

WESTWOOD REGIONAL SCHOOL DISTRICT
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Washington Township, New Jersey

COMPREHENSIVE ANNUAL

FINANCIAL REPORT

of the

Westwood Regional School District

Washington Township, New Jersey

For The Fiscal Year Ended June 30, 2015

Prepared by

Business Office

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INTRODUCTORY SECTION

*Westwood Regional Schools
701 Ridgewood Road
Township of Washington, New Jersey 07676
Phone: (201) 664-0880
Fax: (201) 664-7642*

*Raymond A. González, Ed.D.
Superintendent of Schools*

*Keith A Rosado
Business Administrator/Board Secretary*

November 23, 2015

Honorable President and Members of the Board of Education
Westwood Regional School District
701 Ridgewood Road
Township of Washington, NJ 07676

Dear Board Members:

The Comprehensive Annual Financial Report of the Westwood Regional School District (hereafter 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 District. To the best of our knowledge, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and the results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District’s financial activities have been included.

Governmental Accounting Standards Board (GASB) requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management’s Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. Westwood Regional School District’s MD&A can be found immediately following the “Independent Auditors’ Report”.

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, management’s discussion and analysis (MD&A) and the basic financial statements including the district-wide financial statements presented in conformity with Governmental Accounting Standards Board Statement No. 34. The basic financial statements also include individual fund financial statements, notes to the basic financial statements, and required supplemental information (RSI). 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 and the U.S. Office of Management and Budget Circular A-133, “Audits of State and Local Governments and Non Profit Organizations,” and the New Jersey OMB Circular 15-08, “Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments.” Information related to this single audit, including the auditor’s report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the supplementary information section of this report.

1) REPORTING ENTITY AND ITS SERVICES

The Westwood Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board as established by GASB No. 14. All funds of the District are included in this report. The Westwood Regional Board of Education and all of its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-Kindergarten through Grade 12. These include regular, as well as special education for handicapped students. In the 2014-15 fiscal year, the District's average daily enrollment was 2,735 students, which was 47 students more than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years:

Fiscal Year	Average Daily Enrollment	Percent Change
2014-15	2,735	1.75%
2013-14	2,688	.29%
2012-13	2,680	(.92%)
2011-12	2,705	(.73%)
2010-11	2,725	(.21%)
2009-10	2,731	.59%
2008-09	2,715	3.00%
2007-08	2,636	(.35%)
2006-07	2,645	.26%
2005-06	2,652	1.03%

2) ECONOMIC CONDITION AND OUTLOOK

The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain costs in addition to new funding sources in order to maintain the quality educational services that the District has been accustomed to providing.

The emergence of the statewide Core Curriculum Content Standards has precipitated a need to expand program offerings, and these additional courses require additional classroom space and equipment. Westwood Regional School District does not have the capacity at present to accommodate all of these requirements, but efforts are being made as facilities/resources allow.

Additionally the District was able to use allocated Capital Reserve Funds and ROD grants for the partial roof replacement projects at George Elementary School, Brookside Elementary School, Westwood Regional Jr./Sr. High School, as well as the façade replacement project at the Westwood Regional Jr./Sr. High School. The District applied for the ROD grants in which the State matched 40% of the total expense of the projects. The District funded the 60% share from Capital Reserve Funds, eliminating the need to increase the budget.

3) INTERNAL ACCOUNTING CONTROLS

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

3) INTERNAL ACCOUNTING CONTROLS (Continued)

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

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

4) BUDGETARY CONTROLS:

In addition to the 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 from 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 reservations of fund balance at June 30, 2015. These are reappropriated automatically into the following fiscal year, and as a result, increase the approved budget.

5) ACCOUNTING SYSTEM AND REPORTS

The District's financial statements are presented in conformity with accounting principles generally accepted in the United States, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and these funds are explained in "Notes to the Basic Financial Statements."

6) 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". 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"). GUPDA 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.

7) RISK MANAGEMENT

The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property, contents and fidelity bonds. The District also operates a self-insured workers compensation program, with an excess insurance policy, New Jersey School Boards Association Insurance Group, a third party claims administrator. Coverage under the workers compensation program is maintained at the statutory levels.

8) INDEPENDENT AUDIT

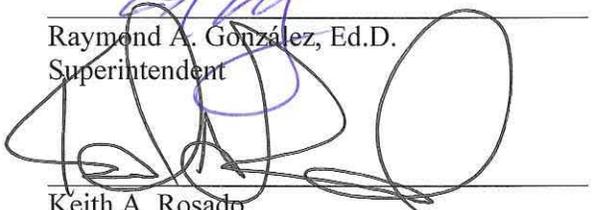
State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Lerch, Vinci, & Higgins, LLP, CPA's was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act and the related OMB Circular A-133 and State Treasury Circular Letter 15-08 OMB. The auditors' report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditors' reports related specifically to the single audit are included in the single audit section of this report.

9) ACKNOWLEDGEMENTS

The administration wishes to express its appreciation to the entire business office staff, whose continued efforts and tenacity to ensure the implementation of GAAP and the Board of Education's business policies and regulations make the efficient operation of the district possible. The Business office staff thanks the school district auditors for technical expertise and patience in providing guidance in accounting in general, and this report in particular.

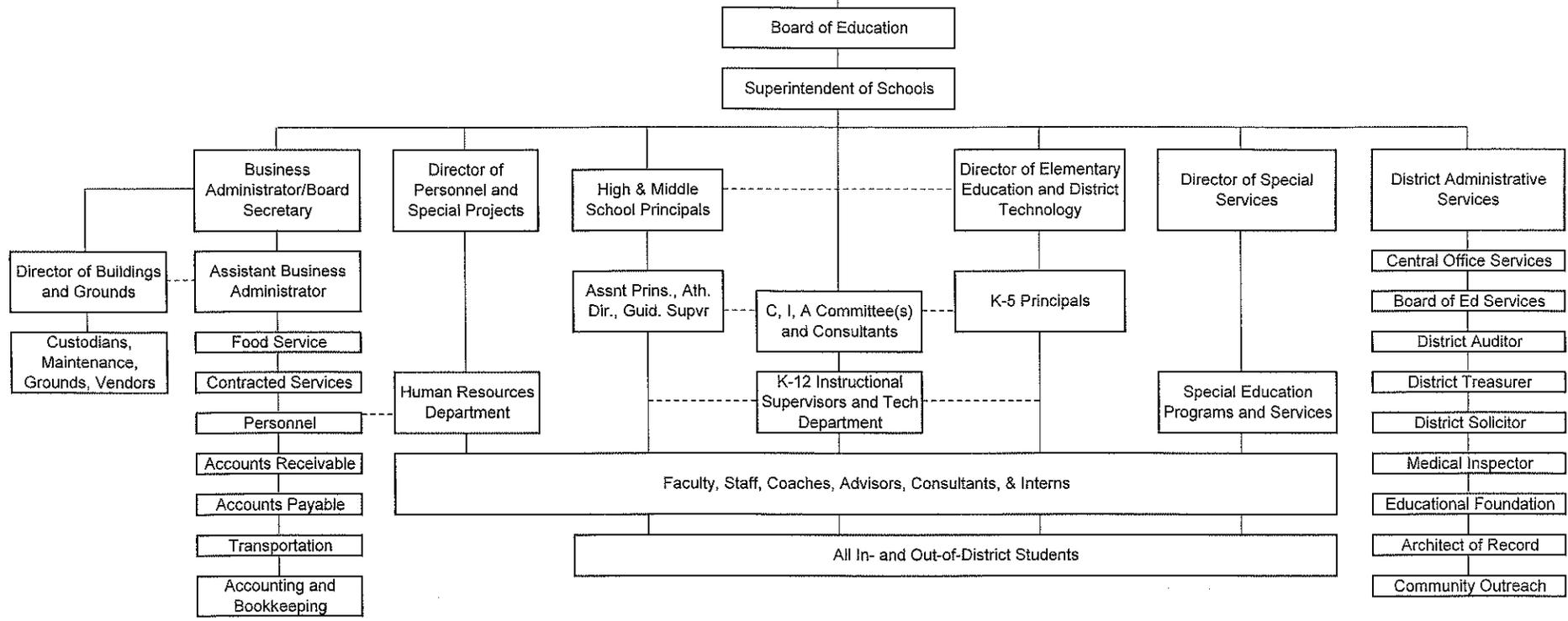
Respectfully submitted,



Raymond A. González, Ed.D.
Superintendent

Keith A. Rosado
Business Administrator/Board Secretary

WESTWOOD REGIONAL SCHOOL DISTRICT 2014-2015 ORGANIZATIONAL CHART



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Revised 07/01/12

WESTWOOD REGIONAL SCHOOL DISTRICT

**ROSTER OF OFFICIALS
as of June 30, 2015**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Darlene Mandeville, President	2017
Roberta Hanlon, Vice-President	2016
Joseph Blundo	2016
Stephen Kalish	2017
Charles Koch	2016
Paul Liddy	2015
Russell Miller	2015
Maria Straight	2015
Susan Swietkowski	2017

Other Officials

Raymond Gonzalez, Superintendent

Jill Mortimer, Assistant Superintendent

Keith A. Rosado, Business Administrator/Board Secretary

Deborah Carpino, Treasurer

Rodney T. Hara, Esq., Legal Counsel

WESTWOOD REGIONAL SCHOOL DISTRICT

**CONSULTANTS AND ADVISORS
as of June 30, 2015**

Audit Firm

Lerch, Vinci & Higgins, LLP
17-17 State Highway 208 North
Fair Lawn, NJ 07410

Attorney

Fogarty & Hara
21-00 Route 208 South
Fair Lawn, NJ 07410

Special Education Attorney

Machado Law Group, LLC
130 Central Avenue
Clark, NJ 07066

Architect

FKA Architects
306 Ramapo Valley Road
Oakland, NJ 07436

Official Depository

Capital One Bank
710 Route 46
Fairfield, NJ 07004

FINANCIAL SECTION



LERCH, VINCI & HIGGINS, LLP

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
GARY W. HIGGINS, CPA, RMA, PSA
JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
JULIUS B. CONSONI, CPA, PSA

DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA
KATHLEEN WANG, CPA
ROBERT AMPONSAH, CPA

ELIZABETH A. SHICK, CPA, RMA, PSA
ANDREW PARENTE, CPA, RMA, PSA
ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Westwood Regional School District
Washington Township, 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 Westwood Regional School District, as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in the 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 of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

Adoption of New Accounting Pronouncement

As discussed in Note 1 to the financial statements, in the fiscal year ended June 30, 2015, the Westwood Regional School District adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension information 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

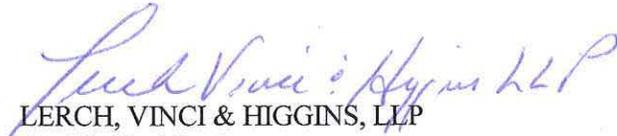
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Westwood Regional School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by U.S. Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Westwood Regional School District.

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

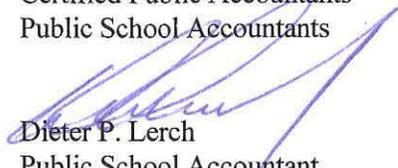
The introductory section, financial schedules and statistical section have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated November 23, 2015 on our consideration of the Westwood Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Westwood Regional School District's internal control over financial reporting and compliance.



LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants



Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 23, 2015

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

This section of the Westwood Regional School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34 – Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments. Certain comparative information between the current year (2014-2015) and the prior year (2013-2014) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

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

- The assets and deferred outflows of resources of the Westwood Regional School District exceeded its liabilities and deferred inflows of resources at the close of the fiscal year by \$20,298,310 (net position).
- Overall district-wide revenues were \$63,514,385. General revenues accounted for \$48,766,977 or 77% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$14,747,408 or 23% of total revenues.
- The school district had \$57,444,549 in expenses for governmental activities; only \$13,857,343 of these expenses were offset by program specific charges, grants or contributions. General revenues (predominantly property taxes) of \$48,765,835 were adequate to provide for these programs.
- As of the close of the current fiscal year, the District's governmental funds reported a combined ending fund balance of \$17,580,328.
- The General Fund fund balance at June 30, 2015 was \$14,941,876, an increase of \$2,399,687 when compared with the beginning balance at July 1, 2014.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

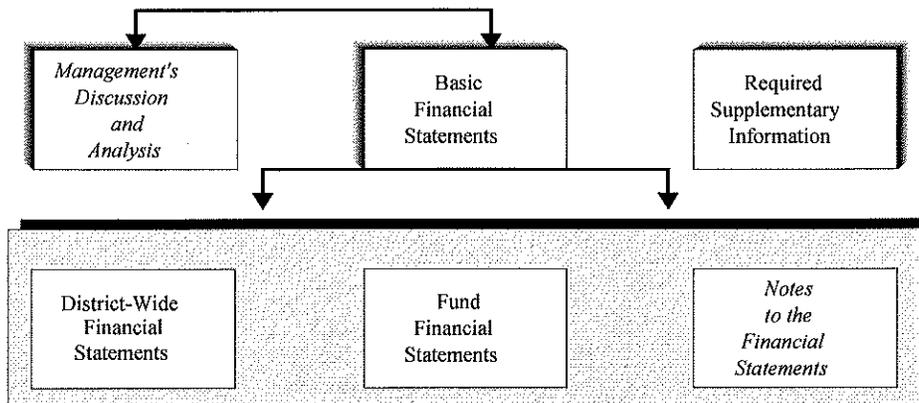
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

OVERVIEW OF THE FINANCIAL STATEMENTS

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental 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 were financed in the *short term* as well as what remains for future spending.
 - *Proprietary funds* statements offer *short-term* and *long-term* financial information about the activities the district operated like *businesses*.
 - *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 to whom the resources belong.

The financial statements also include *notes* that explain some of the information in the statements and provide more detailed data. The chart below shows how the various parts of this annual report are arranged and related to one another.



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

The table below 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 the structure and contents of each of the statements.

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 regular and special education, building maintenance	Activities the district operates similar to private businesses: enterprise funds Food Service Summer Enrichment	Instances in which the district administers resources on behalf of someone else, such as Unemployment, Payroll Agency, and Student Activities
Required financial statements	Statements of Net Position Statement of Activities	Balance Sheet Statement of Revenues, Expenditures and Changes in Fund Balances	Statement of Net Position Statement of Revenue, Expenses, and Changes in Fund Net Position Statement of Cash Flows	Statements 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 focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources Focus
Type of asset, deferred inflows/outflows of resources and liability information	All assets, deferred inflows/outflows of resources and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities and deferred inflows of resources that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets, deferred inflows/outflows of resources and liabilities, both financial and capital, and short-term and long-term	All assets, deferred inflows/outflows of resources and liabilities, both short-term and long-term funds do not currently contain capital assets.
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues 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 revenues and expenses during the year, regardless of when cash is received or paid.	All additions and dedications during the year, regardless of when cash is received or paid.

District-wide financial 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, liabilities and deferred inflows of resources. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

District-wide financial statements (continued)

- 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 overall health of the District you need to consider additional non-financial 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 shown in two categories:

- *Governmental activities* – Most of the District's basic services are included here, such as regular and special education, transportation, administration and plant operations and maintenance. Property taxes and state aids finance most of these activities.
- *Business type activities* – These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises. The District's Food Service Fund and Summer Enrichment Program Fund are included under this category.

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 bond covenants.
- The District uses other funds established in accordance with the State of New Jersey Uniform Chart of Accounts to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (federal and state 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 to 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, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) 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.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

Fund financial statements (continued)

Enterprise Funds – This fund is established to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that costs of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges. The District currently has two enterprise funds, one fund accounts for the Food Service (cafeteria) and the other accounts for the Summer Enrichment Program activities.

- *Fiduciary funds* – The District is the trustee, or *fiduciary*, for assets that belong to others. 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. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use these assets to finance its operations.

Notes to the financial statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information*. The first part of required supplementary information is concerning the District's budget process. The District adopts an annual expenditure budget for the general, special revenue and debt service funds. A budgetary comparison statement has been provided for these funds as required supplementary information. The required supplementary information can be found following the notes to the financial statements.

Combining statements and schedules are presented immediately following the major budgetary comparisons.

The District also presents required supplementary information regarding the accounting and reporting for pensions as required under GASB Statement No. 68. The required supplementary information can be found following the notes to the financial statements.

DISTRICT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$20,298,310 as of June 30, 2015 and \$15,056,125 (as restated) as of June 30, 2014.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

By far the largest portion of the District's net position reflects its investment in capital assets (e.g., land and improvements, buildings and improvements, vehicles, furniture and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to its students; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

**Statement of Net Position
As of June 30, 2015 and 2014**

	Governmental Activities		Business-Type Activities		Total	
	2015	2014 (Restated)	2015	2014 (Restated)	2015	2014 (Restated)
Current Assets	\$ 20,765,972	\$ 17,831,871	\$ 208,895	\$ 211,288	\$ 20,974,867	\$ 18,043,159
Capital Assets	28,345,850	26,523,763	82,203	25,266	28,428,053	26,549,029
Total Assets	<u>49,111,822</u>	<u>44,355,634</u>	<u>291,098</u>	<u>236,554</u>	<u>49,402,920</u>	<u>44,592,188</u>
Deferred Outflows of Resources	<u>731,966</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>731,966</u>	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>49,843,788</u>	<u>44,355,634</u>	<u>291,098</u>	<u>236,554</u>	<u>50,134,886</u>	<u>44,592,188</u>
Other Liabilities	3,433,704	3,612,004	72,779	82,959	3,506,483	3,694,963
Noncurrent Liabilities	<u>25,738,509</u>	<u>25,840,526</u>	<u>-</u>	<u>-</u>	<u>25,738,509</u>	<u>25,840,526</u>
Total Liabilities	<u>29,172,213</u>	<u>29,452,530</u>	<u>72,779</u>	<u>82,959</u>	<u>29,244,992</u>	<u>29,535,489</u>
Deferred Inflows of Resources	<u>589,842</u>	<u>-</u>	<u>1,742</u>	<u>574</u>	<u>1,742</u>	<u>574</u>
Total Liabilities and Deferred Inflows of Resources	<u>29,762,055</u>	<u>29,452,530</u>	<u>74,521</u>	<u>83,533</u>	<u>29,836,576</u>	<u>29,536,063</u>
Net Position:						
Net Investment in Capital Assets	14,116,063	11,757,643	82,203	25,266	14,198,266	11,782,909
Restricted	13,926,269	10,573,362			13,926,269	10,573,362
Unrestricted	<u>(7,960,599)</u>	<u>(7,427,901)</u>	<u>134,374</u>	<u>127,755</u>	<u>(7,826,225)</u>	<u>(7,300,146)</u>
Total Net Position	<u>\$ 20,081,733</u>	<u>\$ 14,903,104</u>	<u>\$ 216,577</u>	<u>\$ 153,021</u>	<u>\$ 20,298,310</u>	<u>\$ 15,056,125</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

**Changes in Net Position
For the Fiscal Years Ended June 30, 2015 and 2014**

	Governmental		Business-Type		Total	
	Activities		Activities			
	2015	2014	2015	2014	2015	2014
Revenues						
Program Revenues						
Charges for Services	\$ 97,499	\$ 68,394	\$ 711,775	\$ 728,485	\$ 809,274	\$ 796,879
Grants and Contributions	13,759,844	8,072,043	178,290	173,959	13,938,134	8,246,002
General Revenues						
Property Taxes	48,358,593	47,430,313			48,358,593	47,430,313
State and Federal Aid	226,461	168,375			226,461	168,375
Other	180,781	158,537	1,142	1,235	181,923	159,772
Total Revenues	<u>62,623,178</u>	<u>55,897,662</u>	<u>891,207</u>	<u>903,679</u>	<u>63,514,385</u>	<u>56,801,341</u>
Expenses						
Instruction						
Regular	22,866,004	19,192,579			22,866,004	19,192,579
Special Education	8,573,422	7,652,800			8,573,422	7,652,800
Other Instruction	1,530,383	1,533,324			1,530,383	1,533,324
School Sponsored Activities and Athletics	1,320,124	1,219,388			1,320,124	1,219,388
Support Services						
Student and Instruction Related Serv.	10,675,895	9,996,396			10,675,895	9,996,396
General Administrative Services	1,130,717	883,832			1,130,717	883,832
School Administrative Services	3,352,217	2,997,858			3,352,217	2,997,858
Plant Operations and Maintenance	5,127,740	4,980,108			5,127,740	4,980,108
Pupil Transportation	1,334,608	1,449,545			1,334,608	1,449,545
Business and Other Support Services	936,045	924,881			936,045	924,881
Interest on Long-Term Debt	597,394	621,983			597,394	621,983
Food Services			798,375	856,267	798,375	856,267
Summer Enrichment	-	-	29,276	24,087	29,276	24,087
Total Expenses	<u>57,444,549</u>	<u>51,452,694</u>	<u>827,651</u>	<u>880,354</u>	<u>58,272,200</u>	<u>52,333,048</u>
Change in Net Position	<u>\$ 5,178,629</u>	<u>\$ 4,444,968</u>	<u>\$ 63,556</u>	<u>\$ 23,325</u>	<u>\$ 5,242,185</u>	<u>\$ 4,468,293</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

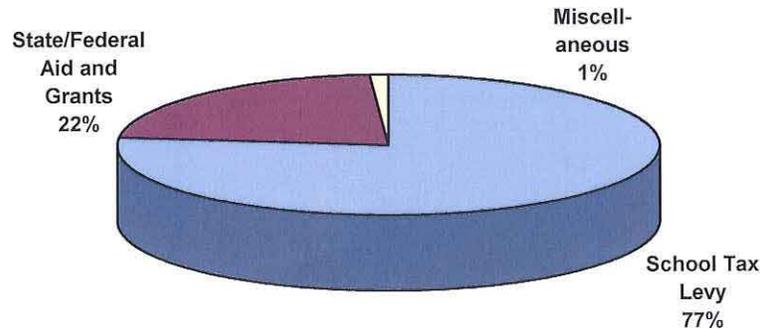
**Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2015**

Governmental Activities. The District's total governmental activities' revenues, which includes State and Federal grants, were \$62,623,178 for the year ended June 30, 2015 an increase of \$6,725,516 from the previous year. A large portion of this increase is attributable to the adjustment to the on-behalf TPAF contribution to recognize the actuarially determined amount that should have been contributed on-behalf of the District. This adjustment which impacts both the governmental activities revenues and expenses was \$4,708,642. Property taxes of \$48,358,593 represented 77% of revenues. Another significant portion of revenues came from State and Federal aid; total State, Federal and local aid was \$13,986,305. Another source of revenues is miscellaneous income which includes items such as interest earnings, prior year refunds, etc.

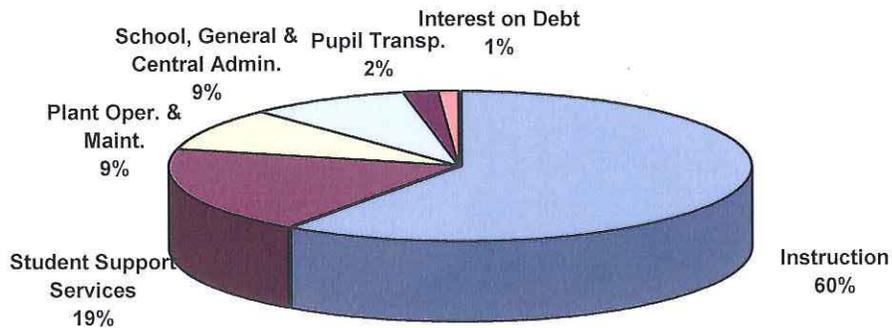
The total cost of all governmental activities programs and services was \$57,444,549. The District's expenses are predominantly related to educating and caring for students. Instruction totaled \$34,289,933 (60%) of total expenditures. Student support services, exclusive of interest on debt, total \$22,557,222 or (39%) of total expenditures.

Total governmental activities revenues surpassed expenses, increasing net position \$5,178,629 over the previous year.

Revenues by Source- Governmental Activities
For Fiscal Year 2015



Expenditures by Type- Governmental Activities
For Fiscal Year 2015



**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

Total and Net Cost of Governmental Activities. The District's total cost of services was \$57,444,549. After applying program revenues derived from: grants and contributions of \$13,759,844 and charges for services of \$97,499, the net cost of services of the District is \$43,587,206.

**Total and Net Cost of Governmental Activities
For the Fiscal Years Ended June 30, 2015 and 2014**

	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Instruction				
Regular	\$ 22,866,004	\$ 19,192,579	\$ 17,158,298	\$ 16,687,833
Special Education	8,573,422	7,652,800	4,394,472	4,028,917
Other Instruction	1,530,383	1,533,324	1,135,541	1,275,865
School Sponsored Activities and Athletics	1,320,124	1,219,388	1,250,975	1,187,258
Support Services				
Student and Instruction Related Svcs.	10,675,895	9,996,396	9,442,183	9,281,930
General Administrative Services	1,130,717	883,832	959,254	822,370
School Administrative Services	3,352,217	2,997,858	2,699,725	2,707,558
Plant Operations and Maintenance	5,127,740	4,980,108	3,975,059	4,616,288
Pupil Transportation	1,334,608	1,449,545	1,209,869	1,334,780
Business and Other Support Services	936,045	924,881	936,045	924,881
Interest on Long-Term Debt	597,394	621,983	425,785	444,577
Total	<u>\$ 57,444,549</u>	<u>\$ 51,452,694</u>	<u>\$ 43,587,206</u>	<u>\$ 43,312,257</u>

Business-Type Activities – The District's total business-type activities revenues were \$891,207 for the year ended June 30, 2015. Charges for services accounted for 80% of total revenues. Operating grants and contributions accounted for 20% of total revenue for the year and interest income accounted for less than 1% of total revenue.

