976	-	(40,752)	319,224	-
Obligations Under Capital					
Leases	548,448	-	(145,935)	402,513	148,191
Compensated Absences	423,495	325	-	423,820	-
Net Pension Liability	5,317,867	83,864	-	5,401,731	-
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Total	\$ 12,394,786	\$ 84,189	\$ (831,687)	\$ 11,647,288	\$ 708,191
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The voters of the municipality through referendums authorize bonds in accordance with State Law. All bonds are retired in serial installments within the statutory period of usefulness.

B. Bonds Payable

In July 2007, the Riverside Township Board of Education issued \$513,000 of General Obligation School Bonds for a new roof on the middle school and high school buildings. Payments were due each January 15th and July 15th commencing July 15, 2007. These bonds were retired in the current year.

In July 2011, the Riverside Township Board of Education issued \$750,000 of General Obligation School Bonds. Payments are due each February 1st and August 1st commencing August 1, 2012 at an interest rate of 3.30%.

In May 2012, the Riverside Township Board of Education refunded \$5,635,000 for the 2003 General Obligation School Bonds. Payments are due each May 1st and November 1st commencing November 1, 2012 at an interest rate of 2.00% to 4.00%.

Principal and interest due on the bonds outstanding as of June 30, 2015 is as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015/16	\$ 560,000	\$ 182,165	\$ 742,165
2016/17	575,000	167,645	742,645
2017/18	595,000	150,200	745,200
2018/19	615,000	132,140	747,140
2019/20	650,000	108,030	758,030
2021/22 - 2022/23	2,105,000	167,475	2,272,475
	<hr/>		
	\$ 5,100,000	\$ 907,655	\$ 6,007,655
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RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 6. Long-Term Obligations (continued):

C. Bonds Authorized But Not Issued

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

D. Capital Leases

During 2013-2014, the District issued an additional capital lease in the amount of \$625,000 for modular buildings which are used as classrooms.

The District issued \$110,000 for replacement, upgrades & repairs to the High School. All capital leases are for terms of five to seven year, with the exception of COP's which are for 10 years. The following is a schedule of the remaining future minimum lease payments at June 30, 2015:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2015/16	\$ 148,191	\$ 5,247	\$ 153,438
2016/17	126,430	2,942	129,372
2017/18	127,892	1,480	129,372
	<u>\$ 402,513</u>	<u>\$ 9,669</u>	<u>\$ 412,182</u>

Note 7. Interfund Receivables and Payables

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

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 14,029	\$ -
Food Service Fund	-	14,029
Scholarship Trust	5,086	-
Student Activities	-	5,086
	<u>\$ 19,115</u>	<u>\$ 19,115</u>
Total	<u>\$ 19,115</u>	<u>\$ 19,115</u>

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 7. Interfund Receivables and Payables (continued):

The summary of interfund transfers follows:

Fund	Transfers In	Transfers Out
General Fund	\$ -	\$ 124,697
Food Service Fund	124,697	-
Scholarship Trust Fund	-	2,711
Payroll Trust Fund	2,711	-
	\$ 127,408	\$ 127,408

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

Note 8. 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	\$ 3,960
Supplies	<u>660</u>
Total	<u>\$ 4,620</u>

Note 9. Pension Obligations

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

- 4 Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

Three-Year Trend Information for PERS

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2015	\$ 237,845	100%	\$ 5,401,731
6/30/2014	209,654	100%	5,317,867
6/30/2013	210,612	100%	-

Components of Pension Liability - At June 30, 2015, the District reported a liability of \$5,401,731 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2014. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of June 30, 2013, to the measurement date of June 30, 2014. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2014. The District's proportion measured as of June 30, 2014, was 0.02885% percent, which was an increase of 0.00103% from its proportion measured as of June 30, 2013.

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

	<u>6/30/2015</u>	<u>6/30/2014</u>
	July 1, 2014	July 1, 2013
Actuarial valuation date		
Deferred Outflows of Resources	\$ 577,768	\$ 237,845
Deferred Inflows of Resources	\$ 321,914	\$ -
Net Pension Liability	\$ 5,401,731	\$ 5,317,867
District's portion of the Plan's total net pension Liability	0.02885%	0.02782%

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2015, the District recognized pension expense of \$308,058. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	169,859	-
Net difference between projected and actual earnings on pension plan investments	-	321,914
Changes in proportion and differences between District contributions and proportionate share of contributions	165,706	-
District contributions subsequent to the measurement date	242,203	-
Total	\$ 577,768	\$ 321,914

The \$242,203 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2016	(12,276)
2017	(12,276)
2018	(12,276)
2019	(12,276)
2020	(12,276)
Thereafter	75,033

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

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

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

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

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

	<u>Decrease</u> <u>(4.39%)</u>	<u>Discount</u> <u>(5.39%)</u>	<u>Increase</u> <u>(6.39%)</u>
District's proportionate share of the net pension liability	\$ 6,795,561	\$ 5,401,731	\$ 4,231,268

B. Teachers' Pension and Annuity Fund (TPAF)

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

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.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

The following represents the membership tiers for TPAF:

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

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

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

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2015	\$ 1,340,614	100%	-
6/30/2014	1,112,549	100%	-
6/30/2013	1,336,086	100%	-

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 9: Pension Obligations (continued):

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

assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

When enrolled in the DCRP, members contribute 5.5 percent of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3 percent employer contribution. For the year ended June 30, 2015, employee contributions total \$7,129, and the District recognized pension expense of \$5,070, which included \$832 towards life insurance and \$349 towards group disability.

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

Note 10. Post-Retirement Benefits

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 103,432 retirees receiving post-retirement medical benefits, and the state contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2015.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 11. Risk Management

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

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

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2014-2015	\$ 215	\$ 18,933	\$ 8,430	\$ 223,212
2013-2014	213	19,378	18,853	212,494
2012-2013	203	25,138	7,650	211,756

Note 12. Contingent Liabilities

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

Note 13. Economic Dependency

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

Note 14. Compensated Absences

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 14. Compensated Absences (continued):

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2014 is \$423,820.

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

Note 15. Fund Balance Disclosure

General Fund (Exhibit B-1) – Of the \$1,160,640 General Fund fund balance at June 30, 2015, \$13,146 has been restricted for the capital reserve account; \$241,338 has been restricted for excess surplus designated for subsequent year's expenditures; \$920,669 has been restricted for the excess surplus; \$0 has been assigned to be designated for subsequent year expenditures; \$0 has been assigned for other purposes and \$(14,513) is unassigned.

Debt Service Fund – At June 30, 2015, the Debt Service Fund had a fund balance of \$2,339.

Note 16. Calculation of Excess Surplus

The designation for Restricted for: Excess Surplus – Current Year is a required calculation pursuant to *N.J.S.A. 18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$920,669.

Note 17. Deficit Fund Balance

The District has a deficit fund balance of \$14,513 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 not made until the following school budget year, 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. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one governmental recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

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

Note 17. Deficit Fund Balance (continued):

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 payment(s) 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.

Note 18. Transfers to Capital Outlay

During the year ending June 30, 2015, the district did not transfer funds to the capital outlay accounts.

Note 19. Deficit in Net Position

Restricted Net Position – The School District had a deficit in restricted net position for Debt Service in the amount of \$32,807 at June 30, 2015. The deficit is caused by the accrual of bond interest in the government-wide financial statements.

Unrestricted Net Position – The School District had a deficit in unrestricted net position for the Governmental Activities in the amount of \$6,001,695 at June 30, 2015. The primary causes of this deficit includes the District not recognizing the receivable for the last two state aid payments and the recording of long-term liabilities for compensated absences and net pension liability. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

Note 20 Change in Accounting Principle

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

		Governmental Activities
Net Position as previously reported at June 30, 2014	\$	3,754,629
Prior period adjustment - Implementation of GASB 68:		
Net Pension Liability (measurement date as of June 30, 2014)		(5,317,867)
Deferred Outflows - district contributions made during fiscal year 2015		237,845
PERS Pension Payable (2015 district PERS Pension Contribution)		(237,845)
Total Prior Period Adjustment		<u>(5,317,867)</u>
Net Position as restated, July 1, 2014	\$	<u><u>(1,563,238)</u></u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ACCOUNT NUMBERS	JUNE 30, 2015				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 7,321,322	\$ -	\$ 7,321,322	\$ 7,321,322	\$ -
Tuition	10-1320	1,498,649	-	1,498,649	1,544,817	46,168
Interest on Capital Reserve Funds	10-1511	10	-	10	13	3
Miscellaneous	10-1990	402,000	-	402,000	277,067	(124,933)
Total Local Sources		9,221,981	-	9,221,981	9,143,219	(78,762)
State Sources:						
Categorical Special Education Aid	10-3132	690,094	-	690,094	690,094	-
Equalization Aid	10-3176	9,997,701	-	9,997,701	9,997,701	-
Categorical Security Aid	10-3177	72,973	-	72,973	72,973	-
Categorical Transportation Aid	10-3121	44,573	-	44,573	44,573	-
Extraordinary Aid - Current Year	10-3131	49,422	-	49,422	36,152	(13,270)
Extraordinary Aid - Prior Year	10-3131	-	-	-	522	522
Under Adequacy Aid	10-3XXX	19,179	-	19,179	19,179	-
PARCC Readiness Aid	10-3XXX	12,640	-	12,640	12,640	-
Per Pupil Growth Aid	10-3XXX	12,640	-	12,640	12,640	-
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	518,112	518,112
On-Behalf TPAF Medical Contributions		-	-	-	822,502	822,502
Reimbursed TPAF Social Security Contributions		-	-	-	721,372	721,372
Total State Sources		10,899,222	-	10,899,222	12,948,460	2,049,238
Federal Sources:						
Medicaid Aid Reimbursement	10-4200	32,411	-	32,411	40,645	8,234
Medicaid Aid Reimbursement - ARRA Funds	10-4210	-	-	-	21,142	21,142
Total Federal Sources		32,411	-	32,411	61,787	29,376
Total Revenues		20,153,614	-	20,153,614	22,153,466	1,999,852
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	329,082	-	329,082	311,142	17,940
Grades 1 - 5	11-120-100-101	1,762,524	2,500	1,765,024	1,719,992	45,032
Grades 6 - 8	11-130-100-101	1,364,549	12,013	1,376,562	1,350,100	26,462
Grades 9-12	11-140-100-101	2,138,141	(14,018)	2,124,123	2,098,278	25,845
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	14,451	(6,378)	8,073	5,734	2,339
Purchased Professional/						
Educational Services	11-150-100-320	1,500	1,661	3,161	2,781	380
Regular Programs - Undistributed Instruction:						
Purchased Professional/						
Educational Services	11-190-100-320	197,400	-	197,400	172,362	25,038
Purchased Technical Services	11-190-100-340	11,625	-	11,625	5,649	5,976
Other Purchased Services	11-190-100-500	4,290	-	4,290	4,290	-
General Supplies	11-190-100-610	218,642	(6,794)	211,848	181,495	30,353
Textbooks	11-190-100-640	17,270	4,560	21,830	14,957	6,873
Other Objects	11-190-100-800	2,900	-	2,900	424	2,476
Total Regular Programs		6,062,374	(6,456)	6,055,918	5,867,204	188,714

