

**SCHOOL DISTRICT
OF
ROXBURY TOWNSHIP**

**Roxbury Township School District
Board of Education
Succasunna, New Jersey**

**Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2015**

**Comprehensive Annual
Financial Report**

of the

**Roxbury Township School District
Board of Education**

Succasunna, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

**Roxbury Township School District
Board of Education**

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2015

INTRODUCTORY SECTION (Unaudited)

Letter of Transmittal.....	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors.....	7

FINANCIAL SECTION..... 8

Independent Auditors' Report.....	9
-----------------------------------	---

Required Supplementary Information	12
Management's Discussion and Analysis (Unaudited)	13

Basic Financial Statements (Sections A and B)	23
---	----

A. District-Wide Financial Statements	24
A-1 Statement of Net Position	25
A-2 Statement of Activities.....	26

B. Fund Financial Statements.....	28
B-1 Balance Sheet – Governmental Funds	29
B-2 Statement of Revenue, Expenditures and Changes in Fund Balances – Governmental Funds.....	31
B-3 Reconciliation of the Statement of Revenue, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	32
B-4 Statement of Net Position – Proprietary Funds.....	33
B-5 Statement of Revenue, Expenses and Changes in Fund Net Position – Proprietary Funds.....	34
B-6 Statement of Cash Flows – Proprietary Funds.....	35
B-7 Statement of Fiduciary Net Position – Fiduciary Funds	36
B-8 Statement of Changes in Fiduciary Net Position – Fiduciary Funds	37

Notes to the Basic Financial Statements.....	38
--	----

Required Supplementary Information (Unaudited)

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68) (Unaudited)	69
L-1 Schedule of District's Proportionate Share of the Net Pension Liability – Public Employees Retirement System	69
L-2 Schedule of District Contributions – Public Employees Retirement System	70
L-3 Schedule of District's Proportionate Share of the Net Pension Liability – Teachers' Pension and Annuity Fund	71
Notes to Required Supplementary Information	72
C. Budgetary Comparison Schedules (Unaudited).....	73
C-1 Budgetary Comparison Schedule – General Fund	74
C-2 Budgetary Comparison Schedule - Special Revenue Fund.....	88
C-3 Required Supplementary Information - Budgetary Comparison Schedule – Note to RSI.....	89

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

FINANCIAL SECTION (Cont'd)

Other Supplementary Schedules (D.-I.)

D. School Level Schedules (Not Applicable).....	91
E. Special Revenue Fund	92
E-1 Combining Schedule of Program Revenue and Expenditures - Special Revenue Fund – Budgetary Basis.....	93
E-2 Preschool Education Aid Schedule of Expenditures – Budgetary Basis (Not Applicable)	
F. Capital Projects Fund.....	96
F-1 Summary Schedule of Revenues, Expenditures and Changes in Fund Balance	97
F-1A Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Energy Savings Improvement Program	98
F-1B Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Eisenhower Middle School Roof Replacement Phase I.....	99
F-1C Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Eisenhower Middle School Roof Replacement Phase II	100
F-1D Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Jefferson Windows Replacement.....	101
G. Proprietary Funds (Enterprise Fund)	102
G-1 Statement of Net Position	103
G-2 Statement of Revenue, Expenses and Changes in Fund Net Position.....	104
G-3 Statement of Cash Flows.....	105
H. Fiduciary Funds	106
H-1 Combining Statement of Net Position.....	107
H-2 Statement of Changes in Fiduciary Net Position	108
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements.....	109
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	110
H-5 Payroll Agency Fund Schedule of Receipts and Disbursements	111
I. Long-Term Debt	112
I-1 Schedule of Serial Bonds	113
I-2 Statement of Obligations Under Capital Lease.....	114
I-3 Debt Service Fund Budgetary Comparison Schedule (Unaudited).....	115
I-4 Schedule of Early Retirement Incentive Loan Revenue Bonds	116

STATISTICAL SECTION

J. Statistical Section (Unaudited)	117
J-1 Net Position by Component	118
J-2 Changes in Net Position.....	119
J-3 Fund Balances - Governmental Funds	121
J-4 Changes in Fund Balances - Governmental Funds	122
J-5 General Fund Other Local Revenue by Source.....	124
J-6 Assessed Value and Actual Value of Taxable Property.....	125
J-7 Direct and Overlapping Property Tax Rates	126
J-8 Principal Property Taxpayers, Current Year and Nine Years Ago	127
J-9 Property Tax Levies and Collections	128

ROXBURY TOWNSHIP SCHOOL DISTRICT
TABLE OF CONTENTS
FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

J. STATISTICAL SECTION (Unaudited) (Cont'd)	
J-10 Ratios of Outstanding Debt by Type.....	129
J-11 Ratios of Net General Bonded Debt Outstanding.....	130
J-12 Ratios of Overlapping Governmental Activities Debt.....	131
J-13 Legal Debt Margin Information.....	132
J-14 Demographic and Economic Statistics.....	133
J-15 Principal Employers, Current Year and Nine Years Ago.....	134
J-16 Full-time Equivalent District Employees by Function/Program.....	135
J-17 Operating Statistics.....	136
J-18 School Building Information.....	137
J-19 Schedule of Required Maintenance.....	138
J-20 Insurance Schedule.....	139
K. SINGLE AUDIT SECTION.....	140
K-1 Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>	141
K-2 Independent Auditors' Report on Compliance for Each Major Federal and State Program and Report on Internal Control over Compliance Required by OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08.....	143
Schedule of Expenditures of Federal Awards.....	145
Schedule of Expenditures of State Awards.....	147
Notes to the Schedules of Expenditures of Federal and State Awards.....	149
Schedule of Findings and Questioned Costs.....	151
Summary Schedule of Prior Audit Findings.....	153

INTRODUCTORY SECTION

ROXBURY TOWNSHIP PUBLIC SCHOOLS

BOARD OF EDUCATION OFFICE

42 NORTH HILLSIDE AVENUE, SUCCASUNNA, NEW JERSEY 07876

Phone (973) 584-6099

www.roxbury.org

Fax (973) 584-0426

November 30, 2015

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

Dear Board Members:

The comprehensive annual financial report of the Roxbury Township School District (the "District") for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (the "Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the Independent Auditors' Report, the management's discussion and analysis, the basic financial statements and notes providing an overview of the District's financial position and operating results, and supplementary schedules providing detailed budgetary information. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditors' reports on internal control and compliance with applicable laws, regulations, contracts and grants along with findings and questioned costs, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Roxbury Township School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board ("GASB") in codification section 2100. All funds of the District are included in this report. The Roxbury Township School District and all its schools constitute the District's reporting entity.

The Roxbury Township School District provides a full range of educational services appropriate to grade levels K through 12 for students residing in Roxbury Township. These include regular, vocational as well as special education for handicapped youngsters.

The Honorable President and Members of
the Board of Education
Roxbury Township School District
Page 2
November 30, 2015

2) ECONOMIC CONDITION AND OUTLOOK: The Township has a completed a thorough built-out analysis for the community. The community is considered mature with limited area for future development excluding the 1,000 acre Ashland Chemical tract. The Township council recently reviewed a conceptual development plan for the property that includes more than 3 million square feet of warehouse space, three flex buildings of 75,000 square feet each and a residential transit village. The “transit village” concept is a concern for the District due to the uncertainty surrounding the potential increase to the student population and the impact it will have on the enrollments of the local schools.

The Township and New Jersey Department of Environmental Protection is dealing with the remediation of the Fenimore Landfill. This situation has created a market where houses are being sold at a lesser price to comparisons with neighboring communities. Residents believe that Fenimore has caused the home values to decrease, thus decreasing the tax value of the property. Resident tax appeals may have an impact on the District’s overall budget.

There are several approved developments that will alter the Township’s population. These developments consist of the Village project, a 160 lot single-family subdivision in the Landing section of the Township and a 260-unit Senior Housing development in the Ledgewood section.

3) MAJOR INITIATIVES: We believe, in order for the Roxbury Township Public Schools to prepare our students of today for tomorrow, our students need an engaging, personalized curriculum that will inspire and empower them to flourish as ethical and global citizens in the 21st century. All students have unique needs, abilities and interests and educational technology enables students to experience a more personalized curriculum to gain the 21st century skills necessary to be successful in college and career.

The District’s One-to-One technology initiative was expanded to grade 12. This has allowed every student in Grades 7-12, plus every teaching staff member in the high school and middle school to utilize a Google Chrome Book.

The long-term goals of the One-to-One initiative are to: increase student engagement with the curriculum; personalize instruction to meet student's needs, abilities and interests; and to foster the growth of the 4 C's - Collaboration, Communication, Critical-Thinking, and Creativity. Keeping these goals in mind as we progress through our planning and implementation of this 1-to-1 technology initiative, we believe will result in a transformation in our learning environments that will accelerate student learning.

Professional Development in the District this year continued to focus on the integration of technology and the implementation and use of the Google Chrome Books in classroom settings. Staff members were afforded the opportunity to attend numerous sessions throughout the year and during the summer to enhance their technological skills.

Curriculum work is being conducted throughout the school year and summer, in accordance with State guidelines for alignment with the Common Core Standards, Revised New Jersey Core Curriculum Standards, and the Next Generation Science Standards.

The Full-Day Kindergarten implementation was extremely successful in its first year. The District recognizes that full-day kindergarten programs may close achievement gaps between young children from minority and low-income families and their peers. By providing a solid foundation of learning to children from all backgrounds, full-day kindergarten programs ensure all students' academic, social, and emotional success.

The Honorable President and Members of
the Board of Education
Roxbury Township School District
Page 3
November 30, 2015

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

As a recipient of federal and state awards, the District also is responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control system is also subject to periodic evaluation by the District's management. As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control system, including that portion related to major federal and state award programs, as well as to determine that the District has complied with applicable laws, regulations, contracts and grants.

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. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as restrictions, commitments and/or assignments of fund balance at June 30, 2015.

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

7) CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

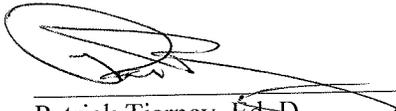
8) RISK MANAGEMENT: The Board carries various forms of insurance, including, but not limited to, general liability, excess liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. The District oversees its own risk management. A schedule of insurance coverage is found on J-20.

The Honorable President and Members of
the Board of Education
Roxbury Township School District
Page 4
November 30, 2015

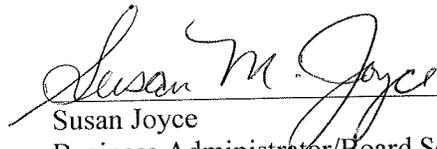
9) OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Nisivoccia LLP, CPAs, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and New Jersey’s OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The Auditors’ Report on the basic financial statements and specific required supplementary information are included in the financial section of this report. The Auditors’ Reports related specifically to the single audit and *Government Auditing Standards* are included in the single audit section of this report.

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

Respectfully submitted,

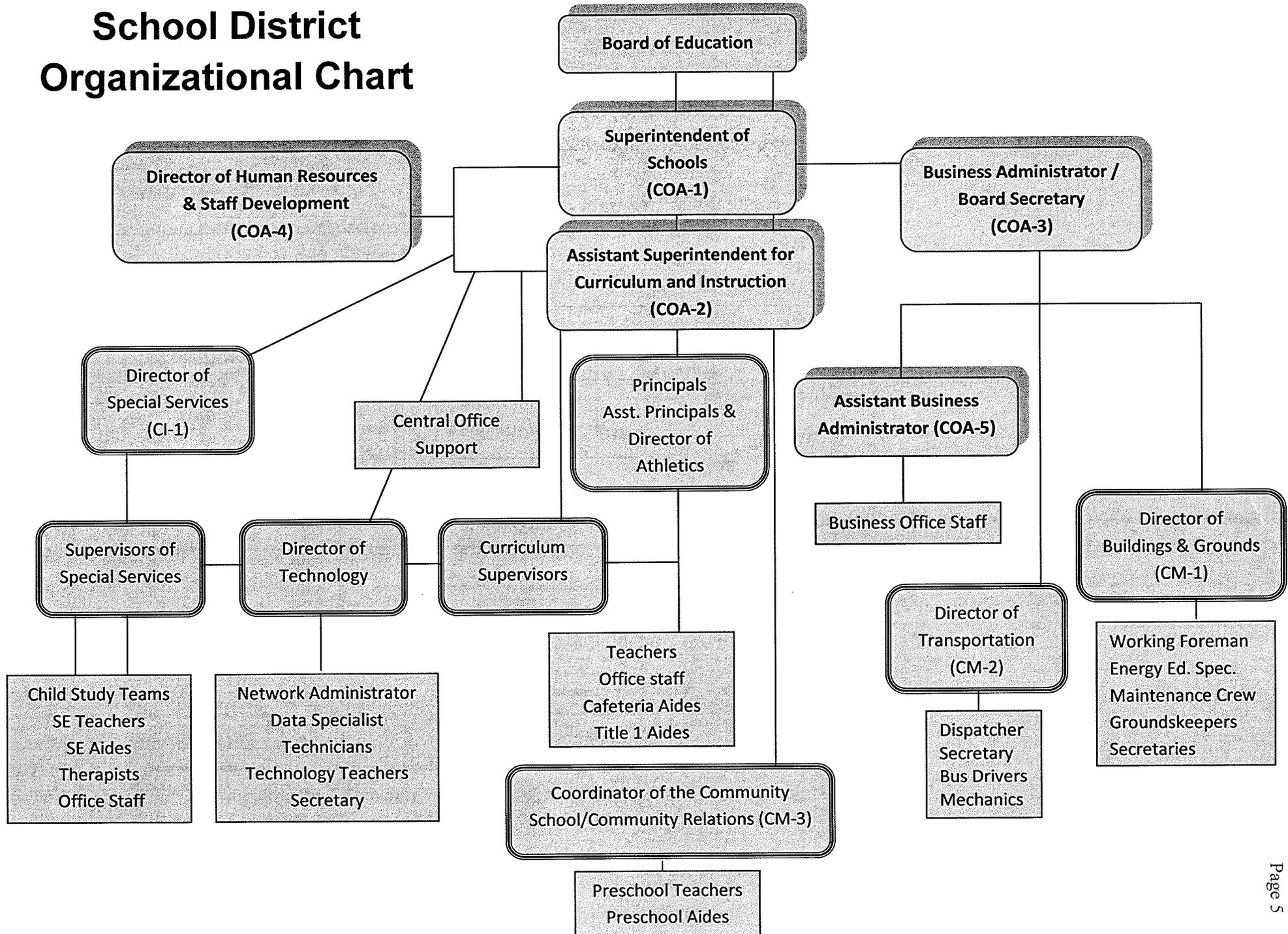


Patrick Tierney, Ed. D.
Superintendent of Schools



Susan Joyce
Business Administrator/Board Secretary

Roxbury Township School District Organizational Chart



**ROXBURY TOWNSHIP SCHOOL DISTRICT
 ROSTER OF OFFICIALS
 JUNE 30, 2015**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Theresa D'Agostino, President	2016
David Ramege , Vice President	2017
Richard Alexander	2016
Margaret Casola	2015
Leo J. Coakley	2015
Pat Miller	2017
James Monaghan	2017
Carol Scheneck	2016
Martin Volz	2016
Rachel Byrne, Mt. Arlington Representative	2015

<u>Other Officers</u>	<u>Title</u>
Patrick Tierney, Ed. D.	Superintendent
Loretta Radulic	Assistant Superintendent
John Gomez	School Business Administrator/Board Secretary (to 12/15/15)
Susan Joyce	School Business Administrator/Board Secretary (from 02/01/15)
Lisa Palmieri	Treasurer of School Monies

ROXBURY TOWNSHIP BOARD OF EDUCATION

Consultants and Advisors

Audit Firm

Nisivoccia LLP, CPAs
Mount Arlington Corporate Center
200 Valley Road Suite 300
Mount Arlington, NJ 07856-1320

And

Lawrence Business Park
11 Lawrence Road
Newton, NJ 07860

Attorney

Lindabury, McCormick, Estabrook, and Cooper, P.C.
53 Cardinal Drive
P.O. Box 2369
Westfield, NJ 07091

Official Depository

TD Bank
240 Route 10
Succasunna, NJ 07876

FINANCIAL SECTION



Mount Arlington Corporate Center
200 Valley Road, Suite 300
Mt. Arlington, NJ 07856
973-328-1825 | 973-328-0507 Fax
Lawrence Business Center
11 Lawrence Road
Newton, NJ 07860
973-383-6699 | 973-383-6555 Fax

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roxbury Township School District (the "District") in the County of Morris, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' 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 audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

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 Board of Education of the Roxbury Township School District, in the County of Morris, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 11 to the basic financial statements, the District implemented Governmental Accounting Standards Board (“GASB”) Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68* during the fiscal year ended June 30, 2015. Our opinions are not modified with respect to this matter. The implementation resulted in the restatement of certain balances on the Statement of Net Position and the ending balance for Net Position for the Governmental Activities as of June 30, 2014 as detailed in Note 20 to the basic financial statements.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management’s discussion and analysis, which follows this report, the required supplementary information pension schedules and the budgetary comparison information in Exhibits C-1 through C-3 and I-3 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 District’s basic financial statements. The accompanying supplementary information such as the combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal and state awards, as required by the U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey’s OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 3

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

The accompanying other information such as the introductory and statistical sections has 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 it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

November 30, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

REQUIRED SUPPLEMENTARY INFORMATION
MANAGEMENT'S DISCUSSION AND ANALYSIS

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

This section of Roxbury Township School District's annual financial report presents its discussion and analysis of the District's financial performance during the fiscal year ending June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Financial Highlights

- The District Health Insurance broker successfully negotiated a less than expected increase in the health insurance premium, thus resulting in additional unexpended funds that were used to pay off two bus leases early.
- The District redistributed those insurance savings to update our technology throughout the District.
- The District's participation in the School Choice Program has been highly successful with every available student seat being filled with students from neighboring communities. This provided the District with an increase of an additional \$225,000 for the 2014-2015 budget year. The revenue has helped to support full-day kindergarten at the elementary level.
- The District continued to assess special education programs to generate tuition revenue and attempted to reduce out-of-district expenditures for special education students. The District continues to expand the special needs programs that continue to provide an additional tuition-based revenue source for the District and excellent educational opportunities for our special education students.
- The District continued the outsourcing of the Food Service program for 2014-2015 in an effort to eliminate the financial loss in the program. The District has entered into a contract with a FSMC that guarantees a profit. With the mutually-agreed upon conditions, the District will have an approximately \$71,000 profit.
- The Community School continued to offer innovated programs for children and adults. With the implementation of full-day kindergarten, the Community School Wrap-Around program could no longer operate. The successful implementation of a Pre-School program has assisted in off-setting financial losses.
- The District continued the Energy Conservation Program during the 2014-2015 school year. A Green Committee has been established to build off the success of this program.
- The District had conducted a new Demographic Study to update the enrollment projections for the district. Information contained in the reports shows that enrollment will continue to decline. This data is essential for proper budget planning as well as determining the possible future need for grade level realignment.
- The District has implemented a \$7.9 million Energy Savings Improvement Program (ESIP). By taking advantage of this government-sponsored program, the District updated much-needed environmental control systems throughout the school buildings. The District selected to implement a Do-It-Yourself program that realized an additional 10-15% saving in administrative costs, thus allowing additional projects to be funded with the savings. The program allowed for the complete upgrade of the heating system (boilers and uninvents) at EMS, and updated the boilers at RHS and Jefferson School. The ESIP program permits the District to finance the program at no additional cost to the taxpayer.
- The District was approved for multiple projects through the ROD Grant program. The District has neared completion a roofing replacement project at Eisenhower Middle School and a window project at Jefferson Elementary School. The District is expecting a reimbursement of 40% of the costs from the state.

Financial Highlights (Cont'd)

- Financial stability has been maintained and the cycle of the Long Range Facilities Plan was updated for the implementation of the ESIP program, participation in the ROD Grant Program and other facility needs.
- The District's net position increased by \$3,802,129 during the course of the fiscal year.
- Overall revenue was \$86,232,500 for the fiscal year.
- Overall expenditures were \$82,432,249 for the fiscal year.

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 such as 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 a business, such as food services.
- *Fiduciary funds statements* provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the year. Figure A-1 shows how the various parts of this annual report are arranged and related to one another.

Figure A-1

Organization of the School District's Financial Report

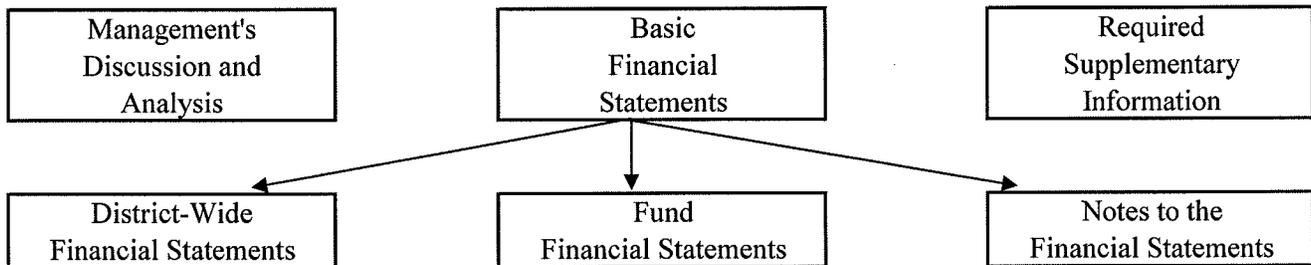


Figure A-2 summarizes the major features of the District's financial statements, including the portion of the District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights that structure and contents of each of the statements.

Figure A-2

Major Features of the District-Wide and Fund Financial Statements

	District-Wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds)	The activities of the District that are not proprietary or fiduciary, such as special education and building maintenance	Activities the District operates similar to private businesses: food services	Instances in which the District administers resources on behalf of someone else, such as student activities monies.
Required Financial Statements	<ul style="list-style-type: none"> • Statement of net position • Statement of activities 	<ul style="list-style-type: none"> • Balance sheet • Statement of revenue, expenditures, and changes in fund balances 	<ul style="list-style-type: none"> • Statement of net position • Statement of revenue, expenses, and changes in net position • Statement of cash flows 	<ul style="list-style-type: none"> • Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included	All assets and liabilities, both financial and capital, short-term and long-term	All assets and liabilities, both short-term and long-term; funds do not currently contain capital assets, although they can
Type of Inflow/Outflow Information	All revenue and expenses during the year, regardless of when cash is received or paid	Revenue for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid

District-wide Statements

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

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, deferred inflows and outflows and liabilities – is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position are an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the District's overall health, 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 into two categories:

- *Governmental activities*: Most of the District's basic services are included here, such as regular and special education, transportation and administration. Property taxes, tuition and state formula aid finance most of these activities.
- *Business-type activities*: The District charges fees to help it cover the costs of certain services it provides. The District's food service is included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs:

- Some funds are required by state law and by bond covenants.
- The District establishes other funds to control and manage money for particular purposes (such as repaying its long-term debts) or to show that it is properly using certain revenue (such as federal grants).

The District has three kinds of funds:

- *Governmental funds*: Most of the District's basic services are included in governmental funds, which generally focus on {1} how cash and other financial assets that can readily be converted to cash flow in and out, and {2} the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the District-wide statements, additional information at the bottom of the governmental funds statements explains the relationship (or difference) between them.
- *Proprietary funds*: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide statements. The District's *enterprise funds* (one type of proprietary fund) are the same as its business-type activities but provide more detail and additional information, such as cash flows. *Internal service funds* (the other kind of proprietary fund) report activities that provide supplies and services for other programs and activities. The District currently does not maintain any internal service funds.
- *Fiduciary funds*: The District is the trustee, or *fiduciary*, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

Notes to Basic Financial Statements: Provide additional information essential to a full understanding of the District-wide and fund financial statements.

Financial Analysis of the District as a Whole

Net Position. The Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a District's financial position. The District's financial position is the product of financial transactions including the net results of operations, the acquisition of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Figure A-3 represents the District's net position. The District's combined net position increased by \$3,802,129. Net position from governmental activities increased by \$3,735,033 and net position from business-type activities increased by \$67,096. Net investment in capital assets increased by \$10,475,494, restricted net position decreased by \$5,583,062, and unrestricted net position decreased by \$1,090,303.

Figure A-3

Condensed Statement of Net Position

	Government Activities		Business-Type Activities		Total School District		Percentage
	2014/15	2013/14*	2014/15	2013/14	2014/15	2013/14*	Change 2014/15
Current and							
Other Assets	\$ 8,559,304	\$ 15,145,239	\$ 142,086	\$ 117,430	\$ 8,701,390	\$ 15,262,669	-42.99%
Capital Assets, Net	47,496,543	38,273,862	171,468	199,654	47,668,011	38,473,516	23.90%
Total Assets	<u>56,055,847</u>	<u>53,419,101</u>	<u>313,554</u>	<u>317,084</u>	<u>56,369,401</u>	<u>53,736,185</u>	4.90%
Deferred Outflows of Resources	<u>1,174,409</u>	<u>738,963</u>			<u>1,174,409</u>	<u>738,963</u>	58.93%
Long-Term Debt							
Outstanding	39,092,855	42,867,613			39,092,855	42,867,613	-8.81%
Other Liabilities	2,426,564	1,719,195	46,804	117,430	2,473,368	1,836,625	34.67%
Total Liabilities	<u>41,519,419</u>	<u>44,586,808</u>	<u>46,804</u>	<u>117,430</u>	<u>41,566,223</u>	<u>44,704,238</u>	-7.55%
Deferred Inflows of Resources	<u>2,404,548</u>				<u>2,404,548</u>		100.00%
Net Position:							
Net Investment in							
Capital Assets	27,225,610	16,721,930	171,468	199,654	27,397,078	16,921,584	61.91%
Restricted	6,405,015	11,988,077			6,405,015	11,988,077	-46.57%
Unrestricted/(Deficit)	<u>(20,324,336)</u>	<u>(19,138,751)</u>	<u>95,282</u>		<u>(20,229,054)</u>	<u>(19,138,751)</u>	-5.70%
Total Net Position	<u>\$ 13,306,289</u>	<u>\$ 9,571,256</u>	<u>\$ 266,750</u>	<u>\$ 199,654</u>	<u>\$ 13,573,039</u>	<u>\$ 9,770,910</u>	38.91%

* Restated

Figure A-4 represents the *Changes in Net Position*. The District's *combined* net position was \$13,573,039 on June 30, 2015, an increase of \$3,802,129 or 38.91% more than the year before. (See Figure A-3). Net Investment in Capital Assets increased by \$10,475,494 due to the current year maturity of serial bonds payable of \$1,240,000, \$1,670,905 pay down on capital leases payable, as well as current year capital assets additions (net of deletions) of \$10,744,957; offset by current year depreciation expense of \$1,550,462 and new capital leases of \$1,629,906. Restricted net position decreased by \$5,583,062 due to the net decrease in Maintenance Reserve of \$250,000, net decrease of \$24,710 in excess surplus and a \$5,436,352 decrease in restricted Capital Projects Fund as a result of capital expenses; offset by a net increase in Capital Reserve of \$128,000. The \$1,090,303 decrease in unrestricted net position was due primarily to a net decrease in compensated absences of \$63,827, a net decrease in assigned fund balances for year end encumbrances and designated for subsequent year's expenditures of \$1,123,195, a \$707,421 decrease in unassigned fund balance, amortization of deferred interest of \$82,107; offset by the retirement of \$530,000 of early retirement incentive loan revenue bonds, amortized bond premiums of \$106,690, an increase in accrued interest of \$13,684 and an increase in business-type activities unrestricted net position of \$95,282.

