

**CLINTON-GLEN GARDNER SCHOOL
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

OF THE

CLINTON-GLEN GARDNER SCHOOL BOARD OF EDUCATION

CLINTON, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

CLINTON-GLEN GARDNER SCHOOL BOARD OF EDUCATION

DEPARTMENT OF ADMINISTRATION

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INTRODUCTORY SECTION



Clinton Public School

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2.0

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Jenine Kastner, *Supervisor of Special Services*

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November 6, 2015

Honorable President and
Members of the Board of Education
Clinton Public School
Clinton, NJ 08809

Dear Board Members and Citizens of the District:

The Comprehensive Annual Financial Report of the Clinton-Glen Gardner School District for the fiscal year ending June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report (CAFR) is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations", and New Jersey OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES :**

The Clinton-Glen Gardner School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14. All funds and account groups of the District are included in this report. The Clinton-Glen Gardner Board of Education and one school constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels, 2.1 preschool through grade eight. These include regular, as well as, special education programs for disabled students. The District completed the 2014-2015 fiscal year with an enrollment of 483.9. The following depicts district enrollment variations over the past 10 years:

Average Daily Enrollment

Fiscal Year:	Student Enrollment:	Percent Change:
2005-2006	547.4	(4.4%)
2006-2007	555.8	1.5%
2007-2008	542.2	(2.4%)
2008-2009	533.6	(8.6%)
2009-2010	521.4	(2.3%)
2010-2011	508.9	(2.4%)
2011-2012	496.0	(2.5%)
2012-2013	480.0	(3.2%)
2013-2014	475.4	(0.9%)
2014-2015	483.9	(1.8%)

2) ECONOMIC CONDITION AND OUTLOOK:

The communities of Clinton and Glen Gardner have seen a decline in student enrollments in recent years. Although there has been no growth due to the national economic decline in the housing market, it appears that the Town of Clinton and Borough of Glen Gardner remain attractive to parents with school age children.

3) MAJOR INITIATIVES:

Clinton Public School has a long history of over 125 years of continuous operation. The school is located on a 9.6 acre site situated at the crest of the School Street hill just east of Leigh Street in the Town of Clinton. The current brick structure was built in September, 1923, and additions were constructed in 1963 and in 1969. A third addition in 1995 included a full size gymnasium, art and computer rooms, a modern science lab, several classrooms and offices. Another addition in 2000 accommodated the classrooms and students that had been displaced to substandard areas. In 2014 the district replaced the fire alarm system, the roof and a several large HVAC units. A new Johnson Controls system was installed to better control the HVAC system.

During its history, Clinton Public School has been recognized for its progressive educational programs. Offerings for children with special needs, opportunities for the gifted, a commitment to the arts, advanced technology opportunities, before school, and after school child care programs, and a world language program are but a few of the areas that have been provided for our students.

Our students have consistently scored above the State averages on standardized tests and have achieved success with their high school education. Our staff has demonstrated their dedication to our students in numerous ways. While a majority of our staff has advanced degrees, they continue to search for innovative ways to challenge their students.

4) INTERNAL ACCOUNTING CONTROLS:

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

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

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

5) BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as appropriation of fund balance in the subsequent year.

6) ACCOUNTING SYSTEM AND REPORTS:

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

7) DEBT ADMINISTRATION:

On March 11, 2014, the District successfully passed a Bond Referendum in the amount of \$2,104,000. The bonds were issued in August, 2014, at an interest rate of 2.1% payable over 10 years. The District received a AA Rating from Standard and Poor's Rating agency. The Debt from the 1996 referendum will be paid off as these new bonds come on. As a result of this timing, we are able to minimize the tax impact to the community. Projects included in the Referendum include replacement of the 1996 Roof, HVAC equipment and controls and installation of a new Fire Alarm System.

In June 1994, the District issued general obligation bonds in the amount of \$4,985,000 at an interest rate of 5.625%. The proceeds of this bond issue were placed in the District's debt service fund for use to provide funds for a third addition and building improvements to the District's present buildings. In 2002, the District refunded these bonds and issued \$3,335,000 in new debt at an interest rate range of 3.75-5.0% which were paid off in 2014-15. The building renovations included installation of fire doors, a sprinkler system, three new classrooms, a health suite and a child study team office, while the addition contained four classrooms, plus computer and science rooms, a gymnasium, and a physical education office.

The most recent building project was completed in September, 2001. This project was financed from bonds totaling \$2,070,000 at an interest rate range of 4.8-4.25%, a state grant of \$1,580,000, and interest on invested principal. In January 2010, the District refunded these bonds and issued \$1,505,000 in new debt at an interest rate range of 3.0-4.0%. This project added a wing of 5 new classrooms, updated heating and air conditioning, and renovated and expanded school office areas.

8) CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statement", Notes 1 & 3. The District has adopted

a cash management plan, which requires it to deposit funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act. 2.4

9) RISK MANAGEMENT:

The Board carries various forms of insurance, including but not limited to general liability - \$1,000,000 per occurrence plus \$50,000 fire legal liability and \$5,000 medical expense, excess Umbrella Liability - \$10,000,000.00 Automobile Liability, School Board Liability, Property and Contents, Systems Breakdown, Workers Compensation, Supplemental Group Disability, Fidelity Bonds and Student Accident Insurance.

10) OTHER INFORMATION:

Elimination of Glen-Gardner Non-Op

On June 30, 2009, pursuant to P.L. 2007, Chapter 63, and A-4141, the State eliminated thirteen Non-Operating Districts including Glen Gardner. The Sending/Receiving Agreement between Clinton and Glen Gardner was dissolved, and the two districts were merged as one entity. A report filed on June 30, 2009 by Assistant Commissioner of Field Services, Dr. Gerald Vernotica provided the details of the merger.

Independent Audit

State Statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board selected the accounting firm of William Colantano, CPA's. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996, and the related OMB Circular A-133 and New Jersey OMB's Circular 15-08. The auditor's report on the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Awards

The Clinton Public School was chosen as a recipient of a 2014 BASF Science Education Grant of \$5,000 based upon a proposal for water robotics and a \$1,500

grant from ExxonMobil to implement hydroponics. In 2014, Clinton Public School placed second in the state elementary level for the SIFMA Fall 2014 10 Week Session Stock Market Game.

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The ExxonMobil Research and Engineering Company awarded sponsorship to two educators from Clinton Public School to the 2013 **Mickelson ExxonMobil Teachers Academy**. The weeklong program was held in New Orleans, Louisiana in July of 2013. The Academy's mission is "to conduct a professional development academy for teachers of grades 3-5 that results in improved learning experiences for their students..." The focus of the training was in the areas of teaching science and math.

The ExxonMobil Research and Engineering Company awarded sponsorship to three educators from Clinton Public School to the 2012 **Sally Ride Science Academy**. The weeklong program was held in New York, New York in July 2012. The Academy is a "train the trainer" program. Teachers were expected to return to their districts and train their colleagues during the academic year using materials and strategies from the Academy. The focus of the training was to infuse career education within the curriculum, especially in the areas of science, technology, engineering, and math.

In 2006, the Dodge Foundation awarded the school a \$20,000 grant to bring the acclaimed Schools Attuned program to Clinton Public School. Twenty teachers and administrators were trained in August, 2004 in how to better meet the individual needs of students.

In 1995, Clinton Public School was selected as one of ten schools in New Jersey to be recognized as a "Star School". This honor was especially rewarding, as we were the only elementary school in the State to be so honored. Schools are selected for this award as a result of "their innovative teaching approaches, a faculty engaged in research, significant student achievement and a "cutting edge" awareness of education needs of the 21st Century".

Technology

We at Clinton Public School believe that modern technology and telecommunication are essential resources for the classroom. We provide resources to our students and classrooms that are not normally found within the walls of a traditional school. Our board of education has made a commitment to invest in personnel, equipment and training to implement this vision. The Board began an initiative in 2013 to use IPADs in middle school classrooms. All students in grades 7 and 8 are assigned a personal IPAD for use in all subjects. In addition to the IPAD, students in grades 7 and 8 will complete a programmable robotics unit aligned with current technology standards. Students in grades 5 and 6 have access to over 75 Chrome Books and students in grades K-4 have access to a full computer lab and multiple laptop carts.

12) ACKNOWLEDGEMENTS:

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

Respectfully submitted,

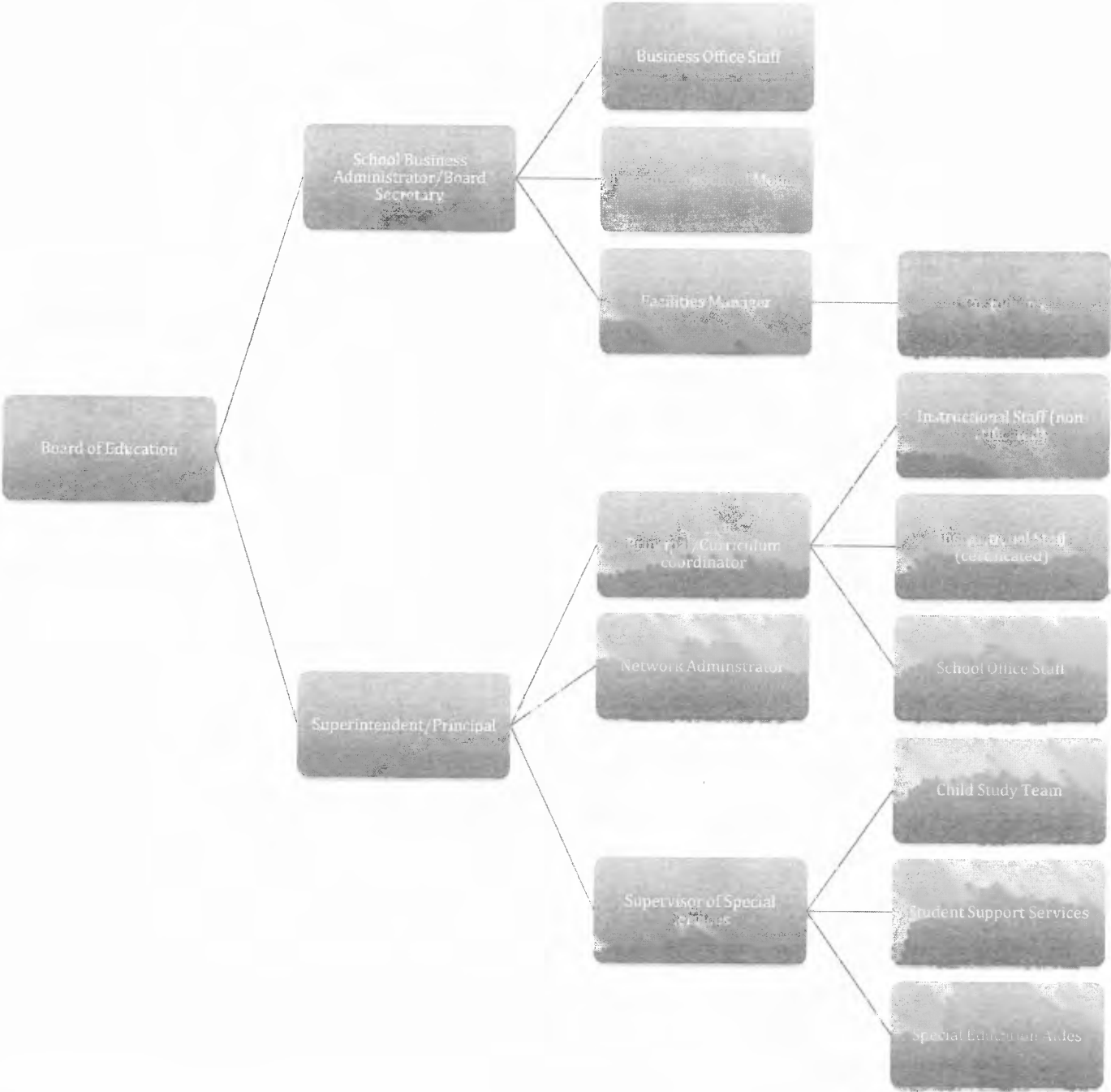


Dr. Seth Cohen
Superintendent/Principal



Lisa Craft
Business Administrator

Clinton-Glen Gardner Board of Education Organizational Chart



BOARD OF EDUCATION

ROSTER OF OFFICIALS JUNE 30, 2015

<u>Members of the Board of Education</u>	<u>Year Term Expir(es)(ed)</u>
Robert Moul	2015 President
Brendan McIsaac	2015 Vice-President
Erin Roop	2017
Charles Sampson	2017
Craig Sowell	2016

OTHER OFFICIALS

Dr. Seth Cohen	Superintendent/Principal
Lisa Craft	Business Administrator
Kathleen Olsen	Treasurer
Matthew Giacobbe	Attorney

**CLINTON-GLEN GARDNER
BOARD OF EDUCATION**

**CONSULTANTS AND ADVISORS
JUNE 30, 2015**

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INDEPENDENT AUDITOR'S REPORT

November 6, 2015

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Clinton-Glen Gardner School District (the District) in the County of Hunterdon, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Board'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 and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 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 District, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual non-major fund financial statements and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and the schedule of state financial assistance as required by NJ OMB 15-08 and the introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, the schedule of and the schedule of state financial assistance as required by NJ OMB 15-08 is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements.

Such information has been subjected to the auditing procedures applied in 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 non-major fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the schedule of state financial assistance as required by NJ OMB 15-08 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 6, 2015 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the District's internal control over financial reporting and compliance.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

REQUIRED SUPPLEMENTARY INFORMATION-PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

The discussion and analysis of the Clinton-Glen Gardner School District's financial performance provides an overall review of the school district's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the school district's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the school district's financial performance.