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Special Education:						
Resource Room/ Resource Center:						
Salaries of Teachers	11-213-100-101	1,430,234	(2,306)	1,427,928	1,385,380	42,548
Other Salaries for Instruction	11-213-100-106	288,751	2,306	291,057	290,989	68
General Supplies	11-213-100-610	10,370	(166)	10,204	8,207	1,997
Textbooks	11-213-100-640	2,500	-	2,500	1,861	639
Other Objects	11-213-100-800	100	-	100	100	-
Total Resource Room/Resource Center		1,731,955	(166)	1,731,789	1,686,537	45,252
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	78,425	50	78,475	78,475	-
Other Salaries for Instruction	11-215-100-106	31,351	116	31,467	31,467	-
General Supplies	11-215-100-610	1,000	-	1,000	995	5
Total Preschool Disabilities - Part-Time		110,776	166	110,942	110,937	5
Home Instruction:						
Salaries of Teachers	11-219-100-101	21,564	-	21,564	8,736	12,828
Purchased Professional/ Educational Services	11-219-100-320	8,300	-	8,300	1,440	6,860
Total Home Instruction		29,864	-	29,864	10,176	19,688
Total Special Education		1,872,595	-	1,872,595	1,807,650	64,945
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	177,029	-	177,029	165,349	11,680
General Supplies	11-230-100-610	7,400	-	7,400	5,240	2,160
Total Basic Skills/Remedial		184,429	-	184,429	170,589	13,840
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	117,047	-	117,047	110,130	6,917
General Supplies	11-240-100-610	100	-	100	100	-
Textbooks	11-240-100-640	-	-	-	-	-
Total Bilingual Education - Instruction		117,147	-	117,147	110,230	6,917
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	70,841	-	70,841	63,515	7,326
Purchased Services	11-401-100-500	3,090	-	3,090	-	3,090
Supplies & Materials	11-401-100-600	1,800	-	1,800	1,154	646
Other Objects	11-401-100-800	12,055	-	12,055	8,353	3,702
Total School Sponsored Cocurricular Activities		87,786	-	87,786	73,022	14,764
School Sponsored Athletics:						
Salaries	11-402-100-100	295,929	-	295,929	286,746	9,183
Purchased Services	11-402-100-500	77,400	(5,222)	72,178	57,247	14,931
Supplies & Materials	11-402-100-600	36,921	5,222	42,143	35,322	6,821
Other Objects	11-402-100-800	9,650	-	9,650	6,928	2,722
Total School Sponsored Athletics		419,900	-	419,900	386,243	33,657
Other Instructional Programs:						
Salaries	11-403-100-100	69,000	-	69,000	66,891	2,109
Supplies & Materials	11-403-100-600	200	-	200	199	1
Total Other Instructional Programs		69,200	-	69,200	67,090	2,110

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Before/After School Programs - Instruction:						
Salaries of Teachers	11-421-100-101	2,907	2,557	5,464	5,463	1
Total Before/After School Programs - Instruction		2,907	2,557	5,464	5,463	1
Summer School - Instruction:						
Salaries of Teachers	11-422-100-101	24,313	-	24,313	24,311	2
General Supplies	11-422-100-610	300	-	300	-	300
Total Summer School - Instruction		24,613	-	24,613	24,311	302
Community Services Programs/Operations:						
Purchased Services	11-800-330-500	50	-	50	-	50
Total Community Services Programs/Operations		50	-	50	-	50
Total - Instruction		8,841,001	(3,899)	8,837,102	8,511,802	325,300
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs Within State - Regular	11-000-100-561	35,000	-	35,000	18,485	16,515
Tuition to Other LEAs Within State - Special	11-000-100-562	276,580	(67,251)	209,329	179,401	29,928
Tuition to County Vocational School District - Regular	11-000-100-563	156,050	-	156,050	149,808	6,242
Tuition to CSSD & Regional Day Schools	11-000-100-565	1,344,753	(370,870)	973,883	912,480	61,403
Tuition to Private Schools for the Handicapped Within the State	11-000-100-566	305,849	401,701	707,550	640,683	66,867
Tuition - State Facilities	11-000-100-568	167,848	-	167,848	167,848	-
Total Instruction		2,286,080	(36,420)	2,249,660	2,068,705	180,955
Health Services:						
Salaries	11-000-213-100	168,349	3,550	171,899	171,081	818
Purchased Professional & Technical Services	11-000-213-300	12,800	2,000	14,800	14,538	262
Other Purchased Services	11-000-213-500	120	-	120	-	120
Supplies and Materials	11-000-213-600	5,818	-	5,818	4,978	840
Total Health Services		187,087	5,550	192,637	190,597	2,040
Speech, OT, PT & Related Services:						
Salaries	11-000-216-100	167,624	(550)	167,074	167,070	4
Purchased Professional/Educational Services	11-000-216-320	143,836	59,562	203,398	170,132	33,266
Supplies & Materials	11-000-216-600	1,550	-	1,550	922	628
Total Speech, OT, PT & Related Services		313,010	59,012	372,022	338,124	33,898
Guidance:						
Salaries of Other Professional Staff	11-000-218-104	278,660	(3,116)	275,544	257,464	18,080
Salaries of Secretarial & Clerical Assistants	11-000-218-105	94,163	609	94,772	94,772	-
Purchased Professional/Educational Services	11-000-218-320	700	1,743	2,443	2,343	100
Purchased Professional & Technical Services	11-000-218-390	1,800	134	1,934	1,632	302
Other Purchased Services	11-000-218-500	200	-	200	138	62
Supplies & Materials	11-000-218-600	7,600	2,100	9,700	9,177	523
Other Objects	11-000-218-800	599	-	599	461	138

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ACCOUNT NUMBERS	JUNE 30, 2015			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Total Guidance		383,722	1,470	385,192	365,987	19,205
Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	513,577	(66,895)	446,682	424,805	21,877
Salaries of Secretarial & Clerical Assistants	11-000-219-105	82,742	797	83,539	83,538	1
Miscellaneous Purchased Services	11-000-219-592	6,005	-	6,005	5,447	558
Supplies & Materials	11-000-219-600	3,797	-	3,797	2,930	867
Other Objects	11-000-219-800	1,075	-	1,075	1,040	35
Total Child Study Team		607,196	(66,098)	541,098	517,760	23,338
Improvement of Instruction:						
Salaries of Other Professional Staff	11-000-221-104	2,380	-	2,380	167	2,213
Supplies & Materials	11-000-221-600	300	-	300	20	280
Total Improvement of Instruction		2,680	-	2,680	187	2,493
Educational Media Services/School Library:						
Salaries	11-000-222-100	115,001	-	115,001	113,450	1,551
Purchased Professional & Technical Services	11-000-222-300	300	-	300	294	6
Supplies & Materials	11-000-222-600	5,720	7,635	13,355	11,807	1,548
Other Objects	11-000-222-800	7,885	(7,635)	250	90	160
Total Educational Media Services/School Library		128,906	-	128,906	125,641	3,265
Instructional Staff Training:						
Purchased Professional Educational Services	11-000-223-320	3,600	-	3,600	3,170	430
Other Purchased Services	11-000-223-500	630	-	630	36	594
Supplies	11-000-223-600	1,500	-	1,500	208	1,292
Total Instructional Staff Training		5,730	-	5,730	3,414	2,316
Support Services - General Administration:						
Salaries	11-000-230-100	184,953	1	184,954	184,953	1
Legal Services	11-000-230-331	25,000	(1)	24,999	13,811	11,188
Audit Fees	11-000-230-332	15,500	-	15,500	11,915	3,585
Architectural/Engineering Services	11-000-230-334	14,400	(300)	14,100	-	14,100
Other Purchased Professional Services	11-000-230-339	12,325	-	12,325	8,732	3,593
Communications/Telephone	11-000-230-530	65,400	-	65,400	34,725	30,675
BOE Other Purchased Services	11-000-230-585	6,000	-	6,000	1,351	4,649
Miscellaneous Purchased Services	11-000-230-590	63,669	-	63,669	51,976	11,693
General Supplies	11-000-230-610	16,573	-	16,573	10,662	5,911
Miscellaneous Expenditures	11-000-230-890	7,125	(76)	7,049	4,069	2,980
BOE Membership Dues & Fees	11-000-230-895	9,447	376	9,823	9,823	-
Total Support Services General Administration		420,392	-	420,392	332,017	88,375
Support Services - School Administration:						
Salaries of Principals & Assistant Principal	11-000-240-103	617,259	1,665	618,924	618,087	837
Salaries of Secretarial & Clerical Assistants	11-000-240-105	296,684	2,300	298,984	288,109	10,875
Purchased Professional & Technical Services	11-000-240-300	17,495	-	17,495	15,909	1,586
Other Purchased Services	11-000-240-500	650	-	650	-	650
Supplies and Materials	11-000-240-600	9,955	-	9,955	6,472	3,483
Other Objects	11-000-240-800	10,570	-	10,570	8,784	1,786
Total Support Services School Administration		952,613	3,965	956,578	937,361	19,217