Figure A-4

Changes in Net Position from Operating Results

	Governmental Activities 2014/15	Business- Type Activities 2014/15	Governmental Activities 2013/14	Business- Type Activities 2013/14	Total School District 2014/15	Total School District 2013/14	Percentage Change 2014/15
Revenue:							
Program Revenue:							
Charges for Services	\$ 3,400,499	\$ 887,757	\$ 2,906,303	\$ 856,283	\$ 4,288,256	\$ 3,762,586	13.97%
Operating Grants and Contributions	17,333,605	280,896	9,684,847	235,186	17,614,501	9,920,033	77.56%
General Revenue:							
Property Taxes	52,872,439		51,876,818		52,872,439	51,876,818	1.92%
Unrestricted State and Federal Aid	10,883,688		10,914,722		10,883,688	10,914,722	-0.28%
Other	573,616		908,601		573,616	908,601	-36.87%
Total Revenue	<u>85,063,847</u>	<u>1,168,653</u>	<u>76,291,291</u>	<u>1,091,469</u>	<u>86,232,500</u>	<u>77,382,760</u>	11.44%
Expenses:							
Instruction	46,332,569		37,904,414		46,332,569	37,904,414	22.24%
Pupil and Instruction Services	15,600,354		14,090,038		15,600,354	14,090,038	10.72%
Administrative and Business	6,028,636		5,407,199		6,028,636	5,407,199	11.49%
Maintenance and Operations	6,651,055		6,675,981		6,651,055	6,675,981	-0.37%
Transportation	5,267,105		5,779,495		5,267,105	5,779,495	-8.87%
Capital Outlay	83,245				83,245		100.00%
Special Schools	841,394		672,758		841,394	672,758	25.07%
Other	526,334	1,101,557	1,323,891	1,101,136	1,627,891	2,425,027	-32.87%
Total Expenses	<u>81,330,692</u>	<u>1,101,557</u>	<u>71,853,776</u>	<u>1,101,136</u>	<u>82,432,249</u>	<u>72,954,912</u>	12.99%
Transfers	1,878		(11,182)	62,205	1,878	51,023	-96.32%
Increase/(Decrease) in Net Position	<u>\$ 3,735,033</u>	<u>\$ 67,096</u>	<u>\$ 4,426,333</u>	<u>\$ 52,538</u>	<u>\$ 3,802,129</u>	<u>\$ 4,478,871</u>	-15.11%

Figure A-5 represents the *Revenue Sources*. The District's total revenue for the 2014/15 school year was \$86,232,500. (See Figure A-4). Property taxes and state formula aid accounted for most of the District's revenue, with local taxes accounting for \$52,872,439 of the total, or 61.31 percent. (See Figure A-5). Another 33.05 percent came from state and federal aid and the remainder from miscellaneous sources and charges for services.

Figure A-5

Sources of Revenue for Fiscal Year 2015

	Amount	Percentage
Sources of Income:		
Grants and Contributions	\$ 17,614,501	20.43%
Property Taxes	52,872,439	61.31%
Unrestricted Federal and State Aid	10,883,688	12.62%
Charges for Services	4,288,256	4.97%
Other	573,616	0.67%
	<u>\$ 86,232,500</u>	<u>100.00%</u>

Figure A-6 represents the total cost of all programs and services, which was \$82,432,249. The District's expenses are predominantly related to instructing and providing pupil services (75.14 percent). (See Figure A-6). The District's administrative and business activities accounted for 7.31 percent of total costs and maintenance costs accounted for 8.07 percent of total costs. It is important to note that expenses for the year include \$1,550,462 of depreciation.

Figure A-6**Expenses for Fiscal Year 2015**

Expense Category:	<u>Amount</u>	<u>Percentage</u>
Instruction	\$ 46,332,569	56.21%
Pupil and Instruction Services	15,600,354	18.93%
Administrative and Business	6,028,636	7.31%
Maintenance and Operations	6,651,055	8.07%
Transportation	5,267,105	6.39%
Capital Outlay	83,245	0.10%
Special Schools	841,394	1.02%
Other	1,627,891	1.97%
	<u>\$ 82,432,249</u>	<u>100.00%</u>

Governmental Activities

The financial position of the District is healthy despite continued use of fund balance as revenue. Maintaining existing programs that accommodate regular pupil enrollment and the provision of a multitude of special programs and services for disabled pupils place great demands on the District's resources. The past few years, veteran teachers have retired and have been replaced by teachers of less experience and therefore lower on the salary guide. This does generate savings but not enough to offset increased special education programs, technology needs in the classroom, and rising costs. Although the budgets are put together with the taxpayer in mind and the responsibility of education on their shoulders, a tax increase resulted in 2014-2015.

Careful management of expenses remains essential for the District to sustain its financial health. Among the many significant cost savings actions implemented or continued during the fiscal year were:

- Shared Services meetings with the Township continued in 2014-2015 exploring other opportunities which include, fuel, IT services, and a camera surveillance system for the District.
- A significant number of disabled pupils continue to be educated in programs within the District rather than being sent out-of-district whereby the District would have to pay tuition as well as increased transportation costs.
- The District outsourced its food service operations in 2013-14 to counter the losses experienced over the last 3 years. No board contribution was needed to support the food service program in the current year.
- The District continued the employees' health contributions programs in 2014-2015 which helped to offset some of the District's healthcare insurance costs.

Figure A-7 presents the cost of eight major District activities: instruction, pupil and instructional services, administration and business, maintenance and operations, transportation, capital outlay, special schools and other. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden placed on the District's taxpayers by each of these functions.

Figure A-7

	Net Cost of Governmental Activities			
	Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
	2014/15	2014/15	2013/14	2013/14
Instruction	\$ 46,332,569	\$ 29,154,356	\$ 37,904,414	\$ 31,291,665
Pupil and Instruction Services	15,600,354	13,265,146	14,090,038	9,526,126
Administrative and Business	6,028,636	5,259,149	5,407,199	4,947,917
Maintenance and Operations	6,651,055	6,651,055	6,675,981	6,489,355
Transportation	5,267,105	4,955,945	5,779,495	5,068,030
Capital Outlay	83,245	83,245		
Special Schools	841,394	701,358	672,758	615,642
Other	526,334	526,334	1,323,891	1,323,891
	\$ 81,330,692	\$ 60,596,588	\$ 71,853,776	\$ 59,262,626

- The cost of all governmental activities this fiscal year was \$81.33 million.
- The federal and state governments subsidized certain programs with grants and contributions (\$17.33 million).
- Most of the District's costs (\$52.87 million), however, were financed by District taxpayers.
- A portion of governmental activities was financed with \$10.88 million in state aid based on the SFRA formula.
- The remainder of the funding came from miscellaneous revenue, investment earnings and charges for services (\$3.97 million).

Business-Type Activities

Net position from the District's business-type activity increased by \$67,096 (Refer to Figure A-4). The increase in net position was primarily due to the increase in sales and meals claimed for subsidy reimbursement over the prior fiscal year.

Financial Analysis of the District's Funds

The District's financial position increased significantly despite significant changes in the student clientele and difficult economic times by being fiscally responsible and efficient in what discretionary purchases the District makes. The District's budget, however, is 85% fixed costs. Expenditures during the recent fiscal years have increased significantly as a result of an increased number of pupils with disabilities entering the District. In addition to greater numbers, these pupils are more profoundly disabled and require more complex educational and related services. The District has established more in-house special education classrooms, saving the District funds by not sending children to out-of-district schools and generating additional income by accepting tuition students from area schools.

State Aid is not increasing in line with what the District needs, which adds to the taxpayer's burden of supporting an educational system that the Township enjoys. It becomes more difficult to support the educational system without additional help from the State which puts the burden on the taxpayer.

General Fund Budgetary Highlights

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for changes made within budgetary line items for changes in school-based needs for programs, supplies and equipment.

Capital Asset and Debt Administration

Figure A-8

	Capital Assets (Net of Depreciation)						Percentage Change 2014/15
	Government Activities		Business-Type Activities		Total School District		
	2014/15	2013/14*	2014/15	2013/14	2014/15	2013/14*	
Sites and Site Improvements	\$ 526,566	\$ 430,593			\$ 526,566	\$ 430,593	22.29%
Construction in Progress	8,795,058	1,209,634			8,795,058	1,209,634	627.08%
Buildings and Building Improvements	30,429,822	29,814,739			30,429,822	29,814,739	2.06%
Machinery and Equipment	<u>7,745,097</u>	<u>6,818,896</u>	<u>\$ 171,468</u>	<u>\$ 199,654</u>	<u>7,916,565</u>	<u>7,018,550</u>	12.79%
Total	<u>\$ 47,496,543</u>	<u>\$ 38,273,862</u>	<u>\$ 171,468</u>	<u>\$ 199,654</u>	<u>\$ 47,668,011</u>	<u>\$ 38,473,516</u>	23.90%

*Restated

The District had \$10,781,857 in capital assets additions, \$36,900 of capital assets disposals (net of accumulated depreciation), and depreciation expense was \$1,522,276 for governmental activities and \$28,186 for business-type activities in the current fiscal year.

Long-term Debt

At fiscal year-end, the District had \$18,515,000 in general obligation bonds outstanding, \$815,000 in early retirement incentive loan revenue bonds, \$16,458,785 in net pension liability, \$1,755,933 in capital leases and \$1,548,137 in compensated absences payable – a decrease of \$3,774,758 or 8.81% from the prior fiscal year - as shown in Figure A-9. (More detailed information about the District's long-term liabilities is presented in Note 10 to the financial statements.)

Figure A-9

	Outstanding Long-Term Debt		
	Total School District		Percentage Change 2014/15
	2014/15	2013/14*	
General Obligation Bonds (Financed with Property Taxes)	\$ 18,515,000	\$ 19,755,000	-6.28%
Net Pension Liability	16,458,785	18,486,371	-10.97%
Capital Leases Payable	1,755,933	1,796,932	-2.28%
Other Long-Term Liabilities	<u>2,363,137</u>	<u>2,829,310</u>	-16.48%
	<u>\$ 39,092,855</u>	<u>\$ 42,867,613</u>	-8.81%

* Restated

- The District continued to pay down its outstanding debt, retiring \$1,240,000 of outstanding bonds and \$530,000 of early retirement incentive loan revenue bonds.
- The District entered into \$1,629,906 of capital leases in the current fiscal year and paid down \$1,670,905 in capital lease principal.
- The District's net pension liability decreased by \$2,027,586.
- The District's compensated absences payable increased by \$63,827.

Factors Bearing on the District's Future Revenue/Expense Changes

The District commissioned the development of a 5 year demographic study in 2015. The study indicates a 5 year trend of declining enrollment from 3,708 students in 2014-2015 to 3,137 by 2019-2020. This potential decline may have the potential to affect staffing, school neighborhoods, transportation, and budgets.

The District continues to make classrooms available, where applicable, to allow additional in-house special education programs. This endeavor allows special education students to return from out-of-district settings, saving tuition and transportation costs for those students. It also allows the District to generate additional income by charging tuition for students from other school districts to attend these programs, provided space is available.

The District implemented a \$7.9 million Energy Saving Improvement Program. This program allowed the District to upgrade systems and maintain infrastructure without any budgetary impact and negative impact in the taxpayers of Roxbury.

The District was awarded several ROD Grants by the State that will provide 40% reimbursement of the cost of the roofing and window projects that were identified in the District's Long Range Facility Plan (LRFP) back to the District. The majority of the remediation projects were funded from the District's capital reserve account. The District is anticipating approximately \$1 million in projects that would be funded without any financial burden to the taxpayers of Roxbury.

The District expects to increase the balance in its capital reserve account by approximately \$1.1 million to be available to support capital projects that are outlined in the District's LRFP.

The District entered the fourth phase of employee health benefits contributions for the 2014-2015 school year. Based on current State Law, the contributions will continue for the next fiscal year. The effect of which is a partial neutralization of health benefits increases over the next fiscal year. The District has concerns related to the implementation of the Affordable Care Act and the potential negative financial impact it may have on the District.

Contacting the District's Financial Management

The financial report is designed to provide the District's citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, please contact the Board of Education Office, 42 North Hillside Avenue, Succasunna, NJ 07876.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

Exhibit A-1

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Cash and Cash Equivalents	\$ 1,172,903	\$ 113,649	\$ 1,286,552
Interfund Receivable - Fiduciary Fund	1,878		1,878
Receivables from State Government	617,579	847	618,426
Receivables from Federal Government	1,059,481	21,984	1,081,465
Receivables from Other Governments	1,032,782		1,032,782
Capital Leases Receivable	540,000		540,000
Inventories		5,606	5,606
Restricted Cash and Cash Equivalents	4,134,681		4,134,681
Capital Assets, Net:			
Sites (Land) and Construction in Progress	8,969,538		8,969,538
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	38,527,005	171,468	38,698,473
Total Assets	<u>56,055,847</u>	<u>313,554</u>	<u>56,369,401</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>			
Deferred Interest	656,856		656,856
Changes in Assumptions - Pensions	517,553		517,553
Total Deferred Outflows of Resources	<u>1,174,409</u>		<u>1,174,409</u>
<u>LIABILITIES</u>			
Current Liabilities:			
Accounts Payable	1,058,991	35,665	1,094,656
Accrued Interest Payable	203,608		203,608
Payable to State Government	97,213		97,213
Payable to Federal Government	24,353		24,353
Unearned Revenue	37,239	11,139	48,378
Unamortized Bond Issuance Premium	1,005,160		1,005,160
Noncurrent Liabilities:			
Due Within One Year	2,631,215		2,631,215
Due Beyond One Year	36,461,640		36,461,640
Total Liabilities	<u>41,519,419</u>	<u>46,804</u>	<u>41,566,223</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>			
Investment Gains - Pensions	980,854		980,854
Changes in Proportion - Pensions	1,423,694		1,423,694
Total Deferred Inflows of Resources	<u>2,404,548</u>		<u>2,404,548</u>
<u>NET POSITION/(DEFICIT)</u>			
Net Investment in Capital Assets	27,225,610	171,468	27,397,078
Restricted for:			
Capital Projects	2,564,363		2,564,363
Debt Service	1,030		1,030
Other Purposes	3,839,622		3,839,622
Unrestricted/(Deficit)	<u>(20,324,336)</u>	<u>95,282</u>	<u>(20,229,054)</u>
Total Net Position	<u>\$ 13,306,289</u>	<u>\$ 266,750</u>	<u>\$ 13,573,039</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:						
Instruction:						
Regular	\$ 32,785,807	\$ 2,573,337	\$ 7,843,597	\$ (22,368,873)		\$ (22,368,873)
Special Education	10,716,558	769,587	5,664,860	(4,282,111)		(4,282,111)
Other Special Instruction	1,334,298		326,832	(1,007,466)		(1,007,466)
School Sponsored/Other Instruction	1,495,906			(1,495,906)		(1,495,906)
Support Services:						
Tuition	3,538,980			(3,538,980)		(3,538,980)
Student and Instruction Related Services	12,061,374		2,335,208	(9,726,166)		(9,726,166)
General Administrative Services	1,066,758		114,745	(952,013)		(952,013)
School Administrative Services	3,610,516		598,246	(3,012,270)		(3,012,270)
Central Services	1,245,370		56,496	(1,188,874)		(1,188,874)
Administrative Information Technology	105,992			(105,992)		(105,992)
Plant Operations and Maintenance	6,651,055			(6,651,055)		(6,651,055)
Pupil Transportation	5,267,105	57,575	253,585	(4,955,945)		(4,955,945)
Transfer of Funds to Charter School	58,082			(58,082)		(58,082)
Special Schools	841,394		140,036	(701,358)		(701,358)
Interest on Long-Term Debt	427,217			(427,217)		(427,217)
Capital Outlay	83,245			(83,245)		(83,245)
Unallocated Depreciation	41,035			(41,035)		(41,035)
Total Governmental Activities	81,330,692	3,400,499	17,333,605	(60,596,588)		(60,596,588)
Business-Type Activities:						
Food Service	1,101,557	887,758	280,895		\$ 67,096	67,096
Total Business-Type Activities	1,101,557	887,758	280,895		67,096	67,096
Total Primary Government	\$ 82,432,249	\$ 887,758	\$ 17,614,500	(60,596,588)	67,096	(60,529,492)

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Net (Expense) Revenue and Changes in Net Position		
	Governmental Activities	Business-type Activities	Total
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purposes, Net	\$ 50,636,955		\$ 50,636,955
Taxes Levied for Debt Service	2,235,484		2,235,484
Federal, State and Local Aid not Restricted	10,883,688		10,883,688
Interest Earnings	7,828		7,828
Miscellaneous Income	565,788		565,788
Transfers	1,878		1,878
	64,331,621		64,331,621
Total General Revenues and Transfers			
Change in Net Position	3,735,033	67,096	3,802,129
Net Position - Beginning (Restated)	9,571,256	199,654	9,770,910
Net Position - Ending	\$ 13,306,289	\$ 266,750	\$ 13,573,039

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

FUND FINANCIAL STATEMENTS

ROXBURY TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 1,171,873			\$ 1,030	\$ 1,172,903
Interfund Receivable	982,319				982,319
Receivables From State Government	617,579				617,579
Receivables From Federal Government		\$ 1,059,481			1,059,481
Receivables From Other Governments	1,032,782				1,032,782
Capital Leases Receivable			\$ 540,000		540,000
Restricted Cash and Cash Equivalents	4,134,681				4,134,681
Total Assets	\$ 7,939,234	\$ 1,059,481	\$ 540,000	\$ 1,030	\$ 9,539,745
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 1,055,698	\$ 3,293			\$ 1,058,991
Interfund Payable		897,383	\$ 83,058		980,441
Payable to State Government		97,213			97,213
Payable to Federal Government		24,353			24,353
Unearned Revenue		37,239			37,239
Total Liabilities	1,055,698	1,059,481	83,058		2,198,237
Fund Balances:					
Restricted for:					
Capital Reserve	1,470,349				1,470,349
Maintenance Reserve	2,029,332				2,029,332
Emergency Reserve	635,000				635,000
Excess Surplus - 2016-2017	675,290				675,290
Excess Surplus - 2015-2016	500,000				500,000
Capital Projects			1,094,014		1,094,014
Debt Service				\$ 1,030	1,030
Assigned:					
Year-End Encumbrances	967,310				967,310
Designated For Subsequent Year's Expenditures	293,833				293,833
Unassigned/(Deficit)	312,422		(637,072)		(324,650)
Total Fund Balances	6,883,536		456,942	1,030	7,341,508
Total Liabilities and Fund Balances	\$ 7,939,234	\$ 1,059,481	\$ 540,000	\$ 1,030	\$ 9,539,745

ROXBURY TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

Amounts Reported for *Governmental Activities* in the Statement of Net Position (A-1) are Different Because:

Total Fund Balances	\$ 7,341,508
Capital assets used in Governmental Activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$74,020,738 and the accumulated depreciation is \$26,524,195.	47,496,543
Deferred Interest Costs are not reported as expenditures in the Governmental Funds in the year of the expenditure. The Deferred Interest is \$1,067,398 and the accumulated amortization is \$410,542.	656,856
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.	(22,634,070)
Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.	(203,608)
Bond issuance premiums are reported as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,500,704 and accumulated amortization is \$495,544.	(1,005,160)
The Net Pension Liability for PERS is not Due and Payable in the Current Period and is not Reported in the Governmental Funds.	(16,458,785)
Certain Amounts Related to the Net Pension Liability are Deferred and Amortized in the Statement of Activities and are not Reported in the Governmental Funds:	
Changes in Assumptions - Pensions	517,553
Investment Gains - Pensions	(980,854)
Changes in Proportions - Pensions	<u>(1,423,694)</u>
Net Position of Governmental Activities	<u>\$ 13,306,289</u>

Exhibit B-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 50,636,955			\$ 2,235,484	\$ 52,872,439
Tuition Charges	3,342,924				3,342,924
Transportation Fees from Individuals	57,575				57,575
Miscellaneous	573,616	\$ 4,551			578,167
Total - Local Sources	54,611,070	4,551		2,235,484	56,851,105
State Sources	20,298,511	200,466			20,498,977
Federal Sources	58,400	1,070,903			1,129,303
Total Revenues	74,967,981	1,275,920		2,235,484	78,479,385
EXPENDITURES:					
Current:					
Regular Instruction	19,923,541	244,464			20,168,005
Special Education Instruction	6,416,646	845,832			7,262,478
Other Special Instruction	812,073				812,073
School Sponsored/Other Instruction	1,221,353				1,221,353
Support Services and Undistributed Costs:					
Tuition	3,538,980				3,538,980
Student & Instruction Related Services	8,166,789	171,868			8,338,657
General Administrative Services	739,405				739,405
School Administrative Services	2,361,345				2,361,345
Central Services	918,042				918,042
Administration Information Technology	79,826				79,826
Plant Operations and Maintenance	6,421,043				6,421,043
Pupil Transportation	5,267,709				5,267,709
Unallocated Benefits	16,448,655				16,448,655
Debt Service:					
Principal				1,770,000	1,770,000
Interest and Other Charges				465,484	465,484
Capital Outlay	3,476,381	13,756	\$ 7,585,424		11,075,561
Special Schools	578,149				578,149
Transfer of Funds to Charter Schools	58,082				58,082
Total Expenditures	76,428,019	1,275,920	7,585,424	2,235,484	87,524,847
Excess/(Deficiency) of Revenue over/(under) Expenditures	(1,460,038)		(7,585,424)		(9,045,462)
OTHER FINANCING SOURCES/(USES):					
Capital Lease Proceeds			540,000		540,000
Capital Leases (Non-Budgeted)	1,089,906				1,089,906
Transfers In	1,878		972,000		973,878
Transfers Out	(972,000)				(972,000)
Total Other Financing Sources/(Uses)	119,784		1,512,000		1,631,784
Net Change in Fund Balances	(1,340,254)		(6,073,424)		(7,413,678)
Fund Balance—July 1	8,223,790		6,530,366	1,030	14,755,186
Fund Balance—June 30	\$ 6,883,536	\$ -0-	\$ 456,942	\$ 1,030	\$ 7,341,508

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE AN INTEGRAL PART OF THIS STATEMENT

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

Total Net Change in Fund Balances - Governmental Funds (from Exhibit B-2)	\$ (7,413,678)
Amounts reported for Governmental Activities in the Statement of Activities (A-2) are different because:	
Capital outlays are reported in the 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 and disposals of capital assets in the period.	
Depreciation Expense	\$ (1,522,276)
Disposals of Capital Assets, Net of Depreciation	(36,900)
Capital Outlays	<u>10,781,857</u>
	9,222,681
Repayment of debt service principal and other long-term obligation liabilities 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.	1,770,000
Repayment of capital lease principal is an expenditure in the governmental funds but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.	1,670,905
Capital leases entered into by the district are an other financing source in the governmental funds, however, the acquisition increases long-term liabilities in the statement of net assets and is not reported in the statement of activities.	(1,629,906)
In the Statement of Activities, interest on long-term debt is accrued regardless of when it is due. In the Governmental Funds, interest is reported when due.	13,684
The governmental funds report the effect of deferred interest costs relative to an advance refunding when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. (-)	(82,107)
The governmental funds report the effect of bond premiums when debt is first issued whereas these amounts are deferred and amortized in the statement of activities. (+)	106,690
The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the Governmental Funds:	
Change in Net Pension Liability	2,027,586
Deferred Outflows:	
Changes in Assumptions	517,553
Deferred Inflows:	
Changes in Proportion	(980,854)
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments	(1,423,694)
In the Statement of Activities, certain operating expenses, e.g., compensated absences 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 a reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).	<u>(63,827)</u>
Change in Net Position of Governmental Activities (Exhibit A-2)	<u>\$ 3,735,033</u>

Exhibit B-4

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 113,649
Accounts Receivable:	
State	847
Federal	21,984
Inventories	5,606
	142,086

Total Current Assets

Non-Current Assets:

Capital Assets	636,152
Less: Accumulated Depreciation	(464,684)
	171,468

Total Non-Current Assets

Total Assets

	313,554
--	---------

LIABILITIES:

Current Liabilities:

Accounts Payable - Vendors	35,665
Unearned Revenue	11,139
	46,804

Total Current Liabilities

NET POSITION:

Net Investment in Capital Assets	171,468
Unrestricted	95,282
	266,750
Total Net Position	\$ 266,750

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-5

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Operating Revenue:	
Local Sources:	
Daily Sales	\$ 804,773
Special Functions	82,105
Miscellaneous	880
	<hr/>
Total Operating Revenue	887,758
	<hr/>
Operating Expenses:	
Cost of Sales	365,998
Salaries, Benefits & Payroll Taxes	526,594
Purchased Professional/Technical Services	92,216
Other Purchased Services	28,105
Supplies and Materials	36,504
Depreciation	28,186
Miscellaneous Expenses	23,954
	<hr/>
Total Operating Expenses	1,101,557
	<hr/>
Operating Loss	(213,799)
	<hr/>
Non-Operating Revenue:	
State Sources:	
State School Lunch Program	9,811
Federal Sources:	
National School Lunch Program	245,961
School Breakfast Program	4,723
Food Distribution Program	20,400
	<hr/>
Total Non-Operating Revenue	280,895
	<hr/>
Change in Net Position	67,096
	<hr/>
Net Position - Beginning of Year	199,654
	<hr/>
Net Position - End of Year	\$ 266,750
	<hr/> <hr/>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-6

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 951,535
Payments to Food Service Contractor	(1,079,831)
Payments to Suppliers	<u>(39,247)</u>
Net Cash Used for Operating Activities	<u>(167,543)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	11,262
Federal Sources	273,079
Interfund Returned - General Fund	<u>(3,149)</u>
Net Cash Provided by Noncapital Financing Activities	<u>281,192</u>
Net Increase in Cash and Cash Equivalents	113,649
Cash and Cash Equivalents, July 1	<u>-0-</u>
Cash and Cash Equivalents, June 30	<u>\$ 113,649</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (213,799)
Adjustment to Reconcile Operating Loss to Net Cash Used for Operating Activities:	
Depreciation	28,186
Federal Food Distribution Program	20,400
Changes in Assets and Liabilities:	
Decrease in Other Accounts Receivable	58,419
Decrease in Inventory	9,877
(Decrease) in Accounts Payable	(75,984)
Increase in Unearned Revenue	<u>5,358</u>
Net Cash Used for Operating Activities	<u>\$ (167,543)</u>

Non-Cash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized commodities from the Federal Food Distribution Program valued at \$20,400 for the fiscal year ended June 30, 2015.