The total cost of all business-type activities programs and services was \$827,651. The District's expenses are related to Food Service programs provided to all students, teachers and administrators within the District and to the District's summer enrichment program.

Total business-type activities revenues surpassed expenses, increasing net position by \$63,556 from the previous year which represents a 42 percent increase in net position of the District's business-type activities.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

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

Governmental Funds

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

The financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a *combined* fund balance of \$17,580,328.

Revenues for the District's governmental funds were \$57,914,536, while total expenses were \$54,812,385.

General Fund - The General Fund is the chief operating fund of the District and includes the primary operations in providing educational services to students from kindergarten through grade 12 including pupil transportation activities and capital outlay projects.

The following schedule presents a summary of General Fund Revenues.

	Fiscal Year Ended <u>June 30, 2015</u>	Fiscal Year Ended <u>June 30, 2014</u>	Amount of Increase (Decrease)	Percent Change
Local Sources				
Property Tax Levy	\$ 47,481,245	\$ 46,550,241	\$ 931,004	2%
Interest	66,461	77,701	(11,240)	-14%
Miscellaneous	211,819	145,501	66,318	46%
State/Federal Sources	<u>6,741,877</u>	<u>6,329,382</u>	<u>412,495</u>	<u>7%</u>
Total General Fund Revenues	<u>\$ 54,501,402</u>	<u>\$ 53,102,825</u>	<u>\$ 1,398,577</u>	<u>3%</u>

Total General Fund Revenues increased by \$1,398,577, or 3% from the previous year.

State/federal revenues increased \$412,495 or 7%. The increase in state aid is related to an increase in TPAF On-Behalf Pension Contributions made by the State of New Jersey on behalf of the District.

Local property taxes increased 2% over the previous year.

Miscellaneous income revenues increased by \$66,318 compared to the prior year primarily due to a increases in tuition and rental income received by the District during the 2014-2015 year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

The following schedule presents a summary of General Fund expenditures.

	<u>Fiscal Year Ended June 30, 2015</u>	<u>Fiscal Year Ended June 30, 2014</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Change</u>
Instruction	\$ 29,419,702	\$ 28,510,612	\$ 909,090	3%
Support Services	20,037,925	19,979,654	58,271	0%
Debt Service		1,359	(1,359)	-100%
Capital Outlay	<u>527,731</u>	<u>531,087</u>	<u>(3,356)</u>	-1%
Total Expenditures	<u>\$ 49,985,358</u>	<u>\$ 49,022,712</u>	<u>\$ 962,646</u>	<u>2%</u>

Total General Fund expenditures increased \$962,646 or 2% from the previous year. The District had an increase in instructional costs during 2014-15.

In 2014-2015 General Fund revenues exceeded expenditures and other financing uses by \$2,399,687. As a result, total fund balance increased to \$14,941,876 at June 30, 2015. After deducting statutory restrictions and designations, the unassigned fund balance decreased from \$868,900 at June 30, 2014 to \$867,411 at June 30, 2015.

Special Revenue Fund - The Special Revenue Fund includes all restricted Federal, State and Local sources utilized in the operations of the district in providing educational services to students.

Revenues of the Special Revenue Fund were \$1,114,102 for the year ended June 30, 2015. Federal sources accounted for the majority of Special Revenue Fund's revenue which represented 81% of the total revenue for the year. State sources accounted for 18% and the balance of revenues of 1% were from local grants.

Total Special Revenue Fund revenues decreased \$159,801 or 12% from the previous year.

Expenditures of the Special Revenue Fund were \$1,114,102. Instructional expenditures were \$985,209 or 88% and expenditures for the support services were \$128,893 or 12% of total expended for the year ended June 30, 2015.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

Proprietary Funds

The District maintains Enterprise Funds to account for activities which are supported in part through user fees.

Enterprise Fund - The District uses Enterprise Funds to report activities related to the Food Services program and the Summer Enrichment program. The District's Enterprise Funds provide the same type of information found in the district-wide financial statements, business-type activities, but in more detail. Factors concerning the finances of this Fund have already been addressed in the discussion of the District's business-type activities.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared according to New Jersey Department of Education guidelines, and is based on accounting for certain transactions on the basis of cash receipts, disbursements and encumbrances. The most significant budgetary fund is the General Fund.

Over the course of the year, the District revised the annual operating budget several times. These budget amendments were for:

- Implementing budgets for specially funded projects, which include both federal and state grants and reinstating prior year purchase orders being carried over.

CAPITAL ASSETS

The District's investment in capital assets for its governmental and business type activities as of June 30, 2015 amounts to \$28,428,053 (net of accumulated depreciation). The capital assets consist of land improvements, buildings, building improvements, construction in progress, computers, specialized machinery and various other types of equipment. Depreciation charges for fiscal year 2014-2015 amounted to \$1,195,925 for governmental activities and \$6,080 for business-type activities.

**Capital Assets at June 30, 2015 and 2014
(Net of Accumulated Depreciation)**

	<u>Governmental</u>		<u>Business-Type</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u> (Restated)	<u>2015</u>	<u>2014</u> (Restated)
Building and Building Improvements	\$ 24,205,451	\$ 20,907,728			\$ 24,205,451	\$ 20,907,728
Machinery and Equipment	2,952,811	2,913,568	\$ 82,203	\$ 25,266	3,035,014	2,938,834
Construction In Progress	<u>1,187,588</u>	<u>2,702,467</u>	<u>-</u>	<u>-</u>	<u>1,187,588</u>	<u>2,702,467</u>
Total Capital Assets, Net	<u>\$ 28,345,850</u>	<u>\$ 26,523,763</u>	<u>\$ 82,203</u>	<u>\$ 25,266</u>	<u>\$ 28,428,053</u>	<u>\$ 26,549,029</u>

Additional information on the District's capital assets are presented in the "Notes to the Financial Statements" of this report.

**WESTWOOD REGIONAL SCHOOL DISTRICT
WASHINGTON TOWNSHIP, NEW JERSEY**

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

LONG TERM LIABILITIES

At year end, the District's long-term liabilities consisted of compensated absences payable of \$1,498,927, net pension liability of \$9,897,582 and bonds payable of \$14,342,000.

Additional information of the District's long-term liabilities is presented in the "Notes to the Financial Statements" of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Currently, the District is in good financial condition. Everyone associated with Westwood Regional School District is grateful for the community support.

Many factors were considered by the District's administration during the process of developing the fiscal year 2014-2015 budget. The primary factors were the District's projected student population, anticipated state and federal aid as well as increasing salary and related benefit costs.

These indicators were considered as well when adopting the budget for fiscal year 2015-2016. Budgeted expenditures in the General Fund decreased 2 percent to \$51,840,712 in fiscal year 2015-2016. Decreases in capital reserve transfers to fund capital projects were the primary reasons for the decrease.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional information contact the Business Office, Westwood Regional School District, 701 Ridgewood Road, Washington Township, NJ 07676.

BASIC FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 17,611,610	\$ 193,119	\$ 17,804,729
Receivables, net	3,154,362	9,050	3,163,412
Inventories		6,726	6,726
Capital Assets Not Being Depreciated	1,187,588		1,187,588
Capital Assets, Net of Accumulated Depreciation	27,158,262	82,203	27,240,465
Total Assets	49,111,822	291,098	49,402,920
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	731,966	-	731,966
Total Deferred Outflows of Resources	731,966	-	731,966
Total Assets and Deferred Outflows of Resources	49,843,788	291,098	50,134,886
LIABILITIES			
Accounts Payable and Other Current Liabilities	1,796,767	34,231	1,830,998
Intergovernmental Payable	31,707		31,707
Unearned Revenue	1,357,170	38,548	1,395,718
Accrued Interest Payable	248,060		248,060
Noncurrent Liabilities			
Due Within One Year	1,193,000		1,193,000
Due Beyond One Year	24,545,509		24,545,509
Total Liabilities	29,172,213	72,779	29,244,992
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Net Pension Liability	589,842		589,842
Deferred Commodities Revenue	-	1,742	1,742
Total Deferred Inflows of Resources	589,842	1,742	591,584
Total Liabilities and Deferred Inflows of Resources	29,762,055	74,521	29,836,576
NET POSITION			
Net Investment in Capital Assets	14,116,063	82,203	14,198,266
Restricted for:			
Capital Projects	13,832,916		13,832,916
Debt Service	93,353		93,353
Unrestricted	(7,960,599)	134,374	(7,826,225)
Total Net Position	\$ 20,081,733	\$ 216,577	\$ 20,298,310

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL 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		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
Governmental Activities							
Instruction							
Regular	\$ 22,866,004	\$ 68,939	\$ 5,638,767		\$ (17,158,298)		\$ (17,158,298)
Special Education	8,573,422		4,178,950		(4,394,472)		(4,394,472)
Other Instruction	1,530,383		394,842		(1,135,541)		(1,135,541)
School Sponsored Activities and Athletics							
	1,320,124		69,149		(1,250,975)		(1,250,975)
Support Services							
Student and Instruction Related Svcs.	10,675,895		1,233,712		(9,442,183)		(9,442,183)
General Administrative Services	1,130,717		171,463		(959,254)		(959,254)
School Administrative Services	3,352,217		652,492		(2,699,725)		(2,699,725)
Plant Operations and Maintenance	5,127,740	28,560	47,733	\$ 1,076,388	(3,975,059)		(3,975,059)
Pupil Transportation	1,334,608		124,739		(1,209,869)		(1,209,869)
Business Services	936,045				(936,045)		(936,045)
Interest on Long-Term Debt	597,394		171,609		(425,785)		(425,785)
Total Governmental Activities	<u>57,444,549</u>	<u>97,499</u>	<u>12,683,456</u>	<u>1,076,388</u>	<u>(43,587,206)</u>	<u>-</u>	<u>(43,587,206)</u>
Business-Type Activities							
Food Service	798,375	683,450	178,290			\$ 63,365	63,365
Summer Enrichment	29,276	28,325	-	-		(951)	(951)
Total Business-Type Activities	<u>827,651</u>	<u>711,775</u>	<u>178,290</u>	<u>-</u>	<u>-</u>	<u>62,414</u>	<u>62,414</u>
Total Primary Government	<u>\$ 58,272,200</u>	<u>\$ 809,274</u>	<u>\$ 12,861,746</u>	<u>\$ 1,076,388</u>	<u>(43,587,206)</u>	<u>62,414</u>	<u>(43,524,792)</u>
General Revenues:							
Property Taxes, Levied for General Purposes					47,481,245		47,481,245
Property Taxes, Levied for Debt Service					877,348		877,348
State Aid Unrestricted					52,774		52,774
State Aid Restricted for Debt Service Principal					173,687		173,687
Investment Earnings					66,461	1,142	67,603
Miscellaneous Income					114,320		114,320
Total General Revenues					<u>48,765,835</u>	<u>1,142</u>	<u>48,766,977</u>
Change in Net Position					<u>5,178,629</u>	<u>63,556</u>	<u>5,242,185</u>
Net Position, Beginning of Year, Restated					<u>14,903,104</u>	<u>153,021</u>	<u>15,056,125</u>
Net Position, End of Year					<u>\$ 20,081,733</u>	<u>\$ 216,577</u>	<u>\$ 20,298,310</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

FUND FINANCIAL STATEMENTS

WESTWOOD REGIONAL SCHOOL DISTRICT
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 AS OF JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash	\$ 16,085,178		\$ 1,433,079	\$ 93,353	\$ 17,611,610
Receivables, Net					
Receivables From Other Governments	99,740	\$ 432,978	2,473,745		3,006,463
Other Receivables	11,576				11,576
Due from Other Funds	498,759	-	-	-	498,759
Total Assets	<u>\$ 16,695,253</u>	<u>\$ 432,978</u>	<u>\$ 3,906,824</u>	<u>\$ 93,353</u>	<u>\$ 21,128,408</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts Payable	\$ 1,647,367	\$ 32,950	\$ 10,440		\$ 1,690,757
Due to Other Funds		308,907	53,529		362,436
Intergovernmental Payables		31,707			31,707
Compensated Absences Payable	106,010				106,010
Unearned Revenue	-	59,414	1,297,756	-	1,357,170
Total Liabilities	<u>1,753,377</u>	<u>432,978</u>	<u>1,361,725</u>	<u>-</u>	<u>3,548,080</u>
Fund Balances					
Restricted Fund Balance:					
Capital Reserve	11,400,030				11,400,030
Excess Surplus-Designated for Subsequent Year's Expenditures	750,000				750,000
Excess Surplus	750,000				750,000
Capital Projects Fund			2,545,099		2,545,099
Debt Service Fund				\$ 93,353	93,353
Assigned Fund Balance					
Designated for Subsequent Year's Expenditures	801,159				801,159
Year-End Encumbrances	373,276				373,276
Unassigned Fund Balance	867,411	-	-	-	867,411
Total Fund Balances	<u>14,941,876</u>	<u>-</u>	<u>2,545,099</u>	<u>93,353</u>	<u>17,580,328</u>
Total Liabilities and Fund Balances	<u>\$ 16,695,253</u>	<u>\$ 432,978</u>	<u>\$ 3,906,824</u>	<u>\$ 93,353</u>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$46,489,513 and the accumulated depreciation is \$18,143,663. 28,345,850

The District has financed capital assets through the issuance of general obligation bonds. The accrued interest at year end is: (248,060)

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.

Serial Bonds Payable	\$ (14,342,000)	
Net Pension Liability	(9,897,582)	
Add: Deferred Inflows of Resources	(589,842)	
Less: Deferred Outflows of Resources	731,966	
Compensated Absences Payable	<u>(1,498,927)</u>	
		<u>(25,596,385)</u>

Net Position of Governmental Activities \$ 20,081,733

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

WESTWOOD REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local Sources					
Local Property Tax Levy	\$ 47,481,245			\$ 877,348	\$ 48,358,593
Tuition	68,939				68,939
Rentals	28,560				28,560
Interest	44,867				44,867
Interest on Capital Reserve	21,594				21,594
Miscellaneous	114,320	\$ 37,672	-	-	151,992
Total - Local Sources	47,759,525	37,672		877,348	48,674,545
State Sources	6,741,877	175,579	\$ 1,076,388	345,296	8,339,140
Federal Sources		900,851	-	-	900,851
Total Revenues	54,501,402	1,114,102	1,076,388	1,222,644	57,914,536
EXPENDITURES					
Current					
Instruction					
Regular Instruction	19,662,109	220,882			19,882,991
Special Education Instruction	7,193,919	727,122			7,921,041
Other Instruction	1,298,300	37,205			1,335,505
School Sponsored Activities and Athletics	1,265,374				1,265,374
Support Services					
Student and Instruction Related Services	9,774,416	128,893			9,903,309
General Administrative Services	989,865				989,865
School Administrative Services	2,977,795				2,977,795
Plant Operations and Maintenance	4,067,711				4,067,711
Pupil Transportation	1,310,234				1,310,234
Central Services	917,904				917,904
Debt Service					
Principal				615,000	615,000
Interest and Other Charges				607,644	607,644
Capital Outlay	527,731		2,490,281		3,018,012
Total Expenditures	49,985,358	1,114,102	2,490,281	1,222,644	54,812,385
Excess (Deficiency) of Revenues Over/(Under) Expenditures	4,516,044	-	(1,413,893)	-	3,102,151
OTHER FINANCING SOURCES (USES)					
Transfer In			2,116,357	93,352	2,209,709
Transfer Out	(2,116,357)		(93,352)		(2,209,709)
Total Other Financing Sources (Uses)	(2,116,357)	-	2,023,005	93,352	-
Net Change in Fund Balances	2,399,687	-	609,112	93,352	3,102,151
Fund Balance, Beginning of Year	12,542,189	-	1,935,987	1	14,478,177
Fund Balance, End of Year	\$ 14,941,876	\$ -	\$ 2,545,099	\$ 93,353	\$ 17,580,328

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
WITH THE DISTRICT-WIDE STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Total Net Change in Fund Balances - Governmental Funds (Exhibit B-2) \$ 3,102,151

Amounts reported for governmental activities in the statement of activities are different because:

Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the statement and allocated over their estimated useful lives as annual depreciation expense. This is the amount by which capital outlay exceeds depreciation in the current period.

Capital Outlays	\$ 3,018,012	
Depreciation Expense	<u>(1,195,925)</u>	
		1,822,087

In the statement of activities, certain operating expenses are measured by the amounts during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (paid):

Net Increase in Net Pension Liability	(150,175)
Net Increase in Compensated Absences Payable	(220,684)

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This amount is the net effect of these differences in the treatment of long term debt and related items.

Repayment of Bond Principal	615,000
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Interest on long-term debt in the statement of activities differs from the amount reported in the governmental funds because interest is recorded as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the statement of activities, however, interest expense is recognized as the interest accrues, regardless of when it is due.

Decrease in Accrued Interest	<u>10,250</u>
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Change in Net Position of Governmental Activities **\$ 5,178,629**

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF NET POSITION
 AS OF JUNE 30, 2015**

**Business-Type Activities -
 Enterprise Fund**

	Food Service	Other Non-Major	Total
ASSETS			
Current Assets			
Cash and Cash Equivalents	\$ 143,845	\$ 49,274	\$ 193,119
Intergovernmental Accounts Receivable	9,050		9,050
Inventories	6,726	-	6,726
Total Current Assets	<u>159,621</u>	<u>49,274</u>	<u>208,895</u>
Capital Assets			
Furniture, Machinery and Equipment	221,543		221,543
Less Accumulated Depreciation	<u>(139,340)</u>	-	<u>(139,340)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>82,203</u>	<u>-</u>	<u>82,203</u>
Total Assets	<u>241,824</u>	<u>49,274</u>	<u>291,098</u>
LIABILITIES			
Current Liabilities			
Accounts Payable	33,822	409	34,231
Unearned Revenue	<u>13,223</u>	<u>25,325</u>	<u>38,548</u>
Total Liabilities	<u>47,045</u>	<u>25,734</u>	<u>72,779</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Commodities Revenue	<u>1,742</u>		<u>1,742</u>
Total Deferred Inflows of Resources	<u>1,742</u>	<u>-</u>	<u>1,742</u>
Total Liabilities and Deferred Inflows of Resources	<u>48,787</u>	<u>25,734</u>	<u>74,521</u>
NET POSITION			
Investment in Capital Assets	82,203		82,203
Unrestricted	<u>110,834</u>	<u>23,540</u>	<u>134,374</u>
Total Net Position	<u>\$ 193,037</u>	<u>\$ 23,540</u>	<u>\$ 216,577</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF REVENUES, EXPENSES,
 AND CHANGES IN FUND NET POSITION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**Business-Type Activities -
 Enterprise Fund**

	Food Service	Other Non-Major	Total
Operating Revenues			
Charges for Services			
Daily Sales	\$ 680,724		\$ 680,724
Special Functions	2,726		2,726
Program Fees		\$ 28,325	28,325
	<u>683,450</u>	<u>28,325</u>	<u>711,775</u>
Total Operating Revenues			
Operating Expenses			
Cost of Sales	367,520		367,520
Salaries and Wages	309,695	27,708	337,403
Employee Benefits	9,448		9,448
Management Fee	38,750		38,750
Repairs and Maintenance	2,413		2,413
Other Expenses	61,326		61,326
Supplies and Materials	98	468	566
Miscellaneous	3,045	1,100	4,145
Depreciation	6,080		6,080
	<u>798,375</u>	<u>29,276</u>	<u>827,651</u>
Total Operating Expenses			
Operating Income/(Loss)	<u>(114,925)</u>	<u>(951)</u>	<u>(115,876)</u>
Nonoperating Revenues			
State Sources			
State School Lunch Program	6,356		6,356
Federal Sources			
School Breakfast Program	613		613
National School Lunch Program	171,321		171,321
Interest and Investment Revenue	1,142	-	1,142
	<u>179,432</u>	<u>-</u>	<u>179,432</u>
Total Nonoperating Revenues			
Change in Net Position	64,507	(951)	63,556
Net Position, Beginning of Year (Restated)	<u>128,530</u>	<u>24,491</u>	<u>153,021</u>
Net Position, End of Year	<u>\$ 193,037</u>	<u>\$ 23,540</u>	<u>\$ 216,577</u>

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Business-Type Activities - Enterprise Fund		
	Food Service	Other Non-Major	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 687,373	\$ 27,025	\$ 714,398
Payments for Employees	(319,143)	(27,708)	(346,851)
Payments to Suppliers/Refunds	(452,385)	(1,159)	(453,544)
Net Cash Provided (Used) by Operating Activities	(84,155)	(1,842)	(85,997)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Receipts from State and Federal Sources	160,439	-	160,439
Net Cash Provided By Non-Capital Financing Activities	160,439	-	160,439
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(63,017)	-	(63,017)
Net Cash Used by Capital and Related Financing Activities	(63,017)	-	(63,017)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	1,142	-	1,142
Net Cash Provided By Investing Activities	1,142	-	1,142
Net Increase (Decrease) in Cash and Cash Equivalents	14,409	(1,842)	12,567
Cash and Cash Equivalents—Beginning of Year	129,436	51,116	180,552
Cash and Cash Equivalents—End of Year	\$ 143,845	\$ 49,274	\$ 193,119
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (114,925)	\$ (951)	\$ (115,876)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Depreciation	6,080		6,080
Food Distribution Program (USDA Commodities) National School Lunch Program	34,797		34,797
Changes in Assets, Liabilities and Deferred Inflows of Resources			
(Increase) Decrease in Inventories	(1,986)		(1,986)
Increase (Decrease) in Accounts Payable	(13,212)	409	(12,803)
Increase (Decrease) in Unearned Revenue	3,923	(1,300)	2,623
Increase (Decrease) in Deferred Inflows of Resources	1,168		1,168
Total Adjustments	30,770	(891)	29,879
Net Cash Provided (Used) by Operating Activities	\$ (84,155)	\$ (1,842)	\$ (85,997)
Non Cash Investing, Capital and Financing Activities			
Fair Value of Food Distribution Program- National School Lunch Program	\$ 35,965		

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
AS OF JUNE 30, 2015**

	<u>Private Purpose Scholarship Trust Funds</u>	<u>Unemployment Compensation Trust Fund</u>	<u>Agency Fund</u>
ASSETS			
Cash	\$ 7,582	\$ 665,483	\$ 377,241
Accounts Receivable		-	25,045
Due from Other Funds		-	14,650
	<u>7,582</u>	<u>665,483</u>	<u>416,936</u>
Total Assets	<u>7,582</u>	<u>665,483</u>	<u>\$ 416,936</u>
LIABILITIES			
Intergovernmental Payable		\$ 5,132	
Due to Other Funds		14,650	\$ 136,323
Payable To Student Groups			219,705
Payroll Deductions and Withholdings			60,908
	<u>-</u>	<u>19,782</u>	<u>\$ 416,936</u>
Total Liabilities	<u>-</u>	<u>19,782</u>	<u>\$ 416,936</u>
NET POSITION			
Held In Trust For Unemployment Claims and Other Purposes	<u>\$ 7,582</u>	<u>\$ 645,701</u>	

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Private Purpose Trust Funds	Unemployment Compensation Trust Fund
ADDITIONS		
Contributions		
Employees		\$ 43,273
District		50,000
Other	\$ 5,150	-
Total Contributions	5,150	93,273
Investment Earnings		
Interest	40	2,105
Total Investment Earnings	40	2,105
Total Additions	5,190	95,378
DEDUCTIONS		
Scholarships	8,300	
Unemployment Claims and Contributions	-	51,394
Total Deductions	8,300	51,394
Change in Net Position	(3,110)	43,984
Net Position, Beginning of Year	10,692	601,717
Net Position, End of Year	\$ 7,582	\$ 645,701

The accompanying Notes to the Financial Statements are an Integral Part of this Statement.