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ACCOUNT NUMBERS	JUNE 30, 2015			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Support Services - Central Services:						
Salaries	11-000-251-100	233,187	-	233,187	228,832	4,355
Purchased Professional Services	11-000-251-330	1,000	(50)	950	-	950
Purchased Technical Services	11-000-251-340	17,350	50	17,400	17,400	-
Miscellaneous Purchased Services	11-000-251-592	7,865	-	7,865	4,870	2,995
Supplies and Materials	11-000-251-600	5,102	-	5,102	3,708	1,394
Interest on Lease Purchase Agreements	11-000-251-832	1,686	-	1,686	1,686	-
Miscellaneous Expenditures	11-000-240-890	2,345	-	2,345	1,924	421
Total Support Services Central Services		268,535	-	268,535	258,420	10,115
Administrative Information Technology:						
Salaries	11-000-252-100	76,288	1,526	77,814	77,813	1
Purchased Professional Services	11-000-252-330	12,400	(1)	12,399	10,789	1,610
Purchased Technical Services	11-000-252-340	5,000	-	5,000	4,300	700
Supplies and Materials	11-000-252-600	18,099	(1,525)	16,574	13,123	3,451
Total Administrative Information Technology		111,787	-	111,787	106,025	5,762
Required Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	139,600	(16,767)	122,833	88,082	34,751
General Supplies	11-000-261-610	42,200	-	42,200	40,165	2,035
Total Required Maintenance for School Facilities		181,800	(16,767)	165,033	128,247	36,786
Custodial Services:						
Salaries	11-000-262-100	867,535	-	867,535	833,275	34,260
Salaries of Noninstructional Aides	11-000-262-107	54,521	-	54,521	25,437	29,084
Cleaning, Repair & Maintenance Services	11-000-262-420	86,850	(565)	86,285	57,082	29,203
Other Purchased Property Services	11-000-262-490	34,000	3,091	37,091	35,641	1,450
Insurance	11-000-262-520	86,310	(2,526)	83,784	76,630	7,154
General Supplies	11-000-262-610	77,385	-	77,385	65,578	11,807
Energy (Natural Gas)	11-000-262-621	130,000	-	130,000	96,648	33,352
Energy (Electricity)	11-000-262-622	370,000	-	370,000	288,168	81,832
Other Objects	11-000-262-800	370	-	370	45	325
Total Custodial Services		1,706,971	-	1,706,971	1,478,504	228,467
Care & Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	7,800	-	7,800	7,405	395
General Supplies	11-000-263-610	13,000	-	13,000	7,838	5,162
Total Care & Upkeep of Grounds		20,800	-	20,800	15,243	5,557
Security:						
Purchased Professional & Technical Services	11-000-266-300	36,000	-	36,000	36,000	-
Total Security		36,000	-	36,000	36,000	-
Student Transportation Services:						
Other Purchased Professional & Technical Services	11-000-270-390	405,000	56,180	461,180	461,180	-
Miscellaneous Purchased Services - Transportation	11-000-270-593	14,086	(1,579)	12,507	12,507	-
Transportation Supplies	11-000-270-615	5,000	(400)	4,600	2,470	2,130
Other Objects	11-000-270-800	1,700	(1,014)	686	604	82
Total Student Transportation Services		425,786	53,187	478,973	476,761	2,212

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	ACCOUNT NUMBERS	JUNE 30, 2015			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	215,000	-	215,000	212,123	2,877
Other Retirement Contributions PERS	11-000-291-241	280,000	(4,000)	276,000	235,027	40,973
Other Retirement Contributions Regular	11-000-291-249	2,000	4,000	6,000	5,275	725
Unemployment Compensation	11-000-291-250	10	-	10	-	10
Workmen's Compensation	11-000-291-260	115,606	-	115,606	102,640	12,966
Health Benefits	11-000-291-270	3,413,214	-	3,413,214	3,019,703	393,511
Tuition Reimbursements	11-000-291-280	19,600	(10,174)	9,426	7,820	1,606
Other Employee Benefits	11-000-291-290	20,500	10,174	30,674	30,584	90
Total Unallocated Benefits - Employee Benefits		4,065,930	-	4,065,930	3,613,172	452,758
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	518,112	(518,112)
On-Behalf TPAF Medical Contributions		-	-	-	822,502	(822,502)
Reimbursed TPAF Social Security Contributions		-	-	-	721,372	(721,372)
Total Undistributed Expenditures		12,105,025	3,899	12,108,924	13,054,151	(945,227)
Total Expenditures - Current Expense		20,946,026	-	20,946,026	21,565,953	(619,927)
Capital Outlay:						
Undistributed Expenditures:						
Administration Information Technology	12-000-252-730	12,600	-	12,600	12,500	100
Required Maintenance for School Facilities	12-000-261-730	13,000	(8,000)	5,000	5,000	-
Security	12-000-266-730	5,000	8,000	13,000	13,000	-
Interest Deposit to Capital Reserve	10-604	10	-	10	-	10
Total Equipment		30,610	-	30,610	30,500	110
Facilities Acquisition & Construction Services:						
Lease Purchase Agreements - Principal	12-000-400-721	22,381	-	22,381	22,381	-
Assessment for Debt Service on SDA Funding	12-000-400-896	129,477	-	129,477	129,477	-
Total Facilities Acquisition & Construction Services		151,858	-	151,858	151,858	-
Total Capital Outlay		182,468	-	182,468	182,358	110
Total Expenditures		21,128,494	-	21,128,494	21,748,311	(619,817)
Excess/(Deficiency) of Revenues Over Expenditures Before Other Financing Sources/(Uses)		(974,880)	-	(974,880)	405,155	1,380,035
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/Uses		(974,880)	-	(974,880)	405,155	1,380,035
Fund Balances, July 1		1,679,535	-	1,679,535	1,679,535	-
Fund Balances, June 30		\$ 704,655	\$ -	\$ 704,655	\$ 2,084,690	\$ 1,380,035

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:		
Capital Reserve		\$ 13,146
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures		241,338
Excess Surplus		920,669
Assigned Fund Balance:		
ARRA - Special Education - Medicaid Initiative		21,142
Designated for Subsequent Year's Expenditures		494,668
Unassigned Fund Balance		393,727
Subtotal		2,084,690
Reconciliation to Governmental Funds Statements (GAAP):		
Reconciliation of State Aid Payments For GAAP to Budgetary Basis & Other Adjustments		(924,050)
Fund Balance Per Governmental Funds (GAAP)		\$ 1,160,640

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	JUNE 30, 2015				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 850,696	\$ 443,497	\$ 1,294,193	\$ 639,777	\$ (654,416)
Federal Sources	757,145	194,880	952,025	938,834	(13,191)
Total Revenues	1,607,841	638,377	2,246,218	1,578,611	(667,607)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	587,006	13,775	600,781	583,622	17,159
Other Salaries for Instruction	183,565	-	183,565	183,307	258
General Supplies	10,000	448,005	458,005	24,941	433,064
Purchased Professional & Educational Services	15,655	-	15,655	15,655	-
Tuition to Other LEA's Within State - Regular	288,548	66,698	355,246	355,246	-
Total Instruction	1,084,774	528,478	1,613,252	1,162,771	450,481
Support Services:					
Salaries of Other Professional Staff	30,504	-	30,504	29,941	563
Personal Services - Employee Benefits	139,744	97,622	237,366	237,366	-
Purchased Professional & Educational Services	-	9,000	9,000	9,000	-
Rentals	350,443	(4,508)	345,935	129,372	216,563
Supplies & Materials	2,376	7,785	10,161	10,161	-
Total Support Services	523,067	109,899	632,966	415,840	217,126
Total Expenditures	1,607,841	638,377	2,246,218	1,578,611	667,607
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2015**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 22,153,466	\$ 1,578,611
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	961,659	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(924,050)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>22,191,075</u>	<u>1,578,611</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>21,748,311</u>	<u>1,578,611</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 21,748,311</u>	<u>\$ 1,578,611</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.028851%	0.027825%
District's proportionate share of the net pension liability (asset)	\$ 5,401,731	\$ 5,317,867
District's covered-employee payroll	\$ 1,923,104	\$ 1,904,049
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	280.89%	279.29%
Plan fiduciary net position as a percentage of the total pension liability	52.08%	48.72%

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2015</u>	<u>2014</u>
Contractually required contribution	\$ 242,203	\$ 237,845
Contributions in relation to the contractually required contribution	<u>242,203</u>	<u>237,845</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,923,104	\$ 1,904,049
Contributions as a percentage of covered- employee payroll	12.59%	12.49%

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.0996310%	0.0970433%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 53,249,503	\$ 49,044,915
District's covered-employee payroll	\$ 9,760,858	\$ 9,602,393
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	33.76%

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2015**

Teachers Pension and Annuity Fund (TPAF)

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

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

Public Employees' Retirement System (PERS)