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS
ARE AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-7

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015

	<u>Agency</u>	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 378,701	\$ 724	\$ 14,413
Interfund Receivable - Payroll Agency		55,688	
Total Assets	<u>378,701</u>	<u>56,412</u>	<u>14,413</u>
<u>LIABILITIES:</u>			
Interfund Payable:			
General Fund			1,878
Unemployment Compensation Trust	55,688		
Payroll Deductions and Withholdings	36,192		
Due to Student Groups	286,821		
Total Liabilities	<u>378,701</u>		<u>1,878</u>
<u>NET POSITION:</u>			
Held in Trust for:			
Unemployment Claims		56,412	
Flex Spending Claims			12,535
Total Net Position	<u>\$ -0-</u>	<u>\$ 56,412</u>	<u>\$ 12,535</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

Exhibit B-8

ROXBURY TOWNSHIP SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
ADDITIONS:		
Contributions:		
Plan Members	\$ 55,688	\$ 35,421
Board Contribution	96,032	
Total Additions	<u>151,720</u>	<u>35,421</u>
DEDUCTIONS:		
Unemployment Benefit Claims	100,950	
Flex Spending Claims		31,546
Administrative Fees		2,543
Total Deductions	<u>100,950</u>	<u>34,089</u>
Change in Net Position Before Other Financing Uses	50,770	1,332
Other Financing Uses:		
Transfer to General Fund		<u>(1,878)</u>
Change in Net Position	50,770	(546)
Net Position - Beginning of the Year	<u>5,642</u>	<u>13,081</u>
Net Position - End of the Year	<u>\$ 56,412</u>	<u>\$ 12,535</u>

THE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS ARE
AN INTEGRAL PART OF THIS STATEMENT

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (the "Board") of Roxbury Township School District (the "District") have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity

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

Governmental Accounting Standards Board publication, Codification of Governmental Accounting and Financial Reporting Standards, Section 2100, "Defining the Financial Reporting Entity" establishes standards to determine whether a governmental component unit should be included in the financial reporting entity. The basic criterion for inclusion or exclusion from the financial reporting entity is the exercise of oversight responsibility over agencies, boards and commissions by the primary government. The exercise of oversight responsibility includes financial interdependency and a resulting financial benefit or burden relationship, selection of governing authority, designation of management, ability to significantly influence operations, and accountability for fiscal matters. In addition, certain legally separate, tax-exempt entities that meet specific criteria (i.e. benefit of economic resources, access/entitlement to economic resources, and significances) should be included in the financial reporting entity. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include five elementary schools, a middle school and a high school located in the Roxbury Township. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation

District-Wide Financial Statements:

The statement of net position and the statement of activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the overall government in its entirety, except those that are fiduciary. Eliminations have been made to minimize the double counting of internal transactions. These statements distinguish between the governmental and business type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenue and other on exchange transactions. Business type activities are financed in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenue for business-type activities and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with and are clearly identifiable to a particular function. Indirect expenses are allocated to the functions using an appropriate allocation method or association with the specific function. Indirect expenses include health benefits, employer's share of payroll taxes, compensated absences and tuition reimbursements. Program revenue includes (a) charges paid by the recipients of goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenue that is not classified as program revenue, including all taxes, is presented as general revenue. The comparison of direct expenses with program revenues identifies the extent to which each government function or business segment is self-financing or draws from the general revenues of the District.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation (Cont'd)

Fund Financial Statements:

During the fiscal year, the School District segregates transactions related to certain School District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

General Fund: The General Fund is the general operating fund of the District and is used to account for and report all expendable financial resources not accounted for and reported in another fund. Included are certain expenditures for vehicles and movable instructional or noninstructional equipment which are classified in the capital outlay subfund. These resources can be transferred from and to current expenses by board resolution.

As required by NJDOE, the District includes budgeted capital outlay in this fund. GAAP, as it pertains to governmental entities, states 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 revenue. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment.

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 expenditure for specified purposes other than debt service or capital projects. Thus, the Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Governments (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted or committed to expenditures for specified purposes.

Capital Projects Fund: The Capital Projects Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure 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 temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

Debt Service Fund: The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

The District reports the following proprietary fund:

Enterprise Fund: The Enterprise Fund accounts for all revenue and expenses pertaining to the Board's cafeteria operations. The Food Service Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

B. Basis of Presentation (Cont'd)

Additionally, the District reports the following fund type:

Fiduciary Funds: The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Student Activities Fund, Payroll Agency Fund, Unemployment Compensation Insurance Trust Fund and the Flexible Spending Trust Fund.

C. Measurement Focus and Basis of Accounting

The district-wide financial statements and the proprietary and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenue is recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Nonexchange transactions, in which the District gives or receives value without directly receiving or giving equal value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenue is recognized when measurable and available. The District considers all revenue reported in the governmental funds to be available if the revenue is collected within sixty days after the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

It is the District's policy, that when an expenditure is incurred for purposes for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost-reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs, followed by general revenue.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be made by School Board resolution.

All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budget during the year).

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

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 special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The general fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 74,994,414	\$ 1,277,464
Differences - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognizes Encumbrances as Expenditures and Revenue, Whereas the GAAP Basis does not.		
Current Year Encumbrances		(14,548)
Cancellation of Prior Year Encumbrances		(19,042)
Prior Year Encumbrances		32,046
Prior Year State Aid Payments Recognized for GAAP Statements	1,342,145	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	<u>(1,368,578)</u>	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	<u>\$ 74,967,981</u>	<u>\$ 1,275,920</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

D. Budgets/Budgetary Control (Cont'd)

Explanation of Differences between Budgetary Inflows and Outflows and GAAP Revenue and Expenditures:

	General Fund	Special Revenue Fund
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 76,428,019	\$ 1,277,464
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year Encumbrances		(14,548)
Cancellation of Prior Year Encumbrances		(19,042)
Prior Year Encumbrances		32,046
Total Expenditures as Reported on the Statement of Revenue, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 76,428,019	\$ 1,275,920
		Capital Projects Fund
	Revenue	Fund Balance
Revenue/Committed or Restricted Fund Balance	\$ 896,000	\$ 607,319
Committed or Restricted - Year End Encumbrances		745,623
Total Revenue/Fund Balance - Budgetary Basis	896,000	1,352,942
Reconciliation to Governmental Funds Statements (GAAP):		
SDA Grant Revenue not Recognized on GAAP Basis	(896,000)	
SDA Grant Receivable not Recognized on GAAP Basis		(896,000)
Revenue/Fund Balance per Governmental Funds (GAAP)	\$ -0-	\$ 456,942

E. Cash and Cash Equivalents and Investments

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

New Jersey school districts are limited as to the type of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts. Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

E. Cash and Cash Equivalents and Investments (Cont'd)

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

F. Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues. 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 the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

On fund financial statements, short-term interfund loans are classified as interfund receivables/payables. These amounts are eliminated in the statement of net position, except for amounts due between governmental and business-type activities or governmental and agency funds, which are presented as internal balances or between governmental and agency funds.

G. Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

H. Encumbrances:

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

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

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

I. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

J. Inventories and Prepaid Expenses:

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

K. Capital Assets:

During the year ended June 30, 1994, the District established a formal system of accounting for its capital assets. Capital assets acquired or constructed subsequent to June 30, 1994, are recorded at historical cost including ancillary charges necessary to place the asset into service. Capital assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Land has been recorded at estimated historical cost. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs is not capitalized. The District does not possess any infrastructure. Capital assets have been reviewed for impairment. The capitalization threshold (the dollar value above which asset acquisitions are added to the capital asset accounts) is \$2,000. The depreciation method is straight-line.

The estimated useful lives of capital assets reported in the District-wide statements and proprietary funds are as follows:

	<u>Estimated Useful Life</u>
Buildings	50 years
Site Improvements	20 years
Furniture and Equipment	10 to 15 years
Computer and Related Technology	5 years
Vehicles	8 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures in the governmental fund upon acquisition. Capital assets are not capitalized and the related depreciation is not reported in the fund financial statements.

L. Long Term Liabilities:

In the district-wide and enterprise fund statements of net position, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or enterprise funds. Bond premium and discounts are reported as deferred charges and amortized over the term of the related debt using the straight-line method of amortization. In the fund financial statements, the face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

M. Accrued Salaries and Wages

The District does not allow employees who provide services over the ten-month academic year the option to have their salaries evenly distributed during the entire twelve-month year, therefore, there are no accrued salaries and wages as of June 30, 2015.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

N. Compensated Absences

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

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

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

O. Unearned Revenue

Unearned revenue in the special revenue and the enterprise funds represent cash which has been received but not yet earned.

P. Fund Balance Appropriated

General Fund: Of the \$6,883,536 General Fund fund balance at June 30, 2015, \$967,310 is assigned for encumbrances; \$293,833 of assigned fund balance has been appropriated and included as anticipated revenue for the fiscal year ended June 30, 2016; \$1,370,349 is restricted in the capital reserve account; \$2,129,332 is restricted in the maintenance reserve account; \$635,000 is restricted in the emergency reserve account; \$500,000 is restricted for prior fiscal year excess surplus in accordance with N.J.S.A. 18A:7F-7 (S1701) and has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2016; \$675,290 is restricted for current fiscal year excess surplus in accordance with N.J.S.A.18A:7F (S1701) and will be appropriated and included as anticipated revenue for the fiscal year ended June 30, 2017; and \$312,422 is unassigned fund balance, which is \$1,368,578 less than the budgetary unassigned fund balance, due to the final two state aid payments, which are not recognized until the fiscal year ended June 30, 2016.

Capital Projects Fund: Of the \$456,942 Capital Projects Fund fund balance at June 30, 2015, \$1,094,014 is restricted and (\$637,072) is unassigned, which is \$896,000 less than the budgetary committed fund balance because SDA grant receivable is not recognized on the GAAP basis until reimbursement requests are submitted to the State.

Debt Service Fund: The Debt Service Fund fund balance at June 30, 2015 of \$1,030 is restricted and has been has been appropriated and included as anticipated revenue for the fiscal year ending June 30, 2016.

Calculation of Excess Surplus: In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, C.73 (s1701), the designation for Restricted Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent year's budget. The District has excess surplus at June 30, 2015 as indicated above.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

P. Fund Balance Appropriated (Cont'd)

Unassigned fund balance in the General Fund is less on a GAAP basis than budgetary basis in the amount of \$1,368,578 as of June 30, 2015 as reported in the fund statements (modified accrual basis). P.L. 2003, C.97 provides that in the event state school aid payments are not made until the following school budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize these last two state aid payments on the GAAP financial statements until the year the State records the payable. The excess surplus calculation is calculated using the fund balance reported on the Budgetary Comparison Schedule, including the final two state aid payments and not the fund balance reported on the fund statement which excludes the last two state aid payments noted above.

Q. Deficit Net Position/Fund Balance

The District has a deficit in unrestricted net position of \$20,324,336 in governmental activities, which is due to accrued interest payable of \$203,608, \$1,548,137 of compensated absences payable, an unamortized bond premium of \$1,005,160, early retirement incentive loan revenue bonds of \$815,000, \$324,650 deficit in unassigned fund balance, investment gains in pensions of \$980,854, changes in proportion in pensions of \$1,423,694 and net pension liability of \$16,458,785; offset by deferred interest of \$656,856, \$293,833 of fund balance assigned for subsequent year's expenditures, \$967,310 assigned for encumbrances and changes in pension assumptions of \$517,553. The District has a \$637,072 deficit in unassigned fund balance in the Capital Projects Fund, which is due to SDA grant receivable not being recognized on the GAAP basis until reimbursement requests are submitted to the State. These deficits do not indicate that the District is in financial difficulties and is a permitted practice under generally accepted accounting principles.

R. Net Position:

Net position is the difference between (a) assets and deferred outflows of resources and (b) liabilities and deferred inflows of resources.

A deferred outflow of resources is a consumption of net position by the District that is applicable to a future reporting period. A deferred inflow of resources is an acquisition of net position by the District that is applicable to a future reporting period. The District had deferred outflows of resources at June 30, 2015 for the deferred amount on refunding of debt related to the District's 2010 refunding bonds and changes in assumptions in pensions.

The District had deferred inflows of resources at June 30, 2015 for the changes in proportion in pension and the net difference between projected and actual investment earnings on pension plan investments.

Net position is displayed in three components - net investment in capital assets; restricted and unrestricted.

The net investment in capital assets component of net position consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt also would be included in this component of net position.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

R. Net Position: (Cont'd)

The restricted component of net position consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

The unrestricted component of net position is the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

S. Fund Balance Restrictions, Commitments and Assignments

The restricted fund balance category includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation. The committed fund balance classification includes amounts that can be used only for the specific purposes determined for a formal action of the District's highest level of decision-making authority. Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Unassigned fund balance is the residual classification for the District's General Fund and includes all spendable amounts not contained in the other classifications. In other funds, the unassigned classifications should be used only to report a deficit balance resulting from overspending for specific purposes for which amounts has been restricted, committed or assigned.

Fund balance restrictions have been established for a capital reserve, an emergency reserve, a maintenance reserve, excess surplus, the capital projects fund and the debt service fund.

The District Board of Education has the responsibility to formally commit resources for specific purposes through a motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body. The Board of Education must also utilize a formal motion or a resolution passed by a majority of the Members of the Board of Education at a public meeting of that governing body in order to remove or change the commitment of resources. The District has committed resources at June 30, 2015.

The assignment of resources is generally made by the District Board of Education through a motion or a resolution passed by a majority of the Members of the Board of Education. These resources are intended to be used for a specific purpose. The process is not as restrictive as the commitment of resources and the Board of Education may allow an official of the District to assign resources through policies adopted by the Board of Education. The District has assigned resources for the 2015/2016 budget and encumbrances in the General Fund at June 30, 2015.

T. Revenue - Exchange and Nonexchange Transactions:

Revenue, resulting from exchange transactions in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

Nonexchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont'd)

T. Revenue - Exchange and Nonexchange Transactions: (Cont'd)

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes, interest and tuition.

U. Operating Revenue and Expenses:

Operating revenue are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the respective Enterprise Fund.

V. Management Estimates:

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of revenue and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

W. Pensions

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

NOTE 2. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN GOVERNMENTAL FUND STATEMENTS AND DISTRICT-WIDE STATEMENTS

Due to the differences in the measurement focus and basis of accounting used on the government fund statements and district-wide statements, certain financial transactions are treated differently. The basic financial statements contain a full reconciliation of these items.

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents include petty cash, change funds, amounts in deposits, and short-term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below.

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey which are insured by the Federal Deposit Insurance Corporation or by any other agency of the United States that insures deposits made in public depositories. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit, and

In addition to the above collateral requirement, if the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board, or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

Investments:

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

- (1) Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;
- (2) Government money market mutual funds;
- (3) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
- (4) Bonds or other obligations, having a maturity date not more than 397 days from the date of purchase, approved by the Division of Investment of the Department of the Treasury for investment by local units;

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Cont'd)

Investments: (Cont'd)

- (5) Local government investment pools;
- (6) Deposits with the State of New Jersey Cash Management Fund; or
- (7) Agreements for the repurchase of fully collateralized securities if:
 - (a) the underlying securities are permitted investments pursuant to paragraphs (1) and (3) above;
 - (b) the custody of collateral is transferred to a third party;
 - (c) the maturity of the agreement is not more than 30 days;
 - (d) the underlying securities are purchased through a public depository as defined in statute; and
 - (e) a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2015, cash and cash equivalents of the District consisted of the following:

	Cash and Cash Equivalents	Restricted Cash and Cash Equivalents			Total
		Capital Reserve Account	Maintenance Reserve Account	Emergency Reserve Account	
Checking Accounts	\$ 1,680,390	\$ 1,470,349	\$ 2,029,332	\$ 635,000	\$ 5,815,071

During the period ended June 30, 2015, the District did not hold any investments. The carrying amount of the Board's cash and cash equivalents at June 30, 2015, was \$5,815,071 and the bank balance was \$7,539,617.

NOTE 4. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Roxbury Township Board of Education for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the State Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes, or by transfer by board resolution at fiscal year-end of any unanticipated revenue or unexpended line item appropriation amounts or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to *N.J.S.A. 19:60-2*. Pursuant to *N.J.A.C. 6:23A-5.1(d)7*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 4. CAPITAL RESERVE ACCOUNT (Cont'd)

Beginning Balance, July 1, 2014	\$ 1,342,349
Add:	
Transfer from Unassigned Fund Balance as per Board Resolution - June 15, 2015	1,100,000
Less:	
Budgeted Withdrawal from Capital Reserve	<u>(972,000)</u>
Ending Balance, June 30, 2015	<u><u>\$ 1,470,349</u></u>

The balance in the capital reserve account at June 30, 2015 does not exceed the LRFPP balance of local support costs of uncompleted capital projects. Withdrawals from the capital reserve were for use in DOE approved facilities projects, consistent with the District's LRFPP.

NOTE 5. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by Board resolution on June 24, 2013. These funds may be used for specific activities necessary for the purpose of keeping a school facility open and safe for use or in its original condition, and for keeping its constituent buildings systems fully and efficiently functional and for keeping their warranties valid but cannot be used for routine or capital maintenance. The purpose of the reserve is to provide funds for anticipated expenditures required to maintain a building.

Pursuant to N.J.A.C. 6A:26A-4.2 funds may be deposited into the maintenance reserve account at any time by board resolution to meet the required maintenance of the District by transferring unassigned general fund balance or by transferring excess unassigned general fund balance that is anticipated to be deposited during the current fiscal year in the advertised recapitulation of balances of the subsequent fiscal year's budget that is certified for taxes. Funds may be withdrawn from the maintenance reserve account and appropriated into the required maintenance account lines at budget time or any time during the fiscal year by Board resolution for use on required maintenance activities by school facility as reported in the comprehensive maintenance plan.

Funds withdrawn from the maintenance reserve account are restricted to required maintenance appropriations and may not be transferred to any other line-item account. In any fiscal year that maintenance reserve account funds are withdrawn, unexpended required maintenance appropriations, up to the amount of maintenance reserve account funds withdrawn, shall be restored to the maintenance reserve account at fiscal year-end. At no time, shall the maintenance reserve account have a balance that exceeds four percent of the replacement cost of the current fiscal year of the District's school facilities. If the account exceeds this maximum amount at June 30, the excess shall be restricted and designated in the subsequent fiscal year's budget. The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Beginning Balance, July 1, 2014	\$ 2,279,332
Less:	
Withdrawal by Board Resolution	<u>(250,000)</u>
Ending Balance, June 30, 2015	<u><u>\$ 2,029,332</u></u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 6. EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by Board resolution in June 2011. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1, 2014	\$ 635,000
Ending Balance, June 30, 2015	\$ 635,000

NOTE 7. CAPITAL ASSETS

Capital asset balances and activity for the year ended June 30, 2015 were as follows:

	Beginning Balance*	Increases	Decreases	Ending Balance
Governmental Activities:				
Capital Assets not Being Depreciated:				
Sites (Land)	\$ 174,480			\$ 174,480
Construction in Progress	1,209,634	\$ 7,585,424		8,795,058
Total Capital Assets Not Being Depreciated	1,384,114	7,585,424		8,969,538
Capital Assets Being Depreciated:				
Site Improvements	1,677,493	113,031		1,790,524
Buildings and Building Improvements	49,343,992	1,403,187		50,747,179
Machinery and Equipment	11,079,282	1,680,215	\$ (246,000)	12,513,497
Total Capital Assets Being Depreciated	62,100,767	3,196,433	(246,000)	65,051,200
Governmental Activities Capital Assets	63,484,881	10,781,857	(246,000)	74,020,738
Less Accumulated Depreciation for:				
Site Improvements	(1,421,380)	(17,058)		(1,438,438)
Buildings and Building Improvements	(19,529,253)	(788,104)		(20,317,357)
Machinery and Equipment	(4,260,386)	(717,114)	209,100	(4,768,400)
	(25,211,019)	(1,522,276)	209,100	(26,524,195)
Governmental Activities Capital Assets, Net of Accumulated Depreciation	\$ 38,273,862	\$ 9,259,581	\$ (36,900)	\$ 47,496,543

* Restated

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 7. CAPITAL ASSETS (Cont'd)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Business Type Activities:				
Capital Assets Being Depreciated:				
Machinery and Equipment	\$ 636,152			\$ 636,152
Less: Accumulated Depreciation	<u>(436,498)</u>	<u>\$ (28,186)</u>		<u>(464,684)</u>
Business Type Activities Capital Assets, Net of Accumulated Depreciation	<u>\$ 199,654</u>	<u>\$ (28,186)</u>	<u>\$ -0-</u>	<u>\$ 171,468</u>

Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 599,109
Special Instruction	80,516
Student and Instruction Related Services	77,580
General Administration	111,122
School Administration	36,033
Central Services	24,155
Operations and Maintenance of Plant	267,480
Student Transportation	285,246
Unallocated	41,035
	<u>\$ 1,522,276</u>

NOTE 8. TRANSFERS TO CAPITAL OUTLAY

During the fiscal year ended June 30, 2015, the District transferred \$1,037,643 to the capital outlay accounts, of which \$418,443 was for equipment and therefore did not require approval from the County Superintendent. The District transferred \$619,200 to facilities acquisition and construction services which required approval from the County Superintendent.

NOTE 9. OPERATING LEASES

The District has a commitment to lease copying equipment under an operating lease which expires in 2017. Future minimum lease payments are as follows:

<u>Year Ending</u>	<u>Amount</u>
June 30, 2016	\$ 183,972
June 30, 2017	137,979
Total future minimum lease payments	<u>\$ 321,951</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 10. LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the district-wide financial statements:

	(Restated) Balance 6/30/2014	Accrued	Retired	Balance 6/30/2015
Serial Bonds Payable	\$ 19,755,000		\$ 1,240,000	\$ 18,515,000
Early Retirement Incentive Loan				
Revenue Bonds Payable	1,345,000		530,000	815,000
Net Pension Liability	18,486,371		2,027,586	16,458,785
Capital Leases Payable	1,796,932	\$ 1,629,906	1,670,905	1,755,933
Compensated Absences Payable	1,484,310	350,807	286,980	1,548,137
	<u>\$ 42,867,613</u>	<u>\$ 1,980,713</u>	<u>\$ 5,755,471</u>	<u>\$ 39,092,855</u>

A. Bonds Payable:

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

On April 24, 2014, the District issued energy savings obligation refunding bonds of \$7,740,000 with interest rates ranging from 2.0% to 4.0%. The bonds mature on April 15, 2014 through 2035. The energy savings obligation refunding bonds were issued to fund the implementation of the District's energy savings improvement plan ("ESIP"), entailing various permitted energy conservation measures under the ESIP Law, at all six schools in the District. This includes installation of interior and exterior lighting upgrades and replacements, lighting occupancy sensors, energy management systems, HVAC systems and control systems, building exterior weatherization improvements and small-scale solar PV systems.

The ESIP Law (P.L. 2009, c. 4) allowed the District to issue energy savings obligation refunding bonds without voter approval to fund certain improvements that result in reduced energy use, facilities for production of renewable energy or water conservation improvements (collectively, "ECMs"); provided that the value of the savings will cover the cost of the ECMs. The ESIP law provides, however, that notwithstanding any law to the contrary, energy savings obligation refunding bonds shall not be excepted from any budget or school levy limitation otherwise provided by law, and shall be funded through appropriations in the General Fund annual budget, on the basis that the costs of implemented energy conservation measures should be fully offset by energy savings to be generated by such measures (on both an annual and aggregate basis).

