RANCOCAS VALLEY
REGIONAL HIGH SCHOOL DISTRICT
MOUNT HOLLY, NEW JERSEY

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED

JUNE 30, 2014

RANCOCAS VALLEY REGIONAL SCHOOL DISTRICT
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INTRODUCTORY SECTION

MRS. EMILY CAPELLA
Interim Superintendent/Principal

MRS. LISA GIOVANELLI
Business Administrator
Board Secretary

RANCOCAS VALLEY REGIONAL HIGH SCHOOL
520 JACKSONVILLE ROAD
MOUNT HOLLY, NEW JERSEY 08060

Telephone: (609) 267-0830
FAX: (609) 265-9204

MR. WILLIAM BOOTH
Assistant Principal

MRS. LETITIA BRANIN
Assistant Principal

MR. CHRISTOPHER MYERS
Assistant Principal

MR. RONALD WENCE
Assistant Principal

December 1, 2014

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

Dear Board Members:

The comprehensive annual financial report of the Rancocas Valley Regional High School District for the fiscal year ended June 30, 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 School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, and each major fund of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four (4) sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 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 and regulations and findings and recommendations are included in the single audit section of this report.

(1) <u>REPORTING ENTITY AND ITS SERVICES</u>:

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

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

Average Daily Enrollment

Fiscal Year	Students	Percent Change
2013-2014	1962	+0.51
2012-2013	1952	+4.16
2011-2012	1874	-7.02
2010-2011	2016	-7.36
2009-2010	2176	+0.83
2008-2009	2158	-3.91
2007-2008	2245	-2.42
2006-2007	2301	+4.02
2005-2006	2212	+0.59
2004-2005	2199	+3.27

(2) ECONOMIC CONDITION AND OUTLOOK:

The Rancocas Valley community has remained relatively unchanged over the past few years. The period of expansion between 1999 and 2007 has slowed and the average daily enrollment of student has decreased since 2007.

(3) MAJOR INITIATIVES:

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

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

Throughout their high school career we will monitor their progress, offer guidance and support services tailored to their individual needs. The seminar class will give all students the tools needed to grow socially and emotionally through character education activities.

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

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

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

(4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

(5) BUDGETARY CONTROLS:

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

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

(6) ACCOUNTING SYSTEM AND REPORTS:

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

(7) FINANCIAL INFORMATION AT FISCAL YEAR-END:

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

(8) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

(9) RISK MANAGEMENT:

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

Honorable President and
Members of the Board of Education

(10) INDEPENDENT AUDIT:

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of OMB Circular A-133 "Audits of States, Local Governments and Non-Profit Organizations" and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". The auditor's report on the basic financial statements, required supplementary information and supplementary information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

(11) ACKNOWLEDGEMENTS:

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

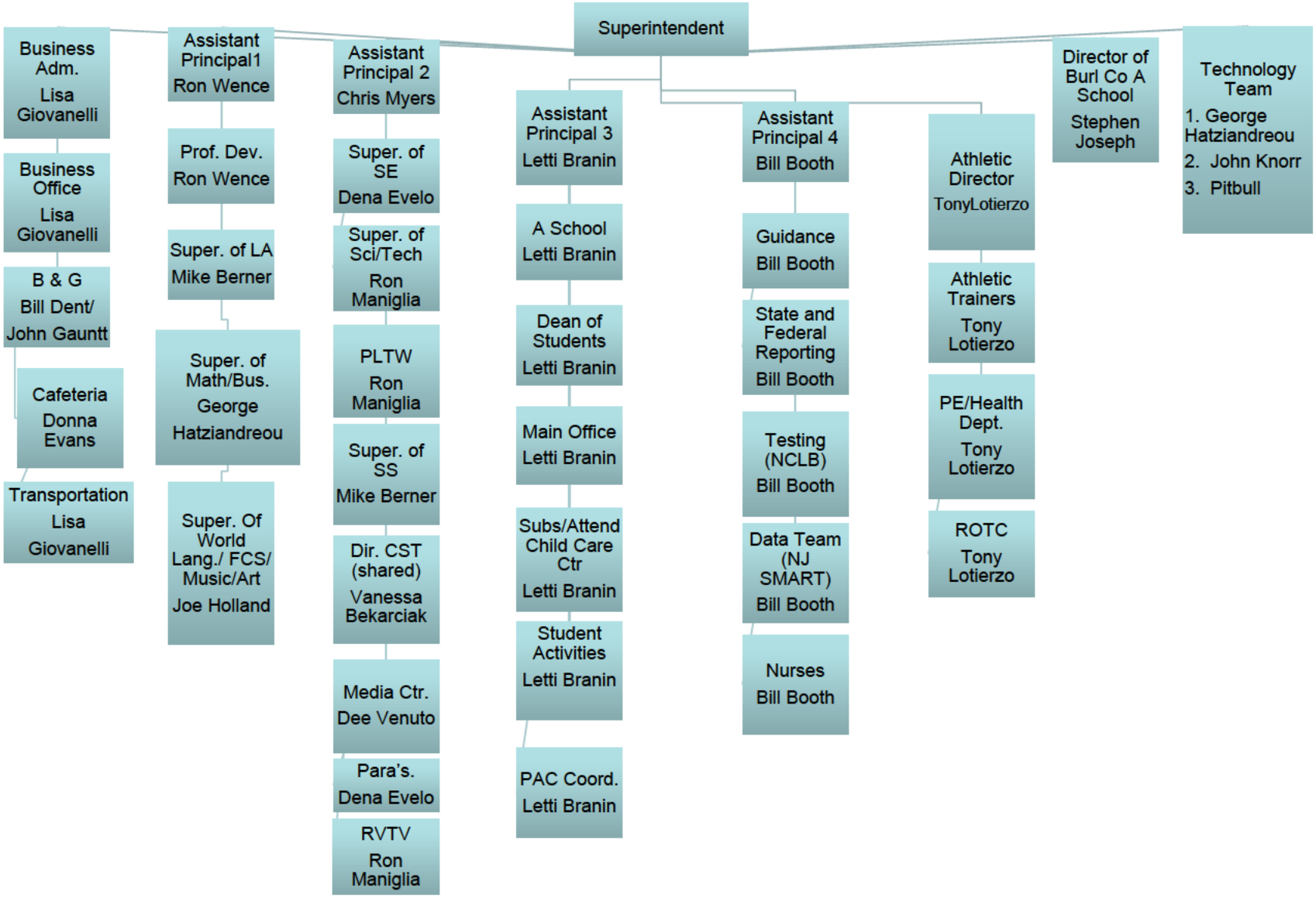
Respectfully Submitted,

Emily Capella
Interim Superintendent

Respectfully Submitted,

Lisa Giovanelli
Business Administrator/Board Secretary

RVRHS Organization Flow 2013-14



RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

ROSTER OF OFFICIALS

June 30, 2014

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Jesse Adams Jr., President	2016
Charles S. Miller, Vice President	2015
Richard A. Alaimo	2014
R. Thomas Dow	2014
John M. LaPierre	2014
John E. McArthur	2016
Robert Mungo	2015
Diane J. Solan	2015
Katherine Twiggs	2015

OTHER OFFICIALS

Emily Capella, Interim Superintendent

Dr. Gerard Jellig, Superintendent (7/1/13 to 6/30/14)

Lisa Giovanelli, Business Administrator/Board Secretary

Lawrence E. Fisher, Treasurer of School Monies

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

JUNE 30, 2014

AUDIT FIRM

Bowman & Company LLP
6 North Broad Street, Suite 201
Woodbury, New Jersey 08096

ATTORNEY

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

INSURANCE BROKER

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

OFFICIAL DEPOSITORY

All banks, located within the boundaries of the School District

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Rancocas Valley Regional High in the County of Burlington, State of New Jersey, as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Rancocas Valley Regional High's basic financial statements. The accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance, as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and State of New Jersey Circular 04-04-OMB, 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 accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and Schedules of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated December 1, 2014 on our consideration of the Rancocas Valley Regional High's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Rancocas Valley Regional High's internal control over financial reporting and compliance.

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Henry J. Ludwigsen

Henry J. Ludwigsen
Certified Public Accountant
Public School Accountant No. CS 001112

Woodbury, New Jersey
December 1, 2014

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

INDEPENDENT AUDITOR'S REPORT

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial statement audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the of Rancocas Valley Regional High School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated December 1, 2014.

Internal Control Over Financial Reporting

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

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

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Rancocas Valley Regional High School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under Government Auditing Standards, and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey and which is described in the accompanying Schedule of Findings and Questioned Costs and Independent Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance as finding number *2014-01*.

The Rancocas Valley Regional High School District's Response to Finding

The Rancocas Valley Regional High School District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Henry J. Ludwigsen

Henry J. Ludwigsen
Certified Public Accountant
Public School Accountant No. CS 001112

Woodbury, New Jersey
December 1, 2014

REQUIRED SUPPLEMENTARY INFORMATION
PART I

The management's discussion and analysis of Rancocas Valley Regional High School District (RVRHSD) financial performance provides an overall review of the school district's financial activities for the fiscal year ended June 30, 2014. The intent of the discussion and analysis is to look at the school district's financial performance and review the notes to the basic financial statements to enhance the understanding of the school district's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

FINANCIAL HIGHLIGHTS

Financial Highlights for 2014 fiscal year:

- The total assets of the Rancocas Valley Regional High School District exceeded its liabilities at the close of the most recent fiscal year by $16,994,711.90 (net position), an increase of $2,143,259.52 in comparison with the prior year.

- As of the close of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combined ending fund balances of $12,814,355.03, a decrease of $1,363,219.03 in comparison with the prior year. During the year Stadium renovations, funded mainly by capital reserve funds, were started and at 6/30/14, $2,089,259.00 of expenditures was incurred to the general contractor.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

District-wide Statements

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

OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)

District-wide Statements (Cont'd)

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

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

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

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

Fund Financial Statements

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

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

The District has three kinds of funds:

- *Government funds* – The District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as adult education and food services.
- *Fiduciary funds* – The District is the trustee for assets that belong to others. The student activities funds which include clubs, classes, athletic and scholarship funds are maintained in this fund. The district is responsible for insuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the district-wide financial statements since the district is not permitted to use these assets in the district operation.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The table below provides a summary of the School District's net position for 2014 and 2013.

Rancocas Valley Regional High School District
Net Position

	June 30, 2014	June 30, 2013
Current and Other Assets	$ 14,413,059.17	$ 14,418,763.18
Capital Assets	21,467,160.27	19,360,830.34
Total Asset	35,880,219.44	33,779,593.52
Long-term Liabilities	16,055,625.18	17,093,057.60
Other Liabilities	2,829,882.36	1,835,083.54
Total Liabilities	18,885,507.54	18,928,141.14
Net Position		
Invested in Capital Assets, net of related debt	4,217,664.26	748,799.34
Restricted	13,482,216.08	14,902,942.26
Unrestricted	(705,168.44)	(800,289.22)
Total Net Position	$ 16,994,711.90	$ 14,851,452.38

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Table 2 reflects changes in net position for 2014 and 2013

	June 30, 2014	June 30, 2013
Revenues		
Program revenues		
Charges for services	$ 2,104,570.29	$ 2,340,794.54
Operating grants and contributions	2,799,317.38	3,271,230.08
General Revenues		
Property taxes	16,614,779.00	16,633,421.00
State and Federal Aid	16,841,137.93	16,979,355.28
Other	749,668.73	455,181.02
Total Revenues	39,109,473.33	39,679,981.92
Expenses		
Governmental activities		
Instruction:		
Regular	9,908,603.66	9,898,759.02
Special education	1,848,914.17	1,887,837.70
Other special education	766,729.96	769,541.60
Support Services:		
Tuition	4,679,223.40	5,081,355.59
Student & instruction related services	2,815,271.15	2,677,145.09
General administration	459,987.22	478,471.87
School Administrative services	1,075,470.32	1,052,347.42
Central Services	453,163.35	506,811.02
Administrative information technology	437,731.80	408,134.08
Plant operations and maintenance	3,343,921.26	2,780,182.16
Pupil transportation	1,901,507.34	1,971,153.84
Unallocated Benefits	6,282,630.98	6,602,626.22
Special Schools	5,251.79	1,241,180.99
Interest on long-term debt	814,530.75	852,664.37
Unallocated depreciation	145,988.00	151,648.00
Total governmental activities expenses	34,938,925.15	36,359,858.97
Business-type activities:		
Food service	762,376.22	759,517.00
Alternative School	1,264,912.44	
Total business-type activities expense	2,027,288.66	759,517.00
Total Expenses	36,966,213.81	37,119,375.97
Net Increase / Decrease in Net Position	2,143,259.52	2,560,605.95
Net Position Beginning of Year	14,851,452.38	12,290,846.43
Net Position End of Year	$ 16,994,711.90	$ 14,851,452.38

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

Governmental-Type Activities

In 2013-14 Governmental-Type Activities revenues were $37,079,978.61 or 94.81% of total revenues.

In 2012-13 Governmental-Type Activities revenues were $38,894,300.87 or 98.02% of total revenues.

In 2013-14 General Revenues - Property Taxes of $16,614,779.00 made up 44.81% percent, and General Revenues-Federal & State Grants of $16,841,137.93 made up 45.42% percent of Governmental-Type Activities Revenues.

In 2012-13 General Revenues - Property Taxes of $16,633,421.00 made up 42.77% percent, and General Revenues – Federal & State Grants of $16,979,355.28 made up 43.66% percent of Governmental-Type Activities Revenues.

In 2013-14 the District's Governmental-Type Activities expenditures (GASB level) decreased by $1,420,933.82 or 3.91% percent.

- Health Benefits increased $120,674.76 or 3.65% ($3,424,576.25 – $3,303,901.49).
- Retirement and Health Costs paid by the State of New Jersey on behalf of the School District decreased $371,287.00 or 23.59% ($1,202,963.00 - $ 1,574,250.00).
- Total General Fund Salaries increased $258,545.75 or 1.73% ($15,200,962.46 - $14,942,416.71)
- In 2013-2014, the District's Alternative School expenditures were accounted for as an Enterprise fund. Due to this change, expenditures related to the Alternative School in the Governmental-Type Activities were decreased by $1,235,959.20 when compared to the prior year. District-wide, the Alternative School expenditures were $1,270,164.23, a 2.34% increase.

Business-Type Activities

In 2013-14 Business-Type Activities revenues were $2,029,494.72 or 5.19% of total revenues. In 2012-13 Business-Type Activities revenues were $785,681.05 or 1.98% of total revenues. The increase in revenues was due to the inclusion of Alternative School revenues as business type activities in 2013-2014

Charges for Services for Business-Type Activities related to food service were $548,973.80 in 2013-2014 compared to $582,099.88 in 2012-2013, a 5.69% decrease.

Charges for Services for Business-Type Activities related to the Alternative School were $1,264,912.44 in 2013-14. These revenues were accounted for as Governmental Activities in prior years.

Operating Grants and Contributions for Business-Type Activities were $215,457.12 in 2013-2014 compared to $203,249.76 in 2012-2013, a 6.01% increase.

Expenses for Business-Type Activities were $2,027,288.66 in 2013-14 compared to $759,517.00 in 2012-2013, a 166.92% increase. The increase in expenditures was due to the inclusion of Alternative School expenditures as business type activities in 2013-2014

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONTINUED)

General Fund Budgeting Highlights

During fiscal 2014 school year, the Board of Education amended its general fund budget as needed. The net change in the total budget modification was due to the anticipation of Extraordinary Aid funding from the State of New Jersey.

The final budgetary basis revenue estimate was $32,480,995.00, the original was $32,234,678.00.

The 2013-2014 General Fund Tax Levy was $15,878,056.00, an increase of $311,334.00 or 2.00% from the 2012-2013 General Fund Tax Levy of $15,566,722.00.

During fiscal year 2014, Rancocas Valley Regional High School District budgeted $15,878,056.00 and $16,214,674.00 for property taxes (local tax levy) and state aid revenues, respectively.

The Rancocas Valley Regional High School District also received $812,564.71 and $1,202,963.00 in reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions, respectively.

The final budgetary basis expenditure appropriation estimate was $37,343,727.19 compared to the original estimate of $36,461,844.00.

The Rancocas Valley Regional High School District's expenditures also include reimbursed T.P.A.F. Social Security Aid and T.P.A.F. Pension Contributions of $812,564.71 and $1,202,963.00 respectively, which contributes to an unfavorable expenditure variance for the fiscal year.

Financial Analysis of the Government's Funds

Governmental Funds - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's governmental funds reported combining ending fund balances of $12,814,355.03, a decrease of $1,363,219.03 in comparison with the prior year.

Of the combined ending fund balances of $12,814,355.03, ($667,861.05) constitutes unreserved fund balance. The remainder of fund balance is reserved to indicate that it is not available for new spending because it has already been restricted or assigned. For example; to liquidate contracts and purchase orders of the prior period of $317,873.85 is restricted.

Proprietary Fund - As of the end of the current fiscal year, the Rancocas Valley Regional High School District's proprietary fund had $145,805.26 in unrestricted net position.

CAPITAL ASSETS

The Rancocas Valley Regional High School District's investment in capital assets for its governmental and business-type activities as of June 30, 2014 amounts to $21,467,160.27 (net of accumulated depreciation). This investment in capital assets includes land, construction in progress, land improvements, buildings and improvements, and equipment.

During 2013-2014, the athletic complex renovation project was started. The work completed to date on the project accounted for the $2,747,666.00 increase to Building & Building Improvements.

Rancocas Valley Regional High School District
Capital Assets

	June 30, 2014	June 30, 2013
Land	$ 1,532,630.00	$ 1,532,630.00
Building & Bldg Improvements	30,537,700.00	27,790,034.00
Equipment	3,334,724.79	3,193,592.79
Total Capital Assets	35,405,054.79	32,516,256.79
Less: Accumulated Depreciation	(13,937,894.52)	(13,155,426.45)
Net Capital Assets	**$ 21,467,160.27**	**$ 19,360,830.34**

Depreciation expense was $773,389.00 the year ended 6/30/14 and $782,816.00 for the year ended 6/30/13.

DEBT ADMINISTRATION

At June 30, 2014, the School District had $17,613,000.00 in outstanding bonds. This represents a $1,055,000.00 decrease from last year.

At June 30, 2014, the School District's capital lease obligations have been paid in full. This represents a decrease of $333,000.00 from the prior year end.

FACTORS ON THE DISTRICT'S FUTURE

For the 2013-14 school year, the District was able to sustain its budget through property taxes, federal and state aid, and miscellaneous revenue sources. One of the most important factors affecting the School District's budget is state aid. The 2014-15 budget was adopted with a $ 438,660.00 increase in taxes between the General and Debt Service Funds ($17,053,439.00 - $16,614,779.00). State aid increased $23,904.00 between the General and Debt Service Funds ($16,788,030.00 - $16,764,126.00) for fiscal year 2015.

Any reduction of or no increase in state aid, and increases in expenditures will put an additional burden on the taxpayers of this regional district.

The District will continue to strive for savings in their budget especially in the areas of general insurance and healthcare benefits. The District continues to purchase electricity and natural gas through statewide consortiums. General school supplies and equipment are also purchased with a statewide purchasing agent.

During the 2014-2015 school year, the District plans to issue refunding bonds, saving a substantial amount of interest costs over the remaining life of the bonds.

In conclusion, the Rancocas Valley Regional High School District Board of Education and Administration have committed themselves to financial excellence for many years. The District was titled an "Excess Surplus District" by the State Department of Education. This meant that the District maintained a fund balance "Surplus" greater than the maximum permitted by the State. This excess surplus permitted the Board of Education and Administration to maintain a reasonable and fair tax impact to its community and protected itself from state and federal shortfalls in revenue. The District will continue with sound fiscal management to meet the challenge of the future.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district finances to show the school districts accountability for money it receives. If you questions about this report or need additional information, contact Lisa Giovanelli, Business Administrator/Board Secretary at Rancocas Valley Regional High School District, 520 Jacksonville Road, Mount Holly, New Jersey 08060.

BASIC FINANCIAL STATEMENTS

DISTRICT- WIDE FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2014

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	$ 12,981,203.77	$ 103,382.51	$ 13,084,586.28
Investments	1,035.02		1,035.02
Receivables, net	901,148.23	169,482.36	1,070,630.59
Inventory		5,623.07	5,623.07
Restricted Assets:			
Restricted Cash and Cash Equivalents	251,184.21		251,184.21
Capital Assets, net (Note 7)	21,455,748.00	11,412.27	21,467,160.27
Total Assets	35,590,319.23	289,900.21	35,880,219.44
LIABILITIES:			
Accounts Payable	1,330,839.54	80,553.44	1,411,392.98
Internal Balances	(44,689.39)	44,689.39	
Accrued Interest	313,519.28		313,519.28
Unearned Revenue	34,066.05	7,439.85	41,505.90
Noncurrent Liabilities (Note 8):			
Due within One Year	1,063,464.20		1,063,464.20
Due beyond One Year	16,055,625.18		16,055,625.18
Total Liabilities	18,752,824.86	132,682.68	18,885,507.54
NET POSITION:			
Net Investment in Capital Assets	4,206,251.99	11,412.27	4,217,664.26
Nonspendable:			
Permanent Endowment	81,188.33		81,188.33
Restricted for:			
Capital Projects	5,892,256.00		5,892,256.00
Other Purposes	7,508,771.75		7,508,771.75
Unrestricted	(850,973.70)	145,805.26	(705,168.44)
Total Net Position	$ 16,837,494.37	$ 157,217.53	$ 16,994,711.90

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2014

		Program Revenues			Net (Expense) Revenue and Changes in Net Position		
Functions / Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	$ 9,908,603.66	$ 290,684.05	$ 549,992.55	$ -	$ (9,067,927.06)	$ -	$ (9,067,927.06)
Special Education	1,848,914.17				(1,848,914.17)		(1,848,914.17)
Other Instruction	766,729.96				(766,729.96)		(766,729.96)
Support Services:							
Tuition	4,679,223.40				(4,679,223.40)		(4,679,223.40)
Student and Instruction Related Services	2,815,271.15		18,340.00		(2,796,931.15)		(2,796,931.15)
General Administrative Services	459,987.22				(459,987.22)		(459,987.22)
School Administrative Services	1,075,470.32				(1,075,470.32)		(1,075,470.32)
Central Services	453,163.35				(453,163.35)		(453,163.35)
Administrative Information Technology	437,731.80				(437,731.80)		(437,731.80)
Plant Operations and Maintenance	3,343,921.26				(3,343,921.26)		(3,343,921.26)
Pupil Transportation	1,901,507.34				(1,901,507.34)		(1,901,507.34)
Unallocated Benefits	6,282,630.98		2,015,527.71		(4,267,103.27)		(4,267,103.27)
Special Schools	5,251.79				(5,251.79)		(5,251.79)
Interest on Long-Term Debt	814,530.75				(814,530.75)		(814,530.75)
Unallocated Depreciation	145,988.00				(145,988.00)		(145,988.00)
Total Governmental Activities	34,938,925.15	290,684.05	2,583,860.26	-	(32,064,380.84)	-	(32,064,380.84)
Business-Type Activities:							
Food Service	762,376.22	548,973.80	215,457.12			2,054.70	2,054.70
Alternative School	1,264,912.44	1,264,912.44				-	-
Total Business-Type Activities	2,027,288.66	1,813,886.24	215,457.12	-	-	2,054.70	2,054.70
Total Primary Government	$ 36,966,213.81	$ 2,104,570.29	$ 2,799,317.38	$ -	(32,064,380.84)	2,054.70	(32,062,326.14)
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					15,878,056.00		15,878,056.00
Property Taxes Levied for Debt Service					736,723.00		736,723.00
Federal and State Aid not Restricted					16,841,137.93		16,841,137.93
Miscellaneous Income					749,517.37	151.36	749,668.73
Total General Revenues, Special Items, Extraordinary Items and Transfers					34,205,434.30	151.36	34,205,585.66
Change in Net Position					2,141,053.46	2,206.06	2,143,259.52
Net Position -- July 1					14,696,440.91	155,011.47	14,851,452.38
Net Position -- June 30					$ 16,837,494.37	$ 157,217.53	$ 16,994,711.90

