COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Township of Mahwah Board of Education
Mahwah, New Jersey

For the Fiscal Year Ended June 30, 2014

Prepared by

Township of Mahwah Board of Education
Finance Department

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

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Introductory Section

Mahwah Township Board of Education
60 Ridge Road
Mahwah, NJ 07430

September 30, 2014

Honorable President and
Members of the Board of Education
Mahwah Township School District
Bergen County, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Mahwah Township School District for the fiscal year ended June 30, 2014, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Mahwah Township School District as of June 30, 2014, and the respective changes in financial positions and cash flows, where applicable, thereof for the year ended in conformity with the accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State, Local Governments, and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws, regulations, findings and recommendations are included in the single audit section of this report.

1) REPORTING ENTITY AND ITS SERVICES: Mahwah Township School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Mahwah 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 K through 12. These services include regular and vocational as well as special education for handicapped youngsters. The District provides a pre-school program and also provides a pre-school program for special education students for a total of 75 students. The District completed the 2013-2014 fiscal year with an enrollment of 3,177 students, which is 45 fewer students than the previous year's enrollment. In addition, 55 students are sent to out-of-district special education programs. The following table details the changes in the student enrollment of the District.

Average Daily Enrollment as of June 30

Fiscal Year	Student Enrollment	Percent Change
2013-2014	3,177	(1.39)%
2012-2013	3,222	(2.33)%
2011-2012	3,299	(2.07)%
2010-2011	3,369	(2.20)%
2009-2010	3,445	(1.10)%
2008-2009	3,484	0.81%
2007-2008	3,456	1.24%
2006-2007	3,420	1.24%
2005-2006	3,378	1.50%
2004-2005	3,328	1.00%
2003-2004	3,295	2.00%
2002-2003	3,230	3.89%
2001-2002	3,109	4.47%
2000-2001	2,976	3.05%
1999-2000	2,888	5.64%
1998-1999	2,734	5.15%
1997-1998	2,600	7.52%
1996-1997	2,418	4.40%
1995-1996	2,316	5.65%
1994-1995	2,192	2.00%
1993-1994	2,149	0.90%
1992-1993	2,130	4.70%
1991-1992	2,035	6.30%
1990-1991	1,915	4.90%

2) ECONOMIC CONDITION AND OUTLOOK: Mahwah Township is experiencing the slowdown in growth that is prevalent in the county.

3) MAJOR INITIATIVES: Every effort continues to be made to service the needs of all students in-district whenever possible. The special needs of all students are addressed through appropriate, and where applicable, alternative instructional techniques.

4) DISTRICT INFORMATION:

Ninety-four percent of the Class of 2014 is pursuing higher education.

Post Graduation Plans

	2014	2013	2012
Total Graduates	**286**	242	245
Post Secondary Ed.	**(274) 95.7%**	(228) 94.2%	(234) 95.5%
4- Yr. Colleges	**(245) 85.7%**	(184) 76.0%	(200) 81.6%
2 - Yr. Colleges	**(27) 9.5%**	(39) 16.1%	(31) 12.7%
Other	**(14) 4.8%**	(3) 1.2%	(14) 5.6%

College Data

Mahwah High School students will be attending college in the following states in the fall. We also have 1 student attending college in the United Kingdom and 1 in Canada.

State	# of Students Attending	State	# of Students Attending
NJ	107	VA	3
NY	43	SC	2
PA	35	IL	2
MA	16	GA	2
CT	11	OH	2
RI	8	MN	1
MD	8	ME	1
DC	7	MI	1
FL	7	AL	1
DE	4	CO	1
NC	3	KS	1
VT	3	HI	1
NH	3	TN	1

Advanced Placement Testing
230 Students took 474 exams in
22 academic subjects in May 2014
89.1% of the students scored 3 or better

AP COURSE	% Score 3 or above
Biology	94
Calculus AB	65
Calculus BC	96
Chemistry	96
Chinese Language & Culture	100
Computer Science	92
English Language & Composition	96
English Literature & Composition	100
European History	73
French Language & Culture	100
Macroeconomics	83
Microeconomics	77
Music Theory*	80
Physics C- E&M	66
Physics C- Mechanics	82
Psychology	92
Spanish Language & Culture	100
Statistics	77
Studio Art: 2-D Design	100
Studio Art: Drawing	60
United States Government & Politics	79
US History	96

Class of 2014 – College Matriculation

College/University	# of Students Attending
Albright College	1
American University	3
Bentley University	2
Bergen Community College	25
Berkeley College Woodland Park Location	1
Binghamton University	1
Bloomsburg University of Pennsylvania	1
Boston College	1
Boston University	3
Bowdoin College	1
Brandeis University	1
Brooklyn College of the CUNY	1
Bryant University	3
Champlain College	1
Coastal Carolina University	1
College of William and Mary	1
Cornell University	1
Dartmouth College	1
Drew University	2
Drexel University	2
Duke University	1
Fairfield University	1
Fairleigh Dickinson University	1
Fashion Institute of Technology	1
Florida Atlantic University	1
Florida State University	1
Fordham University	1
Franklin and Marshall College	1
George Mason University	1
Georgia Institute of Technology	1
Gettysburg College	2
Gordon College	1
Hartwick College	2
Harvard University	1
Hawaii Pacific University	1
Ithaca College	1
James Madison University	1
Kean University	2
Lafayette College	1
Lehigh University	1
Loyola University Maryland	3
Manhattan College	2
Marion Military Institute	1
Marist College	3
Mass College of Pharmacy & Health Sciences	1
Mercy College	1
Monmouth University	2
Montclair State University	6
Muhlenberg College	2
New England College	1
New Jersey Institute of Technology	4
New York University	2
Northeastern University	2
Pace University, New York City	3
Parisian Beauty Academy	1

College/University	# of Students Attending
Roger Williams University	1
Rowan University	8
Rutgers	13
Sacred Heart University	1
Saint Joseph's University	3
Saint Michael's College	1
Salve Regina University	1
Sarah Lawrence College	1
School of Visual Arts	3
Seton Hall University	4
Siena College	1
St. Thomas Aquinas College	1
State University of New York at Albany	1
Stevens Institute of Technology	6
Stonehill College	1
SUNY College at Cortland	3
SUNY Maritime College	1
Susquehanna University	2
Syracuse University	5
Temple University	2
The Catholic University of America	1
The College of New Jersey	8
The College of Wooster	1
The George Washington University	3
The Ohio State University	1
The University of Georgia	1
The University of North Carolina at Chapel Hill	1
The University of Scranton	2
The University of Tampa	2
Towson University	3
Union College	1
United States Naval Academy	1
SUNY Buffalo	1
University of Bridgeport	1
University of Central Florida	1
University of Chicago	1
University of Colorado at Boulder	1
University of Connecticut	2
University of Delaware	4
University of Illinois at Urbana-Champaign	1
University of Kansas	1
University of Maryland, College Park	1
University of Massachusetts, Amherst	1
University of Miami	2
University of Michigan	1
University of Minnesota, Twin Cities	1
University of New Hampshire	1
University of New Haven	3
University of North Carolina at Greensboro	1
University of Pennsylvania	1
University of Pittsburgh	5
University of Rhode Island	3
University of Rochester	1
University of South Carolina	1
University of Tennessee, Knoxville	1

Pennsylvania College of Technology	1
Pennsylvania State University, University Park	6
Purchase College State University of New York	1
Quinnipiac University	2
Ramapo College of New Jersey	9
Richard Stockton College of New Jersey	4
Richmond The American International College in London	1
Rider University	1
Rochester Institute of Technology	2
Rockland Community College	1
University of Vermont	1
University of Waterloo	1
Utica College	1
Villanova University	1
Wellesley College	1
West Chester University of Pennsylvania	1
Western New England University	1
William Paterson University of New Jersey	9
Yale University	1

5) 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 assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

6) 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 embodies in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as adjusted appropriations and are reported as reservations of fund balance at June 30, 2014.

7) 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 I.

8) DEBT ADMINISTRATION: At June 30, 2014, the District's outstanding debt issues included $15,197,000 of general obligation bonds.

9) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note II. 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.

10) 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.

11) OTHER INFORMATION: **Independent Audit** – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of T.M. Vrabel & Associates, LLC was selected by the Board. 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 Amendments of 1996 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

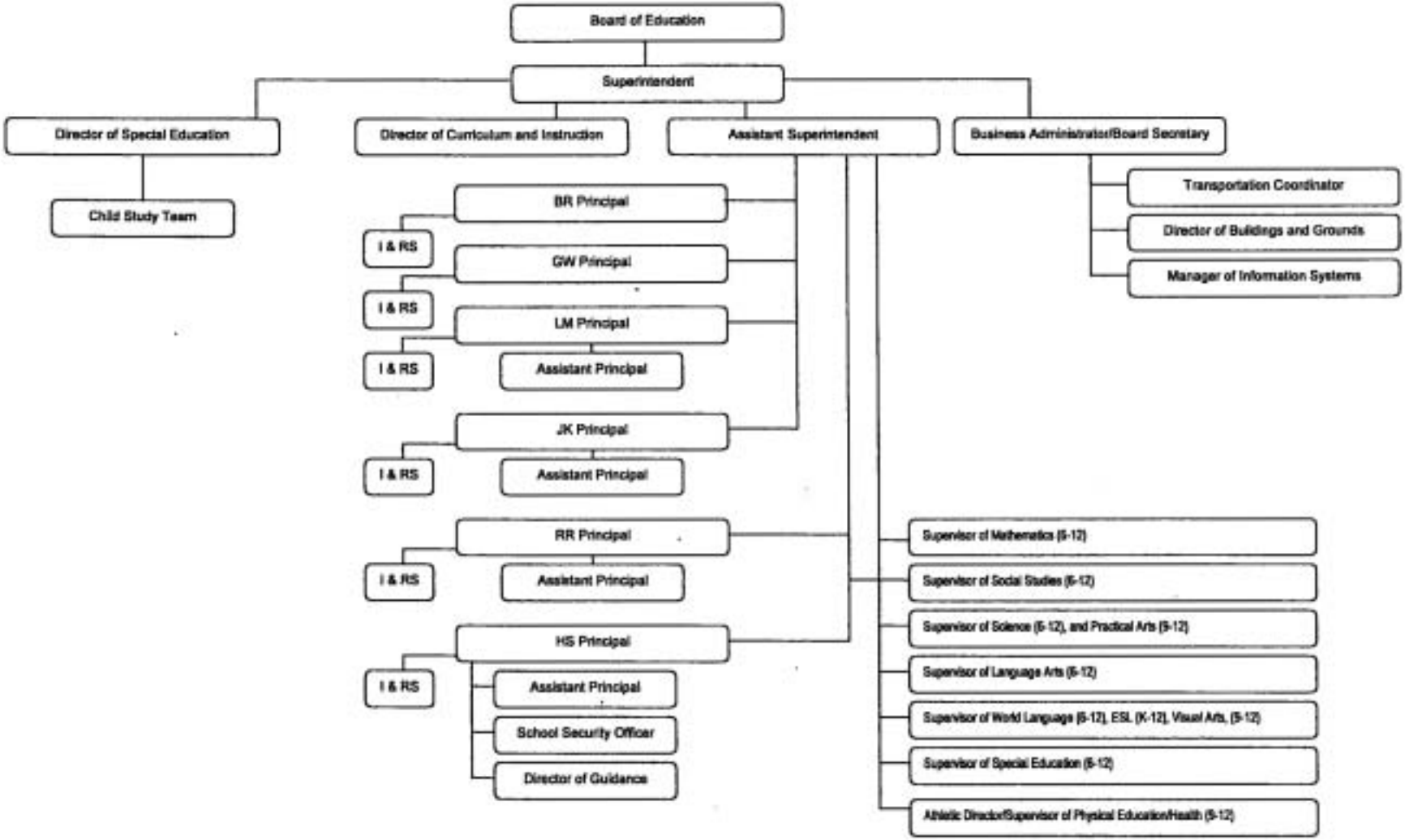
12) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Mahwah Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

Respectfully submitted,

Dr. C. Lauren Schoen
Superintendent

Edward J. Deptula
Board Secretary/Business Administrator

ORGANIZATIONAL CHART – 2013-2014



MAHWAH TOWNSHIP BOARD OF EDUCATION
MAHWAH, NEW JERSEY

ROSTER OF OFFICIALS
JUNE 30, 2014

Members of the Board of Education	**Term Expires**
Patricia Shada, President	2014
Charles Saldarini, 1st Vice President	2016
Christine Davis, 2nd Vice President	2015
Suzanne Curry	2016
Douglas D'Angelo	2016
Richard De Silva, Jr.	2014
John Dolan	2015
John Ebanietti	2015
Peter Wendrychowicz	2014

Other Officials

C. Lauren Schoen, Ed.D., Superintendent of Schools

Edward J. Deptula, Business Administrator/Board Secretary

Kenneth Sesholtz, Treasurer

MAHWAH TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

Architect Firm

Tokarski & Millemann Architects, LLC
228 Brick Boulevard, 2nd Floor
Brick, NJ 08724

Audit Firm

T. M. Vrabel & Associates, LLC
350 Main Road, Suite 104
Montville, NJ 07045

Attorneys

Schwartz Simon Edelstein Celso, LLC
100 S. Jefferson Road, Suite 200
Whippany, NJ 07981

Schenck Price Smith & King, LLP
220 Park Avenue
Florham Park, NJ 07932

Risk Management Consultants

Brown & Brown Benefit Advisors
80 Lambert Lane, Suite 140
Lambertville, NJ 08530

PIA McCarthy Forde, LLC
429 Hackensack Street
Carlstadt, NJ 07072

Athletic Training Services

The Valley Hospital Sports Institute
223 North Van Dien Avenue
Ridgewood, NJ 07450

Official Depository

TD Bank
One Interstate Shopping Center
Ramsey, NJ 07446

Financial Section

Independent Auditor's Report

T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Mahwah School District
County of Bergen, New Jersey

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Mahwah School District as of and for the year ended June 30, 2014, 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 the accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and in compliance with audit requirements 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 basic financial statements are free of 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 risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for

350 Main Road, Suite 104
Montville, NJ 07045
973-953-7769 Fax: 973-625-8733
Email: tmvrabeldvc@optonline.net

the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information the Township of Mahwah School District as of June 30, 2013, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on Page 14 through 20 and budgetary comparison information of schedules C-1 and C-2 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 Township of Mahwah School District's basic financial statements. The accompanying introductory section, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, statistical tables and the Schedules of Expenditures of Federal Awards and State Financial Assistance as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, long-term debt schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was 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 audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the Schedules of Expenditures of Federal Awards and State Financial Assistance is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated July 14, 2014 on our consideration of the Township of Mahwah School District's internal control over financial reporting and on out 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 the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Township of Mahwah School District's internal control over financial reporting and compliance.

Timothy M. Vrabel
Public School Accountant
License No. CS000689

Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

Montville, New Jersey
July 14, 2014

REQUIRED SUPPLEMENTARY INFORMATION - PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Township of Mahwah School District financial activities for the fiscal year ended June 30, 2014. Please read it in conjunction with the transmittal letter on page 1 and the District's financial statements, which begin on page 23.

FINANCIAL HIGHLIGHTS

- The District's net position increased $1,664,000 as a result of this year's operations. Net position of our business-type activities increased by $26,000, or 13.2 percent, and net position of our governmental activities increased by $1,638,000 or 5.5 percent.
- Total cost of all of the District's programs was $65,501,000 in 2013-2014 compared to $63,583,000 in 2012-2013.
- During the year, the District had expenses for governmental activities that were $472,000 less than the $67,051,000 generated in tax and other program revenues.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 23and 24) provide information about the activities of the District as a whole and present a longer-term view on the District's finances. Fund financial statements start on page 27. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the District's operation in more detail than the government-wide statements by providing information about the District's most financially significant funds

Reporting the District as a Whole

The Statement of Net Position and the Statement of Activities

Our analysis of the District as a whole begins on page 16. One of the most important questions asked about the District's finances is "Is the District as a whole better off or worse off as a result of the year's activities?" The Statement of Net Position and the Statement of Activities report information about the District as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the District's *net position* and changes in them. You can think of the District's net position, the difference between assets and liabilities, as one way to measure the District's financial health, or *financial position*. Over time, *increases* or *decreases* in the District's net position are one indicator whether its *financial health* is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the District's property tax base, and the condition of the District's capital assets to assess the overall *health* of the District.

In the Statement of Net Position and the Statement of Activities, we divide the District into two kinds of activities:

- Governmental activities: most of the District's basic services are reported here, including general administration, local taxes, tuition and state and federal aid finance most of these activities.

- Business-type-activities: the District has one proprietary fund as shown on pages 31,32and 33.

Reporting the District's Most Significant Funds

Fund Financial Statements

Our analysis of the District's major funds begins on page 18. The fund financial statements begin on page 27 and provide detailed information about the most significant funds-not the District as a whole. Some funds are required to be established by State law. The District's two kinds of funds, governmental and proprietary, use different accounting approaches.

Governmental funds: most of the District's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the District's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Position and the Statement of Activities) and governmental funds in a reconciliation on page 29.

Proprietary funds: when the District charges customers for the full cost of the services it provides, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Position and the Statement of Activities. In fact, the District's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The District as Trustee

Reporting the District's Fiduciary Responsibilities

The District is the trustee, or *fiduciary*, for the Unemployment Compensation Trust, Scholarship Funds and Agency Funds. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 35 and 36. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance its operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

THE DISTRICT AS A WHOLE

The District's *combined* net position changed from a year ago, *increasing* from 30.229 to 31.893 million. Looking at the net position and net expenses of governmental and business-type activities separately, different stories emerge. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the District's governmental and business-type activities as of June 30, 2014.

Table 1
Net Position (in Thousands)

	Governmental Activities		Business-type Activites		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Current and other assets	14,895	14,411	224	191	15,119	14,602
Long term receivables					-	-
Capital assets	35,636	36,278	26	36	35,662	36,314
Total assets	50,531	50,689	250	227	50,781	50,916
Long-term debt outstanding	18,601	20,379			18,601	20,379
Other liabilities	260	279	28	30	288	309
Total liabilities	18,861	20,658	28	30	18,889	20,688
Net position:						
Net investment in capital assets	20,439	19,131	26	36	20,465	19,167
Restricted	13,225	12,685			13,225	12,685
Unrestricted (deficit)	(1,994)	(1,784)	197	161	(1,797)	(1,623)
Total net position	31,670	30,032	223	197	31,893	30,229

Net position of the District's governmental activities increased by 5.5 percent. Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements – decreased by $210,000. Restricted net position, those restricted mainly for capital projects increased by $540,000. Both net position categories benefited from increased economic activity, which resulted in actual revenues exceeding budgeted revenues. The investment in capital assets, net of debt category increased by $1,308,000.

Table 2
Changes in Net Position (in thousands)

	Governmental Activities		Business-type Activites		Total Primary Government	
	2014	2013	2014	2013	2014	2013
Revenues						
Program revenues:						
Charges for Services	659	737	823	814	1,482	1,551
Operating Grants and Contributions	7,912	8,649	195	201	8,107	8,850
General revenues:					-	-
Property Taxes	56,942	55,864			56,942	55,864
Federal and State Aid	1,214	(246)			1,214	(246)
Interest and Investment Earnings	25	24			25	24
Other General Revenues	(605)	133	-	-	(605)	133
Total Revenues	66,147	65,161	1,018	1,015	67,165	66,176
Program expenses including indirect expenses						
Instruction:						
Regular	23,573	23,807			23,573	23,807
Special	7,337	7,000			7,337	7,000
Other instruciton	3,150	3,177			3,150	3,177
Support services:					-	-
Tuition	3,804	3,010			3,804	3,010
Student and instruction related services	9,022	8,790			9,022	8,790
School administrative services	3,422	3,343			3,422	3,343
General and business administrative services	3,308	2,953			3,308	2,953
Plant operations and maintenance	6,598	6,267			6,598	6,267
Pupil transportation	3,555	3,333			3,555	3,333
Charter Schools		52			-	52
SDA Debt Service Assessment	80	80			80	80
Interest on long-term debt	659	737			659	737
Business-type activities:					-	-
Food Services	-	-	993	1,034	993	1,034
Total Expenses	64,508	62,549	993	1,034	65,501	63,583
Increase (Decrease) in Net Position	1,639	2,612	25	(19)	1,664	2,593

THE DISTRICT'S FUNDS
Governmental Activities
Table 3
Information below compares revenues and expenditures for all governmental fund types for 2013-2014 and 2012-2013.

($000 omitted) Revenues by Source:	2013-2014	2012-2013	% Change
Local Tax Levy	57,601	56,602	1.76%
Interest Earned to Investments	24	23	4.35%
Miscellaneous	378	371	1.89%
Total - Local Sources	58,003	56,996	1.77%
State Sources	8,151	7,375	10.52%
Federal Sources	897	1,028	-12.74%
Total Revenues	67,051	65,399	2.53%

($000 omitted) Expenditures by Function:	2013-2014	2012-2013	% Change
Current:			
Regular Instruction	16,642	16,562	0.48%
Special education	5,389	5,060	6.50%
Other instruction	2,379	2,306	3.17%
Support Services and undistributed costs:			
Tuition	3,804	3,010	26.38%
Student and instruction related services	6,994	6,719	4.09%
School administrative services	2,492	2,390	4.27%
General and Business administrative services	2,732	2,403	13.69%
Plant operations and maintenance	6,312	5,987	5.43%
Pupil transportation	3,370	3,136	7.46%
Employee Benefits	11,924	12,502	-4.62%
Capital Outlay	1,901	305	523.28%
Charter School		52	-100.00%
Debt Service:			
Principal	1,950	1,915	1.83%
Interest on long-term debt	690	768	-10.16%
Total Expenditures	66,579	63,115	5.49%

Business-type Activities

The District's major Enterprise Funds consist of the Food Service. The basic financial statements for the major funds are included in this report. Because the focus on business-type funds is a cost of service measurement or capital maintenance, we have included these funds in Table 4, which demonstrates return on ending assets and return on ending net position.