The District had bonds outstanding as of June 30, 2015 as follows:

Purpose	<u>Serial Bonds</u>			
	Issue Date	Interest Rate	Final Maturity Date	Amount
School Refunding Bonds	08/19/10	3.00%-4.00%	09/01/22	\$ 10,775,000
Energy Savings Improvement Program (ESIP)	04/24/14	2.00%-4.00%	04/15/35	7,740,000
				<u>\$ 18,515,000</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

A. Bonds Payable: (Cont'd)

Early Retirement Incentive Loan Revenue Bonds

<u>Final Maturity Date</u>	<u>Interest Rate</u>	<u>Amount</u>
02/01/17	2.19%-2.61%	<u>\$ 815,000</u>

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

<u>Year Ending June 30,</u>	<u>Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 2,055,000	\$ 688,170	\$ 2,743,170
2017	1,850,000	625,760	2,475,760
2018	1,655,000	556,762	2,211,762
2019	1,685,000	489,263	2,174,263
2020	1,765,000	420,662	2,185,662
2021-2025	5,320,000	1,230,375	6,550,375
2026-2030	2,110,000	787,275	2,897,275
2031-2035	2,890,000	361,800	3,251,800
	<u>\$ 19,330,000</u>	<u>\$ 5,160,067</u>	<u>\$ 24,490,067</u>

The Debt Service Fund will be used to liquidate the serial bonds and early retirement incentive program bonds payable. The energy savings improvement program bonds will be liquidated by General Fund.

B. Bonds Authorized But Not Issued:

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

C. Capital Leases Payable:

The District's capital leases relate to the financing of HVAC units, district-wide network upgrades and Jefferson school windows replacement. The capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under the District's three capital leases, and the present value of the net minimum lease payments at June 30, 2015.

<u>Year Ending</u>	<u>Amount</u>
June 30, 2016	\$ 595,883
June 30, 2017	596,455
June 30, 2018	484,405
June 30, 2019	<u>120,488</u>
Total minimum lease payments	1,797,231
Less: Amount representing interest	<u>(41,298)</u>
Present value of net minimum lease payments	<u>\$ 1,755,933</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 10. LONG-TERM LIABILITIES (Cont'd)

C. Capital Leases Payable: (Cont'd)

The current portion of capital leases payable at June 30, 2015 is \$576,215 and the long-term portion is \$1,179,718. The General Fund will be used to liquidate the capital leases payable.

D. Compensated Absences Payable:

The liability for compensated absences of the governmental fund types is recorded in the current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is \$-0- and is separated from the long-term liability balance of compensated absences of \$1,548,137. The General Fund will be used to liquidate the governmental funds Compensated Absences Payable.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015, \$-0- is recorded for compensated absences in the Enterprise Fund.

E. Net Pension Liability:

The Public Employees' Retirement System's (PERS) net pension liability of the governmental fund types is recorded in the current and long-term liabilities and will be liquidated by the General Fund. The current portion of the net pension liability at June 30, 2015 is \$-0- and the long-term portion is \$16,458,785. See Note 11 for further information on the PERS.

NOTE 11. PENSION PLANS

Substantially all of the Board's employees participate in one of the two contributory, defined benefit public employee retirement systems: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employee's Retirement System (PERS) of New Jersey; or the Defined Contribution Retirement Program (DCRP).

A. Public Employees' Retirement System (PERS)

Plan Description

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

Benefits Provided

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Benefits Provided (Cont'd)

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to Tiers 1 and 2 members upon reaching age 60 and to Tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to Tier 4 members upon reaching age 62 and to Tier 5 members upon reaching age 65. Early retirement benefits are available to Tiers 1 and 2 members before reaching age 60, to Tiers 3 and 4 before age 62 with 25 or more years of service credit and Tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a members retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 50 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions

The contribution policy for PERS is set by N.J.S.A. 15A and requires contributions by active members and contributing members. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets. District contributions to PERS amounted to \$724,701 for fiscal year 2015.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

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

At June 30, 2015, the District reported a liability of \$16,458,785 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.088%, which was a decrease of 0.009% from its proportion measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$584,479. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 517,553	
Changes in Proportion		\$ 1,423,694
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		980,854
	<u>\$ 517,553</u>	<u>\$ 2,404,548</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts including changes in proportion) related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2015	\$ (150,075)
2016	(150,075)
2017	(150,075)
2018	(150,075)
2019	95,138
Thereafter	41,861
	<u>\$ (463,301)</u>

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15 – 4.40% based on age
Thereafter	3.15 – 5.40% based on age
Investment Rate of Return	7.90%

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

Actuarial Assumptions (Cont'd)

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

Long Term Expected Rate of Return

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

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

Discount Rate

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

A. Public Employees' Retirement System (PERS) (Cont'd)

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

The following presents the District's proportionate share of the collective net pension liability as of June 30, 2014 calculated using the discount rate as disclosed below, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2014		
	1% Decrease (4.39%)	Current Discount Rate (5.39%)	1% Increase (6.39%)
District's proportionate share of the Net Pension Liability	\$ 20,705,712	\$ 16,458,785	\$ 12,892,447

Pension plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial statements.

B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description

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

Benefits Provided

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Contributions

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

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers, such as the District. This note discloses the portion of the District's total proportionate share of the net pension liability that is associated with the District. During the fiscal year ended 2015, the State of New Jersey contributed \$1,534,711 to the TPAF for normal pension benefits on behalf of the District, which is less than the contractually required contribution of \$8,119,173.

The employee contribution rate was 6.92% effective July 1, 2014. Subsequent increases after October 1, 2011 are being phased in over 7 years effective on each July 1st to bring the total pension contribution rate to 7.5% of base salary as of July 1, 2018.

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

At June 30, 2015, the State's proportionate share of the net pension liability associated with the District was \$150,887,663. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating members, actuarially determined. At June 30, 2014, the District's proportion was 0.282%, which was a decrease of 0.007% from its proportion measured as of June 30, 2013.

District's Proportionate Share of the Net Pension Liability	\$ -0-
State's Proportionate Share of the Net Pension Liability Associated with the District	<u>150,887,663</u>
Total	<u>\$ 150,887,663</u>

For the fiscal year ended June 30, 2014, the State recognized pension expense on behalf of the District in the amount of \$8,119,173 and the District recognized pension expense and revenue for that same amount in the fiscal year ended June 30, 2015 financial statements.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)

The State reported collective deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes in Assumptions	\$ 2,306,623,861	
Difference Between Expected and Actual Experience		\$ 21,969,019
Net Difference Between Projected and Actual Investment Earnings on Pension Plan Investments		1,741,236,574
	<u>\$ 2,306,623,861</u>	<u>\$ 1,763,205,593</u>

The \$2,306,623,861 reported as deferred outflows of resources related to pensions resulting from changes in assumptions will be amortized over a period of 8.5 years. The \$21,969,019 reported as reported as deferred outflows of resources related to pensions resulting from differences between expected and actual experience will be amortized over a period of 8.5 years. The \$1,741,236,574 reported as a deferred inflow of resources resulting from the difference between projected and actual investment earnings on pension plan investments will be amortized over 5 years.

<u>Fiscal Year Ending June 30,</u>	<u>Total</u>
2015	\$ (130,688,498)
2016	(130,688,498)
2017	(130,688,498)
2018	(130,688,496)
2019	304,620,646
Thereafter	761,551,612
	<u>\$ 543,418,268</u>

Actuarial Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013 which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement.

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Actuarial Assumptions (Cont'd)

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

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

Long Term Expected Rate of Return

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

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

B. Teachers' Pension and Annuity Fund (TPAF) (Cont'd)

Discount Rate – TPAF

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

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

The following presents the net pension liability of the State as of June 30, 2014 calculated using the discount rate as disclosed above, as well as what the State's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	Fiscal Year Ended June 30, 2014		
	1% Decrease (3.68%)	Current Discount Rate (4.68%)	1% Increase (5.68%)
Total Net Pension Liability	\$ 64,722,984,539	\$53,813,067,539	\$44,738,870,539

Pension Plan Fiduciary Net Position

Detailed information about the TPAF's fiduciary net position is available in the separately issued TPAF financial statements.

C. Defined Contribution Retirement Program (DCRP)

Prudential Financial jointly administers the DCRP investments with the NJ Division of Pensions and Benefits. If an employee is ineligible to enroll in the PERS or TPAF, the employee may be eligible to enroll in the DCRP. DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting is immediate upon enrollment for members of the DCRP.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of the DCRP. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625-0295.

Employers are required to contribute at an actuarially determined rate. Employee contributions are based on percentages of 5.50% for DCRP of employees' annual compensation, as defined. The DCRP was established July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 and expanded under the provisions of Chapter 89, P.L. 2008. Employee contributions for DCRP are matched by a 3% employer contribution.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 11. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (DCRP) (Cont'd)

For DCRP, the District recognized pension expense of \$31,229 for the fiscal year ended June 30, 2015. Employee contributions to DCRP amounted to \$57,253 for the fiscal year ended June 30, 2015.

NOTE 12. POST-RETIREMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and 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. Chapter 103 of Public Law amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

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

The State's on-behalf Post Retirement Medical Contributions to TPAF for the District amounted to \$2,436,353, \$1,958,209 and \$2,078,057 for 2015, 2014 and 2013, respectively. These amounts have been included in the District-wide financial statements and the fund-based statements as revenues and expenditures in accordance with GASB Statement No. 24.

NOTE 13. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets, errors and omissions; injuries to employees; and natural disasters. Health benefits coverage is provided by Horizon Blue Cross/Blue Shield of New Jersey.

Property and Liability Insurance

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

New Jersey Unemployment Compensation Insurance

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

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 13. RISK MANAGEMENT (Cont'd)New Jersey Unemployment Compensation Insurance (Cont'd)

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Interest Earned</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ 96,032	\$ -0-	\$ 55,688	\$ 100,950	56,412
2013-2014	86,433	-0-	109,713	194,742	5,642
2012-2013	75,000	-0-	60,000	216,831	4,238

NOTE 14. ECONOMIC DEPENDENCY

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

NOTE 15. INTERFUND RECEIVABLES AND PAYABLES

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 982,319	
Special Revenue Fund		\$ 897,383
Capital Projects Fund		83,058
Fiduciary Fund:		
Payroll Agency		55,688
Unemployment Compensation Trust	55,688	
Flexible Spending Trust		1,878
	<u>\$ 1,038,007</u>	<u>\$ 1,038,007</u>

The interfunds between the General Fund and the Special Revenue Fund and the Capital Projects Fund are due to the timing between expenditures and reimbursements from the State of New Jersey. The interfund receivable in the Unemployment Compensation Trust is employee contributions due from Payroll Agency. The interfund payable in the Flexible Spending Trust is prior year unclaimed employee contributions due to the General Fund.

NOTE 16. DEFERRED COMPENSATION

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

Equitable Life Assurance
Galic Disbursing Co. (Great American)
Lincoln National
Metropolitan Life

Metropolitan Life of Connecticut
Variable Annuity Life (VALIC)
The Legend Group

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 17. TAX CALENDAR

Property taxes are levied as of January 1 on property values assessed as of the previous calendar year. The tax levy is divided into two billings. The first billing is an estimate of the current year's levy based on the prior year's taxes. The second billing reflects adjustments to the current year's actual levy. The final tax bill is usually mailed on or before June 14th, along with the first half estimated tax bills for the subsequent year. The first half estimated taxes are divided into two due dates, February 1 and May 1. The final tax bills are also divided into two due dates, August 1 and November 1. A ten-day grace period is usually granted before the taxes are considered delinquent and there is an imposition of interest charges. A penalty may be assessed for any unpaid taxes in excess of \$10,000 at December 31 of the current year. Unpaid taxes of the current and prior year may be placed in lien at a tax sale held after December 10. Taxes are collected by the constituent municipality and are remitted to the local school district on a predetermined mutually agreed-upon schedule.

NOTE 18. ACCOUNTS PAYABLE

The following accounts payable balances existed as of June 30, 2015:

	<u>Governmental Activities</u>		Total Governmental Funds	<u>Business-Type Activities</u>
	General Fund	Special Revenue Fund		Proprietary Funds
Salaries	\$ 826,939		\$ 826,939	
Vendors	228,759	\$ 3,293	232,052	\$ 35,665
	<u>\$ 1,055,698</u>	<u>\$ 3,293</u>	<u>\$ 1,058,991</u>	<u>\$ 35,665</u>

NOTE 19. COMMITMENTS AND CONTINGENCIESGrant Programs

The School District participates in state and federally assisted grant programs. The programs are subject to program compliance audits by grantors or their representatives. The School District is potentially liable for expenditures which may be disallowed pursuant to terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

Litigation

The District is periodically involved in claims and pending lawsuits. The District estimates that the potential claims against it resulting from such litigation and not covered by insurance would not materially affect the financial statements of the District.

Arbitrage

The District may have a liability for arbitrage payable to the federal government relative to its school bond issues. The amount of liability at June 30, 2015, if any, is unknown.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

NOTE 19. COMMITMENTS AND CONTINGENCIES

Encumbrances

At June 30, 2015, there were encumbrances as detailed below in the governmental funds.

General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
\$ 967,310	\$ 14,548	\$ 745,623	\$ 1,727,481

On the District's Governmental Funds Balance Sheet as of June 30, 2015, \$-0- is assigned for year-end encumbrances in the Special Revenue Fund, which is \$14,548 less than the actual year-end encumbrances on a budgetary basis. Encumbrances are not recognized on a GAAP basis and are reflected as either a reduction in grant receivables or an increase in unearned revenue. Of the \$745,623 year-end encumbrances in the Capital Projects Fund, \$594,492 is included in the \$1,094,014 restricted fund balance and \$151,131 is included in the deficit \$637,072 unassigned fund balance on a GAAP basis at June 30, 2015.

NOTE 20. PRIOR PERIOD ADJUSTMENTS

The District made a prior year adjustment in the District Wide Financial Statements to record the net pension liability as of June 30, 2014 as a result of implementing Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. The District also made an adjustment to the capital assets in its Governmental activities as of June 30, 2014 to record the disposal of older equipment in prior years.

	Balance 6/30/14 as Previously Reported	Retroactive Adjustments	Balance 6/30/14 as Restated
<u>Governmental Activities:</u>			
Statement of Net Position:			
Assets:			
Depreciable Site Improvements, Buildings and Building Improvements and Machinery and Equipment	\$ 39,233,253	\$ (2,343,505)	\$ 36,889,748
Total Assets	55,762,606	(2,343,505)	53,419,101
Liabilities:			
Non-Current Liabilities	24,381,242	18,486,371	42,867,613
Total Liabilities	26,100,437	18,486,371	44,586,808
Net Position:			
Net Investment in Capital Assets	19,065,435	(2,343,505)	16,721,930
Unrestricted/(Deficit)	(652,380)	(18,486,371)	(19,138,751)
Total Net Position	30,401,132	(20,829,876)	9,571,256

SCHEDULES OF REQUIRED
SUPPLEMENTARY INFORMATION

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
District's proportion of the net pension liability	0.0967265768%	0.0879080154%
District's proportionate share of the net pension liability	\$ 18,486,371	\$ 16,458,785
District's covered employee payroll	\$ 5,655,443	\$ 5,465,431
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	326.88%	301.14%
Plan fiduciary net position as a percentage of the total pension liability	48.72%	52.08%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

L-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
Contractually required contribution	\$ 728,815	\$ 724,701
Contributions in relation to the contractually required contribution	<u>(728,815)</u>	<u>(724,701)</u>
Contribution deficiency/(excess)	<u>\$ -0-</u>	<u>\$ -0-</u>
District's covered employee payroll	\$ 5,655,443	\$ 5,465,431
Contributions as a percentage of covered employee payroll	12.89%	13.26%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION SCHEDULES
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TWO FISCAL YEARS
UNAUDITED

	<u>Fiscal Year Ending June 30,</u>	
	<u>2014</u>	<u>2015</u>
State's proportion of the net pension liability attributable to the District	0.2844166691%	0.2823140342%
State's proportionate share of the net pension liability attributable to the District	\$ 143,741,948	\$ 150,887,663
District's covered employee payroll	\$ 28,514,332	\$ 28,760,876
District's proportionate share of the net pension liability as a percentage of its covered employee payroll	504.10%	524.63%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%

Note: This schedule does not contain ten years of information as GASB No. 68 was implemented during the fiscal year ended June 30, 2015.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

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

B. TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

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

BUDGETARY COMPARISON SCHEDULES

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 50,636,955		\$ 50,636,955	\$ 50,636,955	
Tuition From Other LEAs	3,400,000		3,400,000	3,342,924	\$ (57,076)
Transportation Fees From Individuals	50,000		50,000	57,575	7,575
Interest Earned on Capital Reserve Funds	1,215		1,215		(1,215)
Restricted Miscellaneous Revenue	479,787		479,787	270,344	(209,443)
Unrestricted Miscellaneous Revenue	230,000		230,000	303,272	73,272
Total - Local Sources	<u>54,797,957</u>		<u>54,797,957</u>	<u>54,611,070</u>	<u>(186,887)</u>
State Sources:					
Equalization Aid	10,300,890		10,300,890	10,300,890	
School Choice Aid	203,868		203,868	203,868	
Transportation Aid	233,042		233,042	233,042	
Special Education Aid	2,433,575		2,433,575	2,433,575	
Security Aid	61,433		61,433	61,433	
Adjustment Aid		\$ 459,102	459,102	459,102	
Other State Aid	527,652	(459,102)	68,550	68,550	
Extraordinary Special Education Costs Aid	240,808		240,808	496,032	255,224
Excess Nonpublic School Transportation Costs				20,532	20,532
TPAF Pension Contributions (On-Behalf - Non-Budgeted)				1,534,711	1,534,711
TPAF Post Retirement Contributions (On-Behalf - Non-Budgeted)				2,436,353	2,436,353
TPAF Social Security (Reimbursed - Non-Budgeted)				2,076,856	2,076,856
Total State Sources	<u>14,001,268</u>		<u>14,001,268</u>	<u>20,324,944</u>	<u>6,323,676</u>
Federal Sources:					
Medicaid Assistance Program	33,457		33,457	51,398	17,941
ARRA Medicaid Assistance Program - Prior Year Adjustment				7,002	7,002
Total - Federal Sources	<u>33,457</u>		<u>33,457</u>	<u>58,400</u>	<u>24,943</u>
Total Revenues	<u>68,832,682</u>		<u>68,832,682</u>	<u>74,994,414</u>	<u>6,161,732</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Regular Programs - Instruction:					
Kindergarten - Salaries of Teachers	\$ 340,567	\$ 311,725	\$ 652,292	\$ 652,210	\$ 82
Grades 1-5 - Salaries of Teachers	6,432,159	(133,893)	6,298,266	6,209,991	88,275
Grades 6-8 - Salaries of Teachers	3,880,726	24,627	3,905,353	3,845,770	59,583
Grades 9-12 - Salaries of Teachers	7,808,866	(68,871)	7,739,995	7,649,114	90,881
Regular Programs - Home Instruction:					
Salaries of Teachers	35,000		35,000	19,092	15,908
Purchased Professional-Educational Services	15,000	10,000	25,000	24,969	31
Regular Programs - Undistributed Instruction:					
Purchased Professional-Educational Services	13,120		13,120	9,396	3,724
Purchased Technical Services	8,000		8,000	733	7,267
Other Purchased Services (400-500 series)	574,971	20,714	595,685	571,708	23,977
General Supplies	1,280,095	(339,347)	940,748	785,852	154,896
Textbooks	229,813	(1,470)	228,343	149,278	79,065
Other Objects	7,775		7,775	5,428	2,347
Total Regular Programs - Instruction	<u>20,626,092</u>	<u>(176,515)</u>	<u>20,449,577</u>	<u>19,923,541</u>	<u>526,036</u>
Special Education - Instruction:					
Learning and/or Language Disabilities:					
Salaries of Teachers	566,634		566,634	566,105	529
Other Salaries for Instruction	294,126	3,411	297,537	297,537	
General Supplies	6,050	(2,700)	3,350	3,339	11
Textbooks	3,300		3,300	1,511	1,789
Total Learning and/or Language Disabilities	<u>870,110</u>	<u>711</u>	<u>870,821</u>	<u>868,492</u>	<u>2,329</u>
Auditory Impairments:					
Salaries of Teachers	68,545	200	68,745	68,713	32
Other Purchased Services (400-500 series)	3,150	(200)	2,950	2,329	621

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CURRENT EXPENSE:					
Special Education - Instruction: (Cont'd)					
Auditory Impairments: (Cont'd)					
General Supplies	\$ 4,912		\$ 4,912	\$ 694	\$ 4,218
Total Auditory Impairments	<u>76,607</u>		<u>76,607</u>	<u>71,736</u>	<u>4,871</u>
Behavioral Disabilities:					
Salaries of Teachers	114,555	\$ 19,574	134,129	134,114	15
Other Salaries for Instruction	<u>17,207</u>	<u>37,393</u>	<u>54,600</u>	<u>54,508</u>	<u>92</u>
Total Behavioral Disabilities	<u>131,762</u>	<u>56,967</u>	<u>188,729</u>	<u>188,622</u>	<u>107</u>
Multiple Disabilities:					
Salaries of Teachers	57,047		57,047	56,804	243
Other Salaries for Instruction	58,769	63,973	122,742	122,742	
Purchased Professional-Educational Services	347,170	(1,630)	345,540	330,243	15,297
General Supplies	20,400	7,300	27,700	26,261	1,439
Textbooks	800	(800)			
Total Multiple Disabilities	<u>484,186</u>	<u>68,843</u>	<u>553,029</u>	<u>536,050</u>	<u>16,979</u>
Resource Room/Resource Center:					
Salaries of Teachers	3,108,430	260,554	3,368,984	3,368,926	58
Other Salaries for Instruction	511,049	105,001	616,050	616,049	1
General Supplies	20,205	21,101	41,306	39,111	2,195
Textbooks	<u>13,200</u>	<u>(5,703)</u>	<u>7,497</u>	<u>7,281</u>	<u>216</u>
Total Resource Room/Resource Center	<u>3,652,884</u>	<u>380,953</u>	<u>4,033,837</u>	<u>4,031,367</u>	<u>2,470</u>
Autism:					
Salaries of Teachers	112,673	57,848	170,521	170,469	52
Other Salaries for Instruction	176,774	(6,300)	170,474	170,433	41
Purchased Professional-Educational Services	84,004	2,850	86,854	86,546	308

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Special Education - Instruction:					
Autism: (Cont'd)					
General Supplies	\$ 1,500	\$ 2,079	\$ 3,579	\$ 3,563	\$ 16
Textbooks	750	(579)	171	171	
Total Autism	<u>375,701</u>	<u>55,898</u>	<u>431,599</u>	<u>431,182</u>	<u>417</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	52,277	500	52,777	52,720	57
Other Salaries for Instruction	42,278	599	42,877	42,801	76
General Supplies	1,100		1,100	981	119
Total Preschool Disabilities - Part-Time	<u>95,655</u>	<u>1,099</u>	<u>96,754</u>	<u>96,502</u>	<u>252</u>
Preschool Disabilities - Full-Time:					
Salaries of Teachers	110,414	309	110,723	110,723	
Other Salaries for Instruction	93,569	(32,171)	61,398	61,392	6
General Supplies	1,100		1,100	1,009	91
Other Objects	2,500		2,500	2,431	69
Total Preschool Disabilities - Part-Time	<u>207,583</u>	<u>(31,862)</u>	<u>175,721</u>	<u>175,555</u>	<u>166</u>
Home Instruction:					
Salaries of Teachers	1,700	6,816	8,516	8,516	
Purchased Professional-Educational Services	50,312	(13,517)	36,795	8,624	28,171
Total Home Instruction	<u>52,012</u>	<u>(6,701)</u>	<u>45,311</u>	<u>17,140</u>	<u>28,171</u>
Total Special Education - Instruction	<u>5,946,500</u>	<u>525,908</u>	<u>6,472,408</u>	<u>6,416,646</u>	<u>55,762</u>
Basic Skills/Remedial - Instruction:					
Salaries of Teachers	474,447	(43,291)	431,156	431,127	29
General Supplies	3,500	(68)	3,432		3,432
Total Basic Skills/Remedial - Instruction	<u>477,947</u>	<u>(43,359)</u>	<u>434,588</u>	<u>431,127</u>	<u>3,461</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Bilingual Education - Instruction:					
Salaries of Teachers	\$ 281,263	\$ 97,549	\$ 378,812	\$ 378,784	\$ 28
Other Purchased Services (400-500 series)	1,000		1,000	162	838
General Supplies	2,000		2,000	2,000	
Total Bilingual Education - Instruction	<u>284,263</u>	<u>97,549</u>	<u>381,812</u>	<u>380,946</u>	<u>866</u>
School Sponsored Cocurricular Activities:					
Salaries	155,600	56,803	212,403	212,403	
Purchased Services (300-500 series)	41,500	(12,133)	29,367	25,558	3,809
Supplies and Materials	46,730	(6,494)	40,236	37,626	2,610
Other Objects	40,600	(15,080)	25,520	22,716	2,804
Total School-Sponsored Cocurricular Activities	<u>284,430</u>	<u>23,096</u>	<u>307,526</u>	<u>298,303</u>	<u>9,223</u>
School-Sponsored Athletics:					
Salaries	622,286	21,222	643,508	643,508	
Purchased Services	185,696	(7,606)	178,090	117,897	60,193
Supplies and Materials	97,786	632	98,418	89,882	8,536
Other Objects	111,400	(625)	110,775	71,763	39,012
Total School-Sponsored Athletics	<u>1,017,168</u>	<u>13,623</u>	<u>1,030,791</u>	<u>923,050</u>	<u>107,741</u>
Total Instruction	<u>28,636,400</u>	<u>440,302</u>	<u>29,076,702</u>	<u>28,373,613</u>	<u>703,089</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	93,000		93,000	88,212	4,788
Tuition to Other LEA's Within the State - Special	1,311,491	(663,246)	648,245	647,306	939
Tuition to County Vocational School - Regular	553,000	(28,229)	524,771	478,007	46,764
Tuition to County Vocational School - Special	21,000	25,026	46,026	46,026	
Tuition to CSSD & Regional Day Schools	288,756	(103,738)	185,018	175,422	9,596