NOTES TO THE FINANCIAL STATEMENTS

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Westwood Regional School District (the "Board" or the "District") is an instrumentality of the State of New Jersey, established to function as an education institution. The Board consists of nine 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. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Westwood Regional School District this includes general operations, food service, summer enrichment and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

B. New Accounting Standards

During fiscal year 2015, the District adopted the following GASB statements:

- GASB 68, *Accounting and Financial Reporting for Pensions*. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria.
- GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, should be applied simultaneously with the provisions of Statement No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. New Accounting Standards (Continued)

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 72, *Fair Value Measurement and Application*, will be effective beginning with the fiscal year ending June 30, 2016. This Statement addresses accounting and financial reporting issues related to fair value measurements. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements.
- GASB 73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability.
- GASB 74, *Financial Reporting for Postemployment Benefit Plans Other than Pension Plans*, will be effective beginning with the fiscal year ending June 30, 2017. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability.
- GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, will be effective beginning with the fiscal year ending June 30, 2018. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities.
- GASB 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, will be effective beginning with the fiscal year ending June 30, 2016. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

C. Basis of Presentation - Financial Statements

The financial statements include both district-wide financial statements (based on the District as a whole) and fund financial statements (based on specific District activities or objectives). Both the district-wide and fund financial statements categorize activities as either governmental activities or business-type activities. While separate district-wide and fund financial statements are presented, they are interrelated. In the district-wide financial statements, the governmental activities column incorporates data from governmental funds while business-type activities incorporate data from the District's enterprise funds. Fiduciary funds are excluded from the district-wide financial statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

District-Wide Financial Statements

The district-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the Board of Education. All fiduciary activities are reported only in the fund financial statements. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. In the statement of net position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, and (b) reflect on a full accrual economic resource basis, which incorporates long-term assets and receivables as well as long-term debt and obligations.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or other governmental entities, including other school districts, who purchase, use, or directly benefit from goods or services provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes, unrestricted state aid, and other items not properly included among program revenues are reported instead as general revenues.

As a general rule the effect of interfund activity has been eliminated from the district-wide financial statements. Exceptions to this general rule are charges between the Board's proprietary and fiduciary funds since elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Fund Financial Statements

Separate fund financial statements are provided for governmental, proprietary, and fiduciary activities, even though the latter are excluded from the district-wide financial statements. The emphasis of fund financial statements is on major individual governmental and enterprise funds, each reported as separate columns in the fund financial statements. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds. The District considers all of its governmental and food service enterprise funds to be major funds.

The District reports the following major governmental funds:

The *general fund* is the School District's primary operating fund. It accounts for all financial resources of the District, except those to be accounted for in another fund.

The *special revenue fund* accounts for the proceeds of specific revenue sources legally restricted to expenditures for specified purposes. This fund accounts for federal, state and local financial programs, with the exception of grants for major capital projects and the child nutrition programs.

The *capital projects fund* accounts for the proceeds from the sale of bonds, lease purchases and other revenues used for the acquisition or construction of capital facilities and other capital assets, other than those financed by the proprietary funds.

The *debt service fund* accounts for the accumulation of resources that are restricted, committed or assigned for the payment of principal and interest on long-term general obligation debt of governmental funds.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation - Financial Statements (Continued)

Fund Financial Statements (Continued)

The District reports the following major proprietary fund which is organized to be self-supporting through user charges:

The *food service fund* accounts for the activities of the school cafeteria, which provides food service to students as well as a la carte and catering services for teachers and special events.

The District also reports the following non-major proprietary fund which is organized to be self-supporting through user charges:

The *summer enrichment program fund* accounts for the activities of the District's summer enrichment program.

Additionally, the government reports the following fund types:

The *fiduciary trust fund* is used to account for resources legally held in trust for the state unemployment insurance claims, for private donations for scholarship awards, payroll related activities and student related activities which are supported and controlled by student organizations and clubs. All resources of the fund, including any earnings on invested resources, may be used to support the intended purpose. There is no requirement that any portion of these resources be preserved as capital.

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the district-wide financial statements as "internal balances".

Reclassifications

Certain amounts presented in the prior year data may have been reclassified in order to be consistent with the current year's presentation.

D. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Measurement Focus and Basis of Accounting (Continued)

The district-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements with the exception of the agency fund which does not have a measurement focus. All assets, all liabilities and all deferred outflows/inflows of resources associated with these operations (with the exception of the fiduciary funds) are included on the Statement of Net Position. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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

Property taxes, tuition, unrestricted state aid, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements (formula-type grants and aid) are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source. Expenditure-driven grants and similar awards (reimbursement-type grants and awards) are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements imposed by the grantor or provider have been met, and the amount is received during the period or within the availability period for this revenue source. All other revenue items are considered to be measurable and available only when cash is received by the District.

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

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. *Cash, Cash Equivalents and Investments*

Cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments are reported at fair value and are limited by N.J.S.A. 18A:20-37.

2. *Receivables*

All receivables are reported at their gross value, and where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

3. Inventories

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Food Service Fund inventories, exclusive of the federal commodities, are valued at cost, using the first-in first-out (FIFO) method and consist of food and expendable supplies. The cost of such inventories is recorded as expenses when consumed rather than when purchased. The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by the USDA. It is valued at estimated market prices by the USDA. The amount of unused commodities at year-end is reported as deferred inflows of resources.

4. Capital Assets

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the Board as assets with an initial, individual cost of \$2,000 and an estimated useful life in excess of two years. The District was able to estimate the historical cost for the initial reporting of these capital assets through back trending. As the District constructs or acquires additional capital assets each period, they are capitalized and reported at historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Land and construction in progress are not depreciated. The other property, plant, and equipment of the District, is depreciated using the straight line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Land Improvements	20
Buildings	45
Building Improvements	45
Site Improvements	20
Furniture, Fixtures and Equipment	5-20

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

5. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government only has one item which arise only under the accrual basis of accounting that qualifies for reporting in this category. It is the deferred amount on net pension liability. Deferred amount on net pension liability is reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; (4) changes in proportion and differences between employer contributions and proportionate share of contributions; and (5) contributions made subsequent to the measurement date. This amount is deferred and amortized over future years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items which arise only under the accrual basis of accounting that qualify for reporting in this category. Accordingly, one item, the deferred commodities revenue is reported in both the district-wide and the proprietary funds statements of net position. The deferred commodities revenue represents the estimated market value of the donated and unused Federal commodities at year end. This amount is deferred and recognized as an inflow of resources in the period the commodities are consumed. The other item that qualifies for reporting in this category is the deferred amount on net pension liability. Deferred amount on net pension liability is reported in the district-wide statement of net position and result from: (1) differences between expected and actual experience; (2) changes in assumptions; (3) net difference between projected and actual investment earnings on pension plan investments; and (4) changes in proportion and differences between employer contributions and proportionate share of contributions. This amount is deferred and amortized over future years.

6. Compensated Absences

It is the District's policy to permit employees to accumulate (with certain restrictions) earned but unused sick leave benefits. A long-term liability of accumulated sick leave and salary related payments has been recorded in the governmental activities in the district-wide financial statements, representing the Board's commitment to fund such costs from future operations. Proprietary Funds accrue accumulated sick leave and salary related payments in the period that they are earned. A liability is reported in the governmental funds only to the amount actually due at year end as a result of employee resignations and retirements.

7. 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 retirement systems sponsored and administered by the State of New Jersey and additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they are reported by the retirement systems. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

In the governmental fund financial statements, net pension liabilities represent amounts normally expected to be liquidated with expendable available financial resources for required pension contributions that are due and payable at year end. Pension expenditures are recognized based on contractual pension contributions that are required to be made to the pension plan during the fiscal year.

WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

8. *Long-Term Obligations*

In the district-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

9. *Net Position/Fund Balance*

District-Wide Statements

In the district-wide statements, there are three classes of net position:

- **Net Investment in Capital Assets** – consists of net capital assets (cost less accumulated depreciation) reduced by outstanding balances of related debt obligations from the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources attributable to the acquisition, construction or improvement of those assets or related debt also should be included.
- **Restricted Net Position** – reports net position when constraints placed on the residual amount of noncapital assets are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted Net Position** – any portion of net position not already classified as either net investment in capital assets or net position – restricted is classified as net position – unrestricted.

Governmental Fund Statements

Fund balance categories are designed to make the nature and extent of the constraints placed on the District's fund balance more transparent. These categories are comprised of a hierarchy based primarily on the extent to which the District is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance – Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Capital Reserve – This restriction was created by the District in accordance with NJAC 6A:23A-14.1 to fund future capital expenditures (See Note 2.)

Excess Surplus – Designated for Subsequent Year's Expenditures - This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2014 audited excess surplus that was appropriated in the 2015/2016 original budget certified for taxes.

Excess Surplus – This restriction was created in accordance with NJSA 18A:7F-7 to represent the June 30, 2015 audited excess surplus that is required to be appropriated in the 2016/2017 original budget certified for taxes.

Capital Projects – Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service – Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance (Continued)

9. *Net Position/Fund Balance (Continued)*

Governmental Fund Statements (Continued)

Assigned Fund Balance – Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Designated for Subsequent Year's Expenditures – This designation was created to dedicate the portion of fund balance appropriated in the adopted 2015/2016 District budget certified for taxes.

Year-End Encumbrances – Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance – Represents fund balance that has not been restricted, committed or assigned to specific purposes within the governmental funds.

F. Revenues and Expenditures/Expenses

1. *Program Revenues*

Amounts reported as program revenues in the district-wide statement of activities include 1) charges to customers or applicants for goods or services, provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all property taxes, unrestricted state aid, investment earnings and miscellaneous revenues.

2. *Property Taxes*

Property taxes are levied pursuant to law and are collected by the municipality and are transferred to the District as requested. Property tax revenues are recognized in the year they are levied and become available. Property taxes collected in advance of the year-end for which they are levied and transferred to the District are reported as deferred inflows of resources. The tax bills are mailed annually in June by the municipal tax collector and are levied and due in four quarterly installments on August 1, November 1, February 1 and May 1 of the fiscal year. When unpaid, taxes or any other municipal lien, or part thereof, on real property, remains in arrears on April 1st in the year following the calendar year levy when the same became in arrears, the tax collector of the municipality shall, subject to the provisions of New Jersey Statute, enforce the lien by placing the property on a tax sale. The municipality may institute annual "in rem" tax foreclosure proceedings to enforce the tax collection or acquisition of title to the property.

3. *Tuition Revenues and Expenditures*

Tuition Revenues - Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs are determined and certified by the State Department of Education.

Tuition Expenditures - Tuition charges for the fiscal years 2013-2014 and 2014-2015 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been certified by the State Department of Education.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Revenues and Expenditures/Expenses (Continued)

4. *Proprietary Funds, Operating and Non-Operating Revenues and Expenses*

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the food service and summer enrichment enterprise funds are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Federal and State subsidies for the food service operation are considered nonoperating revenues.

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

In accordance with the requirements of the New Jersey Department of Education ("the Department"), the District annually prepares its operating budget for the forthcoming year. The budget, except for the general fund and special revenue fund, which is more fully explained below and in the notes to the required supplementary information, is prepared in accordance with accounting principles generally accepted in the United States of America and serves as a formal plan for expenditures and the proposed means for financing them. Capital lease transactions are accounted for on the GAAP basis.

The annual budget is adopted in the spring of the preceding year for the general, special revenue and debt service funds. The District is not required to adopt an annual budget for the capital projects fund. The budget is submitted to the county superintendent for review and approval prior to adoption. Prior to the 2012/2013 budget year, the annual budget was required to be voted upon at the annual school election held on the third Tuesday in April. On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. On February 16, 2012, the Board adopted a resolution to move its annual election to the date of the general elections in accordance with the law; therefore voter approval of the annual budget is not required.

Budget adoptions and amendments are recorded in the District's board minutes. The budget is amended by the Board of Trustees as needed throughout the year. The budget for revenues, other resources, other uses, and fund balances is prepared by fund source and amount. The budget for expenditures is prepared by fund, program, function, object and amount. The legal level of budgetary control is established at the line item account 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. The Board approved several budget transfers during 2014/2015. Also, during 2014/2015 the Board increased the original general fund budget by \$442,559. The increase was funded by the reappropriation of prior year general fund encumbrances. During 2014/2015 the Board increased the original special revenue budget by \$223,025 which was funded by additional grant awards.

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described in the Notes to Required Supplementary Information (RSI). Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

A. Budgetary Information (Continued)

Encumbrance accounting is employed in the governmental funds. 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 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 which are reappropriated and honored during the subsequent fiscal year.

B. Capital Reserve

A capital reserve account was established by the District. The accumulation of funds will be used for capital outlay expenditures in subsequent fiscal years. The capital reserve is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the fiscal year ended June 30, 2015 is as follows:

Balance, July 1, 2014		\$ 8,828,254
Increased by:		
Interest Earnings	\$ 21,594	
Unexpended Budgeted Withdrawal	288,022	
Deposits Approved by Board Resolution	<u>3,999,239</u>	
Total Increases		<u>4,308,855</u>
		13,137,109
Withdrawals		
Approved in District Budget	<u>1,737,079</u>	
Total Withdrawals		<u>1,737,079</u>
Balance, June 30, 2015		<u>\$ 11,400,030</u>

The June 30, 2015 LRFP balance of local support costs of uncompleted capital projects is \$44,199,775. The withdrawals from the capital reserve were for use in a department approved facilities project, consistent with the district's Long Range Facilities Plan.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 2 STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

C. Transfers to Capital Outlay

During the 2014/2015 school year, the district transferred \$131,560 to the non-equipment capital outlay accounts. The transfer was approved by the County Superintendent to support an emergent circumstance pursuant to N.J.A.C. 6A:23A-13.3(h).

D. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended, the restricted fund balance for Reserved Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund fund balance in excess of 2% of budget expenditures 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 excess fund balance at June 30, 2015 is \$1,500,000. Of this amount, \$750,000 was designated and appropriated in the 2015/2016 original budget certified for taxes and the remaining amount of \$750,000 will be appropriated in the 2016/2017 original budget certified for taxes.

NOTE 3 DETAILED NOTES ON ALL FUNDS

A. Cash Deposits and Investments

Cash Deposits

The Board's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The Board is required to deposit their funds in a depository which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to at least 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of the lesser of 75% of its capital funds or \$200 million for all deposits not covered by the FDIC.

Bank balances are insured up to \$250,000 in the aggregate by the FDIC for each bank. SIPC replaces cash claims up to a maximum of \$250,000 for each failed brokerage firm. At June 30, 2015, the book value of the Board's deposits were \$18,855,035 and bank and brokerage firm balances of the Board's deposits amounted to \$20,542,928. The Board's deposits which are displayed on the various fund balance sheets as "cash" are categorized as:

Depository Account

Insured	<u>\$ 20,542,928</u>
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Custodial Credit Risk – Deposits – Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Board does not have a policy for custodial credit risk. As of June 30, 2015 the Board's bank balances were not exposed to custodial credit risk.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash Deposits and Investments (Continued)

Investments

The Board is permitted to invest public funds in accordance with the types of securities authorized by N.J.S.A. 18A:20-37. Examples of the allowable investments are bonds or other obligations of the United States or obligations guaranteed by the United States of America, Government Money Market Mutual Funds, bonds or other obligations of the school district or bonds or other obligations of the local unit or units within which the school district is located, Local Government investment pools, and agreements or the repurchase of fully collateralized securities, if transacted in accordance with the above statute.

As of June 30, 2015, the Board had no outstanding investments.

B. Receivables

Receivables as of June 30, 2015 for the district’s individual major funds, fiduciary funds in the aggregate, including the applicable allowances for uncollectible accounts, are as follows:

	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Food Service</u>	<u>Fiduciary Funds</u>	<u>Total</u>
Receivables:						
Intergovernmental- Accounts	\$ 11,576				\$ 25,045	\$ 36,621
Intergovernmental Federal		\$ 427,039		\$ 8,480		435,519
State	<u>99,740</u>	<u>5,939</u>	<u>\$ 2,473,745</u>	<u>570</u>	<u>-</u>	<u>2,579,994</u>
Gross Receivables	111,316	432,978	2,473,745	9,050	25,045	3,052,134
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Total Receivables	<u>\$ 111,316</u>	<u>\$ 432,978</u>	<u>\$ 2,473,745</u>	<u>\$ 9,050</u>	<u>\$ 25,045</u>	<u>\$ 3,052,134</u>

C. Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Special Revenue Fund	
Unencumbered Grant Draw Downs	\$ 59,414
Capital Projects Fund	
Unrealized School Facilities Grants	<u>1,297,756</u>
Total Unearned Revenue for Governmental Funds	<u>\$ 1,357,170</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets

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

	Balance, July 1, 2014 (Restated)	Increases	Decreases	Balance, June 30, 2015
Governmental Activities:				
Capital Assets, Not Being Depreciated:				
Construction In Progress	\$ 2,702,467	\$ 1,149,968	\$ (2,664,847)	\$ 1,187,588
Total Capital Assets, Not Being Depreciated	<u>2,702,467</u>	<u>1,149,968</u>	<u>(2,664,847)</u>	<u>1,187,588</u>
Capital Assets, Being Depreciated:				
Buildings and Building Improvements	36,373,238	4,167,218		40,540,456
Machinery and Equipment	4,421,092	365,673	(25,296)	4,761,469
Total Capital Assets Being Depreciated	<u>40,794,330</u>	<u>4,532,891</u>	<u>(25,296)</u>	<u>45,301,925</u>
Less Accumulated Depreciation for:				
Buildings and Building Improvements	(15,465,510)	(869,495)		(16,335,005)
Machinery and Equipment	(1,507,524)	(326,430)	25,296	(1,808,658)
Total Accumulated Depreciation	<u>(16,973,034)</u>	<u>(1,195,925)</u>	<u>25,296</u>	<u>(18,143,663)</u>
Total Capital Assets, Being Depreciated, Net	<u>23,821,296</u>	<u>3,336,966</u>	<u>-</u>	<u>27,158,262</u>
Governmental Activities Capital Assets, Net	<u>\$ 26,523,763</u>	<u>\$ 4,486,934</u>	<u>\$ (2,664,847)</u>	<u>\$ 28,345,850</u>
	Balance, July 1, 2014 (Restated)	Increases	Decreases	Balance, June 30, 2015
Business-Type Activities:				
Capital Assets, being depreciated:				
Machinery and Equipment	\$ 163,976	\$ 63,017	\$ (5,450)	\$ 221,543
Total Capital Assets being depreciated	<u>163,976</u>	<u>63,017</u>	<u>(5,450)</u>	<u>221,543</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(138,710)	(6,080)	5,450	(139,340)
Total Accumulated Depreciation	<u>(138,710)</u>	<u>(6,080)</u>	<u>5,450</u>	<u>(139,340)</u>
Total Capital Assets, being depreciated, net	<u>25,266</u>	<u>56,937</u>	<u>-</u>	<u>82,203</u>
Business-Type Activities Capital Assets, net	<u>\$ 25,266</u>	<u>\$ 56,937</u>	<u>\$ -</u>	<u>\$ 82,203</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

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

Governmental Activities:

Instruction	
Regular Instruction	\$ 30,773
Total Instruction	<u>30,773</u>

Support Services	
Student and Instruction Related Services	83,915
General Administrative Services	47,421
Plant Operations and Maintenance of Plant	1,009,195
School Administrative Services	4,456
Pupil Transportation	20,165
Total Support Services	<u>1,165,152</u>

Total Depreciation Expense - Governmental Activities	<u>\$ 1,195,925</u>
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Business-Type Activities:

Food Service Fund	<u>\$ 6,080</u>
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Total Depreciation Expense-Business-Type Activities	<u>\$ 6,080</u>
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**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

D. Capital Assets (Continued)

Construction Commitments

The District has the following active construction projects as of June 30, 2015:

<u>Project</u>	<u>Spent to Date</u>	<u>Remaining Commitment</u>
High School Façade Replacement	\$ 1,149,968	\$ 2,415,422
High School Partial Roof Replacement	<u>839,257</u>	<u>97,020</u>
Total	<u>\$ 1,989,225</u>	<u>\$ 2,512,442</u>

E. Interfund Receivables, Payables, and Transfers

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

Due to/from other funds

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General Fund	Special Revenue Fund	\$ 308,907
General Fund	Capital Projects Fund	53,529
General Fund	Payroll Agency Fund	136,323
Payroll Agency Fund	Unemployment Compensation Trust Fund	<u>14,650</u>
		<u>\$ 513,409</u>

The above balances are the result of revenues earned or other financing sources received in one fund which are due to another fund and/or to cover cash balances which were in an overdraft position.

The District expects all interfund balances to be liquidated within one year.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

E. Interfund Receivables, Payables, and Transfers (Continued)

Interfund transfers

	<u>Transfer In:</u>		<u>Total</u>
	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	
Transfer Out:			
General Fund	\$ 2,116,357		\$ 2,116,357
Capital Projects Fund	<u> -</u>	\$ 93,352	<u>93,352</u>
 Total Transfers Out	 <u>\$ 2,116,357</u>	 <u>\$ 93,352</u>	 <u>\$ 2,209,709</u>

The above transfers are the result of revenues earned and/or other financing sources received in one fund to finance expenditures in another fund.

F. Long-Term Debt

General Obligation Bonds

The Board issued general obligation bonds to provide funds for the acquisition and construction of major capital facilities and other capital assets. The full faith and credit of the Board are irrevocably pledged for the payment of the principal of the bonds and the interest thereon.

Bonds payable at June 30, 2015 are comprised of the following issue:

\$16,672,000, 2008 Bonds, due in annual installments of \$640,000 to \$1,207,000 through August 1, 2030, interest at 4.00% - 4.375% \$14,342,000

The Board's schedule of principal and interest for long-term debt issued and outstanding is as follows:

Governmental Activities:

Fiscal Year Ended June 30,	<u>General Obligation Bonds</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2016	\$ 640,000	\$ 582,544	\$ 1,222,544
2017	665,000	556,444	1,221,444
2018	695,000	529,244	1,224,244
2019	725,000	500,844	1,225,844
2020	760,000	471,144	1,231,144
2021-2025	4,315,000	1,862,045	6,177,045
2026-2030	5,335,000	856,526	6,191,526
2031	<u>1,207,000</u>	<u>26,403</u>	<u>1,233,403</u>
Total	<u>\$ 14,342,000</u>	<u>\$ 5,385,194</u>	<u>\$ 19,727,194</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 3 DETAILED NOTES ON ALL FUNDS (Continued)

F. Long-Term Debt (Continued)

Statutory Borrowing Power

The Board's remaining borrowing power under N.J.S. 18A:24-19, as amended, at June 30, 2015 was as follows:

4% of Equalized Valuation Basis (Municipal)	\$ 145,518,448
Less: Net Debt	<u>14,342,075</u>
Remaining Borrowing Power	<u>\$ 131,176,373</u>

G. Other Long-Term Liabilities

Changes in Long-Term Liabilities

Long-term liability activity for the fiscal year ended June 30, 2015, was as follows:

	<u>Balance, July 1, 2014</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance, June 30, 2015</u>	<u>Due Within One Year</u>
Governmental Activities:					
Bonds Payable	\$ 14,957,000		\$ 615,000	\$ 14,342,000	\$ 640,000
Compensated Absences	1,278,243	\$ 326,694	106,010	1,498,927	19,000
Net Pension Liability	<u>9,605,283</u>	<u>292,299</u>	<u>-</u>	<u>9,897,582</u>	<u>534,000</u>
Governmental Activities Long-Term Liabilities	<u>\$ 25,840,526</u>	<u>\$ 618,993</u>	<u>\$ 721,010</u>	<u>\$ 25,738,509</u>	<u>\$ 1,193,000</u>

For the governmental activities, the liabilities for compensated absences and net pension liability are generally liquidated by the general fund.

NOTE 4 OTHER INFORMATION

A. Risk Management

The District is exposed to various risks of loss related to property, general liability, automobile coverage, theft of, damage to and destruction of assets; errors and omissions; injuries to employees; student accident; termination of employees and natural disasters. The Board has obtained commercial insurance coverage to guard against these events to minimize the exposure to the District should they occur. A complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report.

The District is a member of the New Jersey School Boards Association Insurance Group (NJSBAIG). The Group is a risk sharing public entity pool, established for the purpose of insuring against worker's compensation claims and various other types of coverages.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

A. Risk Management (Continued)

The relationship between the Board and the insurance fund is governed by a contract and by-laws that have been adopted by resolution of each unit's governing body. The Board is contractually obligated to make all annual and supplementary contributions to the fund, to report claims on a timely basis, cooperate with the management of the fund, its claims administrator and attorneys in claims investigation and settlement, and to follow risk management procedures as outlined by the fund. Members have a contractual obligation to fund any deficit of the fund attributable to a membership year during which they were a member.

NJSBAIG provides its members with risk management services, including the defense of and settlement of claims and to establish reasonable and necessary loss reduction and prevention procedures to be followed by the members. Complete financial statements of the insurance fund is on file with the School's Business Administrator.

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverage's in any of the prior three years.

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 fiduciary trust fund for the current and previous two years:

Fiscal Year Ended <u>June 30,</u>	District <u>Contributions</u>	Employee <u>Contributions</u>	Amount <u>Reimbursed</u>	Ending <u>Balance</u>
2015	\$ 50,000	\$ 43,273	\$ 51,394	\$ 645,701
2014		74,221	97,654	601,717
2013	300,000	70,783	114,014	622,005

B. Contingent Liabilities

The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

Federal and State Awards – The Board participates in a number of federal and state programs that are fully or partially funded by grants received from other governmental units. Expenditures financed by grants are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with grant program regulations, the Board may be required to reimburse the grantor government. As of June 30, 2015, significant amounts of grant expenditures have not been audited by the various grantor agencies but the Board believes that disallowed expenditures, if any, based on subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the District.

C. Federal Arbitrage Regulations

The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2015, the District has not estimated its arbitrage earnings due to the IRS, if any.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

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

Teachers' Pension and Annuity Fund (TPAF) – Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage. TPAF is a cost sharing plan with special funding situations.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees which include those Board employees who are eligible for pension coverage.