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

FUND FINANCIAL STATEMENTS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Balance Sheet
June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
ASSETS:						
Cash and Cash Equivalents	$ 12,981,203.77	$ -	$ 171,030.38	$ 0.52	$ 80,153.31	$ 13,232,387 98
Investments					1,035.02	1,035 02
Interfunds Receivable	591,779.92			171,030.38		762,810 30
Receivables from Other Governments	179,666.53	539,375.00				719,041 53
Other	182,106.70					182,106.70
Total Assets	$ 13,934,756.92	$ 539,375.00	$ 171,030.38	$ 171,030.90	$ 81,188.33	$ 14,897,381 53
LIABILITIES AND FUND BALANCES:						
Liabilities:						
Accounts Payable	$ 1,330,839.54					$ 1,330,839 54
Interfunds Payable	41,781.58	$ 505,308.95	$ 171,030.38			718,120 91
Unearned Revenues		34,066.05				34,066 05
Total Liabilities	1,372,621.12	539,375.00	171,030.38	-	-	2,083,026 50
Fund Balances:						
Nonspendable:						
Permanent Fund					$ 81,188.33	81,188 33
Restricted:						
Debt Service				$ 171,030.90		171,030 90
Emergency Reserve	351,914.00					351,914 00
Maintenance Reserve	1,250,600.00					1,250,600 00
Capital Reserve Account	5,892,256.00					5,892,256 00
Excess Surplus - Current Year	1,183,305.00					1,183,305 00
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	3,034,048.00					3,034,048 00
Assigned:						
Other Purposes	317,873.85					317,873 85
Designated for Subsequent Year's Expenditures	1,200,000.00					1,200,000 00
Unassigned	(667,861.05)					(667,861 05)
Total Fund Balances	12,562,135.80	-	-	171,030.90	81,188.33	12,814,355 03
Total Liabilities and Fund Balances	$ 13,934,756.92	$ 539,375.00	$ 171,030.38	$ 171,030.90	$ 81,188.33	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is $35,308,113.00, and the accumulated depreciation is $13,852,365.00.	21,455,748 00
Accrued Interest	(313,519 28)
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.	(17,119,089 38)
Net position of governmental activi ies	$ 16,837,494 37

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Governmental Funds
Statement of Revenues, Expenditures and Changes in Fund Balances
For he Fiscal Year Ended June 30, 2014

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Permanent Fund	Total Governmental Funds
REVENUES:						
Local Tax Levy	$ 15,878,056.00			$ 736,723.00		$ 16,614,779.00
Tui ion Charges	290,684.05					290,684.05
Miscellaneous	748,977.60	$ 30,437 55	$ 227.10	250.00	$ 399.76	780,292.01
State Sources	18,045,444.71			795,769.00		18,841,213.71
Federal Sources	15,451.93	537,895.00				553,346.93
Total Revenues	34,978,614.29	568,332.55	227.10	1,532,742.00	399.76	37,080,315.70
EXPENDITURES:						
Current:						
Regular Instruction	8,825,320.26	549,992.55				9,375,312.81
Special Education Instruction	1,817,544.12					1,817,544.12
Other Instruction	766,729.96					766,729.96
Support Services and Undistributed Costs:						
Tuition	4,679,223.40					4,679,223.40
Student and Instruction Related Services	2,796,931.15	18,340 00				2,815,271.15
General Administra ive Services	459,987.22					459,987.22
School Administrative Services	1,012,730.22					1,012,730.22
Central Services	453,163.35					453,163.35
Administrative Information Technology	437,731.80					437,731.80
Plant Operations and Maintenance	3,343,921.26					3,343,921.26
Pupil Transportation	1,901,507.34					1,901,507.34
Unallocated Benefits	6,308,959.47					6,308,959.47
Special Schools	5,251.79					5,251.79
Capital Outlay	3,221,798.00					3,221,798.00
Debt Service:						
Principal				1,055,000.00		1,055,000.00
Interest and O her Charges				789,065.75		789,065.75
Total Expenditures	36,030,799.34	568,332.55	-	1,844,065.75	-	38,443,197.64
Excess (Deficiency) of Revenues over Expenditures	(1,052,185.05)	-	227.10	(311,323.75)	399.76	(1,362,881.94)
OTHER FINANCING SOURCES (USES):						
Increase (Decrease) in Market Value of Permanent Fund Investments					(337.09)	(337.09)
Operating Transfers In				482,023.46		482,023.46
Operating Transfers Out	(311,334.00)		(170,689.46)			(482,023.46)
Total Other Financing Sources and Uses	(311,334.00)	-	(170,689.46)	482,023.46	(337.09)	(337.09)
Net Change in Fund Balances	(1,363,519.05)	-	(170,462.36)	170,699.71	62.67	(1,363,219.03)
Fund Balance -- July 1	13,925,654.85	-	170,462.36	331.19	81,125.66	14,177,574.06
Fund Balance -- June 30	$ 12,562,135.80	$ -	$ -	$ 171,030.90	$ 81,188.33	$ 12,814,355.03

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2014

Total Net Change in Fund Balances - Governmental Funds		$ (1,363,219.03)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation Expense	$ (773,389.00)	
Capital Outlays	3,221,798.00	
		2,448,409.00
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.		1,055,000.00
In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation. (+)		16,848.96
In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-);when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).		(15,985.47)
Change in Net Position of Governmental Activities		$ 2,141,053.46

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
June 30, 2014

	Business-Type Activities Enterprise Funds		
	Food Service	Alternative School	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 103,382.51		$ 103,382.51
Accounts Receivable:			
State	756.99		756.99
Federal	34,653.15		34,653.15
Other	1,619.10	$ 132,453.12	134,072.22
Interfunds Receivable	41,781.58		41,781.58
Inventories	5,623.07		5,623.07
Total Current Assets	187,816.40	132,453.12	216,887.01
Noncurrent Assets:			
Furniture, Machinery and Equipment	96,941.79		96,941.79
Less Accumulated Depreciation	(85,529.52)		(85,529.52)
Total Noncurrent Assets	11,412.27	-	11,412.27
Total Assets	199,228.67	132,453.12	331,681.79
LIABILITIES :			
Current Liabilities:			
Accounts Payable	34,571.29	45,982.15	80,553.44
Interfunds Payable		86,470.97	86,470.97
Unearned Revenues	7,439.85		7,439.85
Total Liabilities	42,011.14	132,453.12	174,464.26
NET POSITION:			
Net Investment in Capital Assets	11,412.27		11,412.27
Unrestricted	145,805.26		145,805.26
Total Net Position	$ 157,217.53	$ -	$ 157,217.53

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	Business-Type Activities Enterprise Fund		
	Food Service	Alternative School	Total
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	$ 140,410.40		$ 140,410.40
Daily Sales - Non-Reimbursable Programs	408,563.40		408,563.40
Tuition		$ 1,264,912.44	
Total Operating Revenues	548,973.80	1,264,912.44	1,813,886.24
OPERATING EXPENSES:			
Salaries	268,396.19	127,567.02	395,963.21
Employee Benefits	53,387.65	8,067.00	61,454.65
Purchased Professional Educational Services		1,101,682.04	1,101,682.04
Supplies and Materials	49,989.52	11,959.95	61,949.47
Depreciation	9,079.07		9,079.07
Cost of Sales	304,833.66		304,833.66
Uniforms & Laundry	1,336.03		1,336.03
Management Fees	33,083.31		33,083.31
Insurance	4,809.28		4,809.28
Equipment Repair	15,185.64		15,185.64
Bank Fees	16,450.52		16,450.52
Miscellaneous	5,825.35	15,636.43	21,461.78
Total Operating Expenses	762,376.22	1,264,912.44	2,027,288.66
Operating Income (Loss)	(213,402.42)	-	(213,402.42)
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	4,325.71		4,325.71
Federal Sources:			
National School Lunch Program	159,307.48		159,307.48
National School Breakfast Program	28,551.49		28,551.49
Food Distribution Program	23,272.44		23,272.44
Interest Revenue	151.36		151.36
Total Nonoperating Revenues (Expenses)	215,608.48		215,608.48
Change in Net Position	2,206.06		2,206.06
Net Position -- July 1	155,011.47		155,011.47
Net Position -- June 30	$ 157,217.53	$ -	$ 157,217.53

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2014

	Business-Type Activities Enterprise Funds		
	Food Service	Alternative School	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	$ 553,099.17	$ 1,218,930.29	$ 1,772,029.46
Payments to Employees		(135,634.02)	(135,634.02)
Payments for Purchased Professional Services	(364,073.87)	(1,056,537.04)	(1,420,610.91)
Payments to Suppliers	(362,346.86)	(26,759.23)	(389,106.09)
Refunds	(276.70)		(276.70)
Net Cash Provided by (used for) Operating Activities	(173,598.26)	(0.00)	(173,598.26)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal and State Sources	148,779.41		148,779.41
Net Cash Provided by (used for) Non-Capital Financing Activities	148,779.41	-	148,779.41
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and Dividends	151.36		151.36
Net Cash Provided by (used for) Investing Activities	151.36	-	151.36
Net Increase (Decrease) in Cash and Cash Equivalents	(24,667.49)	(0.00)	(24,667.49)
Cash and Cash Equivalents -- July 1	128,050.00	-	128,050.00
Cash and Cash Equivalents -- June 30	$ 103,382.51	$ (0.00)	$ 103,382.51
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	$ (213,402.42)	$ -	$ (213,402.42)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	9,079.07		9,079.07
Food Distr bution Program	23,272.44		23,272.44
Increase (Decrease) in Accounts Receivable	(1,619.10)	(132,453.12)	(134,072.22)
(Increase) Decrease in Inventories	9,350.64		9,350.64
Increase (Decrease) in Accounts Payable	(7,718.74)	132,453.12	124,734.38
(Increase) Decrease in Unearned Revenues	7,439.85		7,439.85
Total Adjustments	39,804.16	-	39,804.16
Net Cash Provided by (used for) Operating Activities	$ (173,598.26)	$ -	$ (173,598.26)

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Statement of Fiduciary Net Position
June 30, 2014

	Trust Funds	Agency Funds	
	Unemployment Compensation Trust	Student Activity	Payroll
ASSETS:			
Cash and Cash Equivalents	$ 819,885.40	$ 546,848.35	$ 52,017.99
Total Assets	819,885.40	$ 546,848.35	$ 52,017.99
LIABILITIES:			
Payable to Student Groups	-	$ 546,848.35	$ -
Payroll Deductions and Withholdings	-	-	52,017.99
Total Liabilities	-	$ 546,848.35	$ 52,017.99
NET POSITION:			
Held in Trust for Unemployment Claims and Other Purposes	$ 819,885.40		

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2014

	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan member	$ 42,709.35
Total Contributions	42,709.35
Investment Earnings:	
Interest	1,087.76
Net Investment Earnings	1,087.76
Total Additions	43,797.11
DEDUCTIONS:	
Unemployment Claims	53,885.34
Total Deductions	53,885.34
Change in Net Position	(10,088.23)
Net Position -- July 1	829,973.63
Net Position -- June 30	$ 819,885.40

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades 9 through 12 at its one school. The School District has an approximate enrollment at June 30, 2014 of 2,052.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control. 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 School District is not includable in any other reporting entity on the basis of such criteria.

Component Units

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

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

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

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

Component Units (Cont'd)

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

Government-wide and Fund Financial Statements

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

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

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

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

The School District reports the following major governmental funds:

General Fund - The general fund is the primary operating fund of the School District. It is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment classified in the capital outlay sub-fund.

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, as they pertain to governmental entities, state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings, and the purchase of built-in equipment.

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

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

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

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

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District maintains the following proprietary funds:

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

Alternative School Fund – This fund accounts for the financial transactions related to the alternative school operations of the School District.

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

The School District maintains the following fiduciary funds:

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

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)

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

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

When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Budgets / Budgetary Control

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances – governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year end as expenditures in the general fund since the general fund budget follows modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

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

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance at fiscal year-end as they do not constitute expenditures or liabilities, but rather commitments related to unperformed contracts for goods and services. Open encumbrances in the governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

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

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

Cash, Cash Equivalents and Investments

Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

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

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental units shall deposit public funds in public depositories unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act (“GUDPA”), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

Inventories

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

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

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

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

Tuition Receivable

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

Prepaid Expenses

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2014.

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

Short-Term Interfund Receivables / Payables

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

Capital Assets

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

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Furniture and Equipment	5-20 Years	12 Years
Vehicles	5-10 Years	4-6 Years

The School District does not possess any infrastructure assets.

Deferred Loss on Refunding of Debt

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

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

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2014 and 2013 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

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

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

Compensated Absences

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

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

Accrued Liabilities and Long-Term Obligations

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

Bond Discounts / Premiums

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

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

Net Position

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

***Net Investment in Capital Assets* -** This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

***Restricted* -** Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

***Unrestricted* -** Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

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

Fund Balance

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

***Nonspendable* -** The nonspenable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

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

***Committed* -** The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

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

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

Fund Balance (Cont'd)

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

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

Interfund Activity

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

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

In March 2012, the GASB issued Statement 66, *Technical Corrections - 2012 - an amendment of GASB Statements No. 10 and No. 62.* GASBS 66 is to improve accounting and financial reporting by state and local governmental entities by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. Since the release of these Statements, questions have arisen concerning differences between the provisions in Statement 54 and Statement No. 10, *Accounting and Financial Reporting for Risk Financing and Related Insurance Issues*, regarding the reporting of risk financing activities. Questions also have arisen about differences between Statement 62 and Statements No. 13, *Accounting for Operating Leases with Scheduled Rent Increases*, regarding the reporting of certain operating lease transactions, and No. 48, *Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues*, concerning the reporting of the acquisition of a loan or a group of loans and the recognition of servicing fees related to mortgage loans that are sold. This Statement is effective for periods beginning after December 15, 2012. The adoption of GASBS 66, however, does not have a material impact on the School District's financial statements.

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

Impact of Recently Issued Accounting Principles (Cont'd)

Recently Issued and Adopted Accounting Pronouncements (Cont'd)

In April 2013, the GASB issued Statement 70, *Accounting and Financial Reporting for Nonexchange Financial Guarantees.* GASBS 70 is to improve accounting and financial reporting by state and local governments that extend and receive nonexchange financial guarantees. This Statement requires a government that extends a nonexchange financial guarantee to recognize a liability when qualitative factors and historical data, if any, indicate that it is more likely than not that the government will be required to make a payment on the guarantee. The amount of the liability to be recognized should be the discounted present value of the best estimate of the future outflows expected to be incurred as a result of the guarantee. When there is no best estimate but a range of the estimated future outflows can be established, the amount of the liability to be recognized should be the discounted present value of the minimum amount within the range. This Statement requires a government that has issued an obligation guaranteed in a nonexchange transaction to report the obligation until legally released as an obligor. This Statement also requires a government that is required to repay a guarantor for making a payment on a guaranteed obligation or legally assuming the guaranteed obligation to continue to recognize a liability until legally released as an obligor. When a government is released as an obligor, the government should recognize revenue as a result of being relieved of the obligation. This Statement also provides additional guidance for intra-entity nonexchange financial guarantees involving blended component units. This Statement is effective for periods beginning after June 15, 2013. The adoption of GASBS 70, however, does not have any impact on the School District's financial statements.

Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement 67, *Financial Reporting for Pension Plans - an amendment of GASB Statement No. 25.* GASBS 67 is to improve the usefulness of pension information included in the general purpose external financial reports (financial reports) of state and local governmental pension plans for making decisions and assessing accountability. This Statement is effective for periods beginning after June 15, 2013. The School District does not administer any state or local pension plans; therefore, the adoption of GASBS 67 will not have any impact on the School District's financial statements.

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27.* GASBS 68 is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. In addition, this Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This Statement is effective for periods beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material.

In January 2013, the GASB issued Statement 69, *Government Combinations and Disposals of Government Operations*. GASBS 69 establishes accounting and financial reporting standards related to government combinations and disposals of government operations. As used in this Statement, the term government combinations includes a variety of transactions referred to as mergers, acquisitions, and transfers of operations. This Statement is effective for periods beginning after December 15, 2013. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements although no impact is expected.

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

Impact of Recently Issued Accounting Principles (Cont'd)

Recently Issued Accounting Pronouncements (Cont'd)

In November 2013, the GASB issued Statement 71, *Pension Transition for Contributions made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*. GASBS 71 is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. The requirements of this Statement will eliminate the source of a potential significant understatement of restated beginning net position and expense in the first year of implementation of Statement 68 in the accrual-basis financial statements of employers and nonemployer contributing entities. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this Statement on the School District's financial statements and expects the impact to be material when considered in conjunction with the adoption of Statement No. 68.

Note 2: CASH AND CASH EQUIVALENTS

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

As of June 30, 2014, the School District's bank balances of $15,853,201.62 were exposed to custodial credit risk as follows:

Insured	$ 330,153.31
Uninsured and collateralized with securities held by pledging financial institutions	14,905,670.72
Uninsured and uncollateralized	617,377.59
Total	$ 15,853,201.62

Note 3: INVESTMENTS

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

Custodial Credit Risk Related to Investments – For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in possession of an outside party if the counterparty to the transactions fails. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy to limit its exposure to custodial credit risk. As of June 30, 2014, the School District's investments were exposed to custodial credit risk as follows

Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the School District's name	$ 1,035.02

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk - Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As stated in Note 1, investments are purchased in accordance with N.J.S.A. 18A:20-37. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District has no investment policy that would further limit its exposure to credit risk. As of June 30, 2014, the School District's investments had the following ratings:

Investment	Standard & Poor's	Moody's
Common Stock	Not rated	Not rated

Concentration of Credit Risk - Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Other than the rules and regulations promulgated by N.J.S.A. 18A:20-37, the School District's investment policies place no limit on the amount the School District may invest in any one issuer. As of June 30, 2014, 100% of the School District's Permanent Fund investment is in common stock of one organization.

Note 4: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District, by inclusion of amounts in previously adopted budgets, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning Balance July 1, 2013		$ 5,902,330.00
Increased by:		
Interest Earnings	$ 3,800.00	
Budget Appropropriation	1,200,000.00	
		1,203,800.00
Decreased by:		
Accounts Payable on GAAP Basis		1,213,874.00
Ending Balance June 30, 2014		$ 5,892,256.00

The June 30, 2014 LRFP balance of local support costs of uncompleted projects at June 30, 2014 is $8,509,400.00. The accounts payable has been recorded in the District's basic financial statements but not on the budgetary comparison exhibit C-1.

Note 5: ACCOUNTS RECEIVABLE

Accounts Receivable at June 30, 2014 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

	Governmental Funds			Proprietary Funds			
Description	General Fund	Special Revenue Fund	Total Governmental Activities	Food Service Fund	Alternative School Fund	Total Business-Type Activities	Total
Federal Awards		$ 539,375.00	$ 539,375.00	$ 34,653.15		$ 34,653.15	$ 574,028.15
State Awards	$ 179,666.53		179,666.53	756.99		756.99	180,423.52
Other	182,106.70		182,106.70	1,619.10	$ 132,453.12	134,072.22	316,178.92
Total	$ 361,773.23	$ 539,375.00	$ 901,148.23	$ 37,029.24	$ 132,453.12	$ 169,482.36	$ 1,070,630.59

Note 6: INVENTORY

Inventory recorded at June 30, 2014 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	$ 1,999.41
Commodities	1,972.08
Supplies	1,651.58
	$ 5,623.07

Note 7: CAPITAL ASSETS

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

	Balance July 1, 2013	Additions	Retirements and Transfers	Balance June 30, 2014
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	$ 1,532,630.00	$ -	$ -	$ 1,532,630.00
Total Capital Assets, not being Depreciated	1,532,630.00	-	-	1,532,630.00
Capital Assets, being Depreciated:				
Building and Improvements	27,790,034.00	2,747,666.00	-	30,537,700.00
Equipment	3,096,651.00	141,132.00	-	3,237,783.00
Total Capital Assets, being Depreciated	30,886,685.00	2,888,798.00	-	33,775,483.00
Total Capital Assets, Cost	32,419,315.00	2,888,798.00	-	35,308,113.00
Less Accumulated Depreciation for:				
Building and Improvements	(10,648,859.00)	(627,401.00)	-	(11,276,260.00)
Equipment	(2,430,117.00)	(145,988.00)	-	(2,576,105.00)
Total Accumulated Depreciation	(13,078,976.00)	(773,389.00) *	-	(13,852,365.00)
Total Capital Assets, being Depreciated, Net	17,807,709.00	2,115,409.00	-	19,923,118.00
Governmental Activities Capital Assets, Net	$ 19,340,339.00	$ 2,115,409.00	$ -	$ 21,455,748.00
Business-Type Activities:				
Capital Assets, being Depreciated:				
Equipment	$ 96,941.79			$ 96,941.79
Less Accumulated Depreciation	(76,450.45)	$ (9,079.07)		(85,529.52)
Business-Type Activities Capital Assets, Net	$ 20,491.34	$ (9,079.07)	$ -	$ 11,412.27

Note 7: CAPITAL ASSETS (CONT'D)

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

Governmental Activities:	
Instruction	$ 533,290.85
Special Education	31,370.05
School Administrative Services	62,740.10
Unallocated	145,988.00
Total Depreciation Expense - Governmental Activities	$ 773,389.00
Business-Type Activities:	
Food Service	$ 9,079.07

Note 8: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2014, the following changes occurred in long-term obligations for governmental activities:

	Balance July 1, 2013	Additions	Reductions	Balance June 30, 2014	Due Within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	$ 18,668,000.00	$ -	$ (1,055,000.00)	$ 17,613,000.00	$ 1,060,000.00
Less Amounts:					
Premium on Bonds	142,480.26		(8,381.19)	134,099.07	8,381.19
Loss on Refunding	(861,817.50)		50,695.15	(811,122.35)	(50,695.15)
Total Bonds Payable	17,948,662.76	-	(1,012,686.04)	16,935,976.72	1,017,686.04
Other Liabilities:					
Obligations under Capital Lease	333,000.00		(333,000.00)		
Compensated Absences	209,441.16		(26,328.50)	183,112.66	45,778.16
Total Other Liabilities	542,441.16		(359,328.50)	183,112.66	45,778.16
Governmental Activity Long-term Liabilities	$ 18,491,103.92	$ -	$ (1,372,014.54)	$ 17,119,089.38	$ 1,063,464.20

The bonds payable are generally liquidated by the debt service fund, while compensated absences and obligations under capital lease are liquidated by the general fund.

Note 8: LONG-TERM LIABILITIES (CONT'D)

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

On February 10, 2005, the School District issued $21,170,000.00 refunding general obligation bonds at interest rates varying from 3.25% to 4.75% for various construction and renovation projects. The final maturity of these bonds is February 1, 2029. The bonds will be paid from property taxes.