Financial Highlights

- ◆ Pursuant to P.L. 2009, c.78, signed into law on June 30, 2009, the non-operating Glen Gardner Borough School District was merged with the Town of Clinton School District effective July 1, 2009. A report was issued by the Assistant Commissioner that provided guidance on the implementation. The budgets were merged, and Surplus of \$226,510 was returned to the Borough of Glen Gardner. Final accumulated tuition adjustments were settled through an agreement to reallocate taxes of \$50,710 for 5 years to Clinton Town from the Borough of Glen Gardner utilizing the "Other" line on the Tax Certification. Equalized Values were phased to 1.00% over a 5-year period for the purpose of calculating the tax apportionment among the two communities. The Clinton-Glen Gardner Board of Education was reduced to 5 members, eliminating the former Glen Gardner Representative position. Elections will now be held at large between the two communities, with no guaranteed representation.

Key financial highlights for 2015 are as follows:

- ◆ In total, net position increased \$552,711 which represents a 11.67% increase from 2014.
- ◆ General revenues accounted for 9,917,600, or 95.4% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$477,952 or 4.6% of total revenues of \$10,395,552.
- ◆ Total assets of governmental activities increased by \$2,214,062 as cash and cash equivalents increased by \$1,286,048 receivables and other assets increased by \$38,886 and capital assets increased by \$889,128.
- ◆ The school district had \$9,842,841 in expenses; only \$477,952 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$9,917,600 were adequate to provide for these programs.
- ◆ The General Fund had \$8,418,134 in revenues and \$8,092,098 in expenditures and transfers. The General Fund's balance increased \$326,036 over 2014.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Clinton-Glen Gardner School District as a financially whole operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole school district, presenting both an aggregate view of the school district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
UNAUDITED

future spending. In the case of the Clinton-Glen Gardner School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the school district to provide programs and activities, the view of the school district as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2015?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies.

This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the school district's net position and changes in position. This change in net position is important because it tells the reader that, for the school district as a whole, the financial positions of the school district have improved or diminished. The causes of this change may be the result of many factors, some financial, and some not. Non-financial factors include the school district's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the school district is divided into two distinct kinds of activities:

- ◆ Governmental Activities – All of the school district's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- ◆ Business-Type Activities – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service and Child Care Enterprise Funds are reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the school district's funds begins on page 17. Fund financial reports provide detailed information about the school district's major funds. The school district uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the school district's most significant funds. The school district's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

The school district's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the school district's general government operations and the basic

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
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services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs.

The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole.

Table 1 provides a summary of the school district's net position for 2015 with net position comparisons to fiscal year 2014.

**Table 1
Net Position**

	6/30/2015	6/30/2014	Variance	
			Dollars	Percent
ASSETS				
Current & Other Assets	\$ 2,202,158	\$ 838,013	\$ 1,364,145	162.78%
Capital Assets	7,737,505	6,839,661	897,844	13.13%
Total Assets	9,939,663	7,677,674	2,261,989	29.46%
Deferred Outflows of Resources	292,449	56,822	235,627	414.68%
LIABILITIES				
Long Term Liabilities	4,766,632	2,952,359	1,814,273	61.45%
Other Liabilities	79,491	44,815	34,676	77.38%
Total Liabilities	4,846,123	2,997,174	1,848,949	61.69%
Deferred Inflows of Resources	95,956	-	95,956	*
NET POSITION				
Net Investment in Capital Assets	4,678,505	5,393,503	(714,998)	-13.26%
Restricted	1,725,179	577,993	1,147,186	198.48%
Unrestricted	(1,113,651)	(1,234,174)	120,523	-9.77%
Total Net Position	\$ 5,290,033	\$ 4,737,322	\$ 552,711	11.67%

* = Undefined

Total assets increased by \$2,261,989. Cash and cash equivalents increased by \$1,311,761 receivables and other assets increased by \$52,384 and capital assets increased by \$897,844. Unrestricted net position, the part of net position that can be used to finance day to day activities without constraints

**MANAGEMENT'S DISCUSSION AND ANALYSIS
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established by grants or legal requirements of the School District, increased by \$116,126 primarily due to unexpended budget appropriations.

The negative balance in unrestricted net assets is not a negative reflection on the District's financial condition, but is the result of reporting required by GASB Statement No. 68 Accounting and Financial Reporting for Pensions which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

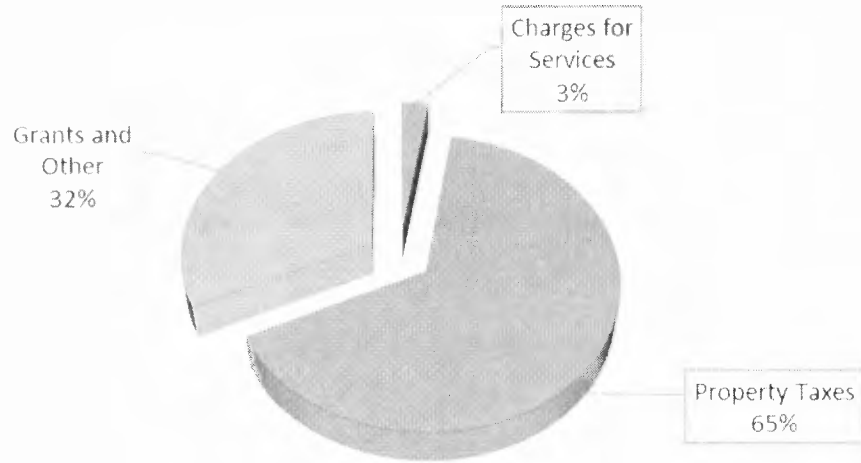
Table 2 shows the changes in net position from fiscal year 2015.