Defined Contribution Retirement Program (DCRP) – established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected, certain appointed officials, and certain Board employees not eligible for enrollment in PERS or TPAF. Effective July 1, 2007 membership is mandatory for such individuals with vesting occurring after one (1) year of membership. DCRP is a defined contribution pension plan.

Other Pension Funds

The State established and administers a Supplemental Annuity Collective Trust Fund (SACT) which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems but are currently suspended as a result of reform legislation.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

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 each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Basis of Accounting

The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Investment Valuation

Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Mortgages are valued on the basis of future principal and interest payments, and are discounted at prevailing interest rates for similar instruments. The fair value of real estate investments is based on independent appraisals. Investments that do not have an established market are reported at estimated fair values.

The State of New Jersey, Department of the Treasury, Division of Investment, issues publicly available financial reports that include the financial statements of the State of New Jersey Cash Management Fund. The financial reports may be obtained in writing to the State of New Jersey, Department of the Treasury, Division of Investment, P.O. Box 290, Trenton, New Jersey 08625-0290 or at www.state.nj/treasury/doinvest.

Funding Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the aggregate funded ratio for all the State administered retirement systems including TPAF and PERS, is 62.8 percent with an unfunded actuarial accrued liability of \$51.0 billion. The aggregate funded ratio and unfunded accrued liability for the State-funded systems is 54.2 percent and \$37.3 billion, and the aggregate funded ratio and unfunded accrued liability for local PERS and Police and Firemen's Retirement System ("PFRS") is 75.4 percent and \$13.7 billion, respectively.

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

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the retirement systems in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at that point in time. The projection of benefits for financing reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013 actuarial valuation, the projected unit credit was used as the actuarial cost method, and the five year average of market value was used as the asset valuation method for the retirement systems. The actuarial assumptions included (a) an investment rate of return for the retirement systems of 7.90 percent and (b) projected salary increases of 4.24 percent for the PERS and 3.33 percent for TPAF.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

Employer and Employee Pension Contributions

The contribution policy is set by laws of the State of New Jersey and contributions are required by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation with the amount of contributions by the State of New Jersey contingent upon the Annual Appropriations Act. As defined, the retirement systems require employee contributions based on 6.9% for PERS, 6.9% for TPAF and 5.50% for DCRP of the employee’s annual compensation.

Annual Pension Costs (APC)

Per the requirements of GASB Statement No. 27 *Accounting for Pensions by State and Local Government Employees*, for the fiscal year ended June 30, 2015 for TPAF, which is a cost sharing plan with special funding situations, the annual pension cost differs from the annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost equals contributions made. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997. In the DCRP, which is a defined contribution plan, member contributions are matched by a 3% employer contribution.

During the fiscal years ended June 30, 2015, 2014 and 2013 the Board was required to contribute for PERS and DCRP and the State of New Jersey was required to contribute for TPAF for normal cost pension and accrued liability contributions (including non-contributory group life insurance (NCGI)) the following amounts:

Fiscal Year Ended <u>June 30,</u>	<u>PERS</u>	On-behalf <u>TPAF</u>	<u>DCRP</u>
2015	\$ 436,163	\$ 1,067,264	\$ 21,822
2014	378,683	849,616	30,634
2013	400,343	1,295,465	21,833

For fiscal years 2014/2015 and 2012/2013, the state contributed \$1,067,264 and \$1,295,465, respectively for normal cost pension, accrued liability and the NCGI premium. For fiscal year 2013/2014 the State did not contribute to the TPAF for accrued liability but did contribute \$849,616 for normal cost pension and NCGI premium.

The PERS contributions are recognized in the fund financial statements (modified accrual basis) as an expenditure. The on-behalf TPAF contributions are recognized in the fund financial statements (modified accrual basis) as both a revenue and expenditure in accordance with GASB No. 24. The DCRP contributions are recognized in the fund financial statements (modified accrual basis) as an expenditure, as well as, the district-wide financial statements (accrual basis) as an expense.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,477,271 during the fiscal year ended June 30, 2015 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been recognized in the district-wide financial statements (accrual basis) and the fund financial statements (modified accrual basis) as a revenue and expense/expenditure in accordance with GASB No. 24.

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS)

At June 30, 2015, the District reported in the statement of net position (accrual basis) a liability of \$9,897,582 for its proportionate share of the PERS 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 that date. The District's proportionate share 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 governmental entities, actuarially determined. At June 30, 2014, the District's proportionate share was .05286 percent, which was an increase of .00261 percent from its proportionate share measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$586,338 for PERS. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS pension from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of Assumptions	\$ 311,233	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		\$ 589,842
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	<u>420,733</u>	<u>-</u>
Total	<u>\$ 731,966</u>	<u>\$ 589,842</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to PERS pension will be recognized in pension expense as follows:

Fiscal Year Ending <u>June 30,</u>	<u>Total</u>
2016	\$ (12,908)
2017	(12,908)
2018	(12,908)
2019	(12,908)
2020	134,553
Thereafter	<u>59,203</u>
	<u>\$ 142,124</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Public Employees Retirement System (PERS) (Continued)

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:

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

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Public Employees Retirement System (PERS) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

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

Discount Rate

The discount rate used to measure the total pension liabilities of the PERS plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
PERS	5.39%

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the District is not required to recognize a net pension liability for TPAF. The State of New Jersey is the only entity that has a legal obligation to make employer contributions to TPAF on behalf of the District. Accordingly, the District's proportionate share percentage determined under Statement No. 68 is zero percent and the State's proportionate share is 100% for TPAF. Therefore, in addition, the District does not recognize any portion of the TPAF collective deferred outflows of resources and deferred inflows of resources.

For the fiscal year ended June 30, 2015, the District recognized in the district-wide statement of activities (accrual basis) pension expense of \$5,775,906 for TPAF. This amount has been included in the district-wide statement of activities (accrual basis) as a revenue and expense in accordance with GASB No. 24.

At June 30, 2015 the State's proportionate share of the net pension liability attributable to the District is \$107,340,110. The nonemployer allocation percentages are based on the ratio of the State's contributions made as an employer and nonemployer towards the actuarially determined contribution amount adjusted by locations who participated in the State early retirement incentives to total contributions to TPAF during the year ended June 30, 2014.

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 bsaed on experience
Investment Rate of Return	7.90%
Mortality Rate Table	RP-2000
Period of Actuarial Experience	July 1, 2009 -
Study Upon Which Actuarial Assumptions were Based	June 30, 2012

Assumptions for mortality improvements are based on Society of Actuaries Scale AA.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF) (Continued)

Long-Term Expected Rate of Return

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rate of return (expected returns, net of pension plans investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plans' target asset allocation as of June 30, 2014 are summarized in the following table:

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources
 Related to Pensions (Continued)**

Teachers Pension and Annuity Fund (TPAF) (Continued)

Discount Rate

The discount rate used to measure the total pension liabilities of the TPAF plan was as follows:

<u>Plan</u>	<u>Discount Rate</u>
TPAF	4.68%

The following table represents the crossover period, if applicable, for the TPAF defined benefit plan:

TPAF

Period of Projected Benefit	
Payments for which the Following	
Rates were Applied:	
Long-Term Expected Rate of Return	Through June 30, 2027
Municipal Bond Rate *	From July 1, 2027 and Thereafter

* The municipal bond return rate used is 4.29%. The source is 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.

Sensitivity of Net Pension Liability

The following presents the State's proportionate share of the TPAF net pension liability attributable to the District calculated using the discount rate of 4.68%, as well as what the State's proportionate share of the TPAF net pension liability attributable to the District that would be if it were calculated using a discount rate that is 1-percentage-point lower (3.68 percent) or 1-percentage-point higher (5.68 percent) than the current rate:

	1% Decrease <u>(3.68%)</u>	Current Discount Rate <u>(4.68%)</u>	1% Increase <u>(5.68%)</u>
State's Proportionate Share of the TPAF Net Pension Liability Attributable to the District	<u>\$ 129,102,244</u>	<u>\$ 107,340,110</u>	<u>\$ 89,240,421</u>

The sensitivity analysis was based on the State's proportionate share of the net pension liability attributable to the District at June 30, 2014. A sensitivity analysis specific to the State's proportionate share of the net pension liability attributable to the District at June 30, 2014 was not provided by the pension system.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

D. Employee Retirement Systems and Pension Plans (Continued)

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

Teachers Pension and Annuity Fund (TPAF)

Pension Plan Fiduciary Net Position

Detailed information about the PERS pension plan's fiduciary net position is available in the separately issued financial report from the State of New Jersey, Department of the Treasury, Division of Pension and Benefits. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/trasury/pensions.

E. Post-Retirement Medical Benefits

The State of New Jersey sponsors and administers the post-retirement health benefit program plans for school districts. The Plans are classified as either single employer plans or cost sharing multiple employer defined benefit plans depending on the plan the eligible employee is covered under.

As a result of implementing Governmental Accounting Standards Board (GASB) Statement No. 43, *Financial Reporting for Post-employment Benefit Plans Other than Pension Plans* (OPEB), effective for Fiscal Year 2007, the State Health Benefits Program (SHBP), and the Prescription Drug Program (PDP), and Post-Retirement Medical (PRM) of the PERS and TPAF are combined and reported as Pension and Other employee Benefit Trust Funds in the State's Comprehensive Annual Financial Report (CAFR). Specifically, SHBP-State, and the PRM of the PERS are combined and reported as a Health Benefits Program Fund – State classified as a single employer plan. The SHBP-Local, PDP-Local, and the PRM of the TPAF-Local are combined and reported as Health Benefits Program Fund –Local Government classified as a cost-sharing multiple-employer plan in the State's CAFR. The post-retirement benefit programs had a total of 590 state and local participating employers and contributing entities for Fiscal Year 2014.

The State of New Jersey sponsors and administers the following health benefit programs covering certain state and local government employees, including those Board employees and retirees eligible for coverage.

Health Benefits Program Fund (HBPF) – Local Education (including Prescription Drug Program Fund) – The State of New Jersey provides paid coverage to members of the Teachers' Pension and Annuity Fund who retire from a board of education or county college with 25 years of service or on a disability retirement. Under the provisions of P.L. 1992, c.126, the State also provides paid coverage to members of the Public Employees' Retirement System and Alternate Benefits Program who retire from a board of education or county college with 25 years of service or on a disability retirement if the member's employer does not provide this coverage. Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for state paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare parts A and B by paying the cost of the insurance for themselves and their covered dependents. Also, education employees are eligible for the PDP coverage after 60 days of employment.

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 above Fund. The financial reports may be accessed via the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Basis of Accounting

The financial statements of the health benefit programs are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the health benefit programs. Benefits or refunds are recognized when due and payable in accordance with the terms of the health benefit programs.

Significant Legislation

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

Investment Valuation

Investments are reported at fair value. Investments that do not have an established market are reported at estimated fair values.

Funded Status and Funding Progress

As of July 1, 2013, the most recent actuarial valuation date, the State had a \$53.0 billion unfunded actuarial accrued liability for other post-employment benefits (OPEB) which is made up to \$19.7 billion for state active and retired members and \$33.3 billion for education employees and retirees that become the obligation of the State of New Jersey upon retirement.

The funded status and funding progress of the OPEB includes actuarial valuations which involve estimates of the value of reported amounts and assumptions about the probability of events far into the future. These amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the probability of future events.

Actuarial calculations reflect a long-term perspective and are based on the benefits provided under the terms of the OPEB in effect at the time of each valuation and also consider the pattern of the sharing of costs between the employer and members at the point in time. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and members in the future.

Actuarial Methods and Assumptions

In the July 1, 2013, OPEB actuarial valuation, the projected unit credit was used as the actuarial cost method. The actuarial assumptions included an assumed investment rate of return of 4.50 percent.

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 OTHER INFORMATION (Continued)

E. Post-Retirement Medical Benefits (Continued)

Post-Retirement Medical Benefits Contributions

P.L. 1987, c. 384 and P.L. 1990, c.6 required the Teachers' Pension and Annuity Fund (TPAF) and Public Employees' Retirement System (PERS), respectively to fund post-retirement medical benefits for those State employees and education employees who retire after accumulating 25 years of credited service or on a disability retirement. 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 and in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

The State sets the contribution rate based on a pay as you go basis and not on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the fiscal years ended June 30, 2015, 2014 and 2013 were \$1,694,283, \$1,393,052 and \$1,464,845, respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

NOTE 5 RESTATEMENTS

On July 1, 2014, the Westwood Regional School District implemented GASB Statement No. 68, "Accounting and Financial Reporting for Pensions. The Westwood Regional School District has determined that the effect of implementing this accounting change on the financial statements previously reported as of and for the fiscal year ended June 30, 2014 was to recognize the District's proportionate share of the Public Employees' Retirement System's (PERS) net pension liability, deferred outflows of resources and deferred inflows of resources with a corresponding reduction in the unrestricted component of net position in the amount of \$9,605,283.

The District conducted an update of its capital asset inventory as of June 30, 2015. The District has restated its July 1, 2014 capital asset values, including accumulated depreciation amounts, to reflect the amounts reported in the capital asset appraisal report. The net effect of this restatement was an increase to governmental activities net position of \$503,794 and a decrease to business-type activities net position of \$41,300.

The net effect of these restatements combined, is a decrease of total net position of governmental activities at June 30, 2014 from \$24,004,593, as originally reported, to \$14,903,104; and a reduction in total net position of business-type activities at June 30, 2014 from \$194,321, as originally reported, to \$153,021.

BUDGETARY COMPARISON SCHEDULES

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
REVENUES					
Local Sources					
Property Taxes	\$ 47,481,245		\$ 47,481,245	\$ 47,481,245	
Tuition				19,189	\$ 19,189
Tuition - Preschool	50,000		50,000	49,750	(250)
Rentals	21,000		21,000	28,560	7,560
Interest on Investments	30,000		30,000	44,867	14,867
Interest on Capital Reserve	1,000		1,000	21,594	20,594
Miscellaneous	40,000	-	40,000	114,320	74,320
Total Local Sources	47,623,245	-	47,623,245	47,759,525	136,280
State Sources					
Special Education Aid	1,503,177		1,503,177	1,503,177	
Transportation Aid	98,956		98,956	98,956	
Security Aid	48,069		48,069	48,069	
Additional Adjustment Aid	2,322		2,322	2,322	
PARCC Readiness Aid	27,080		27,080	27,080	
Per Pupil Growth Aid	27,080		27,080	27,080	
Extraordinary Aid				693,502	693,502
Additional Nonpublic Transportation Aid				26,477	26,477
TPAF Pension System Contribution (NCGI) (Non-Budgeted)				71,631	71,631
TPAF Pension System Contribution (Normal Costs) (Non Budgeted)				995,633	995,633
TPAF Pension System Contribution (Post- Retirement Medical Contribution) (Non-Budgeted)				1,694,283	1,694,283
TPAF Social Security Reimbursements (Non-Budget)	-	-	-	1,477,271	1,477,271
Total State Sources	1,706,684	-	1,706,684	6,665,481	4,958,797
Total Revenues	49,329,929	-	49,329,929	54,425,006	5,095,077
EXPENDITURES					
CURRENT EXPENDITURES					
Instruction - Regular Programs					
Salaries of Teachers					
Kindergarten	768,710	\$ (53,000)	715,710	712,053	3,657
Grades 1-5	4,612,213	56,000	4,668,213	4,652,533	15,680
Grades 6-8	3,267,750	117,600	3,385,350	3,351,124	34,226
Grades 9-12	4,406,316	3,200	4,409,516	4,306,025	103,491
Regular Programs - Home Instruction					
Salaries of Teachers	50,000	(100)	49,900	37,397	12,503
Purchased Professional/Educational Services	33,500	(29,200)	4,300	4,271	29
Regular Programs - Undistributed Instruction					
Other Purchased Services	240,100	(83,033)	157,067	154,790	2,277
General Supplies	345,087	56,219	401,306	383,291	18,015
Textbooks	205,462	80,732	286,194	254,214	31,980
Other Objects	14,000	1,033	15,033	9,213	5,820
Total Regular Programs	13,943,138	149,451	14,092,589	13,864,911	227,678
Learning and/or Language Disabilities					
Salaries of Teachers	421,315		421,315	247,485	173,830
Other Salaries for Instruction	33,000	70,000	103,000	83,666	19,334
General Supplies	16,480	(6,890)	9,590	9,587	3
Other Objects	1,000	-	1,000	-	1,000
Total Learning and/or Language Disabilities	471,795	63,110	534,905	340,738	194,167

WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Resource Room/Resource Center					
Salaries of Teachers	\$ 1,834,691	\$ 315,000	\$ 2,149,691	\$ 2,149,380	\$ 311
Other Salaries for Instruction	30,000	(23,500)	6,500	84	6,416
General Supplies	20,000	(14,650)	5,350	5,309	41
Total Resource Room/Resource Center	1,884,691	276,850	2,161,541	2,154,773	6,768
Autism					
Salaries of Teachers	108,651	6,000	114,651	114,237	414
Other Salaries for Instruction	122,000	50,000	172,000	171,310	690
Purchased Professional Educational Services	57,750	(34,100)	23,650	23,598	52
General Supplies	20,000	(16,300)	3,700	3,656	44
Other Objects	1,000	-	1,000	-	1,000
Total Autism	309,401	5,600	315,001	312,801	2,200
Preschool Disabilities - Part-Time					
Salaries of Teachers	158,169		158,169	155,865	2,304
Other Salaries for Instruction	96,000	13,000	109,000	78,370	30,630
Purchased Professional Educational Services	7,759	(5,100)	2,659		2,659
General Supplies	12,837	(12,500)	337	267	70
Total Preschool Disabilities - Part-Time	274,765	(4,600)	270,165	234,502	35,663
Preschool Disabilities - Full-Time					
Salaries of Teachers	167,835	2,500	170,335	170,266	69
Other Salaries for Instruction	217,000	46,000	263,000	99,085	163,915
Purchased Professional Educational Services	57,750	(43,900)	13,850	13,818	32
General Supplies	10,000	(9,774)	226	190	36
Total Preschool Disabilities - Full-Time	452,585	(5,174)	447,411	283,359	164,052
Home Instruction					
Purchased Professional Educational Services	49,613	(34,700)	14,913	6,360	8,553
Total Home Instruction	49,613	(34,700)	14,913	6,360	8,553
Total Special Education	3,442,850	301,086	3,743,936	3,332,533	411,403
Basic Skills/Remedial - Instruction					
Salaries of Teachers	546,671	-	546,671	513,323	33,348
Total Basic Skills/Remedial	546,671	-	546,671	513,323	33,348
Bilingual Education - Instruction					
Salaries of Teachers	297,240	-	297,240	287,751	9,489
Total Bilingual Education	297,240	-	297,240	287,751	9,489
School Sponsored Co/Extra Curricular Activities - Instruction					
Salaries	192,000	7,000	199,000	167,109	31,891
Purchased Services	4,600	(878)	3,722	3,702	20
Supplies and Materials	5,575	1,165	6,740	6,694	46
Total School Sponsored Co/Extra Curricular Activities	202,175	7,287	209,462	177,505	31,957

WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
School Sponsored Athletics - Instruction					
Salaries	\$ 674,031		\$ 674,031	\$ 583,431	\$ 90,600
Purchased Services	92,000	\$ (12,373)	79,627	72,829	6,798
Supplies and Materials	109,500	17,239	126,739	114,326	12,413
Other Objects	49,045	(17,000)	32,045	31,955	90
Total School Sponsored Athletics	924,576	(12,134)	912,442	802,541	109,901
Instructional Alternative Education Program - Instruction					
Salaries	67,199		67,199	63,223	3,976
General Supplies	10,000	(6,110)	3,890	-	3,890
Other Objects	20,000	(19,201)	799	797	2
Total Instructional Alternative Education Program	97,199	(25,311)	71,888	64,020	7,868
Total Instruction	19,453,849	420,379	19,874,228	19,042,584	831,644
Undistributed Expenditures					
Instruction					
Tuition to Other LEAs w/ State - Special	1,195,496	(307,530)	887,966	624,673	263,293
Tuition to Co. Voc. School Dist - Reg.	237,798	2,000	239,798	207,948	31,850
Tuition to Co. Voc. School Dist - Special	118,332	6,100	124,432	124,390	42
Tuition to CSSD and Regional Day Schools	830,900	144,000	974,900	900,934	73,966
Tuition to Priv. Sch. for the Disabled - State	1,249,845	(140,500)	1,109,345	839,210	270,135
Tuition to Priv. Sch. Disabled & Other LEAs - Out State	54,100		54,100	54,100	-
Tuition - Other	99,957	(15,258)	84,699	64,258	20,441
Total Undistributed Expenditures - Instruction	3,786,428	(311,188)	3,475,240	2,761,413	713,827
Attendance and Social Work					
Salaries	2,260	-	2,260	1,500	760
Total Attendance and Social Work	2,260	-	2,260	1,500	760
Health Services					
Salaries	607,875	(19,300)	588,575	588,542	33
Purchased Professional and Technical Services	20,000	(10,000)	10,000	10,000	-
Other Purchased Services	1,325		1,325	213	1,112
Supplies and Materials	16,000	-	16,000	12,845	3,155
Total Health Services	645,200	(29,300)	615,900	611,600	4,300
Speech, OT, PT and Related Services					
Salaries	778,166		778,166	716,668	61,498
Purchased Prof. Ed. Services	987,625	(204,073)	783,552	352,262	431,290
Supplies and Materials	16,500	40	16,540	5,242	11,298
Total Speech, OT, PT and Related Services	1,782,291	(204,033)	1,578,258	1,074,172	504,086
Other Support Services - Students - Extraordinary Serv.					
Salaries	1,111,522	265,000	1,376,522	1,198,640	177,882
Purchased Prof. Ed. Services	862,762	193,155	1,055,917	872,988	182,929
Supplies and Materials	22,280	-	22,280	16,873	5,407
Total Other Supp. Serv. Student - Extraordinary Serv.	1,996,564	458,155	2,454,719	2,088,501	366,218

WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Guidance					
Salaries of Other Professional Staff	\$ 961,120		\$ 961,120	\$ 958,375	\$ 2,745
Salaries of Secretarial & Clerical Assistants	102,124		102,124	101,670	454
Purchased Professional-Educational Services	4,535	\$ (1,571)	2,964	736	2,228
Other Purchased Services	4,130	71	4,201	4,201	
Supplies and Materials	9,200	1,533	10,733	9,691	1,042
Other Objects	1,450	-	1,450	1,340	110
Total Guidance	1,082,559	33	1,082,592	1,076,013	6,579
Child Study Teams					
Salaries of Other Professional Staff	748,794	42,500	791,294	789,933	1,361
Salaries of Secretarial & Clerical Assistants	200,505		200,505	198,673	1,832
Purchased Professional/Educational Services	259,031	(114,266)	144,765	32,143	112,622
Misc. Purchased Services	10,000		10,000	5,794	4,206
Supplies and Materials	32,445	8,540	40,985	39,218	1,767
Other Objects	11,889	(8,500)	3,389	148	3,241
Total Child Study Teams	1,262,664	(71,726)	1,190,938	1,065,909	125,029
Improvement of Instr. Services					
Salaries of Supervisors of Instruction	485,616	20,000	505,616	482,280	23,336
Other Purchased Services	32,000	4,350	36,350	18,522	17,828
Total Other Support Services - Impvnt. of Instructional Staff	517,616	24,350	541,966	500,802	41,164
Educational Media/School Library					
Salaries	310,972		310,972	272,418	38,554
Salaries of Technology Coordinators	322,904		322,904	322,653	251
Purchased Professional and Technical Services	166,713	929	167,642	138,131	29,511
Other Purchased Services	9,500	(1,330)	8,170	2,240	5,930
Supplies and Materials	218,292	191,923	410,215	377,868	32,347
Other Objects	1,200	-	1,200	-	1,200
Total Educational Media/School Library	1,029,581	191,522	1,221,103	1,113,310	107,793
Instructional Staff Training Services					
Other Salaries	20,000	(20,000)			
Other Purchased Services	21,250	4,000	25,250	24,601	649
Supplies and Materials	1,000	(1,000)	-	-	-
Total Instructional Staff Training Services	42,250	(17,000)	25,250	24,601	649
Support Services General Administration					
Salaries	410,657	4,000	414,657	414,375	282
Legal Services	130,000	(17,007)	112,993	112,026	967
Audit Fees	30,000	30,100	60,100	60,100	-
Architectural/Engineering Services	50,000	(32,576)	17,424	1,400	16,024
Other Purchased Professional Services	50,000	(22,326)	27,674	12,064	15,610
Purchased Technical Services	18,000	(2,200)	15,800	14,813	987
Communications/Telephone	166,000	(15,500)	150,500	98,762	51,738
BOE Other Purchased Services	1,000	25,125	26,125	4,374	21,751
Miscellaneous Purchased Services	65,100	(23,953)	41,147	37,284	3,863
General Supplies	26,000		26,000	19,124	6,876
BOE In-House Training/Meeting Supplies	3,000		3,000	2,604	396
Miscellaneous Expenditures	22,000	285	22,285	13,839	8,446
BOE Membership Dues and Fees	24,500	-	24,500	23,248	1,252
Total Support Services General Administration	996,257	(54,052)	942,205	814,013	128,192