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

Principal and interest due on bonds outstanding is as follows:

Year Ending June 30,	Principal	Interest	Total
2015	$ 1,060,000.00	$ 748,465.01	$ 1,808,465.01
2016	1,100,000.00	707,740.01	1,807,740.01
2017	1,145,000.00	665,071.26	1,810,071.26
2018	1,185,000.00	620,446.26	1,805,446.26
2019	1,233,000.00	572,043.76	1,805,043.76
2020-2024	5,325,000.00	2,186,956.30	7,511,956.30
2025-2029	6,565,000.00	877,430.04	7,442,430.04
	$ 17,613,000.00	$ 6,378,152.64	$ 23,991,152.64

Bonds Authorized But Not Issued - As of June 30, 2014, the School District had no authorizations to issue additional bonded debt.

Obligations under Capital Leases – On October 27, 2008 the Rancocas Valley Regional High School District entered into an agreement to purchase an Elementary School Building from the Eastampton Township School District for $2,000,000.00. The Rancocas Valley Regional High School District will lease the building for five (5) years at $333,000.00 per year and this rent shall be applied to the purchase price. The lease shall begin on August 15, 2009 and terminated on July 15, 2014. Upon full payment, closing will take place where the Eastampton Township School District will transfer the title of ownership.

Compensated Absences - Compensated absences will be paid from the fund from which the employees' salaries are paid.

Note 9: PENSION PLANS

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

State of New Jersey
Division of Pensions and Benefits
P.O. Box 295
Trenton, New Jersey 08625-0295

Teachers' Pension and Annuity Fund - The Teachers' Pension and Annuity Fund ("TPAF") is a cost-sharing contributory defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The TPAF provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 18A:66.

The contribution requirements of plan members are determined by State statute. In accordance with Chapters 113, 114 and 115, P.L. 1997, plan members enrolled in the TPAF were required to contribute 5% of their annual covered salary. Effective July 1, 2007, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members were required to contribute 5.5% of their annual covered salary. For employees who were enrolled in the retirement system prior to July 1, 2007, the increase was effective with the payroll period that began immediately after July 1, 2007. Pursuant to the provisions of Chapter 78, P.L. 2011, effective October 1, 2011, the active member contribution rate was increased to 6.5%. An additional 1.0% increase will be phased-in over seven years beginning on July 1, 2012. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the district has been required over several preceding fiscal years.

Public Employees' Retirement System - The Public Employees' Retirement System ("PERS") is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955. The PERS provides retirement, death, and disability, and medical benefits to qualified members. Vesting and benefit provisions are established by N.J.S.A. 43:15A and 43:3B.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 62, P.L. 1994, plan members enrolled in the Public Employees' Retirement System were required to contribute 5% of their annual covered salary. Effective July 1, 2008, however, in accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. For employees enrolled in the retirement system prior to July 1, 2008, the increase is effective with the payroll period that begins immediately after July 1, 2008. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased to 6.5% plus an additional 1.0% phased-in over seven years. The phase-in of the additional incremental member contribution amount began July 1, 2012 and increases each subsequent July 1. The State Treasurer has the right under the current law to make temporary reductions in member rates based on the existence of surplus pension assets in the retirement system; however, the statute also requires the return to the normal rate when such surplus pension assets no longer exist.

Note 9: PENSION PLANS (CONT'D)

Public Employees' Retirement System (Cont'd) - The School District is billed annually for its normal contribution plus any accrued liability. The School District's contributions, equal to the required contribution for each fiscal year, were as follows:

Fiscal Year	Normal Contribution	Accrued Liability	NCGI Premium	Total Liability	Paid by District
2014	$ 49,411.00	$ 217,241.00	$ 4,535.00	$ 271,187.00	$ 271,187.00
2013	80,516.00	192,516.00	16,250.00	289,282.00	289,282.00
2012	93,648.00	187,295.00	17,899.00	298,842.00	298,842.00

Defined Contribution Retirement Program - The Defined Contribution Retirement Program ("DCRP") is a single-employer defined contribution pension fund which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Division of Pension and Benefits by Prudential Financial. 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 N.J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period. The School District had no participants in this program as of June 30, 2014.

Note 10: STATE POST-RETIREMENT MEDICAL BENEFITS

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2013, there were 100,134 retirees receiving postemployment 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 premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid $173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in fiscal year 2013.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2014, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF. The amounts recognized as revenues and expenditures for normal costs and post-retirement medical costs were $455,733.00 and $747,230.00, respectively ($1,202,963.00 in total).

Note 12: RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The School District is billed quarterly for amounts due to the State.

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

Fiscal Year Ending June 30,	School District Contributions	Employee Contributions	Interest Income	Claims Incurred	Ending Balance
2014	none	$ 42,709.35	$ 1,087.76	$ 53,885.34	$ 819,885.40
2013	none	30,152.58	1,630.88	41,947.77	829,973.63
2012	none	41,024.89	1,690.19	91,868.03	840,137.94

Note 13: DEFERRED COMPENSATION

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

Note 14: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. As of June 30, 2014, the liability for compensated absences in the governmental fund types was $183,112.65. As of June 30, 2014, no liability existed for compensated absences in the proprietary fund types.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances and interfund transfers as of June 30, 2014 is as follows:

Fund	Interfunds Receivable	Interfunds Payable
General	$ 591,779.92	$ 41,781.58
Special Revenue		505,308.95
Capital Projects		171,030.38
Debt Service	171,030.38	
Food Service	41,781.58	
Alterntive School		86,470.97
	$ 804,591.88	$ 804,591.88

Fund	Transfers Out	Transfers In
General	$ 311,334.00	
Capital Projects	170,689.46	
Debt Service		$ 482,023.46
	$ 482,023.46	$ 482,023.46

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2014, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

The interfund transfer from the General Fund to the Debt Service Fund was the result of the 2013-2014 Debt Service Fund budget anticipating the $311,334.00 as revenue from the General Fund.

The interfund transfer from the Capital Projects Fund to the Debt Service Fund was interest earnings and the cancelation of unexpended projects per the 2014-2015 Debt Service Fund budget.

Note 16: CONTINGENCIES

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

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

Note 17: CONCENTRATIONS

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

Note 18: COMMITMENTS

The School District has one construction project ongoing as of the fiscal year ended June 30, 2014 that will continue into the subsequent fiscal year. This project, which in 2013-2014 payments made were funded by budget appropriations, will be funded by capital reserve funds in 2014-2015, is as follows:

Project - Athletic Stadium Complex Renovation

Commitment Date	3/25/2014
Contract Amount	$ 4,725,875.00
Change Orders	210,672.00
Current Contract Amount	4,936,547.00
Payments 2013-2014	(875,385.00)
Accounts Payable at 6/30/14	(1,213,874.00)
Amount Outstanding	$ 2,847,288.00

The accounts payable has been recorded in the District's basic financial statements but not on the budgetary comparison exhibit C-1. The 2013-2014 payments were properly classified on the District's basic financial statements however they were misclassified on the budgetary comparison exhibit C-1. See Finding 2014-1.

Note 19: FUND BALANCES

NONSPENDABLE

As stated in note 1, the nonspenable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The nonspendable fund balances of the School District, as of June 30, 2014, are summarized as follows:

Permanent Fund - The School District has three named scholarship funds. In accordance with the terms of the donation, the principal is to be invested upon good security, and the income only, derived there from, is to be used solely for student scholarships. As of June 30, 2014, the nonspendable fund balance amount was $81,188.33.

Note 19: FUND BALANCES (CONT'D)

RESTRICTED

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

General Fund -

For Emergency Reserve - As of June 30, 2014, the balance in the emergency reserve is $351,914.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the reserve is not permitted to exceed $250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of $1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

For Capital Reserve Account - As of June 30, 2014, the balance in the capital reserve account is $5,892,256.00. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

For Maintenance Reserve Account - As of June 30, 2014, the balance in the maintenance reserve account is $1,250,600.00. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2014 is $1,183,305.00. Additionally, $3,034,048.00 of excess fund balance generated during 2012-2013 has been restricted and designated for utilization in the 2014-2015 budget.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2015 $171,030.90 of debt service fund balance at June 30, 2014.

ASSIGNED

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

General Fund -

Other Purposes - As of June 30, 2014, the School District had $317,873.85 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

For Subsequent Year's Expenditures - The School District has appropriated and included as anticipated revenue for the fiscal year ending June 30, 2015 $1,200,000.00 of general fund balance at June 30, 2014.

Note 19: FUND BALANCES (CONT'D)

UNASSIGNED

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

General Fund - As of June 30, 2014, a deficit of $667,861.05 in the general fund balance was unassigned.

Note 20: SUBSEQUENT EVENTS

On August 26, 2014 the Board of Education adopted a refunding bond ordinance providing for the refunding of up to all of the outstanding callable refunding bonds, series 2005, of the Board of Education of the Rancocas Valley Regional High School District, in the County of Burlington, New Jersey; authorizing the issuance of up to $16,200,000 of school refunding bonds of the School District to finance the cost thereof; making certain determinations and covenants in connection therewith; and authorizing certain related actions in connection with the foregoing.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 15,878,056.00	$ -	$ 15,878,056.00	$ 15,878,056.00	-
Tuition	200,000.00	-	200,000.00	290,684.05	$ 90,684.05
Unrestricted Miscellaneous Revenues	152,500.00	-	152,500.00	744,577.60	592,077.60
Interest Earned on Maintenance Reserve Funds	600.00	-	600.00	600.00	-
Interest Earned on Capital Reserve Funds	3,800.00	-	3,800.00	3,800.00	-
Total - Local Sources	16,234,956.00	-	16,234,956.00	16,917,717.65	682,761.65
State Sources:					
Extraordinary Aid	-	246,317.00	246,317.00	124,781.00	(121,536.00)
Categorical Transportation Aid	957,133.00	-	957,133.00	957,133.00	-
Categorical Special Education Aid	1,209,933.00	-	1,209,933.00	1,209,933.00	-
Equalization Aid	13,307,513.00	-	13,307,513.00	13,307,513.00	-
Categorical Security Aid	215,416.00	-	215,416.00	215,416.00	-
Adjustment Aid	278,362.00	-	278,362.00	278,362.00	-
Non-Public School Transportation Costs	-	-	-	13,892.00	13,892.00
On-Behalf TPAF Pension (non-budgeted)	-	-	-	455,733.00	455,733.00
On-Behalf TPAF Post Retirement Benefits (non-budgeted)	-	-	-	747,230.00	747,230.00
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	812,564.71	812,564.71
Total - State Sources	15,968,357.00	246,317.00	16,214,674.00	18,122,557.71	1,907,883.71
Federal Sources:					
Semi-Medicaid	31,365.00	-	31,365.00	15,451.93	(15,913.07)
Total - Federal Sources	31,365.00	-	31,365.00	15,451.93	(15,913.07)
Total Revenues	32,234,678.00	246,317.00	32,480,995.00	35,055,727.29	2,574,732.29
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	7,978,946.00	(317,743.00)	7,661,203.00	7,555,553.54	105,649.46
Regular Programs - Home Instruction:					
Salaries of Teachers	30,000.00	9,468.00	39,468.00	39,369.75	98.25
Purchased Professional Educational Services	-	12,532.00	12,532.00	11,909.56	622.44
Regular Programs - Undistributed Instruction:					
Purchased Professional Educational Services	-	14,300.00	14,300.00	14,270.50	29.50
Other Purchased Services (400-500 Series)	132,070.49	18,000.00	150,070.49	145,800.41	4,270.08
General Supplies	865,384.51	63,150.00	928,534.51	852,220.93	76,313.58
Textbooks	259,516.00	(19,370.00)	240,146.00	159,213.59	80,932.41
Other Objects	68,610.00	(230.00)	68,380.00	46,981.98	21,398.02
Total Regular Programs	9,334,527.00	(219,893.00)	9,114,634.00	8,825,320.26	289,313.74

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction:					
Behavioral Disabilities:					
Salaries of Teachers	$ 63,595.00	$ 1,563.00	$ 65,158.00	$ 65,158.00	-
General Supplies	8,000.00	(1,563.00)	6,437.00	5,673.00	$ 764.00
Total Behavioral Disabilities	71,595.00	-	71,595.00	70,831.00	764.00
Multiple Disabilities:					
Salaries of Teachers	122,773.00	3,546.00	126,319.00	126,319.00	-
Other Salaries for Instruction	133,620.00	1,623.00	135,243.00	135,242.25	0.75
Purchased Professional Educational Services	25,000.00	57,770.00	82,770.00	82,770.00	-
General Supplies	37,805.20	(15,600.00)	22,205.20	19,999.65	2,205.55
Total Multiple Disabilities	319,198.20	47,339.00	366,537.20	364,330.90	2,206.30
Resource Room / Resource Center:					
Salaries of Teachers	1,373,387.00	(30,770.00)	1,342,617.00	1,291,786.77	50,830.23
General Supplies	48,000.00	-	48,000.00	33,411.19	14,588.81
Textbooks	5,000.00	-	5,000.00	3,056.84	1,943.16
Other Objects	2,000.00	-	2,000.00	340.50	1,659.50
Total Resource Room / Resource Center	1,428,387.00	(30,770.00)	1,397,617.00	1,328,595.30	69,021.70
Home Instruction:					
Salaries of Teachers	35,000.00	6,420.00	41,420.00	41,413.75	6.25
Purchased Professional Educational Services	25,000.00	(6,420.00)	18,580.00	12,373.17	6,206.83
Total Home Instruction	60,000.00	-	60,000.00	53,786.92	6,213.08
Total Special Education - Instruction	1,879,180.20	16,569.00	1,895,749.20	1,817,544.12	78,205.08
School Sponsored Cocurricular Activities - Instruction:					
Salaries	132,541.00	111,144.00	243,685.00	243,684.43	0.57
Purchased Services (300-500 series)	27,340.00	(26,328.00)	1,012.00	400.00	612.00
Supplies and Materials	115,579.80	(5,000.00)	110,579.80	85,683.01	24,896.79
Total School Sponsored Cocurricular Activities - Instruction	275,460.80	79,816.00	355,276.80	329,767.44	25,509.36

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	$ 384,798.00	$ (80,000.00)	$ 304,798.00	$ 239,907.30	$ 64,890.70
Purchased Services (300-500 series)	49,577.00	-	49,577.00	26,732.77	22,844.23
Supplies and Materials	189,788.00	20,000.00	209,788.00	156,065.59	53,722.41
Other Objects	100,363.00	-	100,363.00	14,256.86	86,106.14
Total School Sponsored Athletics - Instruction	724,526.00	(60,000.00)	664,526.00	436,962.52	227,563.48
Total Instruction	12,213,694.00	(183,508.00)	12,030,186.00	11,409,594.34	620,591.66
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	90,000.00	76,317.00	166,317.00	78,502.80	87,814.20
Tuition to County Voc. School Dist. - Regular	581,400.00	-	581,400.00	550,800.00	30,600.00
Tuition to County Voc. School Dist. - Special	177,480.00	-	177,480.00	153,000.00	24,480.00
Tuition to CSSD and Reg. Day Schools	2,372,740.00	(1,054,000.00)	1,318,740.00	927,526.00	391,214.00
Tuition to Private Schools for the Disabled - Within State	2,166,258.60	604,425.00	2,770,683.60	2,649,780.28	120,903.32
Tuition Priv Sch Disbl & Otr LEA o/s State	105,000.00	(85,000.00)	20,000.00	18,429.32	1,570.68
Tuition - State Facilities	286,785.00	-	286,785.00	286,785.00	-
Tuition - Other	107,718.00	(59,425.00)	48,293.00	14,400.00	33,893.00
Total Undistributed Expenditures - Instruction	5,887,381.60	(517,683.00)	5,369,698.60	4,679,223.40	690,475.20
Undistributed Expenditures - Attendance and Social Work:					
Salaries	124,585.00	2,040.00	126,625.00	126,624.92	0.08
Purchased Professional and Technical Services	6,500.00	(2,040.00)	4,460.00	-	4,460.00
Supplies and Materials	3,900.00	-	3,900.00	758.10	3,141.90
Total Undistributed Expenditures - Attendance and Social Work	134,985.00	-	134,985.00	127,383.02	7,601.98
Undistributed Expenditures - Health Services:					
Salaries	159,186.00	1,592.00	160,778.00	160,777.86	0.14
Purchased Professional and Technical Services	40,000.00	-	40,000.00	39,301.77	698.23
Other Purchased Services (400-500 Series)	2,465.00	-	2,465.00	400.00	2,065.00
Supplies and Materials	24,070.00	(1,592.00)	22,478.00	19,371.82	3,106.18
Total Undistributed Expenditures - Health Services	225,721.00	-	225,721.00	219,851.45	5,869.55

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undist Expend - Other Supp Serv Student-Related Serv:					
Purchased Professional - Educational Services	$ 145,000.00	$ 137,400.00	$ 282,400.00	$ 275,699.95	$ 6,700.05
Supplies and Materials	4,800.00	(2,400.00)	2,400.00	1,150.27	1,249.73
Total Undist Expend-Other Supp Serv Students-Related Serv.	149,800.00	135,000.00	284,800.00	276,850.22	7,949.78
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	682,997.00	18,130.00	701,127.00	701,125.91	1.09
Salaries Secr. & Clerical Asst.	-	34,481.00	34,481.00	34,480.80	0.20
Supplies and Materials	38,450.00	-	38,450.00	34,219.28	4,230.72
Other Objects	400.00	-	400.00	-	400.00
Total Undistributed Expenditures - Guidance	721,847.00	52,611.00	774,458.00	769,825.99	4,632.01
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	300,769.00	-	300,769.00	297,000.70	3,768.30
Salaries Secr. & Clerical Asst.	-	35,331.00	35,331.00	35,330.88	0.12
Purchased Professional - Educational Services	20,000.00	20,000.00	40,000.00	34,236.00	5,764.00
Supplies and Materials	32,350.00	-	32,350.00	11,915.93	20,434.07
Other Objects	2,500.00	-	2,500.00	1,325.00	1,175.00
Total Undistributed Expenditures - Child Study Teams	355,619.00	55,331.00	410,950.00	379,808.51	31,141.49
Undistributed Expenditures - Improvement of Instruc ion Services:					
Salaries of Supervisors of Instruction	647,879.00	36,950.00	684,829.00	684,825.97	3.03
Total Undist Expend - Improvement of Inst Serv	647,879.00	36,950.00	684,829.00	684,825.97	3.03
Undist Expend - Edu Media Serv/Sch Library:					
Salaries	230,966.00	4,663.00	235,629.00	223,336.27	12,292.73
Other Purchased Services (400 - 500 Series)	2,465.00	-	2,465.00	400.00	2,065.00
Supplies and Materials	94,430.66	-	94,430.66	77,057.97	17,372.69
Total Undist Expend Edu Media Serv/Sch Library	327,861.66	4,663.00	332,524.66	300,794.24	31,730.42

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	$ 12,700.00	$ (3,100.00)	$ 9,600.00	$ 192.50	$ 9,407.50
Purchased Professional - Educational Services	31,500.00	(31,500.00)	-	-	-
Other Purchased Services (400 - 500 Series)	292.80	38,750.00	39,042.80	37,399.25	1,643.55
Total Undist Expend - Instructional Staff Training Serv	44,492.80	4,150.00	48,642.80	37,591.75	11,051.05
Undist Expend - Support Serv - Gen Admin:					
Salaries	258,736.00	26,913.00	285,649.00	272,784.66	12,864.34
Legal Services	75,000.00	(9,699.00)	65,301.00	29,001.00	36,300.00
Audit Fees	40,000.00	2,312.00	42,312.00	39,950.00	2,362.00
Communications / Telephone	68,014.95	16,515.00	84,529.95	60,763.73	23,766.22
BOE Other Purchased Services	-	5,715.00	5,715.00	385.00	5,330.00
Misc. Purch Serv (400-500) [Other than 530 & 585]	8,200.00	(8,200.00)	-	-	-
General Supplies	18,039.00	(5,950.00)	12,089.00	12,011.64	77.36
BOE In-House Training/Meeting Supplies	5,000.00	(5,000.00)	-	-	-
Miscellaneous Expenditures	561.98	24,276.00	24,837.98	22,639.69	2,198.29
BOE Membership Dues and Fees	22,700.00	-	22,700.00	22,451.50	248.50
Total Undist Expend - Support Serv - Gen Admin	496,251.93	46,882.00	543,133.93	459,987.22	83,146.71
Undist Expend - Support Serv - School Admin:					
Salaries of Principals / Assistant Principals	449,897.00	11,792.00	461,689.00	458,196.72	3,492.28
Salaries of Other Professional Staff	124,056.00	8,985.00	133,041.00	123,756.00	9,285.00
Salaries of Secretarial and Clerical Assistants	222,635.00	224,947.00	447,582.00	394,189.35	53,392.65
Other Salaries	219,442.00	(219,442.00)	-	-	-
Other Purchased Services	3,000.00	-	3,000.00	502.00	2,498.00
Supplies and Materials	32,686.95	16.00	32,702.95	22,816.15	9,886.80
Other Objects	13,250.00	2,411.00	15,661.00	13,270.00	2,391.00
Total Undist Expend - Support Serv - School Admin	1,064,966.95	28,709.00	1,093,675.95	1,012,730.22	80,945.73
Undistributed Expenditures - Central Services:					
Salaries	348,114.00	2,871.00	350,985.00	350,287.08	697.92
Purchased Professional Services	67,696.52	10,529.00	78,225.52	76,734.63	1,490.89
Misc Purchased Services (400-500 series)	11,515.00	2,700.00	14,215.00	4,131.10	10,083.90
Supplies and Materials	48,270.57	(6,238.00)	42,032.57	12,417.11	29,615.46
Other Object	85,000.00	190.00	85,190.00	9,593.43	75,596.57
Total Undistributed Expenditures - Central Services	560,596.09	10,052.00	570,648.09	453,163.35	117,484.74

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Admin Info Technology:					
Salaries	$ 259,234.00	$ 86,167.00	$ 345,401.00	$ 345,399.59	$ 1.41
Purchased Technical Services	49,347.00	(8,115.00)	41,232.00	41,123.06	108.94
Supplies and Materials	52,555.10	(1,345.00)	51,210.10	51,209.15	0.95
Total Undistributed Expenditures - Admin Info Technology	361,136.10	76,707.00	437,843.10	437,731.80	111.30
Undist Expend - Required Maint for Sch Facil:					
Salaries	368,664.00	70,000.00	438,664.00	434,004.78	4,659.22
Cleaning, Repair and Maintenance Services	275,300.00	(46,500.00)	228,800.00	228,264.38	535.62
General Supplies	153,943.77	1,500.00	155,443.77	154,651.06	792.71
Total Undist Expend - Required Maint for Sch Facil	797,907.77	25,000.00	822,907.77	816,920.22	5,987.55
Undistributed Expenditures - Custodial Services					
Salaries	893,191.00	-	893,191.00	820,213.68	72,977.32
Purchased Professional and Technical Services	263,280.00	1,081,331.00	1,344,611.00	1,165,034.98	179,576.02
Cleaning, Repair and Maintenance Services	73,302.00	10,000.00	83,302.00	77,251.80	6,050.20
Other Purchased Property Services	132,948.60	(5,000.00)	127,948.60	95,497.31	32,451.29
Insurance	218,000.00	-	218,000.00	200,891.00	17,109.00
General Supplies	359,112.10	(53,000.00)	306,112.10	254,544.22	51,567.88
Energy (Natural Gas)	503,000.00	315,000.00	818,000.00	769,691.29	48,308.71
Energy (Electricity)	413,767.37	(315,000.00)	98,767.37	-	98,767.37
Other Objects	23,000.66	(700.00)	22,300.66	21,185.39	1,115.27
Total Undistributed Expenditures - Custodial Services	2,879,601.73	1,032,631.00	3,912,232.73	3,404,309.67	507,923.06
Undistributed Expenditures - Student Transportation Services:					
Management Fee - ESC & STSA Trans. Programs	15,000.00	(15,000.00)	-	-	-
Contr Serv. Aid in Lieu of Payments - Non Public Sch	60,000.00	3,538.00	63,538.00	63,424.45	113.55
Contracted Services - (Between Home and School) - Vendors	916,240.00	25,150.00	941,390.00	933,458.19	7,931.81
Contr Serv. - (Other than Between Home and School) - Vendors	141,425.00	2,595.00	144,020.00	113,989.00	30,031.00
Contracted Services (Special Education Students) - Vendors	39,000.00	4,125.00	43,125.00	37,144.25	5,980.75
Contracted Services (Special Education Students) - Joint Agrmnts.	25,000.00	19,644.00	44,644.00	33,648.84	10,995.16
Contracted Services (Regular Students) - ESC's & CTSA's	148,000.00	27,000.00	175,000.00	152,327.50	22,672.50
Contracted Services (Special Ed. Students) - ESC's & CTSA's	735,000.00	(72,052.00)	662,948.00	567,515.11	95,432.89
Total Undistributed Expenditures - Student Transportation Services	2,079,665.00	(5,000.00)	2,074,665.00	1,901,507.34	173,157.66