Table 4

($000 omitted)

	Food Service
Total Assets	250
Net Position	223
Change in Net Position	-27
Return on Ending Total Assets	-10.80%
Return on Ending Net Position	-12.11%

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets
Table 5

Capital Assets at Year-end
(Net of Depreciation, in thousands)

	Governmental Activities		Business-type Activites		Totals	
	2014	2013	2014	2013	2014	2013
Land	535	535			535	535
Land Improvements	2,149	2,149			2,149	2,149
Buildings	57,561	56,754			57,561	56,754
Machinery and Equipment	4,134	4,299	143	143	4,277	4,442
Construction-in-progress	-	-	-	-	-	-
Subtotal	64,379	63,737	143	143	64,522	63,880
Accumulated Depreciation	(28,743)	(27,459)	(117)	(107)	(28,860)	(27,566)
Totals	35,636	36,278	26	36	35,662	36,314

This year's major additions in the Governmental Activities included acquisition of various equipment.

The District's 2014-2015 capital budget anticipates a spending level of $5,829,785.00. More detailed information about the District capital assets is presented in Note III:C. to the basic financial statements

DEBT

At year – end the District had total debt of $15,197,000 outstanding versus $17,147,000 last year – a decrease of 11.3 percent – as shown in Table 6.

Outstanding Debt, at year –end (in thousands)
Table 6

	Governmental Activities	
	2014	2013
Serial Bonds	15,197	17,147
Loans		
Lease Purchase Agreement		
Temporary Notes		
Authorized but not Issued	-	-
	15,197	17,147

An analysis of District Debt is presented in Note IV:B. to the basic financial statements.

BUDGETS

The significant variances between the originally adopted budget for the year 2013-2014 and the final budget were caused by the treatment of encumbrances that are added to the original budget and the appropriation of Capital Reserve funds in the amount of $230,872.88. In addition, transfers are made during the year to cover necessary expenditures without causing any budgetary line to have a negative balance.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Edward Deptula, the School Business Administrator, Mahwah Township School District, Mahwah, New Jersey.

BASIC FINANCIAL STATEMENTS

Section A

DISTRICT – WIDE FINANCIAL STATEMENTS

Exhibit A-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	$ 6,079,572.31	$ 182,455.11	$ 6,262,027.42
Receivables, net	1,574,881.52	10,383.58	1,585,265.10
Interfund receivable	10,000.00	17,107.47	27,107.47
Inventory		14,969.84	14,969.84
Restricted assets:			
Cash and cash equivalents	11,440.94		11,440.94
Capital reserve account - cash	7,219,021.26		7,219,021.26
Capital assets, net (Note III:C.):	35,635,707.13	25,578.39	35,661,285.52
Total Assets	50,530,623.16	250,494.39	50,781,117.55
LIABILITIES			
Accounts payable	381.86	15,704.85	16,086.71
Interfunds payable	17,107.47		17,107.47
Payable to state government	6,589.47		6,589.47
Bond interest payable	234,672.68		234,672.68
Unearned revenue	903.80	12,231.93	13,135.73
Noncurrent liabilities (Note IV:B.):			
Due within one year	2,137,878.00		2,137,878.00
Due beyond one year	16,463,445.00	-	16,463,445.00
Total liabilities	18,860,978.28	27,936.78	18,888,915.06
NET POSITION			
Net investment in capital assets	20,438,707.13	25,578.39	20,464,285.52
Restricted for:			
Capital projects	8,255,547.26		8,255,547.26
Debt service	(233,870.28)		(233,870.28)
Other purposes	5,203,661.66		5,203,661.66
Unrestricted	(1,994,400.89)	196,979.22	(1,797,421.67)
Total Net Position	$ 31,669,644.88	$ 222,557.61	$ 31,892,202.49

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

Exhibit A-2

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Activities
For the Year Ended June 30, 2014

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Governmental activities:							
Instruction:							
Regular	$ 23,572,905.32	$ -	$ 2,306,354.57	$ -	$ (21,266,550.75)	$ -	$ (21,266,550.75)
Special education	7,337,372.67		2,385,638.41		(4,951,734.26)		(4,951,734.26)
Other instruction	3,149,484.85		282,170.45		(2,867,314.40)		(2,867,314.40)
Support services:							
Tuition	3,803,762.19		1,173,137.99		(2,630,624.20)		(2,630,624.20)
Student and instruction related services	9,022,507.92		832,129.03		(8,190,378.89)		(8,190,378.89)
School administrative services	3,422,346.19		319,643.66		(3,102,702.53)		(3,102,702.53)
General and business administrative services	3,308,362.37		181,441.56		(3,126,920.81)		(3,126,920.81)
Plant operations and maintenance	6,598,151.97		84,128.34		(6,514,023.63)		(6,514,023.63)
Pupil transportation	3,554,636.65		347,278.38		(3,207,358.27)		(3,207,358.27)
SDA Debt Service Assessment	79,684.00				(79,684.00)		(79,684.00)
Interest on long-term debt	658,939.50	658,939.50	-		-		-
Total governmental activities	64,508,153.63	658,939.50	7,911,922.39		(55,937,291.74)		(55,937,291.74)
Business-type activities:							
Food Service	992,626.92	822,950.72	195,214.36			25,538.16	25,538.16
Total business-type activities	992,626.92	822,950.72	195,214.36	-	-	25,538.16	25,538.16
Total primary government	$ 65,500,780.55	$ 1,481,890.22	$ 8,107,136.75	$ -	$ (55,937,291.74)	$ 25,538.16	$ (55,911,753.58)
General revenues:							
Taxes:							
Property taxes, levied for general purposes					$ 54,996,960.00	$ -	$ 54,996,960.00
Property taxes, levied for debt service principal					1,944,843.50		1,944,843.50
Federal and State aid not restricted					1,214,070.56		1,214,070.56
Investment Earnings					24,500.90		24,500.90
Miscellaneous Income					300,331.70		300,331.70
Adjustment to Capital Assets					(905,334.08)		(905,334.08)
Total general revenues, special items, extraordinary items and transfers					57,575,372.58	-	57,575,372.58
Change in Net Position					1,638,080.84	25,538.16	1,663,619.00
Net Position—beginning					30,031,564.04	197,019.45	30,228,583.49
Net Position—ending					$ 31,669,644.88	$ 222,557.61	$ 31,892,202.49

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

Section B

FUND FINANCIAL STATEMENTS

GOVERNMENTAL FUNDS

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Balance Sheet
Governmental Funds
June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 6,100,794.91	$ (10,584.06)	$ 11,440.94	$ (10,638.54)	$ 6,091,013.25
Interfunds receivable	10,000.00			11,440.94	21,440.94
Receivables from other governments	519,896.33	6,276.00	1,036,526.00		1,562,698.33
Other		12,183.19			12,183.19
Restricted cash and cash equivalents	7,219,021.26	-	-	-	7,219,021.26
Total Assets	$ 13,849,712.50	$ 7,875.13	$ 1,047,966.94	$ 802.40	$ 14,906,356.97
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	$ -	$ 381.86	$ -	$ -	$ 381.86
Interfunds payable	17,107.47		11,440.94		28,548.41
Payable to state government		6,589.47			6,589.47
Deferred revenue	-	903.80	-		903.80
Total Liabilities	17,107.47	7,875.13	11,440.94		36,423.54
Fund Balances:					
Restricted for:					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,329,796.00				1,329,796.00
Reserve for Excess Surplus	1,680,659.36				1,680,659.36
Capital Reserve Account	7,219,021.26				7,219,021.26
Emergency Reserve	500,000.00				500,000.00
Capital Projects			1,036,526.00		1,036,526.00
Debt Service				802.40	802.40
Assigned to:					
Other Purposes	1,693,206.30				1,693,206.30
Unassigned	1,409,922.11		-	-	1,409,922.11
Total Fund Balances	13,832,605.03	-	1,036,526.00	802.40	14,869,933.43
Total Liabilities and Fund Balances	$ 13,849,712.50	$ 7,875.13	$ 1,047,966.94	$ 802.40	

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

Adjustment to Debt Service Fund net position for the accrual of interest expense.	(234,672.68)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $64,378,841.61 and the accumulated depreciation is $28,743,134.48.	35,635,707.13
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 Note IV:B.)	(18,601,323.00)
Net position of governmental activities	$ 31,669,644.88

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

Exhibit B-2

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	$ 54,996,960.00	$ -	$ -	$ 2,603,783.00	$ 57,600,743.00
Interest earned on investments	14,065.86		262.23		14,328.09
Interest earned on Capital Reserve Funds	10,172.81				10,172.81
Miscellaneous	300,331.70	77,577.82	-	-	377,909.52
Total - Local Sources	55,321,530.37	77,577.82	262.23	2,603,783.00	58,003,153.42
State sources	7,100,654.63	13,734.53	1,036,526.00		8,150,915.16
Federal sources	25,032.77	872,467.20	-	-	897,499.97
Total Revenues	62,447,217.77	963,779.55	1,036,788.23	2,603,783.00	67,051,568.55
EXPENDITURES					
Current:					
Regular instruction	16,464,865.13	177,268.20			16,642,133.33
Special education instruction	4,741,493.36	647,293.00			5,388,786.36
Other instruction	2,379,213.63				2,379,213.63
Support services and undistributed costs:					
Tuition	3,803,762.19				3,803,762.19
Student and instruction related services	6,876,014.15	117,966.35			6,993,980.50
School administrative services	2,492,000.80				2,492,000.80
General and business administrative services	2,731,950.51				2,731,950.51
Plant operations and maintenance	6,312,559.47				6,312,559.47
Pupil transportation	3,369,639.41				3,369,639.41
Unallocated benefits	11,902,472.98	21,252.00			11,923,724.98
Capital outlay	1,901,468.53				1,901,468.53
Debt service:					
Principal				1,950,000.00	1,950,000.00
Interest and other charges	-	-		690,059.50	690,059.50
Total Expenditures	62,975,440.16	963,779.55	-	2,640,059.50	66,579,279.21
Excess (Deficiency) of revenues over expenditures	(528,222.39)	-	1,036,788.23	(36,276.50)	472,289.34
OTHER FINANCING SOURCES AND (USES)					
Transfers in	144,208.83		230,672.88	262.23	375,143.94
Transfers (out)	(230,672.88)		(144,471.06)	-	(375,143.94)
Total Other Financing Sources and (Uses)	(86,464.05)	-	86,201.82	262.23	-
Net change in fund balances	(614,686.44)	-	1,122,990.05	(36,014.27)	472,289.34
Fund Balance—July 1	14,447,291.47	-	(86,464.05)	36,816.67	14,397,644.09
Fund Balance—June 30	$ 13,832,605.03	$ -	$ 1,036,526.00	$ 802.40	$ 14,869,933.43

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

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities
June 30, 2014

Total net change in fund balances - governmental funds (from B-2)			$ 472,289.34
Amounts reported for governmental activities in the statement of activities (A-2) are different because:			
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The difference in accrued interest is an addition in the reconciliation. (+)			
	Interest paid	$ 690,059.50	
	Interest accrued	(658,939.50)	
			31,120.00
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.			
	Depreciation expense	(1,559,043.95)	
	Capital outlays (exclusive of capital lease principal payments and SDA Debt Service Assessment)	1,821,784.53	
			262,740.58
Adjustment to Capital Assets in accordance with physical appraisal and dispositions			(905,334.08)
In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)			-
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and unused sick pay) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition in the reconciliation (+).			(172,735.00)
Payment of long-term liability principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.			
	Debt principal		1,950,000.00
	Capital lease principal		
Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.			
	Proceeds of long-term debt		
	Capital lease proceeds		
Revenues in the statement of activities which do not provide current financial resources are not reported as revenues in the funds. (+)			-
Change in net position of governmental activities			$ 1,638,080.84

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

PROPRIETARY FUNDS

Exhibit B-4

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Net Position
Proprietary Funds
June 30, 2014

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 182,455.11	$ 182,455.11
Accounts receivable	10,383.58	10,383.58
Interfund receivable	17,107.47	17,107.47
Inventories	14,969.84	14,969.84
Total Current Assets	224,916.00	224,916.00
Noncurrent assets:		
Furniture, machinery and equipment	142,897.49	142,897.49
Less accumulated depreciation	(117,319.10)	(117,319.10)
Total Noncurrent Assets	25,578.39	25,578.39
Total Assets	250,494.39	250,494.39
LIABILITIES		
Current Liabilities:		
Accounts payable	15,704.85	15,704.85
Unearned revenue	12,231.93	12,231.93
Total Current Liabilities	27,936.78	27,936.78
NET ASSETS		
Net investment in capital assets	25,578.39	25,578.39
Unrestricted	196,979.22	196,979.22
Total Net Position	$ 222,557.61	$ 222,557.61

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

Exhibit B-5

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
Operating Revenues:		
Charges for services:		
Daily sales - reimbursable programs	482,384.08	$ 482,384.08
Daily sales - non-reimbursable programs	332,024.63	332,024.63
Special functions	8,542.01	8,542.01
Total Operating Revenues	822,950.72	822,950.72
Operating Expenses:		
Cost of sales	453,802.13	453,802.13
Salaries	342,639.93	342,639.93
Employee benefits	98,693.69	98,693.69
Other purchased professional services	50,762.90	50,762.90
General supplies	36,312.76	36,312.76
Depreciation	10,415.51	10,415.51
Total Operating Expenses	992,626.92	992,626.92
Operating Income (Loss)	(169,676.20)	(169,676.20)
Nonoperating Revenues (Expenses):		
State sources:		
State school lunch program	7,254.50	7,254.50
Federal sources:		
National school lunch program	156,168.09	156,168.09
Food distribution program	31,791.77	31,791.77
Interest and investment revenue	-	-
Total Nonoperating Revenues (Expenses)	195,214.36	195,214.36
Income (loss) before contributions and transfers	25,538.16	25,538.16
Transfers in (out)	-	-
Change in net position	25,538.16	25,538.16
Total Net Position—Beginning	197,019.45	197,019.45
Total Net Position—Ending	$ 222,557.61	$ 222,557.61

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

Exhibit B-6

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2014

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	$ 809,531.35	809,531.35
Payments to employees	(342,639.93)	(342,639.93)
Payments for employee benefits	(98,693.69)	(98,693.69)
Payments to suppliers	(519,926.43)	(519,926.43)
Net cash provided by (used for) operating activities	(151,728.70)	(151,728.70)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	7,254.50	7,254.50
Federal Sources	187,959.86	187,959.86
Operating subsidies and transfers to other funds	-	-
Net cash provided by (used for) non-capital financing activities	195,214.36	195,214.36
Net increase (decrease) in cash and cash equivalents	43,485.66	43,485.66
Balances—beginning of year	138,969.45	138,969.45
Balances—end of year	$ 182,455.11	$ 182,455.11
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities:		
Operating income (loss)	$ (169,676.20)	$ (169,676.20)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:		
Depreciation and net amortization	10,415.51	10,415.51
(Increase) decrease in accounts receivable, net	(14,931.05)	(14,931.05)
(Increase) decrease in inventories	24,771.92	24,771.92
Increase (decrease) in accounts payable	(3,820.56)	(3,820.56)
Increase (decrease) in unearned revenue	1,511.68	1,511.68
Total adjustments	17,947.50	17,947.50
Net cash provided by (used for) operating activities	$ (151,728.70)	$ (151,728.70)

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

FIDUCIARY FUNDS

Exhibit B-7

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2014

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and cash equivalents	$ 600,624.76	$ 1,061,580.02
Total Assets	$ 600,624.76	$ 1,061,580.02
LIABILITIES		
Payable to student groups		$ 1,027,452.52
Payroll deductions and withholdings		1,147.64
Flexible Spending Account		22,979.86
Payable to district		10,000.00
Total Liabilities		$ 1,061,580.02
NET POSITION		
Held in trust for unemployment claims and other purposes	$ 600,624.76	

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

Exhibit B-8

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2014

	Unemployment Compensation Trust
ADDITIONS	
Contributions:	
Plan member	$ 81,206.44
Other (Board)	-
Total Contributions	81,206.44
Investment earnings:	
Interest	658.88
Net investment earnings	658.88
Total Additions	81,865.32
DEDUCTIONS	
Unemployment claims	79,344.25
Total Deductions	79,344.25
Change in Net Position	2,521.07
Net Position—beginning	598,103.69
Net Position—ending	$ 600,624.76

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

NOTES TO BASIC FINANCIAL STATEMENTS

Note I: Summary of Significant Accounting Policies

A. Basis of Presentation

The financial statements of the Board of Education (Board) of the Township of Mahwah School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

B. Reporting Entity

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

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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include four elementary, one middle and one senior high schools located in Mahwah. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

C. Basic Financial Statements- Government-Wide Statements

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's food service program is classified as business-type activities.

In the government-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position are reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

Note I: Summary of Significant Accounting Policies (Continued)

C. Basic Financial Statements- Government-Wide Statements

The government-wide Statement of Activities reports both the gross and net costs of each of the District's functions and business-type activities. The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student and instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity are normally covered by general revenue (property taxes, tuition, interest income, etc.).

a. The District allocates indirect costs such as on-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are excluded from the government-wide financial statements.

D. Basic Financial Statements- Fund Financial Statements

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprises its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or businesstype activities category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The nonmajor funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the GASB criteria are applied to proprietary funds.

Note 1: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements (Continued)

The following fund types are used by the District:

Governmental Fund Types

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District:

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

As required by the New Jersey State 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, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution and, excluding equipment, with County Superintendent approval.

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

Capital Projects Fund – The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from temporary notes or serial bonds that are specially authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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.

Permanent Fund – A permanent fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Note I: Summary of Significant Accounting Policies (Continued)

D. Basic Financial Statements- Fund Financial Statements (Continued)

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws or other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned.

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is uncured for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds as needed.

Proprietary Fund Type

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The generally accepted accounted principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise Funds – The Enterprise Funds are utilized 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 (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the District has decided that the periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

Note I: Summary of Significant Accounting Policies (Continued)

D: Basic Financial Statements- Fund Financial Statements (Continued)

The District's Enterprise Fund is comprised of the Food Service Fund.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are as follows:

Food Service Fund:	
Equipment	12 Years
Light Trucks and Vehicle	4 Years
Heavy Trucks and Vehicle	6 Years

Fiduciary Fund Types

Fiduciary Funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position and are reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (Unemployment Compensation, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

E. Basis of Accounting

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement of focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when incurred.

Note I: Summary of Significant Accounting Policies (Continued)

E. Basis of Accounting (Continued)

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

3. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and deferred revenue by the recipient. Program revenues, including tuition revenue, are reported as reductions to expenses in the Statement of Activities.

4. Expenditures:

Expenditures are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period of purchase.

Note I: Summary of Significant Accounting Policies (Continued)

F. 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 and are voted upon at the annual school election on the third Tuesday in April.

Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2.2(f). All budget amendments must be approved by School Board resolution. Appropriation of additional fund balance in the amount of $230,672.88 and prior year encumbrances in the amount of $1,994,108.97 were made during the year ended June 30, 2014. The Board of Education approved the following material budgetary appropriation transfers during the school year:

Account Name	Amount
Regular Programs - Instruction	
Grades 1-5 – Salaries of Teachers	$(427,000.00)
Grades 5-8 – Salaries of Teachers	(283,000.00)
Grades 9-12 – Salaries of Teachers	(337,000.00)
Regular Programs – Undistributed Instruction	
Purchased Professional-Educational Services	384,000.00
General Supplies	225,534.00
Textbooks	(64,244.00)
Learning and/or Language Disabilities:	
Salaries of Teachers	126,000.00
Resource Room/Resource Center:	
Other Salaries for instruction	116,300.00
Undist. Expend. – Allowable Maint. For School Facilities	
Cleaning, Repair and Maintenance Services	364,000.00
General Supplies	57,000.00
Undist. Expend.-Admin. Info. Technology	
Purchased Professional Services	60,000.00
Supplies and Materials	120,000.00
Undist. Expend.-Oth. Oper. & Maint. of Plant	
Purchased Professional and Technical Services	90,000.00
Cleaning, Repair and Maintenance Service	113,482.00
Energy (Natural Gas)	(256,000.00)
Unallocated Benefits	
Health Benefits	(714,000.00)
Undistributed Expenditures - Instruction:	
Tuition to Other LEAs Within the State - Special	110,000.00
Tuition to CSSD & Regional Day Schools	361,500.00
Tuition to Private Schools for the Disabled – Within State	(104,000.00)
Tuition to Priv. Sch. Disabled & Other LEAs – Spl. O/S	165,000.00
Tuition – State Facilties	(58,466.00)
Undist. Expend. – Speech, OT.PT & Related Services	
Purchased Professional – Educational Services	347,500.00

Note I: Summary of Significant Accounting Policies (Continued)

F. Budgets/Budgetary Control (Continued)

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 legally mandated revenue recognition of the one or more June state aid payments 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.

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

The reconciliation of the general and special revenue funds from the budgetary basis of accounting to the GAAP basis of accounting is as follows:

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	$ 62,414,725.77	$ 965,228.36
Difference - budget to GAAP:		
The last two State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense in accordance with GASB 33.	32,492.00	-
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.	-	(1,830.67)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	$ 62,447,217.77	$ 963,397.69
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	$ 62,975,440.16	$ 965,228.36
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.	-	(1,830.67)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 62,975,440.16	$ 963,397.69

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity

1. Deposits and Investments

Deposits are cash and cash equivalents including 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. Other than Certificates of Deposit, deposits with maturities of greater than three months are considered to be Investments. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

2. Short – term Interfund Receivables/Payables

Short – term interfund receivables/payables represents 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.

3. Inventories

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

Enterprise fund inventories are valued at cost, which approximates market, using the first–in–first–out (FIFO) method.

4. Capital Assets

Capital assets purchased or acquired with an original cost of $2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on the following assets is provided on the straight – line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and Equipment	5-10 years
Land Improvements	10-20 years
Other Infrastructure	10-50 years

Land and Construction in Progress are not depreciated.

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity (Continued)

4. Capital Assets (Continued)

GASB No. 34 requires the District to report and depreciate new infrastructure assets effective with the beginning of the current year. Neither their historical cost nor related depreciation has historically been reported in the financial statements. The retroactive reporting of infrastructure is subject to an extended implementation period and is first effective for fiscal years ending in 2006.