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures - Instruction: (Cont'd)					
Tuition to Private Schools for the Handicapped Within State	\$ 3,014,421	\$ (1,003,125)	\$ 2,011,296	\$ 1,988,482	\$ 22,814
Tuition to Private Schools for the Handicapped Outside State	127,719		127,719	115,525	12,194
Total Undistributed Expenditures - Instruction	<u>5,409,387</u>	<u>(1,773,312)</u>	<u>3,636,075</u>	<u>3,538,980</u>	<u>97,095</u>
Undistributed Expenditures - Attendance and Social Work Services:					
Salaries	89,221	(3,654)	85,567	85,478	89
Supplies and Materials	1,660	(304)	1,356	1,168	188
Total Undistributed Expenditures - Attendance and Social Work Services	<u>90,881</u>	<u>(3,958)</u>	<u>86,923</u>	<u>86,646</u>	<u>277</u>
Undistributed Expenditures:					
Health Services:					
Salaries	640,208	(11,202)	629,006	628,849	157
Purchased Professional and Technical Services	20,125	10,875	31,000	30,997	3
Other Purchased Services	450	(450)			
Supplies and Materials	17,724	(889)	16,835	15,647	1,188
Total Health Services	<u>678,507</u>	<u>(1,666)</u>	<u>676,841</u>	<u>675,493</u>	<u>1,348</u>
Speech, OT, PT & Related Services:					
Salaries	700,737	5,869	706,606	706,061	545
Purchased Professional - Educational Services	130,631	(17,132)	113,499	68,665	44,834
Supplies and Materials	8,518		8,518	6,973	1,545
Total Speech, OT, PT & Related Services	<u>839,886</u>	<u>(11,263)</u>	<u>828,623</u>	<u>781,699</u>	<u>46,924</u>
Other Support Services - Extraordinary Services:					
Salaries		787	787	787	
Purchased Professional - Educational Services	350,519	(9,331)	341,188	260,481	80,707
Total Other Support Services - Extraordinary Services	<u>350,519</u>	<u>(8,544)</u>	<u>341,975</u>	<u>261,268</u>	<u>80,707</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Guidance:					
Salaries of Other Professional Staff	\$ 1,025,190	\$ (29,188)	\$ 996,002	\$ 995,910	\$ 92
Salaries of Secretarial and Clerical Assistants	143,571	(1,639)	141,932	140,412	1,520
Purchased Professional-Educational Services	41,137		41,137	41,137	
Purchased Professional and Technical Services	600	(600)			
Other Purchased Services (400-500 series)	12,020	(557)	11,463	11,463	
Supplies and Materials	8,176	(1,722)	6,454	5,341	1,113
Other Objects	1,800	(1,105)	695	695	
Total Guidance	<u>1,232,494</u>	<u>(34,811)</u>	<u>1,197,683</u>	<u>1,194,958</u>	<u>2,725</u>
Child Study Team:					
Salaries of Other Professional Staff	1,103,479	(74,793)	1,028,686	1,028,665	21
Salaries of Secretarial and Clerical Assistants	233,294		233,294	229,963	3,331
Purchased Professional - Educational Services	64,033	(24,961)	39,072	39,072	
Other Purchased Professional and Technical Services	50,322	(480)	49,842	47,816	2,026
Other Purchased Services (400-500 series)	4,274	(4,186)	88	87	1
Miscellaneous Purchased Services	9,750	(2,300)	7,450	7,446	4
Supplies and Materials	34,617	(3,359)	31,258	24,702	6,556
Other Objects	1,000	(275)	725	725	
Total Child Study Team	<u>1,500,769</u>	<u>(110,354)</u>	<u>1,390,415</u>	<u>1,378,476</u>	<u>11,939</u>
Improvement of Instructional Services:					
Salaries of Other Professional Staff	483,880	135,004	618,884	618,855	29
Salaries of Secretarial and Clerical Assistants	24,954		24,954	24,893	61
Supplies and Materials	164,081	(11,385)	152,696	142,756	9,940
Total Improvement of Instructional Services	<u>672,915</u>	<u>123,619</u>	<u>796,534</u>	<u>786,504</u>	<u>10,030</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Educational Media Services/School Library:					
Salaries	\$ 694,029	\$ 68,222	\$ 762,251	\$ 762,178	\$ 73
Purchased Professional and Technical Services	14,535	(1,200)	13,335	13,275	60
Other Purchased Services (400-500 series)	195,949	2,975	198,924	198,149	775
Supplies and Materials	1,311,709	58,864	1,370,573	1,370,468	105
Total Educational Media Services/School Library	<u>2,216,222</u>	<u>128,861</u>	<u>2,345,083</u>	<u>2,344,070</u>	<u>1,013</u>
Instructional Staff Training Services:					
Salaries of Other Professional Staff	412,207	87,875	500,082	500,021	61
Salaries of Secretarial and Clerical Assistants	24,954	(61)	24,893	24,893	
Other Salaries	30,000	47,753	77,753	77,658	95
Purchased Professional - Educational Services	9,000	(9,000)			
Other Purchased Services	64,454	(6,350)	58,104	52,424	5,680
Supplies and Materials	5,000		5,000	2,679	2,321
Total Instructional Staff Training Services	<u>545,615</u>	<u>120,217</u>	<u>665,832</u>	<u>657,675</u>	<u>8,157</u>
General Administration:					
Salaries	279,629	4,716	284,345	284,345	
Legal Services	133,791	(12,510)	121,281	77,906	43,375
Audit Fees	62,690	5,925	68,615	68,615	
Other Purchased Professional Services	131,494	41,288	172,782	154,678	18,104
Communications/Telephone	102,938	(2,140)	100,798	81,962	18,836
BOE Other Purchased Services	4,000	1,400	5,400	4,840	560
Other Purchased Services (400-500)	38,920	(3,191)	35,729	20,348	15,381
General Supplies	16,800		16,800	5,796	11,004
Judgments Against the School District	25,000		25,000	3,000	22,000
Miscellaneous Expenditures	17,500	69	17,569	11,174	6,395
BOE Membership Dues and Fees	32,300	(1,400)	30,900	26,741	4,159
Total General Administration	<u>845,062</u>	<u>34,157</u>	<u>879,219</u>	<u>739,405</u>	<u>139,814</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
School Administration:					
Salaries of Principals/Assistant Principals	\$ 1,463,328	\$ 19,205	\$ 1,482,533	\$ 1,482,493	\$ 40
Salaries of Other Professional Staff	133,990	400	134,390	134,318	72
Salaries of Secretarial and Clerical Assistants	669,693	(4,871)	664,822	664,775	47
Purchased Professional and Technical Services	20,637	(8,087)	12,550	5,576	6,974
Other Purchased Services (400-500)	5,100	(144)	4,956	3,902	1,054
Supplies and Materials	34,796	15,520	50,316	34,246	16,070
Other Objects	38,850		38,850	36,035	2,815
Total School Administration	<u>2,366,394</u>	<u>22,023</u>	<u>2,388,417</u>	<u>2,361,345</u>	<u>27,072</u>
Central Services:					
Salaries	774,431	(8,857)	765,574	755,162	10,412
Purchased Technical Services	77,581	8,482	86,063	70,710	15,353
Miscellaneous Purchased Services	28,773	19,405	48,178	48,006	172
Supplies and Materials	21,800	570	22,370	19,675	2,695
Miscellaneous Expenditures	51,400	3,429	54,829	24,489	30,340
Total Central Services	<u>953,985</u>	<u>23,029</u>	<u>977,014</u>	<u>918,042</u>	<u>58,972</u>
Administrative Information Technology:					
Salaries	71,789	6,202	77,991	77,991	
Other Objects	2,125	(83)	2,042	1,835	207
Total Administrative Information Technology	<u>73,914</u>	<u>6,119</u>	<u>80,033</u>	<u>79,826</u>	<u>207</u>
Required Maintenance for School Facilities:					
Salaries	544,931	4,282	549,213	549,196	17
Cleaning, Repair and Maintenance Services	632,420	234,919	867,339	701,921	165,418
General Supplies	302,270	(2,419)	299,851	286,740	13,111
Total Required Maintenance for School Facilities	<u>1,479,621</u>	<u>236,782</u>	<u>1,716,403</u>	<u>1,537,857</u>	<u>178,546</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Custodial Services:					
Salaries	\$ 575,400	\$ 46,677	\$ 622,077	\$ 622,021	\$ 56
Salararies of Non-Instructional Aides	107,082	7,162	114,244	114,211	33
Purchased Professional and Technical Services	83,444	(294)	83,150	71,913	11,237
Cleaning, Repair and Maintenance Services	2,112,000	822	2,112,822	2,093,610	19,212
Rental of Land & Bldg. Other Than Lease Pur Agrmt	27,000		27,000	23,851	3,149
Other Purchased Property Services	175,500	36,310	211,810	113,857	97,953
Insurance	311,486	(26,011)	285,475	285,475	
Miscellaneous Purchased Services	7,000	(4,000)	3,000	2,104	896
General Supplies	191,440	(2,000)	189,440	159,636	29,804
Energy (Natural Gas)	709,482	(152,449)	557,033	280,661	276,372
Energy (Electricity)	1,295,695	(325,991)	969,704	841,069	128,635
Interest - Energy Savings Improvement Program Bonds		263,555	263,555	263,555	
Other Objects	9,500	1,723	11,223	11,223	
Total Custodial Services	<u>5,605,029</u>	<u>(154,496)</u>	<u>5,450,533</u>	<u>4,883,186</u>	<u>567,347</u>
Student Transportation Services:					
Salaries for Pupil Transportation:					
Between Home and School - Regular	2,033,218	120,163	2,153,381	2,147,534	5,847
Between Home and School - Special Education	80,458	(48,908)	31,550	31,550	
Other than Between Home and School	135,250	(102,767)	32,483	26,156	6,327
Between Home and School - Non Public Schools	72,500	(43,149)	29,351	15,718	13,633
Other Purchased Professional and Technical Services	15,000		15,000	5,208	9,792
Cleaning, Repair and Maintenance Services	185,340		185,340	143,634	41,706
Lease Payments - Buses	201,649	870,059	1,071,708	1,050,005	21,703
Aid in Lieu of Payments for Nonpublic School Students	110,884		110,884	101,090	9,794
Contracted Services:					
Other than Between Home and School -Vendors	15,000		15,000	6,648	8,352

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Undistributed Expenditures: (Cont'd)					
Student Transportation Services: (Cont'd)					
Contracted Services:					
Other than Between Home and School - Joint Agreements	\$ 50,000	\$ 7,800	\$ 57,800	\$ 41,500	\$ 16,300
Special Education Students - Vendors	7,700	1,139	8,839	8,839	
Special Education Students - Joint Agreements	1,260,046	(170,136)	1,089,910	1,077,302	12,608
Regular Education Students - ESCs & CTSA's	50,000	49,991	99,991	94,273	5,718
Miscellaneous Purchased Services - Transportation	99,500	1,316	100,816	96,294	4,522
General Supplies	633,113	(94,271)	538,842	420,076	118,766
Other Objects	6,250		6,250	1,882	4,368
Total Student Transportation Services	<u>4,955,908</u>	<u>591,237</u>	<u>5,547,145</u>	<u>5,267,709</u>	<u>279,436</u>
Unallocated Benefits:					
Social Security Contributions	875,000	91,328	966,328	966,029	299
Other Retirement Contributions - PERS	830,000	(101,827)	728,173	728,173	
Other Retirement Contributions - Regular		31,229	31,229	31,229	
Unemployment Compensation	360,000	(162,514)	197,486	96,032	101,454
Workmen's Compensation	285,334	20,227	305,561	305,561	
Health Benefits	8,337,030	(376,842)	7,960,188	7,790,166	170,022
Tuition Reimbursement	126,135	(805)	125,330	119,462	5,868
Other Employee Benefits	318,610	89,447	408,057	364,083	43,974
Total Unallocated Benefits	<u>11,132,109</u>	<u>(409,757)</u>	<u>10,722,352</u>	<u>10,400,735</u>	<u>321,617</u>
On-Behalf Contributions (Non-budgeted):					
TPAF Pension Contributions				1,534,711	(1,534,711)
TPAF Post Retirement Medical Benefits Contributions				2,436,353	(2,436,353)
Reimbursed TPAF Social Security Contributions				2,076,856	(2,076,856)
Total On-Behalf Contributions (Non-Budgeted)				<u>6,047,920</u>	<u>(6,047,920)</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

EXPENDITURES:	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CURRENT EXPENSE:					
Total Employee Benefits	\$ 11,132,109	\$ (409,757)	\$ 10,722,352	\$ 16,448,655	\$ (5,726,303)
Total Undistributed Expenditures	40,949,217	(1,222,117)	39,727,100	43,941,794	(4,214,694)
TOTAL GENERAL CURRENT EXPENSE	69,585,617	(781,815)	68,803,802	72,315,407	(3,511,605)
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8		22,609	22,609		22,609
Grades 9-12	15,525	43,367	58,892	58,873	19
School-Sponsored/Athletics		69,393	69,393	10,450	58,943
Other Support Services – Student Related & Extraordinary	20,000	(17,415)	2,585	2,585	
Improvement of Instructional Services		25,772	25,772	25,772	
Central Services	316,258		316,258	310,459	5,799
Custodial Services	413,465	(127,605)	285,860	248,535	37,325
Student Transportation - Non-Instructional	10,000		10,000	5,556	4,444
School Buses - Regular		168,675	168,675		168,675
School Buses - Special		233,647	233,647	229,696	3,951
Total Equipment	775,248	418,443	1,193,691	891,926	301,765
Facilities Acquisition and Construction Services:					
Architectural/Engineering Services	80,000	(80,000)			
Other Purchased Professional and Technical Services		92,000	92,000	91,759	241
Construction Services	739,642	607,200	1,346,842	1,346,126	716
Assessment for Debt Service on SDA Funding	56,664		56,664	56,664	
Total Facilities Acquisition and Construction Services	876,306	619,200	1,495,506	1,494,549	957

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
CAPITAL OUTLAY: (Cont'd)					
Assets Acquired Under Capital Leases (Non-Budgeted):					
District-wide Network Upgrades				\$ 437,906	\$ (437,906)
Transportation - School Bus				652,000	(652,000)
Total Assets Acquired Under Capital Leases (Non-Budgeted)				<u>1,089,906</u>	<u>(1,089,906)</u>
 TOTAL CAPITAL OUTLAY	 <u>\$ 1,651,554</u>	 <u>\$ 1,037,643</u>	 <u>\$ 2,689,197</u>	 <u>3,476,381</u>	 <u>(787,184)</u>
Special Schools:					
Other Special Schools - Instruction:					
Salaries of Teachers	327,600	(54,397)	273,203	249,811	23,392
Other Salaries for Instruction	80,240	21,833	102,073	97,719	4,354
Purchased Professional and Technical Services	46,403	(11,895)	34,508	21,144	13,364
Other Purchased Services	51,000	(14,340)	36,660	30,659	6,001
General Supplies	32,000	22,313	54,313	46,918	7,395
Total Other Special Schools - Instruction	<u>537,243</u>	<u>(36,486)</u>	<u>500,757</u>	<u>446,251</u>	<u>54,506</u>
Other Special Schools - Support Services:					
Salaries	102,459	(2,711)	99,748	97,205	2,543
Other Purchased Services	19,013	16,287	35,300	34,693	607
Total Other Special Schools - Support Services	<u>121,472</u>	<u>13,576</u>	<u>135,048</u>	<u>131,898</u>	<u>3,150</u>
Total Other Special Schools	<u>658,715</u>	<u>(22,910)</u>	<u>635,805</u>	<u>578,149</u>	<u>57,656</u>
Total Special Schools	<u>658,715</u>	<u>(22,910)</u>	<u>635,805</u>	<u>578,149</u>	<u>57,656</u>
Transfer of Funds to Charter Schools	41,134	17,082	58,216	58,082	134
TOTAL EXPENDITURES	<u>71,937,020</u>	<u>250,000</u>	<u>72,187,020</u>	<u>76,428,019</u>	<u>(4,240,999)</u>
Excess/(Deficit) of Revenues Over/(Under) Expenditures	<u>(3,104,338)</u>	<u>(250,000)</u>	<u>(3,354,338)</u>	<u>(1,433,605)</u>	<u>1,920,733</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Financing Sources/(Uses):					
Transfer from Flexible Spending Trust Fund				\$ 1,878	\$ (1,878)
Capital Reserve - Transfer to Capital Projects Fund	\$ (972,000)		\$ (972,000)	(972,000)	
Capital Leases (Non-budgeted)				1,089,906	(1,089,906)
Total Other Financing Sources/(Uses)	(972,000)		(972,000)	119,784	(1,091,784)
Excess/(Deficit) of Revenues and Other Financing Sources					
Over/(Under) Expenditures and Other Financing Uses	(4,076,338)	\$ (250,000)	(4,326,338)	(1,313,821)	3,012,517
Fund Balance, July 1	9,565,935		9,565,935	9,565,935	
Fund Balance, June 30	\$ 5,489,597	\$ (250,000)	\$ 5,239,597	\$ 8,252,114	\$ 3,012,517
Recapitulation:					
Restricted Fund Balance:					
Capital Reserve				\$ 1,470,349	
Maintenance Reserve				2,029,332	
Emergency Reserve				635,000	
Excess Surplus - Restricted For 2016-2017				675,290	
Excess Surplus - Restricted For 2015-2016				500,000	
Assigned Fund Balance:					
Year End Encumbrances				967,310	
Designated for Subsequent Year's Expenditures				286,831	
Designated for Subsequent Year's Expenditures - ARRA/SEMI				7,002	
Unassigned Fund Balance				1,681,000	
				8,252,114	
Reconciliation to Governmental Funds Statement (GAAP):					
Last State Aid Payments not Recognized on GAAP basis				(1,368,578)	
Fund Balance per Governmental Funds (GAAP)				\$ 6,883,536	

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE - BUDGETARY BASIS
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources		\$ 39,676	\$ 39,676	\$ 3,827	\$ (35,849)
State Sources	\$ 215,190	52,887	268,077	200,466	(67,611)
Federal Sources	950,223	251,653	1,201,876	1,073,171	(128,705)
Total Revenues	1,165,413	344,216	1,509,629	1,277,464	(232,165)
EXPENDITURES:					
Instruction:					
Salaries of Teachers		75,892	75,892	74,469	1,423
Purchased Professional and Technical Services	116,541	70,998	187,539	135,282	52,257
Tuition	874,060	45,091	919,151	840,542	78,609
General Supplies		68,133	68,133	9,978	58,155
Textbooks	58,271	(32,532)	25,739	24,209	1,530
Total Instruction	1,048,872	227,582	1,276,454	1,084,480	191,974
Support Services:					
Salaries of Program Directors		3,364	3,364	864	2,500
Purchased Professional and Technical Services	116,541	4,943	121,484	95,853	25,631
Purchased Professional and Educational Services		40,975	40,975	40,975	
Other Purchased Services		12,139	12,139	7,245	4,894
Supplies and Materials		41,457	41,457	34,291	7,166
Total Support Services	\$ 116,541	102,878	219,419	179,228	40,191
Facilities Acquisition and Construction Services:					
Instructional Equipment		13,756	13,756	13,756	
Total Facilities Acquisition and Construction Services		13,756	13,756	13,756	
Total Expenditures	\$ 1,165,413	\$ 344,216	\$ 1,509,629	\$ 1,277,464	\$ 232,165

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 (UNAUDITED)

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue" from the Budgetary Comparison Schedule	\$ 74,994,414	\$ 1,277,464
Difference - Budget to GAAP:		
Grant Accounting Budgetary Basis Differs from GAAP in that the Budgetary Basis Recognized Encumbrances as Expenditures and Revenue while the GAAP Basis does not:		
Current Year Encumbrances		(14,548)
Cancellation of Prior Year Encumbrances		(19,042)
Prior Year Encumbrances		32,046
Prior Year State Aid Payments Recognized for GAAP Purposes, not Recognized for Budgetary Statements	1,342,145	
Current Year State Aid Payments Recognized for Budgetary Purposes, not Recognized for GAAP Statements	(1,368,578)	
Total Revenues as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds.	\$ 74,967,981	\$ 1,275,920
Uses/Outflows of Resources:		
Actual Amounts (Budgetary Basis) "Total Outflows" from the Budgetary Comparison Schedule	\$ 76,428,019	\$ 1,277,464
Differences - Budget to GAAP:		
Encumbrances for Supplies and Equipment Ordered but Not Received are Reported in the Year the Order is Placed for Budgetary Purposes, but in the Year the Supplies are Received for Financial Reporting Purposes:		
Current Year Encumbrances		(14,548)
Cancellation of Prior Year Encumbrances		(19,042)
Prior Year Encumbrances		32,046
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	\$ 76,428,019	\$ 1,275,920

ROXBURY TOWNSHIP SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISION SCHEDULE
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budget for the fiscal year ended June 30, 2015 was submitted to the County office and was approved by a vote of the Board of Education. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. All budgetary amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are not substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The General Fund budgetary revenue differs from GAAP revenue due to a difference in recognition of the last two state aid payments for the current year. Since the State is recording the last two state aid payments in the subsequent fiscal year, the District cannot recognize these payments on the GAAP financial statements.

SCHOOL LEVEL SCHEDULES
(NOT APPLICABLE)

SPECIAL REVENUE FUND

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Nonpublic Auxiliary Services</u>		<u>Nonpublic Handicapped Services</u>		
	<u>Compensatory Education</u>	<u>Transportation</u>	<u>Examination and Classification</u>	<u>Corrective Speech</u>	<u>Supplementary Instruction</u>
REVENUES:					
Local Sources					
State Sources	\$ 29,113	\$ 22,663	\$ 39,851	\$ 19,879	\$ 23,776
Federal Sources					
Total Revenues	<u>29,113</u>	<u>22,663</u>	<u>39,851</u>	<u>19,879</u>	<u>23,776</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services	29,113	22,663	39,851	19,879	23,776
Tuition					
General Supplies					
Textbooks					
Total Instruction	<u>29,113</u>	<u>22,663</u>	<u>39,851</u>	<u>19,879</u>	<u>23,776</u>
Support Services:					
Salaries of Program Directors					
Purchased Professional and Technical Services					
Purchased Professional and Educational Services					
Other Purchased Services					
Supplies and Materials					
Total Support Services					
Facilities Acquisition and Construction Services:					
Instructional Equipment					
Total Facilities Acquisition and Construction Services					
Total Expenditures	<u>\$ 29,113</u>	<u>\$ 22,663</u>	<u>\$ 39,851</u>	<u>\$ 19,879</u>	<u>\$ 23,776</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Local Donations	Nonpublic Textbooks	Nonpublic Nursing	I.D.E.A.	
				Basic	Preschool
REVENUES:					
Local Sources	\$ 3,827				
State Sources		\$ 24,209	\$ 40,975		
Federal Sources				\$ 872,177	\$ 35,997
Total Revenues	<u>3,827</u>	<u>24,209</u>	<u>40,975</u>	<u>872,177</u>	<u>35,997</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers					
Purchased Professional and Technical Services					
Tuition				804,545	35,997
General Supplies	3,827				
Textbooks		24,209			
Total Instruction	<u>3,827</u>	<u>24,209</u>		<u>804,545</u>	<u>35,997</u>
Support Services:					
Salaries of Program Directors					
Purchased Professional and Technical Services				67,632	
Purchased Professional and Educational Services			40,975		
Other Purchased Services					
Supplies and Materials					
Total Support Services			<u>40,975</u>	<u>67,632</u>	
Facilities Acquisition and Construction Services:					
Instructional Equipment					
Total Facilities Acquisition and Construction Services	<u>-</u>				
Total Expenditures	<u>\$ 3,827</u>	<u>\$ 24,209</u>	<u>\$ 40,975</u>	<u>\$ 872,177</u>	<u>\$ 35,997</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUE AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>No Child Left Behind</u>			<u>Totals</u>
	<u>Title I</u>	<u>Title IIA</u>	<u>Title III</u>	<u>2015</u>
REVENUES:				
Local Sources				\$ 3,827
State Sources				200,466
Federal Sources	\$ 95,489	\$ 60,954	\$ 8,554	1,073,171
Total Revenues	<u>95,489</u>	<u>60,954</u>	<u>8,554</u>	<u>1,277,464</u>
EXPENDITURES:				
Instruction:				
Salaries of Teachers	74,469			74,469
Purchased Professional and Technical Services				135,282
Tuition				840,542
General Supplies	5,431		720	9,978
Textbooks				24,209
Total Instruction	<u>79,900</u>		<u>720</u>	<u>1,084,480</u>
Support Services:				
Salaries of Program Directors	864			864
Purchased Professional and Technical Services		28,221		95,853
Purchased Professional and Educational Services				40,975
Other Purchased Services		7,245		7,245
Supplies and Materials	969	25,488	7,834	34,291
Total Support Services	<u>1,833</u>	<u>60,954</u>	<u>7,834</u>	<u>179,228</u>
Facilities Acquisition and Construction Services:				
Instructional Equipment	13,756			13,756
Total Facilities Acquisition and Construction Services	<u>13,756</u>			<u>13,756</u>
Total Expenditures	<u>\$ 95,489</u>	<u>\$ 60,954</u>	<u>\$ 8,554</u>	<u>\$ 1,277,464</u>

CAPITAL PROJECTS FUND

Exhibit F-1

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Revenue and Other Financing Sources:	
State Sources - SDA Grant	\$ 896,000
Capital Lease Proceeds	540,000
Transfer from Capital Reserve	972,000
	<hr/>
Total Revenue and Other Financing Sources	2,408,000
	<hr/>
Expenditures:	
Legal Services	1,408
Purchased Professional and Technical Services	526,536
Construction Services	7,057,480
	<hr/>
Total Expenditures	7,585,424
	<hr/>
Deficit of Revenue and Other Financing Sources Under Expenditures	(5,177,424)
	<hr/>
Fund Balance - Beginning of Year	6,530,366
	<hr/>
Fund Balance - End of Year	\$ 1,352,942
	<hr/> <hr/>
<u>Recapitulation:</u>	
Restricted Fund Balance	\$ 499,522
Restricted - Year End Encumbrances	594,492
Committed Fund Balance	107,797
Committed - Year End Encumbrances	151,131
	<hr/>
Total Restricted Fund Balance - Budgetary Basis	\$ 1,352,942
	<hr/> <hr/>
<u>Reconciliation to Governmental Funds Statements (GAAP):</u>	
SDA Grant Receivable not Recognized on the GAAP Basis	(896,000)
	<hr/>
Fund Balance per Governmental Funds (GAAP)	\$ 456,942
	<hr/> <hr/>