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Unallocated Benefits:					
Social Security Contributions	$ 362,000.00	$ 16,500.00	$ 378,500.00	$ 378,354.56	$ 145.44
Other Retirement Contributions - PERS	350,189.00	4,210.00	354,399.00	271,187.00	83,212.00
Workmen's Compensation	129,017.00	31,000.00	160,017.00	159,878.36	138.64
Health Benefits	4,499,000.00	(609,603.00)	3,889,397.00	3,424,576.25	464,820.75
Tuition Reimbursement	68,000.00	2,100.00	70,100.00	58,882.86	11,217.14
Other Employee Benefits	40,000.00	-	40,000.00	552.73	39,447.27
Total Unallocated Benefits	5,448,206.00	(555,793.00)	4,892,413.00	4,293,431.76	598,981.24
On-Behalf TPAF Pension (non-budgeted)	-	-	-	455,733.00	(455,733.00)
On-Behalf TPAF Post Retirement Benefits (non-budgeted)	-	-	-	747,230.00	(747,230.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	812,564.71	(812,564.71)
Total On-behalf Contributions	-	-	-	2,015,527.71	(2,015,527.71)
Total Undistributed Expenditures	22,183,918.63	430,210.00	22,614,128.63	22,271,463.84	342,664.79
Total Current Expense	34,397,612.63	246,702.00	34,644,314.63	33,681,058.18	963,256.45
Increase in Reserves:					
Increase in Capital Reserve	1,200,000.00	-	1,200,000.00	-	1,200,000.00
Interest Deposit to Capital Reserve	3,800.00	-	3,800.00	-	3,800.00
Increase in Maintenance Reserve	250,000.00	-	250,000.00	-	250,000.00
Interest Deposit to Maintenance Reserve	600.00	-	600.00	-	600.00
Total Increase in Reserves	1,454,400.00	-	1,454,400.00	-	1,454,400.00
Capital Outlay					
Equipment					
Grades 9-12	44,100.00	13,400.00	57,500.00	-	57,500.00
Undistributed Expenditures - Req. Maint. Schl Facilities	312,275.53	162,626.00	474,901.53	465,537.18	9,364.35
Undistributed Expenditures - Non-Inst. Serv.	385,000.00	(385,000.00)	-	-	-
Total Equipment	741,375.53	(208,974.00)	532,401.53	465,537.18	66,864.35
Facilities Acquisition and Construction Services:					
Legal Services	-	10,450.00	10,450.00	9,266.41	1,183.59
Other Purchased Prof. and Tech. Services	30,000.00	(30,000.00)	-	-	-
Construction Services	10,000.00	353,139.00	363,139.00	322,811.78	40,327.22
Supplies & Materials	125,000.00	(125,000.00)	-	-	-
Lease Purchase Agreement - Principal	333,000.00	-	333,000.00	333,000.00	-
Total Facilities Acquisition and Construction Services	498,000.00	208,589.00	706,589.00	665,078.19	41,510.81
Total Capital Ou lay	1,239,375.53	(385.00)	1,238,990.53	1,130,615.37	108,375.16

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
EXPENDITURES (CONT'D):					
Special Schools:					
Other Special Schools - Instruction:					
General Supplies	$ 646.06	-	$ 646.06	$ 574.71	$ 71.35
Total Other Special Schools - Instruction	646.06	-	646.06	574.71	71.35
Other Special Schools - Support Services:					
Supplies and Materials	5,375.97	-	5,375.97	4,677.08	698.89
Total Other Special Schools - Support Services	5,375.97	-	5,375.97	4,677.08	698.89
Total Special Schools	6,022.03	-	6,022.03	5,251.79	770.24
Total Expenditures	37,097,410.19	$ 246,317.00	37,343,727.19	34,816,925.34	2,526,801.85
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,862,732.19)	-	(4,862,732.19)	238,801.95	5,101,534.14
Other Financing Sources (Uses):					
Operating Transfers Out:					
Capital Reserve - Transfer to Repayment of Debt	-	-	-	(311,334.00)	(311,334.00)
Total Other Financing Sources (Uses)	-	-	-	(311,334.00)	(311,334.00)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(4,862,732.19)	-	(4,862,732.19)	(72,532.05)	4,790,200.14
Fund Balances, July 1	15,311,103.85	-	15,311,103.85	15,311,103.85	-
Fund Balances, June 30	$ 10,448,371.66	$ -	$ 10,448,371.66	$ 15,238,571.80	$ 4,790,200.14

Recapitulation:	
Restricted:	
Emergency Reserve	$ 351,914.00
Maintenance Reserve	1,250,600.00
Capital Reserve	7,106,130.00
Excess Surplus - Current Year	1,183,305.00
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures	3,034,048.00
Assigned:	
Year-End Encumbrances	317,873.85
Designated for Subsequent Year's Expenditures	1,200,000.00
Unassigned	794,700.95
	15,238,571.80
Reconciliation to Governmental Funds Statements (GAAP):	
June State Aid Payments not recognized on GAAP basis	(1,462,562.00)
Accounts Payable on GAAP basis	(1,213,874.00)
Fund Balance per Governmental Funds (GAAP)	$ 12,562,135.80

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Federal Sources:					
Title I	$ 82,317.00	$ (14,040.00)	$ 68,277.00	$ 68,277.00	-
Title IIA	18,483.00	17,430.00	35,913.00	35,913.00	-
I.D.E.A., Part B	365,060.00	77,105.00	442,165.00	442,165.00	-
Total - Federal Sources	465,860.00	80,495.00	546,355.00	546,355.00	-
Local Sources:					
Discover Brighter Futures	-	6,000.00	6,000.00	5,990.00	$ (10.00)
PLTW Supplies	-	25,112.28	25,112.28	22,524.50	(2,587.78)
HP Grant Supplies	-	1,381.41	1,381.41	1,381.41	-
ISTE Grant Supplies	-	549.91	549.91	541.64	(8.27)
Total - Local Sources	-	33,043.60	33,043.60	30,437.55	(2,606.05)
Total Revenues	465,860.00	113,538.60	579,398.60	576,792.55	(2,606.05)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	100,800.00	(23,410.00)	77,390.00	77,390.00	-
Tuition	365,060.00	77,105.00	442,165.00	442,165.00	-
Supplies and Materials	-	33,043.60	33,043.60	30,437.55	2,606.05
Total Instruction	465,860.00	86,738.60	552,598.60	549,992.55	2,606.05
Support Services:					
Personal Services - Employee Benefits	-	17,800.00	17,800.00	17,800.00	-
Purchased Professional and Technical Services	-	-		-	-
Other Purchased Services	-	9,000.00	9,000.00	9,000.00	-
Supplies and Materials	-	-		-	-
Total Support Services	-	26,800.00	26,800.00	26,800.00	-
Capital Outlay:					
Building Renovations	-	-	-	-	-
Total Capital Outlay	-	-	-	-	-
Total Expenditures	465,860.00	113,538.60	579,398.60	576,792.55	2,606.05
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ -	$ -	$ -	$ -	$ -

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2014

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

	General Fund	Special Revenue Fund
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	$ 35,055,727.29	$ 576,792.55
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year		-
Current Year		(8,460.00)
The June 2013 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	1,385,449.00	
The June 2014 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(1,462,562.00)	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	$ 34,978,614.29	$ 568,332.55
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	$ 34,816,925.34	$ 576,792.55
Differences - Budget to GAAP:		
Account Payable - See Note 18 Commitments	1,213,874.00	
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Prior Year		-
Current Year		(8,460.00)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	$ 36,030,799.34	$ 568,332.55

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

		N.C.L.B.			
	Total	Title I	Title II Part A	I.D.E.A. Part B, Basic	Total Carried Forward
REVENUES:					
Federal Sources	$ 546,355.00	$ 68,277.00	$ 35,913.00	$ 442,165.00	-
Local Sources	30,437.55				$ 30,437.55
State Sources	-				-
Total Revenues	576,792.55	68,277.00	35,913.00	442,165.00	30,437.55
EXPENDITURES:					
Instruction:					
Salaries of Teachers	77,390.00	55,509.00	21,881.00		-
Tuition	442,165.00			442,165.00	-
Supplies and Materials	30,437.55				30,437.55
Total Instruction	549,992.55	55,509.00	21,881.00	442,165.00	30,437.55
Support Services:					
Personal Services - Employee Benefits	17,800.00	12,768.00	5,032.00		-
Purchased Professional and Technical Services	-				-
Other Purchased Services	9,000.00		9,000.00		-
Supplies and Materials	-				-
Total Support Services	26,800.00	12,768.00	14,032.00	-	-
Capital Outlay:					
Building Renovations	-				-
Total Capital Outlay	-	-	-	-	-
Total Expenditures	$ 576,792.55	$ 68,277.00	$ 35,913.00	$ 442,165.00	$ 30,437.55

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

	Total Carried Forward	Discover Brighter Future	PLTW Supplies	HP Grant Supplies	ISTE Grant Supplies
REVENUES:					
Federal Sources	-				
Local Sources	$ 30,437.55	$ 5,990.00	$ 22,524.50	$ 1,381.41	$ 541.64
State Sources	-				
Total Revenues	30,437.55	5,990.00	22,524.50	1,381.41	541.64
EXPENDITURES:					
Instruction:					
Salaries of Teachers	-				
Tuition	-				
Supplies and Materials	30,437.55	5,990.00	22,524.50	1,381.41	541.64
Total Instruction	30,437.55	5,990.00	22,524.50	1,381.41	541.64
Support Services:					
Personal Services - Employee Benefits	-				
Purchased Professional and Technical Services	-				
Other Purchased Services	-				
Supplies and Materials	-				
Total Support Services	-	-	-	-	-
Capital Outlay:					
Building Renovations	-				
Total Capital Outlay	-	-	-	-	-
Total Expenditures	$ 30,437.55	$ 5,990.00	$ 22,524.50	$ 1,381.41	$ 541.64

CAPITAL PROJECTS FUND

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2014

Project Title / Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date Prior Years	GAAP Expenditures to Date Current Year	Canceled	Unexpended Balance June 30, 2014
The Completion of various upgrades, renovations and improvements at the Rancocas Valley Regional High School, including, but not limited to the replacement, repair and/or improvements to the roof on the main building, cafeteria, gymnasium and portion of Building "E"; replacement of concrete sidewalks and curbing, and resurfacing of driveways and parking lots; and (ii) the completion of such other improvements and work as may be necessary to make the upgrades, renovations and improvements compatable with the existing facilities;	4/15/2008	$ 2,483,000.00	$ 2,126,024.59	$ -	$ 356,975.41	$ -

Current Year	$ 154,415.56
Prior Years	202,559.85
	$ 356,975.41

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year Ended June 30, 2014

Revenues and Other Financing Sources	
State Sources - SCC Grant	$ -
Bond Proceeds and Transfers	(154,415.56)
Refund of Prior Years Expenditures	-
Contributions from Private Source	-
Transfer from Capital Reserve	-
Transfer from Capital Outlay	-
Total Revenues	(154,415.56)
Expenditures and Other Financing Uses	
Construction Services	-
Total Expenditures	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(154,415.56)
Fund Balance - July 1	154,415.56
Fund Balance - June 30	$ -

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
Various Repairs and Improvements to School Roof, Sidewalks, and Parking Lot
From Inception and for the Fiscal Year Ended June 30, 2014

	Prior Years	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant				
Bond Proceeds and Transfers	$ 2,280,440.15	$ (154,415.56)	$ 2,126,024.59	$ 2,126,024.59
Contributions from Private Source				
Transfer from Capital Reserve				
Transfer from Capital Outlay				
Total Revenues	2,280,440.15	(154,415.56)	2,126,024.59	2,126,024.59
Expenditures and Other Financing Uses				
Construction Services	2,126,024.59	-	2,126,024.59	2,126,024.59
Total Expenditures	2,126,024.59	-	2,126,024.59	2,126,024.59
Excess (Deficiency) of Revenues Over (Under) Expenditures	$ 154,415.56	$ (154,415.56)	$ -	$ -

Additional Project Information:

Project Number	NA
Grant Date	NA
Bond Authorization Date	4/15/2008
Bonds Authorized	2,483,000.00
Bonds Issued	2,483,000.00
Original Authorized Cost	2,483,000.00
Additional Authorized Cost	(356,975.41)
Revised Authorized Cost	2,126,024.59
Percentage Increase over Original Authorized Cost	-14.38%
Percentage Completion	100.00%
Original Target Completion Date	09/01/09
Revised Target Completion Date	06/30/12

PROPRIETARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Net Position
June 30, 2014

	Food Service	Alternative School	Total
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	$ 103,382.51		$ 103,382.51
Accounts Receivable:			
State	756.99		756.99
Federal	34,653.15		34,653.15
Other	1,619.10	$ 132,453.12	134,072.22
Interfunds Receivable	41,781.58		41,781.58
Inventories	5,623.07		5,623.07
Total Current Assets	187,816.40	132,453.12	320,269.52
Noncurrent Assets:			
Furniture, Machinery and Equipment	96,941.79		96,941.79
Less Accumulated Depreciation	(85,529.52)		(85,529.52)
Total Noncurrent Assets	11,412.27	-	11,412.27
Total Assets	199,228.67	132,453.12	331,681.79
LIABILITIES:			
Current Liabilities:			
Accounts Payable	34,571.29	45,982.15	80,553.44
Interfunds Payable		86,470.97	86,470.97
Unearned Revenues	7,439.85		7,439.85
Total Liabilities	42,011.14	132,453.12	174,464.26
NET POSITION:			
Net Investment in Capital Assets	11,412.27		11,412.27
Unrestricted	145,805.26		145,805.26
Total Net Position	$ 157,217.53	$ -	$ 157,217.53

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2014

	Food Service	Alternative School	Total
OPERATING REVENUES:			
Charges for Services:			
Daily Sales - Reimbursable Programs	$ 140,410.40		$ 140,410.40
Daily Sales - Non-Reimbursable Programs	408,563.40		408,563.40
Tuition		$ 1,264,912.44	1,264,912.44
Total Operating Revenues	548,973.80	1,264,912.44	1,813,886.24
OPERATING EXPENSES:			
Salaries	268,396.19	127,567.02	395,963.21
Employee Benefits	53,387.65	8,067.00	61,454.65
Purchased Professional Educational Services		1,101,682.04	
Supplies and Materials	49,989.52	11,959.95	61,949.47
Depreciation	9,079.07		9,079.07
Cost of Sales	304,833.66		304,833.66
Uniforms & Laundry	1,336.03		1,336.03
Management Fees	33,083.31		33,083.31
Insurance	4,809.28		4,809.28
Equipment Repair	15,185.64		15,185.64
Bank Fees	16,450.52		16,450.52
Miscellaneous	5,825.35	15,636.43	21,461.78
Total Operating Expenses	762,376.22	1,264,912.44	2,027,288.66
Operating Income / (Loss)	(213,402.42)	-	(213,402.42)
NONOPERATING REVENUES (EXPENSES):			
State Sources:			
State School Lunch Program	4,325.71		4,325.71
Federal Sources:			
National School Lunch Program	159,307.48		159,307.48
National School Breakfast Program	28,551.49		28,551.49
Food Distribution Program	23,272.44		23,272.44
Interest Revenue	151.36		151.36
Total Nonoperating Revenues (Expenses)	215,608.48	-	215,608.48
Change in Net Position	2,206.06	-	2,206.06
Net Position -- July 1	155,011.47	-	155,011.47
Net Position -- June 30	$ 157,217.53	$ -	$ 157,217.53

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Proprietary Funds
Combining Statement of Cash Flows
For the Fiscal Year Ended June 30, 2014

	Food Service	Alternative School	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	$ 553,099.17	$ 1,218,930.29	$ 1,772,029.46
Payments to Employees		(135,634.02)	(135,634.02)
Payments for Purchased Professional Services	(364,073.87)	(1,056,537.04)	(1,420,610.91)
Payments to Suppliers	(362,346.86)	(26,759.23)	(389,106.09)
Refunds	(276.70)		(276.70)
Net Cash Provided by (used for) Operating Activities	(173,598.26)	(0.00)	(173,598.26)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Federal and State Sources	148,779.41		148,779.41
Net Cash Provided by (used for) Non-Capital Financing Activities	148,779.41	-	148,779.41
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and Dividends	151.36		151.36
Net Cash Provided by (used for) Investing Activities	151.36	-	151.36
Net Increase (Decrease) in Cash and Cash Equivalents	(24,667.49)	(0.00)	(24,667.49)
Cash and Cash Equivalents -- July 1	128,050.00	-	128,050.00
Cash and Cash Equivalents -- June 30	$ 103,382.51	$ (0.00)	$ 103,382.51
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	$ (213,402.42)	$ -	$ (213,402.42)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation and Net Amortization	9,079.07		9,079.07
Food Distribution Program	23,272.44		23,272.44
(Increase) Decrease in Accounts Receivable	(1,619.10)	(132,453.12)	(134,072.22)
(Increase) Decrease in Inventories	9,350.64		9,350.64
Increase (Decrease) in Accounts Payable	(7,718.74)	132,453.12	124,734.38
(Increase) Decrease in Unearned Revenues	7,439.85		7,439.85
Total Adjustments	39,804.16	-	39,804.16
Net Cash Provided by (used for) Operating Activities	$ (173,598.26)	$ -	$ (173,598.26)

FIDUCIARY FUNDS

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2014

	Trust Funds	Agency Funds		
	Unemployment Compensation Trust	Student Activity	Payroll	Total
ASSETS:				
Cash and Cash Equivalents	$ 819,885.40	$ 546,848.35	$ 52,017.99	$ 1,418,751.74
Total Assets	819,885.40	$ 546,848.35	$ 52,017.99	1,418,751.74
LIABILITIES:				
Payable to Student Groups	-	$ 546,848.35	$ -	546,848.35
Payroll Deductions and Withholdings	-	-	52,017.99	52,017.99
Total Liabilities	-	$ 546,848.35	$ 52,017.99	598,866.34
NET POSITION:				
Held in Trust for Unemployment Claims and Other Purposes	$ 819,885.40			$ 819,885.40

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2014

	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Plan member	$ 42,709.35
Total Contributions	42,709.35
Investment earnings:	
Interest	1,087.76
Net Investment Earnings	1,087.76
Total Additions	43,797.11
DEDUCTIONS:	
Unemployment Claims	53,885.34
Total Deductions	53,885.34
Change in Net Position	(10,088.23)
Net Position -- July 1	829,973.63
Net Position -- June 30	$ 819,885.40

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Student Activity 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
High School	$ 449,592.45	$ 1,240,612.94	$ 1,143,357.04	$ 546,848.35

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Fiduciary Funds
Payroll Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2014

	Balance June 30, 2013	Additions	Deletions	Balance June 30, 2014
ASSETS:				
Cash and Cash Equivalents	$ 151,701.52	$ 16,969,698.21	$ 17,069,381.74	$ 52,017.99
Total Assets	$ 151,701.52	$ 16,969,698.21	$ 17,069,381.74	$ 52,017.99
LIABILITIES:				
Payroll Deductions and Withholdings	$ 151,701.52	16,969,698.21	17,069,381.74	$ 52,017.99
Total Liabilities	$ 151,701.52	$ 16,969,698.21	$ 17,069,381.74	$ 52,017.99

LONG-TERM DEBT

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2014

Issue	Date of Issue	Amount of Issue	Annual Maturities Date	Annual Maturities Amount	Interest Rate	Balance June 30, 2013	Paid by Budget Appropriation	Balance June 30, 2014
Refunding Series 2005	2/10/2005	$ 21,170,000.00	2/1/2015	$ 815,000.00	4.000%			
			2/1/2016	845,000.00	4.000%			
			2/1/2017	875,000.00	4.000%			
			2/1/2018	905,000.00	4.250%			
			2/1/2019	945,000.00	4.250%			
			2/1/2020	980,000.00	4.000%			
			2/1/2021	1,015,000.00	4.500%			
			2/1/2022	1,060,000.00	4.750%			
			2/1/2023	1,110,000.00	4.750%			
			2/1/2024	1,160,000.00	4.750%			
			2/1/2025	1,215,000.00	4.250%			
			2/1/2026	1,265,000.00	4.250%			
			2/1/2027	1,310,000.00	4.350%			
			2/1/2028	1,365,000.00	4.375%			
			2/1/2029	1,410,000.00	4.375%	$ 17,095,000.00	$ 820,000.00	$ 16,275,000.00
Series 2008	6/11/2008	2,483,000.00	8/1/2014	245,000.00	3.250%			
			8/1/2015	255,000.00	3.250%			
			8/1/2016	270,000.00	3.500%			
			8/1/2017	280,000.00	3.500%			
			8/1/2018	288,000.00	3.500%	1,573,000.00	235,000.00	1,338,000.00
						$ 18,668,000.00	$ 1,055,000.00	$ 17,613,000.00

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Obligations Under Capital Leases
For the Fiscal Year Ended June 30, 2014

Series	Date of Lease	Term of Lease	Amount of Original Issue Principal	Amount of Original Issue Interest	Interest Rate Payable	Amount Outstanding June 30, 2013 (a)	Retired Current Year	Amount Outstanding June 30, 2014 (a)
Building, Eastampton	10/27/2008	5	$ 1,665,000.00	N/A	N/A	$ 333,000.00	$ 333,000.00	$ -

(a) Future Interest Payments Removed from Carrying Value of Leases.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2014