5. 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 governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund that will pay for the compensated absences. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government – wide presentations. (See Note X)

6. Unearned Revenue

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

Note I: Summary of Significant Accounting Policies (Continued)

G. Assets, Liabilities and Fund Equity (Continued)

7. Long – term Obligations

Long – term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long – term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The noncurrent portion (the amount estimated to be used in subsequent fiscal years) for governmental funds is maintained separately and represents a reconciling item between the fund and government– wide presentations.

8. Fund Equity

Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

9. Net Position

Net Position represents the difference between assets and liabilities in the District-wide financial statements. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the District-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

10. Use of Estimates

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

11. Allocation of Costs

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the original budgetary expenditures by program.

Note I: Summary of Significant Accounting Policies (Continued)

H. Recent Accounting Pronouncements Not Yet Effective

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 67 "Financial Reporting for Pension Plans – an amendment of GASB Statement No. 25". This statement, which is effective for fiscal periods beginning after June 15, 2013, will not have any effect on the entity's financial reporting.

In June 2012, the Governmental Accounting Standards Board (GASB) issued Statement No. 68 "Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27". This statement, which is effective for fiscal periods beginning after June 15, 2014, will not have any effect on the entity's financial reporting. However, the provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

In January 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 69 "Governmental Combinations and Disposals of Government Operations". This statement, which is effective for fiscal periods beginning after December 15, 2013, will not have any effect on the entity's financial reporting.

In April 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 70 "Accounting and Financial Reporting for Non exchange Financial Guarantees". This statement, which is effective for fiscal years beginning after June 15, 2013, will not have any impact on the entity's financial statement disclosures.

In November 2013, the Governmental Accounting Standards Board (GASB) issued Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment to GASB Statement No. 68". The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014. The provisions of this statement will require significant modifications to the disclosure requirements related to the entity's proportionate share of the cost-sharing defined benefit plans reported at the State of New Jersey level.

Note II: Reconciliation of Government Wide and Fund Financial Statements

Explanation of Differences between Governmental Funds Balance Sheet and the Statement of Net Position

"Total fund balances" of the District's governmental funds in B-1 differs from "net position" of governmental activities reported in the statement of net position in A-1. This difference primarily results from the long - term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheets.

Balance Sheet/Statement of Net Position

	Total Governmental Funds	Long - term Assets Liabilities (1)	Reclassifications and Eliminations	Statement of Net Position Totals
Assets				
Cash and cash equivalents	$ 6,091,013.25	$ -	$ (11,440.94)	$ 6,079,572.31
Receivables, net			1,574,881.52	1,574,881.52
Interfund Receivables	21,440.94		(11,440.94)	10,000.00
Receivables from Other Governments	1,562,698.33		(1,562,698.33)	-
Other Receivables	12,183.19		(12,183.19)	-
Restricted assets:				
Cash and cash equivalents			11,440.94	11,440.94
Capital Reserve Account - cash	7,219,021.26			7,219,021.26
Capital Assets, net	-	35,635,707.13	-	35,635,707.13
Total Assets	$ 14,906,356.97	$ 35,635,707.13	$ (11,440.94)	$ 50,530,623.16
Liabilities				
Accounts Payable	$ 381.86			$ 381.86
Interfunds Payable	28,548.41		(11,440.94)	17,107.47
Payable to State Government	6,589.47			6,589.47
Bond Interest Payable			234,672.68	234,672.68
Unearned Revenue	903.80			903.80
Noncurrent Liabilities	-	15,197,000.00	3,404,323.00	18,601,323.00
Total Liabilities	36,423.54	15,197,000.00	3,627,554.74	18,860,978.28
Fund Balances/Net Position				
Net Position				
Net investment in capital assets		20,438,707.13		20,438,707.13
Restricted for:				
Capital projects	8,255,547.26			8,255,547.26
Debt Service	802.40		(234,672.68)	(233,870.28)
Other purposes	5,203,661.66			5,203,661.66
Unrestricted	1,409,922.11	-	(3,404,323.00)	(1,994,400.89)
Total Fund Balances/Net Position	14,869,933.43	20,438,707.13	(3,638,995.68)	31,669,644.88
Total Liabilities and Fund Balances/Net Position	14,906,356.97	35,635,707.13	(11,440.94)	50,530,623.16

1. When Capital Assets (land, buildings, equipment) that are to be used in governmental activities are purchased or constructed, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net position includes those capital assets among the assets of the District as a whole.

Cost of capital assets	$ 64,378,841.61
Accumulated depreciation	(28,743,134.48)
	$ 35,635,707.13

Long - term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long - term are reported in the statement of net position.

Serial Bonds	$ 15,197,000.00
Compensated Absences	3,404,323.00
	$ 18,601,323.00

Adjustment to Debt Service Fund net position for the accrual of interest expense.	$ (234,672.68)

Note II: Reconciliation of Government Wide and Fund Financial Statements (Continued)

Explanation of Differences between Governmental Funds Operating Statement of Activities

The "net change in fund balances" for governmental funds in B-2 differs from the "change in net position" for governmental activities reported in the statement of activities in A-2. The difference arise primarily for the long - term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Statement of Revenues, Expenditures, and Changes in Fund Balance/Statement of Activities

Revenues and Other Sources	Total Governmental Funds	Long - term Revenue, Expenses (2)	Capital Related Items (3)	Long - term Debt Transactions (4)	Reclassifications and Eliminations (5)	Statement of Activities Totals
Local Tax Levy	$ 57,600,743.00	$ -	$ -	$ -	$ -	$ 57,600,743.00
Interest Earned on Investments	24,500.90					24,500.90
Miscellaneous	377,909.52					377,909.52
State Sources	8,150,915.16					8,150,915.16
Federal Sources	897,499.97					897,499.97
Adjustment to Capital Assets	-	-	(905,334.08)	-	-	(905,334.08)
Total	67,051,568.55	-	(905,334.08)	-	-	66,146,234.47
Expenditures						
Current:						
Regular Instruction	16,642,133.33		1,102,648.82	88,364.00	5,739,759.17	23,572,905.32
Special education	5,388,786.36		135,904.81	61,210.00	1,751,471.50	7,337,372.67
Other Instruction	2,379,213.63		21,887.00	(36,611.00)	764,995.22	3,149,484.85
Support Services and undistributed costs:						
Tuition	3,803,762.19					3,803,762.19
Student and instruction related services	6,993,980.50		77,446.14	18,843.00	1,932,238.28	9,022,507.92
School administrative services	2,492,000.80		37,901.14	5,855.00	886,589.25	3,422,346.19
General and business administrative services	2,731,950.51		75,653.36	8,870.00	491,908.10	3,308,382.37
Plant operations and maintenance	6,112,559.47		51,826.28	5,685.00	328,081.22	6,498,151.97
Pupil transportation	3,369,639.41		35,796.00	519.00	148,682.24	3,554,636.65
Unallocated Benefits	11,923,724.98				(11,923,724.98)	-
Capital Outlay	1,901,468.53		(1,821,784.53)			79,684.00
Debt Service:						
Principal	1,950,000.00			(1,950,000.00)		-
Interest	690,055.50	(31,120.00)	-	-	-	658,935.50
Total	66,579,275.21	(31,120.00)	(262,740.58)	(1,777,265.00)	-	64,508,153.63
Net Change for the Year	$ 472,293.34	$ 31,120.00	$ (642,593.50)	$ 1,777,265.00	$ -	$ 1,638,080.84

2. In the statement of activities, interest on long -term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliations. (+) $ 31,120.00

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

Depreciation expense	$ (1,559,045.95)
Capital outlays (exclusive of capital lease principal payments and SDA Debt Service Assessment)	1,821,784.53
	$ 262,740.58

3. Adjustment to Capital Assets in accordance with physical appraisal and dispositions $ (905,334.08)

3. In the statement of activities, only the gain on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net assets will differ from the change in fund balance by the cost of the asset removed. (-)

4. In the statement of activities, certain operating expenses, e.g. compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the differences is an addition to the reconciliation (+). $ (172,735.00)

Payment of long-term liability principal is an expenditure in the government funds, but the payment reduces long - term liabilities in the statement of net assets and is not reported in the statement of activities.

Debt principal	1,950,000.00
Capital lease principal	-
	$ 1,950,000.00

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

Proceeds of long - term debt	$ -
Capital lease proceeds	-
	$ -

5. Allocate Benefits expenditures

Note III: Detailed Disclosure Regarding Assets and Revenues

A. Deposits and Investments

Deposits

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

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 Governmental Unit Deposit Protection 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.

At June 30, 2014 the Township of Mahwah School District's cash and cash equivalent's amounted to $17,857,885.99. Of this amount, $250,000.00 was covered by federal depository insurance (F.D.I.C.) and $17,607,885.99 was covered by a collateral pool maintained by the banks as required by GUDPA

At June 30, 2014 the Township of Mahwah School District had no participation in the State of New Jersey Cash Management Fund.

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the disclosure of bank deposits that are subject to custodial credit risk. The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, the Township of Mahwah School District will not be able to recover deposits or will not be able to recover collateral securities that may be in the possession of an outside party.

As of June 30, 2014 the Township of Mahwah School District's cash and cash equivalents of $17,857,885.99 was not exposed to custodial credit risk as follows:

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

A. Deposits and Investments (Continued)

Investments

New Jersey statutes (N.J.S.A. 18A:20-37) permit the Township of Mahwah School District to purchase the following types of securities:

a. When authorized by resolution adopted by a majority vote of all its members the board of education of any school district may use moneys which may be in hand for the purchase of the following types of securities which, if suitable for registry, may be registered in the name of the school district;

(1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

(2) Government money market mutual funds;

(3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;

(4) Bonds or other obligations of the school district or bonds or other obligations of local unit or units within which the school district is located;

(5) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by school district;

(6) Local government investment pools:

(7) Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 (C.52:18A-90.4) or

(8) Agreements for the repurchase of fully collateralized securities, if:

(a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection a;

(b) the custody of collateral is transferred to a third party;

(c) the maturity of the agreement is not more than 30 days;

(d) the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 (C.17:9-41) and for which a master repurchase agreement providing for the custody and security of collateral is executed.

The Township of Mahwah School District had no investments as described in Note 1:G.1 at June 30, 2014.

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

B. Interfund Receivables and Payables

As of June 30, 2014, interfund receivables and payables resulting from various interfund transactions were as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$10,000.00	$17,107.47
Special Revenue Fund		
Capital Projects Fund		11,440.94
Debt Service Fund	11,440.94	
Enterprise Fund	17,107.47	
Trust and Agency Fund	0.00	10,000.00
	$38,548.41	$38,548.41

New Jersey statute requires that interest earned on the investments in capital projects fund be credited to the general fund or debt service based on Board resolution. In accordance with Board resolution, accrued interest as of June 30, 2014 in the amount of $262.23 was transferred to debt service fund to offset future interest payments to bondholders. Accordingly, an interfund accounts receivable and payable for $11,440.94 was established in the debt service and capital projects funds, respectively.

Note III: Detailed Disclosure Regarding Assets and Revenues (Continued)

C. Capital Assets

Capital asset activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Retirement	Adjustments	Ending Balance
Governmental activities:					
Capital assets not being depreciated:					
Land	$ 535,075.00	$ -	$ -	$ -	$ 535,075.00
Land Improvements	2,149,086.20				2,149,086.20
Construction in Progress	-	-	-	-	-
Total Capital assets not being depreciated	2,684,161.20	-	-	-	2,684,161.20
Buildings and Improvements	56,754,263.41	1,606,662.00	(800,000.00)		57,560,925.41
Machinery and Equipment	4,299,187.00	215,122.53	(380,554.53)	-	4,133,755.00
Totals at historical cost	61,053,450.41	1,821,784.53	(1,180,554.53)	-	61,694,680.41
Less accumulated depreciation for:					
Buildings and Improvements	(25,044,560.98)	(1,393,422.50)			(26,437,983.48)
Machinery and Equipment	(2,414,750.00)	(165,621.45)	275,220.45	-	(2,305,151.00)
Total accumulated depreciation	(27,459,310.98)	(1,559,043.95) (1)	275,220.45	-	(28,743,134.48)
Net capital assets being depreciated	33,594,139.43	262,740.58	(905,334.08)	-	32,951,545.93
Governmental activities capital assets, net	$ 36,278,300.63	$ 262,740.58	$ (905,334.08)	$ -	$ 35,635,707.13
Business - type activities:					
Equipment	$ 142,897.49	$ -	$ -	$ -	$ 142,897.49
Less accumulated depreciation	(106,903.59)	(10,415.51)	-	-	(117,319.10)
Business - type activities capital assets, net	$ 35,993.90	$ (10,415.51)	$ -	$ -	$ 25,578.39

(1) Depreciation expense was charged to governmental functions as follows:

Instruction	$ 1,102,648.82
Special Education	135,904.81
Other Instruction (Athletic)	21,887.00
Student and Instruction Related Services	77,446.14
School Administrative Services	57,901.14
General and Business Administrative Services	75,633.76
Plant Operations and Maintenance	51,826.28
Pupil Transportation	35,796.00
	$ 1,559,043.95

Note IV: Detailed Disclosures Regarding Liabilities and Expenses/Expenditures

A. Operating Leases

The District has commitments to lease copying equipment and postage meter under operating leases which expire in January 2019 . Total operating lease payments made during the year ended June 30, 2014 were $71,476.00. Future minimum lease payments are as follows:

Year Ended	Amount
June 30, 2015	$ 89,844.00
June 30, 2016	79,280.00
June 30, 2017	62,868.00
June 30, 2018	57,828.00
June 30, 2019	31,633.00
Total future minimum lease payments	$ 321,453.00

B. Long - Term Liabilities

Long - Term liability activity for the year ended June 30, 2014 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Long - Term debt:					
Serial Bonds	$ 17,147,000.00	$ -	$ (1,950,000.00)	$ 15,197,000.00	$ 1,995,000.00
Total debt payable	17,147,000.00	-	(1,950,000.00) (1)	15,197,000.00	1,995,000.00
Other liabilities:					
Compensated absences	3,231,588.00	472,169.00	(299,434.00)	3,404,323.00	142,878.00
Total other liabilities	3,231,588.00	472,169.00	(299,434.00) (2)	3,404,323.00	142,878.00
Governmental activities long - term liabilities	$ 20,378,588.00	$ 472,169.00	$ (2,249,434.00)	$ 18,601,323.00	$ 2,137,878.00

(1) Paid by debt service fund
(2) Paid by general fund

Note IV: Detailed Disclosure Regarding Liabilities and Expenses/Expenditures (Continued)

B. Long – Term Liabilities (Continued)

1. Bonds Payable

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

Serial Bonds outstanding as of June 30, 2014 consisted of the following:

Description	Interest Rate	Due Date	Maturity Date	Amount Issued	Amount Outstanding
1997 Bonds	5.10%	7/15	2017	$13,612,000.00	$ 3,137,000.00
Refunding of 2009	Various	9/15	2022	7,950,000.00	6,510,000.00
Refunding of 2011	Various	8/15	2023	5,550,000.00	5,550,000.00
				$27,112,000.00	$15,197,000.00

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

Year ending June 30,	Principal	Interest	Total
2015	$ 1,995,000.00	$ 613,355.75	$ 2,608,355.75
2016	2,025,000.00	537,137.00	2,562,137.00
2017	2,060,000.00	455,387.00	2,515,387.00
2018	2,032,000.00	366,774.75	2,398,774.75
2019	1,335,000.00	293,468.75	1,628,468.75
2020	1,360,000.00	236,650.00	1,596,650.00
2021	1,380,000.00	176,000.00	1,556,000.00
2022	1,380,000.00	113,000.00	1,493,000.00
2023	1,085,000.00	54,375.00	1,139,375.00
2024	545,000.00	13,625.00	558,625.00
	$15,197,000.00	$ 2,859,773.25	$18,056,773.25

Note IV: Detailed Disclosure Regarding Liabilities and Expenses/Expenditures (Continued)

B. Long – Term Liabilities (Continued)

2. Temporary Notes

The District had no temporary notes outstanding as of June 30, 2014.

3. Bonds Authorized But Not Issued

There were no authorized but not issued bonds as of June 30, 2014.

4. Capital Leases Payable

The District had no leases payable as of June 30, 2014.

Note V: Detailed Disclosure Regarding Fund Equity

A. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701),the designation for Reserved Fund Balance—Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is $3,010,455.36. The reserved fund balance of $1,329,796.21 has been appropriated in the fiscal year 2014-2015 and $1,680,659.36 will be appropriated in the fiscal year 2015-2016.

B. Capital Reserve Account

A capital reserve account was established by the Township of Mahwah Board of Education by inclusion of $10,000.00 on October 4, 2000 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.

Note V: Detailed Disclosure Regarding Fund Equity (Continued)

B. Capital Reserve Account (Continued)

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 appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

2000-2001 Budget (Unreserved Fund Balance)	$ 10,000.00
2001-2002 Investment Income	250.00
2002-2003 Investment Income	200.00
2003-2004 Budget (Tax Levy)	1,200,000.00
2003-2004 Investment Income	125.00
2004-2005 Investment Income	29,861.03
2005-2006 Budget (Unreserved Fund Balance)	713,000.00
2005-2006 Investment Income	79,895.64
2005-2006 Expenditures	(1,033,350.00)
2006-2007 Budget (Unreserved Fund Balance)	250,000.00
2006-2007 Investment Income	60,145.05
2006-2007 Expenditures	(180,235.00)
2007-2008 Budget (Unreserved Fund Balance)	515,000.00
2007-2008 Investment Income	39,088.83
2008-2009 Budget (Unreserved Fund Balance)	1,550,000.00
2008-2009 Investment Income	20,108.63
2008-2009 Expenditures	(897,160.00)
2009-2010 Budget (Unreserved Fund Balance)	750,000.00
2009-2010 Investment Income	19,466.83
2009-2010 Expenditures	(1,352,662.02)
2009-2010 Transfer from Capital Projects Fund	1,334.66
2010-2011 Investment Income	6,496.50
2010-2011 Budget (Unreserved Fund Balance)	2,200,000.00
2011-2012 Investment Income	3,407.91
2011-2012 Budget (Unreserved Fund Balance)	2,400,000.00
2011-2012Expenditures	(300,000.00)
2012-2013 Investment Income	4,933.13
2012-2013 Budget (Unreserved Fund Balance)	1,500,000.00
2012-2013 Budget (Budget Appropriation)	750,000.00
2013-2014 Investment Income	10,172.81
2013-2014 Budget (Unreserved Fund Balance)	450,000.00
2013-2014 Budget (Budget Appropriation)	360,000.00
2013-2014Expenditures	(1,941,057.74)
Balance June 30, 2014	$ 7,219,021.26

The June 30, 2013 LRFP balance of local support costs of uncompleted capital projects at June 30, 2014 is $18,904,778.00.

Note VI: Pension Plans

Description of Systems

Substantially all of the Board's employees participate in one of the following contributory defined benefit public employee retirement systems which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the New Jersey Division of Pensions and Benefits. The Teachers' Pension and Annuity Fund retirement system is considered a cost sharing plan with special funding situations as under current statute, all employer contributions are made by the State of New Jersey on behalf of the Board and the system's other related non-contributing employers. The PERS is considered a cost sharing multiple-employer defined benefit plan.

The Public Employees' Retirement System (PERS) was established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all full time employees of the State or any county, municipality, school district or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

The Teachers' Pension and Annuity Fund (TPAF) was established in January 1955, under the provisions of N.J.S.A. 18:66 to provide coverage including post-retirement health care to substantially all full time public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post – retirement health care coverage.

The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15C-1 et seq..). The DCRP is a cost sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43:15C-1 et seq..

According to the state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement systems terminate. The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits issues a publicly available financial report that includes the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey Division of Pensions and Benefits website at www.state.nj.us/treasury/pensions.

Retirement Benefits

For PERS and TPAF employees, the benefits will be 1/55 of the average of the three highest years compensation for each year of service. However, for PERS and TPAF who are veterans of the U.S. armed forces, the benefits will be 1/55 of final compensation for each year of service.

Note VI: Pension Plans (Continued)

Significant Legislation

P.L 2011, c.78, effective June 28, 2011, made various changes to the manner in which TPAF, PERS, PFRS, SPRS, and JRS operate and to the benefit provisions of those systems.

This legislation's provisions impacting employee pension and health benefits include:

- For new members of TPAF and PERS hired on or after June 28, 2011 (Tier 5 members), the years of creditable service needed for early retirement benefits increased from 25 to 30 years and the early retirement age increased from 55 to 65.
- The eligibility age to qualify for a service retirement in the TPAF and PERS increased from age 62 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), decreased from 65 percent of final compensation to 60 percent of final compensation after 25 years of service and from 70 percent of final compensation to 65 percent of final compensation after 30 or more years of service.
- It increased the active member contribution rates as follows: TPAF and PERS active member rates increased from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years; PFRS and PERS Prosecutors Part active member rates increased from 8.5 percent to 10 percent; SPRS active member rates increased from 7.5 percent to 9 percent; and JRS active member rates increased from 3 percent to 12 percent phased-in over seven years for members hired or reappointed on or after June 28, 2011. For Fiscal Year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contributions for TPAF, PERS and JRS members takes place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries was suspended until reactivated as permitted by this law.
- It changed the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay method).

Funding Status and Funding Progress

As of July 31, 2012, the most recent actuarial valuation date, the aggregate funded ratio for the retirement systems (TPAF, PERS, PFRS, POPF, CPFPF, JRS, and SPRS) is 64.5 percent with an unfunded actuarial accrued liability of $47.2 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 56.7 percent and $34.4 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and PFRS is 76.1 percent and $12.8 billion.

The required supplementary information regarding the funded status and funding progress of the retirement systems is based on actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared o past expectations and new estimates are made about the probability of future events.

Note VI: Pension Plans (Continued)

Contribution Requirements

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation, with the amount of contributions by the State of New Jersey contingent upon the annual Appropriations Act. The pension funds provide for employee contributions based on 6.64 percent for TPAF and 6.64 percent for PERS of employees' annual compensation.