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Support Services School Administration					
Salaries of Principals/Asst. Principals	\$ 1,168,261		\$ 1,168,261	\$ 1,118,883	\$ 49,378
Salaries of Other Professional Staff	569,040		569,040	457,989	111,051
Salaries of Secretarial and Clerical Assistants	502,243		502,243	492,798	9,445
Other Purchased Services	40,000		40,000	18,619	21,381
Supplies and Materials	23,798	\$ 17,216	41,014	38,647	2,367
Other Objects	8,850	1,491	10,341	3,229	7,112
Total Support Services School Administration	2,312,192	18,707	2,330,899	2,130,165	200,734
Central Services					
Salaries	530,691		530,691	517,965	12,726
Purchased Professional Services	2,000		2,000	2,000	2,000
Purchased Technical Services	8,200	(1,434)	6,766	4,071	2,695
Misc. Purchased Services	12,000	1,434	13,434	7,529	5,905
Supplies and Materials	20,000	(1,150)	18,850	9,012	9,838
Miscellaneous Expenditures	5,000	-	5,000	1,569	3,431
Total Central Services	577,891	(1,150)	576,741	540,146	36,595
Admin Info. Tech.					
Salaries	103,504	100	103,604	102,052	1,552
Purchased Professional Services	17,300	(100)	17,200	7,328	9,872
Purchased Technical Services	47,168		47,168	38,300	8,868
Supplies and Materials	6,000	-	6,000	1,892	4,108
Total Admin Info. Tech.	173,972	-	173,972	149,572	24,400
Required Maintenance for School Facilities					
Salaries	360,432	5,500	365,932	343,696	22,236
Cleaning, Repair & Maintenance Services	155,500	93,653	249,153	235,657	13,496
General Supplies	115,000	133,804	248,804	244,449	4,355
Total Allowable Maintenance for School Facilities	630,932	232,957	863,889	823,802	40,087
Custodial Services					
Salaries	1,226,191	(6,500)	1,219,691	1,140,258	79,433
Salaries of Non-Instructional Aides	110,000		110,000	90,333	19,667
Cleaning, Repair and Maintenance Services	166,000	(54,100)	111,900	108,512	3,388
Other Purchased Property Services	59,000		59,000	41,565	17,435
Insurance	276,800	(26,667)	250,133	217,617	32,516
Misc. Purchased Services	2,000		2,000	1,430	570
General Supplies	110,200	14,379	124,579	123,593	986
Energy (Natural Gas)	315,000	(40,000)	275,000	188,277	86,723
Energy (Electricity)	730,000	(40,745)	689,255	457,959	231,296
Energy (Gasoline)	45,000		45,000	30,070	14,930
Other Objects	2,000	-	2,000	-	2,000
Total Custodial Services	3,042,191	(153,633)	2,888,558	2,399,614	488,944
Care and Upkeep of Grounds					
Salaries	145,918		145,918	138,029	7,889
Cleaning, Repair & Maintenance Svc.	5,500	25,855	31,355	21,216	10,139
General Supplies	20,000	15,735	35,735	19,419	16,316
Total Care and Upkeep of Grounds	171,418	41,590	213,008	178,664	34,344
Security					
Salaries	40,000		40,000	24,997	15,003
Cleaning, Repair & Maintenance Svc.	8,000	948	8,948	1,248	7,700
General Supplies	9,500	9,500	19,000	-	19,000
Total Security	57,500	10,448	67,948	26,245	41,703

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

EXHIBIT C-1

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
EXPENDITURES					
CURRENT EXPENDITURES (Continued)					
Undistributed Expenditures (Continued)					
Student Transportation Services					
Sal. For Pupil Trans (Between Home & Sch)-Reg.	\$ 15,000	\$ 15,500	\$ 30,500	\$ 30,383	\$ 117
Sal. For Pupil Trans (Between Home & Sch)-Spec. Ed	67,202	3,600	70,802	70,762	40
Sal. For Pupil Trans (Other than Between Home & Sch)	39,411	5,000	44,411	42,719	1,692
Cleaning, Repair & Maint. Services	10,000		10,000	1,482	8,518
Contracted Services (Between Home and School) - Vendors	75,000	4,536	79,536	69,247	10,289
Contracted Services (Other Than Between Home and School) - Vendors	407,000	(8,970)	398,030	336,128	61,902
Contracted Services (Special Ed. Students) - Vendors	147,000	(22,305)	124,695	65,230	59,465
Contracted Services - Aid In Lieu of Payments-Non Public	1,166,500	(44,895)	1,121,605	636,312	485,293
Other Objects	8,722	-	8,722	5,025	3,697
Total Student Transportation Services	<u>1,935,835</u>	<u>(47,534)</u>	<u>1,888,301</u>	<u>1,257,288</u>	<u>631,013</u>
Unallocated Benefits- Employee Benefits					
Group Insurance	18,000	261	18,261	13,216	5,045
Social Security Contributions	600,000	21,125	621,125	550,532	70,593
Other Retirement Contrib. - PERS	534,000	(75,000)	459,000	436,163	22,837
Other Retirement Contrib. - Regular	50,000		50,000	21,822	28,178
Unemployment Compensation	50,000		50,000	50,000	
Workmen's Compensation	280,000		280,000	258,547	21,453
Health Benefits	6,960,000	(527,000)	6,433,000	6,026,836	406,164
Tuition Reimbursement	75,000		75,000	75,000	
Other Employee Benefits	131,415	-	131,415	106,010	25,405
Total Unallocated Benefits	<u>8,698,415</u>	<u>(580,614)</u>	<u>8,117,801</u>	<u>7,538,126</u>	<u>579,675</u>
TPAF Pension System Contribution (NCGI)					
(Non-Budgeted)				71,631	(71,631)
TPAF Pension System Contribution (Normal Costs)					
(Non-Budgeted)				995,633	(995,633)
TPAF Pension Systems Contribution (Post Retirement Medical Contributions)(Non-Budgeted)					
				1,694,283	(1,694,283)
Reimbursed TPAF Social Security Reimbursements (Non-Budgeted)					
	-	-	-	1,477,271	(1,477,271)
Total On-Behalf TPAF Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,238,818</u>	<u>(4,238,818)</u>
Total Undistributed Expenditures	<u>30,744,016</u>	<u>(492,468)</u>	<u>30,251,548</u>	<u>30,414,274</u>	<u>(162,726)</u>
Total Current Expenditures	<u>50,197,865</u>	<u>(72,089)</u>	<u>50,125,776</u>	<u>49,456,858</u>	<u>668,918</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

EXHIBIT C-1

	Original Budget	Adjustments	Final Budget	Actual	Variance Final Budget to Actual
EXPENDITURES					
CAPITAL OUTLAY					
Equipment					
Undistributed Expenditures					
Instruction		\$ 96,951	\$ 96,951	\$ 94,786	\$ 2,165
School Sponsored Co-Curricular Activities		41,126	41,126	28,126	13,000
Supp. Serv. Students - Child Study Teams	\$ 7,350		7,350	7,350	7,350
Admin Info Tech	40,000	(30,000)	10,000	4,629	5,371
Required Maintenance for School Facilities	50,000	18,343	68,343	52,738	15,605
Security		115,632	115,632	115,627	5
Custodial		17,745	17,745	17,745	
School Buses - Regular		52,022	52,022	52,022	
Non-Instructional Services	6,500	-	6,500	-	6,500
	103,850	311,819	415,669	365,673	49,996
Total Equipment					
Facilities Acquisition and Construction Serv.					
Other Purchased Professional and Technical Services		37,429	37,429	2,470	34,959
Construction Services		165,400	165,400	159,588	5,812
Assessment for Debt Service on SDA Funding	769	-	769	769	-
	769	202,829	203,598	162,827	40,771
Total Facilities Acquisition and Construction Serv.					
	104,619	514,648	619,267	528,500	90,767
Total Capital Outlay					
	50,302,484	442,559	50,745,043	49,985,358	759,685
Total Expenditures					
Excess (Deficiency) of Revenues					
Over/(Under) Expenditures	(972,555)	(442,559)	(1,415,114)	4,439,648	5,854,762
Other Financing Sources (Uses)					
Capital Reserve - Transfer to Capital Projects	(1,737,079)	-	(1,737,079)	(1,449,057)	288,022
Capital Outlay - Transfer to Capital Projects	(696,875)	-	(696,875)	(667,300)	29,575
	(2,433,954)	-	(2,433,954)	(2,116,357)	317,597
Total Other Financing Sources (Uses)					
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under)					
Expenditures and Other Financing Uses	(3,406,509)	(442,559)	(3,849,068)	2,323,291	6,172,359
Fund Balance, Beginning of Year					
	13,428,411	-	13,428,411	13,428,411	-
Fund Balance, End of Year					
	\$ 10,021,902	\$ (442,559)	\$ 9,579,343	\$ 15,751,702	\$ 6,172,359
Recapitulation:					
Restricted Fund Balance					
Capital Reserve				\$ 11,400,030	
Excess Surplus-Designated for Subsequent Year's Expenditures - 2015/2016				750,000	
Excess Surplus				750,000	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures - 2015/2016				801,159	
Year-End Encumbrances				373,276	
Unassigned Fund Balance				1,677,237	
				15,751,702	
Reconciliation to Governmental Funds Statements (GAAP):					
Less:					
2014/2015 Extraordinary Aid Not Recognized on a GAAP Basis			\$ (693,502)		
2014/2015 State Aid Not Recognized on a GAAP Basis			(116,324)		
				(809,826)	
Fund Balance per Governmental Funds (GAAP)					
				\$ 14,941,876	

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

EXHIBIT C-2

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget to Actual</u>
REVENUES					
State Sources	\$ 173,569	\$ 33,717	\$ 207,286	\$ 175,579	\$ (31,707)
Federal Sources	887,097	96,280	983,377	898,815	(84,562)
Local	-	93,028	93,028	37,205	(55,823)
Total Revenues	<u>1,060,666</u>	<u>223,025</u>	<u>1,283,691</u>	<u>1,111,599</u>	<u>(172,092)</u>
EXPENDITURES					
Instruction					
Salaries of Teachers	73,120	16,955	90,075	89,878	197
Purchased Prof./Educ. Svcs.	47,370	74,753	122,123	41,593	80,530
Tuition	717,131	(22,664)	694,467	694,467	
General Supplies	65,985	105,268	171,253	97,914	73,339
Textbooks	43,770	2,166	45,936	43,010	2,926
Total Instruction	<u>947,376</u>	<u>176,478</u>	<u>1,123,854</u>	<u>966,862</u>	<u>156,992</u>
Support Services					
Other Salaries	46,821	(36,234)	10,587	10,587	
Personal Services - Employee Benefits		20,524	20,524	20,508	16
Purchased Prof./Educ. Svcs.	66,469	(53,719)	12,750	12,700	50
Other Purchased Services		106,891	106,891	93,637	13,254
Supplies and Materials		5,285	5,285	3,505	1,780
Other Objects	-	3,800	3,800	3,800	-
Total Support Services	<u>113,290</u>	<u>46,547</u>	<u>159,837</u>	<u>144,737</u>	<u>15,100</u>
Total Expenditures	<u>1,060,666</u>	<u>223,025</u>	<u>1,283,691</u>	<u>1,111,599</u>	<u>172,092</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

REQUIRED SUPPLEMENTARY INFORMATION PART II

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL AND SPECIAL REVENUE FUNDS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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 accounting principles generally accepted in the United States of America, with the exception of the legally mandated revenue recognition of certain state aid payments for budgetary purposes only and the treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration of the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

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

The following presents a reconciliation of the General and Special Revenue Funds from the budgetary basis of accounting as presented in the Budgetary Comparison Schedule - General Fund and Special Revenue Fund to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.

	<u>General</u>		<u>Special</u>	
	<u>Fund</u>		<u>Fund</u>	
Sources/Inflows of Resources				
Actual amounts (budgetary basis) revenue from the budgetary comparison schedule	(C-1) \$ 54,425,006	(C-2) \$	1,111,599	
Difference - Budget to GAAP				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.				
Encumbrances, June 30, 2014			2,503	
Certain State Aid payments recognized for GAAP purposes, not recognized for budgetary statements.(2014/2015 State Aid)	(809,826)			
Certain State Aid payments recognized for budgetary purposes, not recognized for GAAP statements. (2013/2014 State Aid)	<u>886,222</u>		<u>-</u>	
Total revenues as reported on the Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>54,501,402</u>		\$ <u>1,114,102</u>	
Uses/Outflows of Resources				
Actual amounts (budgetary basis) total outflows from the budgetary comparison schedule	(C-1) \$ 49,985,358	(C-2) \$	1,111,599	
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				
Encumbrances, June 30, 2014	<u>-</u>		<u>2,503</u>	
Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds	(B-2) \$ <u>49,985,358</u>	(B-2) \$	<u>1,114,102</u>	

REQUIRED SUPPLEMENTARY INFORMATION PART III

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Public Employees Retirement System

Last Two Fiscal Years*

	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0.05286%	0.05025%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 9,897,582	\$ 9,605,283
District's Covered-Employee Payroll	\$ 3,575,863	\$ 3,536,307
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	277%	272%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

WESTWOOD REGIONAL SCHOOL DISTRICT
 REQUIRED SUPPLEMENTARY INFORMATION
 SCHEDULE OF DISTRICT CONTRIBUTIONS

Public Employees Retirement System

Last Two Fiscal Years
 (Dollar amounts in thousands)

	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 436,163	\$ 378,683
Contributions in Relation to the Contractually Required Contribution	<u>436,163</u>	<u>376,683</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>
District's Covered-Employee Payroll	\$3,575,863	\$3,536,307
Contributions as a Percentage of Covered-Employee Payroll	12.20%	10.65%

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY**

Teachers Pension and Annuity Fund

Last Two Fiscal Years*

	<u>2015</u>	<u>2014</u>
District's Proportion of the Net Position Liability (Asset)	0%	0%
District's Proportionate Share of the Net Pension Liability (Asset)	\$-0-	\$-0-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
Total	<u>\$ 107,340,110</u>	<u>\$ 101,325,234</u>
District's Covered-Employee Payroll	\$ 20,246,792	\$ 19,700,425
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	0%	0%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for 10 years in accordance with GASB Statement No. 68. However, until a full 10-year trend is compiled, the District will only present information for those years for which information is available.

**WESTWOOD REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
AND SCHEDULE OF DISTRICT CONTRIBUTIONS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Change of Benefit Terms: None.

Change of Assumptions: The discount rate changed from the District's rate as of June 30, 2014 to the District's rate as of June 30, 2015, in accordance with GASB Statement No. 67.

SCHOOL LEVEL SCHEDULES

(General Fund)

NOT APPLICABLE

SPECIAL REVENUE FUND

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	IDEA		NCLB			Subtotal Page 2	Total
	Basic	Preschool	Title I	Title II-A	Title III		
REVENUES							
Intergovernmental							
State						\$ 175,579	\$ 175,579
Federal	\$ 696,483	\$ 30,173	\$ 121,845	\$ 35,111	\$ 15,203		898,815
Local	-	-	-	-	-	37,205	37,205
Total Revenues	\$ 696,483	\$ 30,173	\$ 121,845	\$ 35,111	\$ 15,203	\$ 212,784	\$ 1,111,599
EXPENDITURES							
Instruction							
Salaries of Teachers			\$ 77,533		\$ 12,345		\$ 89,878
Purchased Professional-Educational Svs.	\$ 2,016					\$ 39,577	41,593
Tuition	694,467						694,467
General Supplies		\$ 30,173	13,850		711	53,180	97,914
Textbooks						43,010	43,010
Other Objects	-	-	-	-	-	-	-
Total Instruction	696,483	30,173	91,383	-	13,056	135,767	966,862
Support Services							
Other Salaries			10,167		420		10,587
Personal Services - Employee Benefits			19,532		976		20,508
Purchased Professional and Technical Services			700	\$ 12,000			12,700
Other Purchased Services				19,311		74,326	93,637
General Supplies			63		751	2,691	3,505
Other Objects	-	-	-	3,800	-	-	3,800
Total Support Services	-	-	30,462	35,111	2,147	77,017	144,737
Total Expenditures	\$ 696,483	\$ 30,173	\$ 121,845	\$ 35,111	\$ 15,203	\$ 212,784	\$ 1,111,599

WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Chapter 192 Auxiliary Services <u>Home Instruction</u>	Chapter 193 Handicapped Services <u>Exam and Classification</u>	<u>Supplemental Instruction</u>	<u>Nonpublic Nursing</u>	<u>Nonpublic Textbooks</u>	<u>Nonpublic Technology</u>	<u>Local Grants</u>	<u>Subtotal Page 1</u>
REVENUES								
Intergovernmental								
State	\$ 5,939	\$ 22,338	\$ 11,300	\$ 77,017	\$ 43,010	\$ 15,975		\$ 175,579
Federal								
Local	-	-	-	-	-	-	\$ 37,205	37,205
Total Revenues	<u>\$ 5,939</u>	<u>\$ 22,338</u>	<u>\$ 11,300</u>	<u>\$ 77,017</u>	<u>\$ 43,010</u>	<u>\$ 15,975</u>	<u>\$ 37,205</u>	<u>\$ 212,784</u>
EXPENDITURES								
Instruction								
Salaries of Teachers								
Purchased Professional Education Services	\$ 5,939	\$ 22,338	\$ 11,300					\$ 39,577
Supplies and Materials						\$ 15,975	37,205	53,180
Textbooks					\$ 43,010			43,010
Other Objects	-	-	-	-	-	-	-	-
Total Instruction	<u>5,939</u>	<u>22,338</u>	<u>11,300</u>	<u>-</u>	<u>43,010</u>	<u>15,975</u>	<u>37,205</u>	<u>135,767</u>
Support Services								
Other Purchased Services					74,326			74,326
Supplies and Materials	-	-	-	2,691	-	-	-	2,691
Total Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,017</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>77,017</u>
Total Expenditures	<u>\$ 5,939</u>	<u>\$ 22,338</u>	<u>\$ 11,300</u>	<u>\$ 77,017</u>	<u>\$ 43,010</u>	<u>\$ 15,975</u>	<u>\$ 37,205</u>	<u>\$ 212,784</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
PRESCHOOL EDUCATION PROGRAM AID
SCHEDULE OF EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOT APPLICABLE

CAPITAL PROJECTS FUND

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

<u>Issue/Project Title</u>	<u>Expenditures to Date</u>			<u>Cancelled Prior Year Accounts Payable</u>	<u>Prior Year Transfers</u>	<u>Cancelled- Transfer to Debt Service Fund</u>	<u>Unexpended Balance, June 30, 2015</u>
	<u>Appropriation</u>	<u>Prior Years</u>	<u>Current Year</u>				
Numerous Physical Plant Renovations at Berkeley Elementary School, Brookside Elementary School, Jessie F. George Elementary School and Washington School; Physical Plant and Educational Renovations (Science Lab) at Westwood Jr./Sr. High School; and Physical Plant Renovations and Additions (New Cafeteria) and Educational Additions (Four New Classrooms) at Ketter Elementary School (2007 Referendum Project)	\$ 14,694,075	\$ 14,331,781		\$ 14,685	\$ (171,339)	\$ (93,352)	\$ 112,288
Elevators at High School	56,100	49,429					6,671
Athletic Field at High School	3,080,000	3,251,339			171,339		
High School Upper Gym Locker Room Renovations	1,201,800	1,188,156					13,644
High School Hurley Theater Stage Lights	237,600	232,600					5,000
Berkeley Boiler	214,700	204,672					10,028
High School Façade Replacement	3,623,890	37,620	\$ 1,149,968				2,436,302
High School Partial Roof Replacement	2,760,152	677,546	839,257				1,243,349
Middle School Partial Roof Replacement	171,400	7,590	154,512				9,298
Brookside Partial Roof Replacement	141,600	7,601	132,399				1,600
George School Partial Roof Replacement	216,425	12,795	198,880		-		4,750
Berkeley School Partial Roof Replacement	29,950	-	29,950	-	-	-	-
	<u>\$ 26,427,692</u>	<u>\$ 20,001,129</u>	<u>\$ 2,504,966</u>	<u>\$ 14,685</u>	<u>\$ -</u>	<u>\$ (93,352)</u>	<u>\$ 3,842,930</u>
Project Balance							\$ 3,842,930
Debt Authorized Not Issued							(75)
Fund Balance - Budgetary Basis							<u>\$ 3,842,855</u>
<u>Recapitulation of Fund Balance - Budgetary Basis:</u>							
Year End Encumbrances							\$ 2,650,660
Available for Capital Projects							<u>1,192,195</u>
Total Fund Balance (Budgetary Basis)- Restricted for Capital Projects							<u>\$ 3,842,855</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2015**

Revenues and Other Financing Sources

Local Sources	
Transfer from Capital Outlay	\$ 667,300
Transfer from Capital Reserve	1,449,057
State Sources	
SDA (Regular Operating District) Grants	<u>197,660</u>
 Total Revenues and Other Financing Sources	 <u>2,314,017</u>

Expenditures and Other Financing Uses

Purchased Professional and Technical Services	193,169
Construction Services	2,297,112
Unexpended Bond Proceeds - Transfer to Debt Service Fund	<u>93,352</u>
 Total Expenditures and Other Financing Uses	 <u>2,583,633</u>

Excess (Deficiency) of Revenues Over (Under) Expenditures (269,616)

Fund Balance - Beginning of Year 4,112,471

Fund Balance - End of Year \$ 3,842,855

Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:

Fund Balance, Budgetary Basis	\$ 3,842,855
Less: Unearned SDA Revenue	<u>(1,297,756)</u>
 Fund Balance Per Governmental Funds (GAAP)	 <u>\$ 2,545,099</u>

Recapitulation of Fund Balance:

Year End Encumbrances	\$ 2,650,660
Available for Capital Projects	<u>(105,561)</u>
 Total Fund Balance - Restricted for Capital Projects	 <u>\$ 2,545,099</u>

WESTWOOD REGIONAL SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
 BUDGETARY BASIS
 2007 REFERENDUM - WESTWOOD JUNIOR/SENIOR HIGH SCHOOL REHABILITATION
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 7,354,184	-	\$ (165,380)	\$ 7,188,804	\$ 7,188,804
Total Revenues	<u>7,354,184</u>	<u>-</u>	<u>(165,380)</u>	<u>7,188,804</u>	<u>7,188,804</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	\$ 1,042,978			\$ 1,042,978	\$ 1,042,978
Construction Services	5,934,323	\$ (14,685)		5,919,638	6,002,971
Supplies	142,855	-	-	142,855	142,855
Transfer to Debt Service Fund	-	48,568	-	48,568	-
Total Expenditures	<u>7,120,156</u>	<u>33,883</u>	<u>-</u>	<u>7,154,039</u>	<u>7,188,804</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 234,028</u>	<u>\$ (33,883)</u>	<u>\$ (165,380)</u>	<u>\$ 34,765</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5755-050-07-2000
Grant Date	N/A
Bond Issue Date	9/15/08
Bonds Authorized	\$ 9,535,798
Bonds Issues	9,535,798
Original Authorized Cost	9,535,798
Adjustment	(2,346,994)
Revised Authorized Cost	7,188,804
Percentage Increase Over Original Authorized Cost	
Percentage Completion	99%
Original Target Completion Date	
Revised Target Completion Date	2014/15

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BERKELEY AVENUE SCHOOL REHABILITATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer to Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Bond Proceeds	\$ 523,745	-	\$ (5,959)	\$ 517,786	\$ 517,786
Total Revenues	<u>523,745</u>	<u>-</u>	<u>(5,959)</u>	<u>517,786</u>	<u>517,786</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	\$ 71,054	-	-	\$ 71,054	\$ 71,054
Construction Services	443,102	-	-	443,102	446,732
Transfer to Debt Service Fund	-	\$ 3,630	-	3,630	-
Total Expenditures	<u>514,156</u>	<u>3,630</u>	<u>-</u>	<u>517,786</u>	<u>517,786</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 9,589</u>	<u>\$ (3,630)</u>	<u>\$ (5,959)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-060-07-2000				
Grant Date	N/A				
Bond Issue Date	9/15/08				
Bonds Authorized	\$ 512,710				
Bonds Issued	512,710				
Original Authorized Cost	512,710				
Adjustment	5,076				
Revised Authorized Cost	517,786				
Percentage Increase Over Original Authorized Cost	-				
Percentage Completion	100%				
Original Target Completion Date	-				
Revised Target Completion Date	2013/2014				