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	$ 736,723.00	$ -	$ 736,723.00	$ 736,723.00	-
Miscellaneous		-		250.00	$ 250.00
Total Revenues from Local Sources	736,723.00	-	736,723.00	736,973.00	250.00
State Sources:					
Debt Service Aid Type II	795,769.00	-	795,769.00	795,769.00	-
Total Revenue from State Sources	795,769.00	-	795,769.00	795,769.00	-
Total Revenues	1,532,492.00	-	1,532,492.00	1,532,742.00	250.00
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	789,067.00	-	789,067.00	789,065.75	1.25
Redemption of Principal	1,055,000.00	-	1,055,000.00	1,055,000.00	-
Total Expenditures	1,844,067.00	-	1,844,067.00	1,844,065.75	1.25
Excess (Deficiency) of Revenues Over (Under) Expenditures	(311,575.00)	-	(311,575.00)	(311,323.75)	251.25
OTHER FINANCING SOURCES:					
Interest Earned in Capital Projects Fund				227.10	227.10
Capital Projects Fund Balance - Unexpended Balance				154,415.56	154,415.56
Capital Projects Fund Balance - Arbitrage				16,046.80	16,046.80
Capital Reserve - Transfer to Repayment of Debt	311,334.00	-	311,334.00	311,334.00	-
Total Other Financing Sources	311,334.00	-	311,334.00	482,023.46	170,689.46
Net Change in Fund Balances	(241.00)	-	(241.00)	170,699.71	170,940.71
Fund Balance, July 1	331.19	-	331.19	331.19	-
Fund Balance, June 30	$ 90.19	$ -	$ 90.19	$ 171,030.90	$ 170,940.71
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures:					
Budgeted Fund Balance	$ (241.00)	$ -	$ (241.00)	$ 170,699.71	$ 170,940.71

STATISTICAL SECTION

FINANCIAL TRENDS INFORMATION

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

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Governmental activities										
Net Investment in capital assets	2,858,561.55	3,007,276.73	3,233,526.18	1,346,244.25	2,135,523 63	4,672,846.05	5,668,890 61	6,090,106 55	728,308.00	4,206,251 99
Nonspendable	-	-	-	-	-	-	-	-	81,125.66	81,188 33
Restricted	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29	9,264,873.16	13,204,316 26	14,821,816.60	13,401,027.75
Unrestricted	(176 250.85)	(116 957 82)	(97 784.79)	(53 481.86)	(915 754 91)	(919 216.03)	(659 899 05)	(780 790 63)	(934 809.35)	(850 973.70)
Total governmental activities net position	9 579 348.19	9 997 369 06	11 552 317.34	13 247 719.04	14 998 290.47	12 399 839.31	14 273 864.72	18 513 632.18	14 696 440.91	16 837 494 37
Business-type activities										
Net Investment in capital assets	54,362.42	46,060 84	38,188.30	46,088.43	39,696.48	48,477.10	39,057.75	29,570 38	20,491.34	11,412 27
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	121,404.18	151,362 56	151,638.11	136,268.61	113,182.77	92,249.33	67,219 68	99,277 04	134,520.13	145,805 26
Total business-type activities net position	175,766.60	197,423.40	189,826.41	182,357.04	152,879 25	140,726.43	106,277.43	128,847.42	155,011.47	157,217 53
District-wide										
Net Investment in capital assets	2,912,923.97	3,053,337 57	3,271,714.48	1,392,332.68	2,175,220.11	4,721,323.15	5,707,948 36	6,119,676 93	748,799.34	4,217,664 26
Nonspendable	-	-	-	-	-	-	-	-	81,125.66	81,188 33
Restricted	6,897,037.49	7,107,050.15	8,416,575.95	11,954,956.65	13,778,521.75	8,646,209.29	9,264,873.16	13,204,316 26	14,821,816.60	13,401,027.75
Unrestricted	(54,846.67)	34,404.74	53,853.32	82,786.75	(802,572.14)	(826,966.70)	(592,679 37)	(681,513 59)	(800,289.22)	(705,168.44)
Total district net position	9,755,114.79	10,194,792.46	11,742,143.75	13,430,076.08	15,151,169.72	12,540,565.74	14,380,142.15	18,642,479 60	14,851,452.38	16,994,711 90

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Expenses										
Governmental activities										
Instruction										
Regular	7,781,723.36	8,431,834.82	8,867,727.29	9,230,253.82	9,784,520.81	10,227,748.53	9,499,959.00	9,284,651.40	9,898,759.02	9,908,603.66
Special education	1,103,466.24	1,230,949.66	1,178,302.60	1,298,755.30	1,408,101.80	1,616,906.28	1,694,153.33	1,674,090.44	1,887,837.70	1,848,914.17
Other special education	22,174.00	22,082.70	22,174.00	22,174.00	-	-	-	-	-	-
Other instruction	817,540.67	891,922.45	978,134.11	1,024,266.18	1,097,408.86	1,059,119.15	915,100.76	828,098.25	769,541.60	766,729.96
Support Services:										
Tuition	3,676,608.37	3,426,094.50	3,966,086.66	4,153,593.17	3,756,706.59	3,943,862.35	4,315,637.40	4,434,118.27	5,081,355.59	4,679,223.40
Student & instruction related services	2,440,364.23	2,561,532.70	2,764,575.27	2,802,097.07	3,016,823.43	3,013,646.39	2,477,619.45	2,465,855.34	2,677,145.09	2,815,271.15
General administration	610,239.13	723,549.49	643,470.38	523,835.30	545,977.91	524,204.33	532,803.58	412,633.25	478,471.87	459,987.22
School Administrative services	1,133,628.56	1,152,523.58	1,248,279.11	1,192,734.44	1,369,316.06	1,456,541.96	1,050,437.10	1,053,441.15	1,052,347.42	1,075,470.32
Central Services	424,904.45	476,892.85	554,366.95	634,325.40	572,608.19	531,312.48	522,478.71	557,865.44	506,811.02	453,163.35
Administrative information technology	319,447.77	372,597.48	323,760.33	353,878.15	375,199.35	353,623.61	364,460.04	353,572.45	408,134.08	437,731.80
General & Business Admin Services	2,690.72	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	2,265,415.25	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27	2,987,311.09	2,810,911.43	2,780,182.16	3,343,921.26
Pupil transportation	1,844,293.68	1,868,809.69	1,888,005.30	2,056,501.34	2,064,380.23	1,909,355.33	1,789,861.82	1,818,285.55	1,971,153.84	1,901,507.34
Unallocated Benefits	4,243,800.96	4,715,728.29	5,327,081.98	5,844,103.56	5,254,834.91	6,035,074.37	6,586,712.41	5,839,054.48	6,602,626.22	6,282,630.98
Special Schools	1,006,984.55	1,077,796.32	1,225,237.67	1,326,638.97	1,303,293.98	1,462,259.36	1,231,686.64	1,305,522.02	1,241,180.99	5,251.79
Interest on long-term debt	1,317,853.96	1,028,004.85	993,747.21	962,678.83	1,002,704.84	968,381.30	937,535.65	900,676.25	852,664.37	814,530.75
Unallocated depreciation	541,465.00	311,334.00	231,889.00	177,394.02	183,507.86	174,144.25	170,406.85	133,112.00	151,648.00	145,988.00
Total governmental activities expenses	29,552,600.90	30,827,275.46	32,767,795.26	34,604,096.06	34,810,816.88	36,345,757.96	35,076,163.83	33,871,887.72	36,359,858.97	34,938,925.15
Business-type activities:										
Food service	839,803.50	914,238.31	976,720.18	944,937.90	948,145.86	918,956.02	880,500.33	856,632.66	759,517.00	762,376.22
Total business-type activities expense	839,803.50	914,238.31	976,720.18	944,937.90	948,145.86	918,956.02	880,500.33	856,632.66	759,517.00	762,376.22
Total district expenses	30,392,404.40	31,741,513.77	33,744,515.44	35,549,033.96	35,758,962.74	37,264,713.98	35,956,664.16	34,728,520.38	37,119,375.97	35,701,301.37
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	142,897.50	164,287.82	215,525.58	307,140.02	330,439.33	315,961.52	351,836.85	377,626.56	484,382.66	290,684.05
Special Schools	823,660.73	943,819.86	1,046,667.28	1,115,304.80	1,124,401.18	1,201,518.54	1,169,576.37	1,183,637.20	1,274,312.00	-
Operating grants and contributions	2,126,891.18	2,376,221.23	3,069,024.40	3,308,379.45	2,287,967.99	2,472,004.83	2,363,513.10	2,626,092.63	3,067,980.32	2,583,860.26
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	3,093,449.41	3,484,328.91	4,331,217.26	4,730,824.27	3,742,808.50	3,989,484.89	3,884,926.32	4,187,356.39	4,826,674.98	2,874,544.31
Business-type activities:										
Charges for services										
Food service	791,548.08	826,625.50	843,960.69	794,932.84	750,630.24	705,936.24	654,189.90	681,977.81	582,099.88	548,973.80
Operating grants and contributions	82,229.39	101,308.55	117,075.69	136,421.17	166,672.17	199,888.54	191,676.58	196,960.69	203,249.76	215,457.12
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	873,777.47	927,934.05	961,036.38	931,354.01	917,302.41	905,824.78	845,866.48	878,938.50	785,349.64	764,430.92
Total district program revenues	3,967,226.88	4,412,262.96	5,292,253.64	5,662,178.28	4,660,110.91	4,895,309.67	4,730,792.80	5,066,294.89	5,612,024.62	3,638,975.23
Net (Expense)/Revenue										
Governmental activities	(26,459,151.49)	(27,342,946.55)	(28,436,578.00)	(29,873,271.79)	(31,068,008.38)	(32,356,273.07)	(31,191,237.51)	(29,684,531.33)	(31,533,183.99)	(32,064,380.84)
Business-type activities	33,973.97	13,695.74	(15,683.80)	(13,583.89)	(30,843.45)	(13,131.24)	(34,633.85)	22,305.84	25,832.64	2,054.70
Total district-wide net expense	(26,425,177.52)	(27,329,250.81)	(28,452,261.80)	(29,886,855.68)	(31,098,851.83)	(32,369,404.31)	(31,225,871.36)	(29,662,225.49)	(31,507,351.35)	(32,062,326.14)

(Continued)

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	10,983,632.00	12,111,206.00	14,225,203.00	15,429,674.00	14,913,835.00	14,913,835.00	15,110,388.00	15,412,596.00	15,566,722.00	15,878,056.00
Taxes levied for debt service	896,612.00	777,079.00	761,784.00	752,249.00	731,366.00	892,863.00	1,078,684.00	776,476.00	1,066,699.00	736,723.00
Federal and State Aid Not Restricted	14,551,949.00	14,425,334.00	14,495,170.00	14,941,320.00	16,927,299.16	13,585,250.98	16,207,419.27	17,249,007.02	16,979,355.28	16,841,137.93
Federal and State Aid Restricted	-	-	-	-	-	40,302.90	373,863.10	-	-	-
Miscellaneous income	268,015.22	447,348.43	533,528.59	445,430.49	246,079.65	325,570.03	294,908.55	486,219.77	454,849.61	749,517.37
Special Items	(74,300.00)	-	(24,159.31)	-	-	-	-	-	-	-
Total governmental activities	26,625,908.22	27,760,967.43	29,991,526.28	31,568,673.49	32,818,579.81	29,757,821.91	33,065,262.92	33,924,298.79	34,067,625.89	34,205,434.30
Business-type activities:										
Miscellaneous income	2,341.54	7,961.06	8,086.81	6,114.52	1,365.66	978.42	184.85	264.15	331.41	151.36
Special Items	-	-	-	-	-	-	-	-	-	-
Total business-type activities	2,341.54	7,961.06	8,086.81	6,114.52	1,365.66	978.42	184.85	264.15	331.41	151.36
Total district-wide	26,628,249.76	27,768,928.49	29,999,613.09	31,574,788.01	32,819,945.47	29,758,800.33	33,065,447.77	33,924,562.94	34,067,957.30	34,205,585.66
Change in Net Position										
Governmental activities	166,756.73	418,020.88	1,554,948.28	1,695,401.70	1,750,571.43	(2,598,451.16)	1,874,025.41	4,239,767.46	2,534,441.90	2,141,053.46
Business-type activities	36,315.51	21,656.80	(7,596.99)	(7,469.37)	(29,477.79)	(12,152.82)	(34,449.00)	22,569.99	26,164.05	2,206.06
Total district	203,072.24	439,677.68	1,547,351.29	1,687,932.33	1,721,093.64	(2,610,603.98)	1,839,576.41	4,262,337.45	2,560,605.95	2,143,259.52

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011 (1)	2012	2013	2014
General Fund										
Reserved	6,296,120.70	6,576,047 20	7,947,264.22	9,256,688.08	11,597,690.89	8,043,180.16				
Unreserved	(65,573.20)	4,428 32	47,203.61	87,899.19	(766,190.31)	(790,811.11)				
Restricted							8,337,845 30	12,069,060.93	13,709,127.86	11,712,123.00
Assigned							349,903 63	877,374.98	941,895.19	1,517,873.85
Unassigned							(511,261 31)	(617,526.48)	(725,368.20)	(667,861.05)
Total general fund	6,230,547.50	6,580,475 52	7,994,467.83	9,344,587.27	10,831,500.58	7,252,369.05	8,176,487 62	12,328,909.43	13,925,654.85	12,562,135.80
All Other Governmental Funds										
Reserved	36,941.69	44,512 91	36,280.28	39,393.80	28,124.95	43,791.80				
Unreserved, reported in:										
Special revenue fund	(2,349.15)	(2,349.15)	(2,349.15)	(2,349.15)						
Capital projects fund	486,265.91	416,255 03	361,582.11	2,577,293.21	2,056,404.96	472,691.56				
Debt service fund	28,466.11	20,233.48	23,347.21	12,078.15	27,744.57	7,943.90				
Permanent fund	51,592.23	52,350 68	50,451.28	71,852.56	68,556.38	78,601.87				
Nonspendable									81,125.66	81,188.33
Restricted							561,077.43	241,833.55	154,746.75	171,030.90
Assigned							16,046 80	16,046.80	16,046.80	-
Total all other governmental funds	600,916.79	531,002 95	469,311.73	2,698,268.57	2,180,830.86	603,029.13	577,124 23	257,880.35	251,919.21	252,219.23

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

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

	Fiscal Year Ending June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Revenues										
Tax levy	$ 11,880,244 00	12,888,285.00	14,986,987.00	16,181,923.00	15,645,201.00	15,806,698.00	16,189,072.00	16,189,072 00	16,633,421.00	16,614,779 00
Tuition charges	966,558 23	1,108,107.68	1,262,192.86	1,422,444.82	1,454,840.51	1,517,480.06	1,521,413.22	1,561,263.76	1,758,694.66	290,684 05
Miscellaneous	269,146 54	445,693.14	535,066.49	445,971.94	249,963.53	315,524.54	264,172.78	487,364 57	476,317.34	780,292 01
State sources	16,028,573 55	16,155,748.93	16,894,164.54	17,536,525.88	18,477,564.74	12,638,176.18	17,815,815.17	18,602,048 01	19,386,718.47	18,841,213.71
Federal sources	650,266 63	645,806.30	670,029.86	713,173.57	737,702.41	3,459,382.53	1,145,611.42	1,273,051 64	640,448.28	553,346 93
Total revenue	29,794,788 95	31,243,641.05	34,348,440.75	36,300,039.21	36,565,272.19	33,737,261.31	36,936,084.59	38,112,799 98	38,895,599.75	37,080,315.70
Expenditures										
Instruction										
Regular Instruction	7,534,437 20	8,060,427.14	8,526,257.20	8,791,668.57	9,339,991.97	9,606,513.37	8,816,536.99	8,573,551 06	9,362,266.22	9,375,312 81
Special education instruction	1,078,077 36	1,196,656.28	1,145,388.46	1,266,044.96	1,374,810.32	1,580,363.04	1,653,952.03	1,631,698 81	1,856,279.30	1,817,544.12
Other special instruction	22,174 00	22,082.70	22,174.00	22,174.00	-	-	-	-	-	-
Other instruction	817,540 67	891,922.46	978,134.11	1,024,266.18	1,097,408.86	1,059,119.15	915,100.76	828,098 25	769,541.60	766,729 96
Support Services:										
Tuition	3,676,608 37	3,426,094.50	3,966,086.66	4,153,593.17	3,756,706.59	3,943,862.35	4,315,637.40	4,434,118 27	5,081,355.59	4,679,223.40
Student & inst. related services	2,440,364 23	2,561,532.70	2,764,575.27	2,802,097.07	3,016,823.43	3,013,646.39	2,477,619.45	2,465,855 34	2,677,145.09	2,815,271.15
General administration	610,239.13	723,549.49	643,470.38	523,835.30	545,977.91	524,204.33	532,803.58	412,633 25	478,471.87	459,987 22
School administrative services	1,082,850 80	1,083,936.81	1,182,450.82	1,192,734.44	1,302,733.09	1,383,455.47	970,034.51	968,657 89	989,230.62	1,012,730 22
Central services	424,904.45	476,892.86	554,366.95	634,325.40	572,608.19	531,312.48	522,478.71	557,865.44	506,811.02	453,163 35
Admin. information technology	319,447.77	372,597.48	323,760.33	353,878.15	375,199.35	353,623.61	364,460.04	353,572.45	408,134.08	437,731 80
Other Admin. Services	2,690.72	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	2,265,415 25	2,535,622.08	2,554,957.40	3,000,866.51	3,075,432.06	3,069,578.27	2,987,311.09	2,810,911.43	2,780,182.16	3,343,921 26
Pupil transportation	1,844,293 68	1,868,809.69	1,888,005.30	2,056,501.34	2,064,380.23	1,909,355.33	1,789,861.82	1,818,285 55	1,971,153.84	1,901,507 34
Unallocated Benefits	4,243,800 96	4,705,019.80	5,303,479.72	5,847,710.91	5,246,651.36	6,056,234.05	6,566,479.59	5,824,428 07	6,556,449.21	6,308,959.47
Special Schools	1,006,984 55	1,077,796.32	1,225,237.67	1,261,218.30	1,303,293.98	1,462,259.36	1,231,686.64	1,305,522 02	1,241,180.99	5,251.79
Capital outlay	1,113,562 84	272,300.36	242,576.23	636,455.92	2,586,474.11	2,599,438.41	957,847.95	377,270 66	744,818.74	3,221,798 00
Debt service:										
Principal	710,000 00	710,000.00	710,000.00	710,000.00	710,000.00	830,000.00	1,050,000.00	1,050,000 00	1,055,000.00	1,055,000 00
Interest and other charges	1 188 949 00	980 041.50	963 681.26	926 051.26	888 421.26	981 274.45	900 165.01	866 008.76	825 496.26	789 065.75
Total expenditures	30,382,340 98	30,965,282.17	32,994,601.76	35,203,421.48	37,256,912.71	38,904,240.06	36,051,975.57	34,278,477 25	37,303,516.59	38,443,197 64
Excess (Deficiency) of revenues over (under) expenditures	(587,552.03)	278,358.88	1,353,838.99	1,096,617.73	(691,640.52)	(5,166,978.75)	884,109.02	3,834,322.73	1,592,083.16	(1,362,881 94)
Other Financing sources (uses)										
Estimated Arbitrage Payment	(74,300.00)									
Proceeds of Refunding Bonds	20,170,000 00									
Deferred Loss on Defeasance of Bonds	(1,267,378.69)									
Cost of Issuance -- Refunding Bonds	(229,151.11)									
Premium -- Refunding Bonds	209,529 80									
Payment to Refunded Bond Escrow Account	(18,883,000.00)									
Proceeds from Issuance of Bonds				2,483,000.00						
Capital Leases					1,665,000.00					
Increase (Decrease) in Market Value of Permanent Fund Investments	(1,131.32)	1,655.29	(1,537.90)	(541.45)	(3,883.88)	728.00	1,104.65	(1,144 80)	(1,298.88)	(337 09)
Contributions						9,317.49	13,000.00			
Transfers in	28,466.11	20,233.09	23,346.36	12,076.72	27,744.83	7,943.63	1,066.78	304,416 62	340.92	482,023.46
Transfers out	(28,466.11)	(20,233.09)	(23,346.36)	(12,076.72)	(27,744.83)	(7,943 63)	(1,066.78)	(304,416 62)	(340.92)	(482,023.46)
Total other financing sources (uses)	(75,431.32)	1,655.29	(1,537.90)	2,482,458.55	1,661,116.12	10,045.49	14,104.65	(1,144 80)	(1,298.88)	(337 09)
Net change in fund balances	(662,983.35)	280,014.17	1,352,301.09	3,579,076.28	969,475.60	(5,156,933 26)	898,213.67	3,833,177 93	1,590,784.28	(1,363,219 03)
Debt service as a percentage of noncapital expenditures	6.49%	5.51%	5.11%	4.73%	4 61%	4.99%	5 56%	5.65%	5.14%	5.24%

Source District records

Note: Noncapital expenditures are total expenditures less capital outlay.

Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.

Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
General Fund - Other Local Revenue By Source
Last Ten Fiscal Years
Unaudited

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Tuition	966,558.23	1,108,107.68	1,262,192.86	1,422,444.82	1,454,840.51	1,591,708.06	1,521,413 22	1,561,263.76	1,758,694.66	631,268.39
Interest on Investments	160,567.35	328,301.66	419,562.61	328,916.12	130,145.40	117,653.45	20,537.47	24,223.57	30,936.10	21,844.48
Student Activity Fee								75,411.99	71,427.50	69,030.00
Transporta ion Fees									47,586.07	89,741.42
Miscellaneous	24,201.49	54,956.14	30,653.42	38,728.43	16,506.08	25,670.79	69,626 24	137,536.84	127,175.87	126,677.17
Refund of Prior Year Expenditures	8,635.67	15,479.15			47,849.42	33,468.67	89,927.61	142,635.49	178,218.95	101,100.19
E-Rate			32,681.69	26,807.94	14,130.10	10,080.00	19,731 00			
Vending Machine Revenue			21,000.00							
Dodge Foundation	46,512.86	9,659.94	5,683.91							
Wordsworth Academy		15,460.00								
Lockheed Martin Grant				15,000.00	10,000.00	33,000.00	33,000 00	33,000.00		
ISTE Int'l Soc. Tech.							15,000 00	53,897.00		
NJSBIG Safety Grant							14,165 00			
NJSBEC - Grant						13,480.00				
Pandemic Grant								18,988.00		
FEMA							16,631.12			
	1,206,475.60	1,531,964.57	1,771,774.49	1,831,897.31	1,673,471.51	1,825,060.97	1,800,031.66	2,046,956.65	2,214,039.15	1,039,661.65

Source: District Records

REVENUE CAPACITY INFORMATION

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

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

Year		Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities [a]	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate [b]
Eastampton														
2014		5,070,500	362,322,100	2,235,700	444,100	20,195,800	3,324,400	34,282,700	427,875,300	548,286	428,423,586	49,400,500	473,952,326	0.457
2013		8,611,760	440,467,880	3,117,100	424,800	25,116,200	4,450,000	36,350,000	518,537,740	575,757	519,113,497	75,079,000	479,223,664	0.379
2012		8,970,300	439,853,860	3,333,000	440,400	25,622,300	4,450,000	36,900,000	519,569,860	614,257	520,184,117	74,867,300	496,153,126	0.379
2011		8,052,300	437,550,860	4,101,000	453,000	25,752,300	4,405,000	36,900,000	517,214,460	625,015	517,839,475	74,597,300	506,149,928	0.376
2010		8,230,300	438,491,560	4,101,000	457,600	28,423,300	4,405,000	36,900,000	521,008,760	778,297	521,787,057	73,813,200	515,465,254	0.373
2009		8,193,100	439,228,360	4,251,000	457,600	28,706,000	4,405,000	36,900,000	522,141,060	769,323	522,910,383	72,797,100	534,014,423	0.350
2008		8,672,100	437,682,600	4,642,000	461,600	30,941,000	2,655,000	36,900,000	521,954,300	678,643	522,632,943	49,922,600	526,968,749	0.364
2007		9,364,100	437,165,100	4,726,600	462,300	29,141,000	2,655,000	36,900,000	520,414,100	669,304	521,083,404	49,031,700	492,594,001	0.376
2006	R	7,700,000	438,166,300	4,902,700	538,400	30,855,000	1,300,000	36,900,000	520,362,400	646,816	521,009,216	49,165,600	429,516,224	0.351
2005		4,162,629	211,389,792	3,772,120	471,064	12,873,907	615,000	16,415,700	249,700,212	461,738	250,161,950	25,502,902	378,376,127	0.644
Hainesport														
2014		14,931,100	608,153,200	7,841,800	361,800	81,808,400	47,825,200	606,000	761,527,500	1,223,181	762,750,681	44,457,500	780,765,445	0.355
2013	R	15,858,500	607,273,000	9,180,700	356,600	78,592,900	48,382,700	606,000	760,250,400	1,178,706	761,429,106	43,909,000	788,149,363	0.338
2012		7,072,400	359,354,600	4,916,000	321,000	40,490,733	26,969,900	247,500	439,372,133	723,220	440,095,353	16,960,900	823,623,985	0.559
2011		7,353,700	356,556,700	5,219,500	349,100	40,933,333	27,543,700	247,500	438,203,533	734,285	438,937,818	16,286,400	865,284,295	0.543
2010		7,509,600	355,461,900	5,618,900	221,300	42,825,433	28,180,100	247,500	440,064,733	835,159	440,899,892	15,613,500	884,588,474	0.525
2009		9,394,000	353,561,400	5,618,900	221,300	39,800,433	29,918,500	247,500	438,762,033	864,453	439,626,486	15,583,900	935,706,047	0.564
2008		9,168,000	351,430,400	5,768,600	221,300	39,889,933	29,918,500	247,500	436,644,233	844,818	437,489,051	15,425,600	895,510,227	0.533
2007		8,893,800	352,740,900	4,762,400	221,700	35,102,400	30,836,700	247,500	432,805,400	888,480	433,693,880	15,425,600	817,347,978	0.597
2006		10,628,000	340,352,400	5,157,900	223,200	40,020,700	27,174,900	247,500	423,804,600	1,002,720	424,807,320	15,218,500	701,924,862	0.546
2005		11,632,100	330,499,200	5,174,600	227,200	38,929,900	26,315,800	247,500	413,026,300	1,103,105	414,129,405	15,317,000	616,901,357	0.502
Lumberton														
2014		9,997,200	1,136,968,200	21,338,400	1,994,400	130,711,000	64,072,723	29,352,400	1,394,434,323	2,026,623	1,396,460,946	110,463,900	1,349,322,042	0.393
2013		10,798,700	1,153,722,800	20,915,900	1,948,180	134,718,400	64,115,823	29,352,400	1,415,572,203	1,945,138	1,417,517,341	106,953,400	1,420,703,445	0.392
2012		10,631,900	1,168,180,400	20,715,800	2,446,300	134,628,400	63,115,823	29,352,400	1,429,071,023	1,838,276	1,430,909,299	106,013,700	1,534,388,232	0.390
2011		11,087,100	1,180,483,600	20,403,100	2,002,800	132,617,800	63,115,823	28,954,400	1,438,664,623	2,000,688	1,440,665,311	102,092,000	1,445,992,334	0.358
2010		11,698,400	1,187,781,700	20,484,200	1,902,800	131,564,300	64,304,600	28,954,400	1,446,690,400	2,285,933	1,448,976,333	101,665,363	1,523,480,241	0.354
2009		11,597,000	1,190,946,000	20,915,300	1,923,700	127,543,600	64,941,400	28,954,400	1,446,821,400	2,245,784	1,449,067,184	101,216,800	1,566,514,606	0.319
2008		11,963,500	1,191,093,800	20,850,000	1,997,980	122,340,000	55,956,100	28,954,400	1,433,155,780	2,103,413	1,435,259,193	100,642,000	1,514,653,856	0.318
2007	R	12,793,600	1,194,523,300	19,555,800	1,980,100	115,446,100	57,422,000	30,929,800	1,432,650,700	2,115,070	1,434,765,770	99,789,700	1,301,375,968	0.320
2006		5,357,300	601,863,900	10,190,000	1,112,600	71,115,200	29,051,100	21,610,300	740,300,400	1,197,965	741,498,365	84,536,000	1,272,162,007	0.569
2005		10,342,300	576,900,100	9,314,100	1,199,500	63,004,800	29,140,800	21,610,300	711,511,900	1,448,392	712,960,292	81,127,600	1,058,709,552	0.499
Mount Holly														
2014		12,135,700	511,597,700	-	7,100	92,450,900	8,286,200	20,222,500	644,700,100	5,502,557	650,202,657	288,503,000	596,263,126	0.349
2013		11,313,500	516,060,100	-	7,100	94,111,100	8,406,600	19,225,200	649,123,600	5,389,334	654,512,934	286,322,000	615,244,409	0.354
2012		11,457,200	515,910,300	-	7,100	93,711,000	8,406,600	20,180,500	649,672,700	7,547,722	657,220,422	287,734,300	633,441,106	0.372
2011	R	11,413,200	515,471,900	-	7,100	95,095,200	8,460,000	20,587,900	651,035,300	7,829,084	658,864,384	290,989,500	672,902,539	0.369
2010		5,876,700	248,952,700	-	8,300	45,352,200	4,370,300	9,748,500	314,308,700	3,553,287	317,861,987	148,335,600	674,010,703	0.747
2009		5,901,800	248,239,500	-	8,300	44,879,100	4,485,300	9,748,500	313,262,500	3,444,405	316,706,905	148,105,800	692,020,480	0.774
2008		6,044,900	247,721,300	142,700	14,200	45,706,700	4,485,300	11,250,700	315,365,800	3,156,029	318,521,829	149,398,300	709,679,409	0.797
2007		6,168,700	248,390,800	142,700	14,200	44,018,800	4,847,700	11,395,400	314,978,300	3,649,818	318,628,118	149,642,000	642,521,772	0.771
2006		5,473,000	250,726,100	142,700	14,200	43,281,500	4,847,700	12,157,000	316,642,200	4,223,486	320,865,686	147,589,500	546,950,563	0.748
2005		5,096,400	252,580,800	142,700	14,200	44,469,300	4,847,700	12,151,900	319,303,000	5,138,701	324,441,701	144,268,300	471,409,535	0.635
Westampton														
2014		24,369,500	761,663,000	4,878,800	1,085,600	195,725,700	187,030,200	-	1,174,752,800	2,202,407	1,176,955,207	205,246,000	1,165,838,789	0.386
2013		8,525,300	762,429,600	4,775,300	1,301,000	203,919,100	191,228,900	-	1,172,179,200	1,830,441	1,174,009,641	204,196,300	1,175,796,516	0.364
2012		8,922,800	762,261,200	4,775,300	1,301,000	202,520,500	191,228,900	-	1,171,009,700	2,037,190	1,173,046,890	204,178,000	1,152,400,819	0.356
2011	R	11,867,200	762,879,400	5,198,300	1,309,800	194,915,400	192,508,100	-	1,168,678,200	2,084,423	1,170,762,623	203,366,800	1,168,604,406	0.358
2010		5,765,300	476,102,200	3,393,900	1,332,100	205,709,800	11,261,400	-	703,564,700	1,413,756	704,978,456	118,994,700	1,248,552,779	0.624
2009		9,594,800	471,418,100	3,393,900	1,335,000	197,854,500	11,261,400	-	694,857,700	1,398,525	696,256,225	118,686,000	1,258,699,814	0.645
2008		10,919,600	463,505,000	4,013,700	999,650	199,197,200	11,261,400	-	689,896,550	1,313,152	691,206,702	113,479,900	1,235,266,586	0.617
2007		11,196,200	456,815,600	4,214,100	1,043,250	187,973,100	11,261,400	-	672,503,650	1,342,566	673,846,216	110,583,500	1,128,558,828	0.665
2006		12,721,100	446,894,400	4,117,400	1,048,950	180,183,900	11,261,400	-	656,227,150	1,447,205	657,674,355	109,805,100	998,224,187	0.642
2005		13,891,500	417,541,700	4,220,700	1,094,650	172,621,100	11,261,400	-	620,631,050	1,675,960	622,307,010	107,922,800	864,337,817	0.576

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

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Per $100.00 of Assessed Valuation
Last TenYears
Unaudited

		School District Direct Rate			Overlapping Rates				
Year		Basic Rate	General Obligation Debt Serivce	(From J-6) Total Direct School Tax Rate	Local School District	Municipal	County	Fire District	Total Direct and Overlapping Tax Rate
Eastampton									
2014		0.434	0.023	0.457	1.145	0.903	0.421	0 070	2.996
2013		0.362	0.017	0.379	0.916	0.746	0.348	0 058	2.447
2012		0.355	0.024	0.379	0.916	0.729	0.362	0 059	2.445
2011		0.358	0.018	0.376	0.912	0.712	0.371	0 059	2.430
2010		0.348	0.025	0.373	0.916	0.676	0.372	0 059	2.396
2009		0.330	0.020	0.350	0.916	0.631	0.388	0 058	2.343
2008		0.347	0.017	0.364	0.905	0.583	0.393	0 057	2.302
2007		0.359	0.017	0.376	0.956	0.568	0.396	0 057	2.353
2006	R	0.333	0.018	0.351	0.930	0.562	0.365	0 061	2.269
2005		0.605	0.039	0.644	1.778	1.074	0.691	0.110	4.297
Hainesport									
2014		0.337	0.018	0.355	1.051	0.330	0.391	-	2.127
2013	R	0.323	0.015	0.338	1.029	0.315	0.394	-	2.076
2012		0.523	0.036	0.559	1.761	0.502	0.709	-	3.531
2011		0.517	0.026	0.543	1.760	0.499	0.746	-	3.548
2010		0.490	0.035	0.525	1.709	0.491	0.761	-	3.486
2009		0.532	0.032	0.564	1.614	0.475	0.808	-	3.461
2008		0.508	0.025	0.533	1.584	0.481	0.792	-	3.390
2007		0.569	0.028	0.597	1.565	0.453	0.795	-	3.410
2006		0.518	0.028	0.546	1.544	0.433	0.732	-	3.255
2005		0.472	0.030	0.502	1.507	0.412	0.682	-	3.103
Lumberton									
2014		0.373	0.020	0.393	0.990	0.409	0.366		2.158
2013		0.375	0.017	0.392	0.997	0.378	0.392	-	2.159
2012		0.365	0.025	0.390	0.974	0.375	0.406	-	2.145
2011		0.341	0.017	0.358	0.951	0.358	0.381	-	2.048
2010		0.330	0.024	0.354	0.947	0.340	0.400	-	2.041
2009		0.301	0.018	0.319	0.932	0.323	0.411	-	1.985
2008		0.303	0.015	0.318	0.937	0.308	0.408	-	1.971
2007	R	0.305	0.015	0.320	0.948	0.268	0.383	-	1.919
2006		0.540	0.029	0.569	1.815	0.410	0.757	-	3.551
2005		0.469	0.030	0.499	1.806	0.406	0.677	-	3.388
Mount Holly									
2014		0.331	0.018	0.349	1.130	0.718	0.349	0 091	2.637
2013		0.338	0.016	0.354	1.111	0.687	0.357	0 091	2.600
2012		0.348	0.024	0.372	1.092	0.638	0.366	0 090	2.558
2011	R	0.351	0.018	0.369	1.068	0.597	0.387	0 090	2.511
2010		0.697	0.050	0.747	2.171	1.154	0.806	0.179	5.057
2009		0.730	0.044	0.774	2.127	1.155	0.830	0.173	5.059
2008		0.760	0.037	0.797	2.135	1.076	0.867	0.172	5.047
2007		0.735	0.036	0.771	2.077	1.002	0.849	0.172	4.871
2006		0.710	0.038	0.748	1.939	0.929	0.752	0.171	4.539
2005		0.597	0.038	0.635	1.753	0.848	0.664	0.169	4.069
Westampton									
2014		0.367	0.019	0.386	0.847	0.564	0.378	-	2.175
2013		0.348	0.016	0.364	0.831	0.545	0.381	-	2.121
2012		0.333	0.023	0.356	0.816	0.522	0.373	-	2.067
2011	R	0.341	0.017	0.358	0.804	0.498	0.379	-	2.039
2010		0.582	0.042	0.624	1.311	0.748	0.665	-	3.348
2009		0.609	0.036	0.645	1.225	0.631	0.688	-	3.189
2008		0.588	0.029	0.617	1.170	0.621	0.696	-	3.104
2007		0.634	0.031	0.665	1.169	0.554	0.703	-	3.091
2006		0.609	0.033	0.642	1.177	0.544	0.670	-	3.033
2005		0.541	0.035	0.576	1.137	0.504	0.635	-	2.852

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

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

	2014			2005		
Eastampton Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
East Coast Sherwood Village, LLC	19,282,600	1	4.50%			
East Coast Eastampton Apts, LLC	14,189,500	2	3.31%			
Sharbell Eastampton Corporation	3,985,300	3	0.93%			
Charley's Other Brother	1,460,800	4	0.34%	1,369,000	4	0.55%
Pharmacy Development (CVS)	1,435,900	5	0.34%	1,100,000	5	0.44%
Inter Bro of Boilermaker Local 28, LLC	1,319,500	6	0.31%			
Compass Road, LLC	1,315,600	7	0.31%			
Sussex Real Estate Services LLC	1,243,900	8	0.29%			
1200 Woodlane, LLC	1,028,500	9	0.24%			
Waste Management	1,000,000	10	0.23%	1,050,000	6	0.42%
Sherwood Realty Associates, LLC				8,550,000	1	3.42%
Eastampton Bently Road Assoc LP				7,302,000	2	2.92%
1170, Inc.				2,150,000	3	0.86%
Hitner Enterprises				719,680	7	0.29%
Casano, Frank & Joseph Jr				700,000	8	0.28%
Gsell Moving and Storage				692,600	9	0.28%
Gbros Prop. LLC C/O Classic Dessert				657,000	10	0.26%
Total	46,261,600		10.80%	24,290,280		9.72%

Hainesport Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
DDRM Crossroads Plaza	13,504,400	1	1.77%			
South Hainesport Ind Trust	11,163,400	2	1.46%	5,722,900	2	1.38%
Berry Drive LLC	9,692,700	3	1.27%	2,908,500	4	0.70%
Creek Crossing LLC	7,369,800	4	0.97%	1,446,500	9	0.35%
Mt. Laurel Rd LTD	6,295,300	5	0.83%			
Arrow International Inc	3,279,100	6	0.43%	2,531,800	5	0.61%
Hainesport Industrial Park Venture	3,201,000	7	0.42%			
Landmark Property Management, Inc	2,954,300	8	0.39%			
White Cap Inc.	2,712,500	9	0.36%	1,685,700	7	0.41%
Winzinger, Robert T & Anne H	2,518,100	10	0.33%			
Inland Southeast Hainesport, LLC				10,465,000	1	2.53%
Stevens, Kenneth N. & Janet N.				3,325,000	3	0.80%
Creek Crossing II				2,118,600	6	0.51%
Salvatore & Linda Sgroi				1,639,100	8	0.40%
Drenk Institute				1,338,500	10	0.32%
Total	62,690,600		8.22%	33,181,600		8.01%

(Continued)

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

	2014			2005		
Lumberton Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
CVS	31,950,000	1	2.29%	22,200,000	1	3.11%
The Estraugh	29,812,800	2	2.13%	17,315,300	2	2.43%
Whitehall Apartment Associates	12,900,000	3	0.92%	8,500,000	4	1.19%
BF Saul Holding Ltd Partnership	12,000,000	4	0.86%	10,500,000	3	1.47%
541 Associates, LLC	11,821,200	5	0.85%			
Mt. Holly By-Pass LLC	10,791,700	6	0.77%	6,692,700	6	0.94%
Newman Development Group of Hainesport	10,354,400	7	0.74%			
Wal-Mart	10,116,600	8	0.72%			
Evergreen I Associates, LLC	8,573,300	9	0.61%	4,066,800	8	0.57%
East Coast Lumberton Apartments	8,400,000	10	0.60%			
Lumberton Mount Holly Associates, LP				7,680,000	5	1.08%
Mount Holly By-Pass LLC				4,424,600	7	0.62%
Darado Garden Apartments				3,800,000	9	0.53%
Carlson Craft of NJ, Inc				2,490,700	10	0.35%
Total	146,720,000		10.51%	87,670,100		12.29%

Mount Holly Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Levine Properties, LP	12,967,000	1	1.99%	5,633,800	2	1.74%
Mount Holly Associates	11,220,000	2	1.73%	5,500,000	3	1.70%
Verizon	7,669,457	3	1.18%	7,072,301	1	2.18%
Virtua Memorial Hospital	6,781,800	4	1.04%	3,240,800	5	1.00%
Mt. Holly Equities	5,731,700	5	0.88%	3,658,200	4	1.13%
Richard A. Alaimo	4,000,200	6	0.62%	2,380,700	6	0.73%
Amcor Flexibles, Inc	3,605,200	7	0.55%	1,761,000	7	0.54%
K & S 100, LLC	2,423,900	8	0.37%			
Public Storage, Inc.	2,349,700	9	0.36%	950,000	9	0.29%
Mill Race, Inc	1,976,000	10	0.30%			
The Estraugh Corp.				1,298,300	8	0.40%
Landfill & Developent / Waste Mgmt				917,800	10	0.28%
Total	58,724,957		9.03%	32,412,901		9.99%

(Continued)

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

	2014			2005		
Westampton Taxpayer	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Ikea Property, Inc.	36,250,000	1	3.08%	30,408,800	1	4.89%
BRE/EX Properties, LLC	18,138,400	2	1.54%			
Rowan Technologies, Inc	17,702,800	3	1.50%	9,343,450	5	1.50%
Shri Sai Dev. LLC	17,569,300	4	1.49%			
Prologis-Macquarie	13,606,700	5	1.16%	10,029,800	4	1.61%
Home Depot USA	12,981,800	6	1.10%	7,338,600	7	1.18%
100 Highland LLC	11,886,400	7	1.01%			
Edgewood Partners, LLC	10,498,900	8	0.89%			
Ruchi / SSN Westampton LLC	9,401,000	9	0.80%			
Brandywine Industrial, LLC				15,400,500	2	2.47%
RPE Ventures II, LLC				10,988,800	3	1.77%
H.A.T., Inc				9,178,000	6	1.47%
UHS of Hampton				5,858,000	8	0.94%
Kohl's Department Store				5,053,800	9	0.81%
Jenciky, LLC				4,775,700	10	0.77%
Total	148,035,300		12.58%	108,375,450		17.41%

Source: Municipal Tax Assessor

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1) Amount	Percentage of Levy	Collections in Subsequent Years
2014				
Eastampton	1,969,680.00	1,969,680.00	100.00%	
Hainesport	2,577,492.00	2,577,492.00	100.00%	
Lumberton	5,558,281.00	5,558,281.00	100.00%	
Mount Holly	2,233,909.00	2,233,909.00	100.00%	
Westhampton	4,275,416.00	4,275,416.00	100.00%	
	16,614,778.00	16,614,778.00	100.00%	-
2013				
Eastampton	1,968,922.23	1,968,922.23	100.00%	
Hainesport	2,460,799.51	2,460,799.51	100.00%	
Lumberton	5,585,009.80	5,585,009.80	100.00%	
Mount Holly	2,435,271.74	2,435,271.74	100.00%	
Westhampton	4,183,417.72	4,183,417.72	100.00%	
	16,633,421.00	16,633,421.00	100.00%	-
2012				
Eastampton	1,943,247.50	1,943,247.50	100.00%	
Hainesport	2,387,059.80	2,387,059.80	100.00%	
Lumberton	5,164,088.15	5,164,088.15	100.00%	
Mount Holly	2,495,805.68	2,495,805.68	100.00%	
Westhampton	4,198,870.87	4,198,870.87	100.00%	
	16,189,072.00	16,189,072.00	100.00%	-
2011				
Eastampton	1,941,607.57	1,941,607.57	100.00%	-
Hainesport	2,312,010.67	2,312,010.67	100.00%	-
Lumberton	5,131,459.97	5,131,459.97	100.00%	-
Mount Holly	2,398,524.03	2,398,524.03	100.00%	-
Westhampton	4,405,469.76	4,405,469.76	100.00%	-
	16,189,072.00	16,189,072.00	100.00%	-
2010				
Eastampton	1,829,530.80	1,829,530.80	100.00%	-
Hainesport	2,477,007.23	2,477,007.23	100.00%	-
Lumberton	4,614,774.74	4,614,774.74	100.00%	-
Mount Holly	2,392,247.24	2,392,247.24	100.00%	-
Westhampton	4,493,137.99	4,493,137.99	100.00%	-
	15,806,698.00	15,806,698.00	100.00%	-

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1) Amount	Percentage of Levy	Collections in Subsequent Years
2009				
Eastampton	1,903,150.83	1,903,150.83	100.00%	-
Hainesport	2,334,026.17	2,334,026.17	100.00%	-
Lumberton	4,576,768.80	4,576,768.80	100.00%	-
Mount Holly	2,563,357.53	2,563,357.53	100.00%	-
Westhampton	4,267,897.67	4,267,897.67	100.00%	-
	15,645,201.00	15,645,201.00	100.00%	-
2008				
Eastampton	1,960,285.24	1,960,285.24	100.00%	-
Hainesport	2,587,411.12	2,587,411.12	100.00%	-
Lumberton	4,590,046.32	4,590,046.32	100.00%	-
Mount Holly	2,565,366.65	2,565,366.65	100.00%	-
Westhampton	4,478,813.67	4,478,813.67	100.00%	-
	16,181,923.00	16,181,923.00	100.00%	-
2007				
Eastampton	1,827,739.60	1,827,739.60	100.00%	-
Hainesport	2,317,930.44	2,317,930.44	100.00%	-
Lumberton	4,218,001.31	4,218,001.31	100.00%	-
Mount Holly	2,399,930.94	2,399,930.94	100.00%	-
Westampton	4,223,384.71	4,223,384.71	100.00%	-
	14,986,987.00	14,986,987.00	100.00%	-
2006				
Eastampton	1,610,690.12	1,610,690.12	100.00%	-
Hainesport	2,078,070.56	2,078,070.56	100.00%	-
Lumberton	3,556,990.28	3,556,990.28	100.00%	-
Mount Holly	2,062,217.31	2,062,217.31	100.00%	-
Westampton	3,580,316.73	3,580,316.73	100.00%	-
	12,888,285.00	12,888,285.00	100.00%	-
2005				
Eastampton	1,465,120.33	1,465,120.33	100.00%	-
Hainesport	1,749,727.97	1,749,727.97	100.00%	-
Lumberton	3,200,556.77	3,200,556.77	100.00%	-
Mount Holly	2,111,232.90	2,111,232.90	100.00%	-
Westampton	3,353,606.03	3,353,606.03	100.00%	-
	11,880,244.00	11,880,244.00	100.00%	-