Exhibit F-1A

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ENERGY SAVINGS IMPROVEMENT PROGRAM
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Bond Proceeds	\$ 7,740,000		\$ 7,740,000	\$ 7,740,000
Total Revenue and Other Financing Sources	<u>7,740,000</u>		<u>7,740,000</u>	<u>7,740,000</u>
Expenditures:				
Legal Services/Bonding Fees	3,560	\$ 1,248	4,808	300,000
Purchased Professional and Technical Services	134,487	367,133	501,620	1,440,000
Construction Services	<u>1,071,587</u>	<u>5,067,971</u>	<u>6,139,558</u>	<u>6,000,000</u>
Total Expenditures	<u>1,209,634</u>	<u>5,436,352</u>	<u>6,645,986</u>	<u>7,740,000</u>
Excess/(Deficit) of Revenue and Other Financing Sources Over/(Under) Expenditures	<u>\$ 6,530,366</u>	<u>\$ (5,436,352)</u>	<u>\$ 1,094,014</u>	<u>\$ -0-</u>

Additional Project Information:

Project Numbers	N/A
Grant Date	N/A
Bond Authorization Date	3/12/14
Bonds Authorized	\$ 8,000,000
Bonds Issued	7,740,000
Original Authorized Cost	7,740,000
Additional Authorized Cost	-0-
Revised Authorized Cost	7,740,000
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	86%
Original Target Completion Date	09/14
Revised Target Completion Date	06/16

Exhibit F-1B

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
EISENHOWER MIDDLE SCHOOL ROOF REPLACEMENT PHASE I
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 536,000	\$ 536,000	\$ 536,000
Transfer from Capital Reserve		872,000	872,000	872,000
Total Revenue and Other Financing Sources		1,408,000	1,408,000	1,408,000
Expenditures:				
Legal Services/Bonding Fees		160	160	2,500
Purchased Professional and Technical Services		93,919	93,919	100,495
Construction Services		1,195,142	1,195,142	1,237,005
Total Expenditures		1,289,221	1,289,221	1,340,000
Excess of Revenue and Other Financing Sources Over Expenditures	\$ -0-	\$ 118,779	\$ 118,779	\$ 68,000

Additional Project Information:

Project Numbers	4560-055-13-3003
Grant Date	6/26/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,340,000
Additional Authorized Cost	-0-
Revised Authorized Cost	1,340,000

Percentage Increase over Original Authorized Cost	0%
Percentage Completion	92%
Original Target Completion Date	12/15
Revised Target Completion Date	N/A

Exhibit F-1C

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
EISENHOWER MIDDLE SCHOOL ROOF REPLACEMENT PHASE II
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
Transfer from Capital Reserve		\$ 100,000	\$ 100,000	\$ 100,000
Total Revenue and Other Financing Sources		100,000	100,000	100,000
Expenditures:				
Legal Services/Bonding Fees				
Purchased Professional and Technical Services		45,555	45,555	46,000
Construction Services				54,000
Total Expenditures		45,555	45,555	100,000
Excess of Revenue and Other Financing Sources Over Expenditures	\$ -0-	\$ 54,445	\$ 54,445	\$ -0-

Additional Project Information:

Project Numbers	4560-055-13-3004
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 100,000
Additional Authorized Cost	-0-
Revised Authorized Cost	100,000
Percentage Increase over Original Authorized Cost	0%
Percentage Completion	46%
Original Target Completion Date	06/15
Revised Target Completion Date	06/16

Exhibit F-1D

ROXBURY TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
JEFFERSON WINDOWS REPLACEMENT
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Project Authorization</u>
Revenue and Other Financing Sources:				
State Sources - SDA Grant		\$ 360,000	\$ 360,000	\$ 360,000
Capital Lease Proceeds		540,000	540,000	540,000
Total Revenue and Other Financing Sources		900,000	900,000	900,000
Expenditures:				
Legal Services/Bonding Fees				5,000
Purchased Professional and Technical Services		19,929	19,929	84,300
Construction Services		794,367	794,367	810,700
Total Expenditures		814,296	814,296	900,000
Excess of Revenue and Other Financing Sources Over Expenditures	\$ -0-	\$ 85,704	\$ 85,704	\$ -0-

Additional Project Information:

Project Numbers	4560-065-13-2007
Grant Date	12/19/14
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 900,000
Additional Authorized Cost	-0-
Revised Authorized Cost	900,000
 Percentage Increase over Original Authorized Cost	 0%
Percentage Completion	90%
Original Target Completion Date	12/15
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

Exhibit G-1

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND - FOOD SERVICE
STATEMENT OF NET POSITION
JUNE 30, 2015

ASSETS:

Current Assets:

Cash and Cash Equivalents	\$ 113,649
Intergovernmental Accounts Receivable:	
State	847
Federal	21,984
Inventories	5,606

Total Current Assets

 142,086

Non-Current Assets:

Capital Assets	636,152
Less: Accumulated Depreciation	(464,684)

Total Non-Current Assets

 171,468

Total Assets

 313,554
LIABILITIES:

Current Liabilities:

Accounts Payable	35,665
Unearned Revenue	11,139

Total Current Liabilities

 46,804
NET POSITION:

Net Investment in Capital Assets	171,468
Unrestricted	95,282

Total Net Position

 \$ 266,750

Exhibit G-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND - FOOD SERVICE
COMBINING STATEMENT OF REVENUE, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Operating Revenue:	
Daily Sales	\$ 804,773
Special Events	82,105
Miscellaneous Revenue	880
Total Operating Revenue	<u>887,758</u>
Operating Expenses:	
Cost of Sales	365,998
Salaries, Benefits & Payroll Taxes	526,594
Purchased Professional Educational Services	92,216
Other Purchased Services	28,105
Supplies and Materials	36,504
Miscellaneous Expenses	23,954
Depreciation Expense	28,186
Total Operating Expenses	<u>1,101,557</u>
Operating Loss	(213,799)
Non-Operating Revenue:	
State Sources:	
State School Lunch Program	9,811
Federal Sources:	
National School Lunch Program	245,961
School Breakfast Program	4,723
Food Distribution Program	20,400
Total Non-Operating Income	<u>280,895</u>
Change in Net Position	67,096
Net Position - Beginning of Year	<u>199,654</u>
Net Position - End of Year	<u>\$ 266,750</u>

Exhibit G-3

ROXBURY TOWNSHIP SCHOOL DISTRICT
ENTERPRISE FUND - FOOD SERVICE
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Cash Flows from Operating Activities:	
Receipts from Customers	\$ 951,535
Payments to Food Service Contractors	(1,079,831)
Payments to Suppliers	(39,247)
Net Cash Used for Operating Activities	<u>(167,543)</u>
Cash Flows from Noncapital & Financing Activities:	
State Sources	11,262
Federal Sources	273,079
Interfund Returned - General Fund	(3,149)
Net Cash Provided by Noncapital & Financing Activities	<u>281,192</u>
Net Increase in Cash and Cash Equivalents	113,649
Cash and Cash Equivalents, July 1	<u>-0-</u>
Cash and Cash Equivalents, June 30	<u>\$ 113,649</u>
Reconciliation of Operating Loss to Net Cash Used for Operating Activities:	
Operating Loss	\$ (213,799)
Adjustment to Reconcile Operating Loss to Net	
Cash Used for Operating Activities:	
Depreciation	28,186
Food Distribution Program	20,400
Changes in Assets and Liabilities:	
Decrease in Other Accounts Receivable	58,419
Decrease in Inventory	9,877
(Decrease) in Accounts Payable	(75,984)
Increase in Unearned Revenue	5,358
Net Cash Used for Operating Activities	<u>\$ (167,543)</u>

Noncash Investing, Capital and Financing Activities:

The Food Service Enterprise Fund received and utilized U.S.D.A. Commodities through the Food Distribution Program valued at \$20,400.

FIDUCIARY FUNDS

ROXBURY TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF NET POSITION
JUNE 30, 2015

	<u>Agency</u>			<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
	<u>Student Activity</u>	<u>Payroll</u>	<u>Totals</u>		
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 286,821	\$ 91,880	\$ 378,701	\$ 724	\$ 14,413
Interfund Receivable - Payroll Agency				55,688	
Total Assets	<u>286,821</u>	<u>91,880</u>	<u>378,701</u>	<u>56,412</u>	<u>14,413</u>
<u>LIABILITIES:</u>					
Interfund Payable:					
General Fund					1,878
Unemployment Compensation Trust		55,688	55,688		
Payroll Deductions and Withholdings		36,192	36,192		
Due to Student Groups	286,821		286,821		
Total Liabilities	<u>286,821</u>	<u>91,880</u>	<u>378,701</u>		<u>1,878</u>
<u>NET POSITION:</u>					
Held in Trust for:					
Unemployment Claims				56,412	
Flex Spending Claims					12,535
Total Net Position	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 56,412</u>	<u>\$ 12,535</u>

Exhibit H-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Trust</u>	<u>Flexible Spending Trust</u>
ADDITIONS:		
Contributions:		
Plan Members	\$ 55,688	\$ 35,421
Board Contribution	96,032	
	<u>151,720</u>	<u>35,421</u>
Total Additions		
DEDUCTIONS:		
Unemployment Benefit Claims	100,950	
Flex Spending Claims		31,546
Administrative Fees		2,543
	<u>100,950</u>	<u>34,089</u>
Total Deductions		
Change in Net Position Before Other Financing Uses	50,770	1,332
Other Financing Uses:		
Transfer to General Fund		(1,878)
Change in Net Position	50,770	(546)
Net Position - Beginning of the Year	<u>5,642</u>	<u>13,081</u>
Net Position - End of the Year	<u>\$ 56,412</u>	<u>\$ 12,535</u>

Exhibit H-3

ROXBURY TOWNSHIP SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 307,641	\$ 42,440,452	\$ 42,656,213	\$ 91,880
Interfund Receivable - General Fund	1,203		1,203	
Total Assets	<u>\$ 308,844</u>	<u>\$ 42,440,452</u>	<u>\$ 42,657,416</u>	<u>\$ 91,880</u>
<u>LIABILITIES:</u>				
Payroll Deductions and Withholdings	\$ 308,844	\$ 42,384,764	\$ 42,657,416	\$ 36,192
Interfund Payable: Unemployment Compensation Trust		55,688		55,688
Total Liabilities	<u>\$ 308,844</u>	<u>\$ 42,440,452</u>	<u>\$ 42,657,416</u>	<u>\$ 91,880</u>

Exhibit H-4

ROXBURY TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
<u>ASSETS:</u>				
Cash and Cash Equivalents	\$ 287,099	\$ 638,880	\$ 639,158	\$ 286,821
Total Assets	<u>\$ 287,099</u>	<u>\$ 638,880</u>	<u>\$ 639,158</u>	<u>\$ 286,821</u>
 <u>LIABILITIES:</u>				
Liabilities:				
Due to Student Groups	\$ 287,099	\$ 638,880	\$ 639,158	\$ 286,821
Total Liabilities	<u>\$ 287,099</u>	<u>\$ 638,880</u>	<u>\$ 639,158</u>	<u>\$ 286,821</u>

Exhibit H-5

ROXBURY TOWNSHIP SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
High School	\$ 201,270	\$ 345,549	\$ 318,095	\$ 228,724
Eisenhower Middle School	30,637	72,661	91,490	11,808
Elementary Schools:				
Franklin	6,259	9,529	6,480	9,308
Jefferson	5,284	1,695	2,820	4,159
Kennedy	3,248	3,375	3,387	3,236
Lincoln/Roosevelt	36,683	101,553	113,545	24,691
Nixon	3,374	4,258	4,649	2,983
Athletic Account	344	100,260	98,692	1,912
Total Assets	<u>\$ 287,099</u>	<u>\$ 638,880</u>	<u>\$ 639,158</u>	<u>\$ 286,821</u>

LONG-TERM DEBT

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance June 30, 2014	Matured	Balance June 30, 2015
			Outstanding					
			Date	Amount				
School Refunding Bonds	08/19/10	\$ 13,305,000	09/01/15	\$ 1,285,000	3.000%	\$ 12,015,000	\$ 1,240,000	\$ 10,775,000
			09/01/16	1,335,000	4.000%			
			09/01/17	1,395,000	4.000%			
			09/01/18	1,460,000	4.000%			
			09/01/19	1,520,000	4.000%			
			09/01/20	1,580,000	4.000%			
			09/01/21	1,650,000	4.000%			
			09/01/22	550,000	4.000%			
Energy Savings Improvement Program	04/24/14	7,740,000	04/15/16	225,000	2.000%	7,740,000		7,740,000
			04/15/17	245,000	3.000%			
			04/15/18	260,000	4.000%			
			04/15/19	225,000	4.000%			
			04/15/20	245,000	4.000%			
			04/15/21	265,000	4.000%			
			04/15/22	285,000	4.000%			
			04/15/23	310,000	2.625%			
			04/15/24	330,000	2.625%			
			04/15/25	350,000	2.625%			
			04/15/26	375,000	3.000%			
			04/15/27	395,000	3.000%			
			04/15/28	420,000	3.000%			
			04/15/29	445,000	3.000%			
			04/15/30	475,000	3.500%			
			04/15/31	505,000	4.000%			
			04/15/32	540,000	4.000%			
			04/15/33	575,000	4.000%			
04/15/34	615,000	4.000%						
04/15/35	655,000	4.000%						
						<u>7,740,000</u>		<u>7,740,000</u>
						<u>\$ 19,755,000</u>	<u>\$ 1,240,000</u>	<u>\$ 18,515,000</u>

Exhibit I-2

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Purpose	Original Issue	Interest Rate	Balance July 1, 2014	Issued	Matured	Balance June 30, 2015
Rooftop HVAC Units	\$ 1,760,000	1.2758%	\$ 1,416,969		\$ 347,496	\$ 1,069,473
School Buses	440,000	1.5120%	379,963		379,963	
District-Wide Network Upgrades	437,906	0.0000%		\$ 437,906	212,635	225,271
Jefferson Windows Project	540,000	1.6400%		540,000	78,811	461,189
School Buses	652,000	2.0000%		652,000	652,000	
			<u>\$ 1,796,932</u>	<u>\$ 1,629,906</u>	<u>\$ 1,670,905</u>	<u>\$ 1,755,933</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(UNAUDITED)

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
REVENUE:					
Local Sources:					
Local Tax Levy	\$ 2,235,484		\$ 2,235,484	\$ 2,235,484	
Total Revenue	<u>2,235,484</u>		<u>2,235,484</u>	<u>2,235,484</u>	
EXPENDITURES:					
Regular Debt Service:					
Interest	465,484		465,484	465,484	
Redemption of Principal	1,770,000		1,770,000	1,770,000	
Total Regular Debt Service	<u>2,235,484</u>		<u>2,235,484</u>	<u>2,235,484</u>	
Total Expenditures	<u>2,235,484</u>		<u>2,235,484</u>	<u>2,235,484</u>	
Excess (Deficiency) of Revenue Over (Under) Expenditures	-0-		-0-	-0-	
Fund Balance, July 1	<u>1,030</u>		<u>1,030</u>	<u>1,030</u>	
Fund Balance, June 30	<u>\$ 1,030</u>	<u>\$ -0-</u>	<u>\$ 1,030</u>	<u>\$ 1,030</u>	<u>\$ -0-</u>
Recapitulation:					
Restricted - For Subsequent Year's Expenditures				<u>\$ 1,030</u>	

ROXBURY TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF EARLY RETIREMENT INCENTIVE LOAN REVENUE BONDS

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding June 30, 2015		Int. Rate	Balance June 30, 2014	Matured	Balance June 30, 2015
			Date	Amount				
Early Retirement Incentive Program Refunding Bonds of 2011	12/20/11	\$ 1,955,000	02/01/16	545,000	2.19%			
			02/01/17	270,000	2.61%	\$ 1,345,000	\$ 530,000	\$ 815,000
						<u>\$ 1,345,000</u>	<u>\$ 530,000</u>	<u>\$ 815,000</u>

STATISTICAL SECTION

STATISTICAL SECTION
(UNAUDITED)

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents

Exhibit

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

J-1 thru J-5

Revenue Capacity

These schedules contain information to help the reader assess the factors affecting the District's ability to generate its property taxes.

J-6 thru J-9

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

J-10 thru J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place and to help make comparisons over time and with other governments.

J-14 thru J-15

Operating Information

These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services the District provides and the activities it performs.

J-16 thru J-20

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial report for the relevant year.

ROXBURY TOWNSHIP SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2015
Governmental Activities:										
Net Investment in Capital Assets	\$ 11,917,690	\$ 13,291,955	\$ 14,190,778	\$ 15,557,294	\$ 15,969,970	\$ 16,718,612	\$ 22,108,128	\$ 22,794,344	\$ 16,721,930	\$ 27,225,610
Restricted	3,745,270	4,175,560	3,091,263	1,233,941	2,451,255	3,116,819	4,284,834	5,441,352	11,988,077	6,405,015
Unrestricted/(Deficit)	<u>(5,270,774)</u>	<u>(4,802,488)</u>	<u>(4,657,109)</u>	<u>(4,692,415)</u>	<u>(4,185,705)</u>	<u>(4,330,260)</u>	<u>(3,862,985)</u>	<u>(2,260,897)</u>	<u>(19,138,751)</u>	<u>(20,324,336)</u>
Total Governmental Activities Net Position	<u>\$ 10,392,186</u>	<u>\$ 12,665,027</u>	<u>\$ 12,624,932</u>	<u>\$ 12,098,820</u>	<u>\$ 14,235,520</u>	<u>\$ 15,505,171</u>	<u>\$ 22,529,977</u>	<u>\$ 25,974,799</u>	<u>\$ 9,571,256</u>	<u>\$ 13,306,289</u>
Business-Type Activities:										
Net Investment in Capital Assets	\$ 108,953	\$ 98,159	\$ 91,767	\$ 80,453	\$ 73,246	\$ 67,612	\$ 155,055	\$ 147,116	\$ 199,654	\$ 171,468
Unrestricted	<u>105,118</u>	<u>36,005</u>	<u>39,907</u>	<u>101,277</u>	<u>97,591</u>	<u>23,701</u>	<u>1,864</u>			<u>95,282</u>
Total Business-Type Activities Net Position	<u>\$ 214,071</u>	<u>\$ 134,164</u>	<u>\$ 131,674</u>	<u>\$ 181,730</u>	<u>\$ 170,837</u>	<u>\$ 91,313</u>	<u>\$ 156,919</u>	<u>\$ 147,116</u>	<u>\$ 199,654</u>	<u>\$ 266,750</u>
District-Wide:										
Net Investment in Capital Assets	\$ 12,026,643	\$ 13,390,114	\$ 14,282,545	\$ 15,637,747	\$ 16,043,216	\$ 16,786,224	\$ 22,263,183	\$ 22,941,460	\$ 16,921,584	\$ 27,397,078
Restricted	3,745,270	4,175,560	3,091,263	1,233,941	2,451,255	3,116,819	4,284,834	5,441,352	11,988,077	6,405,015
Unrestricted/(Deficit)	<u>(5,165,656)</u>	<u>(4,766,483)</u>	<u>(4,617,202)</u>	<u>(4,591,138)</u>	<u>(4,088,114)</u>	<u>(4,306,559)</u>	<u>(3,861,121)</u>	<u>(2,260,897)</u>	<u>(19,138,751)</u>	<u>(20,229,054)</u>
Total District Net Position	<u>\$ 10,606,257</u>	<u>\$ 12,799,191</u>	<u>\$ 12,756,606</u>	<u>\$ 12,280,550</u>	<u>\$ 14,406,357</u>	<u>\$ 15,596,484</u>	<u>\$ 22,686,896</u>	<u>\$ 26,121,915</u>	<u>\$ 9,770,910</u>	<u>\$ 13,573,039</u>

* Restated

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 25,807,335	\$ 27,296,843	\$ 27,735,560	\$ 26,382,262	\$ 26,854,085	\$ 26,836,989	\$ 26,787,547	\$ 27,421,786	\$ 27,008,806	\$ 32,785,807
Special Education	5,190,590	5,843,484	6,309,639	6,534,046	7,021,025	7,464,859	7,570,082	8,272,538	8,562,387	10,716,558
Other Special Education	896,124	915,711	983,687	1,008,684	990,201	726,082	805,326	676,111	784,274	1,334,298
Other Instruction	1,138,152	1,248,038	1,327,481	1,533,764	1,419,476	1,394,311	1,341,120	1,525,030	1,548,947	1,495,906
Support Services:										
Tuition	3,632,625	3,721,787	4,314,503	4,669,056	4,472,945	4,072,686	4,086,895	5,237,483	4,814,149	3,538,980
Student and Instruction Related Services	7,820,350	8,654,332	9,321,988	9,324,154	9,632,760	9,269,919	9,480,921	9,382,819	9,275,889	12,061,374
General Administrative Services	1,151,938	1,163,811	1,209,572	1,064,351	3,004,653	896,453	761,463	899,917	885,954	1,066,758
School Administrative Services	2,872,350	3,174,419	3,156,200	3,169,486	703,265	3,030,143	3,009,291	3,166,986	3,146,231	3,610,516
Central Services	1,137,192	1,211,855	1,119,225	1,228,392	1,194,015	1,298,659	1,136,733	1,202,245	1,274,730	1,245,370
Administrative Information Technology							10,313	83,650	100,284	105,992
Plant Operations and Maintenance	6,423,704	6,669,262	8,141,415	8,095,828	7,693,273	7,223,479	6,726,867	6,310,143	6,675,981	6,651,055
Pupil Transportation	4,447,780	5,015,930	5,713,364	5,496,300	5,214,720	5,593,179	5,720,656	5,752,185	5,779,495	5,267,105
Capital Outlay	338,367	337,121								83,245
Special Schools	407,980	525,826	635,810	600,533	622,669	660,413	719,627	635,563	672,758	841,394
Charter Schools	22,255	17,563	23,458	32,950	21,642			52,082	19,374	58,082
Interest on Long-Term Debt	1,102,359	1,055,469	1,004,478	953,789	899,581	749,140	804,515	550,537	543,737	427,217
Unallocated Depreciation	317,889	304,231	307,853	284,146	935,029	828,363	727,330	758,700	760,780	41,035
Total Governmental Activities Expenses	<u>62,706,990</u>	<u>67,155,682</u>	<u>71,304,233</u>	<u>70,377,741</u>	<u>70,679,339</u>	<u>70,044,675</u>	<u>69,688,686</u>	<u>71,927,775</u>	<u>71,853,776</u>	<u>81,330,692</u>
Business-Type Activities:										
Food Service	1,578,960	1,765,833	1,781,400	1,773,288	1,695,807	1,711,339	1,574,866	1,417,658	1,101,136	1,101,557
Total Business-Type Activities Expense	<u>1,578,960</u>	<u>1,765,833</u>	<u>1,781,400</u>	<u>1,773,288</u>	<u>1,695,807</u>	<u>1,711,339</u>	<u>1,574,866</u>	<u>1,417,658</u>	<u>1,101,136</u>	<u>1,101,557</u>
Total District Expenses	<u>\$ 64,285,950</u>	<u>\$ 68,921,515</u>	<u>\$ 73,085,633</u>	<u>\$ 72,151,029</u>	<u>\$ 72,375,146</u>	<u>\$ 71,756,014</u>	<u>\$ 71,263,552</u>	<u>\$ 73,345,433</u>	<u>\$ 72,954,912</u>	<u>\$ 82,432,249</u>
Program Revenues:										
Governmental Activities:										
Charges for Services:										
Tuition	\$ 2,351,215	\$ 3,090,091	\$ 2,894,318	\$ 2,701,308	\$ 2,918,539	\$ 2,796,406	\$ 2,602,361	\$ 2,741,246	\$ 2,766,919	\$ 3,342,924
Pupil Transportation							21,418	62,319	139,384	57,575
Operating Grants and Contributions	8,699,392	11,014,161	10,943,785	8,693,374	8,975,032	8,543,660	8,650,196	10,469,091	9,684,847	17,333,605
Capital Grants and Contributions	1,704,967	118,376	195,303	95,786						
Total Governmental Activities Program Revenues	<u>12,755,574</u>	<u>14,222,628</u>	<u>14,033,406</u>	<u>11,490,468</u>	<u>11,893,571</u>	<u>11,340,066</u>	<u>11,273,975</u>	<u>13,272,656</u>	<u>12,591,150</u>	<u>20,734,104</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN NET POSITION, LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED
(CONTINUED)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Program Revenues:										
Business-Type Activities:										
Charges for Services:										
Food Service	\$ 1,359,549	\$ 1,384,214	\$ 1,494,711	\$ 1,529,078	\$ 1,410,092	\$ 1,382,792	\$ 1,286,052	\$ 1,081,466	\$ 856,283	\$ 887,758
Operating grants and contributions	186,501	201,712	219,199	244,266	274,822	249,023	261,804	225,138	235,186	280,895
Total Business-Type Activities Program Revenues	<u>1,546,050</u>	<u>1,585,926</u>	<u>1,713,910</u>	<u>1,773,344</u>	<u>1,684,914</u>	<u>1,631,815</u>	<u>1,547,856</u>	<u>1,306,604</u>	<u>1,091,469</u>	<u>1,168,653</u>
Total District Program Revenues	<u>\$ 14,301,624</u>	<u>\$ 15,808,554</u>	<u>\$ 15,747,316</u>	<u>\$ 13,263,812</u>	<u>\$ 13,578,485</u>	<u>\$ 12,971,881</u>	<u>\$ 12,821,831</u>	<u>\$ 14,579,260</u>	<u>\$ 13,682,619</u>	<u>\$ 21,902,757</u>
Net (Expense)/Revenue:										
Governmental Activities	\$ (49,951,416)	\$ (52,933,054)	\$ (57,270,827)	\$ (58,887,273)	\$ (58,785,768)	\$ (58,704,609)	\$ (58,414,711)	\$ (58,655,119)	\$ (59,262,626)	\$ (60,596,588)
Business-Type Activities	<u>(32,910)</u>	<u>(179,907)</u>	<u>(67,490)</u>	<u>56</u>	<u>(10,893)</u>	<u>(79,524)</u>	<u>(27,010)</u>	<u>(111,054)</u>	<u>(9,667)</u>	<u>67,096</u>
Total District-Wide Net Expense	<u>\$ (49,984,326)</u>	<u>\$ (53,112,961)</u>	<u>\$ (57,338,317)</u>	<u>\$ (58,887,217)</u>	<u>\$ (58,796,661)</u>	<u>\$ (58,784,133)</u>	<u>\$ (58,441,721)</u>	<u>\$ (58,766,173)</u>	<u>\$ (59,272,293)</u>	<u>\$ (60,529,492)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 40,707,787	\$ 41,553,971	\$ 43,503,488	\$ 44,263,323	\$ 46,502,323	\$ 47,061,915	\$ 48,003,153	\$ 48,723,200	\$ 49,648,941	\$ 50,636,955
Taxes Levied for Debt Service	2,103,492	1,952,834	2,162,625	2,171,656	2,235,130	2,191,817	2,226,747	2,166,330	2,227,877	2,235,484
Federal and State Aid not Restricted	10,324,852	10,341,620	10,690,058	11,149,465	11,034,026	9,721,205	11,277,693	10,758,556	10,914,722	10,883,688
Investment Earnings	287,536	86,187	287,489	67,977	19,139	15,283	7,241	3,187	5,337	7,828
Miscellaneous Income	472,812	1,371,283	652,072	758,740	1,131,850	984,040	711,152	486,099	903,264	565,788
Transfers	<u>(100,000)</u>	<u>(100,000)</u>	<u>(65,000)</u>	<u>(50,000)</u>				<u>(91,135)</u>	<u>(11,182)</u>	<u>1,878</u>
Total Governmental Activities	<u>53,796,479</u>	<u>55,205,895</u>	<u>57,230,732</u>	<u>58,361,161</u>	<u>60,922,468</u>	<u>59,974,260</u>	<u>62,225,986</u>	<u>62,046,237</u>	<u>63,688,959</u>	<u>64,331,621</u>
Business-Type Activities:										
Transfers	100,000	100,000	65,000	50,000				91,135	62,205	
Total Business-Type Activities	<u>100,000</u>	<u>100,000</u>	<u>65,000</u>	<u>50,000</u>				<u>91,135</u>	<u>62,205</u>	
Total District-Wide	<u>\$ 53,896,479</u>	<u>\$ 55,305,895</u>	<u>\$ 57,295,732</u>	<u>\$ 58,411,161</u>	<u>\$ 60,922,468</u>	<u>\$ 59,974,260</u>	<u>\$ 62,225,986</u>	<u>\$ 62,137,372</u>	<u>\$ 63,751,164</u>	<u>\$ 64,331,621</u>
Change in Net Position:										
Governmental Activities	\$ 3,845,063	\$ 2,272,841	\$ (40,095)	\$ (526,112)	\$ 2,136,700	\$ 1,269,651	\$ 3,811,275	\$ 3,391,118	\$ 4,426,333	\$ 3,735,033
Business-Type Activities	<u>67,090</u>	<u>(79,907)</u>	<u>(2,490)</u>	<u>50,056</u>	<u>(10,893)</u>	<u>(79,524)</u>	<u>(27,010)</u>	<u>(19,919)</u>	<u>52,538</u>	<u>67,096</u>
Total District	<u>\$ 3,912,153</u>	<u>\$ 2,192,934</u>	<u>\$ (42,585)</u>	<u>\$ (476,056)</u>	<u>\$ 2,125,807</u>	<u>\$ 1,190,127</u>	<u>\$ 3,784,265</u>	<u>\$ 3,371,199</u>	<u>\$ 4,478,871</u>	<u>\$ 3,802,129</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted/Reserved	\$ 2,193,042	\$ 3,349,379	\$ 2,409,730	\$ 1,113,946	\$ 2,365,636	\$ 2,170,780	\$ 3,941,154	\$ 5,298,203	\$ 5,456,681	\$ 5,309,971
Unreserved	966,538	1,116,382	1,066,151	814,354	752,331					
Assigned						887,238	1,157,339	1,292,321	2,384,338	1,261,143
Unassigned						166,832	135,080	149,269	382,771	312,422
Total General Fund	\$ 3,159,580	\$ 4,465,761	\$ 3,475,881	\$ 1,928,300	\$ 3,117,967	\$ 3,224,850	\$ 5,233,573	\$ 6,739,793	\$ 8,223,790	\$ 6,883,536
All Other Governmental Funds:										
Restricted/Reserved for:										
Capital Projects Fund	\$ 862,582	\$ 170,765	\$ 539,218						\$ 6,530,366	\$ 1,094,014
Debt Service Fund						\$ 58,801	\$ 60,029	\$ 2,258	1,030	1,030
Unreserved, Reported In:										
Capital Projects Fund/(Deficit)	283,138	475,555	17,219							
Debt Service Fund	406,508	179,861	125,096	\$ 119,995	\$ 85,619					
Committed							283,651	140,891		
Unassigned/(Deficit)										(637,072)
Total All Other Governmental Funds	\$ 1,552,228	\$ 826,181	\$ 681,533	\$ 119,995	\$ 85,619	\$ 58,801	\$ 343,680	\$ 143,149	\$ 6,531,396	\$ 457,972
Total All Governmental Funds	\$ 4,711,808	\$ 5,291,942	\$ 4,157,414	\$ 2,048,295	\$ 3,203,586	\$ 3,283,651	\$ 5,577,253	\$ 6,882,942	\$ 14,755,186	\$ 7,341,508