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

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

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	NO CHILD LEFT BEHIND		
	TITLE I PART-A	TITLE II PART-A	TITLE III
Revenues:			
State Sources	\$ -	\$ -	\$ -
Federal Sources	514,149	37,289	17,150
Total Revenues	514,149	37,289	17,150
Expenditures:			
Instruction:			
Salaries of Teachers	289,328	29,594	11,920
Other Salaries for Instruction	90,367	-	-
Purchased Professional Educational Services	15,655	-	-
Total Instruction	395,350	29,594	11,920
Support Services:			
Salaries of Other Professional Staff	29,941	-	-
Personal Services - Employee Benefits	87,305	7,695	2,622
Supplies & Materials	1,553	-	2,608
Total Support Services	118,799	7,695	5,230
Total Expenditures	\$ 514,149	\$ 37,289	\$ 17,150

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	I.D.E.A. PART B			TOTALS
	BASIC REGULAR PROGRAM	PRESCHOOL	PRESCHOOL EDUCATION AID	
Revenues:				
State Sources	\$ -	\$ -	\$ 639,777	\$ 639,777
Federal Sources	360,989	9,257	-	938,834
Total Revenues	360,989	9,257	639,777	1,578,611
Expenditures:				
Instruction:				
Salaries of Teachers	-	-	252,780	583,622
Other Salaries for Instruction	-	-	92,940	183,307
General Supplies	-	-	24,941	24,941
Purchased Professional & Educational Services	-	-	-	15,655
Tuition to Other LEA's Within State-Regular	345,989	9,257	-	355,246
Total Instruction	345,989	9,257	370,661	1,162,771
Support Services:				
Salaries of Other Professional Staff	-	-	-	29,941
Personal Services - Employee Benefits	-	-	139,744	237,366
Purchased Professional Educational Services	9,000	-	-	9,000
Rentals	-	-	129,372	129,372
Supplies & Materials	6,000	-	-	10,161
Total Support Services	15,000	-	269,116	415,840
Total Expenditures	\$ 360,989	\$ 9,257	\$ 639,777	\$ 1,578,611

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID OF EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 257,312	\$ 252,780	\$ 4,532
Other Salaries for Instruction	93,197	92,940	257
General Supplies	455,397	24,941	430,456
	<hr/>	<hr/>	<hr/>
Total Instruction	805,906	370,661	435,245
	<hr/>	<hr/>	<hr/>
Support Services:			
Personal Services - Employee Benefits	139,744	139,744	-
Rentals	348,543	129,372	219,171
	<hr/>	<hr/>	<hr/>
Total Support Services	488,287	269,116	219,171
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 1,294,193</u>	<u>\$ 639,777</u>	<u>\$ 654,416</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2014-2015 Preschool Education Aid Allocation	\$ 850,696
Add: Actual Preschool Education Aid Carryover (June 30, 2014)	<u>443,497</u>
Total Preschool Education Aid Funds Available for 2014-2015 Budget	1,294,193
Less: 2014-2015 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(1,294,193)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2014	-
Add: June 30, 2015 Unexpended Preschool Education Aid Funds	<u>654,416</u>
2014-2015 Carryover - Preschool Education Aid Funds	<u>\$ 654,416</u>
2014-2015 Preschool Education Aid Funds Carryover Budgeted in 2015-2016	<u>\$ 443,497</u>

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2015**

ASSETS	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u> FOOD SERVICE	TOTALS
Current Assets:		
Cash & Cash Equivalents	\$ 122,330	\$ 122,330
Accounts Receivable:		
State	530	530
Federal	17,910	17,910
Inventories	4,620	4,620
	<hr/>	<hr/>
Total Current Assets	145,390	145,390
	<hr/>	<hr/>
Noncurrent Assets:		
Furniture, Machinery & Equipment	196,443	196,443
Less: Accumulated Depreciation	(156,981)	(156,981)
	<hr/>	<hr/>
Total Noncurrent Assets	39,462	39,462
	<hr/>	<hr/>
Total Assets	184,852	184,852
	<hr/>	<hr/>
LIABILITIES		
Interfund Payables	14,029	14,029
	<hr/>	<hr/>
Total Liabilities	14,029	14,029
	<hr/>	<hr/>
NET POSITION		
Net Investment in Capital Assets	39,462	39,462
Unrestricted	131,361	131,361
	<hr/>	<hr/>
Total Net Position	\$ 170,823	\$ 170,823
	<hr/> <hr/>	<hr/> <hr/>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>		
	FOOD SERVICE		TOTALS
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 82,956	\$	82,956
Daily Sales - Nonreimbursable Programs	73,212		73,212
Special Functions	924		924
Miscellaneous	587		587
Total Operating Revenue	157,679		157,679
Operating Expenses:			
Cost of Sales	225,099		225,099
Salaries	188,475		188,475
Employee Benefits	47,524		47,524
Other Purchased Professional Services	28,000		28,000
Cleaning, Repair & Maintenance Services	3,192		3,192
Insurance	7,891		7,891
General Supplies	20,673		20,673
Miscellaneous	27,151		27,151
Depreciation	9,426		9,426
Total Operating Expenses	557,431		557,431
Operating Income/(Loss)	(399,752)		(399,752)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	6,337		6,337
Federal Sources:			
National School Lunch Program	268,330		268,330
Regular School Breakfast Program	37,772		37,772
Special Milk Program	891		891
Healthy Hunger-Free Kids Act	7,252		7,252
Food Distribution Program	39,041		39,041
Interest & Investment Revenue	120		120
Gain on Appraisal of Fixed Assets	1,980		1,980
Total Nonoperating Revenues/(Expenses)	361,723		361,723
Net Income/(Loss)	(38,029)		(38,029)
Total Net Position - Beginning	208,852		208,852
Total Net Position - Ending	\$ 170,823	\$	170,823

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u>	
	<u>FOOD SERVICE</u>	<u>TOTALS</u>
Cash Flows From Operating Activities:		
Receipts from Customers	\$ 231,455	\$ 231,455
Payments to Employees	(162,928)	(162,928)
Payments for Employee Benefits	(42,752)	(42,752)
Payments to Suppliers	(292,095)	(292,095)
	<hr/>	<hr/>
Net Cash Provided by/(Used) by Operating Activities	(266,320)	(266,320)
Cash Flows From Noncapital Financing Activities:		
State Sources	6,581	6,581
Federal Sources	355,296	355,296
	<hr/>	<hr/>
Net Cash Provided by/(Used) by Noncapital Financing Activities	361,877	361,877
Cash Flows From Investing Activities:		
Interest & Dividends	120	120
	<hr/>	<hr/>
Net Cash Provided by/(Used) by Investing Activities	120	120
Net Increase/(Decrease) in Cash & Cash Equivalents	95,677	95,677
Balances - Beginning of Year	26,653	26,653
	<hr/>	<hr/>
Balances - End of Year	\$ 122,330	\$ 122,330
	<hr/>	<hr/>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:		
Operating Income/(Loss)	\$ (399,752)	\$ (399,752)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:		
Depreciation & Net Amortization	9,426	9,426
(Increase)/Decrease in Accounts Receivable, Net	124,697	124,697
(Increase)/Decrease in Inventories	(691)	(691)
	<hr/>	<hr/>
Total Adjustments	133,432	133,432
Net Cash Provided/(Used) by Operating Activities	\$ (266,320)	\$ (266,320)
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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015**

ASSETS	PRIVATE PUPOSE		AGENCY		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL FUND	
Cash & Cash Equivalents	\$ 138,527	\$ 223,212	\$ 112,534	\$ 77,714	\$ 551,987
Interfund Receivable	5,086	-	-	-	5,086
Total Assets	143,613	223,212	112,534	77,714	557,073
LIABILITIES					
Due to Student Groups	-	-	107,448	-	107,448
Due to Employees	-	-	-	4,503	4,503
Payroll Deductions & Withholdings	-	-	-	73,211	73,211
Interfund Payable	-	-	5,086	-	5,086
Total Liabilities	-	-	112,534	77,714	190,248
NET POSITION					
Reserve for Unemployment Compensation	-	223,212	-	-	223,212
Reserved for Scholarships	143,613	-	-	-	143,613
Total Net Position	\$ 143,613	\$ 223,212	\$ -	\$ -	\$ 366,825

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2015**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 18,933	\$ 18,933
Other	10,336	-	10,336
Total Contributions	10,336	18,933	29,269
Investment Earnings:			
Interest	490	215	705
Net Investment Earnings	490	215	705
Total Additions	10,826	19,148	29,974
DEDUCTIONS			
Unemployment Claims	-	8,430	8,430
Scholarships Awarded	9,577	-	9,577
Total Deductions	9,577	8,430	18,007
Change in Net Position	1,249	10,718	11,967
Net Position - Beginning of the Year	142,364	212,494	354,858
Net Position - End of the Year	\$ 143,613	\$ 223,212	\$ 366,825

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2015**

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Cash & Cash Equivalents	\$ 103,561	\$ 360,538	\$ 351,565	\$ 112,534
Total Assets.	<u>103,561</u>	<u>360,538</u>	<u>351,565</u>	<u>112,534</u>
LIABILITIES				
Due to Student Groups	101,186	350,202	343,940	107,448
Due to Scholarship Fund	2,375	10,336	7,625	5,086
Total Liabilities	<u>\$ 103,561</u>	<u>\$ 360,538</u>	<u>\$ 351,565</u>	<u>\$ 112,534</u>

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

ASSETS	BALANCE JULY 1, 2014	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2015
Cash & Cash Equivalents	\$ 47,872	\$ 16,952,551	\$ 16,922,709	\$ 77,714
Total Assets.	<u>47,872</u>	<u>16,952,551</u>	<u>16,922,709</u>	<u>77,714</u>
LIABILITIES				
Due to Employees	-	7,726,537	7,722,034	4,503
Payroll Deductions & Withholdings	47,872	9,226,014	9,200,675	73,211
Total Liabilities	<u>\$ 47,872</u>	<u>\$ 16,952,551</u>	<u>\$ 16,922,709</u>	<u>\$ 77,714</u>