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

Source: District Records

Debt Capacity Information

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

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

Fiscal Year Ended June 30,	Governmental Activities General Obligation Bonds	Governmental Activities Capital Leases	Business-Type Activities Capital Leases	Total District	Percentage of Personal Income (1)	Per Capita (2)
2014						
Eastampton	1,888,050.16	-	-	1,888,050.16	Unavailable	Unavailable
Hainesport	3,117,026.94	-	-	3,117,026.94	Unavailable	Unavailable
Lumberton	5,674,148.59	-	-	5,674,148.59	Unavailable	Unavailable
Mount Holly	2,373,800.53	-	-	2,373,800.53	Unavailable	Unavailable
Westampton	4,559,973.78	-	-	4,559,973.78	Unavailable	Unavailable
	17,613,000.00	-	-	17,613,000.00		
2013						
Eastampton	2,015,552.91	35,953.46	-	2,051,506.36	Unavailable	337.70
Hainesport	3,357,364.54	59,888.71	-	3,417,253.25	Unavailable	558.65
Lumberton	6,006,393.43	107,142.12	-	6,113,535.54	Unavailable	489.12
Mount Holly	2,554,065.87	45,559.46	-	2,599,625.33	Unavailable	278.18
Westampton	4,734,623.25	84,456.26	-	4,819,079.52	Unavailable	548.93
	18,668,000.00	333,000.00	-	19,001,000.00		
2012						
Eastampton	2,129,583.82	71,911.11	-	2,201,494.93	0.71%	361.67
Hainesport	3,596,514.65	121,445.96	-	3,717,960.62	1.19%	606.12
Lumberton	6,320,570.83	213,431.03	-	6,534,001.86	1.02%	521.55
Mount Holly	2,710,827.10	91,538.35	-	2,802,365.44	0.59%	299.01
Westampton	4,965,503.61	167,673.55	-	5,133,177.16	1.14%	583.25
	19,723,000.00	666,000.00	-	20,389,000.00		
2011						
Eastampton	2,249,893.30	108,200.23	-	2,358,093.53	0.80%	387.91
Hainesport	3,860,903.11	185,675.74	-	4,046,578.85	1.37%	661.10
Lumberton	6,517,859.79	313,452.17	-	6,831,311.96	1.12%	542.90
Mount Holly	2,887,738.83	138,875.03	-	3,026,613.86	0.66%	316.76
Westampton	5,256,604.98	252,796.82	-	5,509,401.80	1.29%	623.94
	20,773,000.00	999,000.00	-	21,772,000.00		
2010						
Eastampton	2,357,401.61	143,887.59	-	2,501,289.21	0.87%	411.80
Hainesport	4,033,521.96	246,192.15	-	4,279,714.11	1.48%	699.87
Lumberton	6,852,955.85	418,280.58	-	7,271,236.44	1.22%	578.41
Mount Holly	3,065,119.46	187,084.23	-	3,252,203.69	0.72%	340.76
Westampton	5,514,001.11	336,555.45	-	5,850,556.56	1.40%	663.25
	21,823,000.00	1,332,000.00	-	23,155,000.00		

(Continued)

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

Fiscal Year Ended June 30,	Governmental Activities General Obligation Bonds	Governmental Activities Capital Leases	Business-Type Activities Capital Leases	Total District	Percentage of Personal Income (1)	Per Capita (2)
2009						
Eastampton	2,476,508.29	182,023.85	-	2,658,532.14	0.88%	407.25
Hainesport	4,172,981.51	306,714.97	-	4,479,696.48	1.62%	752.76
Lumberton	7,097,044.22	521,634.16	-	7,618,678.38	1.37%	637.17
Mount Holly	3,235,134.64	237,783.04	-	3,472,917.68	0.73%	339.48
Westampton	5,671,331.34	416,843.98	-	6,088,175.32	1.51%	702.94
	22,653,000.00	1,665,000.00	-	24,318,000.00		
2008						
Eastampton	2,585,071.06	13,435.60	-	2,598,506.66	0.84%	396.84
Hainesport	4,234,662.43	22,009.15	-	4,256,671.58	1.52%	714.81
Lumberton	7,367,434.79	38,291.36	-	7,405,726.15	1.32%	617.71
Mount Holly	3,367,033.11	17,499.75	-	3,384,532.86	0.70%	329.52
Westampton	5,808,798.61	30,190.53	-	5,838,989.15	1.44%	678.24
	23,363,000.00	121,426.39	-	23,484,426.39		
2007						
Eastampton	2,437,245.72	26,970.78	-	2,464,216.50	0.83%	377.48
Hainesport	3,857,267.95	42,684.87	-	3,899,952.82	1.43%	650.32
Lumberton	6,838,017.72	75,670.11	-	6,913,687.83	1.26%	572.80
Mount Holly	3,087,494.41	34,166.48	-	3,121,660.89	0.66%	301.76
Westampton	5,369,974.20	59,424.61	-	5,429,398.81	1.39%	632.06
	21,590,000.00	238,916.85	-	21,828,916.85		
2006						
Eastampton	2,578,916.00	52,848.95	-	2,631,764.95	0.91%	396.29
Hainesport	3,884,010.46	79,593.86	-	3,963,604.32	1.49%	649.88
Lumberton	7,090,431.69	145,302.09	-	7,235,733.78	1.36%	592.32
Mount Holly	3,225,690.10	66,103.10	-	3,291,793.20	0.72%	312.40
Westampton	5,520,951.75	113,139.21	-	5,634,090.96	1.49%	648.94
	22,300,000.00	456,987.21	-	22,756,987.21		
2005						
Eastampton	2,777,353.63	80,697.40	-	2,858,051.03	1.05%	428.94
Hainesport	3,838,613.93	111,532.85	-	3,950,146.78	1.60%	653.35
Lumberton	7,272,661.61	211,310.82	-	7,483,972.43	1.49%	609.00
Mount Holly	3,463,168.06	100,624.08	-	3,563,792.14	0.83%	336.75
Westampton	5,658,202.77	164,401.91	-	5,822,604.68	1.67%	680.05
	23,010,000.00	668,567.06	-	23,678,567.06		

(1) Personal income has been estimated based upon the municipal population and per capita
(2) Per Capita personal income by municipality-estimated based upon the 2000 Census published

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
2014					
Eastampton	1,888,050.16	-	1,888,050.16	0.44%	Unavailable
Hainesport	3,117,026.94	-	3,117,026.94	0.41%	Unavailable
Lumberton	5,674,148.59	-	5,674,148.59	0.41%	Unavailable
Mount Holly	2,373,800.53	-	2,373,800.53	0.37%	Unavailable
Westampton	4,559,973.78	-	4,559,973.78	0.39%	Unavailable
	17,613,000.00	-	17,613,000.00		
2013					
Eastampton	2,015,552.91	-	2,015,552.91	0.39%	331.78
Hainesport	3,357,364.54	-	3,357,364.54	0.44%	548.86
Lumberton	6,006,393.43	-	6,006,393.43	0.42%	480.55
Mount Holly	2,554,065.87	-	2,554,065.87	0.39%	273.31
Westampton	4,734,623.25	-	4,734,623.25	0.40%	539.31
	18,668,000.00	-	18,668,000.00		
2012					
Eastampton	2,129,583.82	-	2,129,583.82	0.41%	349.86
Hainesport	3,596,514.65	-	3,596,514.65	0.82%	586.32
Lumberton	6,320,570.83	-	6,320,570.83	0.44%	504.52
Mount Holly	2,710,827.10	-	2,710,827.10	0.41%	289.25
Westampton	4,965,503.61	-	4,965,503.61	0.42%	564.20
	19,723,000.00	-	19,723,000.00		
2011					
Eastampton	2,249,893.30	-	2,249,893.30	0.43%	370.11
Hainesport	3,860,903.10	-	3,860,903.10	0.88%	630.76
Lumberton	6,517,859.79	-	6,517,859.79	0.45%	517.99
Mount Holly	2,887,738.83	-	2,887,738.83	0.44%	302.22
Westampton	5,256,604.98	-	5,256,604.98	0.45%	595.31
	20,773,000.00	-	20,773,000.00		
2010					
Eastampton	2,357,401.61	-	2,357,401.61	0.45%	388.11
Hainesport	4,033,521.96	-	4,033,521.96	0.91%	659.61
Lumberton	6,852,955.85	-	6,852,955.85	0.47%	545.14
Mount Holly	3,065,119.46	-	3,065,119.46	0.96%	321.16
Westampton	5,514,001.11	-	5,514,001.11	0.78%	625.10
	21,823,000.00	-	21,823,000.00		

(Continued)

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding: General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
2009					
Eastampton	2,476,508.29	-	2,476,508.29	0.47%	379.37
Hainesport	4,172,981.51	-	4,172,981.51	0.95%	701.22
Lumberton	7,097,044.22	-	7,097,044.22	0.49%	593.55
Mount Holly	3,235,134.64	-	3,235,134.64	1.02%	316.24
Westampton	5,671,331.34	-	5,671,331.34	0.81%	654.81
	22,653,000.00	-	22,653,000.00		
2008					
Eastampton	2,585,071.06	-	2,585,071.06	0.49%	394.79
Hainesport	4,234,662.43	-	4,234,662.43	0.97%	711.11
Lumberton	7,367,434.79	-	7,367,434.79	0.51%	614.52
Mount Holly	3,367,033.11	-	3,367,033.11	1.06%	327.82
Westampton	5,808,798.61	-	5,808,798.61	0.84%	674.74
	23,363,000.00	-	23,363,000.00		
2007					
Eastampton	2,437,245.72	-	2,437,245.72	0.47%	373.35
Hainesport	3,857,267.95	-	3,857,267.95	0.89%	643.20
Lumberton	6,838,017.72	-	6,838,017.72	0.48%	566.53
Mount Holly	3,087,494.41	-	3,087,494.41	0.97%	298.45
Westampton	5,369,974.20	-	5,369,974.20	0.80%	625.14
	21,590,000.00	-	21,590,000.00		
2006					
Eastampton	2,578,916.00	-	2,578,916.00	0.49%	388.33
Hainesport	3,884,010.46	-	3,884,010.46	0.91%	636.83
Lumberton	7,090,431.69	-	7,090,431.69	0.96%	580.42
Mount Holly	3,225,690.10	-	3,225,690.10	1.01%	306.13
Westampton	5,520,951.76	-	5,520,951.76	0.84%	635.91
	22,300,000.00	-	22,300,000.00		
2005					
Eastampton	2,777,353.63	-	2,777,353.63	1.11%	416.83
Hainesport	3,838,613.93	-	3,838,613.93	0.93%	634.90
Lumberton	7,272,661.61	-	7,272,661.61	1.02%	591.80
Mount Holly	3,463,168.06	-	3,463,168.06	1.07%	327.24
Westampton	5,658,202.77	-	5,658,202.77	0.91%	660.85
	23,010,000.00	-	23,010,000.00		

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
(2) Per Capita personal income by municipality-estimated based upon the 2010 Census published

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Unaudited

Governmental Unit - Eastampton	Debt Outstanding	Estimated Percentage Applicable	Net Debt Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Eastampton Township (1)	8,236,584.00	100.00%	8,236,584.00
Eastampton Township Board of Education (1)	9,540,000.00	100.00%	9,540,000.00
County of Burlington (2) (A)	316,882,828.00	1.03%	3,256,247.01
Subtotal, overlapping debt			21,032,831.01
Rancocas Valley Regional School District Direct Debt (1) (B)	18,433,000.00	10.72%	1,975,951.20
Total direct and overlapping debt			23,008,782.21

Sources:

(1) Eastampton Township Annual Debt Statement - December 31, 2013

(2) County of Burlington Audit Report - December 31, 2013

(A) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2013 equalized value by the total 2013 equalized value for the County of Burlington, which results in an apportionment of 1.03%.

(B) The debt for this entity was apportioned to Eastampton Township by dividing the Township's 2013 average equalized value by the total 2013 average equalized value for the entire Regional School District, which results in an apportionment of 10.72%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Unaudited

Governmental Unit - Hainesport	Debt Outstanding	Estimated Percentage Applicable	Net Debt Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Hainesport Township (1)	6,335,829.27	100.00%	6,335,829.27
Hainesport Township Board of Education (1)	7,758,000.00	100.00%	7,758,000.00
County of Burlington (2) (A)	316,882,828.00	1.70%	5,401,387.45
Subtotal, overlapping debt			19,495,216.72
Rancocas Valley Regional School District Direct Debt (1) (B)	18,433,000.00	17.70%	3,262,144.87
Total direct and overlapping debt			22,757,361.60

Sources:

(1) Hainesport Township Annual Debt Statement - December 31, 2013

(2) County of Burlington Audit Report - December 31, 2013

(A) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2013 equalized value by the total 2013 equalized value for the County of Burlington, which results in an apportionment of 1.70%.

(B) The debt for this entity was apportioned to Hainesport Township by dividing the Township's 2013 average equalized value by the total 2013 average equalized value for the entire Regional School District, which results in an apportionment of 17.70%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Unaudited

Governmental Unit - Lumberton	Debt Outstanding	Estimated Percentage Applicable	Net Debt Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Lumberton Township (1)	6,006,212.50	100.00%	6,006,212.50
Lumberton Township Board of Education (1)	13,045,000.00	100.00%	13,045,000.00
County of Burlington (2) (A)	316,882,828.00	2.99%	9,480,868.52
Subtotal, overlapping debt			28,532,081.02
Rancocas Valley Regional School District Direct Debt (1) (B)	18,433,000.00	32.22%	5,938,317.21
Total direct and overlapping debt			34,470,398.23

Sources:

(1) Lumberton Township Annual Debt Statement - December 31, 2013

(2) County of Burlington Audit Report - December 31, 2013

(A) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2013 equalized value by the total 2013 equalized value for the County of Burlington, which results in an apportionment of 2.99%.

(B) The debt for this entity was apportioned to Lumberton Township by dividing the Township's 2013 average equalized value by the total 2013 average equalized value for the entire Regional School District, which results in an apportionment of 32.22%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Unaudited

Governmental Unit - Mount Holly	Debt Outstanding	Estimated Percentage Applicable	Net Debt Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Mount Holly Township (1)	17,844,928.30	100.00%	17,844,928.30
Mount Holly Township Board of Education (1)	-	100.00%	-
County of Burlington (2) (A)	316,882,828.00	1.29%	4,090,297.58
Subtotal, overlapping debt			21,935,225.88
Rancocas Valley Regional School District Direct Debt (1) (B)	18,433,000.00	13.48%	2,484,316.42
Total direct and overlapping debt			24,419,542.30

Sources:

(1) Mount Holly Township Annual Debt Statement - December 31, 2013

(2) County of Burlington Audit Report - December 31, 2013

(A) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2013 equalized value by the total 2013 equalized value for the County of Burlington, which results in an apportionment of 1.29%.

(B) The debt for this entity was apportioned to Mount Holly Township by dividing the Township's 2013 average equalized value by the total 2013 average equalized value for the entire Regional School District, which results in an apportionment of 13.48%.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2013
Unaudited

Governmental Unit - Westampton	Debt Outstanding	Estimated Percentage Applicable	Net Debt Estimated Share of Overlapping Debt
Debt repaid with property taxes			
Westampton Township (1)	3,033,557.00	100.00%	3,033,557.00
Westampton Township Board of Education (1)	6,223,998.00	100.00%	6,223,998.00
County of Burlington (2) (A)	316,882,828.00	2.55%	8,071,955.10
Subtotal, overlapping debt			17,329,510.10
Rancocas Valley Regional School District Direct Debt (1) (B)	18,433,000.00	25.89%	4,772,270.29
Total direct and overlapping debt			22,101,780.39

Sources:

(1) Westampton Township Annual Debt Statement - December 31, 2013

(2) County of Burlington Audit Report - December 31, 2013

(A) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2013 equalized value by the total 2013 equalized value for the County of Burlington, which results in an apportionment of 2.55%.

(B) The debt for this entity was apportioned to Westampton Township by dividing the Township's 2013 average equalized value by the total 2013 average equalized value for the entire Regional School District, which results in an apportionment of 25.89%.

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

Eastampton

Legal Debt Margin Calculation for Fiscal Year 2013

		Equalized Valuation Basis (1)
	2013	467,530,196.00
	2012	478,910,370.00
	2011	492,585,200.00
	[A]	1,439,025,766.00
Average equalized valuation of taxable property	[A/3]	479,675,255.33
Debt limit (3% of average equalization value) (2)	[B]	14,390,257.66
Total Net Debt Applicable to Limit	[C]	1,888,050.16
Legal Debt Margin	[B-C}	12 502 207.50

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debit Limit	14,390,257 66	14,799,952.38	15,161,184 64	15,558,138.07	15,713,440.45	15,475,427.72	14,413,718.07	12,939,004 20	11,319,459.39	9,982,047.12
Total net debt applicable to limit (3)	1,888,050.16	2,015,552.91	2,129,583 82	2,249,893.30	2,357,401.61	2,476,508.29	2,585,071.06	2,437,245.72	2,578,916.00	2,777,353 65
Legal Debt Margin	12,502,207 50	12,784,399.47	13,031,600 82	13,308,244.77	13,356,038.84	12,998,919.43	11,828,647.01	10,501,758.48	8,740,543.39	7,204,693.47
Total net debt applicable to the limit as a percentage of debt limit	13.12%	13.62%	14.05%	14.46%	15 00%	16.00%	17 93%	18.84%	22.78%	27.82%

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

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

Hainesport

Legal Debt Margin Calculation for Fiscal Year 2013

		Equalized Valuation Basis (1)
	2013	775,528,308.00
	2012	782,497,120.00
	2011	817,696,460.00
	[A]	2,375,721,888.00
Average equalized valuation of taxable property	[A/3]	791,907,296.00
Debt limit (3% of average equalization value) (2)	[B]	23,757,218.88
Total Net Debt Applicable to Limit	[C]	3,117,026.94
Legal Debt Margin	[B-C}	20 640 191.94

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debit Limit	23,757,218 88	24,652,707.04	25,604,731 90	26,698,345.50	26,885,748.65	26,076,502.17	23,611,432.29	20,477,708.45	17,047,821.12	13,796,307 66
Total net debt applicable to limit (3)	3,117,026 94	3,357,364.54	3,596,514 65	3,860,903.11	4,033,521.96	4,172,981.51	4,234,662.43	3,857,267 95	3,884,010.46	3,838,613 96
Legal Debt Margin	20,640,191 94	21,295,342.50	22,008,217 25	22,837,442.39	22,852,226.69	21,903,520.66	19,376,769.86	16,620,440 50	13,163,810.66	9,957,693.70
Total net debt applicable to the limit as a percentage of debt limit	13.12%	13.62%	14.05%	14.46%	15 00%	16.00%	17 93%	18.84%	22.78%	27.82%

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

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

Lumberton

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized Valuation Basis (1)	
	2013	1,361,258,008.00
	2012	1,426,076,263.00
	2011	1,537,363,350.00
	[A]	4,324,697,621.00
Average equalized valuation of taxable property	[A/3]	1,441,565,873.67
Debt limit (3% of average equalization value) (2)	[B]	43,246,976.21
Total Net Debt Applicable to Limit	[C]	5,674,148.59
Legal Debt Margin	[B-C}	37 572 827.62

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debit Limit	43,246,976 21	44,104,194.09	44,998,154.41	45,071,338.97	45,678,900.51	44,348,648.15	41,078,997.63	36,302,100 22	31,121,546.25	26,138,568 93
Total net debt applicable to limit (3)	5,674,148 59	6,006,393.43	6,320,570 83	6,517,859.79	6,852,955.85	7,097,044.22	7,367,434.79	6,838,017.72	7,090,461.69	7,272,661 50
Legal Debt Margin	37,572,827 62	38,097,800.66	38,677,583 58	38,553,479.18	38,825,944.66	37,251,603.93	33,711,562.84	29,464,082 50	24,031,084.56	18,865,907.43
Total net debt applicable to the limit as a percentage of debt limit	13.12%	13.62%	14.05%	14.46%	15 00%	16.00%	17 93%	18.84%	22.78%	27.82%

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

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

Mount Holly

Legal Debt Margin Calculation for Fiscal Year 2013

		Equalized Valuation Basis (1)
	2013	587,282,729.00
	2012	603,056,437.00
	2011	618,913,680.00
	[A]	1,809,252,846.00
Average equalized valuation of taxable property	[A/3]	603,084,282.00
Debt limit (3% of average equalization value) (2)	[B]	18,092,528.46
Total Net Debt Applicable to Limit	[C]	2,373,800.53
Legal Debt Margin	[B-C}	15 718 727.93

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debit Limit	18,092,528.46	18,754,185.58	19,299,240.44	20,001,975.58	20,430,787.82	20,216,000.25	18,773,745.43	16,391,086 99	14,158,306.65	12,446,922 97
Total net debt applicable to limit (3)	2,373,800 53	2,554,065.87	2,710,827.10	2,887,738.83	3,065,119.46	3,235,134.64	3,367,033.11	3,087,494.41	3,225,690.10	3,463,168 08
Legal Debt Margin	15,718,727 93	16,200,119.71	16,588,413 34	17,114,236.75	17,365,668.36	16,980,865.61	15,406,712.32	13,303,592 58	10,932,616.55	8,983,754 89
Total net debt applicable to the limit as a percentage of debt limit	13.12%	13.62%	14.07%	14.44%	15 00%	16.00%	17 93%	18.84%	22.78%	27.82%

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

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

Westampton

Legal Debt Margin Calculation for Fiscal Year 2013

	Equalized Valuation Basis (1)	
	2013	1,158,966,976.00
	2012	1,170,658,502.00
	2011	1,145,875,282.00
	[A]	3,475,500,760.00
Average equalized valuation of taxable property	[A/3]	1,158,500,253.33
Debt limit (3% of average equalization value) (2)	[B]	34,755,007.60
Total Net Debt Applicable to Limit	[C]	4,559,973.78
Legal Debt Margin	[B-C}	30 195 033.82

	Fiscal Year Ended June 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debit Limit	34,755,007 60	34,765,745.09	35,350,999 80	36,649,696.42	36,753,995.52	35,439,525.31	32,388,427.04	28,508,459 97	24,232,735.47	20,336,065 98
Total net debt applicable to limit (3)	4,559,973.78	4,734,623.25	4,965,503 61	5,256,604.98	5,514,001.11	5,671,331.34	5,808,798.61	5,369,974 20	5,520,951.76	5,658,202 81
Legal Debt Margin	30,195,033 82	30,031,121.84	30,385,496.19	31,393,091.44	31,239,994.41	29,768,193.97	26,579,628.43	23,138,485.77	18,711,783.71	14,677,863.17
Total net debt applicable to the limit as a percentage of debt limit	13.12%	13.62%	14.05%	14.34%	15 00%	16.00%	17 93%	18.84%	22.78%	27.82%

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

Demographic and Economic Information

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

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

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2013				
Eastampton	6,075	Unavailable	Unavailable	9.50%
Hainesport	6,117	Unavailable	Unavailable	9.80%
Lumberton	12,499	Unavailable	Unavailable	8.00%
Mount Holly	9,345	Unavailable	Unavailable	10.80%
Westampton	8,779	Unavailable	Unavailable	5.80%
2012				
Eastampton	6,087	310,917,873.00	51,079.00	6.70%
Hainesport	6,134	313,318,586.00	51,079.00	7.60%
Lumberton	12,528	639,917,712.00	51,079.00	8.80%
Mount Holly	9,372	478,712,388.00	51,079.00	14.30%
Westampton	8,801	449,546,279.00	51,079.00	8.10%
2011				
Eastampton	6,079	293,725,122.00	48,318.00	6.40%
Hainesport	6,121	295,754,478.00	48,318.00	7.40%
Lumberton	12,583	607,985,394.00	48,318.00	8.50%
Mount Holly	9,555	461,678,490.00	48,318.00	13.80%
Westampton	8,830	426,647,940.00	48,318.00	7.80%
2010				
Eastampton	6,074	287,852,934.00	47,391.00	6.60%
Hainesport	6,115	289,795,965.00	47,391.00	7.60%
Lumberton	12,571	595,752,261.00	47,391.00	8.70%
Mount Holly	9,544	452,299,704.00	47,391.00	14.10%
Westampton	8,821	418,036,011.00	47,391.00	8.10%
2009				
Eastampton	6,528	303,656,448.00	46,516.00	6.20%
Hainesport	5,951	276,816,716.00	46,516.00	7.10%
Lumberton	11,957	556,191,812.00	46,516.00	8.20%
Mount Holly	10,230	475,858,680.00	46,516.00	13.30%
Westampton	8,661	402,875,076.00	46,516.00	7.60%