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Tax Levy	\$ 42,811,279	\$ 43,506,805	\$ 45,666,113	\$ 46,434,979	\$ 48,737,453	\$ 49,253,732	\$ 50,229,900	\$ 50,889,530	\$ 51,876,818	\$ 52,872,439
Tuition Charges	2,351,215	3,090,091	2,894,318	2,701,308	2,918,539	2,796,406	2,602,361	2,741,246	2,766,919	3,342,924
Transportation Fees from Individuals								62,319	139,384	57,575
Interest Earnings - Capital Reserve Fund	6,940	4,606	3,501	895	230	182	76	215	215	
Miscellaneous	756,625	1,459,613	951,445	843,339	1,162,699	1,015,453	763,806	501,344	918,687	578,167
State Sources	19,750,965	20,198,024	20,710,040	18,687,436	16,485,377	16,503,839	18,143,013	20,046,042	19,364,528	20,498,977
Federal Sources	975,029	1,269,385	1,103,721	1,233,672	3,511,741	1,744,714	1,760,805	1,169,332	1,224,740	1,129,303
Total Revenue	66,652,053	69,528,524	71,329,138	69,901,629	72,816,039	71,314,326	73,499,961	75,410,028	76,291,291	78,479,385
Expenditures:										
Instruction:										
Regular Instruction	18,561,365	19,410,018	19,874,877	19,556,955	20,125,347	19,985,819	19,674,836	19,630,540	19,794,737	20,168,005
Special Education Instruction	3,951,337	4,394,545	4,660,425	5,053,576	5,517,718	5,768,739	5,803,320	5,920,508	6,326,808	7,262,478
Other Special Instruction	645,418	632,447	684,554	737,080	736,853	495,129	582,753	472,833	565,861	812,073
Other Instruction	913,476	972,243	1,012,515	1,214,523	1,135,741	1,103,439	1,062,039	1,169,063	1,223,454	1,221,353
Support Services:										
Tuition	3,632,625	3,721,787	4,314,503	4,669,056	4,472,945	4,072,686	4,086,895	5,237,483	4,814,149	3,538,980
Student and Instruction Related Services	5,817,445	6,321,154	6,664,007	7,187,925	7,482,191	7,076,538	7,334,867	7,074,710	7,038,840	8,338,657
General Administrative Services	1,003,165	1,015,208	992,306	940,543	634,630	778,361	664,346	690,381	698,758	739,405
School Administrative Services	2,161,040	2,150,168	2,215,830	2,320,016	2,379,511	2,232,117	2,178,305	2,229,080	2,267,196	2,361,345
Central Services	711,590	715,320	703,264	830,421	886,590	853,353	815,883	861,520	968,943	918,042
Administration Information Technology	120,257	118,319	43,554	51,462	54,356	49,456	52,178	59,947	72,413	79,826
Plant Operations and Maintenance	5,782,907	5,451,376	6,414,803	6,535,101	6,057,791	5,575,819	5,932,064	5,639,082	6,351,512	6,421,043
Pupil Transportation	3,835,864	4,101,583	4,541,113	4,536,652	4,583,966	4,713,299	4,301,213	4,482,796	4,628,685	5,267,709
Unallocated Benefits	13,699,782	15,894,013	17,012,647	14,719,649	14,731,074	15,456,710	15,051,387	16,126,871	15,057,212	16,448,655
Special Schools	407,980	393,585	500,955	472,161	469,952	465,975	544,916	429,065	507,558	578,149
Charter Schools	22,255	17,563	23,458	32,950	21,642			52,082	19,374	58,082
Capital Outlay	5,885,149	1,808,342	488,089	1,270,812	381,979	388,186	1,202,308	1,713,142	6,061,270	11,075,561
Debt Service:										
Principal	1,190,000	1,239,000	1,230,000	1,290,000	1,350,000	1,415,000	1,565,000	1,650,000	1,720,000	1,770,000
Interest and Other Charges	1,114,342	1,068,944	1,021,766	972,376	919,506	803,635	660,519	574,101	509,105	465,484
Total Expenditures	69,455,997	69,425,615	72,398,666	72,391,258	71,941,792	71,234,261	71,512,829	74,013,204	78,625,875	87,524,847
Excess (Deficiency) of revenues over (under) expenditures	(2,803,944)	102,909	(1,069,528)	(2,489,629)	874,247	80,065	1,987,132	1,396,824	(2,334,584)	(9,045,462)

ROXBURY TOWNSHIP SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing sources (uses)										
Bond Proceeds								\$ 7,740,000		
Bond Premium								278,010		
Capital Lease Proceeds										\$ 540,000
Capital Leases	\$ 759,614	\$ 577,225		\$ 430,510	\$ 281,044		\$ 306,470		2,200,000	1,089,906
Transfers in	89,141	119,167	\$ 34,376	85,619		\$ 130,850	657,303		418,901	973,878
Transfers out	(189,141)	(219,167)	(99,376)	(135,619)		(130,850)	(657,303)	\$ (91,135)	(430,083)	(972,000)
Total other financing sources (uses)	<u>659,614</u>	<u>477,225</u>	<u>(65,000)</u>	<u>380,510</u>	<u>281,044</u>		<u>306,470</u>	<u>(91,135)</u>	<u>10,206,828</u>	<u>1,631,784</u>
Net Change in Fund Balances	<u>\$ (2,144,330)</u>	<u>\$ 580,134</u>	<u>\$ (1,134,528)</u>	<u>\$ (2,109,119)</u>	<u>\$ 1,155,291</u>	<u>\$ 80,065</u>	<u>\$ 2,293,602</u>	<u>\$ 1,305,689</u>	<u>\$ 7,872,244</u>	<u>\$ (7,413,678)</u>
Debt Service as a Percentage of Noncapital Expenditures	3.62 %	3.41 %	3.13 %	3.18 %	3.17 %	3.13 %	3.17 %	3.08 %	3.07 %	2.92 %

ROXBURY TOWNSHIP SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
UNAUDITED

Fiscal Year Ending June 30,	Interest on Investments	Transportation	Tuition	Rentals - Use of Facilities	Prior Year Refunds	Prior Year Accounts Payable Canceled	Community Adult School	School Enrichment	Gate Receipts	Athletic/ Activity Fees	Other	Total
2006	\$ 198,395	\$ 70,061	\$ 2,351,215	\$ 65,792			\$ 223,323	\$ 111,082			\$ 2,554	\$ 3,022,422
2007	311,842	52,040	3,090,091	60,884	\$ 460	\$ 569,598	173,509	123,644			83,912	4,465,980
2008	253,330	43,942	2,894,318	66,039	11,338	16,491	173,304	127,529			213,212	3,799,503
2009	67,977	46,129	2,701,308	82,367	83,811		290,098	155,921			117,931	3,545,542
2010	19,139	85,289	2,918,539	67,806	141,872	360,268	283,249	133,327			60,039	4,069,528
2011	15,283	19,550	2,796,406	61,361		19,908	378,701	130,318	\$ 31,777	\$ 150,650	191,775	3,795,729
2012	7,241	21,418	2,602,361	38,417			438,918	43,127	24,313	3,175	163,202	3,342,172
2013	3,187	62,319	2,741,246	40,453	11,661		291,678	46,613	28,673		67,021	3,292,851
2014	5,337	139,384	2,766,919	8,678	52,153		208,834	46,587	21,412		565,600 *	3,814,904
2015	7,828	57,575	3,342,924	15,906	95,602		164,687	105,657	20,382		163,554	3,974,115

* Includes \$435,459 in favorable settlements in excess of receivables recorded.

Source: Roxbury Township School District records

ROXBURY TOWNSHIP SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN YEARS
UNAUDITED

Year Ended December 31,	Vacant Land	Residential	Farm Regular	Farm Qualified	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Tax-Exempt Property	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2005	\$ 41,677,700	\$ 1,593,736,100	\$ 4,571,300	\$ 191,000	\$ 320,210,300	\$ 70,532,900	\$ 10,934,900	\$ 2,041,854,200	\$ 6,960,519	\$ 2,048,814,719	\$ 88,029,300	\$ 2.04	\$ 3,099,493,699
2006	38,585,400	1,604,788,500	4,185,000	189,300	323,329,800	60,664,100	10,934,900	2,042,677,000	5,685,888	2,048,362,888	90,302,900	2.10	3,531,316,796
2007	34,695,400	1,611,457,800	4,062,500	231,800	313,012,000	64,614,100	11,360,200	2,039,433,800	5,330,121	2,044,763,921	92,181,500	2.19	3,788,035,926
2008	33,008,400	1,623,484,500	3,829,400	228,000	306,868,700	64,422,300	9,584,900	2,041,426,200	5,876,442	2,047,302,642	92,705,800	2.25	4,036,287,915
2009	30,877,100	1,633,580,500	3,829,400	228,000	315,640,000	65,075,600	9,584,900	2,058,815,500	7,377,254	2,066,192,754	92,869,500	2.31	3,951,401,584
2010	32,933,600	1,635,087,600	3,829,400	225,300	314,938,400	64,775,600	9,584,900	2,061,374,800	7,658,118	2,069,032,918	95,355,800	2.36	3,764,049,787
2011	32,226,000	1,636,148,300	3,828,900	226,000	314,474,500	64,775,600	9,584,900	2,061,264,200	7,216,033	2,068,480,233	97,111,900	2.40	3,642,015,229
2012	31,208,400	1,635,612,800	3,834,600	226,000	317,718,200	64,715,800	9,584,900	2,062,900,700	7,427,104	2,070,327,804	97,598,500	2.44	3,513,190,500
2013	41,400,600	1,632,602,200	4,164,100	227,600	305,435,800	64,715,800	9,584,900	2,058,131,000	-0-	2,058,131,000	98,367,700	2.50	3,290,349,682
2014	26,665,900	1,631,922,500	4,164,100	227,600	303,970,800	76,346,800	9,584,900	2,052,882,600	-0-	2,052,882,600	98,731,500	2.55	3,104,453,299

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100

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

Source: Municipal Tax Assessor

Exhibit J-7

ROXBURY TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS
(RATE PER \$100 OF ASSESSED VALUE)
UNAUDITED

Year Ended December 31,	Roxbury Township School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Roxbury Township	Morris County	
2005	\$ 1.94	\$ 0.10	\$ 2.04	\$ 0.76	\$ 0.41	\$ 3.21
2006	2.01	0.09	2.10	0.82	0.43	3.35
2007	2.09	0.10	2.19	0.86	0.44	3.49
2008	2.14	0.11	2.25	0.93	0.46	3.64
2009	2.20	0.11	2.31	0.96	0.43	3.70
2010	2.25	0.11	2.36	1.02	0.42	3.80
2011	2.29	0.11	2.40	1.05	0.42	3.87
2012	2.34	0.10	2.44	1.07	0.42	3.93
2013	2.39	0.11	2.50	1.07	0.40	3.97
2014	2.44	0.11	2.55	1.10	0.38	4.03

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

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

Note: NJSA 18A:7F-5d limits the amount that the District can submit for a General Fund tax levy. The levy when added to other components of the District's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calculation.

Exhibit J-8

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Taxpayer	2014		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Roxville Associates	\$ 55,970,200	1	2.73 %
AC I LedgeWood LLC	21,300,000	2	1.04 %
Hercules, Inc.	14,999,000	3	0.73 %
Roxbury 2002, LLC	14,440,000	4	0.70 %
Strategic Environmental Partners	11,631,000	5	0.57 %
National Retail Properties LP	7,724,000	6	0.38 %
200 Route 10 LLC	7,044,700	7	0.34 %
118 Main Street, Inc.	6,541,600	8	0.32 %
Roxbury Enterprises LLC	5,295,000	9	0.26 %
Individual Taxpayer #1	5,000,000	10	0.24 %
Total	<u>\$ 149,945,500</u>		<u>7.30%</u>

Taxpayer	2005		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Roxville Associates	\$ 75,670,000	1	3.69 %
Mark Centers, Ltd.	32,300,000	2	1.58 %
Hercules, Inc.	25,000,000	3	1.22 %
Roxbury 2002, LLC	10,240,000	4	0.50 %
Merry Heart Nursing Home	8,304,900	5	0.41 %
Natick Fourth Realty Corp.	8,000,000	6	0.39 %
Roxbury Associates	7,605,000	7	0.37 %
Individual Taxpayer #1	5,000,000	8	0.24 %
Gruber Partners, LLP	4,725,000	9	0.23 %
Riverpark Village Associates	4,100,000	10	0.20 %
Total	<u>\$ 180,944,900</u>		<u>8.82%</u>

Note - Individual taxpayers may be different in 2014 and 2005.

Source: Municipal Tax Assessor

Exhibit J-9

ROXBURY TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS,
LAST TEN FISCAL YEARS
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Taxes Levied</u> <u>for the</u> <u>Fiscal Year</u>	<u>Collected within the</u> <u>Fiscal Year of the Levy^a</u>		<u>Collections in</u> <u>Subsequent</u> <u>Years</u>
		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>	
2006	\$ 42,811,279	\$ 42,811,279	100.00 %	\$ -0-
2007	43,506,805	43,506,805	100.00 %	-0-
2008	45,666,113	45,666,113	100.00 %	-0-
2009	46,434,979	46,434,979	100.00 %	-0-
2010	48,737,453	48,737,453	100.00 %	-0-
2011	49,253,732	49,253,732	100.00 %	-0-
2012	50,229,900	50,229,900	100.00 %	-0-
2013	50,889,530	50,889,530	100.00 %	-0-
2014	51,876,818	51,876,818	100.00 %	-0-
2015	52,872,439	52,872,439	100.00 %	-0-

^a 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: Roxbury Township School District records including the Certificate and Report of School Taxes (A4F form)

Exhibit J-10

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Capital Leases			
2006	\$ 24,615,000	\$ 1,069,314	\$ 25,684,314	1.64 %	\$ 1,092.48
2007	23,376,000	1,181,417	24,557,417	1.50 %	1,046.11
2008	22,146,000	875,215	23,021,215	1.36 %	976.30
2009	20,856,000	877,081	21,733,081	1.36 %	918.71
2010	19,515,000	721,549	20,236,549	1.26 %	867.18
2011	18,100,000	-0-	18,100,000	1.07 %	771.62
2012	16,730,000	-0-	16,730,000	0.95 %	711.10
2013	15,080,000	-0-	15,080,000	0.85 %	639.23
2014	21,100,000	1,796,932	22,896,932	1.30 %	973.34
2015	19,330,000	1,755,933	21,085,933	1.19 %	896.36

^a See J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

^b Includes Early Retirement Incentive Loan Revenue Bonds

Note: Details regarding the District's Outstanding Debt can be found in the Notes to the Financial Statements.

Source: School District Financial Reports

Exhibit J-11

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Valuation Taxable ^b	Per Capita ^c
	General Obligation Bonds ^a	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 24,615,000	\$ -0-	\$ 24,615,000	1.20 %	\$ 1,047
2007	23,376,000	-0-	23,376,000	1.14 %	996
2008	22,146,000	-0-	22,146,000	1.08 %	939
2009	20,856,000	-0-	20,856,000	1.02 %	882
2010	19,515,000	-0-	19,515,000	0.94 %	836
2011	18,100,000	-0-	18,100,000	0.87 %	772
2012	16,730,000	-0-	16,730,000	0.81 %	711
2013	15,080,000	-0-	15,080,000	0.73 %	639
2014	21,100,000	-0-	21,100,000	1.03 %	897
2015	19,330,000	-0-	19,330,000	0.94 %	822

^a Includes Early Retirement Incentive Loan Revenue Bonds

^b See Exhibit J-6 for property tax data. This ratio is calculated using valuation data for the prior calendar year.

^c See Exhibit J-14 for population data. This ratio is calculated using population for the prior calendar year.

Note: Details regarding the District's Outstanding Debt can be found in the Notes to the Financial Statements.

Source: School District Financial Reports

Exhibit J-12

ROXBURY TOWNSHIP SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF DECEMBER 31, 2014
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes			
Roxbury Township	\$ 10,964,082	100.00 %	\$ 10,964,082
Morris County General Obligation Debt	235,116,781	3.47 %	<u>8,167,371</u>
Subtotal, Overlapping Debt			19,131,453
Roxbury Township School District Direct Debt			<u>19,860,000</u>
Total Direct and Overlapping Debt			<u><u>\$ 38,991,453</u></u>

^a For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable equalized property values. Applicable percentages were estimated by determining the portion of another governmental unit's equalized property value that is within the district's boundaries and dividing it by each unit's total equalized value.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Roxbury. This process recognizes that, when considering the District's ability to issue and repay long-term, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping unit.

Sources: Assessed value data used to estimate applicable percentages provided by the Morris County Board of Taxation; debt outstanding data provided by each governmental unit.

ROXBURY TOWNSHIP SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized Valuation Basis
	2014 \$ 3,129,871,322
	2013 3,096,796,569
	2012 3,281,216,319
	\$ 9,507,884,210
Average Equalized Valuation of Taxable Property	\$ 3,169,294,737
Debt Limit (4% of Average Equalization Value)	\$ 126,771,789 ^a
Net Bonded School Debt	19,330,000
Legal Debt Margin	\$ 107,441,789

	Fiscal Year				
	2011	2012	2013	2014	2015
Debt Limit	\$ 146,195,473	\$ 144,448,148	\$ 138,440,814	\$ 131,512,141	\$ 126,771,789
Total Net Debt Applicable to Limit	18,100,000	16,730,000	15,080,000	21,100,000	19,330,000
Legal Debt Margin	\$ 128,095,473	\$ 127,718,148	\$ 123,360,814	\$ 110,412,141	\$ 107,441,789
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.38 %	11.58 %	10.89 %	16.04 %	15.25 %

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 122,659,046	\$ 137,827,124	\$ 150,408,892	\$ 155,528,648	\$ 155,035,176
Total Net Debt Applicable to Limit	24,615,000	23,376,000	22,146,000	20,856,000	19,515,000
Legal Debt Margin	\$ 98,044,046	\$ 114,451,124	\$ 128,262,892	\$ 132,052,892	\$ 135,520,176
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	20.07 %	16.96 %	14.72 %	13.41 %	12.59 %

^a Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

ROXBURY TOWNSHIP SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Year	Population ^a	Morris County Per Capita Personal Income ^b	Township of Roxbury Personal Income ^c	Unemployment Rate ^d
2006	23,510	\$ 66,763	\$ 1,569,598,130	3.2 %
2007	23,475	69,843	1,639,564,425	2.9 %
2008	23,580	71,937	1,696,274,460	3.9 %
2009	23,656	67,698	1,601,463,888	6.6 %
2010	23,336	68,656	1,602,156,416	6.7 %
2011	23,457	71,914	1,686,886,698	6.5 %
2012	23,527	74,826	1,760,431,302	6.7 %
2013	23,591	75,054	1,770,598,914	5.5 %
2014	23,524	75,054 *	1,765,570,296	5.4 %
2015	23,524 **	75,054 *	1,765,570,296 ***	N/A

* - Latest Morris County per capita personal income available (2013) was used for calculation purposes.

** - Latest population data available (2014) was used for calculation purposes.

*** - Latest available population data (2014) and latest available Morris County per capita personal income (2013) was used for calculation purposes.

N/A - Information unavailable.

Source: ^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis.