During the state fiscal year ended June 30, 2013, for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, annual pension cost equals contributions made.

The District's total payroll for the year ended June 30, 2014 was $32,509,717.42 and covered payroll was $24,289,273.00 for PERS, $4,257,820.00 for PFRS and $873,720.62 for DCRP. Contributions to the PERS, PFRS and the DCRP for the last three years made by the employees, Township of Mahwah School District and the State were as follows:

		TPAF	Percent of Covered Payroll	PERS	Percent of Covered Payroll	DCRP	Percent of Covered Payroll
Employees	6/30/12	$1,469,528.27	6.47 %	$283,520.72	6.67 %	$23,411.34	5.47 %
	6/30/13	1,593,164.87	6.70 %	287,445.51	6.67 %	43,446.21	5.78 %
	6/30/14	1,666,094.80	6.86 %	290,003.74	6.81 %	49,470.01	5.66 %
District	6/30/12	N/A	N/A %	$573,672.00	13.50 %	$12,748.05	3.00 %
	6/30/13	N/A	N/A %	499,470.00	11.58 %	23,523.70	3.00 %
	6/30/14	N/A	N/A %	501,567.00	11.78 %	26,985.54	3.00 %
State of NJ	6/30/12	$2,325,082.00	10.25 %	N/A	N/A %	N/A	N/A %
	6/30/13	3,320,702.00	13.96 %	N/A	N/A %	N/A	N/A %
	6/30/14	2,637,182.00	10.86 %	N/A	N/A %	N/A	N/A %

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board $1,753,075.63 during the year ended June 30, 2014 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount and the State of New Jersey's Contribution to the TPAF have been included in the basic financial statements and the budgetary comparison schedule – General Fund as a revenue and expenditure in accordance with GASB 24.

Note VII: Health Benefit and Post-Retirement Medical Benefits

P.L. 2011, c.78 effective October 2011, sets new employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to this new legislation's effective date with a minimum contribution required to be at least 1.5% of salary.

Health Benefits Program Fund (HBPF)- Local Education (including Prescription Drug Program Fund)- The State of New Jersey provides free coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides free coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage.

P.L. 1987, c.384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund and the Public Employees' Retirement System, respectively, to fund post-retirement medical benefits for those employees who retire after accumulating 25 years of credited service or on a disability retirement. As of June 30, 2013, there were 100,134 retirees receiving post-retirement medical benefits and the state contributed $1.07 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 free 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 $173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2013.

VIII: Deferred Compensation Plan

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

Equitable
Lincoln Investment
VALIC

Note IX: Risk Management

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 table 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 year:

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2013-2014	$ 0.00	$ 81,206.44	$ 45,347.56	$ 600,624.76
2012-2013	0.00	76,858.11	111,336.91	598,103.69
2011-2012	300,000.00	73,361.81	147,260.71	631,844.38

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.

The District is a member of the Northeast Bergen County School Board Insurance Group (the "Group").

The Group is both an insured and self-administered group of school districts established for the purpose of providing certain low-cost Workers' Compensation, Property Damage, Employer's Liability, Automobile and Equipment Liability, School Board Legal Liability and Boiler and Machinery insurance coverage for member school districts in order to keep local property taxes at a minimum. The District pays an annual assessment to the Group and should it be determined that payments received by the Group are deficient, additional assessments may be levied. Additionally, the Group maintains a contract of excess insurance with a commercial reinsuror to secure the payment of benefits.

The District continues to carry commercial insurance coverage for all other risks of loss, including employee health and accident insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years.

Note X: 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 therights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee afterfour years of service.

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

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, 2014, no liability existed for compensated absences in the Food Service Fund.

Note XI: Contingent Liabilities

The Township of Mahwah School District is a defendant in several lawsuits, none of which is unusual for a Board of Education of its size. Additional liabilities, if not covered by insurance, should not be material in amount.

Note XII : Subsequent Events

The Township of Mahwah School District has evaluated subsequent events through July 14, 2014, the date which the financial statements were available to be issued and no additional items were noted for disclosure or adjustment.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

Section C

BUDGETARY COMPARISON SCHEDULES

Exhibit C-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2014

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:						
Local Sources:						
Local Tax Levy		$ 54,996,960.00	$ -	$ 54,996,960.00	$ 54,996,960.00	$ -
Interest Earned on Investments		20,000.00	-	20,000.00	14,065.86	(5,934.14)
Interest Earned on Capital Reserve Funds		100.00	-	100.00	10,172.81	10,072.81
Miscellaneous		175,000.00	-	175,000.00	300,331.70	125,331.70
Total - Local Sources		55,192,060.00	-	55,192,060.00	55,321,530.37	129,470.37
State Sources:						
Categorical Transportation Aid		253,921.00	-	253,921.00	253,921.00	-
Categorical Special Education Aid		1,940,400.00	-	1,940,400.00	1,940,400.00	-
Categorical Security Aid		51,859.00	-	51,859.00	51,859.00	-
Adjustment Aid		1.00	-	1.00	1.00	-
Extraordinary Aid		100,000.00	-	100,000.00	399,855.00	299,855.00
Nonpublic Transportation Aid			-		34,869.00	34,869.00
TPAF Pension (On-Behalf - Non-Budgeted)			-		2,637,182.00	2,637,182.00
TPAF Social Security (Reimbursed - Non-Budgeted)		-	-	-	1,753,075.63	1,753,075.63
Total State Sources		2,346,181.00	-	2,346,181.00	7,068,162.63	4,721,981.63
Federal Sources:						
Medical Assistance Program		16,031.00	-	16,031.00	25,032.77	9,001.77
Total - Federal Sources		16,031.00	-	16,031.00	25,032.77	9,001.77
Total Revenues		57,554,272.00	-	57,554,272.00	62,414,725.77	4,860,453.77
EXPENDITURES:						
Current Expense:						
Regular Programs - Instruction						
Preschool/Kindergarten - Salaries of Teachers	110-100-101	$ 484,079.00	$ 23,000.00	$ 507,079.00	$ 500,557.47	$ 6,521.53
Grades 1-5 - Salaries of Teachers	120-100-101	5,413,110.00	(427,000.00)	4,986,110.00	4,887,915.97	98,194.03
Grades 6-8 - Salaries of Teachers	130-100-101	4,320,813.00	(283,000.00)	4,037,813.00	3,938,358.03	99,454.97
Grades 9-12 - Salaries of Teachers	140-100-101	5,894,475.00	(337,000.00)	5,557,475.00	5,457,140.03	100,334.97
Regular Programs - Home Instruction:						
Salaries of Teachers	150-100-101	40,000.00	14,000.00	54,000.00	53,575.00	425.00
Purchased Professional-Educational Services	150-100-320	10,000.00	-	10,000.00	5,640.00	4,360.00
Purchased Technical Services	150-100-340		-			-
Regular Programs - Undistributed Instruction						
Other Salaries for Instruction	190-100-106	432,400.00	7,000.00	439,400.00	438,816.33	583.67
Purchased Professional-Educational Services	190-100-320		384,000.00	384,000.00	383,501.42	498.58
Other Purchased Services (400-500 series)	190-100-500	57,132.00	3,000.00	60,132.00	58,297.98	1,834.02
General Supplies	190-100-610	501,055.10	225,534.00	726,589.10	585,094.27	141,494.83
Textbooks	190-100-640	199,850.36	(64,244.00)	135,606.36	117,875.53	17,430.85
Other Objects	190-100-800	54,887.13	(4,584.00)	50,303.13	38,293.10	12,010.03
TOTAL REGULAR PROGRAMS - INSTRUCTION		17,407,601.61	(459,294.00)	16,948,307.61	15,464,865.13	483,442.48
SPECIAL EDUCATION - INSTRUCTION						
Learning and/or Language Disabilities:						
Salaries of Teachers	204-100-101	438,290.00	126,000.00	564,290.00	501,995.00	62,295.00
Other Salaries for Instruction	204-100-106	176,218.00	-	176,218.00	157,002.48	19,215.52
General Supplies	204-100-610	20,421.80	3,450.00	23,871.80	20,038.69	3,833.11
Textbooks	204-100-640	1,161.00	(450.00)	711.00	243.00	468.00
Total Learning and/or Language Disabilities		636,090.80	129,000.00	765,090.80	679,277.17	85,813.63
Resource Room/Resource Center:						
Salaries of Teachers	213-100-101	3,347,870.00	2,700.00	3,350,370.00	3,350,272.52	97.48
Other Salaries for Instruction	213-100-106	223,049.00	116,300.00	339,349.00	336,801.75	2,547.25
General Supplies	213-100-610	37,371.24	(215.00)	37,156.24	36,024.04	1,132.20
Textbooks	213-100-640	5,992.00	(4,350.00)	742.00	738.85	3.15
Total Resource Room/Resource Center		3,613,182.24	114,435.00	3,727,617.24	3,723,837.16	3,780.08
Preschool Disabilities - Part-Time:						
Salaries of Teachers	215-100-101	257,175.00	3,000.00	260,175.00	259,040.00	1,135.00
Other Salaries for Instruction	215-100-106	80,058.00	(26,000.00)	54,058.00	48,975.44	5,082.56
General Supplies	215-100-610	3,093.69	-	3,093.69	2,861.28	232.41
Total Preschool Disabilities - Part-Time		340,326.69	(23,000.00)	317,326.69	310,876.72	6,449.97
Home Instruction:						
Salaries of Teachers	219-100-101	40,000.00	-	40,000.00	22,803.31	17,196.69
Purchased Professional-Educational Services	219-100-320	15,000.00	-	15,000.00	4,699.00	10,301.00
Total Home Instruction		55,000.00	-	55,000.00	27,502.31	27,497.69
TOTAL SPECIAL EDUCATION - INSTRUCTION		4,644,599.73	220,435.00	4,865,034.73	4,741,493.36	123,541.37
Basic Skills/Remedial - Instruction						
Salaries of Teachers	230-100-101	988,495.00	99,200.00	1,087,695.00	1,086,489.10	1,205.90
General Supplies	230-100-610	37,904.25	2,255.00	40,059.25	39,478.49	580.76
Textbooks	230-100-640	2,850.44	(755.00)	1,895.44	1,895.43	0.01
Total Basic Skills/Remedial - Instruction		1,029,249.69	100,700.00	1,129,649.69	1,127,863.02	1,786.67
Bilingual Education - Instruction						
Salaries of Teachers	240-100-101	126,200.00	6,800.00	133,000.00	130,429.48	2,570.52
General Supplies	240-100-610	4,984.65	-	4,984.65	2,849.44	1,835.21
Textbooks	240-100-640	880.00	-	880.00	863.08	16.92
Total Bilingual Education - Instruction		131,764.65	6,800.00	138,564.65	134,142.00	4,422.65
School-Spon. Cocurricular Activts. - Inst.						
Salaries	401-100-100	353,085.00	(3,000.00)	350,085.00	343,948.17	6,136.83
Supplies and Materials	401-100-600	12,950.00	-	12,950.00	6,287.72	6,662.28
Other Objects	401-100-800	26,809.00	39,500.00	66,309.00	15,799.94	50,509.06
Total School-Spon. Cocurricular Activts. - Inst.		392,844.00	36,500.00	429,344.00	366,033.83	63,310.17

Exhibit C-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2014

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
School-Spon. Athletics - Inst.						
Salaries	402-100-100	$ 520,939.00	$ (36,800.00)	$ 484,139.00	$ 481,874.11	$ 2,264.89
Purchased Services (300-500 series)	402-100-500	181,390.00	6,410.00	187,800.00	182,460.10	5,339.90
Supplies and Materials	402-100-600	74,584.00	10,328.00	84,912.00	74,072.39	10,839.61
Other Objects	402-100-800	12,900.00	(130.00)	12,770.00	12,768.18	1.82
Total School-Spon. Athletics - Inst.		789,813.00	(20,192.00)	769,621.00	751,174.78	18,446.22
Total Instruction		24,395,572.68	(115,051.00)	24,280,521.68	23,585,572.12	694,949.56
Undistributed Expenditures - Instruction:						
Tuition to Other LEAs Within the State - Special	000-100-562	863,748.00	110,000.00	973,748.00	917,832.07	55,915.93
Tuition to County Voc. School Dist. - Regular	000-100-563	236,500.00	52,498.00	288,998.00	261,693.42	27,272.58
Tuition to County Voc. School Dist. - Special	000-100-564	49,800.00	(15,000.00)	34,800.00	19,617.57	15,182.43
Tuition to CSSD & Regional Day Schools	000-100-565	881,904.00	361,500.00	1,243,404.00	1,243,185.00	219.00
Tuition to Private Schools for the Disabled - Within State	000-100-566	1,270,348.00	(104,000.00)	1,166,348.00	1,099,807.20	66,540.80
Tuition to Priv. Sch. Disabled & Other LEAs-Spl. O/S	000-100-567	160,812.00	165,000.00	325,812.00	261,626.93	64,185.07
Tuition - State Facilities	000-100-568	58,466.00	(58,466.00)	-	-	-
Total Undistributed Expenditures - Instruction:		3,521,578.00	511,500.00	4,033,078.00	3,803,762.19	229,315.81
Undist. Expend. - Health Services						
Salaries	000-213-100	352,421.00	3,000.00	355,421.00	354,482.73	938.27
Purchased Professional and Technical Services	000-213-300	24,000.00	(20.00)	23,980.00	23,500.00	480.00
Supplies and Materials	000-213-600	15,407.66	3,020.00	18,427.66	15,721.46	2,706.20
Total Undistributed Expenditures - Health Services		391,828.66	6,000.00	397,828.66	393,704.19	4,124.47
Undist. Expend. - Speech,OT,PT & Related Services						
Salaries of Other Professional Staff	000-216-100	303,915.00	25,850.00	329,765.00	329,742.36	22.64
Purchased Professional - Educational Services	000-216-320	844,285.00	347,500.00	1,191,785.00	1,169,703.02	22,081.98
Supplies and Materials	000-216-600	13,024.30	(4,250.00)	8,774.30	6,410.29	2,364.01
Other Objects	000-216-800	8,500.00	(3,100.00)	5,400.00	4,885.97	514.03
Total Undist. Expend. - Speech,OT,PT & Related Services		1,169,724.30	366,000.00	1,535,724.30	1,510,741.64	24,982.66
Undist. Expend. - Other Supp. Serv. Students - Extra Serv.						
Salaries of Other Professional Staff	000-217-100	1,153,524.00	(132,000.00)	1,021,524.00	1,020,872.37	651.63
Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.		1,153,524.00	(132,000.00)	1,021,524.00	1,020,872.37	651.63
Undist. Expend. - Guidance						
Salaries of Other Professional Staff	000-218-104	700,040.63	(3,250.00)	696,790.63	686,710.76	10,079.87
Salaries of Secretarial and Clerical Assistants	000-218-105	128,155.00	-	128,155.00	118,489.60	7,665.40
Supplies and Materials	000-218-600	46,323.60	(4,300.00)	42,023.60	30,600.44	11,423.16
Other Objects	000-218-800	115,963.74	(7,500.00)	108,463.74	100,377.43	8,086.31
Total Undist. Expend. - Guidance		988,482.97	(15,050.00)	973,432.97	936,178.23	37,254.74
Undist. Expend. - Child Study Team						
Salaries of Other Professional Staff	000-219-104	1,109,250.00	(9,000.00)	1,100,250.00	1,099,015.02	1,234.98
Salaries of Secretarial and Clerical Assistants	000-219-105	91,811.00	(8,000.00)	83,811.00	83,615.36	195.64
Misc. Pur. Serv. (400-500 series) Other Than Residential Costs	000-219-592	18,500.00	(4,700.00)	13,800.00	3,140.17	10,659.83
Supplies and Materials	000-219-600	13,000.00	-	13,000.00	7,270.71	5,729.29
Other Objects	000-219-800	12,000.00	-	12,000.00	10,193.09	1,806.91
Total Undist. Expend. - Child Study Team		1,244,561.00	(21,700.00)	1,222,861.00	1,203,234.35	19,626.65
Undist. Expend. - Improvement of Inst. Serv.						
Salaries of Supervisor of Instruction	000-221-102	140,698.00	(680.00)	140,018.00	140,015.04	2.96
Salaries of Other Professional Staff	000-221-104	692,277.00	(8,000.00)	684,277.00	684,276.96	0.04
Salaries of Secr and Clerical Assist.	000-221-105	30,541.00	1,740.00	32,281.00	32,278.62	2.38
Other Salaries	000-221-110	51,000.00	75.00	51,075.00	51,073.14	1.86
Other Purch Prof. and Tech. Services	000-221-390	10,000.00	3,800.00	13,800.00	11,790.03	2,009.97
Other Purchased Services (400-500 series)	000-221-500	5,000.00	(3,750.00)	1,250.00	1,246.78	3.22
Supplies and Materials	000-221-600	5,000.00	11,945.00	16,945.00	2,717.89	14,227.11
Other Objects	000-221-800	15,000.00	(50.00)	14,950.00	6,356.83	8,593.17
Total Undist. Expend. - Improvement of Inst. Serv.		949,516.00	5,080.00	954,596.00	931,755.29	22,840.71
Undist. Expend. - Edu. Media Serv./Sch. Library						
Salaries	000-222-100	538,925.00	13,950.00	552,875.00	552,871.87	3.13
Supplies and Materials	000-222-600	247,481.34	31,000.00	278,481.34	231,762.68	46,718.66
Other Objects	000-222-800	8,859.00	32,800.00	41,659.00	5,918.34	35,740.66
Total Undist. Expend. - Edu. Media Serv./Sch. Library		795,265.34	77,750.00	873,015.34	790,552.89	82,462.45
Undist. Expend. - Instructional Staff Training Serv.						
Purchased Professional - Educational Service	000-223-320	2,000.00	(900.00)	1,100.00	1,098.94	1.06
Other Purchased Prof. and Tech. Services	000-223-390	115,090.00	(31,250.00)	83,840.00	83,808.25	31.75
Other Purchased Services (400-500 series)	000-223-500	2,000.00	(2,000.00)		-	-
Supplies and Materials	000-223-600	2,000.00	-	2,000.00	2,000.00	-
# Other Objects	000-223-800	4,000.00	(1,930.00)	2,070.00	2,068.00	2.00
#		125,090.00	(36,080.00)	89,010.00	88,975.19	34.81
Undist. Expend. - Supp. Serv. - General Admin.						
Salaries	000-230-100	255,771.00	275.00	256,046.00	255,927.67	118.33
Legal Services	000-230-331	131,107.78	(21,075.00)	110,032.78	86,876.83	23,155.95
Audit Fees	000-230-332	30,800.00	(1,000.00)	29,800.00	29,800.00	-
Other Purchased Professional Services	000-230-339	33,000.00	(688.77)	32,311.23	31,091.94	1,219.29
Purchased Technical Services	000-230-340	29,000.00	2,488.77	31,488.77	31,407.75	81.02
Communications/Telephone	000-230-530	395,519.30	(87,500.00)	308,019.30	211,432.60	96,586.70
BOE Other Purchased Services	000-230-585	5,000.00	-	5,000.00	4,513.43	486.57
Other Purchased Services (400-500 series)	000-230-590	6,274.95	-	6,274.95	5,675.45	599.50
General Supplies	000-230-610	33,000.00	-	33,000.00	28,542.15	4,457.85
BOE In-House Training/Meeting Supplies	000-230-630	3,000.00	-	3,000.00	1,991.91	1,008.09
Miscellaneous Expenditures	000-230-890	38,533.83	9,000.00	47,533.83	35,709.82	11,824.01
BOE Membership Dues and Fees	000-230-895	29,000.00	-	29,000.00	26,091.60	2,908.40
Total Undist. Expend. - Supp. Serv. - General Admin.		990,006.84	(98,500.00)	891,506.84	749,061.15	142,445.69