**Table 2
 Changes in Net Position**

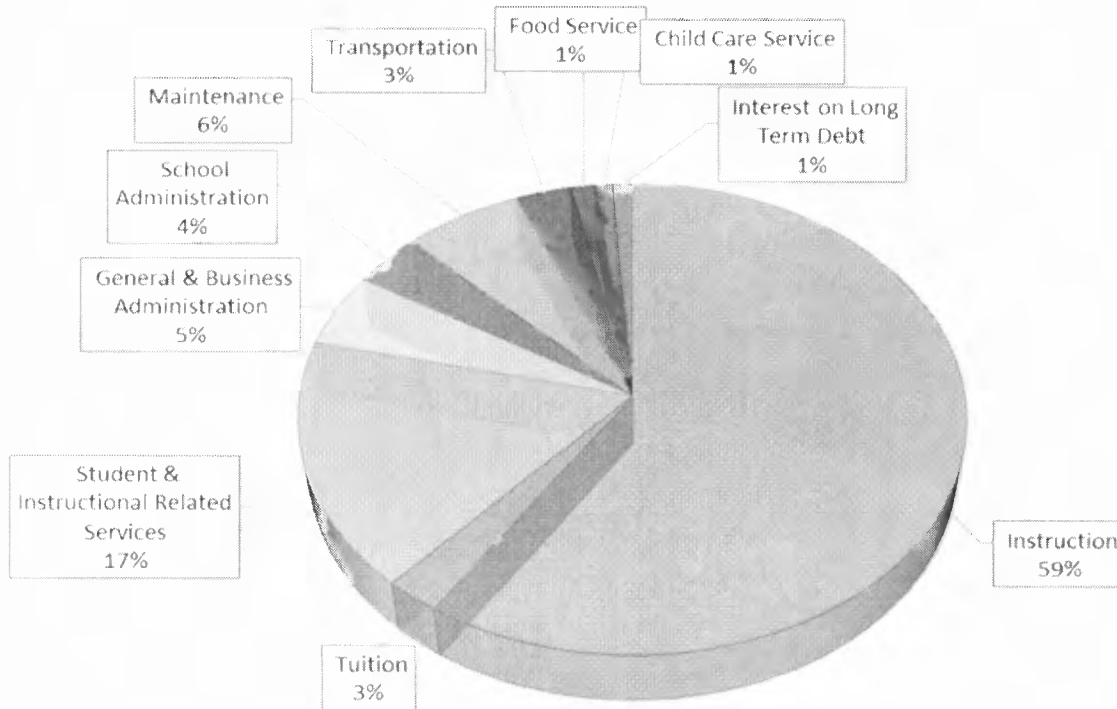
	6/30/2015	6/30/2014	Variance	
			Dollars	Percent
REVENUES				
Program Revenues:				
Charges for Services	\$ 258,717	\$ 256,503	\$ 2,214	0.86%
Operating Grants & Contributions	219,235	208,501	10,734	5.15%
General Revenues:				
Property Taxes	6,801,726	6,714,064	87,662	1.31%
Unrestricted Grants	3,082,105	1,861,933	1,220,172	65.53%
Other	33,769	10,475	23,294	222.38%
Total Revenues	<u>10,395,552</u>	<u>9,051,476</u>	<u>1,344,076</u>	14.85%
PROGRAM EXPENSES				
Instruction:				
Regular	3,995,146	3,215,086	780,060	24.26%
Special	1,738,146	1,626,623	111,523	6.86%
Other	94,110	86,365	7,745	8.97%
Support Services:				
Tuition	243,486	266,197	(22,711)	-8.53%
Student & Instructional Related Services	1,674,594	1,348,496	326,098	24.18%
General & Business Administration	501,297	501,436	(139)	-0.03%
School Administration	359,739	299,817	59,922	19.99%
Maintenance	626,109	581,535	44,574	7.66%
Transportation	289,391	274,744	14,647	5.33%
Food Service	124,270	126,646	(2,376)	-1.88%
Child Care Service	96,710	126,384	(29,674)	-23.48%
Interest on Long Term Debt	99,843	82,234	17,609	21.41%
Total Expenses	<u>9,842,841</u>	<u>8,535,563</u>	<u>1,307,278</u>	15.32%
Increase (Decrease) in Net Position	<u>\$ 552,711</u>	<u>\$ 515,913</u>	<u>\$ 36,798</u>	7.13%

MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
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Sources of Revenues for Fiscal Year 2015



Instruction comprised 59% of district expenses.