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I. Long-Term Debt

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2015**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2014	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2015
			DATE	AMOUNT					
Reroofing Portion of Middle/High School	07/15/2007	513,000	N/A	N/A	N/A	\$ 100,000	\$ -	\$ 100,000	\$ -
Bleacher Project at High School	07/14/2011	750,000	02/01/2016	65,000	3.300%	645,000	-	65,000	580,000
			02/01/2017	65,000	3.300%				
			02/01/2018	70,000	3.300%				
			02/01/2019	70,000	3.300%				
			02/01/2020	75,000	3.300%				
			02/01/2021	75,000	3.300%				
			02/01/2022	80,000	3.300%				
		02/01/2023	80,000	3.300%					
Refunding Bond Issue 2012	05/01/2012	5,465,000	05/01/2016	495,000	2.500%	5,000,000	-	480,000	4,520,000
			05/01/2017	510,000	3.000%				
			05/01/2018	525,000	3.000%				
			05/01/2019	545,000	4.000%				
			05/01/2020	575,000	4.000%				
			05/01/2021	595,000	4.000%				
			05/01/2022	625,000	4.000%				
		05/01/2023	650,000	4.000%					
Total									
						\$ 5,745,000	\$ -	\$ 645,000	\$ 5,100,000

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2015**

DESCRIPTION	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2014	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2015
Riverside High School Capital Improvement Project	3.698%	\$110,000	\$ 45,589	\$ -	\$ 22,381	\$ 23,208
Modular Buildings	1.157%	\$625,000	502,859	-	123,554	379,305
Total			<u>\$ 548,448</u>	<u>\$ -</u>	<u>\$ 145,935</u>	<u>\$ 402,513</u>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2015**

	JUNE 30, 2015				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 753,298	\$ -	\$ 753,298	\$ 753,298	-
State Sources:					
Debt Service Aid Type II	48,685	-	48,685	48,685	-
Total Revenues	<u>801,983</u>	<u>-</u>	<u>801,983</u>	<u>801,983</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Redemption of Principal	645,000	-	645,000	645,000	-
Interest on Bonds	198,535	-	198,535	198,535	-
Total Regular Debt Service	<u>843,535</u>	<u>-</u>	<u>843,535</u>	<u>843,535</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over (Under) Expenditures	<u>(41,552)</u>	<u>-</u>	<u>(41,552)</u>	<u>(41,552)</u>	<u>-</u>
Other Financing Sources/(Uses):					
Operating Transfers In:					
Capital Projects Excess Financing	-	-	-	-	-
Total Other Financing Sources/ (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over (Under) Expenditures & Other Financing Sources	<u>(41,552)</u>	<u>-</u>	<u>(41,552)</u>	<u>(41,552)</u>	<u>-</u>
Fund Balance, July 1,	43,891		43,891	43,891	
Fund Balance, June 30	<u>\$ 2,339</u>	<u>\$ -</u>	<u>\$ 2,339</u>	<u>\$ 2,339</u>	<u>\$ -</u>

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STATISTICAL SECTION (Unaudited)

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30.									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 4,100,520	\$ 3,639,509	\$ 3,158,409	\$ 2,816,383	\$ 2,776,267	\$ 1,935,974	\$ 1,887,326	\$ 2,025,466	\$ 3,424,120	\$ 11,892,518
Restricted	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282	1,026,078	955,423
Unrestricted	(6,001,695)	(621,153)	(562,672)	(575,876)	(940,361)	(1,045,406)	(1,210,495)	(290,514)	(366,652)	(377,419)
Total Governmental Activities	(758,829)	3,754,629	3,497,090	3,545,459	3,389,611	2,056,877	2,998,357	2,913,234	4,083,546	12,470,522
Business-Type Activities:										
Net Investment in										
Capital Assets	39,462	46,908	37,953	48,953	33,961	39,904	22,442	14,061	17,288	20,076
Unrestricted	131,361	161,944	167,921	137,194	134,491	106,308	109,424	101,473	105,557	85,055
Total Business-Type Activities	170,823	208,852	205,874	186,147	168,452	146,212	131,866	115,534	122,845	105,131
Government-Wide:										
Net Investment in										
Capital Assets	4,139,982	3,686,417	3,196,362	2,865,336	2,810,228	1,975,878	1,909,768	2,039,527	3,441,408	11,912,594
Restricted	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282	1,026,078	955,423
Unrestricted	(5,870,334)	(459,209)	(394,751)	(438,682)	(805,870)	(939,098)	(1,101,071)	(189,041)	(261,095)	(292,364)
Total District Net Position	\$ (588,006)	\$ 3,963,481	\$ 3,702,964	\$ 3,731,606	\$ 3,558,063	\$ 2,203,089	\$ 3,130,223	\$ 3,028,768	\$ 4,206,391	\$ 12,575,653

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 5,867,204	\$ 5,865,591	\$ 6,003,997	\$ 5,950,519	\$ 6,924,562	\$ 7,167,885	\$ 6,590,020	\$ 6,532,978	\$ 6,029,076	\$ 5,978,427
Special Education	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747	1,025,424	983,868
Other Special Education	740,084	759,339	696,434	695,768	662,739	702,155	235,547	249,088	213,208	159,191
Other Instruction	96,864	124,161	181,453	212,669	147,203	214,471	657,437	580,387	526,946	487,445
Support Services:										
Tuition	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293	1,449,406	1,432,688
Student & Instruction Related Services	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678	1,790,265	1,778,645
School Administrative Services	1,353,201	1,367,326	1,216,575	1,151,590	364,787	411,669	879,466	705,304	689,035	661,378
General & Business Administrative Services	696,462	694,394	753,134	770,291	885,517	850,567	394,632	394,849	362,771	367,236
Administrative Information Technology	-	-	-	-	36,167	10,745	18,805	17,680	18,422	16,749
Plant Operations & Maintenance	1,836,549	1,720,742	1,652,629	1,470,943	241,985	234,657	228,159	218,853	207,499	204,620
Pupil Transportation	476,761	434,138	464,998	415,270	333,049	331,728	325,348	309,040	287,997	238,238
Employee Benefits	8,092,582	5,758,178	5,825,529	4,946,063	1,643,389	1,775,031	1,733,912	1,632,892	1,543,318	1,464,384
Other Support Services	-	-	-	-	4,548,293	4,941,479	4,336,615	4,619,445	4,695,734	3,857,758
Interest on Long-Term Debt	192,059	340,080	314,769	357,500	274,843	288,052	336,822	320,334	336,379	350,728
Reduction of Capital Leases	-	(122,141)	-	(22,016)	-	-	-	-	-	-
Amortization of Debt Issuance Costs	-	(22,377)	(15,454)	(2,576)	-	-	-	-	-	-
Unallocated Compensated Absences	-	12,793	2,250	(2,243)	-	-	-	-	-	-
Unallocated Depreciation	181,869	64,730	321,453	304,487	738,921	809,470	852,379	1,821,080	8,957,935	240,111
Fixed Asset Disposals	-	288,820	8,900	225,790	-	-	-	-	-	-
Loss on Adjustment to Fixed Asset Appraisal	-	(24,904)	117,329	258,483	-	-	-	-	-	-
Total Governmental Activities Expenses	26,114,471	23,751,458	23,849,779	22,864,865	21,632,095	22,910,026	21,183,507	21,602,648	28,133,415	18,221,466
Business-Type Activities:										
Food Service	557,431	507,584	492,966	492,882	456,567	454,876	435,918	428,229	399,445	401,913

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Total Business-Type Activities Expense	557,431	507,584	492,966	492,882	456,567	454,876	435,918	428,229	399,445	401,913
Total District Expenses	26,671,902	24,259,042	24,342,745	23,357,747	22,088,662	23,364,902	21,619,425	22,030,877	28,532,860	18,623,379
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	5,987,808	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328	988,684	1,841,088	1,852,683	2,018,524
Total Governmental Activities Program Revenues	5,987,808	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328	988,684	1,841,088	1,852,683	2,018,524
Business-Type Activities:										
Charges for Services:										
Food Service	157,092	157,312	176,417	189,184	204,711	202,455	224,301	204,420	219,948	219,075
Operating Grants & Contributions	361,723	351,480	327,295	319,159	273,323	265,703	226,424	213,746	193,918	189,607
Total Business Type Activities Program Revenues	518,815	508,792	503,712	508,343	478,034	468,158	450,725	418,166	413,866	408,682
Total District Program Revenues	6,506,623	2,060,899	1,917,132	1,739,476	2,048,678	1,579,486	1,439,409	2,259,254	2,266,549	2,427,206
Net (Expense)/Revenue:										
Governmental Activities	(20,126,663)	(22,199,351)	(22,436,359)	(21,633,732)	(20,061,451)	(21,798,698)	(20,194,823)	(19,761,560)	(26,280,732)	(16,202,942)
Business-Type Activities	(38,616)	1,208	10,746	15,461	21,467	13,282	14,807	(10,063)	14,421	6,769
Total Government-Wide Net Expense	(20,165,279)	(22,198,143)	(22,425,613)	(21,618,271)	(20,039,984)	(21,785,416)	(20,180,016)	(19,771,623)	(26,266,311)	(16,196,173)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes, Levied for General Purposes, Net	7,321,322	6,954,492	6,757,223	6,624,728	6,494,831	6,542,351	6,734,700	6,720,955	6,462,457	5,953,062
Taxes Levied for Debt Service	753,298	782,957	802,679	710,279	713,831	647,465	565,145	518,526	492,042	386,863
Federal & State Aid Not Restricted	11,034,555	12,783,182	12,809,002	12,438,046	12,054,194	11,646,039	11,186,373	9,643,411	9,168,109	8,530,803
Transportation Fees from Other LEA's	-	-	28,180	43,095	43,318	49,696	61,622	49,418	50,259	40,830
Tuition Received	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225	1,463,500	1,192,105
Investment Earnings	-	-	-	-	19,474	38,456	41,577	71,516	79,442	59,846
Miscellaneous Income	277,080	226,738	195,941	221,597	259,795	233,981	224,648	216,197	177,947	126,344
Transfers	-	-	-	-	-	-	-	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	-	63,484	-	-	-
Total Governmental Activities	20,931,072	22,524,955	22,387,990	21,789,580	21,394,185	20,857,218	20,279,946	18,591,248	17,893,756	16,289,853
Business-Type Activities:										
Miscellaneous Income	587	1,770	8,981	2,234	-	-	-	-	-	-
Investment Earnings	-	-	-	-	773	1,064	1,525	2,752	3,293	1,939
Total Business-Type Activities	587	1,770	8,981	2,234	773	1,064	1,525	2,752	3,293	1,939
Total Government-Wide	20,931,659	22,526,725	22,396,971	21,791,814	21,394,958	20,858,282	20,281,471	18,594,000	17,897,049	16,291,792
Change in Net Position:										
Governmental Activities	804,409	325,604	(48,369)	155,848	1,332,734	(941,480)	85,123	(1,170,312)	(8,386,976)	86,911
Business-Type Activities	(38,029)	2,978	19,727	17,695	22,240	14,346	16,332	(7,311)	17,714	8,708
Total District	\$ 766,380	\$ 328,582	\$ (28,642)	\$ 173,543	\$ 1,354,974	\$ (927,134)	\$ 101,455	\$ (1,177,623)	\$ (8,369,262)	\$ 95,619