Exhibit C-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2014

		Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.						
Salaries of Principals/Assistant Principals	000-240-103	$ 1,279,978.00	$ 32,930.00	$ 1,312,908.00	$ 1,312,880.82	$ 27.18
Salaries of Other Professional Staff	000-240-104	347,408.00	3,000.00	350,408.00	350,157.12	250.88
Salaries of Secretarial and Clerical Assistants	000-240-105	643,229.00	7,770.00	650,999.00	650,983.73	15.27
Other Purchased Services (400-500 series)	000-240-500	10,000.00	(7,700.00)	2,300.00	1,777.89	522.11
Supplies and Materials	000-240-600	150,079.52	(700.00)	149,379.52	134,919.42	14,460.10
Other Objects	000-240-800	41,990.00	-	41,990.00	41,281.82	708.18
Total Undist. Expend. - Support Serv. - School Admin.		2,472,684.52	35,300.00	2,507,984.52	2,492,000.80	15,983.72
Undist. Expend. - Central Services						
Salaries	000-251-100	733,937.00	-	733,937.00	732,842.70	1,094.30
Purchased Technical Services	000-251-340	176,600.00	31,000.00	207,600.00	202,754.92	4,845.08
Miscellaneous Purchased Services (400-500 series)	000-251-592	4,500.00	-	4,500.00	3,036.92	1,463.08
Supplies and Materials	000-251-600	28,044.77	-	28,044.77	21,447.81	6,596.96
Other Objects	000-251-890	9,000.00	-	9,000.00	7,884.56	1,115.44
Total Undist. Expend. - Central Services		952,081.77	31,000.00	983,081.77	967,966.91	15,114.86
Undist. Expend. - Admin. Info. Technology						
Salaries	000-252-100	340,973.00	(15,000.00)	325,973.00	324,753.90	1,219.10
Purchased Professional Services	000-252-330	36,421.00	60,000.00	96,421.00	95,268.17	1,152.83
Other Purchased Services (400-500 series)	000-252-500	33,000.00	(29,000.00)	4,000.00	1,000.00	3,000.00
Supplies and Materials	000-252-600	537,005.43	120,000.00	657,005.43	593,900.38	63,105.05
Total Undist. Expend. - Admin. Info. Technology		947,399.43	136,000.00	1,083,399.43	1,014,922.45	68,476.98
Undist. Expen.-Allowable Maint. For School Facilities						
Salaries	000-261-100	414,243.00	(18,000.00)	396,243.00	392,936.07	3,306.93
Cleaning, Repair and Maintenance Services	000-261-420	1,614,314.20	364,000.00	1,978,314.20	1,580,260.69	398,053.51
General Supplies	000-261-610	287,082.94	57,500.00	344,582.94	336,511.07	8,071.87
Total Undist. Expen.-Allowable Maint. For School Facilities		2,315,640.14	403,500.00	2,719,140.14	2,311,707.83	407,432.31
Undist. Expend. - Oth. Oper. & Maint. of Plant						
Salaries	000-262-100	233,147.00	(2,000.00)	231,147.00	216,100.90	15,046.10
Purchased Professional and Technical Services	000-262-300	1,396,991.00	90,000.00	1,486,991.00	1,360,192.58	126,798.42
Cleaning, Repair and Maintenance Services	000-262-420	769,123.20	113,482.00	882,605.20	726,468.99	156,136.21
Insurance	000-262-520	273,000.00	(6,000.00)	267,000.00	266,581.00	419.00
Miscellaneous Purchased Services	000-262-590	49,985.72	-	49,985.72	41,820.54	8,165.18
General Supplies	000-262-610	523,803.60	(45,500.00)	478,303.60	415,316.16	62,987.44
Energy (Natural Gas)	000-262-621	627,406.30	(256,000.00)	371,406.30	278,804.73	92,601.57
Energy (Electricity)	000-262-622	1,171,791.88	(340,000.00)	831,791.88	695,566.74	136,225.14
Total Undist. Expend. - Other Oper. & Maint. Of Plant		5,045,248.70	(446,018.00)	4,599,230.70	4,000,851.64	598,379.06
Undist. Expend. - Student Transportation Serv.						
Salaries for Pupil Trans. (Between Home & School) - Regular	000-270-160	371,557.00	-	371,557.00	368,072.40	3,484.60
Salaries for Pupil Trans. (Between Home & School) - Special	000-270-161	31,480.91	(23,000.00)	8,480.91	474.81	8,006.10
Salaries for Pupil Trans. (Other than Between Home & School)	000-270-162	51,672.85	(12,000.00)	39,672.85	28,473.55	11,199.30
Contracted Services - Aid in Lieu of Payments-Non Public School	000-270-503	187,890.24	(50,000.00)	137,890.24	81,593.04	56,097.20
Contracted Services (Between Home and School) - Vendors	000-270-511	1,680,406.18	(55,000.00)	1,625,406.18	1,590,374.79	35,031.39
Contracted Services (Other than Between Home and School) - Vend	000-270-512	53,280.00	53,000.00	106,280.00	96,786.67	9,493.33
Contracted Services (Regular Students) - ESCs	000-270-517	185,000.00	-	185,000.00	181,875.58	3,124.42
Contracted Services (Special Education Students) - ESCs	000-270-518	900,000.00	12,000.00	912,000.00	911,951.86	48.14
Miscellaneous Purchased Services - Transportation	000-270-593	13,600.00	-	13,600.00	12,039.33	1,560.67
Supplies and Materials	000-270-600	140,834.14	-	140,834.14	97,997.38	42,836.76
Total Undist. Expend. - Student Transportation Serv.		3,615,521.32	(75,000.00)	3,540,521.32	3,369,639.41	170,881.91
UNALLOCATED BENEFITS						
Social Security Contributions	000-291-220	622,337.00	-	622,337.00	559,191.15	63,145.85
Other Retirement Contributions - Regular	000-291-241	596,400.00	-	596,400.00	525,934.39	70,465.61
Workmen's Compensation	000-291-260	278,600.00	-	278,600.00	222,848.00	55,752.00
Health Benefits	000-291-270	7,135,395.00	(714,000.00)	6,421,395.00	6,046,202.44	375,192.56
Tuition Reimbursement	000-291-280	115,950.00	-	115,950.00	85,874.48	30,075.52
Other Employee Benefits	000-291-290	83,485.00	-	83,485.00	72,164.89	11,320.11
TOTAL UNALLOCATED BENEFITS		8,832,167.00	(714,000.00)	8,118,167.00	7,512,215.35	605,951.65
On-behalf TPAF Pension Contributions (non-budgeted)		-	-		2,637,182.00	(2,637,182.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)					1,753,075.83	(1,753,075.83)
TOTAL ON-BEHALF CONTRIBUTIONS		-	-	-	4,390,257.83	(4,390,257.83)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS		8,832,167.00	(714,000.00)	8,118,167.00	11,902,472.68	(3,784,305.68)
TOTAL UNDISTRIBUTED EXPENDITURES		35,510,319.99	33,782.00	35,544,101.99	37,488,399.51	(1,944,297.52)
TOTAL GENERAL CURRENT EXPENSE		59,905,892.67	(81,269.00)	59,824,623.67	61,073,971.83	(1,249,347.96)
CAPITAL OUTLAY						
Equipment						
Special Education - Instruction:						
Undistributed Expenditures - Instruction	000-100-730		8,268.00	8,268.00	8,258.18	9.82
Undistributed Expenditures - Admin. Info. Technology	000-252-730	12,346.03	82,000.00	94,346.03	49,505.08	44,840.95
Undistributed Expenditures - Operation of Plant Services	000-260-730		25,000.00	25,000.00		25,000.00
Undistributed Expenditures - Student Transportation:			-			-
Non-Instructional Equipment	000-270-732	159,358.27	-	159,358.27	159,358.27	-
Total Equipment		171,704.30	113,268.00	284,972.30	215,122.53	69,850.77
Facilities Acquisition and Construction Services						
Construction Services	000-400-450	2,785,000.00	-	2,785,000.00	1,606,662.00	1,178,338.00
Assessment for Debt Service on SDA Funding	000-400-896	127,949.00	(32,000.00)	95,949.00	79,684.00	16,265.00
Total Facilities Acquisition and Construction Services		2,912,949.00	(32,000.00)	2,880,949.00	1,686,346.00	1,194,603.00
TOTAL CAPITAL OUTLAY		3,084,653.30	81,269.00	3,165,922.30	1,901,468.53	1,264,453.77
Transfer of Funds to Charter Schools	000-100-56X	38,632.00	-	38,632.00	-	38,632.00
TOTAL EXPENDITURES		63,028,177.97	-	63,028,177.97	62,975,440.16	53,737.81

Exhibit C-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ (5,474,905.97)	$ -	$ (5,474,905.97)	$ (560,714.39)	$ 4,914,191.58
Other Financing Sources (Uses):					
Operating Transfer In:					
Transfer from Capital Projects Fund		-		144,208.83	144,208.83
Operating Transfer Out:					
Transfer to Capital Projects Fund		(230,672.88)	(230,672.88)	(230,672.88)	-
Total Other Financing Sources (Uses):	-	(230,672.88)	(230,672.88)	(86,464.05)	144,208.83
Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures and Other Financing Sources (Uses)	(5,474,905.97)	(230,672.88)	(5,705,578.85)	(647,178.44)	5,058,400.41
Fund Balance, July 1	14,577,902.47	-	14,577,902.47	14,577,902.47	-
Fund Balance, June 30	$ 9,102,996.50	$ (230,672.88)	$ 8,872,323.62	$ 13,930,724.03	$ 5,058,400.41
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources (Uses) Over (Under) Expenditures and Other Financing Sources (Uses):					
Increase in Capital Reserve	$ 360,100.00	$ -	$ 360,100.00	$ 820,172.81	$ 460,072.81
Withdrawal from Capital Reserve	(2,785,000.00)	(230,672.88)	(3,015,672.88)	(1,941,057.74)	1,074,615.14
Adjustment for Prior Year Encumbrances	(1,994,108.87)	-	(1,994,108.87)	(1,994,108.87)	-
Budgeted Fund Balance	(1,055,897.00)	-	(1,055,897.00)	2,467,815.48	3,523,712.48
Total	$ (5,474,905.97)	$ (230,672.88)	$ (5,705,578.85)	$ (647,178.44)	$ 5,058,400.41

Analysis of Fund Balance June 30, 2014:	
Restricted Fund Balance:	
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	1,328,798.00
Reserve for Excess Surplus	1,880,659.38
Capital Reserve Account	7,218,021.28
Emergency Reserve	500,000.00
Assigned Fund Balance:	
Year-end Encumbrances	1,893,206.30
Unassigned Fund Balance	1,908,041.11
	$ 13,930,724.03

Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:	
Fund Balance June 30, 2014	$ 13,930,724.03
Last Two Current Year State Aid Payments Not Realized on GAAP Basis	(98,119.00)
	$ 13,832,605.03

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
State Sources	$ 15,000.00	$ 5,324.00	$ 20,324.00	$ 13,734.53	$ 6,589.47
Federal Sources	810,000.00	73,516.50	883,516.50	872,467.20	11,049.30
Local Sources	-	78,477.82	78,477.82	78,477.82	-
Total Revenues	$ 825,000.00	$ 157,318.32	$ 982,318.32	$ 964,679.55	$ 17,638.77
EXPENDITURES:					
Instruction					
Personal Services - Salaries	$ 175,000.00	$ (23,505.00)	$ 151,495.00	$ 151,495.00	$ -
Purchased Professional and Technical Services		26,141.00	26,141.00	22,665.00	3,476.00
Other Purchased Services (400-500 series)	635,000.00	5,379.00	640,379.00	640,379.00	-
General Supplies	5,000.00	1,680.00	6,680.00	6,676.20	3.80
Textbooks	-	3,346.00	3,346.00	3,346.00	-
Total Instruction	815,000.00	13,041.00	828,041.00	824,561.20	3,479.80
Support Services					
Personal Services - Salaries		30,000.00	30,000.00	30,000.00	-
Personal Services - Employee Benefits		21,252.00	21,252.00	21,252.00	-
Purchased Professional and Technical Services		5,172.00	5,172.00	4,241.33	930.67
Purchased Professional - Educational Services	10,000.00	9,375.50	19,375.50	6,147.20	13,228.30
Supplies and Materials	-	78,477.82	78,477.82	78,477.82	-
Total Support Services	10,000.00	144,277.32	154,277.32	140,118.35	14,158.97
Total Expenditures	825,000.00	157,318.32	982,318.32	964,679.55	17,638.77
Total Outflows	$ 825,000.00	$ 157,318.32	$ 982,318.32	$ 964,679.55	$ 17,638.77

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2014

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

	Exhibit	General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1&C-2]	$ 62,414,725.77	$ 965,228.36
Difference - budget to GAAP:			
The last two State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense in accordance with GASB 33.		32,492.00	-
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-	(1,830.67)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	$ 62,447,217.77	$ 963,397.69
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1&C-2]	$ 62,975,440.16	$ 965,228.36
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for *budgetary* purposes, but in the year the supplies are received for *financial reporting* purposes.		-	(1,830.67)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	$ 62,975,440.16	$ 963,397.69

OTHER SUPPLEMENTARY INFORMATION

Section D

SCHOOL LEVEL SCHEDULES

Section E

SPECIAL REVENUE FUND

Exhibit E-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

		Total	State Aid	Federal Aid	Local Aid
REVENUES					
State Sources		$ 13,734.53	$ 13,734.53	$ -	$ -
Federal Sources		872,467.20		872,467.20	
Local Sources		78,477.82	-	-	78,477.82
Total Revenues		$ 964,679.55	$ 13,734.53	$ 872,467.20	$ 78,477.82
EXPENDITURES:					
Instruction:					
Personal Services - Salaries	100-100	$ 151,495.00	$ -	$ 151,495.00	-
Purchased Professional and Technical Services	100-300	22,665.00	-	22,665.00	-
Other Purchased Services (400-500 series)	100-500	640,379.00	-	640,379.00	-
General Supplies	100-610	6,676.20	-	6,676.20	-
Textbooks	100-640	3,346.00	3,346.00	-	-
Total Instruction		824,561.20	3,346.00	821,215.20	-
Support Services:					
Personal Services - Salaries	200-100	30,000.00	-	30,000.00	-
Personal Services - Employee Benefits	200-200	21,252.00	-	21,252.00	-
Purchased Professional and Technical Services	200-300	4,241.33	4,241.33	-	-
Purchased Professional - Educational Services	200-320	6,147.20	6,147.20	-	-
Supplies and Materials	200-600	78,477.82	-	-	78,477.82
Total Support Services		140,118.35	10,388.53	51,252.00	78,477.82
Total Expenditures		$ 964,679.55	$ 13,734.53	$ 872,467.20	$ 78,477.82

Exhibit E-1a

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Special Revenue Fund
Combining Schedule of State Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

		Total	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Handicapped Services	N.J. Nonpublic Nursing Services	N.J. Nonpublic Technology Initiative
REVENUES						
State Sources		$ 13,734.53	$ 3,346.00	$ 4,927.20	$ 4,241.33	$ 1,220.00
Total State Revenues		$ 13,734.53	$ 3,346.00	$ 4,927.20	$ 4,241.33	$ 1,220.00
EXPENDITURES:						
Instruction:						
Textbooks	100-640	$ 3,346.00	$ 3,346.00	$ -	$ -	$ -
Total Instruction		3,346.00	3,346.00			
Support Services:						
Purchased Professional and Technical Services	200-300	4,241.33			4,241.33	
Purchased Professional - Educational Services	200-320	6,147.20		4,927.20	-	1,220.00
Total Support Services		10,388.53	-	4,927.20	4,241.33	1,220.00
Total Expenditures		$ 13,734.53	$ 3,346.00	$ 4,927.20	$ 4,241.33	$ 1,220.00

Exhibit E-1b

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Special Revenue Fund
Combining Schedule of Federal Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

			E.S.E.A.			I.D.E.A. Part B		Indian Education
		Total	Title I	Title II	Title III	Basic	Preschool	Grant
REVENUES								
Federal Sources		$ 872,467.20	$ 105,264.00	$ 75,978.00	$ 11,070.00	$ 619,489.00	$ 27,804.00	$ 32,862.20
Total Federal Revenues		$ 872,467.20	$ 105,264.00	$ 75,978.00	$ 11,070.00	$ 619,489.00	$ 27,804.00	$ 32,862.20
EXPENDITURES:								
Instruction:								
Personal Services - Salaries	100-100	$ 151,495.00	$ 92,247.00	$ 48,965.00	$ 10,283.00	$ -	$ -	$ -
Purchased Professional and Technical Services	100-300	22,665.00		15,751.00		6,914.00		
Other Purchased Services (400-500 series)	100-500	640,379.00				612,575.00	27,804.00	
General Supplies	100-610	6,676.20	6,114.00	-	-	-	-	562.20
Total Instruction		821,215.20	98,361.00	64,716.00	10,283.00	619,489.00	27,804.00	562.20
Support Services:								
Personal Services - Salaries	200-100	30,000.00						30,000.00
Personal Services - Employee Benefits	200-200	21,252.00	6,903.00	11,262.00	787.00			2,300.00
Total Support Services		51,252.00	6,903.00	11,262.00	787.00	-	-	32,300.00
Total Expenditures		$ 872,467.20	$ 105,264.00	$ 75,978.00	$ 11,070.00	$ 619,489.00	$ 27,804.00	$ 32,862.20

Exhibit E-1c

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Special Revenue Fund
Combining Schedule of Local Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

		Total	Mahwah Schools Foundation
REVENUES			
Local Sources		$ 78,477.82	$ 78,477.82
Total Local Revenues		$ 78,477.82	$ 78,477.82
EXPENDITURES:			
Support Services:			-
Supplies & Materials	200-600	$ 78,477.82	$ 78,477.82
Total Support Services		78,477.82	78,477.82
Total Expenditures		$ 78,477.82	$ 78,477.82

Section F

CAPITAL PROJECTS FUND

Exhibit F-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Year Ended June 30, 2014

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations 6/30/2014
			Prior Years	Current Year	
High School Athletic Field	4/18/2008	$ 1,022,576.20	$ 1,022,576.20	$ -	$ -
High School HVAC Replacement	7/23/2010	634,693.54	634,693.54	-	-
Joyce Kilmer Roof Replacement	9/24/2010	502,297.40	502,297.40	-	-
Ramapo Ridge HVAC Replacement	7/23/2010	689,700.09	689,700.09	-	-
High School Boiler Replacement	6/26/2012	468,400.00	468,400.00	-	-
Betsy Ross Roof and HVAC Replacement	6/26/2012	333,719.16	333,719.16	-	-
George Washington HVAC Replacement	6/26/2012	128,130.00	128,130.00	-	-
High School Electrical Switchgear/Generator	6/9/2014	373,905.00	-	-	373,905.00
Betsy Ross Boiler	6/9/2014	132,802.00	-	-	132,802.00
Joyce Kilmer Unit Ventilators	6/9/2014	264,215.00	-	-	264,215.00
Ramapo Ridge Boiler	6/9/2014	132,802.00	-	-	132,802.00
George Washington Boiler	6/9/2014	132,802.00	-	-	132,802.00
Totals		$ 4,818,042.39	$ 3,779,516.39	$ -	$ 1,038,526.00

Exhibit F-2

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2014

REVENUES AND OTHER FINANCING SOURCES	
State Sources - SDA Grant	$ 1,036,526.00
Bond Proceeds	-
Contribution from private sources	-
Transfer from capital reserve	230,672.88
Transfer from capital outlay	(144,208.83)
Total Revenues	1,122,990.05
EXPENDITURES AND OTHER FINANCING USES	
Equipment (73X)	-
Salaries (100)	-
Legal Services (331)	-
Other Purchased Professional and Technical Services (390)	-
Construction Services (450)	-
General Supplies (610)	-
Land and Improvements (710)	-
Lease Purchase Agreements - Principal (721)	-
Buildings other than Lease Purchase Agreements - Principal (722)	-
Other Objects (800)	-
Total Expenditures	-
Excess (deficiency) of revenues over (under) expenditures	1,122,990.05
Fund Balance - July 1	(86,464.05)
Fund Balance - June 30	$ 1,036,526.00

Exhibit F-2a

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School Athletic Field
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ -	$ -	$ -
Bond Proceeds	65,503.03		65,503.03	65,503.03
Contribution from private sources			-	
Transfer from capital reserve			-	
Transfer from capital outlay	1,101,282.00	(144,208.83)	957,073.17	957,073.17
Total Revenues	1,166,785.03	(144,208.83)	1,022,576.20	1,022,576.20
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)	25,550.20		25,550.20	30,000.00
Other Purchased Professional and Technical Services (390)	28,700.00		28,700.00	30,000.00
Construction Services (450)	970,326.00		970,326.00	962,576.20
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	1,022,576.20	-	1,022,576.20	1,022,576.20
Excess (deficiency) of revenues over (under) expenditures	144,208.83	(144,208.83)	-	-

ADDITIONAL PROJECT INFORMATION	
Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 1,101,282.00
Additional Authorized Cost	$ (78,705.80)
Revised Authorized Cost	$ 1,022,576.20
Percentage Increase over Original Authorized Cost	-7.15%
Percentage Completed	100.00%
Original Target Completion Date	9/1/2006
Revised Target Completion Date	9/1/2006

Exhibit F-2b

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School HVAC Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 254,077.42	$ -	$ 254,077.42	$ 274,910.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve	380,616.12		380,616.12	412,165.00
Transfer from capital outlay	-	-	-	-
Total Revenues	634,693.54	-	634,693.54	687,075.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)	17,782.18		17,782.18	20,000.00
Construction Services (450)	616,911.36		616,911.36	667,075.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	634,693.54	-	634,693.54	687,075.00
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-050-09-0ZMT
Grant Date	7/23/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 667,275.00
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 667,275.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	92.38%
Original Target Completion Date	9/1/2010
Revised Target Completion Date	9/1/2010

Exhibit F-2c

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Joyce Kilmer Roof Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 200,951.16	$ -	$ 200,951.16	$ 315,880.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve	301,346.24		301,346.24	473,820.00
Transfer from capital outlay	-	-	-	-
Total Revenues	502,297.40	-	502,297.40	789,700.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)	33,070.50		33,070.50	35,000.00
Construction Services (450)	469,226.90		469,226.90	754,700.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	502,297.40	-	502,297.40	789,700.00
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-075-09-0ZMU
Grant Date	9/24/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 789,700.00
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 789,700.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	63.61%
Original Target Completion Date	9/1/2010
Revised Target Completion Date	9/1/2010

Exhibit F-2d

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Ramapo Ridge HVAC Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 237,992.00	$ -	$ 237,992.00	$ 237,992.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve	449,222.86	2,485.23	451,708.09	481,684.15
Transfer from capital outlay	-	-	-	-
Total Revenues	687,214.86	2,485.23	689,700.09	719,676.15
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)	17,782.16		17,782.16	20,000.00
Construction Services (450)	671,917.93		671,917.93	699,676.15
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	689,700.09	-	689,700.09	719,676.15
Excess (deficiency) of revenues over (under) expenditures	(2,485.23)	2,485.23	-	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-076-09-0ZMV
Grant Date	7/23/2010
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 594,980.00
Additional Authorized Cost	$ 124,696.15
Revised Authorized Cost	$ 719,676.15
Percentage Increase over Original Authorized Cost	20.96%
Percentage Completed	95.83%
Original Target Completion Date	9/1/2010
Revised Target Completion Date	9/1/2010

Exhibit F-2e

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School Boiler Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 195,979.87	$ -	$ 195,979.87	$ 296,638.00
Bond Proceeds	21,226.62		21,226.62	
Contribution from private sources			-	
Transfer from capital reserve	150,000.00	101,193.51	251,193.51	444,956.00
Transfer from capital outlay	-	-	-	-
Total Revenues	367,206.49	101,193.51	468,400.00	741,594.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	
Construction Services (450)	468,400.00		468,400.00	741,594.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	468,400.00	-	468,400.00	741,594.00
Excess (deficiency) of revenues over (under) expenditures	(101,193.51)	101,193.51	-	-

ADDITIONAL PROJECT INFORMATION	
Project Number	SP 2900-050-10-1001
Grant Date	6/26/2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 741,594.00
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 741,594.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	63.16%
Original Target Completion Date	9/1/2011
Revised Target Completion Date	9/1/2011