Expenses for Fiscal Year 2015

**MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015
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Governmental Activities

Property taxes made up 65% of revenues for governmental activities for the Clinton-Glen Gardner School District for fiscal year 2015.

Instruction comprises 59% of district expenses. Support services expenses make up 40% and interest on long-term debt equals 1% of district expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the district's taxpayers by each of these functions.

**Table 3
 Cost of Governmental Services**

	Total Cost of Services		Net Cost of Services	
	6/30/2015	6/30/2014	6/30/2015	6/30/2014
Instruction	\$ 5,827,402	\$ 4,928,074	\$ 5,769,195	\$ 4,873,767
Support Services:				
Tuition	243,486	266,197	150,477	171,096
Student & Instructional Staff	1,674,594	1,348,496	1,621,388	1,300,813
General & Business Administration	501,297	501,436	501,297	501,436
School Administration	359,739	299,817	359,739	299,817
Plant Operations & Maintenance	626,109	581,535	621,934	573,490
Pupil Transportation	289,391	274,744	289,391	274,744
Food Service	124,270	126,646	(233)	966
Child Care Service	96,710	136,384	(48,142)	(7,804)
Interest on Long-Term Debt	99,843	82,234	99,843	82,234
	<u>\$ 9,842,841</u>	<u>\$ 8,545,563</u>	<u>\$ 9,364,889</u>	<u>\$ 8,070,559</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Pupils and instructional related services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

General administration, school administration and business include expenses associated with administrative and financial supervision of the district.

Operation and maintenance of facilities activities involve keeping the school grounds, buildings and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 UNAUDITED**

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the school district.

The dependence upon tax revenue is apparent. For all activities general revenue support is 95.4%. The communities, as a whole, are the primary support for the Clinton-Glen Gardner School District.

The School District's Funds

Information about the school district's funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds (i.e., general fund, special revenue fund, capital projects and debt service fund presented in the fund-based statements) had total revenues of \$9,104,700 and expenditures of \$9,886,441. The net positive change in all fund balances for the year was most significant in the Capital Projects Fund, an increase of \$996,223 due to the 2014 bond sale of \$2,104,000.

General Fund Budgeting Highlights

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

The school district uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management. During the course of the fiscal year 2015, the school district amended its General Fund budget as needed for tuition revenue and expenditures of specific special education programs as allowed by law.

For the General Fund, budget revenue and other financing sources was \$7,604,124, \$61,612 over original budgeted estimates of \$7,542,512. This difference was due primarily to additional state revenues, tuition and miscellaneous.

The General fund expenditures and other financing uses were exceeded by revenues and other financing sources of the School district by approximately \$336,262.

Capital Assets

At the end of the fiscal year 2015, the school district had \$7,737,505 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2015 balances compared to 2014.

**Table 4
 Capital Assets at Year End (Net of Depreciation)**

	6/30/2015	6/30/2014	Variance	
			Dollars	Percent
Land	\$ 320,100	\$ 320,100		
Construction in Progress	1,130,367	19,084	\$ 1,111,283	5823.11%
Land Improvements	82,294	88,289	(5,995)	-6.79%
Buildings & Improvements	6,106,229	6,306,336	(200,107)	-3.17%
Machinery & Equipment	98,515	105,852	(7,337)	-6.93%
	<u>\$ 7,737,505</u>	<u>\$ 6,839,661</u>	<u>\$ 897,844</u>	13.13%

**MANAGEMENT'S DISCUSSION AND ANALYSIS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 UNAUDITED**

Overall capital assets increased \$897,844 from fiscal year 2014 to fiscal year 2015. Increases in capital assets of \$1,149,492 were offset by depreciation expenses of \$251,648 for the year. A complete fixed asset inventory report was completed for the entire district in 2014.

Debt Administration

At June 30, 2015, the school district had \$4,766,632 as outstanding debt. Of this amount \$97,480 is for compensated absences, and the balance of \$3,059,000 for bonds for school construction and \$1,610,152 for the PERS net pension liability.

At June 30, 2015, the school district's overall legal debt margin was \$16,170,134 and the unvoted debt margin was \$13,111,134. See footnote 5 for a more detailed discussion of the district's debt. Following is a listing of all bond issues for which the district is currently paying debt service.