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - BROOKSIDE ELEMENTARY SCHOOL REHABILITATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 626,120	-	\$ 626,120	\$ 626,120
Total Revenues	<u>626,120</u>	<u>-</u>	<u>626,120</u>	<u>626,120</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 60,819		\$ 60,819	\$ 60,819
Construction Services	553,696		553,696	565,301
Transfer to Debt Service Fund	-	\$ 11,605	11,605	-
Total Expenditures	<u>614,515</u>	<u>11,605</u>	<u>626,120</u>	<u>626,120</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 11,605</u>	<u>\$ (11,605)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-062-07-2000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 555,325			
Bonds Issued	555,325			
Original Authorized Cost	555,325			
Adjustment	70,795			
Revised Authorized Cost	626,120			
Percentage Increase Over Original Authorized Cost	13%			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - JESSIE F. GEORGE ELEMENTARY SCHOOL REHABILITATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 289,048	-	\$ 289,048	\$ 289,048
Total Revenues	<u>289,048</u>	<u>-</u>	<u>289,048</u>	<u>289,048</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 31,703		\$ 31,703	\$ 32,000
Construction Services	253,972		253,972	257,048
Transfer to Debt Service Fund	<u>-</u>	<u>\$ 3,373</u>	<u>3,373</u>	<u>-</u>
Total Expenditures	<u>285,675</u>	<u>3,373</u>	<u>289,048</u>	<u>289,048</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 3,373</u>	<u>\$ (3,373)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-065-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 527,125			
Bonds Issued	527,125			
Original Authorized Cost	527,125			
Adjustment	(238,077)			
Revised Authorized Cost	289,048			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - KETLER ELEMENTARY SCHOOL ADDITION AND REHABILITATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 5,632,232	-	\$ 5,632,232	\$ 5,632,232
Total Revenues	<u>5,632,232</u>	<u>-</u>	<u>5,632,232</u>	<u>5,632,232</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 734,077	-	\$ 734,077	\$ 742,232
Construction Services	4,718,403	-	4,718,403	4,800,000
General Supplies	87,302	-	87,302	90,000
Transfer to Debt Service Fund	-	\$ 15,002	15,002	-
Total Expenditures	<u>5,539,782</u>	<u>15,002</u>	<u>5,554,784</u>	<u>5,632,232</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 92,450</u>	<u>\$ (15,002)</u>	<u>\$ 77,448</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-070-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 5,129,379			
Bonds Issued	5,129,379			
Original Authorized Cost	5,129,379			
Adjustment	502,853			
Revised Authorized Cost	5,632,232			
Percentage Increase Over Original Authorized Cost	10%			
Percentage Completion	98%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
2007 REFERENDUM - WASHINGTON ELEMENTARY SCHOOL REHABILITATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 268,671	-	\$ 268,671	\$ 268,671
Total Revenues	<u>268,671</u>	<u>-</u>	<u>268,671</u>	<u>268,671</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 32,655		\$ 32,655	\$ 32,655
Construction Services	224,842		224,842	236,016
Transfer to Debt Service Fund	<u>-</u>	<u>\$ 11,174</u>	<u>11,174</u>	<u>-</u>
Total Expenditures	<u>257,497</u>	<u>11,174</u>	<u>268,671</u>	<u>268,671</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 11,174</u>	<u>\$ (11,174)</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-080-07-1000			
Grant Date	N/A			
Bond Issue Date	9/15/08			
Bonds Authorized	\$ 411,738			
Bonds Issued	411,663			
Original Authorized Cost	411,738			
Adjustment	(143,067)			
Revised Authorized Cost	268,671			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date				
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL ELEVATOR
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve/Capital Outlay	\$ 56,100	-	\$ 56,100	\$ 56,100
Total Revenues	<u>56,100</u>	<u>-</u>	<u>56,100</u>	<u>56,100</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 25,080	-	\$ 25,080	\$ 25,800
Construction Services	<u>24,349</u>	<u>-</u>	<u>24,349</u>	<u>30,300</u>
Total Expenditures	<u>49,429</u>	<u>-</u>	<u>49,429</u>	<u>56,100</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 6,671</u>	<u>\$ -</u>	<u>\$ 6,671</u>	<u>\$ -</u>
Additional Project Information:				
Project Number				
Grant Date				
Bond Authorization Date		N/A		
Bonds Authorized		N/A		
Bonds Issues		N/A		
Original Authorized Cost	\$ 53,600			
Adjustment	2,500			
Revised Authorized Cost	56,100			
Percentage Increase Over Original Authorized Cost		5%		
Percentage Completion		88%		
Original Target Completion Date		2010/2011		
Revised Target Completion Date		2013/2014		

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
ATHLETIC FIELD AT HIGH SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Prior Periods Transfer from Other Projects</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
Transfer from Capital Reserve	\$ 1,102,000			\$ 1,102,000	\$ 1,102,000
Bond Proceeds	<u>1,978,000</u>	<u>-</u>	<u>\$ 171,339</u>	<u>2,149,339</u>	<u>2,149,339</u>
Total Revenues	<u>3,080,000</u>	<u>-</u>	<u>171,339</u>	<u>3,251,339</u>	<u>3,251,339</u>
Expenditures and Other Financing Uses					
Purchased Professional and Technical Services	<u>\$ 3,251,339</u>	<u>-</u>	<u>-</u>	<u>\$ 3,251,339</u>	<u>\$ 3,251,339</u>
Total Expenditures	<u>3,251,339</u>	<u>-</u>	<u>-</u>	<u>3,251,339</u>	<u>3,251,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ (171,339)</u>	<u>\$ -</u>	<u>\$ 171,339</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5755-065-09-1002				
Grant Date	5/1/2009				
Bond Authorization Date					
Bonds Authorized					
Bonds Issues/Transfers	\$ 2,149,339				
Original Authorized Cost	3,080,000				
Adjustment	171,339				
Revised Authorized Cost	3,251,339				
Percentage Increase Over Original Authorized Cost	6%				
Percentage Completion	100%				
Original Target Completion Date	2011/2012				
Revised Target Completion Date	2012/2013				

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL UPPER GYM LOCKER ROOM RENOVATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve/Capital Outlay	\$ 1,201,800	-	\$ 1,201,800	\$ 1,201,800
Total Revenues	<u>1,201,800</u>	<u>-</u>	<u>1,201,800</u>	<u>1,201,800</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 4,960		\$ 4,960	\$ 10,000
Construction Services	<u>1,183,196</u>	<u>\$ -</u>	<u>1,183,196</u>	<u>1,191,800</u>
Total Expenditures	<u>1,188,156</u>	<u>-</u>	<u>1,188,156</u>	<u>1,201,800</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 13,644</u>	<u>\$ -</u>	<u>\$ 13,644</u>	<u>\$ -</u>
Additional Project Information:				
Project Number				
Grant Date				
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 1,201,800			
Adjustment				
Revised Authorized Cost	1,201,800			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	99%			
Original Target Completion Date	2012/2013			
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL HURLEY THEATER STAGE LIGHTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve/Capital Outlay	\$ 237,600	-	\$ 237,600	\$ 237,600
Total Revenues	<u>237,600</u>	<u>-</u>	<u>237,600</u>	<u>237,600</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 14,135		\$ 14,135	\$ 30,600
Construction Services	<u>218,465</u>	<u>\$ -</u>	<u>218,465</u>	<u>207,000</u>
Total Expenditures	<u>232,600</u>	<u>-</u>	<u>232,600</u>	<u>237,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 5,000</u>	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ -</u>
Additional Project Information:				
Project Number				
Grant Date				
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 237,600			
Adjustment				
Revised Authorized Cost	237,600			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	98%			
Original Target Completion Date	2012/2013			
Revised Target Completion Date	2013/2014			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
BERKELEY BOILER
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve/Capital Outlay	\$ 214,700	-	\$ 214,700	\$ 214,700
 Total Revenues	 214,700	 -	 214,700	 214,700
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 53,277	-	\$ 53,277	\$ 54,700
Construction Services	151,395	-	151,395	160,000
 Total Expenditures	 204,672	 -	 204,672	 214,700
 Excess (Deficiency) of Revenues Over (Under) Expenditures	 \$ 10,028	 \$ -	 \$ 10,028	 \$ -

Additional Project Information:

Project Number	
Grant Date	
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issues	N/A
Original Authorized Cost	\$ 139,850
Adjustment	74,850
Revised Authorized Cost	214,700
 Percentage Increase Over Original Authorized Cost	 54%
Percentage Completion	95%
Original Target Completion Date	2012/2013
Revised Target Completion Date	2013/2014

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL FAÇADE REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 1,773,954		\$ 1,773,954	\$ 1,773,954
Transfers from Capital Outlay		\$ 667,300	667,300	667,300
SDA (Regular Operating District) Grant	1,182,636	-	1,182,636	1,182,636
	<u>2,956,590</u>	<u>667,300</u>	<u>3,623,890</u>	<u>3,623,890</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 37,620	\$ 150,390	\$ 188,010	\$ 208,890
Construction Services	-	999,578	999,578	3,415,000
	<u>37,620</u>	<u>1,149,968</u>	<u>1,187,588</u>	<u>3,623,890</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 2,918,970</u>	<u>\$ (482,668)</u>	<u>\$ 2,436,302</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1001			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,956,590			
Adjustment	667,300			
Revised Authorized Cost	3,623,890			
Percentage Increase Over Original Authorized Cost	23%			
Percentage Completion	33%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2015/16			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
HIGH SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ 579,361	\$ 1,076,730	\$ 1,656,091	\$ 1,656,091
SDA (Regular Operating District) Grant	<u>1,104,061</u>	<u>-</u>	<u>1,104,061</u>	<u>1,104,061</u>
Total Revenues	<u>1,683,422</u>	<u>1,076,730</u>	<u>2,760,152</u>	<u>2,760,152</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 82,183	\$ 34,690	\$ 116,873	\$ 136,800
Construction Services	<u>595,363</u>	<u>804,567</u>	<u>1,399,930</u>	<u>2,623,352</u>
Total Expenditures	<u>677,546</u>	<u>839,257</u>	<u>1,516,803</u>	<u>2,760,152</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 1,005,876</u>	<u>\$ 237,473</u>	<u>\$ 1,243,349</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-050-14-1002			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 2,760,152			
Adjustment				
Revised Authorized Cost	2,760,152			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	55%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2015/16			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
MIDDLE SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve		\$ 116,944	\$ 116,944	\$ 116,944
SDA (Regular Operating District) Grant	\$ 54,456	-	54,456	54,456
 Total Revenues	<u>54,456</u>	<u>116,944</u>	<u>171,400</u>	<u>171,400</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 7,590	\$ 2,160	\$ 9,750	\$ 9,750
Construction Services	-	152,352	152,352	161,650
 Total Expenditures	<u>7,590</u>	<u>154,512</u>	<u>162,102</u>	<u>171,400</u>
 Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 46,866</u>	<u>\$ (37,568)</u>	<u>\$ 9,298</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-062-14-1003			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 171,400			
Adjustment				
Revised Authorized Cost	171,400			
 Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	95%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2014/15			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
BROOKSIDE PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve		\$ 92,640	\$ 92,640	\$ 92,640
SDA (Regular Operating District) Grant	\$ 48,960	-	48,960	48,960
Total Revenues	<u>48,960</u>	<u>92,640</u>	<u>141,600</u>	<u>141,600</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 7,601	\$ 2,149	\$ 9,750	\$ 9,750
Construction Services	-	130,250	130,250	131,850
Total Expenditures	<u>7,601</u>	<u>132,399</u>	<u>140,000</u>	<u>141,600</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 41,359</u>	<u>\$ (39,759)</u>	<u>\$ 1,600</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-070-14-1005			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 141,600			
Adjustment				
Revised Authorized Cost	141,600			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	99%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2014/15			

**WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
GEORGE SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve		\$ 132,793	\$ 132,793	\$ 132,793
SDA (Regular Operating District) Grant	\$ 83,632	-	83,632	83,632
Total Revenues	<u>83,632</u>	<u>132,793</u>	<u>216,425</u>	<u>216,425</u>
Expenditures and Other Financing Uses				
Purchased Professional and Technical Services	\$ 12,795	\$ 3,780	\$ 16,575	\$ 16,575
Construction Services	-	195,100	195,100	199,850
Total Expenditures	<u>12,795</u>	<u>198,880</u>	<u>211,675</u>	<u>216,425</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 70,837</u>	<u>\$ (66,087)</u>	<u>\$ 4,750</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5755-065-14-1004			
Grant Date	1/6/2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 216,425			
Adjustment				
Revised Authorized Cost	216,425			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	98%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2014/15			

WESTWOOD REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS -
BUDGETARY BASIS
BERKELEY SCHOOL PARTIAL ROOF REPLACEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfers from Capital Reserve	\$ -	\$ 29,950	\$ 29,950	\$ 29,950
Total Revenues	<u>-</u>	<u>29,950</u>	<u>29,950</u>	<u>29,950</u>
Expenditures and Other Financing Uses				
Construction Services	-	29,950	29,950	29,950
Total Expenditures	<u>-</u>	<u>29,950</u>	<u>29,950</u>	<u>29,950</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issues	N/A			
Original Authorized Cost	\$ 29,950			
Adjustment				
Revised Authorized Cost	29,950			
Percentage Increase Over Original Authorized Cost	-			
Percentage Completion	100%			
Original Target Completion Date	2014/15			
Revised Target Completion Date	2014/15			

PROPRIETARY FUNDS

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Summer Enrichment <u>Program</u>
ASSETS	
Cash and Cash Equivalents	\$ 49,274
Total Assets	<u>49,274</u>
LIABILITIES	
Current Liabilities	
Accounts Payable	409
Unearned Revenue	<u>25,325</u>
Total Current Liabilities	<u>25,734</u>
NET POSITION	
Unrestricted	<u>23,540</u>
Total Net Position	<u>\$ 23,540</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Summer Enrichment Program
OPERATING REVENUES	
Charges for Services	
Program Fees	\$ 28,325
	<u>28,325</u>
Total Operating Revenues	
OPERATING EXPENSES	
Salaries and Wages	27,708
Supplies and Materials	468
Miscellaneous	<u>1,100</u>
Total Operating Expenses	<u>29,276</u>
Operating Income (Loss)/Change in Net Position	(951)
Total Net Position, Beginning of Year	<u>24,491</u>
Total Net Position, End of Year	<u>\$ 23,540</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
ENTERPRISE FUND - NON-MAJOR
STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Summer Enrichment <u>Program</u>
Cash Flows from Operating Activities	
Cash Received from Customers	\$ 27,025
Cash Payments for Employees	
Salaries & Benefits	(27,708)
Cash Payments for Program Refunds	<u>(1,159)</u>
Net Cash Used by Operating Activities	<u>(1,842)</u>
Net Decrease in Cash and Cash Equivalents	(1,842)
Cash and Cash Equivalents, Beginning of Year	<u>51,116</u>
Cash and Cash Equivalents, End of Year	<u>\$ 49,274</u>
Reconciliation of Operating Loss to Net Cash Used by Operating Activities	
Operating Loss	\$ <u>(951)</u>
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities	
Increase/(Decrease) in Accounts Payable	409
Increase/(Decrease) in Unearned Revenue	<u>(1,300)</u>
Total Adjustments	<u>(891)</u>
Net Cash Used by Operating Activities	<u>\$ (1,842)</u>

FIDUCIARY FUNDS

**WESTWOOD REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF AGENCY ASSETS AND LIABILITIES
AS OF JUNE 30, 2015**

	<u>Agency</u>		<u>Total</u>
	<u>Student Activity</u>	<u>Payroll</u>	
ASSETS			
Cash	\$ 219,705	\$ 157,536	\$ 377,241
Accounts Receivable	-	25,045	25,045
Due from Other Funds	-	14,650	14,650
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 219,705</u>	<u>\$ 197,231</u>	<u>\$ 416,936</u>
LIABILITIES			
Due to Student Groups	\$ 219,705		\$ 219,705
Payroll Deductions and Withholdings		\$ 60,908	60,908
Due to Other Funds	-	136,323	136,323
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>\$ 219,705</u>	<u>\$ 197,231</u>	<u>\$ 416,936</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

FINANCIAL STATEMENT IS PRESENTED ON EXHIBIT B-8

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

<u>School</u>	<u>Balance July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2015</u>
ELEMENTARY SCHOOLS				
Berkeley Avenue	\$ 5,458	\$ 9,879	\$ 7,420	\$ 7,917
Brookside Elementary	4,072	17,447	17,088	4,431
Washington	13,112	12,698	13,780	12,030
Jessie F. George	13,294	9,954	8,182	15,066
MIDDLE SCHOOL	52,542	69,696	71,503	50,735
Jr./SR. HIGH SCHOOL				
Central	113,347	215,341	218,239	110,449
ATHLETICS				
Athletic Fund	8,276	84,994	74,193	19,077
Total	<u>\$ 210,101</u>	<u>\$ 420,009</u>	<u>\$ 410,405</u>	<u>\$ 219,705</u>

**PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Balance, July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance, June 30, 2015</u>
Payroll Deductions and Withholdings	\$ 271,953	\$ 13,739,668	\$ 13,950,713	\$ 60,908
Accrued Salaries and Wages		16,631,767	16,631,767	
Accounts Receivable			25,045	(25,045)
Due from/to Other Funds	(16,418)	139,060	969	121,673
	<u>\$ 255,535</u>	<u>\$ 30,510,495</u>	<u>\$ 30,608,494</u>	<u>\$ 157,536</u>

LONG-TERM DEBT

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHEDULE OF BONDS PAYABLE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2014</u>	<u>Retired</u>	<u>Balance, June 30, 2015</u>
			<u>Date</u>	<u>Amount</u>				
2008 School Bonds	9/15/2008	\$ 16,672,000	8/1/2015	\$ 640,000	4.00%			
			8/1/2016	665,000	4.00%			
			8/1/2017	695,000	4.00%			
			8/1/2018	725,000	4.00%			
			8/1/2019	760,000	4.00%			
			8/1/2020	790,000	4.00%			
			8/1/2021	825,000	4.00%			
			8/1/2022	860,000	4.00%			
			8/1/2023	900,000	4.00%			
			8/1/2024	940,000	4.25%			
			8/1/2025	980,000	4.25%			
			8/1/2026	1,020,000	4.25%			
			8/1/2027	1,065,000	4.25%			
			8/1/2028	1,110,000	4.25%			
			8/1/2029	1,160,000	4.375%			
			8/1/2030	1,207,000	4.375%			
						\$ 14,957,000	\$ 615,000	\$ 14,342,000
						\$ 14,957,000	\$ 615,000	\$ 14,342,000
							\$ 615,000	

WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASE AGREEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

<u>Purpose</u>	<u>Date of Lease</u>	<u>Term of Lease</u>	<u>Original Amount of Lease</u>		<u>Interest Rate</u>	<u>Balance, July 1, 2014</u>	<u>Retired</u>	<u>Balance, June 30, 2015</u>
			<u>Principal</u>	<u>Interest</u>				

Not Applicable

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Adjustments</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final Budget with Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 877,348		\$ 877,348	\$ 877,348	
State Sources					
Debt Service Aid - Type II	345,296		345,296	345,296	-
Total Revenues	<u>1,222,644</u>	<u>-</u>	<u>1,222,644</u>	<u>1,222,644</u>	<u>-</u>
EXPENDITURES:					
Debt Service:					
Redemption of Principal	615,000		615,000	615,000	
Interest	607,644	-	607,644	607,644	-
Total Regular Debt Service	<u>1,222,644</u>	<u>-</u>	<u>1,222,644</u>	<u>1,222,644</u>	<u>-</u>
Total Expenditures	<u>1,222,644</u>	<u>-</u>	<u>1,222,644</u>	<u>1,222,644</u>	<u>-</u>
Excess of Revenues Over Expenditures	-		-	-	-
Other Financing Sources					
Operating Transfer In	-	-	-	93,352	\$ 93,352
Excess of Revenues and Other Financing Sources Over Expenditures	-	-	-	93,352	93,352
Fund Balance, Beginning of Year	<u>1</u>		<u>1</u>	<u>1</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 93,353</u>	<u>\$ 93,352</u>
Restricted for Debt Service					
Designated for Subsequent Year's Expenditures				\$ 93,000	
Available for Debt Service Expenditures				<u>353</u>	
Total Fund Balance - Restricted for Debt Service				<u>\$ 93,353</u>	

STATISTICAL SECTION

This part of the Westwood Regional School 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 government's overall financial health.

Contents

Exhibits

Financial Trends

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

J-1 to J-5

Revenue Capacity

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax.

J-6 to J-9

Debt Capacity

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

J-10 to J-13

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place.

J-14 and J-15

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs. J-16 to J-20

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

WESTWOOD REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011 (Restated)	2012 (Restated)	2013 (Restated)	2014 (Restated)	2015
Governmental Activities										
Net Investment in Capital Assets	\$ 3,848,604	\$ 4,419,908	\$ 4,882,067	\$ 5,364,169	\$ 5,970,208	\$ 7,766,635	\$ 8,180,923	\$ 9,080,545	\$ 11,757,643	\$ 14,116,063
Restricted	157,188	206,403	500,081	1,095,751	1,442,057	3,056,948	5,411,876	7,928,963	10,573,362	13,926,269
Unrestricted	(54,283)	59,741	411,328	714,217	308,971	1,178,506	2,780,044	2,550,117	(7,427,901)	(7,960,599)
Total governmental activities net position	\$ 3,951,509	\$ 4,686,052	\$ 5,793,476	\$ 7,174,137	\$ 7,721,236	\$ 12,002,089	\$ 16,372,843	\$ 19,559,625	\$ 14,903,104	\$ 20,081,733
Business-Type Activities										
Net Investment in Capital Assets	\$ 98,052	\$ 86,804	\$ 82,575	\$ 69,171	\$ 70,993	\$ 62,625	\$ 39,001	\$ 73,125	\$ 25,266	\$ 82,203
Restricted										
Unrestricted	68,059	70,087	101,997	118,039	62,633	65,140	86,531	97,871	127,755	134,374
Total business-type activities net position	\$ 166,111	\$ 156,891	\$ 184,572	\$ 187,210	\$ 133,626	\$ 127,765	\$ 125,532	\$ 170,996	\$ 153,021	\$ 216,577
District-Wide										
Net Investment in Capital Assets	\$ 3,946,656	\$ 4,506,712	\$ 4,964,642	\$ 5,433,340	\$ 6,041,201	\$ 7,829,260	\$ 8,219,924	\$ 9,153,670	\$ 11,782,909	\$ 14,198,266
Restricted	157,188	206,403	500,081	1,095,751	1,442,057	3,056,948	5,411,876	7,928,963	10,573,362	13,926,269
Unrestricted	13,776	129,828	513,325	832,256	371,604	1,243,646	2,866,575	2,647,988	(7,300,146)	(7,826,225)
Total district net position	\$ 4,117,620	\$ 4,842,943	\$ 5,978,048	\$ 7,361,347	\$ 7,854,862	\$ 12,129,854	\$ 16,498,375	\$ 19,730,621	\$ 15,056,125	\$ 20,298,310

Note 1 - Net Position at June 30, 2011 is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position" and GASB Statement No. 65, "Items Previously Reported in Assets and Liabilities".

Note 2 - Net Position at June 30, 2014 is restated to reflect the implementation of GASB Statement No. 68, "Accounting and Financial Reporting for Pensions".