Exhibit F-2f

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Betsy Ross Roof and HVAC Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 126,781.72	$ -	$ 126,781.72	$ 172,451.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve	150,000.00	56,937.44	206,937.44	258,676.00
Transfer from capital outlay	-	-	-	-
Total Revenues	276,781.72	56,937.44	333,719.16	431,127.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	
Construction Services (450)	333,719.16		333,719.16	431,127.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	333,719.16	-	333,719.16	431,127.00
Excess (deficiency) of revenues over (under) expenditures	(56,937.44)	56,937.44	-	-

ADDITIONAL PROJECT INFORMATION	
Project Number	SP 2900-060-10-1002
Grant Date	6/26/2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 431,127.00
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 431,127.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	77.41%
Original Target Completion Date	11/1/2011
Revised Target Completion Date	11/1/2011

Exhibit F-2g

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
George Washington HVAC Replacement
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ 58,073.30	$ -	$ 58,073.30	$ 89,722.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve		70,056.70	70,056.70	134,584.00
Transfer from capital outlay	-	-	-	-
Total Revenues	58,073.30	70,056.70	128,130.00	224,306.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	
Construction Services (450)	128,130.00		128,130.00	224,306.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	128,130.00	-	128,130.00	224,306.00
Excess (deficiency) of revenues over (under) expenditures	(70,056.70)	70,056.70	-	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-075-09-0ZMU
Grant Date	6/26/2012
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 224,306.00
Additional Authorized Cost	$ -
Revised Authorized Cost	$ 224,306.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	57.12%
Original Target Completion Date	11/1/2011
Revised Target Completion Date	11/1/2011

Exhibit F-2h

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
High School Electrical Switchgear/Generator
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ 373,905.00	$ 373,905.00	$ 373,905.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve			-	560,857.00
Transfer from capital outlay	-	-	-	-
Total Revenues	-	373,905.00	373,905.00	934,762.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	30,000.00
Construction Services (450)			-	904,762.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	-	-	-	934,762.00
Excess (deficiency) of revenues over (under) expenditures	-	373,905.00	373,905.00	-

ADDITIONAL PROJECT INFORMATION	
Project Number	SP 2900-050-14-G1EX
Grant Date	6/9/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 934,762.00
Additional Authorized Cost	
Revised Authorized Cost	$ 934,762.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	0.00%
Original Target Completion Date	9/1/2015
Revised Target Completion Date	9/1/2015

Exhibit F-2i

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Betsy Ross Boiler
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ 132,802.00	$ 132,802.00	$ 132,802.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve			-	199,202.00
Transfer from capital outlay	-	-	-	-
Total Revenues	-	132,802.00	132,802.00	332,004.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (730)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	10,000.00
Construction Services (450)			-	322,004.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	-	-	-	332,004.00
Excess (deficiency) of revenues over (under) expenditures	-	132,802.00	132,802.00	-

ADDITIONAL PROJECT INFORMATION	
Project Number	SP 2900-060-14-G1EY
Grant Date	6/9/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 332,004.00
Additional Authorized Cost	
Revised Authorized Cost	$ 332,004.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	0.00%
Original Target Completion Date	9/1/2014
Revised Target Completion Date	9/1/2014

Exhibit F-2j

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Joyce Kilmer Unit Ventilators
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ 264,215.00	$ 264,215.00	$ 264,215.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve			-	396,322.00
Transfer from capital outlay	-	-	-	-
Total Revenues	-	264,215.00	264,215.00	660,537.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	20,000.00
Construction Services (450)			-	640,537.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	-	-	-	660,537.00
Excess (deficiency) of revenues over (under) expenditures	-	264,215.00	264,215.00	-

ADDITIONAL PROJECT INFORMATION	
Project Number	SP 2900-075-14-G1EZ
Grant Date	6/9/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 660,537.00
Additional Authorized Cost	
Revised Authorized Cost	$ 660,537.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	0.00%
Original Target Completion Date	9/1/2014
Revised Target Completion Date	9/1/2014

Exhibit F-2k

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
Ramapo Ridge Boiler
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ 132,802.00	$ 132,802.00	$ 132,802.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve			-	199,202.00
Transfer from capital outlay	-	-	-	-
Total Revenues	-	132,802.00	132,802.00	332,004.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (73X)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	10,000.00
Construction Services (450)			-	322,004.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	-	-	-	332,004.00
Excess (deficiency) of revenues over (under) expenditures	-	132,802.00	132,802.00	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-076-14-G1FA
Grant Date	6/9/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 332,004.00
Additional Authorized Cost	
Revised Authorized Cost	$ 332,004.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	0.00%
Original Target Completion Date	9/1/2014
Revised Target Completion Date	9/1/2014

Exhibit F-2I

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Schedule of Project Revenues, Expenditures, Project Balance and Project Status - Budgetary Basis
George Washington Boiler
From Inception and for the Year Ended June 30, 2014

	Prior Periods	Current Year	Totals	Revised Authorized Cost
REVENUES AND OTHER FINANCING SOURCES				
State Sources - SDA Grant	$ -	$ 132,802.00	$ 132,802.00	$ 132,802.00
Bond Proceeds			-	
Contribution from private sources			-	
Transfer from capital reserve			-	199,202.00
Transfer from capital outlay	-	-	-	-
Total Revenues	-	132,802.00	132,802.00	332,004.00
EXPENDITURES AND OTHER FINANCING USES				
Equipment (730)			-	
Salaries (100)			-	
Legal Services (331)			-	
Other Purchased Professional and Technical Services (390)			-	10,000.00
Construction Services (450)			-	322,004.00
General Supplies (610)			-	
Land and Improvements (710)			-	
Lease Purchase Agreements - Principal (721)			-	
Buildings other than Lease Purchase Agreements - Principal (722)			-	
Other Objects (800)	-	-	-	-
Total Expenditures	-	-	-	332,004.00
Excess (deficiency) of revenues over (under) expenditures	-	132,802.00	132,802.00	-

ADDITIONAL PROJECT INFORMATION

Project Number	SP 2900-080-14-G1FB
Grant Date	6/9/2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	$ -
Notes Paid by Budget Appropriation	$ -
Original Authorized Cost	$ 332,004.00
Additional Authorized Cost	
Revised Authorized Cost	$ 332,004.00
Percentage Increase over Original Authorized Cost	0.00%
Percentage Completed	0.00%
Original Target Completion Date	9/1/2014
Revised Target Completion Date	9/1/2014

Section G

PROPRIETARY FUNDS

ENTERPRISE FUND

INTERNAL SERVICE FUND

Section H

FIDUCIARY FUND

Exhibit H-3

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2014

Schools	Balance June 30, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
Student Activity and Athletic Fund	$ 823,642.96	$ 850,949.55	$ 647,139.99	$ 1,027,452.52
	$ 823,642.96	$ 850,949.55	$ 647,139.99	$ 1,027,452.52

Exhibit H-4

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2014

	Balance June 30, 2013	Cash Receipts	Cash Disbursements	Balance June 30, 2014
Payroll Deductions and Withholdings	$ 1,142.32	$ 15,209,836.72	$ 15,209,831.40	$ 1,147.64
Net Salaries and Wages	-	19,623,454.96	19,623,454.96	-
Flexible Spending Account	24,916.52	52,050.44	53,987.10	22,979.86
Interfund Accounts Payable	10,000.00	-	-	10,000.00
	$ 36,058.84	$ 34,885,342.12	$ 34,887,273.46	$ 34,127.50

Section I

LONG – TERM DEBT

Exhibit I-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Long - Term Debt
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2014

Purpose	Date of Issue	Amount of Issue	Annual Maturities of Bonds Outstanding June 30, 2014 Date	Amount	Interest Rate	Balance June 30, 2013	Retired Current Year	Balance June 30, 2014
Additions and Renovations to Various Schools	7/15/97	$ 13,850,000.00 ($38,000 Canceled)	7/15/14-16	$ 800,000.00	5.10%	$ 3,937,000.00	$ 800,000.00	$ 3,137,000.00
			7/15/17	737,000.00				
Renovations and Additions to Ramapo Ridge and High School	8/15/03	9,522,000.00				460,000.00	460,000.00	-
Refunding Bonds of 2009	12/2/09	7,950,000.00	9/15/14	705,000.00	2.75%	7,200,000.00	690,000.00	6,510,000.00
			9/15/15	720,000.00	3.00%			
			9/15/16	735,000.00	4.00%			
			9/15/17	755,000.00	4.25%			
			9/15/18	775,000.00	4.25%			
			9/15/19	780,000.00	4.50%			
			9/15/20-21	780,000.00	5.00%			
			9/15/22	480,000.00	5.00%			
Refunding Bonds of 2011	10/5/11	5,550,000.00	8/15/14	490,000.00	3.00%	5,550,000.00		5,550,000.00
			8/15/15	505,000.00	3.00%			
			8/15/16	525,000.00	3.00%			
			8/15/17	540,000.00	4.00%			
			8/15/18	560,000.00	4.00%			
			8/15/19	580,000.00	4.00%			
			8/15/20-21	600,000.00	4.00%			
			8/15/22	605,000.00	5.00%			
			8/15/23	545,000.00	5.00%			
						-	-	-
						$ 17,147,000.00	$ 1,950,000.00	$ 15,197,000.00

Exhibit I-3

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 2,603,783.00	$ -	$ 2,603,783.00	$ 2,603,783.00	$ -
Total Revenues	2,603,783.00	-	2,603,783.00	2,603,783.00	-
EXPENDITURES:					
Regular Debt Service:					
Interest	690,059.50	-	690,059.50	690,059.50	-
Redemption of Principal	1,950,000.00	-	1,950,000.00	1,950,000.00	-
Total Regular Debt Service	2,640,059.50	-	2,640,059.50	2,640,059.50	-
Total Expenditures	2,640,059.50	-	2,640,059.50	2,640,059.50	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(36,276.50)	-	(36,276.50)	(36,276.50)	-
Other Financing Sources:					
Operating Transfers In:					
Interest Earned in Capital Projects Fund	-		-	262.23	262.23
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(36,276.50)	-	(36,276.50)	(36,014.27)	262.23
Fund Balance, July 1	36,816.67	-	36,816.67	36,816.67	-
Fund Balance, June 30	$ 540.17	$ -	$ 540.17	$ 802.40	$ 262.23
Recapitulation of Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures					
Budgeted Fund Balance	$ (36,276.50)	$ -	$ (36,276.50)	$ (36,014.27)	$ 262.23

STATISTICAL SECTION
(UNAUDITED)

GASB requires that ten years of statistical data be presented. Pursuant to State of New Jersey Department of Education requirements issued for the fiscal year ended June 30, 1994, only two years statistical data needed to be presented. Additional year's data will be included each year thereafter until ten years of data is presented.

STATISTICAL SECTION (Unaudited)

Financial Trends

J-1	Net Position by Component
J-2	Changes in Net Position
J-3	Fund Balances - Governmental Funds
J-4	Changes in Fund Balances - Governmental Funds
J-5	General Fund - Other Local Revenue by Source

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property
J-7	Direct and Overlapping Property Tax Rates
J-8	Principal Property Taxpayers
J-9	Property Tax Levies and Collections

Debt Capacity

J-10	Ratios of Outstanding Debt by Type
J-11	Ratios of Net General Bonded Debt Outstanding
J-12	Direct and Overlapping Governmental Activities Debt as of June 30
J-13	Legal Debt Margin Information

Demographic and Economic Information

J-14	Demographic and Economic Statistics
J-15	Principal Employers

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program
J-17	Operating Statistics
J-18	School Building Information
J-19	Schedule of Required Maintenance for School Facilities
J-20	Insurance Schedule

Exhibit J-1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Net Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental activities										
Net investment in capital assets	$ 20,438,707.13	$ 19,131,300.83	$ 18,750,912.89	$ 17,585,376.85	$ 16,684,500.13	$ 14,688,076.28	$ 13,340,400.21	$ 12,703,216.79	$ 9,965,045.69	$ 8,206,922.04
Restricted	13,225,338.64	12,683,840.14	10,376,175.49	7,027,645.30	4,750,148.48	5,062,704.83	4,559,818.47	4,013,834.89	4,622,804.92	2,927,469.32
Unrestricted	(1,994,400.69)	(1,783,576.73)	(1,707,942.19)	(1,577,317.22)	(2,070,807.00)	(2,370,565.68)	(2,112,056.64)	(1,513,497.04)	(1,704,361.66)	467,803.26
Total governmental activities net position	$ 31,669,644.98	$ 30,031,564.04	$ 27,419,146.19	$ 23,035,704.93	$ 19,363,841.61	$ 17,380,215.43	$ 15,788,162.04	$ 15,203,554.64	$ 12,883,488.95	$ 11,602,194.62
Business-type activities										
Net investment in capital assets	$ 25,578.39	$ 35,993.90	$ 34,007.81	$ 43,433.31	$ 52,859.57	$ 62,285.83	$ 60,662.09	$ 69,365.50	$ 78,183.39	$ 81,912.29
Restricted										-
Unrestricted	196,979.22	161,025.55	189,725.59	140,854.73	107,271.72	105,323.01	97,848.71	116,699.64	118,692.03	99,849.42
Total business-type activities net position	$ 222,557.61	$ 197,019.45	$ 223,733.40	$ 184,288.04	$ 160,131.29	$ 167,608.84	$ 158,510.80	$ 186,065.14	$ 196,875.42	$ 181,761.71
District-wide										
Net investment in capital assets	$ 20,464,285.52	$ 19,167,294.53	$ 18,784,920.70	$ 17,628,810.16	$ 16,737,359.70	$ 14,750,362.11	$ 13,401,062.30	$ 12,772,582.29	$ 10,043,229.08	$ 8,288,834.33
Restricted	13,225,338.64	12,683,840.14	10,376,175.49	7,027,645.30	4,750,148.48	5,062,704.83	4,559,818.47	4,013,834.89	4,622,804.92	2,927,469.32
Unrestricted	(1,797,421.67)	(1,622,551.18)	(1,518,216.60)	(1,436,462.49)	(1,963,535.28)	(2,265,242.67)	(2,014,207.93)	(1,396,797.40)	(1,585,669.63)	567,652.68
Total district net position	$ 31,892,202.49	$ 30,228,583.49	$ 27,642,879.59	$ 23,219,992.97	$ 19,523,972.90	$ 17,547,824.27	$ 15,946,672.84	$ 15,389,619.78	$ 13,080,364.37	$ 11,783,956.33

Source: District records

Exhibit J-2
Sheet 1

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses										
Governmental activities										
Instruction										
Regular	$ 23,572,906.32	$ 23,806,863.88	$ 22,325,235.14	$ 22,730,683.26	$ 23,415,618.17	$ 23,661,775.26	$ 23,514,320.64	$ 22,138,311.42	$ 20,598,969.68	$ 20,342,584.51
Special education	7,337,372.67	7,300,275.38	6,349,744.01	6,537,014.62	5,880,421.73	5,838,537.38	5,604,266.93	5,842,867.50	5,474,484.11	5,050,870.18
Other instruction	3,149,484.85	3,177,417.92	2,860,586.36	2,545,912.93	3,062,707.03	2,981,761.38	2,873,857.91	2,397,160.36	2,630,037.32	2,071,408.34
Support Services:										
Tuition	3,803,762.19	3,005,960.62	2,498,789.84	2,603,900.66	2,745,508.08	2,429,118.33	2,866,202.62	2,666,168.66	2,604,006.02	2,433,766.89
Student and instruction related services	8,022,126.06	8,768,886.47	8,208,086.61	7,569,562.38	7,763,543.66	7,454,518.75	7,265,458.19	7,442,370.60	6,733,484.32	6,350,664.14
School administrative services	3,422,346.19	3,342,560.53	3,357,271.72	3,373,180.11	3,351,867.38	3,318,666.21	3,362,382.06	3,080,009.81	2,600,268.64	2,607,236.36
General and business administrative services	3,306,362.37	2,962,480.72	3,146,846.06	2,880,787.80	3,009,151.72	2,738,660.86	2,679,960.51	2,411,826.18	2,113,242.12	2,094,275.45
Plant operations and maintenance	6,588,151.97	6,267,321.60	5,597,709.59	5,608,176.10	5,702,268.03	4,782,758.02	5,251,429.76	5,012,186.08	4,841,370.02	4,084,418.46
Pupil transportation	3,664,636.85	3,333,207.59	3,390,980.08	3,079,740.84	3,079,245.74	3,267,135.74	3,446,802.79	3,531,171.70	3,302,857.61	3,038,513.99
Charter Schools		51,863.00	23,370.00	23,079.00						
SDA Debt Service Assessment	79,684.00	79,684.00	57,405.00	92,327.00						
Interest on long-term debt	658,939.50	737,273.25	788,179.62	918,719.22	1,025,224.90	1,141,872.90	1,218,959.75	1,250,423.51	1,360,246.64	1,434,882.23
Total governmental activities expenses	64,507,771.77	62,546,180.55	59,323,981.72	57,675,107.27	59,248,642.43	57,564,703.94	58,258,650.18	55,827,244.91	52,261,996.48	49,552,631.55
Business-type activities:										
Food service	992,626.52	1,033,906.43	980,673.48	943,543.44	913,955.36	867,638.62	905,316.94	868,856.48	854,245.91	836,812.32
Total business-type activities expense	992,626.52	1,033,906.43	980,673.48	943,543.44	913,955.36	867,638.62	905,316.94	868,856.48	854,245.91	836,812.32
Total district-wide expenses	$ 65,500,398.29	$ 63,580,086.72	$ 60,304,655.20	$ 58,618,650.86	$ 60,162,597.79	$ 58,432,342.56	$ 59,164,347.12	$ 56,696,101.39	$ 53,116,242.40	$ 50,389,443.87
Program Revenues										
Governmental activities:										
Charges for services:										
Pupil transportation				$ 328.00	$ 330.00	$ -	$ -	$ 34,258.41	$ 49,832.15	$ 58,244.10
Interest on long-term debt	658,939.50	737,273.25	788,179.62	918,718.22	1,025,224.90	1,141,872.90	1,218,959.75	1,250,423.51	1,360,246.64	1,434,882.23
Operating grants and contributions	7,911,540.53	8,649,221.97	856,376.14	5,834,181.85	6,855,882.32	7,673,603.55	9,145,943.68	9,135,647.13	7,548,978.33	7,160,093.43
Total governmental activities program revenues	8,570,480.03	9,386,495.22	1,644,555.76	6,753,228.07	7,881,437.22	8,815,476.45	10,364,903.43	10,420,329.05	8,959,057.12	8,653,219.76

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
Unaudited

	For Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-type activities:										
Charges for services:										
Food service	$ 622,956.72	$ 814,373.01		$ 802,644.78	$ 733,210.08	$ 738,498.42	$ 723,605.80	$ 746,650.56	$ 747,267.22	$ 722,524.40
Operating grants and contributions	195,214.39	200,923.02		161,172.94	177,361.22	196,731.76	139,099.03	105,443.48	103,607.17	102,007.96
Total business-type activities program revenues	1,018,155.00	1,014,696.03	-	963,815.72	910,580.30	935,230.18	862,704.83	852,094.04	850,874.39	824,532.44
Total district-wide program revenues	$ 9,588,645.11	$ 10,421,381.26	$ 1,944,591.75	$ 3,717,944.76	$ 8,897,017.52	$ 9,750,608.83	$ 11,227,604.46	$ 11,315,400.06	$ 9,812,831.51	$ 9,477,752.20
Net (Expense)/Revenue										
Governmental activities	$ (56,937,291.74)	$ (53,162,285.07)	$ (57,679,365.06)	$ (51,221,878.15)	$ (51,267,205.21)	$ (48,749,253.49)	$ (47,923,726.55)	$ (46,363,915.86)	$ (43,295,868.37)	$ (40,889,411.79)
Business-type activities	25,538.16	(19,010.43)	(980,673.48)	23,172.28	(8,375.06)	(2,416.44)	(13,218.11)	(18,765.44)	(2,271.52)	(12,270.88)
Total district-wide net expense	$ (56,911,753.58)	$ (53,181,295.41)	$ (58,660,038.44)	$ (51,198,705.87)	$ (51,275,580.27)	$ (48,751,675.93)	$ (47,936,942.66)	$ (46,382,681.30)	$ (43,303,220.89)	$ (40,911,681.67)
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes:										
Property taxes, levied for general purposes	$ 54,996,980.00	$ 53,918,588.00	$ 52,861,361.00	$ 51,901,030.00	$ 50,145,221.00	$ 48,070,644.00	$ 46,221,773.00	$ 45,107,181.00	$ 41,491,222.00	$ 39,686,022.00
Property taxes, levied for debt service principal	1,944,843.50	1,945,711.75	1,933,223.38	1,855,617.78	1,798,838.13	1,707,676.10	1,651,619.26	1,552,845.48	1,474,179.36	1,736,262.77
Federal and State aid not restricted	1,214,070.56	(246,250.44)	136,798.00	366,811.14	357,197.35	465,894.36	379,549.78	251,662.94	236,105.83	334,982.18
Tuition (other than special schools)				1,494.00	46,334.00	26,633.00	8,865.00			
Investment earnings	24,500.00	23,550.00	18,558.05	67,276.17	92,969.34	116,315.80	352,869.64	430,432.06	352,296.64	193,686.48
Miscellaneous income	300,231.70	371,219.34	298,589.72	184,342.53	188,851.18	231,614.07	180,261.02	200,764.80	218,363.56	87,984.12
Special item - proceeds from sale of assets										
N.J. Economic Development Authority grants				558,811.00	828,762.00	(66,126.24)			822,470.00	
Refunding Bond Proceeds (Net)			132,000.00		29,403.03					
Adjustment to Capital Assets	(306,334.06)	(236,152.81)		(60,147.15)	(176,324.62)	(230,823.01)	(243,750.68)	127,347.26		
Transfers						(10,290.00)	(11,351.17)	-	(15,462.69)	(16,653.09)
Total governmental activities	57,574,310.64	55,774,792.92	55,372,531.05	54,895,341.47	53,282,831.38	50,341,316.88	48,508,333.96	47,663,981.55	44,581,153.70	42,022,304.48
Business-type activities:										
Investment earnings	-	18.69	5.09	984.47	897.51	1,214.48	4,310.60	5,865.16	3,031.54	889.60
Transfers						10,290.00	-	-	15,462.69	16,653.09
Total business-type activities	-	18.69	5.09	984.47	897.51	11,504.48	4,310.60	5,865.16	18,494.23	17,542.69
Total district-wide general revenues	$ 57,574,310.64	$ 55,774,791.61	$ 55,372,536.14	$ 54,894,725.94	$ 53,281,708.96	$ 50,352,831.36	$ 48,512,644.35	$ 47,669,836.71	$ 44,599,648.93	$ 42,039,847.15
Change in Net Position										
Governmental activities	$ 1,636,080.84	$ 2,612,417.85	$ (2,306,734.01)	$ 3,671,863.32	$ 1,983,626.18	$ 1,592,063.39	$ 584,607.40	$ 2,320,065.69	$ 1,281,294.33	$ 1,132,792.67
Business-type activities	25,538.16	(18,991.74)	(980,668.39)	24,156.75	(7,477.55)	9,088.04	(8,908.51)	(12,900.28)	15,222.71	5,262.81
Total district-wide change in net position	$ 1,661,619.00	$ 2,593,426.34	$ (3,287,402.39)	$ 3,696,020.07	$ 1,976,148.63	$ 1,601,151.43	$ 575,699.00	$ 2,307,165.41	$ 1,296,488.04	$ 1,138,055.48