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund:										
Restricted	\$ 1,175,153	\$ 653,967	\$ 748,070	\$ 1,087,016	\$ 1,074,844	\$ 972,701	\$ 1,958,413	\$ 1,085,311	\$ 967,727	\$ 812,266
Committed	-	-	-	-	10,595	-	-	-	-	-
Assigned	-	63,909	139,202	135,702	460,125	-	-	-	-	-
Unassigned	(14,513)	-	-	-	(491,896)	(574,257)	(571,196)	163,173	(5,596)	(19,561)
Total General Fund	1,160,640	717,876	887,272	1,222,718	1,053,668	398,444	1,387,217	1,248,484	962,131	792,705
All Other Governmental Funds:										
Unassigned, Reported in:										
Special Revenue Fund	-	-	-	-	(37,770)	(29,054)	(28,817)	(60,459)	(48,484)	(48,484)
Committed, Reported in:										
Capital Projects Fund	-	-	-	117,575	-	-	-	-	-	-
Assigned, Reported in:										
Capital Projects Fund	-	-	339	6,956	6,955		138,642	75,158	39,870	89,606
Debt Service Fund	2,339	43,891	42,631	1,426	1,186	141,543	10,987	17,813	18,481	53,551
Total All Other Governmental Funds	\$ 2,339	\$ 43,891	\$ 42,970	\$ 125,957	\$ (29,629)	\$ 112,489	\$ 120,812	\$ 32,512	\$ 9,867	\$ 94,673

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Revenues:										
Tax Levy	\$ 8,074,620	\$ 7,737,449	\$ 7,559,902	\$ 7,335,007	\$ 7,208,662	\$ 7,189,816	\$ 7,299,845	\$ 7,239,481	\$ 6,954,499	\$ 6,339,925
Tuition Charges	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225	1,463,500	1,192,105
Transportation Fees from Other LEA's	-	-	28,180	43,095	43,318	49,696	61,622	49,418	50,259	40,830
Miscellaneous	277,080	226,738	195,941	221,597	279,269	272,437	266,225	287,713	266,276	195,783
State Sources	13,674,531	13,371,948	13,392,080	12,482,497	12,460,999	10,117,235	11,438,750	10,807,947	10,139,844	9,594,913
Federal Sources	1,000,621	963,341	830,342	1,186,682	1,146,407	2,640,132	736,307	676,552	880,948	954,414
Total Revenue	24,571,669	24,077,062	23,801,410	23,020,713	22,947,397	21,968,546	21,205,146	20,432,336	19,755,326	18,317,970
Expenditures:										
Instruction:										
Regular Instruction	5,867,204	5,865,590	6,024,334	5,950,519	6,924,562	7,167,885	6,590,020	6,532,978	6,029,076	5,978,427
Special Education Instruction	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747	1,025,424	983,868
Other Special Instruction	740,084	759,339	696,434	695,768	662,739	702,155	235,547	249,088	213,208	159,191
Other Instruction	96,864	124,161	181,453	212,669	147,203	214,471	657,437	580,387	526,946	487,445
Support Services:										
Tuition	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293	1,449,406	1,432,688
Student & Instruction Related Services	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678	1,790,265	1,778,645
General & Business Administration Services	696,462	694,394	753,134	770,291	642,939	657,071	1,126,430	941,837	914,956	882,747
School Administrative Services	1,353,201	1,367,326	1,216,575	1,151,590	885,517	850,567	394,632	394,849	362,771	367,256
Plant Operations & Maintenance	1,657,994	1,720,742	1,652,629	1,643,393	1,643,389	1,775,031	1,733,912	1,632,892	1,543,318	1,464,384
Pupil Transportation	476,761	434,138	464,998	415,270	333,049	331,728	325,348	309,040	287,997	238,238
Employee Benefits	5,675,158	5,758,178	5,825,529	4,946,063	4,548,293	4,941,479	4,336,615	4,619,445	4,695,734	3,857,758
Capital Outlay	182,358	829,083	280,635	777,309	921,118	320,087	295,469	514,770	165,226	95,545
Debt Service:										
Principal	645,000	613,000	570,000	495,000	730,000	545,000	415,000	340,000	330,000	290,000
Interest & Other Charges	198,535	213,998	248,339	255,878	274,843	288,052	336,822	320,334	336,379	350,728
Total Expenditures	24,170,457	24,870,537	24,219,843	23,446,077	22,544,292	22,965,643	21,041,597	20,636,338	19,670,706	18,366,920
Excess (Deficiency) of Revenues Over/(Under) Expenditures	401,212	(793,475)	(418,433)	(425,364)	403,105	(997,097)	163,549	(204,002)	84,620	(48,950)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Other Financing Sources/(Uses):										
Proceeds from Borrowing	-	-	-	750,000	-	-	-	513,000	-	-
Capital Lease (Nonbudgeted)	-	625,000	-	-	110,000	-	-	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	-	63,484	-	-	-
Transfers in	-	339	6,964	15,393	150,368	139,479	2,061	8,924	8,887	9,593
Transfers Out	-	(339)	(6,964)	(15,393)	(150,368)	(139,479)	(2,061)	(8,924)	(8,887)	(9,593)
Total Other Financing Sources/(Uses)	-	625,000	-	750,000	110,000	-	63,484	513,000	-	-
Net Change in Fund Balances	\$ 401,212	\$ (168,475)	\$ (418,433)	\$ 324,636	\$ 513,105	\$ (997,097)	\$ 227,033	\$ 308,998	\$ 84,620	\$ (48,950)

Debt Service as a Percentage of Noncapital Expenditures

2015	3.6%	2014	3.6%	2013	3.5%	2012	3.4%	2011	4.9%	2010	3.8%	2009	3.8%	2008	3.4%	2007	3.5%	2006	3.6%
------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------	------

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	DELANCO CST	PRIOR YEAR A/P CANCELLED	RETURNS	PRIOR YEAR REFUNDS	INTEREST	FINES	MISCELLANEOUS	TOTAL
2015	231,352	-	-	37,725	2,395	524	5,071	277,067
2014	201,210	9,314	-	8,927	2,357	2,128	2,789	226,725
2013	184,115	-	-	-	2,185	279	2,280	188,859
2012	189,242	3,260	-	7,018	3,308	1,842	15,812	220,482
2011	185,131	44,389	-	14,027	19,129	483	15,765	278,924
2010	221,519	-	-	9,688	37,619	2,774	-	271,600
2009	212,824	-	-	6,215	39,516	1,624	3,985	264,164
2008	179,489	-	-	11,757	71,516	2,666	13,361	278,789
2007	113,988	-	-	4,379	79,442	1,664	57,916	257,389
2006	117,143	-	3,021	1,374	59,846	3,073	1,733	186,190

Source: District records

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2015	N/A	N/A	N/A	N/A	N/A	N/A	439,090,250	N/A	N/A	439,090,250	1.898	423,780,750
2014	N/A	N/A	N/A	N/A	N/A	N/A	444,648,262	N/A	N/A	444,648,262	1.815	433,814,119
2013	N/A	N/A	N/A	N/A	N/A	N/A	446,303,109	N/A	N/A	446,303,109	1.733	460,260,350
2012	N/A	N/A	N/A	N/A	N/A	N/A	448,022,696	N/A	N/A	448,022,696	1.687	506,734,402
2011	N/A	N/A	N/A	N/A	N/A	N/A	447,840,953	N/A	N/A	447,840,953	1.638	519,819,340
2010	N/A	N/A	N/A	N/A	N/A	N/A	449,856,565	N/A	N/A	449,856,565	1.602	544,202,736
2009	N/A	N/A	N/A	N/A	N/A	N/A	452,645,250	N/A	N/A	452,645,250	1.588	563,110,539
2008	N/A	N/A	N/A	N/A	N/A	N/A	452,645,250	N/A	N/A	452,645,250	1.610	530,120,118
2007	N/A	N/A	N/A	N/A	N/A	N/A	453,416,651	N/A	N/A	453,416,651	1.600	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A	452,517,576	N/A	N/A	452,517,576	1.537	426,742,143

Source: Abstract of Ratables Burlington County, Burlington County Abstract of Ratable

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

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Company
 - b. Tax rates are per \$100
- N/A - Not Available