(Continued)

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

Year	Population (1)	Personal Income (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2008				
Eastampton	6,548	307,546,464.00	46,968.00	3.50%
Hainesport	5,955	279,694,440.00	46,968.00	4.10%
Lumberton	11,989	563,099,352.00	46,968.00	4.70%
Mount Holly	10,271	482,408,328.00	46,968.00	7.90%
Westampton	8,609	404,347,512.00	46,968.00	4.40%
2007				
Eastampton	6,528	296,782,464.00	45,463.00	2.60%
Hainesport	5,997	272,641,611.00	45,463.00	3.00%
Lumberton	12,070	548,738,410.00	45,463.00	3.40%
Mount Holly	10,345	470,314,735.00	45,463.00	5.80%
Westampton	8,590	390,527,170.00	45,463.00	3.20%
2006				
Eastampton	6,641	289,222,191.00	43,551.00	2.80%
Hainesport	6,099	265,617,549.00	43,551.00	3.30%
Lumberton	12,216	532,019,016.00	43,551.00	3.80%
Mount Holly	10,537	458,896,887.00	43,551.00	6.40%
Westampton	8,682	378,109,782.00	43,551.00	3.50%
2005				
Eastampton	6,663	271,817,085.00	40,795.00	2.60%
Hainesport	6,046	246,646,570.00	40,795.00	2.60%
Lumberton	12,289	501,329,755.00	40,795.00	3.50%
Mount Holly	10,583	431,733,485.00	40,795.00	5.90%
Westampton	8,562	349,286,790.00	40,795.00	3.00%
2004				
Eastampton	6,690	264,964,140.00	39,606.00	4.40%
Hainesport	6,045	239,418,270.00	39,606.00	2.90%
Lumberton	12,186	482,638,716.00	39,606.00	3.80%
Mount Holly	10,671	422,635,626.00	39,606.00	6.90%
Westampton	8,349	330,670,494.00	39,606.00	3.50%

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

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

Eastampton

Employer	2014 Approximate Number of Employees	2014 Rank	2014 Percentage of Total Municipal Employment	2005 Approximate Number of Employees	2005 Rank	2005 Percentage of Total Municipal Employment
		Information Not Available				
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

Hainesport

Employer	2014 Approximate Number of Employees	2014 Rank	2014 Percentage of Total Municipal Employment	2005 Approximate Number of Employees	2005 Rank	2005 Percentage of Total Municipal Employment
		Information Not Available				
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

Lumberton

Employer	2014 Approximate Number of Employees	2014 Rank	2014 Percentage of Total Municipal Employment	2005 Approximate Number of Employees	2005 Rank	2005 Percentage of Total Municipal Employment
		Information Not Available				
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

(Continued)

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

Mount Holly

Employer	2014 Approximate Number of Employees	2014 Rank	2014 Percentage of Total Municipal Employment	2005 Approximate Number of Employees	2005 Rank	2005 Percentage of Total Municipal Employment
		Information Not Available				
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

Westampton

Employer	2014 Approximate Number of Employees	2014 Rank	2014 Percentage of Total Municipal Employment	2005 Approximate Number of Employees	2005 Rank	2005 Percentage of Total Municipal Employment
		Information Not Available				
		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		8			8	
		10			10	
	-		0.00%	-		0.00%

Operating Information

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

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

	Fiscal Year Ended June 30,									
Function/Program	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Instruction:										
Regular	118	119	120	121	121	124	121	111	106	114
Special education	22	21	21	21	21	21	21	25	32	31
Other special education	1	1	1	1	0	0	0	0	0	0
Other instruction	1	1	1	1	1	1	1	1	1	1
Support Services:										
Tuition	0	0	0	0	0	0	0	0	0	0
Student & instruction related services	29	36	34	34	36	35	35	27	27	31
General administration	3	4	4	4	4	4	4	3	3	3
School Administrative services	26	16	17	17	20	20	16	14	16	14
Central Services	5	5	5	5	5	5	5	5	5	5
Administrative information technology	4	4	4	4	5	5	4	4	4	4
General and Business Administrative Services	0	0	0	0	0	0	0	0	0	0
Plant operations and maintenance	26	26	26	26	26	26	24	24	24	24
Pupil transportation	0	0	0	0	0	0	0	0	0	0
Unallocated Benefits	0	0	0	0	0	0	0	0	0	0
Special Schools	2	3	3	3	3	3	1	1	1	1
Food Service	0	0	0	0	0	0	0	0	0	0
Total	237	236	236	237	242	244	232	215	219	228

Source: District Personnel Records

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

Fiscal Year June 30,	Average Daily Enrollment (c)	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Pupil/Teacher Ratio Elementary	Pupil/Teacher Ratio Middle School	Pupil/Teacher Ratio High School	Average Daily Enrollment (c)	Average Daily Attendance (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2014	1962	34,642,246.33	17,656.60	-0.61%	146	N/A	N/A	13.44 to 1	1962	1879	0.51%	95.77%
2013	1952	34,678,201.59	17,765.47	4.09%	139	N/A	N/A	14.04 to 1	1952	1897	4.16%	97.18%
2012	1874	31,985,197.83	17,067.88	3.82%	137	N/A	N/A	13.68 to 1	1874	1789	-7.04%	95.46%
2011	2016	33,143,962.61	16,440.46	3.71%	143	N/A	N/A	14.10 to 1	2016	1920	-7.35%	95.24%
2010	2176	34,493,527.20	15,851.80	3.44%	146	N/A	N/A	14.90 to 1	2176	2055	0.83%	94.44%
2009	2158	33,072,017.34	15,325.31	4.48%	143	N/A	N/A	15.09 to 1	2158	2042	-3.88%	94.62%
2008	2245	32,930,914.30	14,668.56	8.60%	144	N/A	N/A	15.59 to 1	2245	2123	-2.43%	94.57%
2007	2301	31,078,344.27	13,506.45	3.01%	143	N/A	N/A	16.09 to 1	2301	2168	4.02%	94.22%
2006	2212	29,002,940.30	13,111.64	5.34%	142	N/A	N/A	15.58 to 1	2212	2088	0.59%	94.39%
2005	2199	27,369,829.14	12,446.49	3.34%	142	N/A	N/A	15.49 to 1	2199	2054	3.27%	93.41%

Sources: District records

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

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

	Fiscal Year Ended June 30,									
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
District Building										
Senior High School										
Rancocas Valley (1954)										
Square Feet	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574	296,574
Capacity (students)	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400
Enrollment	2,345	2,367	2,414	2,390	2,340	2,312	2,102	2,081	2,016	2,052

Number of Schools at June 30, 2014
Elementary = 0
Middle School = 0
Senior High School = 1
Other = 1

Source: District Records

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

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

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

			Fiscal Year Ended June 30,									
			2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
* School Facilities	School Number	Project # (s)										
RVRHS	050	N/A	560,597.21	586,775.89	604,318.77	649,168.72	643,961.20	673,746.31	638,217.23	731,147.66	646,795.13	816,920.22

* School facilities as defined under EFCFA.
(N J.A.C. 6A:26-1 2 and N.J.A.C. 6:24-1.3)

Source: District records

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2014
Unaudited

	Coverage	Deductible
Property Section:		
Blanket Building and Business Personal Property	72,989,893	2,500
General Liability Section:		
Products and Completed Operations Limit	5,000,000	
Personal Advertising Injury Limit	5,000,000	
Bodily Injury and Property Damage Limit	5,000,000	
Commercial Inland Marine Section:		
Blanket Hardware	1,911,932	2,500
Boiler and Machinery Section:		
Combined Single Limit per Accident for Property Damage and Business Income	100,000,000	5,000
Commercial Crime Section:		
Employee Dishonesty Coverage	500,000	1,000
Business Auto Section:		
Combined Single Limit	5,000,000	1,000
Pollution Liability:		
Environmental Impairment Incident Limit	1,000,000	10,000
Environmental Impairment Aggregate Limit	25,000,000	10,000
School District Legal Liability Coverage:		
Each Policy Period	6,000,000	5,000
Workers Compensation Coverages:		
Each Accident	2,000,000	
Disease - Policy Limit	2,000,000	
Disease - Each Employee	2,000,000	
Student Accident:		
Compulsory Student Accident Coverage	1,000,000	
Surety Bonds:		
Lisa Giovanelli, Business Administrator	100,000	
Lawrence E. Fisher, Treasurer	300,000	

Source: District Records

SINGLE AUDIT SECTION

REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133 AND STATE OF NEW JERSEY CIRCULAR 04-04-OMB

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Rancocas Valley Regional High School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey State Grant Compliance Supplement that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2014. The School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations; and State of New Jersey Circular 04-04-OMB, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and State of New Jersey Circular 04-04-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Rancocas Valley Regional High School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

6 North Broad Street | Suite 201 | Woodbury, NJ 08096 | P 856.853.0440 | F 856.845.4128 | www.bowmanllp.com

Opinion on Each Major Federal and State Program

In our opinion, the Rancocas Valley Regional High School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2014.

Report on Internal Control Over Compliance

Management of the Rancocas Valley Regional High 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 the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and State of New Jersey Circular 04-04-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully submitted,

Bowman & Company LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

Henry J. Ludwigsen

Henry J. Ludwigsen
Certified Public Accountant
Public School Accountant No.CS001112

Woodbury, New Jersey
December 1, 2014

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2014

Federal Grantor/ Pass-through Grantor / Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance June 30, 2013
General Fund:						
U.S. Department of Health and Human Services:						
Passed-through State Department of Education:						
Medical Assistance Program	93.778	N/A	$ 15,451.93	7/1/2013	6/30/2014	
General Fund - Total U.S. Department of Health and Human Services						-
U.S. Department of Education:						
Passed-through State Department of Education:						
Education Job Funds	84.410	N/A	1,441.00	7/1/2013	6/30/2014	$ (1,441.00)
General Fund - U.S. Department of Education						(1,441.00)
Total General Fund						(1,441.00)
Special Revenue Fund:						
U.S. Department of Education:						
Passed-through State Department of Education:						
N.C.L.B.:						
Title I	84.010	13-4320	132,450.00	9-1-2012	8-31-2013	(67,499.00)
Title I	84.010	14-4320	68,277.00	7-1-2013	6-30-2014	
Total Title I						(67,499.00)
Title II Part A	84.367	13-4320	36,725.00	9-1-2012	8-31-2013	(2,546.00)
Title II Part A	84.367	14-4320	35,913.00	7-1-2013	6-30-2014	
Total Title II Part A						(2,546.00)
I.D.E.A. Part B:						
Special Education Cluster:						
Basic Regular	84.027	14-4320	442,165.00	7-1-2013	6-30-2014	
Race to the Top	84.412	12-4320	9,917.00	9-1-2012	8-31-2013	(3,917.00)
Total Special Revenue Fund & Special Revenue Fund - U.S. Department of Education						(73,962.00)
Total U.S. Department of Education						(75,403.00)
Enterprise Fund:						
U.S. Department of Agriculture						
Passed-through State Department of Education:						
Child Nutrition Cluster:						
Food Distribution Program (Non-Cash Assistance)	10.555	N/A	25,244.52	7-1-2013	6-30-2014	
Na ional School Lunch Program	10.555	N/A	148,444.32	7-1-2012	6-30-2013	(27,836.64)
Na ional School Lunch Program	10.555	N/A	159,307.48	7-1-2013	6-30-2014	
School Breakfast Program	10.553	N/A	25,188.75	7-1-2012	6-30-2013	(5,172.05)
School Breakfast Program	10.553	N/A	28,551.49	7-1-2013	6-30-2014	
Total Child Nutrition Cluster						(33,008.69)
Total Enterprise Fund & Total U.S. Department of Agriculture						(33,008.69)
Total Federal Financial Assistance						$ (108,411.69)

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

Carryover / (Walkover) Amount	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Years' Balances	Balance June 30 ,2014 (Accounts Receivable)	Balance June 30 ,2014 Unearned Revenue	Balance June 30 ,2014 Due to Grantor at June 30, 2014
	$ 15,451.93	$ (15,451 93)					
-	15,451.93	(15,451 93)	-	-	-	-	-
	1,441.00						
-	1,441.00	-	-	-	-	-	-
-	16,892.93	(15,451 93)	-	-	-	-	-
	67,499.00						
	3,848.00	(68,277 00)			$ (64,429.00)		
-	71,347.00	(68,277 00)	-	-	(64,429.00)	-	-
	2,546.00						
	3,132.00	(35,913 00)			(32,781.00)		
-	5,678.00	(35,913 00)	-	-	(32,781.00)	-	-
		(442,165 00)			(442,165.00)		
	3,917.00						
-	80,942.00	(546,355 00)	-	-	(539,375.00)	-	-
-	82,383.00	(546,355 00)	-	-	(539,375.00)	-	-
	25,244.52	(23,272.44)				$ 1,972.08	
	27,836.64						
	130,611.26	(159,307.48)			(28,696.22)		
	5,172.05						
	22,594.56	(28,551.49)			(5,956.93)		
-	211,459.03	(211,131.41)	-	-	(34,653.15)	1,972.08	-
-	211,459.03	(211,131.41)	-	-	(34,653.15)	1,972.08	-
$ -	$ 309,293.96	$ (772,938 34)	$ -	$ -	$ (574,028.15)	$ 1,972.08	$ -

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance, Schedule B
For the Fiscal Year Ended June 30, 2014

State Grantor/ Program Ti le	Grant or State Project Number	Program or Award Amount	Grant Period From	Grant Period To	Balance at June 30, 2013 Unearned Revenue/ Accounts Receivable	Balance at June 30, 2013 Due to Grantor	Balance at June 30, 2013 Carryover / (Walkover) Amount
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Special Education Categorical Aid	495-034-5120-089	$ 1,200,317.00	7-1-2012	6-30-2013	$ (104,484.12)		
Special Education Categorical Aid	495-034-5120-089	1,209,933.00	7-1-2013	6-30-2014			
Equalization Aid	495-034-5120-078	13,233,313.00	7-1-2012	6-30-2013	(1,151,921.63)		
Equalization Aid	495-034-5120-078	13,307,513.00	7-1-2013	6-30-2014			
Security Aid	495-034-5120-084	207,082.00	7-1-2012	6-30-2013	(18,025.89)		
Security Aid	495-034-5120-084	215,416.00	7-1-2013	6-30-2014			
Adjustment Aid	495-034-5120-085	361,612.00	7-1-2012	6-30-2013	(31,477.28)		
Adjustment Aid	495-034-5120-085	278,362.00	7-1-2013	6-30-2014			
Total State Aid - Public Cluster					(1,305,908.92)	-	-
Transporta ion Aid:							
Transportation Aid	495-034-5120-014	913,759.00	7-1-2012	6-30-2013	(79,540.08)		
Transportation Aid	495-034-5120-014	957,133.00	7-1-2013	6-30-2014			
Nonpublic Transportation Aid	495-034-5120-014	13,050.00	7-1-2012	6-30-2013	(13,050.00)		
Nonpublic Transportation Aid	495-034-5120-014	13,892.00	7-1-2013	6-30-2014			
Total Transportation Aid					(92,590.08)	-	-
Extraordinary Special Education Aid	100-034-5120-473	246,317.00	7-1-2012	6-30-2013	(246,317.00)		
Extraordinary Special Education Aid	100-034-5120-473	124,781.00	7-1-2013	6-30-2014			
Total Extraordinary Special Education Aid					(246,317.00)	-	-
Reimbursed TPAF Social Security Contributions	495-034-5095-002	838,145.47	7-1-2012	6-30-2013	(41,054.65)		
Reimbursed TPAF Social Security Contributions	495-034-5095-002	812,564.71	7-1-2013	6-30-2014			
Total Reimbursed TPAF Social Security Contribu ions					(41,054.65)	-	-
Total General Fund					(1,685,870.65)	-	-
Debt Service Fund:							
New Jersey Department of Education:							
Debt Service Aid	495-034-5120-075	795,769.00	7-1-2013	6-30-2014			
Total State Department of Education					(1,685,870.65)	-	-
Enterprise Fund:							
New Jersey Department of Agriculture:							
State School Lunch Program	100-010-3350-023	4,333.14	7-1-2012	6-30-2013	(777.76)		
State School Lunch Program	100-010-3350-023	4,325.71	7-1-2013	6-30-2014			
Total Enterprise Fund / State Department of Agriculture					(777.76)	-	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit					(1,686,648.41)	-	-
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf T.P.A.F. Pension Contributions:							
Normal Costs	N/A	455,733.00	7-1-2013	6-30-2014			
Post Retirement Medical	N/A	747,230.00	7-1-2013	6-30-2014			
Total General Fund (Non-Cash Assistance)					-	-	-
Total State Financial Assistance					$ (1,686,648.41)	$ -	$ -

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

Cash Received	Adjustments	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance June 30, 2014 Accounts Receivable	Balance June 30, 2014 Unearned Revenue	Balance June 30, 2014 Due to Grantor	Memo Budgetary Receivable June 30, 2013	Memo Cumulative Total Expenditures
$ 104,484.12								
1,099,113.71		$ (1,209,933.00)		$ (110,819.29)			$ (110,819.29)	$ 1,209,933.00
1,151,921.63								
12,088,661.06		(13,307,513.00)		(1,218,851.94)			(1,218,851.94)	13,307,513.00
18,025.89								
195,685.78		(215,416.00)		(19,730.22)			(19,730.22)	215,416.00
31,477.28								
252,866.47		(278,362.00)		(25,495.53)			(25,495.53)	278,362.00
14,942,235.94	-	(15,011,224.00)	-	(1,374,896.98)	-	-	(1,374,896.98)	15,011,224.00
79,540.08								
869,467.98		(957,133.00)		(87,665.02)			(87,665.02)	957,133.00
13,050.00								
		(13,892.00)		(13,892.00)				13,892.00
962,058.06	-	(971,025.00)	-	(101,557.02)	-	-	(87,665.02)	971,025.00
246,317.00								
		(124,781.00)		(124,781.00)				124,781.00
246,317.00	-	(124,781.00)	-	(124,781.00)	-	-	-	124,781.00
41,054.65								
771,571.17		(812,564.71)		(40,993.54)				812,564.71
812,625.82	-	(812,564.71)	-	(40,993.54)	-	-	-	812,564.71
16,963,236.82	-	(16,919,594.71)	-	(1,642,228.54)	-	-	(1,462,562.00)	16,919,594.71
795,769.00		(795,769.00)						795,769.00
17,759,005.82	-	(17,715,363.71)	-	(1,642,228.54)	-	-	(1,462,562.00)	17,715,363.71
777.76								
3,568.72		(4,325.71)		(756.99)				4,325.71
4,346.48	-	(4,325.71)	-	(756.99)	-	-	-	4,325.71
17,763,352.30	-	(17,719,689.42)	-	(1,642,985.53)	-	-	(1,462,562.00)	17,719,689.42
455,733.00		(455,733.00)						455,733.00
747,230.00		(747,230.00)						747,230.00
1,202,963.00	-	(1,202,963.00)	-	-	-	-	-	1,202,963.00
$ 18,966,315.30	$ -	$ (18,922,652.42)	$ -	$ (1,642,985.53)	$ -	$ -	$ (1,462,562.00)	$ 18,922,652.42

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2014

Note 1: **GENERAL**

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

Note 2: **BASIS OF ACCOUNTING**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which is presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Note 3: **RELATIONSHIP TO FINANCIAL STATEMENTS**

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

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

The net adjustment to reconcile revenues from the budgetary basis to the GAAP basis is $(77,113.00) for the general fund and $(8,460.00) for the special revenue fund. The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is $1,213,874.00 for the general fund and $(8,460.00) for the special revenue fund. See Exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

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

Fund	Federal	State	Total
General Fund	$ 15,451.93	$ 18,045,444.71	$ 18,060,896.64
Special Revenue Fund	537,895.00		537,895.00
Debt Service Fund		795,769.00	795,769.00
Food Service Fund	211,131.41	4,325.71	215,457.12
Total	$ 764,478.34	$ 18,845,539.42	$ 19,610,017.76

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: **ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" represent favorable differences incurred in the liquidation of encumbrances charged as budgetary basis expenditures in fiscal year 2012-2013.

Note 6: **REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2014, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the Federal Food Distribution Program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF members.

Note 7: **MAJOR PROGRAMS**

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Noncompliance material to financial statements noted?	____ yes __X__ no

Federal Awards

Internal control over compliance:	
Material weakness(es) identified?	____ yes __X__ no
Significant deficiency(ies) identified?	____ yes __X__ none reported
Type of auditor's report on compliance for major programs	Unmodified
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133?	____ yes __X__ no

Identification of major programs:

CFDA Numbers	Name of Federal Program or Cluster
	Special Education Cluster (I.D.E.A.):
84.027	I.D.E.A. Part B, Basic Regular

Dollar threshold used to determine Type A programs	$ 300,000
Auditee qualified as low-risk auditee?	____ yes __X__ no ____ n/a

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

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

State Financial Assistance

Internal control over compliance:

Material weakness(es) identified? ____ yes __X__ no

Significant deficiency(ies) identified? ____ yes __X__ none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of OMB Circular A-133 or New Jersey Circular 04-04-OMB? ____ yes __X__ no

Identification of major programs:

GMIS Numbers	Name of State Program
	State Aid Public Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid

Dollar threshold used to determine Type A programs: $ 531,591

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

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 2- Schedule of Financial Statement Findings

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

Finding No. 2014-1

Criteria or Specific Requirement
The regulations N.J.A.C. 6A:23A-14.1 et seq. provide procedures for capital reserve accounts (withdrawals, deposits, and transfers) and N.J.A.C. 6A:23-16.2(f) specifies the coding of expenditures for proper classification.

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

Context
In our test for unrecorded liabilities, we examined 25 disbursements totaling $ 2,433,690.97 from a July to September 2014 population of 309 disbursements totaling $4,485,144.04. Our examination revealed two instances of noncompliance totaling $1,221,670.69.

Effect
The $ 875,385.00 in disbursements were misclassified as Custodial Services in the General Fund Budget. Additionally the District incurred $ 1,213,874.00 in expenses prior to having legal spending authority on July 1, 2014.

Cause
This was a major construction project that the Board of Education targeted for a completion date of September 2014. Had the project started on July 1, the construction would have not been completed prior to the start of the school year in September 2014.

Recommendation
That the District adhere to the statutory requirements for capital reserve accounts and the coding of expenditures for proper classification.

View of Responsible Officials and Planned Corrective Action
The responsible officials agree with the finding and will address the matter as part of their corrective action plan.

RANCOCAS VALLEY REGIONAL HIGH SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2014

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

No Current Year Findings.

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

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

No Current Year Findings.

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

This section identifies the status of prior year findings related to the financial statements and Federal Awards and State Financial Assistance that are required to be reported in accordance with Government Auditing Standards, OMB Circular A-133 and State of New Jersey Circular 04-04-OMB.

FINANCIAL STATEMENT FINDINGS

No Prior Year Findings

FEDERAL AWARDS

No Prior Year Findings

STATE FINANCIAL ASSISTANCE PROGRAMS

No Prior Year Findings