Source: District records

Exhibit J-3

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Fund Balances - Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	For Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund										
Restricted	$ 10,729,476.82	$ 11,005,171.23	$ 8,230,996.95	$ 5,414,285.29	$ -	$ -	$ -	$ -	$ -	$ -
Assigned	1,683,206.30	2,214,537.14	2,423,474.47	2,106,507.48						
Unassigned	1,409,922.11	1,227,583.10	1,195,227.87	1,061,755.86						
Reserved					4,857,463.89	5,562,394.32	5,016,347.18	4,099,925.78	3,453,156.32	2,287,665.19
Unreserved					1,298,452.00	1,170,564.32	1,275,578.36	1,552,285.96	1,589,385.34	3,473,050.26
Total general fund	$ 13,832,605.03	$ 14,447,291.47	$ 11,849,699.29	$ 8,582,548.63	$ 6,155,915.89	$ 6,732,958.64	$ 6,291,925.52	$ 5,652,211.74	$ 5,042,541.66	$ 5,760,715.45
All Other Governmental Funds										
Restricted, reported in:										
Capital projects fund	$ 1,036,526.00	$ (86,464.05)	$ 227,273.48	$ (109,198.98)	$ -	$ -	$ -	$ -	$ -	$ -
Debt service fund	802.40	36,816.67	36,276.46	17,345.51						
Assigned, reported in:										
Capital projects fund				512,588.44						
Reserved	-	-	-	-	-	-	-	382,620.59	2,704,939.71	451,572.91
Unreserved, reported in:										
Capital projects fund					440,696.09	(89,186.14)	(23,057.90)	(7,161.88)	(1,090,482.88)	619,930.72
Debt service fund					20,365.40	6,751.63	14,073.55	15,329.76	60,457.18	100,482.72
Total all other governmental funds	$ 1,037,328.40	$ (49,647.38)	$ 263,549.94	$ 420,715.07	$ 461,061.49	$ (82,434.51)	$ (8,984.35)	$ 390,788.46	$ 1,674,914.20	$ 1,171,986.35
Total Fund Balances	$ 14,869,933.43	$ 14,397,644.09	$ 12,113,249.23	$ 9,003,263.70	$ 6,416,997.38	$ 6,650,524.13	$ 6,282,941.17	$ 6,043,000.20	$ 6,717,455.86	$ 6,932,705.80

Source: District records

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Changes in Fund Balances - Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	For Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues										
Tax levy	$ 57,600,743.00	$ 56,601,573.00	$ 55,582,764.00	$ 54,675,367.00	$ 52,967,384.00	$ 50,920,193.00	$ 49,092,362.00	$ 47,851,250.00	$ 44,330,648.00	$ 43,057,167.00
Tuition charges	-	-	-	-	1,494.00	46,334.00	26,633.00	6,850.00		
Transportation fees	-	-	-	328.00	330.00	-	-	34,258.41	49,832.15	58,244.10
Interest earnings	24,500.90	23,550.08	18,658.05	87,276.17	82,089.34	116,315.60	302,869.64	430,432.06	352,298.64	193,696.48
Miscellaneous	377,909.52	371,215.34	288,583.72	184,342.53	189,931.19	231,814.07	180,991.02	209,764.80	218,363.56	97,804.12
State sources	8,150,533.30	7,375,170.37	6,143,444.21	4,730,957.88	6,309,017.56	7,187,607.65	8,608,598.01	8,450,906.02	6,818,083.37	6,536,180.06
Federal sources	697,499.97	1,027,792.16	1,541,907.00	1,470,035.11	1,004,062.11	951,880.26	916,895.66	936,402.05	967,000.79	958,895.53
Total revenues	67,051,186.69	65,399,300.95	63,575,362.98	61,148,306.69	60,554,308.20	59,453,944.58	59,128,339.33	58,018,963.34	52,736,224.51	50,902,077.31
Expenditures										
Instruction										
Regular instruction	16,642,133.33	16,562,024.35	16,495,532.14	16,393,507.23	16,790,174.37	16,371,183.36	16,227,633.39	15,522,561.13	14,628,678.56	14,601,884.51
Special education instruction	5,388,786.36	5,080,104.48	5,082,108.18	5,071,239.33	4,383,035.85	4,271,454.13	4,177,151.60	4,170,278.10	4,162,557.37	3,458,888.99
Other instruction	2,379,213.63	2,305,583.34	2,140,391.34	2,011,110.01	2,295,338.67	2,250,982.28	2,076,096.26	2,047,058.56	2,008,928.02	2,045,187.34
Support Services:										
Tuition	3,803,762.19	3,009,990.62	2,488,788.64	2,603,900.66	2,745,506.06	2,429,116.33	2,855,232.62	2,665,168.65	2,604,006.02	2,433,765.89
Student and instruction related services	6,993,598.64	6,719,355.48	6,071,345.92	5,941,932.02	5,952,609.56	5,897,535.08	5,509,478.28	5,664,442.84	5,304,617.33	5,153,873.14
School administrative services	2,492,000.60	2,388,729.55	2,324,118.02	2,525,618.94	2,518,677.52	2,378,005.00	2,384,117.70	2,193,291.78	2,113,793.52	1,909,058.38
General and business administrative services	2,731,850.51	2,403,069.93	2,553,577.49	2,167,818.77	2,582,408.22	2,164,853.75	2,310,561.08	1,900,236.20	1,679,898.80	1,700,575.45
Plant operations and maintenance	6,312,559.47	5,987,487.69	5,265,156.39	5,346,288.51	5,324,655.62	4,411,109.84	4,620,180.87	4,386,966.48	4,168,120.72	3,429,333.48
Pupil transportation	3,369,839.41	3,136,352.74	3,158,196.80	3,083,276.15	3,051,281.60	3,072,822.91	3,258,903.67	3,350,686.16	3,139,167.50	2,911,627.99
Employee benefits	11,823,724.98	12,501,817.42	11,434,078.09	10,308,826.07	11,097,790.43	11,569,650.23	11,729,997.43	11,226,685.92	9,234,255.86	8,650,689.19
Charter Schools		51,883.00	23,370.00	23,079.00						
Capital outlay	1,901,468.53	304,573.01	718,010.15	863,168.18	2,131,558.78	1,526,358.21	638,423.73	2,658,233.42	1,627,469.80	6,720,640.78
Debt service:										
Principal	1,950,000.00	1,915,000.00	1,875,000.00	1,830,000.00	1,735,000.00	1,685,000.00	1,630,000.00	1,575,000.00	1,495,000.00	1,699,525.00
Interest and other charges	690,059.50	767,984.50	827,703.31	951,098.50	1,074,082.98	1,172,162.26	1,246,294.78	1,321,809.78	1,392,167.26	1,460,640.72
Total expenditures	66,578,897.35	63,114,906.09	60,465,317.45	59,120,851.37	61,682,119.98	59,010,033.38	58,677,047.19	58,684,419.00	53,756,460.78	56,175,690.82
Excess (Deficiency) of revenues over (under) expenditures	472,289.34	2,284,394.86	3,109,965.53	2,027,455.32	(1,127,811.78)	443,911.20	251,292.14	(674,455.66)	(1,022,236.25)	(5,273,613.51)

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Changes in Fund Balances - Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	Fiscal Year Ending June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Other Financing sources (uses)										
Proceeds from borrowing					65,503.03					
Temporary Notes Paid by Budget										284,525.00
Sale of Assets										
N.J. Economic Development Authority grants				558,811.00	828,782.00	(66,128.24)			822,470.00	
Transfers in	375,143.94	539.71	300,231.16	3,711.71	1,354,550.43	291.34	6,459.55	1,289,130.34	1,041,065.72	41,761.30
Transfers out	(375,143.94)	(539.71)	(300,231.16)	(3,711.71)	(1,354,550.43)	(10,491.34)	(17,810.72)	(1,289,130.34)	(1,056,549.41)	(58,414.39)
Total other financing sources (uses)	-	-	-	558,811.00	894,285.03	(76,328.24)	(11,351.17)	-	806,986.31	267,871.91
Net change in fund balances	$ 472,289.34	$ 2,284,394.86	$3,109,985.53	$2,586,266.32	$ (233,526.75)	$ 367,582.96	$ 239,940.97	$ (674,455.66)	$ (215,249.94)	$ (5,005,741.60)
Debt service as a percentage of noncapital expenditures	4.08%	4.27%	4.52%	4.77%	4.72%	4.97%	4.96%	5.17%	5.56%	6.38%

Source: District records

Exhibit J-5

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)
Unaudited

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Transportation	$ 58,244.10	$ 49,832.15	$ 34,258.41	$ -	$ -	$ 330.00	$ 328.00	$ -	$ -	$ -
Tuition			6,950.00	26,633.00	46,334.00	1,494.00				
Interest	151,925.18	344,580.92	422,818.72	296,410.09	116,315.60	81,535.59	83,564.46	18,426.89	18,616.95	24,500.90
Prior Year Refunds	34,331.96	140,587.41	97,953.80	111,855.23	157,108.07	111,305.16	89,276.76	102,707.99	197,295.27	116,315.34
Rentals	47,940.00	63,930.95	64,272.50	61,805.00	67,130.00	70,640.00	80,092.50	158,812.50	153,328.06	160,246.49
Miscellaneous	15,632.16	13,845.20	47,538.50	7,330.79	7,376.00	7,986.03	14,973.27	5,842.61	20,592.01	23,769.67
	$ 308,073.40	$ 612,776.63	$ 673,791.93	$ 504,034.11	$ 394,263.67	$ 273,290.78	$ 268,234.99	$ 285,789.99	$ 389,832.29	$ 324,832.60

Source: District records

Exhibit J-6

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Assessed Value and Estimated Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended December 31,	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate
2005	84,574,300	3,201,297,499	6,252,600	513,734,000	245,746,200	31,751,800	4,083,356,399	5,070,406	4,088,426,805	5,181,456,194	1.069
2006	93,561,000	3,229,375,100	6,252,600	508,606,900	240,050,600	31,751,800	4,109,598,000	4,520,459	4,114,118,459	5,871,409,364	1.122
2007	93,175,400	3,264,954,200	6,252,600	475,892,000	228,821,000	31,751,800	4,100,947,000	4,505,839	4,105,452,839	6,794,306,951	1.182
2008	89,819,900	3,282,523,000	12,848,400	475,560,100	231,148,000	31,751,800	4,123,651,200	4,444,235	4,128,095,435	6,794,306,951	1.211
2009	85,259,100	3,306,757,000	12,833,400	474,772,000	230,606,800	31,751,800	4,141,980,100	4,557,002	4,146,537,102	7,114,552,732	1.252
2010	82,587,000	3,307,176,900	12,326,100	486,416,800	222,957,200	31,751,800	4,143,215,800	4,931,194	4,148,146,994	6,841,606,324	1.298
2011	101,431,400	4,340,294,700	14,509,400	859,860,855	361,833,700	51,338,000	5,729,268,055	6,107,242	5,735,375,297	5,735,375,297	0.961
2012	98,254,900	4,334,976,500	14,456,400	840,148,055	357,168,100	51,338,000	5,696,341,955	5,269,822	5,701,611,777	6,314,882,225	0.984
2013	98,583,500	4,344,961,000	14,456,400	820,024,655	330,679,100	49,592,700	5,658,397,355	5,347,200	5,663,744,555	6,206,660,611	1.009
2014	98,654,000	4,337,511,000	14,449,400	789,730,155	338,535,700	49,592,700	5,629,472,955	4,740,139	5,634,213,094	5,634,213,094	1.032

Source: Municipal Tax Assessor

Exhibit J-7

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per $100 of assessed value)
Unaudited

	School District Direct Rate			Overlapping Rates		
Fiscal Year Ended December 31,	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Municipality	County	Total Direct and Overlapping Tax Rate
2005	0.992	0.077	1.069	0.371	0.250	1.690
2006	1.051	0.071	1.122	0.396	0.272	1.790
2007	1.111	0.071	1.182	0.430	0.288	1.900
2008	1.141	0.070	1.211	0.461	0.304	1.976
2009	1.183	0.069	1.252	0.481	0.330	2.063
2010	1.230	0.068	1.298	0.503	0.323	2.124
2011	0.913	0.048	0.961	0.391	0.228	1.580
2012	0.937	0.047	0.984	0.395	0.247	1.626
2013	0.962	0.047	1.009	0.405	0.250	1.664
2014	0.985	0.047	1.032	0.423	0.239	1.694

Source: Municipal Tax Collector

Exhibit J-8

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Principal Property Taxpayers
Current Year and Ten Years Ago
Unaudited

	2014		2005	
Fiscal Year Ended June 30,	Taxable Assessed Value	% of Total District Net Assessed Value	Taxable Assessed Value	% of Total District Net Assessed Value
Macarthur Boulevard, LLC (NYSE)	$ 100,000,000	1.77%	$ -	
Vista Distribution Center, Inc.	83,000,000	1.47%		
Howmedica Osteonics Corporation	60,000,000	1.06%		
Crossroads Developers Assoc.	55,350,200	0.98%		
Sharp Electronics	50,000,000	0.88%		
Jaquar Land Rover North America, Inc.	21,000,000	0.37%		
Inwood Realty Group	20,772,400	0.37%		
Garden Crossroads, LLC	20,100,000	0.35%		
Mindray DS USA, Inc.	19,437,900	0.34%		
Harte IHR Mahwah LP Altus Group	19,000,000	0.34%		
Total	$ 448,660,500	7.92%	$ -	0.00%

Source: Municipal Tax Assessor

Exhibit J-9

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended December 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2004	63,602,253	62,911,083	98.91%	320,121	63,231,204	99.41%
2005	69,433,078	68,812,390	99.10%	294,463	69,106,853	99.53%
2006	73,956,893	73,395,939	99.24%	296,095	73,692,034	99.64%
2007	78,380,298	77,860,917	99.33%	454,772	78,315,689	99.91%
2008	81,708,968	81,203,482	99.38%	456,429	81,659,911	99.93%
2009	85,757,635	84,997,722	99.11%	402,432	85,400,154	99.58%
2010	88,664,398	87,687,234	98.89%	466,446	88,153,680	99.42%
2011	90,694,305	89,985,674	99.21%	519,115	90,504,789	99.79%
2012	92,823,231	91,875,069	98.97%	504,679	92,379,748	99.52%
2013	94,306,067	93,391,400	99.03%		93,391,400	99.03%

Source: Municipal Tax Collector

Exhibit J-10

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
Unaudited

	Governmental Activities				Business-Type Activities			
Fiscal Year Ended June 30,	General Obligation Bonds	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District	Percentage of Personal Income	Per Capita
2005	30,979,000					30,979,000	2.48%	1,277
2006	29,484,000					29,484,000	2.32%	1,225
2007	27,909,000					27,909,000	2.13%	1,160
2008	26,279,000					26,279,000	1.97%	1,091
2009	24,594,000					24,594,000	1.78%	1,017
2010	22,859,000					22,859,000	1.50%	882
2011	21,069,000					21,069,000	1.34%	809
2012	19,062,000					19,062,000	1.18%	728
2013	17,147,000					17,147,000	1.02%	651
2014	15,197,000					15,197,000	1.12%	577

Exhibit J-11

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

	General Bonded Debt Outstanding				
Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property	Per Capita
2005	30,979,000		30,979,000	0.76%	1,277
2006	29,484,000		29,484,000	0.72%	1,225
2007	27,909,000		27,909,000	0.68%	1,160
2008	26,279,000		26,279,000	0.64%	1,091
2009	24,594,000		24,594,000	0.59%	1,017
2010	22,859,000		22,859,000	0.55%	882
2011	21,069,000		21,069,000	0.37%	809
2012	19,062,000		19,062,000	0.33%	728
2013	17,147,000		17,147,000	0.30%	651
2014	15,197,000		15,197,000	0.27%	577

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Direct and Overlapping Governmental Activities Debt
As of December 31,2013
Unaudited

Net Direct Debt of School District as of December 31, 2013		$ 15,197,000.00
Net Overlapping Debt of School District:		
Township of Mahwah (100%)	$ 28,655,390.70	
County of Bergen - Township's share (3.7614%)	31,950,450.18	
Northwest Bergen County Utilities Authority (28.22%)	4,676,398.84	
		65,282,239.72
Total Direct and Overlapping Bonded Debt as of December 31, 2013		$ 80,479,239.72

Source: Township of Mahwah Chief Financial Officer, Bergen County Treasurer's Office and Northwest Bergen County Utilities Authority Treasurer's Office.

Exhibit J-13

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Legal Debt Margin Information
Last Nine Fiscal Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2013

Equalized valuation basis	
2011	6,429,433,346
2012	6,213,965,261
2013	5,883,744,780
	$ 18,527,143,387
Average equalized valuation of taxable property	$ 6,175,714,462
Debt limit (4 % of average equalization value)	247,028,578
Total Net Debt Applicable to Limit	15,197,000
Legal debt margin	$ 231,831,578

	Fiscal Year				
	2010	2011	2012	2013	2014
Debt limit	$ 274,170,435	$ 274,665,794	$ 266,469,440	$ 258,653,452	$ 247,028,578
Total net debt applicable to limit	22,859,000	21,069,000	19,062,000	17,147,000	15,197,000
Legal debt margin	$ 251,311,435	$ 253,596,794	$ 247,407,440	$ 241,506,452	$ 231,831,578
Total net debt applicable to the limit as a percentage of debt limit	8.34%	7.67%	7.15%	6.63%	6.15%

	Fiscal Year				
	2005	2006	2007	2008	2009
Debt limit	$ 186,747,337	$ 207,688,394	$ 230,997,852	$ 252,416,860	$ 269,024,421
Total net debt applicable to limit	30,979,581	29,484,581	27,909,000	26,279,000	24,594,000
Legal debt margin	$ 155,767,756	$ 178,203,813	$ 203,088,852	$ 226,137,860	$ 244,430,421
Total net debt applicable to the limit as a percentage of debt limit	16.59%	14.20%	12.08%	10.41%	9.14%

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

Exhibit J-14

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

Year	Population	Personal Income	Per Capita Personal Income		Unemployment Rate
2005	24,250	1,247,143,370	51,429		3.7%
2006	24,074	1,272,758,512	52,869		3.9%
2007	24,065	1,307,906,611	54,349		3.5%
2008	24,079	1,335,686,209	55,471		4.5%
2009	24,185	1,379,129,987	57,024		8.1%
2010	25,919	1,519,394,207	58,621	Actual	8.3%
2011	26,042	1,569,349,501	60,262		4.3%
2012	26,168	1,621,096,936	61,950		7.4%
2013	26,352	1,678,205,539	63,684		6.4%
2014	26,352 (Est.)	1,357,944,912	51,531		

Sources:

Population information provided by the NJ Dept of Labor and Workforce Development
Personal income has been estimated based upon the municipal population and per capita personal income presented
Per capita personal income by municipality estimated based upon the 2000 and 2010 Census published by the US Bureau of Economic Analysis.
Unemployment data provided by the NJ Dept of Labor and Workforce Development

Exhibit J-15

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Principal Employers
Current Year and Nine Years Ago
Unaudited

	2014			2005		
Employer	**Employees**	**Rank [Optional]**	**Percentage of Total Municipal Employment**	**Employees**	**Rank [Optional]**	**Percentage of Total Municipal Employment**
	Not Available		0.00% 0.00% 0.00% 0.00% 0.00% 0.00%		**Not Available**	
			-			
	0		0.00%	0		0.00%

Source: _____

Exhibit J-16

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Full-time Equivalent District Employees by Function/Program
Last Nine Fiscal Years
Unaudited

Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction										
Regular	220	221	222	221	217	215	205	210	211	216
Special education	75	78	67	66	65	64	62	60	71	81
Other instruction			15	15	15	15	12	14	13	15
Support Services:										
Student and instruction related services	76	78	79	78	78	78	86	84	97	101
School administrative services	28	28	28	28	28	28	28	27	27	29
General administrative services	3	3	3	3	3	3	3	3	2	2
Central Services	6	6	6	6	6	6	6	7	7	8
Administrative information technology	4	4	4	4	4	4	4	4	4	4
Plant operations and maintenance	33	33	33	31	14	13	10	9	9	9
Pupil transportation	6	6	7	7	7	7	8	7	6	4
Total	451	457	464	459	437	433	424	425	447	469

Source: District Personnel Records

Exhibit J-17

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Operating Statistics
Last Ten Fiscal Years
Unaudited

Fiscal Year	Enrollment	Operating Expenditures[a]	Cost Per Pupil	Percentage Change	Teaching Staff[b]	Elementary	Middle School	Senior High School	Average Daily Enrollment (ADE)[c]	Average Daily Attendance (ADA)[c]	% Change in Average Daily Enrollment	Student Attendance Percentage
2005	3,370.0	46,294,884	13,737	2.26%	331.0	13.0	11.0	8.5	3328.2	3,204.2	1.01%	96.27%
2006	3,425.5	49,043,823	14,317	4.22%	335.6	11.6	10.6	8.4	3377.9	3,262.7	1.49%	96.59%
2007	3,442.0	53,139,376	15,439	7.83%	304.0	17.5	17.1	13.7	3420.5	3,307.3	1.26%	96.69%
2008	3,479.0	55,159,329	15,855	2.70%	303.0	17.0	18.1	14.0	3455.8	3,343.8	1.03%	96.76%
2009	3,529.0	54,626,513	15,479	-2.37%	303.0	17.0	18.1	14.0	3483.7	3,355.0	0.81%	96.31%
2010	3,453.0	56,741,478	16,433	6.16%	296.2	17.0	18.1	14.0	3438.0	3,313.1	-1.31%	96.37%
2011	3,371.0	53,553,346	15,888	-3.32%	293.5	19.6	20.9	21.2	3368.8	3,219.8	-2.01%	95.58%
2012	3,294.0	57,046,664	17,318	9.01%	292.0	18.0	22.2	22.1	3299.4	3,172.2	-2.06%	96.14%
2013	3,240.5	57,606,152	17,777	2.66%	295.0	18.9	22.2	22.1	3221.9	3,086.0	-2.35%	95.78%
2014	3,183.0	62,037,369	19,490	9.64%	299.0	12.8	10.0	8.0	3176.8	3,043.4	-1.40%	95.80%

Sources: District records

Note: Enrollment based on annual October district count.