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE ^a	TOTAL DIRECT	TOWNSHIP OF RIVERSIDE	BURLINGTON COUNTY	
2015	1.898	1.898	1.022	0.329	3.249
2014	1.815	1.815	0.981	0.327	3.123
2013	1.687	1.687	0.919	0.350	2.956
2012	1.638	1.638	0.860	0.358	2.856
2011	1.602	1.602	0.812	0.458	2.872
2010	1.588	1.588	0.893	0.472	2.953
2009	1.610	1.610	0.845	0.455	2.910
2008	1.600	1.600	0.808	0.410	2.818
2007	1.537	1.537	0.695	0.417	2.649
2006	1.403	1.403	0.628	0.366	2.397

Source: Burlington County Board of Taxation

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

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2015		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
River Terrace Associates	\$ 3,500,000	1	0.797%
Teicher Org. at Riverside, LLC	3,155,900	2	0.719%
Seagull Lightning	3,000,000	3	0.683%
Barbarberg/Riverside Garden Apts.	2,000,000	4	0.455%
Riverside Norse, LLC	1,500,000	5	0.342%
Watchcase Office, Complex	1,545,000	6	0.352%
Monroe Premier Properties	1,420,000	7	0.323%
Keymar Inc	1,200,000	8	0.273%
Bonforte Industries	1,131,200	9	0.258%
Hovbros Riverside, LLC	842,000	10	0.192%
Total	\$ 19,294,100		4.394%

2006		
TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
TOTAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ^a		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2014	\$ 14,550,840	\$ 13,843,998	95.14%	-
2013	14,250,161	13,793,192	96.79%	-
2012	13,924,082	13,496,563	96.93%	-
2011	13,611,587	13,132,866	96.48%	-
2010	13,253,136	13,250,069	99.98%	-
2009	13,363,723	12,930,871	96.76%	-
2008	13,206,099	12,720,521	96.32%	-
2007	12,781,591	12,236,501	95.74%	-
2006	12,007,177	11,573,685	96.39%	-
2005	10,938,729	10,589,324	96.81%	-

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

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

Source: Municipal Financial Statements

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			CAPITAL LEASES	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION					
2015	\$ 5,100,000	\$ -		\$ 402,513	\$ 5,502,513	N/A	N/A
2014	5,745,000	-		548,448	6,293,448	N/A	784.82
2013	6,358,000	-		67,171	6,425,171	1.55%	799.15
2012	6,928,000	-		87,984	7,015,984	1.70%	868.74
2011	6,843,000	-		110,000	6,953,000	1.74%	861.05
2010	7,318,000	265,000		-	7,583,000	1.97%	939.19
2009	7,738,000	380,000		-	8,118,000	2.23%	1,057.44
2008	7,918,000	615,000		-	8,533,000	2.32%	1,106.74
2007	7,535,000	825,000		-	8,360,000	2.32%	1,076.21
2006	7,660,000	1,015,000		5,591	8,680,591	2.47%	1,099.50

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.
a. See Exhibit J-14 for personal income and population data.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2015	\$ 5,100,000	\$ -	\$ 5,100,000	N/A	N/A
2014	5,745,000	-	5,745,000	1.29%	716.42
2013	6,358,000	-	6,358,000	1.42%	790.80
2012	6,928,000	-	6,928,000	1.55%	857.85
2011	6,843,000	-	6,843,000	1.53%	847.43
2010	7,318,000	-	7,318,000	1.63%	906.37
2009	7,738,000	-	7,738,000	1.72%	1,007.95
2008	7,918,000	-	7,918,000	1.75%	1,026.98
2007	7,535,000	-	7,535,000	1.66%	970.01
2006	7,660,000	-	7,660,000	1.69%	970.23

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2015**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Riverside Township	\$ 5,735,884	100.00%	\$ 5,735,884
Burlington County General Obligation Debt	303,356,410	0.954%	2,894,938
Riverside Sewarage Authority	344,894	100.00%	344,894
Subtotal, Overlapping Debt			8,975,716
Riverside Township District Direct Debt			5,100,000
Total Direct & Overlapping Debt			\$ 14,075,716

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Debt Limit	\$ 13,118,496	\$ 13,735,603	\$ 14,076,947	\$ 15,487,413	\$ 21,410,464	\$ 21,504,367	\$ 20,726,272	\$ 18,923,339	\$ 14,385,315	\$ 9,782,858
Total Net Debt Applicable to Limit	5,100,000	5,745,000	6,358,000	6,928,000	6,843,000	7,318,000	7,738,000	7,918,000	7,660,000	7,760,000
Legal Debt Margin	\$ 8,018,496	\$ 7,990,603	\$ 7,718,947	\$ 8,559,413	\$ 14,567,464	\$ 14,186,367	\$ 12,988,272	\$ 11,005,339	\$ 6,725,315	\$ 2,022,858
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	38.88%	41.83%	45.17%	44.73%	31.96%	34.03%	37.33%	41.84%	53.25%	79.32%

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized Valuation Basis
2014	\$ 422,289,995
2013	427,846,402
2012	461,713,155
	<u>\$ 1,311,849,552</u>
	<u>\$ 437,283,184</u>
Average Equalized Valuation of Taxable Property	\$ 13,118,496
Debt Limit (3 % of Average Equalization Value)	<u>5,100,000</u>
Net Bonded School Debt	<u>\$ 8,018,496</u>
Legal Debt Margin	

Source:
Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation. Limit set by N.J.S.A.18A:24-19 for K through 12 district; other % limits would be applicable for other districts.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2014	8,019	N/A	N/A	7.20%
2013	8,040	415,169,520	51,638	7.60%
2012	8,076	413,079,324	51,149	10.10%
2011	8,075	399,478,325	49,471	9.70%
2010	8,074	384,209,364	47,586	10.00%
2009	7,677	363,766,968	47,384	5.40%
2008	7,710	368,214,180	47,758	4.00%
2007	7,768	359,619,560	46,295	5.80%
2006	7,895	351,477,505	44,519	3.80%
2005	7,921	332,713,684	42,004	6.50%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita personal income provided by the NJ Dept of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development
- N/A - Information not available.

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

NOT AVAILABLE

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS**

Function/Program	2015	2014	2013	2012	2011	2010	2009	2008
Instruction:								
Regular	95	95	94	91	92	112	110	105
Special Education	50	51	36	42	41	28	29	26
Support Services:								
Student & Instruction Related								
Services	20	20	21	14	14	14	14	14
General Administrative	2	2	2	2	2	2	2	2
School Administrative Services	12	12	14	13	13	13	13	12
Central Services	3	3	3	3	3	3	3	3
Administrative Information Technology	1	1	1	1	1	1		
Plant Operations & Maintenance	21	21	21	21	20	25	25	24
Pupil Transportation	4	-	7	7	7	8	8	8
Other Support Services		3	3	8	8	8	8	7
Total	208	209	202	202	201	214	212	201

Source: District Annual Budget Statement Supporting Documentation

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2015	1,404	\$21,799,232	15,527	0.79%	122	12:8	9:4	11:3	1,393.3	1,302.6	-5.25%	93.49%
2014	1,460	22,491,432	15,405	1.29%	120	14:6	9:5	11:2	1,470.5	1,348.2	1.78%	91.68%
2013	1,438	21,870,755	15,209	0.75%	129	13:3	9:9	9:5	1,444.8	1,348.2	4.26%	93.31%
2012	1,379	20,817,327	15,096	10.09%	127	12:4	9:2	9:5	1,385.8	1,296.2	-0.27%	93.53%
2011	1,394	19,114,880	13,712	-8.33%	132	12:4	10:0	9:9	1,389.6	1,297.1	1.85%	93.34%
2010	1,374	20,553,788	14,959	7.04%	132	11:1	9:1	10:1	1,364.4	1,274.0	-0.75%	93.37%
2009	1,398	19,537,668	13,975	19.71%	135	11:1	9:1	10:1	1,374.7	1,290.7	-4.10%	93.89%
2008	1,435	16,752,779	11,674	4.96%	135	12:1	10:1	13:1	1,433.4	1,339.5	0.50%	93.45%
2007	1,444	16,061,899	11,123	N/A	122	12:1	10:1	14:1	1,426.3	1,334.9	-0.04%	93.59%
2006	1,444	15,088,558	N/A	N/A	N/A	12:1	10:1	13:1	1,426.8	1,335.4	1.93%	93.59%

Sources: District records

Note: Enrollment based on annual October District count.

a. Operating expenditures equal total general fund expenditures.

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).