Source: District's financial statements

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012 (Restated)	2013	2014	2015
Expenses										
Governmental Activities										
Instruction										
Regular	\$ 15,796,566	\$ 16,593,136	\$ 17,261,433	\$ 16,050,029	\$ 17,462,694	\$ 18,029,788	\$ 18,860,854	\$ 19,917,888	\$ 19,192,579	\$ 22,866,004
Special Education	6,509,427	7,619,447	7,938,452	7,597,284	7,995,038	7,404,014	7,176,908	7,206,143	7,652,800	8,573,422
Other Instruction	1,628,407	1,763,598	1,211,527	1,405,145	1,186,270	1,087,521	1,104,763	1,303,308	1,533,324	1,530,383
School Sponsored Activities and Athletics	1,116,527	1,207,713	1,286,299	1,248,989	1,255,705	1,101,902	1,303,621	1,191,861	1,219,388	1,320,124
Support Services:										
Student & Instruction Related Services	6,911,581	7,372,587	7,893,713	7,809,467	8,609,157	8,810,924	9,632,234	10,469,502	9,996,396	10,675,895
School Administrative Services	2,188,714	2,340,331	2,239,968	2,349,947	2,692,596	2,994,751	2,869,580	3,008,414	2,997,858	3,352,217
General Administrative	866,368	792,241	983,686	1,052,314	1,079,243	1,058,664	895,101	994,148	883,832	1,130,717
Plant Operations and Maintenance	3,923,188	4,327,980	4,393,428	4,795,051	4,454,804	4,169,055	4,297,045	4,341,530	4,980,108	5,127,740
Pupil Transportation	2,018,560	2,303,722	2,381,688	2,274,442	2,070,655	1,603,920	1,400,947	1,458,013	1,449,545	1,334,608
Other Support Services	400,609	578,301	708,290	1,307,801	1,074,406	1,037,502	1,055,595	1,129,302	924,881	936,045
Interest on Long-Term Debt	157,365	144,605	260,699	508,678	785,479	756,321	676,550	649,226	621,983	597,394
Loss on Disposal of Capital Assets	-	199	-	-	-	-	-	-	-	-
Total Governmental Activities Expenses	41,517,312	45,043,860	46,559,183	46,399,147	48,666,047	48,054,362	49,273,198	51,669,335	51,452,694	57,444,549
Business-Type Activities:										
Food Service	728,916	787,088	792,027	783,754	861,154	795,126	847,148	817,588	855,312	798,375
Summer Enrichment	-	-	4,830	16,630	50,706	23,753	29,913	29,660	29,276	29,276
Total Business-Type Activities Expense	728,916	787,088	796,857	800,384	911,860	818,879	877,061	847,248	884,588	827,651
Total District Expenses	\$ 42,246,228	\$ 45,830,948	\$ 47,356,040	\$ 47,199,531	\$ 49,577,907	\$ 48,873,241	\$ 50,150,259	\$ 52,516,583	\$ 52,337,282	\$ 58,272,200
Program Revenues										
Governmental Activities:										
Charges for Services:										
Instruction (Tuition)	\$ 46,006	-	\$ 39,777	\$ 55,258	\$ 132,491	\$ 63,826	\$ 59,486	\$ 49,020	\$ 49,400	\$ 68,939
Rentals	-	-	-	-	25,929	26,867	28,235	23,318	18,994	28,560
Operating Grants and Contributions	6,417,827	\$ 7,551,612	7,577,125	6,479,155	6,162,329	6,133,493	6,986,985	8,048,356	7,747,818	12,683,456
Capital Grants and Contributions	56,588	18,198	15,758	-	-	-	-	-	324,225	1,076,388
Total Governmental Activities Program Revenues	6,520,421	7,569,810	7,632,660	6,534,413	6,320,749	6,224,186	7,074,706	8,120,694	8,140,437	13,857,343
Business-Type Activities:										
Charges for Services:										
Food Service	667,826	694,956	724,122	685,355	700,781	652,930	695,456	662,380	683,450	683,450
Summer Enrichment	-	-	12,625	21,725	38,300	22,875	38,975	37,870	28,325	28,325
Operating Grants and Contributions	73,136	81,283	85,147	94,627	117,520	136,205	139,793	146,338	178,290	178,290
Total Business Type Activities Program Revenues	740,962	776,239	821,894	801,707	856,601	812,010	874,224	846,588	890,065	890,065
Total District Program Revenues	\$ 7,261,383	\$ 8,346,049	\$ 8,454,554	\$ 7,336,120	\$ 7,177,350	\$ 7,036,196	\$ 7,948,930	\$ 8,967,282	\$ 9,030,502	\$ 14,747,408
Net (Expense)/Revenue										
Governmental Activities	\$ (34,996,891)	\$ (37,474,050)	\$ (38,926,523)	\$ (39,864,734)	\$ (42,345,298)	\$ (41,830,176)	\$ (42,198,492)	\$ (43,548,641)	\$ (43,312,257)	\$ (43,587,206)
Business-Type Activities	12,046	(10,849)	25,037	1,323	(55,259)	(6,869)	(2,837)	(660)	5,477	62,414
Total District-Wide Net Expense	\$ (34,984,845)	\$ (37,484,899)	\$ (38,901,486)	\$ (39,863,411)	\$ (42,400,557)	\$ (41,837,045)	\$ (42,201,329)	\$ (43,549,301)	\$ (43,306,780)	\$ (43,524,792)

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(Unaudited)
(accrual basis of accounting)

	Fiscal Year Ended June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
	(Restated)									
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 34,027,052	\$ 36,722,248	\$ 38,393,714	\$ 39,929,463	\$ 41,526,230	\$ 44,780,055	\$ 45,674,917	\$ 46,314,222	\$ 46,550,241	\$ 47,481,245
Taxes Levied for Debt Service	539,883	642,002	640,324	836,202	994,675	1,097,169	1,223,912	882,294	880,072	877,348
Unrestricted Grants and Contributions	353,112	520,552	599,277	108,722	285,855	147,699	-	-	2,180	52,774
Federal and State Aid - Restricted	93,479	15,904	-	-	151,724	28,245	54,915	160,505	166,195	173,687
Investment Earnings	240,191	333,896	346,919	265,921	112,508	103,223	89,397	69,207	77,701	66,461
Miscellaneous Income	2,896	3,857	173,492	129,913	364,065	99,908	-	234,674	80,836	114,320
Transfers	(3,600)	-	-	-	-	-	-	-	-	-
Total Governmental Activities	<u>35,253,013</u>	<u>38,238,459</u>	<u>40,153,726</u>	<u>41,270,221</u>	<u>43,435,057</u>	<u>46,256,299</u>	<u>47,043,141</u>	<u>47,660,902</u>	<u>47,757,225</u>	<u>48,765,835</u>
Business-Type Activities:										
Investment Earnings	1,951	1,629	2,644	1,315	1,675	1,008	604	940	1,142	1,142
Transfers	3,600	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	<u>5,551</u>	<u>1,629</u>	<u>2,644</u>	<u>1,315</u>	<u>1,675</u>	<u>1,008</u>	<u>604</u>	<u>940</u>	<u>1,142</u>	<u>1,142</u>
Total District-Wide	<u>\$ 35,258,564</u>	<u>\$ 38,240,088</u>	<u>\$ 40,156,370</u>	<u>\$ 41,271,536</u>	<u>\$ 43,436,732</u>	<u>\$ 46,257,307</u>	<u>\$ 47,043,745</u>	<u>\$ 47,661,842</u>	<u>\$ 47,758,367</u>	<u>\$ 48,766,977</u>
Change in Net Position										
Governmental Activities	\$ 256,122	\$ 764,409	\$ 1,227,203	\$ 1,405,487	\$ 1,089,759	\$ 4,426,123	\$ 4,844,649	\$ 4,112,261	\$ 4,444,968	\$ 5,178,629
Business-Type Activities	17,597	(9,220)	27,681	2,638	(53,584)	(5,861)	(2,233)	280	6,619	63,556
Total District	<u>\$ 273,719</u>	<u>\$ 755,189</u>	<u>\$ 1,254,884</u>	<u>\$ 1,408,125</u>	<u>\$ 1,036,175</u>	<u>\$ 4,420,262</u>	<u>\$ 4,842,416</u>	<u>\$ 4,112,541</u>	<u>\$ 4,451,587</u>	<u>\$ 5,242,185</u>

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 495,840	\$ 521,695	\$ 1,240,221	\$ 3,137,743	\$ 3,261,960					
Unreserved										
Nonspendable										
Restricted						\$ 4,074,003	\$ 7,661,874	\$ 9,087,899	\$ 10,328,254	\$ 12,900,030
Committed						30,000	57,950	-	-	-
Assigned						748,848	1,063,932	917,968	1,345,035	1,174,435
Unassigned	<u>1,167,527</u>	<u>1,273,758</u>	<u>1,446,960</u>	<u>415,744</u>	<u>319,739</u>	<u>913,300</u>	<u>853,466</u>	<u>877,374</u>	<u>868,900</u>	<u>867,411</u>
Total General Fund	<u>\$ 1,663,367</u>	<u>\$ 1,795,453</u>	<u>\$ 2,687,181</u>	<u>\$ 3,553,487</u>	<u>\$ 3,581,699</u>	<u>\$ 5,766,151</u>	<u>\$ 9,637,222</u>	<u>\$ 10,883,241</u>	<u>\$ 12,542,189</u>	<u>\$ 14,941,876</u>
All Other Governmental Funds										
Reserved			\$ 3,500,071	\$ 3,936,538	\$ 2,309,937					
Restricted						\$ 2,418,309	\$ 186,479	\$ 1,282,130	\$ 1,935,988	\$ 2,638,452
Unreserved	<u>\$ (9,582)</u>	<u>\$ 4,350</u>	<u>(4,299,685)</u>	<u>4,763,721</u>	<u>2,622,449</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ (9,582)</u>	<u>\$ 4,350</u>	<u>\$ (799,614)</u>	<u>\$ 8,700,259</u>	<u>\$ 4,932,386</u>	<u>\$ 2,418,309</u>	<u>\$ 186,479</u>	<u>\$ 1,282,130</u>	<u>\$ 1,935,988</u>	<u>\$ 2,638,452</u>

Beginning with Fiscal Year 2012, the District implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This Statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Reclassification of prior year fund balance amounts to comply with Statement No. 54 is not required.

Source: District's financial statements

WESTWOOD REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Unaudited)
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Property Tax Levy	\$ 34,566,935	\$ 37,364,250	\$ 39,034,038	\$ 40,765,665	\$ 42,520,905	\$ 45,877,224	\$ 46,555,200	\$ 47,196,516	\$ 47,430,313	\$ 48,358,593
Tuition Charges	46,006	-	39,777	55,258	132,491	63,826	59,486	49,020	49,400	68,939
Interest Earnings	240,191	333,896	346,919	265,921	112,508	103,223	54,915	69,207	77,701	66,461
Miscellaneous	16,509	26,470	195,936	248,460	472,175	244,998	250,846	480,686	281,665	180,552
State Sources	6,047,002	7,213,836	7,391,372	5,607,762	5,563,522	4,638,198	6,035,906	7,069,175	7,131,039	8,339,140
Federal Sources	860,390	869,817	778,344	861,502	954,205	1,553,016	1,161,494	916,992	927,544	900,851
Total Revenue	41,777,033	45,808,269	47,786,386	47,804,568	49,755,806	52,480,485	54,117,847	55,781,596	55,897,662	57,914,536
Expenditures										
Instruction										
Regular Instruction	15,815,130	16,640,081	17,245,017	16,129,931	17,489,711	18,272,983	18,879,067	19,850,236	19,141,564	19,882,991
Special Education Instruction	6,442,164	7,619,447	7,273,518	7,617,100	7,995,038	7,404,014	7,176,908	7,200,000	7,647,425	7,921,041
Other Special Instruction										
Vocational Education	802,979	938,170	1,051,033	579,717	360,842	262,093	279,335			
Other Instruction	605,277	855,294	945,207	855,504	1,012,208	921,032	1,299,324	1,432,111	1,531,793	1,335,505
School Sponsored Activities and Athletics	1,116,527	1,207,713	1,286,299	1,248,989	1,255,705	1,101,902	1,303,621	1,189,877	1,217,979	1,265,374
Support Services:										
Tuition										
Student & Inst. Related Services	6,887,882	7,178,825	7,730,433	7,681,622	8,445,877	8,647,644	9,146,205	10,023,099	9,914,369	9,903,309
General Administration	856,292	761,065	973,483	1,044,870	1,071,146	1,044,411	866,112	969,298	833,739	989,865
School Administrative Services	2,188,714	2,347,742	2,239,968	2,357,755	2,695,593	2,990,676	2,895,553	3,002,684	2,989,391	2,977,795
Plant Operations and Maintenance	3,561,184	4,000,644	4,046,342	4,449,155	4,111,478	4,074,182	3,947,646	4,033,195	4,102,985	4,067,711
Pupil Transportation	2,043,652	2,303,722	2,381,688	2,274,442	2,070,655	1,603,920	1,400,947	1,457,767	1,434,256	1,310,234
Other Support Services	396,975	576,577	708,151	1,298,553	1,073,237	1,057,995	1,049,647	1,119,203	923,704	917,904
Employee Benefits										
Capital Outlay	353,098	519,140	1,031,318	7,551,539	4,602,969	4,210,289	2,766,696	1,865,901	2,622,619	3,018,012
Debt Service:										
Principal	565,293	773,797	712,835	787,938	823,214	704,266	781,550	637,027	593,155	615,000
Interest and Other Charges	103,736	95,595	73,330	376,330	727,964	706,461	685,995	659,528	631,877	607,644
Total Expenditures	41,738,903	45,817,812	47,698,622	54,253,445	53,735,637	53,001,868	52,478,606	53,439,926	53,584,856	54,812,385
Excess (Deficiency) of Revenues over (under) Expenditures	38,130	(9,543)	87,764	(6,448,877)	(3,979,831)	(521,383)	1,639,241	2,341,670	2,312,806	3,102,151
Other Financing Sources (Uses)										
Transfers In			-	-	-	-	-	2,470,469	2,421,165	2,209,709
Transfers Out			-	-	-	-	-	(2,470,469)	(2,421,165)	(2,209,709)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-
Net Change in Fund Balances	\$ 38,130	\$ (9,543)	\$ 87,764	\$ (6,448,877)	\$ (3,979,831)	\$ (521,383)	\$ 1,639,241	\$ 2,341,670	\$ 2,312,806	\$ 3,102,151
Debt Service as a Percentage of Noncapital Expenditures	1.62%	1.92%	1.68%	2.49%	3.16%	2.89%	2.95%	2.51%	2.40%	2.36%

* Noncapital expenditures are total expenditures less capital outlay.

Source: District's financial statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN YEARS
(Unaudited)**

<u>Fiscal Year Ended June 30,</u>	<u>Interest Earned</u>	<u>Rentals</u>	<u>Insurance Prior Year Refunds</u>	<u>Book Fines</u>	<u>Premium on Notes</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2006	\$ 240,191	\$ 705				\$ 46,006	\$ 2,191	\$ 289,093
2007	333,896						3,857	337,753
2008	346,919	19,990				39,777	153,502	560,188
2009	166,828	19,780		\$ 2,170	\$ 25,000	55,258	82,897	351,933
2010	112,508	25,929	\$ 334,574	3,898		132,491	25,593	634,993
2011	103,223	26,867				63,826	99,908	293,824
2012	54,915	28,235				59,486	89,397	232,033
2013	69,207	23,318	128,196			49,020	106,478	376,219
2014	77,701	18,994				49,400	80,836	226,931
2015	66,461	28,560		1,341		68,939	112,979	278,280

Source: District financial records

WESTWOOD REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN YEARS
 (Unaudited)

BOROUGH OF WESTWOOD

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2006	11,348,300	1,199,205,100			247,584,400	39,715,600	111,619,200	1,609,472,600	1,872,068	1,611,344,668	1,739,638,647	1.133
2007	11,763,500	1,208,785,300			243,428,200	39,439,400	111,716,200	1,615,132,600	1,435,015	1,616,567,615	1,866,316,140	1.168
2008	11,385,500	1,224,665,600			247,613,678	39,287,500	107,092,700	1,630,044,978	1,649,120	1,631,694,098	1,966,428,211	1.200
2009	11,565,500	1,229,428,500			311,143,380	38,991,900	104,667,600	1,695,796,880	1,752,128	1,697,549,008	2,023,382,508	1.221
2010	10,880,000	1,232,816,900			314,576,280	38,991,900	104,298,500	1,701,563,580	2,333,089	1,703,896,669	2,046,498,851	1.315
2011	9,876,000	1,236,137,200			314,819,280	38,888,600	133,085,500	1,732,806,580	1,826,242	1,734,632,822	2,081,699,399	1.384
2012	10,442,600	1,235,415,800			311,164,000	38,838,600	133,184,200	1,729,045,200	1,785,435	1,730,830,635	2,135,623,100	1.448
2013	9,140,100	1,232,798,300			300,907,300	37,991,100	132,292,400	1,713,129,200	-	1,713,129,200	1,950,950,119	1.481
2014	7,757,300	1,198,836,400			348,075,100	39,282,700	147,777,500	1,741,729,000	-	1,741,729,000	1,841,735,328	1.458
2015	7,368,600	1,200,032,600			348,573,600	39,265,100	147,134,400	1,742,374,300		1,742,374,300	1,944,636,496	1.475

TOWNSHIP OF WASHINGTON

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities	Net Valuation Taxable	Equalized Valuation	Total Direct School Tax Rate ^a
2006	13,418,600	1,844,972,700			50,977,200			1,909,368,500	688,842	1,910,057,342	1,721,305,943	0.927
2007	11,024,900	1,845,384,000			50,977,200			1,907,386,100	716,201	1,908,102,301	1,937,648,990	1.012
2008	12,251,900	1,849,271,300			51,005,600			1,912,528,800	1,007,175	1,913,535,975	1,999,545,948	1.062
2009	12,545,200	1,853,955,900			48,170,700			1,914,671,800	1,007,175	1,915,678,975	1,915,851,475	1.093
2010	11,594,900	1,855,390,700			48,170,700			1,915,156,300	1,614,967	1,916,771,267	1,830,275,618	1.137
2011	11,932,700	1,832,645,300			47,089,100			1,891,667,100	1,242,846	1,892,909,946	1,808,844,172	1.172
2012	10,923,300	1,823,303,100			46,926,800			1,881,153,200	1,197,357	1,882,350,557	1,795,740,588	1.159
2013	11,238,500	1,804,248,500			46,740,400			1,862,227,400	1,141,098	1,863,368,498	1,722,211,597	1.178
2014	8,392,400	1,564,076,500			48,794,300			1,621,263,200	1,004,352	1,622,267,552	1,989,272,914	1.387
2015	8,224,800	1,560,619,000			48,794,300			1,617,638,100	1,032,412	1,618,670,512	1,704,758,853	1.426

Source: County Abstract of Ratables

^a Tax rates are per \$100

**WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

<u>Calendar Year</u>	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Township of Washington</u>	<u>County</u>
2015	\$ 2.232	\$ 1.426	\$ 0.555	\$ 0.251
2014	2.212	1.387	0.587	0.238
2013	1.89	1.18	0.50	0.21
2012	1.87	1.16	0.50	0.21
2011	1.86	1.17	0.49	0.20
2010	1.81	1.14	0.48	0.20
2009	1.75	1.09	0.46	0.20
2008	1.70	1.06	0.44	0.19
2007	1.62	1.01	0.42	0.18
2006 (1)	1.49	0.93	0.39	0.17

Note (1) - The Borough underwent a revaluation of real property, effective January 1, 2006.

Source: Abstract of Ratables, County Board of Taxation.

**WESTWOOD REGIONAL SCHOOL DISTRICT
BOROUGH OF WESTWOOD
PROPERTY TAX RATES
PER \$100 OF ASSESSED VALUATION
LAST TEN YEARS
(Unaudited)**

<u>Calendar Year</u>	<u>Total</u>	<u>Westwood Regional School District</u>	<u>Borough of Westwood</u>	<u>County</u>
2015	\$ 2.544	\$ 1.475	\$ 0.817	\$ 0.252
2014	2.492	1.458	0.787	0.247
2013	2.463	1.481	0.721	0.261
2012	2.411	1.448	0.698	0.265
2011	2.325	1.384	0.689	0.252
2010	2.231	1.315	0.681	0.235
2009	2.133	1.221	0.675	0.237
2008	2.093	1.200	0.669	0.224
2007	2.03	1.17	0.65	0.21
2006	1.97	1.13	0.64	0.20

Note (1) - The Borough underwent a revaluation of real property, effective January 1, 2004.

**WESTWOOD REGIONAL SCHOOL DISTRICT
BOROUGH OF WESTWOOD
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Borough of Westwood Taxpayer	2015		Taxpayer	2006	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Hackensack UMC at Pascaack Valley	\$ 86,108,300	4.9%	Cenrose Westwood, LLC	\$ 35,132,400	2.28%
CPF Westwood, LLC	48,765,000	2.8%	First Real Estate Investment Trust of NJ	30,000,000	1.95%
Westwood Hills, LLC	30,946,000	1.8%	Westwood Hills, LLC	21,232,400	1.38%
First Real Estate Investment Trust of NJ	27,100,000	1.6%	Coventry Square, Inc	9,476,600	0.61%
Westwood Coventry, LLC	12,852,000	0.7%	Millenium Healthcare, Inc.	8,072,200	0.52%
Westwood Stanford, LLC	9,543,000	0.5%	Stanford Court, Inc.	6,930,100	0.45%
WVA, LLC	8,332,000	0.5%	Pottstown Partners	6,776,200	0.44%
Westwood Madison, LLC	7,831,000	0.4%	WVA, LLC	5,597,700	0.36%
PVP Westwood, LLC	7,334,000	0.4%	Rockland Coaches, Inc.	5,451,200	0.35%
Milennium Healthcare Centers, LLC	7,309,000	0.4%	Jefferson Realty Group	5,424,300	0.35%
	<u>\$ 246,120,300</u>	<u>14.13%</u>	Total	<u>\$ 134,093,100</u>	<u>8.35%</u>

Source: Municipal Tax Assessor

**WESTWOOD REGIONAL SCHOOL DISTRICT
TOWNSHIP OF WASHINGTON
PRINCIPAL PROPERTY TAXPAYERS,
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

Washington Township Taxpayer	2015		Taxpayer	2005	
	Taxable Assessed Value	% of Total District Net Assessed Value		Taxable Assessed Value	% of Total District Net Assessed Value
Washington Town Center, LLC	\$ 10,139,200	0.63%	Washington Town Center LLC	9,830,800	0.65%
Washington Town Center, LLC	5,988,300	0.37%	Binghamton/Washington Tennis Club	7,081,600	0.47%
Binghamton/Washington Tennis Club	5,798,500	0.36%	Washington Town Centre	6,033,600	0.40%
TJ Realty, LLC	5,465,000	0.34%	TJG Inc. (A Seasons Rest.)	6,000,700	0.40%
Ormon, LLC	3,539,000	0.22%	Wash. Twp Recreation	4,482,500	0.30%
Washington Town Center, LLC	2,638,800	0.16%	Ormon, LLC	3,635,800	0.24%
Washington Town Center, LLC	2,617,700	0.16%	Washington Town Centre	2,934,400	0.19%
Grover City, LLC	2,049,700	0.13%	Individual Taxpayer 1	2,355,700	0.16%
Individual Taxpayer #1	1,974,400	0.12%	Grove City LLC (Bacari's Rest)	2,107,900	0.14%
Individual Taxpayer #2	1,369,800	0.08%	Individual Taxpayer 2	1,994,700	0.13%
	<u>\$ 41,580,400</u>	<u>2.57%</u>	Total	<u>\$ 46,457,700</u>	<u>2.94%</u>

Source: Municipal Tax Assessor

**WESTWOOD REGIONAL SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	\$ 34,566,935	\$ 34,566,935	100.00%	N/A
2007	37,364,250	37,364,250	100.00%	N/A
2008	39,034,038	39,034,038	100.00%	N/A
2009	40,765,665	40,765,665	100.00%	N/A
2010	42,520,905	42,520,905	100.00%	N/A
2011	45,877,224	45,877,224	100.00%	N/A
2012	46,555,200	46,555,200	100.00%	N/A
2013	47,196,516	47,196,516	100.00%	N/A
2014	47,430,313	47,430,313	100.00%	N/A
2015	48,358,593	48,358,593	100.00%	N/A

N/A - Not Applicable

Source: District records

**WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities			Total District	Westwood Population	Washington Township Population	Total per Capita (Both Towns)
	General Obligation Bonds	Capital Leases	Loans				
2006	\$ 2,970,000	\$ 349,287	\$ 49,016	\$ 3,368,303	\$ 10,714	\$ 9,461	\$ 167
2007	2,385,000	321,510	43,557	2,750,067	10,677	9,474	136
2008	1,795,000	204,306	37,926	2,037,232	10,664	9,501	101
2009	17,877,000	155,172	32,112	18,064,284	10,701	9,543	892
2010	17,277,000	178,128	26,112	17,481,240	10,929	9,113	872
2011	16,647,000	301,819	19,913	16,968,732	11,003	9,181	841
2012	16,107,000	66,678	13,504	16,187,182	11,047	9,220	799
2013	15,542,000	1,286	6,869	15,550,155	11,095	9,265	764
2014	14,957,000			14,957,000	11,149	9,308	731
2015	14,342,000			14,342,000	11,149 *	9,308 *	701

Source: District records

* Estimated

WESTWOOD REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Borough of Westwood	Township of Washington	Total per Capita (both towns) ^b	
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property (1)		Percentage of Actual Taxable Value ^a of Property (1)
2006	\$ 2,970,000		\$ 2,970,000	0.18%	0.16%	\$ 147
2007	2,385,000		2,385,000	0.15%	0.12%	118
2008	1,795,000		1,795,000	0.11%	0.09%	89
2009	17,877,000		17,877,000	1.05%	0.93%	883
2010	17,277,000		17,277,000	1.01%	0.90%	862
2011	16,647,000		16,647,000	0.96%	0.88%	825
2012	16,107,000		16,107,000	0.93%	0.86%	795
2013	15,542,000		15,542,000	0.91%	0.83%	763
2014	14,957,000		14,957,000	0.86%	0.92%	731
2015	14,342,000		14,342,000	0.82%	0.89%	701

Source: District records

Notes:

a See Exhibit J-6 for property tax data.

b See Exhibit J-10 for population data.

(1) Based on percentage of valuations apportioned to each municipality

**WESTWOOD REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
DECEMBER 31, 2014
(Unaudited)**

Gross Debt

Municipal Debt: (1)	
Regional High School - Washington Township's Share	\$ 6,765,495
Township of Washington	<u>6,523,280</u>
	<u>\$ 13,288,775</u>
Municipal Debt: (1)	
Regional High School - Westwood's Share	\$ 7,576,580
Borough of Westwood	<u>19,737,800</u>
	<u>\$ 27,314,380</u>
Overlapping Debt Apportioned to the Municipality:	
Bergen County:	
County of Bergen- Washington Township's Share (A)	9,539,752
County of Bergen- Westwood's Share (A)	10,639,399
Bergen County Utilities Authority - Water Pollution (B)-Washington Township's Share	2,301,333
Bergen County Utilities Authority -Water Pollution (B)- Westwood's Share	<u>3,033,511</u>
	<u>25,513,995</u>
Total Direct and Overlapping Debt	<u>\$ 52,828,375</u>

Source:

(1) Township/Borough's 2014 Annual Debt Statement

(A) The debt for this entity was apportioned to Washington Township and Westwood by dividing the municipality's 2014 equalized value by the total 2014 equalized value for County of Bergen.