**Table 5
 Outstanding Debt at Year End**

	6/30/2015	6/30/2014	Variance	
			Dollars	Percent
Refunding Bonds of 2002		\$ 335,000	\$ (335,000)	-100.00%
Refunding Bonds of 2009	\$ 955,000	1,070,000	(115,000)	-10.75%
Bond Issue of 2014	2,104,000		2,104,000	*
	<u>\$ 3,059,000</u>	<u>\$ 1,405,000</u>	<u>\$ 1,654,000</u>	117.72%

* = Undefined

For the Future

It is the opinion of the Superintendent and Business Administrator that the Clinton-Glen Gardner School District is presently in good financial condition. However, future finances are not without challenges as The state continues to impose unfunded mandates on schools while simultaneously restricting the ability to fiscally manage school budgets.

The Town of Clinton and Borough of Glen Gardner are primarily residential communities, with very few ratables; thus the tax burden is focused on homeowners.

In conclusion, the Clinton-Glen Gardner School District has committed itself to an excellent system for financial planning, budgeting and internal financial controls. The school district plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the school district's finances and to show the school district's accountability for the money it receives. If you have questions about this report or need additional information, please contact Lisa Craft, School Business Administrator at the Clinton-Glen Gardner Board of Education, 10 School Street, Clinton, NJ 08809 or email at lcraft@cpsnj.org.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Govern- mental Activities	Business- Type Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 274,484	\$ 90,854	\$ 365,338
Receivables, Net	90,194	13,575	103,769
Interfund Receivable	(5,825)	9,825	4,000
Inventory		2,873	2,873
Restricted Assets:			
Capital Reserve Account-Cash	553,709		553,709
Maintenance Reserve Account-Cash	100,000		100,000
Emergency Reserve Account-Cash	75,247		75,247
Capital Projects Account-Cash	997,222		997,222
Capital Assets (Note 4):			
Land	320,100		320,100
Capital Assets Not Being Depreciated	1,130,367		1,130,367
Other Capital Assets, Net of Depreciation	6,270,543	16,495	6,287,038
Total Assets	<u>9,806,041</u>	<u>133,622</u>	<u>9,939,663</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount of Pension Activity	<u>292,449</u>	<u>-</u>	<u>292,449</u>
LIABILITIES			
Accounts Payable	17,681		17,681
Accrued Interest	54,507		54,507
Unearned Revenue	6,302	1,001	7,303
Long-Term Liabilities (Note 5):			
Due Within One Year	275,000		275,000
Due Beyond One Year	4,394,152		4,394,152
Compensated Absences Payable	97,480		97,480
Total Liabilities	<u>4,845,122</u>	<u>1,001</u>	<u>4,846,123</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount of Pension Activity	<u>95,956</u>	<u>-</u>	<u>95,956</u>
NET POSITION			
Net Investment in Capital Assets	4,662,010	16,495	4,678,505
Restricted For:			
Capital Reserve	553,709		553,709
Maintenance Reserve	100,000		100,000
Emergency Reserve	75,247		75,247
Capital Projects	996,223		996,223
Unrestricted	<u>(1,229,777)</u>	<u>116,126</u>	<u>(1,113,651)</u>
TOTAL NET POSITION	<u>\$ 5,157,412</u>	<u>\$ 132,621</u>	<u>\$ 5,290,033</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

FUND FINANCIAL STATEMENTS

The individual fund statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Govern- mental Funds
ASSETS					
Cash & Cash Equivalents	\$ 274,484				\$ 274,484
Receivables from Other Governments:					
State	34,323				34,323
Federal		\$ 55,511			55,511
Other Receivables	360				360
Due from Other Funds	54,140				54,140
Restricted Cash & Equivalents	728,956		\$ 997,222		1,726,178
TOTAL ASSETS	<u>\$ 1,092,263</u>	<u>\$ 55,511</u>	<u>\$ 997,222</u>	<u>\$ -</u>	<u>\$ 2,144,996</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 16,353	\$ 329	\$ 999		\$ 17,681
Due to Other Funds	9,825	50,140			59,965
Unearned Revenue	1,260	5,042			6,302
Total Liabilities	<u>27,438</u>	<u>55,511</u>	<u>999</u>	<u>\$ -</u>	<u>83,948</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Govern- mental Funds
LIABILITIES AND FUND BALANCES (Cont'd)					
Fund Balances:					
Committed Fund Balance:					
Capital Reserve Account	\$ 553,708				\$ 553,708
Maintenance Reserve Account	100,000				100,000
Emergency Reserve Account	75,247				75,247
Capital Projects			\$ 996,223		996,223
Assigned Fund Balance:					
Year-End Encumbrances	196,739				196,739
Unassigned Fund Balance	139,131				139,131
Total Fund Balances	<u>1,064,825</u>	<u>\$ -</u>	<u>996,223</u>	<u>\$ -</u>	<u>2,061,048</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 1,092,263</u>	<u>\$ 55,511</u>	<u>\$ 997,222</u>	<u>\$ -</u>	

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

Capital assets used in government activities are not financial resources & therefore are not reported in the funds. The cost of the assets is and the accumulated depreciation is

\$ 12,642,528
4,921,518

7,721,010

Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in the funds

196,493

Long-term liabilities, including bonds payable, are not due & payable in the current period & therefore are not reported as liabilities in the funds

(4,766,632)

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due.