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

NOT AVAILABLE

**SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
School Facilities										
Riverside Township School	\$128,247	\$128,378	141,394	155,884	59,085	59,085	59,085	59,085	61,564	61,564
Total School Facilities	\$128,247	\$128,378	141,394	155,884	59,085	59,085	59,085	59,085	61,564	61,564

Source: District Records

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2015**

Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)	COVERAGE	RETENTION	DEDUCTIBLE
I. Property, Inland Marine & Automobile Physical Damages:			
A. Limit of Liability Per Occurrence Perils Included "All Risk"	\$150,000,000	250,000	500
B. Property Valuation:			
1. Buildings & Contents	Replacement Cost		
2. Contractors Equipment	Actual Cash Value		
3. Automobiles	Actual Cash Value		
II. Bolier & Machinery	125,000	None	1,000
III. Crime	500,000	250,000	500
IV. General & Automobile Liability	10,000,000	250,000	None
V. Workers' Compensation	Statutory	250,000	None
VI. Educator's Legal Liability	10,000,000	100,000	None
Excess & Reinsurance Carriers Involved:			
Property & Crime:			
SPELLJIF, Selective Ins. Co. of America			
Axis Surplus Insurance Company			
Westchester Surplus Lines Ins. Co			
Alterra Excess & Surplus Ins. Co			
Alliance Global Coporate & Specialty Marine Ins. Co			
RSUI Indemnity Company			
General Liability & Automobile Liability:			
SPELLJIF, Selective Ins. Co. of America			
Workers' Compansation:			
SPELLJIF, Selective Ins. Co. of America			
Educattors' Legal Liability:			
SPELLJIF, Selective Ins. Co. of America			
Group Purchase of Primary Insurance Coverage Carrier Array:			
Travelers Insurance Company:			
Boiler & Machinery			
ACE American Insurance Company:			
Pollution Legal Liability			
VII. Student Accident Insurance	6,000,000	None	None
VIII. Surety Bonds			
Treasurer	300,000	n/a	n/a
Business Adminstrator/Board Secretary	25,000	n/a	n/a

Source: District records

SINGLE AUDIT SECTION

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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Riverside Township Board of Education
County of Burlington
Riverside, New Jersey 08075

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Board of Education, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Riverside Township Board of Education's basic financial statements, and have issued our report thereon dated November 25, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Riverside Township Board of Education'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 Riverside Township Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of Riverside Township Board of Education's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Riverside Township Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
November 25, 2015



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Riverside Township Board of Education
County of Burlington
Riverside, New Jersey 08075

Report on Compliance for Each Major Federal and State Program

We have audited Riverside Township Board of Education’s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District’s major federal and state programs for the year ended June 30, 2015. Riverside Township Board of Education’s major federal and state programs are identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

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

Auditor’s Responsibility

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

program occurred. An audit includes examining, on a test basis, evidence about Riverside Township Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
November 25, 2015

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/ PASS-THROUGH GRANITOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2014	CASH RECEIVED	BUDGETARY EXPENDITURES	JUNE 30, 2015 (ACCOUNTS RECEIVABLE)
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:							
Food Distribution Program	10.550	\$ 39,041	7/1/14-6/30/15	\$ -	39,041	\$ (39,041)	\$ -
Healthy Hunger-Free Kids Act	10.551	7,252	7/1/14-6/30/15	-	6,853	(7,252)	(399)
Healthy Hunger-Free Kids Act	10.551	7,437	7/1/13-6/30/14	(458)	458	-	-
National School Lunch Program	10.555	268,330	7/1/14-6/30/15	-	253,255	(268,330)	(15,075)
National School Lunch Program	10.555	268,978	7/1/13-6/30/14	(16,848)	16,848	-	-
School Breakfast Program	10.553	37,772	7/1/14-6/30/15	-	35,405	(37,772)	(2,367)
School Breakfast Program	10.553	38,567	7/1/13-6/30/14	(2,517)	2,517	-	-
Special Milk Program	10.556	891	7/1/14-6/30/15	-	822	(891)	(69)
Special Milk Program	10.556	1,266	7/1/13-6/30/14	(97)	97	-	-
Total Enterprise Fund				(19,920)	355,296	(353,286)	(17,910)

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

Special Education - Medicaid Aid	93.778	40,645	7/1/14-6/30/15	-	40,645	(40,645)	-
Special Education - Medicaid Aid - ARRA	93.778	21,142	7/1/14-6/30/15	-	21,142	(21,142)	-
Total General Fund Assistance				-	61,787	(61,787)	-
Special Revenue Fund:							
Title I	84.010A	514,149	7/1/14-6/30/15	-	349,534	(514,149)	(164,615)
Title I	84.010A	558,180	7/1/13-6/30/14	(215,845)	215,845	-	-
Title II A	84.281A	37,289	7/1/14-6/30/15	-	26,635	(37,289)	(10,654)
Title II A	84.281A	36,370	7/1/13-6/30/14	(12,715)	12,715	-	-
Title III - English Language Acquisition	84.365A	17,150	7/1/14-6/30/15	-	10,073	(17,150)	(7,077)
Title III - English Language Acquisition	84.365A	14,424	7/1/13-6/30/14	(2,621)	2,621	-	-
I.D.E.A. Part B, Basic Regular	84.027	360,989	7/1/14-6/30/15	-	356,018	(360,989)	(4,971)
I.D.E.A. Part B, Basic Regular	84.027	315,499	7/1/13-6/30/14	(7,259)	7,259	-	-
I.D.E.A. Preschool Program	84.173A	9,257	7/1/14-6/30/15	-	9,257	(9,257)	-
I.D.E.A. Preschool Program	84.173A	8,923	7/1/13-6/30/14	(8,923)	8,923	-	-
Total Special Revenue Fund Assistance				(247,363)	998,880	(938,834)	(187,317)
Total U.S. Department of Education				(247,363)	1,060,667	(1,000,621)	(187,317)
Total Federal Financial Assistance				(267,283)	1,415,963	(1,353,907)	(205,227)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR 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	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS RECEIVABLE) JUNE 30, 2015	DEFERRED REVENUE JUNE 30, 2015	MEMO	
									BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:										
General Fund:										
Equalization Aid	15-495-034-5120-078	\$9,997,701	7/1/14-6/30/15	\$ -	\$ 9,997,701	\$ (9,997,701)	\$ -	\$ -	\$ 851,479	\$ 9,997,701
Special Education Categorical Aid	15-495-034-5120-089	690,094	7/1/14-6/30/15	-	690,094	(690,094)	-	-	58,773	690,094
Transportation Aid	15-495-034-5120-014	44,573	7/1/14-6/30/15	-	44,573	(44,573)	-	-	3,796	44,573
Security Aid	15-495-034-5120-084	72,973	7/1/14-6/30/15	-	72,973	(72,973)	-	-	6,215	72,973
Under Adequacy Aid	15-495-034-5120-096	19,179	7/1/14-6/30/15	-	19,179	(19,179)	-	-	1,633	19,179
Per Pupil Growth Aid	15-495-034-5120-097	12,640	7/1/14-6/30/15	-	12,640	(12,640)	-	-	1,077	12,640
PARCC Readiness Aid	15-495-034-5120-098	12,640	7/1/14-6/30/15	-	12,640	(12,640)	-	-	1,077	12,640
Extraordinary Aid - Current Year	15-100-034-5120-473	36,152	7/1/14-6/30/15	(49,832)	49,832	(36,152)	(36,152)	-	-	36,152
Extraordinary Aid - Prior Year	14-100-034-5120-473	522	7/1/13-6/30/14	-	522	(522)	-	-	-	522
On Behalf TPAF Pension Contribution	15-495-034-5095-001	518,112	7/1/14-6/30/15	-	518,112	(518,112)	-	-	-	518,112
On Behalf TPAF Medical Contribution	15-495-034-5095-001	822,502	7/1/14-6/30/15	-	822,502	(822,502)	-	-	-	822,502
Reimbursed TPAF Social Security	15-495-034-5095-002	721,372	7/1/14-6/30/15	-	686,203	(721,372)	(35,169)	-	-	721,372
Reimbursed TPAF Social Security	14-495-034-5095-002	736,230	7/1/13-6/30/14	(36,011)	36,011	-	-	-	-	-
Total General Fund Assistance				(85,843)	12,962,982	(12,948,460)	(71,321)	-	924,050	12,948,460
Special Revenue Fund:										
Preschool Education Aid	15-100-034-5120-086	850,696	7/1/14-6/30/15	359,946	849,177	(639,777)	-	569,346	-	639,777
Total Special Revenue Fund Assistance				359,946	849,177	(639,777)	-	569,346	-	639,777
Debt Service Fund:										
Debt Service Type II	15-495-034-5120-017	48,685	7/1/14-6/30/15	-	48,685	(48,685)	-	-	-	48,685
Total Debt Service Fund Assistance				-	48,685	(48,685)	-	-	-	48,685
Enterprise Fund:										
National School Lunch Program (State Share)	15-100-010-3360-067	6,337	7/1/14-6/30/15	(774)	6,581	(6,337)	(530)	-	-	6,337
Total Enterprise Fund Assistance				(774)	6,581	(6,337)	(530)	-	-	6,337
Total State Financial Assistance				\$ 273,329	\$ 13,867,425	\$ (13,643,259)	\$ (71,851)	\$ 569,346	\$ 924,050	\$ 13,643,259
Total State Financial Assistance excluding On-Behalf TPAF Pension & Medical Contributions which agrees to Single Audit Summary										\$ (12,302,645)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2015**

Note 1. General

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

Note 2. Basis of Accounting

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

Note 3. Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$37,609 for the general fund and \$0 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2015**

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

	State	Federal	Total
General Fund	\$12,986,069	\$ 61,787	\$13,047,856
Special Revenue Fund	639,777	938,834	1,578,611
Debt Service Fund	48,685	-	48,685
Food Service Fund	6,337	353,286	359,623
Total Financial Assistance	<u>\$13,680,868</u>	<u>\$1,353,907</u>	<u>\$15,034,775</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Other

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

Note 6. Federal and State Loans Outstanding

The Riverside Township Board of Education had no loan balances outstanding at June 30, 2015.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2015**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? None Reported

2) Significant deficiencies identified that are not considered to be material weaknesses? No

Noncompliance material to basic financial Statements noted? No

Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? None Reported

2) Significant deficiencies identified that are not considered to be material weaknesses? None Reported

Type of auditor’s report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133? No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.027	I.D.E.A., Part B, Basic Regular
84.173A	I.D.E.A., Preschool Program

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2015**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$369,064
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04 and/or 15-08	No

Identification of major programs:

GMIS Number(s)	Name of State Program
495-034-5120-078	Equalization Aid
495-034-5120-084	Security Aid
495-034-5120-089	Special Educational Categorical Aid
495-034-5120-085	Adjustment Aid
495-034-5120-096	Under Adequacy Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2015**

Section II – Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance related to the basic financial statements that are required to be reported in accordance with Chapter 5.18 of *Government Auditing Standards*, OMB Circular A-133 and New Jersey OMB's Circular 04-04 and/or 15-08 audit.

None Noted

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

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

No Current Year Findings

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2015**

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

No Prior Year Findings