^c Personal income has been estimated based upon the municipal population and per capita personal income presented

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

Exhibit J-15

ROXBURY TOWNSHIP SCHOOL DISTRICT
PRINCIPAL EMPLOYERS, COUNTY OF MORRIS
CURRENT YEAR AND NINE YEARS AGO
UNAUDITED

Employer	2014		
	Employees	Rank (Optional)	Percentage of Total Employment
U.S. Army Armament Research and Development	6,090	1	2.37%
Atlantic Health Systems	4,844	2	1.88%
Novartis Corporation	4,749	3	1.85%
Bayer Healthcare, LLC	2,665	4	1.04%
St. Clare's Health Services	1,756	5	0.68%
County of Morris	1,667	6	0.65%
Wyndham Worldwide Corporation	1,621	7	0.63%
BASF Corporation	1,500	8	0.58%
Greystone Psychiatric Center	1,244	9	0.48%
Pricewaterhouse Coopers	1,200	10	0.47%
	<u>27,336</u>		<u>10.64%</u>
Employer	2005		
	Employees	Rank (Optional)	Percentage of Total Employment
Novartis Corporation	5,631	1	N/A
U.S. Army Armament Research and Development	3,939	2	N/A
Atlantic Health Systems	3,667	3	N/A
Cendant Corp.	3,006	4	N/A
Lucent Technologies	2,539	5	N/A
County of Morris	2,268	6	N/A
Pfizer	2,250	7	N/A
St. Clare's Health Services	2,128	8	N/A
Automated Data Processing	1,950	9	N/A
Greystone Psychiatric Center	1,212	10	N/A
	<u>28,590</u>		

N/A - Total amount of employment is not available in order to do the percentage calculation

Source: County of Morris

ROXBURY TOWNSHIP SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM,
LAST TEN FISCAL YEARS
UNAUDITED

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	285	290	287	288	291	253	261	259	254	254
Special education	85	67	66	68	66	84	97	121	126	126
Support Services:										
Student & instruction related services	79	84	84	84	83	88	88	74	71	71
School administrative services	33	33	33	34	34	28	40	30	30	30
General and business administrative services	24	20	20	20	20	20	23	35	35	35
Plant operations and maintenance	74	69	69	69	69	64	65	35	33	33
Pupil transportation	64	73	73	73	73	62	63	60	62	62
Total	<u>644</u>	<u>636</u>	<u>632</u>	<u>636</u>	<u>636</u>	<u>599</u>	<u>637</u>	<u>614</u>	<u>611</u>	<u>611</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil ^b	Percentage Change	Teaching Staff ^c	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) ^d	Average Daily Attendance (ADA) ^d	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary School	Middle School	High School				
2006	4,479	\$ 61,266,506	\$ 13,679	6.06 %	489	1:12.4	1:12.5	1:10.9	4,479	4,269	-1.43 %	95.31 %
2007	4,481	65,309,329	14,575	6.55 %	534	1:12.6	1:12.6	1:10.9	4,481	4,299	0.04 %	95.94 %
2008	4,396	69,658,811	15,846	8.72 %	535	1:12.7	1:12.3	1:11.2	4,396	4,238	-1.90 %	96.41 %
2009	4,361	68,858,070	15,790	-0.36 %	534	1:12.4	1:11.8	1:11.7	4,361	4,194	-0.80 %	96.17 %
2010	4,267	69,290,307	16,239	2.84 %	534	1:12.4	1:11.8	1:11.7	4,267	4,106	-2.16 %	96.23 %
2011	4,143	68,627,440	16,565	2.01 %	479	1:12.2	1:10.4	1:10.9	4,143	3,975	-2.91 %	95.94 %
2012	4,019	68,085,002	16,941	2.27 %	483	1:12.1	1:10.3	1:10.6	4,019	3,868	-2.99 %	96.24 %
2013	3,882	70,075,961	18,052	6.56 %	494	1:12.1	1:10.1	1:10.8	3,888	3,731	-3.26 %	95.96 %
2014	3,865	70,335,500	18,198	0.81 %	459	1:12.1	1:10.1	1:10.6	3,624	3,479	-6.79 %	96.00 %
2015	3,709	74,213,802	20,009	9.95 %	459	1:12.1	1:10.1	1:10.6	3,624	3,479	0.00 %	96.00 %

^a Operating expenditures equal total expenditures less debt service and capital outlay.

^b The Cost per Pupil calculated above is the sum of the operating expenditures divided by enrollment. This Cost per Pupil may be different from other Cost per Pupil calculations.

^c Teaching staff includes only full-time equivalents of certificated staff.

^d Enrollment, average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS
UNAUDITED

District Building	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Roosevelt/Lincoln Intermediate School										
Square Feet	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550	119,550
Capacity (students)	831	831	831	831	831	831	831	831	831	831
Enrollment	653	654	634	634	634	634	634	540	539	551
Nixon Elementary School										
Square Feet	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890	50,890
Capacity (students)	464	464	464	464	464	464	464	464	464	464
Enrollment	391	367	350	350	350	350	350	280	277	284
Kennedy Elementary School										
Square Feet	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970	46,970
Capacity (students)	426	426	426	426	426	426	426	426	426	426
Enrollment	365	355	318	318	318	318	318	229	229	220
Jefferson Elementary School										
Square Feet	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050	47,050
Capacity (students)	614	614	614	614	614	614	614	614	614	614
Enrollment	454	500	480	480	480	480	480	387	388	335
Franklin Elementary School										
Square Feet	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260	47,260
Capacity (students)	482	482	482	482	482	482	482	482	482	482
Enrollment	378	376	362	362	362	362	362	350	349	332
Eisenhower Middle School										
Square Feet	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840	105,840
Capacity (students)	864	864	864	864	864	864	864	864	864	864
Enrollment	730	711	674	674	674	674	674	645	642	568
Roxbury High School										
Square Feet	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740	281,740
Capacity (students)	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968	1,968
Enrollment	1,508	1,524	578	578	578	578	578	1,457	1,441	1,419
Central Administration										
Square Feet	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Special Education Building										
Square Feet	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000

Number of Schools at June 30, 2015

Elementary = 5
Middle School = 1
High School = 1
Other = 2

Note: Enrollment is based on the annual October district count.

ROXBURY TOWNSHIP 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,	Roosevelt/ Lincoln Intermediate School	Nixon Elementary School	Kennedy Elementary School	Jefferson Elementary School	Franklin Elementary School	Eisenhower Middle School	Roxbury High School	Total
2006	\$ 207,115	\$ 39,572	\$ 59,297	\$ 50,608	\$ 48,594	\$ 143,511	\$ 448,098	\$ 996,795
2007	159,085	68,510	63,233	63,340	63,098	142,486	379,289	939,041
2008	182,846	78,743	72,677	72,801	72,522	163,353	434,835	1,077,777
2009	187,382	80,696	74,480	74,607	74,322	167,830	446,755	1,106,072
2010	170,693	73,509	67,847	67,962	67,702	152,882	406,964	1,007,559
2011	172,587	70,050	75,362	65,523	73,321	152,280	406,082	1,015,205
2012	213,665	91,350	86,414	84,699	85,935	191,555	509,414	1,263,032
2013	210,899	65,626	55,678	53,123	64,669	142,733	426,283	1,019,011
2013	179,553	78,157	76,702	81,841	76,632	161,770	426,282	1,080,937
2014	295,121	127,713	114,769	122,535	114,769	260,604	690,340	1,725,851
2015	186,717	80,474	77,229	172,635	77,295	161,678	781,829	1,537,857

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

Source: Roxbury Township School District records

Exhibit J-20

ROXBURY TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
UNAUDITED

	<u>Coverage</u>	<u>Deductible</u>
School Leaders Professional Liability - National Union Fire Insurance Company	\$ 2,000,000	\$ 15,000
Public Official Bonds - Selective Insurance:		
Treasurer	290,000	
School Board Secretary/Business Administrator	290,000	
Assistant Business Administrator	290,000	
Employee Theft - Per Employee	100,000	1,000
Employee Theft - Per Loss	600,000	100,000
Forgery or Alteration	600,000	6,000
Commercial Property - Selective Insurance:		
Blanket Building and Business Personal Property of Insured	150,511,825	1,000
Commercial General Liability - Selective Insurance:		
General Aggregate	2,000,000	
Products Aggregate	2,000,000	
Personal and Advertising Injury	1,000,000	
Each Occurrence Limit	1,000,000	
Umbrella - Selective Insurance	15,000,000	
Workers Compensation - Selective Insurance	1,000,000	
Business Automobile Coverage - Selective Insurance	1,000,000	
Storage Tank Systems - Zurich Insurance:		
Each Occurrence Limit	1,000,000	
Annual Aggregate	2,000,000	
Abuse or Molestation Liability - Selective Insurance:		
Each Occurrence Limit	1,000,000	
Annual Aggregate	2,000,000	
Inland Marine - Selective Insurance:		
Cameras, Projectors and Related Equipment	805,402	500
Contractors Equipment	164,288	500
Miscellaneous Property	627,971	500
Computer Coverage	2,163,940	500
Musical Instruments and Related Equipment	531,953	500
Valuable Papers and Records	725,000	500
Money and Securities - Selective Insurance:		
Inside Premises	5,000	
Outside Premises	5,000	
Travel Accident Policy for BOE - Life Ins. Co. of North America		
Accidental Death & Dismemberment:		
Class 1	100,000	
Class 2 & 3	50,000	
Total Limit of Liability per Accident	750,000	

Source: Roxbury Township School District records.

SINGLE AUDIT SECTION



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax
 Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

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 Auditors' Report

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

We have audited, in accordance with the 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 the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey (the "Department"), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Roxbury Township, in the County of Morris (the "District") as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 30, 2015.

Internal Control Over Financial Reporting

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

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

Our consideration of the 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.

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

Compliance and Other Matters

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

Purpose of this Report

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

November 30, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant



Mount Arlington Corporate Center
 200 Valley Road, Suite 300
 Mt. Arlington, NJ 07856
 973-328-1825 | 973-328-0507 Fax
 Lawrence Business Center
 11 Lawrence Road
 Newton, NJ 07860
 973-383-6699 | 973-383-6555 Fax

Report on Compliance For Each Major Federal and State Program
 and Report on Internal Control Over Compliance Required by
 OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Roxbury Township's (the "District's") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/ Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2015. The District's major federal and state programs are identified in the summary of auditors' 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.

Auditors' Responsibility

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

Opinion on Each Major Federal and State Program

In our opinion, the 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, 2015.

The Honorable President and Members
of the Board of Education
Roxbury Township School District
Page 2

Report on Internal Control Over Compliance

Management of the 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 District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and 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 and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJOMB 04-04 and 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 or NJOMB 04-04 and 15-08. Accordingly, this report is not suitable for any other purpose.

November 30, 2015
Mount Arlington, New Jersey

NISIVOCCIA LLP



William F. Schroeder
Licensed Public School Accountant #2112
Certified Public Accountant

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2014			Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Years' Balances	Cancellation of Prior Year Encum- brances	Balance at June 30, 2015	
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor						Budgetary Accounts Receivable	Due to Grantor
<u>U.S. Department of Agriculture:</u>														
Passed-through State Department of Agriculture:														
Child Nutrition Cluster:														
Food Distribution Program	10.555	N/A	7/1/14-6/30/15	\$ 20,400			\$ 20,400	\$ (20,400)						
National School Lunch Program	10.555	N/A	7/1/14-6/30/15	245,961			224,497	(245,961)					\$ (21,464)	
National School Lunch Program	10.555	N/A	7/1/13-6/30/14	208,930	\$ (43,024)		43,024							
School Breakfast Program	10.553	N/A	7/1/14-6/30/15	4,723			4,203	(4,723)					(520)	
School Breakfast Program	10.553	N/A	7/1/13-6/30/14	5,230	(1,355)		1,355							
Total Child Nutrition Cluster					(44,379)		293,479	(271,084)					(21,984)	
Total U.S. Department of Agriculture					(44,379)		293,479	(271,084)					(21,984)	
<u>U.S. Department of Education:</u>														
<u>Special Revenue Fund:</u>														
Passed-through State Department of Education:														
No Child Left Behind:														
Title I	84.010	NCLB055515	7/1/14-6/30/15	108,645				(95,489)					(95,489)	
Title I	84.010	NCLB055514	7/1/13-6/30/14	104,942	(39,559)		39,559							
Title I	84.010	NCLB055512	9/1/11-8/31/12	93,286			\$ 6,718			\$ (6,718)				
Total Title I					(39,559)		6,718	39,559	(95,489)				(95,489)	
Title II A	84.367	NCLB055515	7/1/14-6/30/15	80,875				(60,954)					(60,954)	
Title II A	84.367	NCLB055514	7/1/13-6/30/14	79,971	(21,435)		21,436	\$ (1)						
Total Title II					(21,435)		21,436	(60,954)	(1)				(60,954)	
Title III	84.365	NCLB055515	7/1/14-6/30/15	10,482				(8,554)					(8,554)	
Title III	84.365	NCLB055514	7/1/13-6/30/14	12,615	(11,090)		11,090						(8,554)	
Total Title III					(11,090)		11,090	(8,554)					(8,554)	
Special Education Cluster:														
I.D.E.A. Part B, Basic	84.027	IDEA055515	7/1/14-6/30/15	957,634				(872,177)					(872,177)	
I.D.E.A. Part B, Basic	84.027	IDEA055514	7/1/13-6/30/14	852,549	(165,421)		150,256				\$ 15,865		\$ 700	
I.D.E.A. Part B, Basic	84.027	IDEA055513	9/1/12-8/31/13	954,072	(41,988)		41,988							
I.D.E.A. Preschool	84.173	IDEA055515	7/1/14-6/30/15	38,397				(35,997)					(35,997)	
I.D.E.A. Preschool	84.173	IDEA055514	7/1/13-6/30/14	38,464		\$ 21,008					2,645		23,653	
I.D.E.A. Preschool	84.173	IDEA055513	9/1/12-8/31/13	44,978	(40,237)		40,237							
I.D.E.A. Preschool	84.173	IDEA055511	9/1/10-8/31/11	41,149			4,890			(4,890)				
Total Special Education Cluster					(247,646)	21,008	4,890	232,481	(908,174)		(4,890)	18,510	(908,174)	24,353
State Fiscal Stabilization Fund (SFSF):														
ARRA - Race-to-the-Top	84.395	N/A	9/1/11-11/30/15	8,708	(4,353)		4,353							
Total State Fiscal Stabilization Fund (SFSF)					(4,353)		4,353							
Subtotal - Special Revenue Fund					(324,083)	21,008	11,608	308,919	(1,073,171)	(1)	(11,608)	18,510	(1,073,171)	24,353
Total U.S. Department of Education					(324,083)	21,008	11,608	308,919	(1,073,171)	(1)	(11,608)	18,510	(1,073,171)	24,353

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Federal Grantor/Pass Through Grantor/ Program/Cluster Title	Federal CFDA Number	Grant or State Project No.	Grant Period	Award Amount	Balance at June 30, 2014			Cash Received	Budgetary Expenditures	Adjust- ments	Repayment of Prior Years' Balances	Cancellation of Prior Year Encum- brances	Balance at June 30, 2015	
					Budgetary Accounts Receivable	Budgetary Unearned Revenue	Due to Grantor						Budgetary Accounts Receivable	Due to Grantor
U.S. Department of Health and Human Services:														
Medicaid Assistance Program	93.778	N/A	7/1/14-6/30/15	\$ 51,398				\$ 51,398	\$ (51,398)					
Medicaid Assistance Program	93.778	N/A	7/1/12-6/30/13	58,641	\$ (58,641)			58,641						
Medicaid Assistance Program	93.778	N/A	7/1/11-6/30/12	42,649	(42,649)			42,649						
ARRA - Medicaid Assistance Program	93.778	N/A	10/1/08-12/31/10	7,002				7,002	(7,002)					
Total U.S. Department of Health and Human Services						(101,290)		159,690	(58,400)					
Total Federal Awards					\$ (469,752)	\$ 21,008	\$ 11,608	\$ 762,088	\$ (1,402,655)	\$ (1)	\$ (11,608)	\$ 18,510	\$ (1,095,155)	\$ 24,353

N/A - Not Applicable

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014			Budgetary Expenditures	Repayment of Prior Years' Balances	Cancellation of Prior Year Accounts Payable	Balance at June 30, 2015		MEMO	
				Budgetary Accounts Receivable	Due to Grantor	Cash Received				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:													
General Fund State Aid:													
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	\$ 10,300,890			\$ 9,276,392	\$ (10,300,890)					\$ (1,024,498)	\$ 10,300,890
Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	233,042			209,864	(233,042)					(23,178)	233,042
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	2,433,575			2,191,538	(2,433,575)					(242,037)	2,433,575
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	61,433			55,323	(61,433)					(6,110)	61,433
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	459,102			413,441	(459,102)					(45,661)	459,102
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	203,868			183,592	(203,868)					(20,276)	203,868
PARCC Readiness	15-495-034-5120-098	7/1/14-6/30/15	34,275			30,866	(34,275)					(3,409)	34,275
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	34,275			30,866	(34,275)					(3,409)	34,275
Extraordinary Special Education Costs Aid	15-100-034-5120-473	7/1/14-6/30/15	496,032				(496,032)			\$ (496,032)		(496,032)	496,032
Excess Nonpublic Transportation Costs	15-495-034-5120-014	7/1/14-6/30/15	20,532				(20,532)			(20,532)		(20,532)	20,532
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	7/1/14-6/30/15	2,076,856			1,975,841	(2,076,856)			(101,015)		(101,015)	2,076,856
Equalization Aid	14-495-034-5120-078	7/1/13-6/30/14	10,300,890	\$ (1,025,003)		1,025,003							10,300,890
Transportation Aid	14-495-034-5120-014	7/1/13-6/30/14	233,042	(23,189)		23,189							233,042
Special Education Aid	14-495-034-5120-089	7/1/13-6/30/14	2,433,575	(242,156)		242,156							2,433,575
Security Aid	14-495-034-5120-084	7/1/13-6/30/14	61,433	(6,113)		6,113							61,433
Adjustment Aid	14-495-034-5120-085	7/1/13-6/30/14	459,102	(45,684)		45,684							459,102
Extraordinary Special Education Costs Aid	14-100-034-5120-473	7/1/13-6/30/14	431,532	(431,532)		431,532							431,532
Excess Nonpublic Transportation Costs	14-495-034-5120-014	7/1/13-6/30/14	21,250	(21,250)		21,250							21,250
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	7/1/13-6/30/14	2,085,488	(101,959)		101,959							2,085,488
Subtotal - General Fund				(1,896,886)		16,264,609	(16,353,880)			(617,579)		(1,986,157)	32,380,192
Special Revenue Fund Aid:													
Nonpublic Auxiliary Services:													
Compensatory Education	15-100-034-5120-067	7/1/14-6/30/15	33,145			33,145	(29,113)			\$ 4,032			29,113
Compensatory Education	14-100-034-5120-067	7/1/13-6/30/14	33,383		\$ 5,649			\$ (5,649)	\$ 2,910			2,910	24,824
English as a Second Language	15-100-034-5120-067	7/1/14-6/30/15	1,279			1,279							1,279
Transportation	15-100-034-5120-067	7/1/14-6/30/15	25,181			25,181	(22,663)						2,518
Transportation	14-100-034-5120-067	7/1/13-6/30/14	23,361						2,336			2,336	18,689
Home Instruction	14-100-034-5120-067	7/1/13-6/30/14	2,159	(2,159)		2,159			2,159			2,159	
Nonpublic Handicapped Services:													
Supplementary Instruction	15-100-034-5120-066	7/1/14-6/30/15	34,527			34,527	(23,776)					10,751	23,776
Supplementary Instruction	14-100-034-5120-066	7/1/13-6/30/14	28,447		4,926			(4,926)	1,874			1,874	21,647
Corrective Speech	15-100-034-5120-066	7/1/14-6/30/15	40,641			40,641	(19,879)					20,762	19,879
Corrective Speech	14-100-034-5120-066	7/1/13-6/30/14	39,060		10,703			(10,703)	2,656			2,656	25,701
Examination and Classification	15-100-034-5120-066	7/1/14-6/30/15	52,766			52,766	(39,851)					12,915	39,851
Examination and Classification	14-100-034-5120-066	7/1/13-6/30/14	40,130		4,939			(4,939)	17,667			17,667	17,524
N.J. Nonpublic Textbook Aid	15-100-034-5120-064	7/1/14-6/30/15	25,739			25,739	(24,209)					1,530	24,209
N.J. Nonpublic Textbook Aid	14-100-034-5120-064	7/1/13-6/30/14	23,640		1,610			(1,610)					22,030
N.J. Nonpublic Nursing Aid	15-100-034-5120-070	7/1/14-6/30/15	40,975			40,975	(40,975)						40,975
N.J. Nonpublic Nursing Aid	14-100-034-5120-070	7/1/13-6/30/14	33,273		3,327			(3,327)					29,946
N.J. Nonpublic Technology Initiative	15-100-034-5120-373	7/1/14-6/30/15	13,824			13,824						13,824	
N.J. Nonpublic Technology Initiative	14-100-034-5120-373	7/1/13-6/30/14	8,620		4,434			(4,434)					4,186
Subtotal - Special Revenue Fund				(2,159)	35,588	270,236	(200,466)	(35,588)	29,602		97,213		365,013

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF OF EXPENDITURES OF STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014			Budgetary Expenditures	Repayment of Prior Years' Balances	Cancellation of Prior Year Accounts Payable	Balance at June 30, 2015		MEMO	
				Budgetary Accounts Receivable	Due to Grantor	Cash Received				GAAP Accounts Receivable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<u>State Department of Education:</u>													
Food Service Fund:													
State School Lunch Program	15-100-010-3350-023	7/1/14-6/30/15	\$ 9,811			\$ 8,964	\$ (9,811)			\$ (847)		\$ (847)	\$ 9,811
State School Lunch Program	14-100-010-3350-023	7/1/13-6/30/14	8,701	\$ (1,780)		1,780							8,701
State School Lunch Program - Supplemental	14-100-010-3350-023	7/1/13-6/30/14	518	(518)		518							518
Subtotal - Food Service Fund				(2,298)		11,262	(9,811)			(847)		(847)	19,030
Total State Department of Education				(1,901,343)	\$ 35,588	16,546,107	(16,564,157)	\$ (35,588)	29,602	(618,426)	\$ 97,213	(1,987,004)	32,766,394
Total State Awards				\$ (1,901,343)	\$ 35,588	\$ 16,546,107	\$ (16,564,157)	\$ (35,588)	\$ 29,602	\$ (618,426)	\$ 97,213	\$ (1,987,004)	\$ 32,766,394

N/A - Not Applicable/Available

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1. BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal and state awards includes the federal and state grant activity of the Board of Education, Roxbury Township School District under programs of the federal and state governments for the fiscal year ended June 30, 2015. The information in these schedules are presented in accordance with the Federal Office of Management and Budget (OMB), *Audits of States and Local Governments and Non-Profit Organizations* and New Jersey's OMB Circulars 04-04 and 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Because the schedules present only a selected portion of the operations of the District, they are not intended to and do not present the financial position, changes in net position or cash flows of the District.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the accompanying schedules of expenditures of federal and state awards are reported on the budgetary basis of accounting with the exception of programs recorded in the Food Service Fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements. Such expenditures are recognized following the cost principles contained in federal OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governmental Units*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Pass-through identifying numbers are presented where available.

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$26,433) for the general fund and (\$1,544) for the special revenue fund (of which \$724 is associated with local grants). See Note 1D for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Additionally, the schedule of expenditures of state awards does not include the TPAF On-Behalf Pension Contributions and on-behalf TPAF Post Retirement Contributions revenue of \$1,534,711 and \$2,436,353 respectively. Revenue from federal and state awards is reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 58,400	\$ 20,298,511	\$ 20,356,911
Special Revenue Fund	1,070,903	200,466	1,271,369
Food Service Fund	271,084	9,811	280,895
Total Awards	<u>\$ 1,400,387</u>	<u>\$ 20,508,788</u>	<u>\$ 21,909,175</u>

ROXBURY TOWNSHIP SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF FEDERAL AND STATE AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued)

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenue and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employers' share of social security contributions for TPAF members for the fiscal year ended June 30, 2015.

NOTE 6. NJ SCHOOLS DEVELOPMENT AUTHORITY (NJSDA GRANTS)

The District has been awarded two grants in the amount of \$896,000 in the Capital Projects Fund from the New Jersey School Development Authority (NJSDA) under the Educational Facilities Construction and Financing Act. As of June 30, 2015, neither project has been completed. As of June 30, 2015, \$-0- of the grant funds has been expended and drawn down on a GAAP basis. In the Capital Projects Fund, the District realizes the full amount of the grant revenue on a budgetary basis in the year awarded and realizes the grant revenue on a GAAP basis as it is expended and submitted for reimbursement. Expenditures, if any, reported under the NJSDA on the Schedule of Expenditures of State Awards represent reimbursement requests submitted to the NJSDA.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Summary of Auditors' Results:

- The Independent Auditors' Report expresses an unmodified opinion on the financial statements of the District.
- There were no material weaknesses or significant deficiencies disclosed during the audit of the financial statements as reported in the *Independent Auditors' 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*.
- No instances of noncompliance material to the financial statements of the District which would be required to be reported in accordance with *Government Auditing Standards*, were disclosed during the audit.
- There were no material weaknesses or significant deficiencies in internal control over major federal and state programs disclosed during the audit as reported in the *Independent Auditors' Report on Compliance For Each Major Federal and State Program; Report on Internal Control Over Compliance Required by OMB Circular A-133 and New Jersey's OMB Circulars 04-04 and 15-08*.
- The auditor's report on compliance for the major federal and state programs for the District expresses an unmodified opinion on all major federal and state programs.
- The audit did not disclose any audit findings which are required to be reported in accordance with New Jersey's OMB Circulars 04-04 and 15-08 or Section 510(a) of Federal OMB Circular A-133.
- The District's programs tested as major federal and state programs for the current fiscal year consisted of the following:

	<u>C.F.D.A./</u> <u>State Grant Number</u>	<u>Grant Period</u>	<u>Award</u> <u>Amount</u>	<u>Budgetary</u> <u>Expenditures</u>
<u>Federal:</u>				
Special Education Cluster:				
I.D.E.A. Part B, Basic	84.027	7/1/14-6/30/15	\$ 957,634	\$ 872,177
I.D.E.A. Preschool	84.173	7/1/14-6/30/15	38,397	35,997
<u>State:</u>				
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	10,300,890	10,300,890
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	2,433,575	2,433,575
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	61,433	61,433
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	459,102	459,102
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	203,868	203,868
PARCC Readiness	15-495-034-5120-098	7/1/14-6/30/15	34,275	34,275
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	34,275	34,275

- The threshold used for distinguishing between Type A and Type B federal programs was \$300,000.
- The threshold used for distinguishing between Type A and Type B state programs was \$496,925.
- The District was determined to be a "low-risk" auditee for federal and state programs.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

Summary of Auditors' Results: (Cont'd)

Findings Relating to the Financial Statements which are required to be Reported in Accordance with Generally Accepted Government Auditing Standards:

- The audit did not disclose any findings required to be reported under Generally Accepted Government Auditing Standards.

Findings and Questioned Costs for Federal Awards:

- The audit did not disclose any findings or questioned costs for federal awards as defined in section 510(a) of the federal Circular.

Findings and Questioned Costs for State Awards:

- The audit did not disclose any findings or questioned costs for state awards as defined in section 510(a) of the federal Circular and New Jersey's OMB Circulars 04-04 and 15-08.

ROXBURY TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Status of Prior Year Findings:

The District had no prior year audit findings.