(B) The debt was computed based upon usage.

WESTWOOD REGIONAL SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2015

		Borough of Westwood	Township of Washington
	2014	\$ 1,881,933,117	\$ 1,707,491,522
	2013	1,914,538,668	1,701,130,355
	2012	1,969,075,504	1,739,714,418
Equalized Valuation Basis		<u>\$ 5,765,547,289</u>	<u>\$ 5,148,336,295</u>
Average Equalized Valuation of Taxable Property		\$ 1,921,849,096	\$ 1,716,112,098
Debt Limit (4 % of average equalization value)		76,873,964	68,644,484
Total Net Debt Applicable to Limit		-	-
Legal Debt Margin		<u>\$ 76,873,964</u>	<u>\$ 68,644,484</u>

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	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 122,177,541	\$ 129,002,856	\$ 148,268,282	\$ 155,961,148	\$ 158,254,773	\$ 76,873,964	\$ 156,847,825	\$ 153,522,662	\$ 150,093,897	\$ 145,518,448
Total net debt applicable to limit	<u>2,970,000</u>	<u>2,385,000</u>	<u>1,795,000</u>	<u>17,909,112</u>	<u>17,303,187</u>	<u>16,666,988</u>	<u>16,120,579</u>	<u>15,548,944</u>	<u>14,957,000</u>	<u>14,342,075</u>
Legal debt margin	<u>\$ 119,207,541</u>	<u>\$ 126,617,856</u>	<u>\$ 146,473,282</u>	<u>\$ 138,052,036</u>	<u>\$ 140,951,586</u>	<u>\$ 60,206,976</u>	<u>\$ 140,727,246</u>	<u>\$ 137,973,718</u>	<u>\$ 135,136,897</u>	<u>\$ 131,176,373</u>
Total net debt applicable to the limit as a percentage of debt limit	2.43%	1.85%	1.21%	11.48%	10.93%	21.68%	10.28%	10.13%	9.97%	9.86%

Source: Annual Debt Statements

**WESTWOOD REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Township of Washington

Year	Population	Per Capita Personal Income ^c	Unemployment Rate
2006	9,461	63,103	3.80%
2007	9,474	67,544	3.40%
2008	9,501	67,331	4.50%
2009	9,543	63,874	8.00%
2010	9,113	63,885	8.20%
2011	9,181	67,248	8.10%
2012	9,220	69,281	8.20%
2013	9,265	69,495	7.40%
2014	9,308	N/A	5.00%
2014	9,308 (E)	N/A	N/A

Borough of Westwood

2006	10,714	63,103	2.20%
2007	10,677	67,544	2.00%
2008	10,664	67,331	2.60%
2009	10,701	63,874	4.80%
2010	10,929	63,885	4.90%
2011	11,003	67,248	4.80%
2012	11,047	69,281	4.90%
2013	11,095	69,495	7.60%
2014	11,149	N/A	5.00%
2014	11,149 (E)	N/A	N/A

Source: New Jersey State Department of Education

(E) Estimated

**WESTWOOD REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO
(Unaudited)**

INFORMATION NOT AVAILABLE

**WESTWOOD REGIONAL 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	161	211	219	245	217	185	190	190	190	190
Special Education	1	-				57	52	56	57	61
Support Services:										
Student & instruction Related Services	45	65	48	54	64	96	96	107	112	112
General Administration	3	4	3	4	3	4	4	4	5	5
School Administrative Services	19	16	19	20	23	21	21	21	16	17
Central Services	3	4	6	10	10	10	10	10	9	8
Plant Operations and Maintenance *	29	28	29	32	31	72	76	34	34	35
Other Support Services	51	25	66	1	2	2	2	2	2	2
Total	<u>312</u>	<u>352</u>	<u>390</u>	<u>366</u>	<u>350</u>	<u>446</u>	<u>450</u>	<u>424</u>	<u>425</u>	<u>428</u>

* - Lunch Aides reclassified as Student and Instruction Related Services; Summer help removed from FTE count.

Source: District records

**WESTWOOD REGIONAL SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year	Enrollment ^a	Operating Expenditures ^b	Cost Per Pupil ^c	Percentage Change	Teacher/Pupil Ratio				Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff	Elementary	Middle	Junior/Senior High School				
2006	2,652.0	\$ 40,716,776	\$ 15,353	7.11%	247.5	10.69	12.68	10.14	2,652.0	2,509.5	-0.81%	94.63%
2007	2,641.0	44,429,280	16,823	9.57%	210.5	11.86	17.81	11.95	2,644.7	2,543.6	-0.28%	96.18%
2008	2,646.0	45,881,139	17,340	3.07%	218.8	13.09	10.61	9.98	2,636.0	2,534.0	-0.33%	96.13%
2009	2,712.0	45,506,478	16,780	-3.23%	233.5	12.98	12.14	10.34	2,715.0	2,607.7	3.00%	96.05%
2010	2,722.0	47,581,490	17,480	4.18%	242.4	13.37	10.72	10.6	2,730.6	2,616.1	0.57%	95.81%
2011	2,730.0	46,093,840	16,884	-3.41%	230.5	14.13	10.12	10.13	2,724.8	2,605.3	-0.21%	95.61%
2012	2,758.5	48,244,365	17,489	3.58%	212.5	14.52	13.67	10.57	2,705.2	2,596.7	-0.72%	95.99%
2013	2,734.5	50,277,470	18,386	5.13%	246.0	12.47	11.11	9.71	2,680.3	2,569.9	-0.92%	95.88%
2014	2,723.0	49,737,205	18,266	-0.65%	247.0	11.9	9.2	10.52	2,688.1	2,575.1	0.29%	95.79%
2015	2,752.5	50,571,729	18,373	0.59%	251.0	11.7	10.41	10.19	2,736.0	2,620.4	1.78%	95.78%

Sources: District records

- Note:
- a Enrollment based on annual October district count.
 - b Operating expenditures equal total expenditures less debt service and capital outlay.
 - c Cost per pupil represents operating expenditures divided by enrollment.

WESTWOOD REGIONAL SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS
 (Unaudited)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
District Building										
<u>Elementary</u>										
Washington										
Square Feet	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765	48,765
Capacity (Students)	N/A									
Enrollment	298	286	253	257	258	315	303	305	311	298
Jessie George										
Square Feet	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604	30,604
Capacity (Students)	N/A									
Enrollment ^a	292	277	331	327	315	353	270	253	250	250
Ketler										
Square Feet	39,183	39,183	39,183	39,183	47,400	47,400	47,400	47,400	47,400	47,400
Capacity (Students)	N/A									
Enrollment	319	338	337	315	313	379	381	376	369	382
Berkeley										
Square Feet	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590	39,590
Capacity (Students)	N/A									
Enrollment	206	212	204	237	251	294	272	294	309	288
<u>Middle School</u>										
Square Feet	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920	48,920
Capacity (Students)	N/A									
Enrollment	426	411	417	449	419	414	451	464	431	433
<u>Jr/Sr High School</u>										
Square Feet	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595	196,595
Capacity (Students)	N/A									
Enrollment	1,111	1,081	1,104	1,127	1,178	966	1,021	931	1,020	1,068

Number of Schools at June 30, 2015
 Elementary = 4
 Middle School = 1
 Senior High School = 1

Source: District Records

N/A - Not Available

**WESTWOOD REGIONAL SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITIES
LAST TEN YEARS
(Unaudited)**

<u>School Facilities</u>	<u>Project #'s</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>
Berkeley Elementary	60	\$ 79,462	\$ 67,458	\$ 62,551	\$ 66,534	\$ 63,740	\$ 70,650	\$ 72,109	\$ 62,750	\$ 67,255	\$ 77,469
George Elementary	65	45,066	48,814	56,042	55,433	57,107	63,298	64,605	56,220	60,256	69,407
Washington Elementary	80	73,599	71,091	73,105	74,496	74,494	82,570	84,275	73,337	78,602	90,539
Brookside Elementary	62	66,571	73,717	70,685	79,219	72,028	79,837	81,486	70,910	76,000	87,543
Middle School	70	58,526	68,177	70,060	82,611	71,392	79,132	80,766	70,284	75,329	86,769
Westwood Junior/Senior High School	50	<u>488,784</u>	<u>374,626</u>	<u>332,723</u>	<u>391,611</u>	<u>339,047</u>	<u>375,804</u>	<u>383,564</u>	<u>333,784</u>	<u>357,742</u>	<u>412,075</u>
Grand Total		<u>\$ 812,007</u>	<u>\$ 703,883</u>	<u>\$ 665,166</u>	<u>\$ 749,904</u>	<u>\$ 677,808</u>	<u>\$ 751,291</u>	<u>\$ 766,805</u>	<u>\$ 667,285</u>	<u>\$ 715,184</u>	<u>\$ 823,802</u>

Source: District Records

**WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(Unaudited)**

Article I - Property

Coverage

Blanket Real and Personal Property	\$	350,000,000	per occurrence
Blanket Extra Expense		50,000,000	per occurrence
Blanket Valuable Papers and Records		10,000,000	per occurrence
Demolition and Increased Cost of Construction		10,000,000	per occurrence
Fire Department Service Charge		10,000	per occurrence
Arson Reward		10,000	per occurrence
Pollutant Cleanup and Removal		250,000	per occurrence
Sublimits: Flood Zones prefix A & V		15,000,000	per occurrence
		15,000,000	NJSIG annual aggregate
All Flood Zones		75,000,000	per occurrence/NJSIG annual aggregate
Earthquake		50,000,000	per occurrence
		50,000,000	NJSIG annual aggregate
Terrorism		1,000,000	per occurrence
		1,000,000	NJSIG annual aggregate
Deductibles:			
Real & Personal		5,000	per occurrence
Extra Expense		5,000	per occurrence
Valuable Papers		5,000	per occurrence
Special Flood Hazard Area Flood Deductibles			
		500,000	per building
		500,000	per building contents
All Other Flood Zones		10,000	per member/per occurrence

Article II - Electronic Data Processing

Blanket Hardware/Software	\$	500,000	per occurrence
Blanket Extra Expense		Included	
Coverage Extensions;			
Transit		25,000	
Loss of Income		10,000	
Terrorism		Included in Property	
Deductible		1,000	
Flood Deductibles:			
Zones A & V		500,000	per building content
All Other Flood Zones		10,000	per member/per occurrence

**WESTWOOD REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(Unaudited)**

Article III - Equipment Breakdown

Combined Single Limit per Accident for Property Damage and Business Income	\$	100,000,000
Sublimits:		
Property Damage		Included
Off Premises Property Damage		100,000
Business Income		Included
Extra Expense		10,000,000
Service Interruption		10,000,000
Perishable Goods		500,000
Data Restoration		100,000
Contingent Business Income		100,000
Demolition		1,000,000
Ordinance or Law		1,000,000
Expediting Expenses		500,000
Hazardous Substances		500,000
Newly Acquired Locations (120 days notice)		250,000
Terrorism		Included
Deductibles:		
\$5,000 per Accident for Property Damage		
12 Hours for Indirect Coverages		
Service Interruption Waiting Period - 24 Hours		

Article IV - Crime

	<u>Limits</u>	<u>Deductibles</u>
Public Employee Dishonesty with Faithful Performance	\$ 250,000	1,000
Theft, Disappearance and Destruction - Loss of Money & Securities On or Off Premises	50,000	1,000
Theft, Disappearance and Destruction - Money Orders & Counterfeit Paper Currency	50,000	1,000
Forgery or Alteration	250,000	1,000
Computer Fraud	250,000	1,000
Public Officials Bond:		
Board Secretary	100,000	1,000
Treasurer	300,000	1,000

Article V - Comprehensive General Liability

Bodily Injury and Property Damage	31,000,000	per occurrence
Products and Completed Operations	31,000,000	annual aggregate
Sexual Abuse	31,000,000	per occurrence
	17,000,000	annual NJSIG aggregate
Personal Injury and Advertising Injury	31,000,000	per occurrence
	31,000,000	annual aggregate
Employee Benefits Liability	31,000,000	per occurrence/annual aggregate
Employee Benefits Liability Deductible	1,000	each claim
Premises Medical Payments	10,000	per accident
	5,000	limit per person
Terrorism	1,000,000	per occurrence/annual NJSIG aggregate

Source: District Records

*Note: The District is part of the New Jersey School Boards Insurance Group. The above coverage represents the combined amounts for all of the school districts under master policies with insurance companies.

SINGLE AUDIT SECTION



LERCH, VINCI & HIGGINS, LLP

EXHIBIT K-1

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
GARY J. VINCI, CPA, RMA, PSA
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JEFFREY C. BLISS, CPA, RMA, PSA
PAUL J. LERCH, CPA, RMA, PSA
DONNA L. JAPHET, CPA, PSA
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ROBERT W. HAAG, CPA, PSA
DEBORAH K. LERCH, CPA, PSA
RALPH M. PICONE, CPA, RMA, PSA

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Westwood Regional School District
Washington Township, 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 audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Westwood Regional School District's basic financial statements and have issued our report thereon dated November 23, 2015.

Internal Control Over Financial Reporting

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

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

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

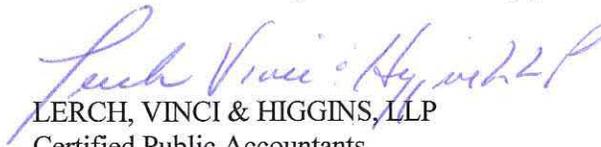
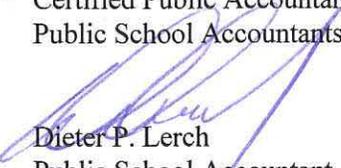
Compliance and Other Matters

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

However, we noted certain matters that are not required to be reported under Government Auditing Standards that we reported to management of the Westwood Regional School District in a separate report entitled, "Auditor's Management Report on Administrative Findings – Financial, Compliance and Performance" dated November 23, 2015.

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 Westwood Regional School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Westwood Regional School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants

Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 23, 2015



LERCH, VINCI & HIGGINS, LLP

EXHIBIT K-2

CERTIFIED PUBLIC ACCOUNTANTS
REGISTERED MUNICIPAL ACCOUNTANTS

DIETER P. LERCH, CPA, RMA, PSA
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GARY W. HIGGINS, CPA, RMA, PSA
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DEBRA GOLLE, CPA
CINDY JANACEK, CPA, RMA
MARK SACO, CPA
SHERYL M. NICOLOSI, CPA
KATHLEEN WANG, CPA
ROBERT AMPONSAH, CPA

ELIZABETH A. SHICK, CPA, RMA, PSA
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**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM;
REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT
ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY
U.S. OMB CIRCULAR A-133 AND SCHEDULE OF EXPENDITURES OF STATE FINANCIAL
ASSISTANCE AS REQUIRED BY NEW JERSEY OMB CIRCULAR 15-08**

INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Trustees
Westwood Regional School District
Washington Township, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Westwood Regional School District's compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Westwood Regional School District's major federal and state programs for the fiscal year ended June 30, 2015. The Westwood Regional School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Westwood Regional School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; U.S. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and Circulars 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 Westwood Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with U.S. OMB Circular A-133 which is described in the accompanying schedule of findings and questioned costs as item 2015-001. Our opinion on each major federal and state program is not modified with respect to these matters.

The Westwood Regional School District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Westwood Regional School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Management of the Westwood Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Westwood Regional School 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 U.S. OMB Circular A-133 and New Jersey OMB Circular 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 the Westwood Regional School District's internal control over compliance.

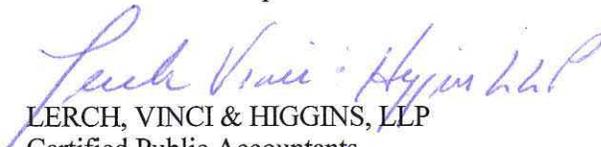
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement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

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

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

Report on Schedule of Expenditures of Federal Awards Required by U.S. OMB Circular A-133 and Schedule of Expenditures of State Financial Assistance Required by New Jersey OMB Circular 15-08

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Westwood Regional School District, as of and for the fiscal year ended June 30, 2015 and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements. We issued our report thereon dated November 23, 2015, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards as required by U.S. OMB Circular A-133 and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular 15-08 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 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 schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.


LERCH, VINCI & HIGGINS, LLP
Certified Public Accountants
Public School Accountants


Dieter P. Lerch
Public School Accountant
PSA Number CS00756

Fair Lawn, New Jersey
November 23, 2015

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

Federal/Grantor/Pass-Through Grant Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance, June 30, 2014		Carryover Amount	Cash Received	Budgetary Expenditures	Adjustment-Carryover Receivables	Adjustments	Balance, June 30, 2015			MEMO GAAP Receivable
					Accounts Receivable	Unearned Revenue						(Accounts Receivable)	Unearned Revenue	Due to Grantor	
U.S. Department of Education															
Passed-through State Department of Education															
Special Revenue Fund:															
IDEA Part B Basic	84.027A	IDEA575515	7/1/2014-6/30/2015	\$ 741,343			\$ 15,682	\$ 381,242	\$ 696,483	\$ (15,682)		\$ (375,783)	\$ 60,542		\$ 315,241
IDEA Part B Basic	84.027A	IDEA575514	9/1/2013-6/30/2014	717,131	(717,131)	15,683	(15,682)	701,448		15,682					
IDEA Preschool	84.137A	IDEA575515	7/1/2014-6/30/2015	34,463			1,869	2,175	30,173	(1,869)	807	(34,157)	6,966		27,191
IDEA Preschool	84.137A	IDEA575514	9/1/2013-6/30/2014	34,375	(34,375)	1,869	(1,869)	32,706		1,869					
NCLB Title I	84.010A	NCLB5755-15	7/1/2014-6/30/2015	85,556			36,289	55,112	121,845	(36,289)		(66,733)			66,733
NCLB Title I	84.010A	NCLB5755-14	9/1/2013-6/30/2014	73,120	(56,518)	36,289	(36,289)	20,229		36,289					
NCLB Title IIA	84.367	NCLB5755-15	7/1/2014-6/30/2015	47,596			769	18,924	35,111	(769)		(29,441)	13,254		16,187
NCLB Title IIA	84.367	NCLB 5755-14	9/1/2013-6/30/2014	46,821	(32,258)	769	(769)	31,489		769					
NCLB Title III	84.365	NCLB5755-15	7/1/2014-6/30/2015	14,320			1,466	13,516	15,203	(1,466)		(2,270)	583		1,687
NCLB Title III	84.365	NCLB 5755-14	9/1/2013-6/30/2014	15,450	(8,916)	1,465	(1,466)	7,451		1,466					
					-	-	-	-	-	-	-	-	-	-	-
Total Special Revenue Fund					(849,398)	56,075	-	1,264,292	898,815	-	807	(508,384)	81,345	-	427,039
U.S. Department of Agriculture															
Passed-through State Department of Education															
Enterprise Fund:															
School Breakfast Program	10.553		7/1/2014-6/30/2015	613				563	613			(50)			50
School Breakfast Program	10.553		7/1/2013-6/30/2014	946	(185)			185							
National School Lunch Program	10.555														
Non-Cash Assistance			7/1/2014-6/30/2015	35,965				35,965	34,223				1,742		
Non-Cash Assistance			7/1/2013-6/30/2014	41,815		574			574						
Cash Assistance			7/1/2014-6/30/2015	136,524				128,094	136,524			(8,430)			8,430
Cash Assistance			7/1/2013-6/30/2014	125,168	(24,272)			24,272							
Total Enterprise Fund					(24,457)	574	-	189,079	171,934	-	-	(8,480)	1,742	-	8,480
Total Federal Awards					\$ (873,855)	\$ 56,649	\$ -	\$ 1,453,371	\$ 1,070,749	\$ -	\$ 807	\$ (516,864)	\$ 83,087	\$ -	\$ 435,519

(1) Prior year payables cancelled

**WESTWOOD REGIONAL SCHOOL DISTRICT
 NOTES TO THE SCHEDULES OF EXPENDITURES OF
 FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 1 GENERAL

The accompanying schedules present the activity of all federal and state financial assistance programs of the Westwood Regional School District. The Board of Education is defined in Note 1(A) to the Board's financial statements. All federal financial assistance received directly from federal agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2 BASIS OF ACCOUNTING

The accompanying schedules are prepared and presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Notes 1(C) to the Board's financial statements. The information in these schedules is presented in accordance with requirements of U.S. OMB Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations" and New Jersey OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Therefore, some amounts presented in these schedules may differ from the amounts presented in, or used in the preparation of, the financial statements.

NOTE 3 RELATIONSHIP TO FINANCIAL STATEMENTS

The 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 a modified accrual basis with the exception of the revenue recognition of the delayed 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 year due to the state deferral and recording of certain 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 revenues, which may include the delayed state aid payments, whereas the GAAP basis does not. The special revenue fund also recognizes the delayed state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is an increase of \$76,396 for the general fund and an increase of \$2,503 for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's financial statements on a GAAP basis as presented as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 6,741,877	\$ 6,741,877
Special Revenue Fund	\$ 900,851	175,579	1,076,430
Capital Projects Fund		1,076,388	1,076,388
Debt Service Fund		345,296	345,296
Food Service Fund	171,934	6,356	178,290
	<u>171,934</u>	<u>6,356</u>	<u>178,290</u>
Total Financial Assistance	<u>\$ 1,072,785</u>	<u>\$ 8,345,496</u>	<u>\$ 9,418,281</u>

**WESTWOOD REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

NOTE 4 RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

Amounts reported in the accompanying schedules may not necessarily agree with the amounts reported in the related federal and state financial reports due to timing differences between the District's fiscal year and grant program years.

NOTE 5 OTHER INFORMATION

Revenues and expenditures reported under the National School Lunch Program as non-cash assistance represent current year value received and current year distributions, respectively of the Federal Food Distribution Program. TPAF Social Security contributions in the amount of \$1,477,271 represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year ended June 30, 2015. The amount reported as TPAF Pension System Contributions in the amount of \$1,067,264 and TPAF Post-Retirement Medical Benefits Contributions in the amount of \$1,694,283 represents the amount paid by the State on behalf of the District for the fiscal year ended June 30, 2015.

NOTE 6 ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONT'D)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part I – Summary of Auditor’s Results

State Awards Section

Internal Control over compliance:

1) Material weakness(es) identified? _____ yes X no

2) Were significant deficiencies identified that are not considered to be material weakness(es) _____ yes X no

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

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08, as amended? _____ yes X no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
15-495-034-5120-089	Special Education Aid
15-495-034-5120-084	Security Aid
15-495-034-5120-085	Additional Adjustment Aid
15-495-034-5120-098	PARCC Readiness Aid
15-495-034-5120-097	Per Pupil Growth Aid
15-495-034-5095-003	Reimbursed TPAF Social Security
5755-050-14-1001	
5755-05-14-1002	
5755-062-14-1003	NJEDA-SDA
5755-070-14-1005	
5755-065-14-1004	

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

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

**WESTWOOD REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Part 2 – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements and abuse related to the financial statements in accordance with Government Auditing Standards.

There are none.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR FEDERAL AWARDS

Finding 2015-001

Our audit indicated that the District did not maintain the required level of effort with respect to Special Education expenditures related to the federal IDEA grant program.

Information on the Federal Program

84.027	IDEA, Part B – Basic
84.137	IDEA Preschool

Criteria or Specific Requirement

OMB Circular A-133 Compliance Supplement – Special Education Cluster

Condition

The District did not meet its minimum requirement for special education expenditures funds from local and/or state funds.

Questioned Costs

None.

Context

The District was awarded \$775,806 in IDEA funds for 2014-15, an increase \$24,100 from the 2013/14 award amount. However, the District's actual per pupil spending of local/state funds for special education costs decreased from 2013/2014 to 2014/2015.

IDEA funds received by a school district cannot be used except under limited circumstances to reduce the level of expenditures for the education of children with disabilities made from state and local funds below the level of those expenditures for the preceding fiscal year.

Effect

The District is not in compliance with the maintenance of effort requirement with respect to the IDEA grant program.

Cause

Unknown.

Recommendation

The District maintain its level of effort with respect to special education expenditures funded from state and/or local funds in accordance with the federal IDEA grant program compliance requirements.

View of Responsible Officials and Planned Corrective Action

Management has reviewed this finding and has indicated it will review and revise its procedures to ensure corrective action is taken.

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

Part 3 – Schedule of Federal and State Award Findings and Questioned Costs

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

CURRENT YEAR STATE AWARDS

There are none.

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

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

STATUS OF PRIOR YEAR FINDINGS

Finding 2014-001:

Expenditures and encumbrances related to projects partially funded by SDA grants were charged to the General Fund capital outlay rather than the Capital Projects Fund.

Current Status:

Corrective action has been taken.

Finding 2014-002:

During our tests of transactions, it was noted that the District misclassified expenditures relating to payment of unused sick and vacation pay to various salary line items rather than to "Other Employee Benefits". Travel reimbursements were misclassified to miscellaneous purchased services rather than travel (object code 58) as required. In addition, refunds of summer enrichment program fees were misclassified as general supplies rather than other objects and architect fees paid from Capital Projects Funds were misclassified as construction services rather than purchased professional and technical services.

Current Status:

Corrective action has been taken.