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

Exhibit J-18

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

School Building Information
Last Nine Fiscal Years
Unaudited

District Building	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Elementary										
Betsy Ross School (1936, 1954, 1996)										
Square Feet	33,526	33,526	33,526	33,526	33,526	33,526	33,526	33,526	33,526	33,526
Capacity (students)	275	275	275	275	275	275	275	275	275	275
Enrollment	323	321	331	334	305	305	261	236	233	237
George Washington School (1910, 1932, 1954, 1996)										
Square Feet	34,365	34,365	34,365	34,365	34,365	34,365	34,365	34,365	34,365	34,365
Capacity (students)	241	241	241	241	241	241	241	241	241	241
Enrollment *	314	277	264	277	259	259	236	210	178	193
Lenape Meadows School. (2002)										
Square Feet	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000	82,000
Capacity (students)	578	578	578	578	578	578	578	578	578	578
Enrollment	495	479	478	467	482	482	492	483	469	473
Joyce Kilmer School (1967, 1997)										
Square Feet	82,220	82,220	82,220	82,220	82,220	82,220	82,220	82,220	82,220	82,220
Capacity (students)	558	558	558	558	558	558	558	558	558	558
Enrollment	547	589	587	520	537	537	492	527	527	473
Middle School										
Ramapo Ridge Middle School (1974, 1998, 2005)										
Square Feet	100,037	100,037	100,037	100,037	100,037	100,037	100,037	100,037	100,037	100,037
Capacity (students)	826	826	826	826	826	826	826	826	826	826
Enrollment	829	838	826	878	887	887	839	798	798	773
High School										
Mahwah High School (1954, 1984, 2005)										
Square Feet	187,844	187,844	187,844	187,844	187,844	187,844	187,844	187,844	187,844	187,844
Capacity (students)	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093
Enrollment	814	866	940	992	1,027	1,027	1,051	1,048	1,017	1,028
Other										
Athletic Building										
Square Feet	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
Central Administration										
Square Feet	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
Maintenance Garage										
Square Feet	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200	4,200

Number of Schools at June 30, 2014
- Elementary = 4
- Middle School = 1
- Senior High School = 1
- Other = 3

Source: District Facilities Office

Exhibit J-19

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

General Fund
Schedule of Required Maintenance for School Facilities
Last Ten Fiscal Years
Unaudited

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

*School Facility	Project #	Gross Building Area (SF)	Total	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Mahwah High School	SP2900-050-03-0056	191,808	5,330,331	$ 862,880	$ 1,063,843	$ 731,338	$ 610,661	$ 571,033	$ 313,398	$ 378,737	$ 395,226	$ 294,059	$ 209,156
Betsy Ross	N/A	33,526	1,094,419	142,309	362,955	183,389	74,650	52,578	40,343	58,217	88,921	51,398	39,660
Commodore Perry	N/A												
Joyce Kilmer	N/A	82,220	1,782,534	285,589	214,008	279,942	142,433	201,326	127,484	168,052	140,387	126,051	97,262
Ramapo Ridge	SP2900-076-03-0047	118,037	2,746,075	701,730	402,290	212,155	232,352	215,969	261,848	232,127	187,304	180,962	118,338
George Washington	N/A	32,365	877,804	108,521	98,488	111,994	132,081	140,156	50,587	65,887	82,165	49,619	38,286
Lenape Meadows	N/A	88,000	1,245,955	210,679	114,521	110,149	125,488	104,457	94,587	141,909	105,154	134,912	104,100
District Total		545,956	13,076,119	$ 2,311,708	$ 2,256,105	$ 1,628,967	$ 1,217,665	$ 1,285,518	$ 888,246	$ 1,044,928	$ 999,177	$ 837,001	$ 606,804

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

Source: District records

Exhibit J-20

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Insurance Schedule
As of June 30, 2014
Unaudited

		Coverage	Deductible
Northeast Bergen County School			
Board Insurance Group:			
Property - Blanket Building & Contents		$ 149,595,829	$ 5,000
Earthquake/ Flood		5,000,000	50,000
Comprehensive General Liability Coverage		2,000,000	
Additional Comprehensive General Liability Coverage		1,000,000	
Excess Liability		9,000,000	10,000
Umbrella Liability		50,000,000	
Comprehensive Automobile Liability & Physical Damage		1,000,000	1,000
Educator's Legal Liability		1,000,000	
Privacy & Network Liability- Coverage through Indian Harbor Insurance Co.		1,000,000	25,000
Boiler & Machinery		Up to the Property Limit	
Workers Compensation - Coverage through Northeast Bergen County School Board Insurance Group			
Environmental - Coverage through ACE Insurance Company		1,000,000	15,000
Health Insurance through New Jersey State Health Benefits Plan			
Student & Athletic Insurance through Monumental Life Insurance Company.			
Volunteer Accident Policy through QBE Insurance Corporation			
Public Employee Bonds -			
Edward J. Deptula	Secretary	5,000	
Kenneth Sesholtz	Treasurer	350,000	
Blanket Employee Dishonesty (Per Employee)		100,000	5,000
Per Loss (Excess)		400,000	

Source: District records

Single Audit Section

T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Mahwah School District
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States; and in compliance with audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Township of Mahwah School District as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Township of Mahwah School District's basic financial statements, and have issued our report thereon dated July 14, 2014.

Internal Control Over Financial Reporting

Management of the Township of Mahwah School District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Township of Mahwah School District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstance for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Mahwah School District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Mahwah School District's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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.

350 Main Road, Suite 104
Montville, NJ 07045
973-953-7769 Fax: 973-625-8733
Email: tmvrabeldvc@optonline.net

Our consideration of internal control over financial reporting 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 financial reporting that might be significant deficiencies or material weaknesses. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of This Report

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

Timothy M. Vrabel
Public School Accountant
License No. CS000689

Chris C. W. Hwang
Certified Public Accountant
License No. CC033704

Montville, New Jersey
July 14, 2014

T. M. Vrabel & Associates, LLC
Accountants and Auditors

Timothy M. Vrabel, RMA, PSA
Chris C. Hwang, CPA

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; REPORT ON SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE REQUIRED BY OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR LETTER 04-04

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Mahwah School District
County of Bergen, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Township of Mahwah School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey Compliance Manual State Grants Compliance Supplement that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014. Township of Mahwah School District's major federal and state programs are identified in the Summary of Auditor's Results Section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Township of Mahwah School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; in compliance with the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and New Jersey Office of Management and Budget Circular Letter 04-04 Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those

350 Main Road, Suite 104
Montville, NJ 07045
973-953-7769 Fax: 973-625-8733
Email: tmvrabeldvc@optonline.net

standards, OMB Circular A-133 and New Jersey OMB's Circular Letter 04-04 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 and state program occurred. An audit includes examining, on a test basis, evidence about Township of Mahwah School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of Township of Mahwah School District's compliance with those requirements.

Opinion on Each Major Federal and State program

In our opinion, the Township of Mahwah School District, in the County of Bergen, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2014.

Report on Internal Control Over Compliance

The management of Township of Mahwah School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Township of Mahwah School District's internal control over compliance with the types of requirements that could have a direct and material effect on a 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 and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of the Township of Mahwah School District's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Mahwah School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state 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 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 significant deficiencies or material weaknesses. 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 Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards and State Financial Assistance Required by OMB Circular A-133 and New Jersey OMB Circular 04-04

We have audited the financial statements of the Township of Mahwah School District as of and for the year ended June 30, 2014, and have issued our report thereon dated July 14, 2014, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and New Jersey OMB Circular 04-04 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedules of Expenditure of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the financial statements as a whole.

Timothy M. Vrabel
Public School Accountant
License No. CS000689

Chris C.W. Hwang
Certified Public Accountant
License No. CC033704

Montville, New Jersey
July 14, 2014

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Schedule of Expenditures of Federal Awards, Schedule A
June 30, 2014

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA or Grant Number	Grant Period	Award Amount	Balance July 1, 2013	Adjustments	Cash Received	BUDGETARY EXPENDITURES: Disbursements	Accounts Payable	Encumbrances	Total	Repayment of Prior Years' Balances	Balance June 30, 2014: Accounts Receivable	Deferred Revenue	Due to Grantor
U.S. Department of Agriculture Passed - Through State Department of Education:														
Food Distribution Program	10.550	7/1/13-6/30/14	$ 31,791.77	$ 22,668.71	$ -	$ 31,791.77	$ 49,974.29	$ -	$ -	$ 49,974.29	$ -	$ -	$ 4,486.19	$ -
National School Lunch Program	10.555	7/1/13-6/30/14	156,168.09			149,241.14	156,168.09			156,168.09		(9,926.95)		
National School Lunch Program	10.555	7/1/12-6/30/13	145,123.68	(12,005.11)		12,005.11	-			-		-	-	
Total U.S. Department of Agriculture				10,663.60		193,038.02	206,142.38			206,142.38		(9,926.95)	4,486.19	
U.S. Department of Education Passed - Through State Department of Education:														
Special Revenue Funds:														
E.S.E.A. Title I	84.010A	9/1/13-8/31/14	105,264.00			105,264.00	105,264.00			105,264.00		-		
E.S.E.A. Title I	84.010A	9/1/12-8/31/13	124,447.00	(77,733.00)		77,733.00				-		-		
E.S.E.A. Title II A	84.367A	9/1/13-8/31/14	75,736.00			75,736.00	75,736.00			75,736.00		-		
E.S.E.A. Title II A	84.367A	9/1/12-8/31/13	76,219.00	(26,538.00)		26,538.00				-		-		
E.S.E.A. Title II A - Carryover	84.367A	9/1/11-8/31/12	83,672.00	242.00			242.00			242.00		-		
E.S.E.A. Title III	84.365A	9/1/13-8/31/14	11,070.00			11,070.00	11,070.00			11,070.00		-		
E.S.E.A. Title III	84.365A	9/1/12-8/31/13	13,319.00	(8,413.00)		8,413.00				-		-		
I.D.E.A. Part B, Basic	84.027A	9/1/13-8/31/14	619,489.00			617,941.00	619,489.00			619,489.00		(1,548.00)		
I.D.E.A. Part B, Basic	84.027A	9/1/12-8/31/13	654,386.00	(241,323.00)		241,323.00				-		-		
I.D.E.A. Part B, Preschool	84.173A	9/1/13-8/31/14	31,280.00			27,804.00	27,804.00			27,804.00		-		
I.D.E.A. Part B, Preschool	84.173A	9/1/12-8/31/13	32,829.00	(4,728.00)						-		(4,728.00)		
Indian Education Program	84.060A	7/1/13-6/30/14	32,866.00	-		32,866.00	32,862.20			32,862.20		-	3.80	
Total U.S. Department of Education (Fund 20)				(358,493.00)	-	1,224,688.00	872,467.20	-	-	872,467.20	-	(6,276.00)	3.80	-
Total Federal Financial Assistance				$ (347,829.40)	$ -	$ 1,414,726.02	$ 1,078,609.58	$ -	$ -	$ 1,078,609.58	$ -	$ (16,202.95)	$ 4,489.99	$ -

The accompanying Notes to Schedules of Awards and Financial Assistance are an integral part of this schedule.

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH

Schedule of Expenditures of State Financial Assistance, Schedule B
June 30, 2014

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance July 1, 2013	Adjustments	Cash Received	BUDGETARY EXPENDITURES: Disbursements	Accounts Payable	Encumbrances	Total	Repayment of Prior Years' Balances	Balance June 30, 2014: Accounts Receivable	Deferred Revenue	Due to Grantor
State Department of Education:														
General Funds:														
Categorical Transportation Aid	14-495-034-5120-014	7/1/13-6/30/14	$ 253,921.00	$ -	$ 12,925.18 (1)	$ 229,903.89	$ 253,921.00	$ -	$ -	$ 253,921.00	$ -	$ (11,061.93)	$ -	$ -
Categorical Transportation Aid	13-495-034-5120-014	7/1/12-6/30/13	253,465.00	(14,738.49)		14,738.49				-		-		
Categorical Special Education Aid	14-495-034-5120-089	7/1/13-6/30/14	1,940,400.00			1,855,638.31	1,940,400.00			1,940,400.00		(84,761.69)		
Categorical Special Education Aid	13-495-034-5120-089	7/1/12-6/30/13	1,943,548.00	(112,955.34)		112,955.34				-		-		
Categorical Security Aid	14-495-034-5120-084	7/1/13-6/30/14	51,859.00	-		49,593.66	51,859.00			51,859.00		(2,265.34)		
Categorical Security Aid	13-495-034-5120-084	7/1/12-6/30/13	50,188.00	(2,917.17)		2,917.17				-		-		
Additional Adjustment Aid	14-495-034-5120-085	7/1/13-6/30/14	1.00			0.96	1.00			1.00		(0.04)		
Extraordinary Aid	14-495-034-5120-044	7/1/13-6/30/14	396,855.00				396,855.00			396,855.00		(396,855.00)		
Extraordinary Aid	13-495-034-5120-044	7/1/12-6/30/13	327,179.00	(327,179.00)		327,179.00				-		-		
Non-Public Transportation Aid	14-495-034-5120-014	7/1/13-6/30/14	34,869.00				34,869.00			34,869.00		(34,869.00)		
Non-Public Transportation Aid	13-495-034-5120-014	7/1/12-6/30/13	44,081.20	(44,081.20)		44,081.20				-		-		
Reimbursed TPAF Social Security Contribution	14-495-034-5095-002	7/1/13-6/30/14	1,753,075.63			1,664,903.30	1,753,075.63			1,753,075.63		(88,172.33)		
Reimbursed TPAF Social Security Contribution	13-495-034-5095-002	7/1/13-6/30/13	1,743,667.85	(91,174.71)		91,174.71				-		-		
On-Behalf TPAF Pension Contributions	14-495-034-5095-001	7/1/13-6/30/14	2,637,162.00	-	-	2,637,162.00	2,637,162.00			2,637,162.00		-		
Total General Funds				(903,045.91)	12,925.18	7,030,268.63	7,066,162.63			7,066,162.63		(618,818.33)		
Special Revenue Funds:														
New Jersey Nonpublic Aid:														
Textbook Aid	14-100-034-5120-064	7/1/13-6/30/14	3,346.00			3,346.00	3,346.00			3,346.00		-		
Textbook Aid	13-100-034-5120-064	7/1/12-6/30/13	5,853.00	1,679.25	(1,679.25) (1)					-		-		
Handicapped Services:														
Examination and Classification	14-100-034-5120-066	7/1/13-6/30/14	5,570.00			5,570.00	2,227.96			2,227.96		-		3,342.04
Examination and Classification	13-100-034-5120-066	7/1/12-6/30/13	3,960.00	1,432.84	(1,432.84) (1)					-		-		
Corrective Speech	14-100-034-5120-066	7/1/13-6/30/14	3,906.00			3,906.00	2,109.24	312.48		2,421.72		-		1,484.28
Corrective Speech	13-100-034-5120-066	7/1/12-6/30/13	7,031.00	4,453.04	(4,453.04) (1)					-		-		
Supplementary Instruction	14-100-034-5120-066	7/1/13-6/30/14	1,110.00			1,110.00	208.14	69.38		277.52		-		832.48
Nursing Services	14-100-034-5120-070	7/1/13-6/30/14	5,172.00			5,172.00	4,241.33			4,241.33		-		930.67
Nursing Services	13-100-034-5120-070	7/1/12-6/30/13	7,847.00	4,494.65	(4,494.65) (1)	-	-			-		-		
Technology Initiative	14-100-034-5120-373	7/1/13-6/30/14	1,220.00	-	-	1,220.00	1,220.00			1,220.00		-		
Technology Initiative	13-100-034-5120-373	7/1/12-6/30/13	2,087.00	865.40	(865.40) (1)	-	-	-		-		-		-
Total Special Revenue Funds				12,925.18	(12,925.18)	20,324.00	13,352.67	381.86		13,734.53		-	-	6,589.47
Capital Project Funds:														
N.J. Schools Development Authority Grant	SP2900-050-14-G1EX		373,905.00							-		-		
N.J. Schools Development Authority Grant	SP2900-060-14-G1EY		132,802.00							-		-		
N.J. Schools Development Authority Grant	SP2900-070-14-G1EZ		264,215.00							-		-		
N.J. Schools Development Authority Grant	SP2900-076-14-G1FA		132,802.00							-		-		
N.J. Schools Development Authority Grant	SP2900-080-14-G1FB		132,802.00							-		-		
Total Capital Project Funds										-		-		
Enterprise Funds:														
State School Lunch Program	14-100-010-3360-067	7/1/13-6/30/14	7,254.50			6,797.87	7,254.50			7,254.50		(456.63)		
State School Lunch Program	13-100-010-3360-067	7/1/12-6/30/13	7,180.54	(554.89)		554.89	-			-		-		
Total Enterprise Funds				(554.89)	-	7,352.76	7,254.50	-	-	7,254.50	-	(456.63)	-	-
Total All Funds				$ (560,675.62)	$ 0.00	$ 7,057,944.79	$ 7,086,769.80	$ 381.86	$ -	$ 7,087,151.66	$ -	$ (619,471.96)	$ -	$ 6,589.47

(1) Reallocated
(2) Transferred from Fund 10
(3) Canceled

The accompanying Notes to Schedules of Awards and Financial Assistance are an integral part of this schedule.

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2014

Note 1: General

The accompanying schedules of expenditures of awards and financial assistance present the activity of all federal and state programs of the Township of Mahwah School District Board of Education. The Board of Education is defined in Note I:B. to the Board's basic financial statements. All federal awards and state financial assistance 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 using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes I:E and Note I:F. to the Board's basic financial statements. The information in the schedules is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in the schedules may differ from amounts presented in, or used in the preparation of, the 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 are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent 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 one or more deferred June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE
YEAR ENDED JUNE 30, 2014
(CONCLUDED)

Note 3: Relationship to Basic Financial Statements (Continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $32,492.00 for the general fund and $(1,830.67) for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the GAAP 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 follows:

	Federal	State	Total
General Fund	$ 25,032.77	$7,100,654.63	$7,125,687.40
Special Revenue Fund	872,467.20	13,352.67	885,819.72
Capital Projects Fund		1,036,526.00	1,036,526.00
Food Service Fund	187,959.86	7,254.50	195,214.36
Total Awards and Financial Assistance	$1,085,459.83	$8,157,787.80	$9,243,247.63

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for post-retirement medical benefits and the normal and accrued liability pension costs for the year ended June 30, 2014. 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, 2014.

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

Part I – Summary of Auditor's Results

Financial Statement Section

A) Type of auditor's report issued: Unmodified

B) Internal Control over financial reporting:

1) Material weakness(es) identified? ____ yes __X__ no
2) Were significant deficiencies identified that were not considered to be material weaknesses? ____ yes __X__ none reported

C) Noncompliance material to basic financial statements noted? ____ yes __X__ no

Federal Awards Section

D) Dollar threshold used to determine Type A programs $ 300,000.00

E) Auditee qualified as low-risk auditee? __X__ yes ____ no

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

G) Internal Control over compliance:

1) Material weakness(es) identified? ____ yes __X__ no
2) Were significant deficiencies identified that were not considered to be material weaknesses? ____ yes __X__ none reported

H) Any audit findings disclosed that are required to be reported in accordance with OMB Circular A-133 (section .510 (a))? ____ yes __X__ no

I) Identification of major programs:

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

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014

Part I – Summary of Auditor's Results (Continued)

State Financial Assistance Section

J) Dollar threshold used to determine Type A Programs	$ 300,000.00
K) Auditee qualified as low-risk auditee?	X yes ___ no
L) Type of auditor's report on compliance for major programs.	Unmodified
M) Internal Control over compliance:	
1) Material weakness(es) identified?	___ yes X no
2) Were significant deficiencies identified that were not considered to be material weaknesses?	___ yes X none reported
N) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 04-04?	___ yes X no

O) Identification of major programs:

GMIS Number(s)	Name of State Program
14-495-034-5120-089	Special Education Aid
14-495-034-5120-084	Security Aid
14-495-034-5120-085	Additional Adjustment Aid
14-495-034-5095-002	Reimbursed T.P.A.F. Social Security Contributions
14-495-034-5120-044	Extraordinary Aid

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014
(CONTINUED)

Part 2 – Schedule of 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.

Not Applicable

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014
(CONTINUED)

Part 3 – Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by OMB Circular A-133 and New Jersey OMB's Circular 04-04.

Not Applicable

BOARD OF EDUCATION
TOWNSHIP OF MAHWAH SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE YEAR ENDED JUNE 30, 2014

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.

Not Applicable