(54,507)

Total Net Assets of Governmental Activities

\$ 5,157,412

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Govern- mental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 6,299,930			\$ 501,796	\$ 6,801,726
Tuition Charges:					
Individuals	21,331				21,331
Interest on Investments	3,410		\$ 3,506		6,916
Miscellaneous	33,740	\$ 9,429			43,169
Total	6,358,411	9,429	3,506	501,796	6,873,142
State Sources	2,059,723			917	2,060,640
Federal Sources		170,918			170,918
Total Revenues	8,418,134	180,347	3,506	502,713	9,104,700
EXPENDITURES					
Current:					
Instructional:					
Regular Instruction	2,351,082	5,329			2,356,411
Special Education Instruction	881,981	31,547			913,528
Other Special Instruction	190,695				190,695
Other Instruction	89,750				89,750
Support Service & Undistributed Costs:					
Tuition	150,477	93,009			243,486
Student & Instruction Related Services	959,368	50,462			1,009,830
General & Business Administrative Services	348,935				348,935
School Administrative Services	211,005				211,005
Plant Operations & Maintenance	505,893				505,893
Pupil Transportation	289,391				289,391
Unallocated Benefits	2,071,279				2,071,279

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Govern- mental Funds
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 28,099		\$ 1,111,283		\$ 1,139,382
Debt Service:					
Principal				\$ 450,000	450,000
Interest & Other Charges	14,143			52,713	66,856
Total Expenditures	<u>8,092,098</u>	<u>\$ 180,347</u>	<u>1,111,283</u>	<u>502,713</u>	<u>9,886,441</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	326,036	-	(1,107,777)	-	(781,741)
Other Financing Sources (Uses):					
Proceeds from Bond Sale	-	-	2,104,000	-	2,104,000
Net Change in Fund Balance	326,036	-	996,223	-	1,322,259
Fund Balances, July 1	<u>738,789</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>738,789</u>
Fund Balances, June 30	<u>\$ 1,064,825</u>	<u>\$ -</u>	<u>\$ 996,223</u>	<u>\$ -</u>	<u>\$ 2,061,048</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

Total Net Changes in Fund Balances-Governmental Fund (from B-2)		\$ 1,322,259
Amounts Reported for Governmental Activities in the Statement of Activities (A-2) are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation in the period:		
Capital Outlays	\$ 1,139,382	
Depreciation Expense	<u>(250,254)</u>	889,128
Repayment of debt principal and capital leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and are not reported in the statement of activities:		
Bond Principal Payments	450,000	
Capital Lease Payments	<u>41,158</u>	491,158
Proceeds from debt issues are a financing sources in the governmental funds. They are not revenue in the statement of activities. The issuance of debt increase long-term liabilities in the statement of net assets:		
Proceeds of Bond Sale		(2,104,000)
Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of employee contributions is reported as pension expense		
		(29,193)
In the statement of activities, interest on long-term debt is accrued regardless of when due. In the governmental funds interest is reported when due. The accrued interest is a reconciling item.		
		(32,481)
In the statement of activities, compensated absences & early retirement benefits are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.		
		<u>(32,567)</u>
Change in Net Position of Governmental Activities		<u><u>\$ 504,304</u></u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
COMBINING STATEMENT OF FUND NET POSITION
PROPRIETARY FUNDS
JUNE 30, 2015

	Food Services	Child Care Program	Total
Current Assets:			
Cash & Cash Equivalents	\$ 14,893	\$ 75,961	\$ 90,854
Accounts Receivable:			
Intergovernmental-Federal	3,088		3,088
Intergovernmental-State	190		190
Due From Other Funds	9,825		9,825
Other	10,297		10,297
Inventories	2,873		2,873
Total Current Assets	<u>41,166</u>	<u>75,961</u>	<u>117,127</u>
Fixed Assets:			
Capital Assets	107,526		107,526
Accumulated Depreciation	91,031		91,031
Total Fixed Assets	<u>16,495</u>	<u>-</u>	<u>16,495</u>
Total Assets	<u>57,661</u>	<u>75,961</u>	<u>133,622</u>
LIABILITIES			
Current Liabilities:			
Unearned Revenue	1,001		1,001
Total Current Liabilities	<u>1,001</u>	<u>-</u>	<u>1,001</u>
NET POSITION			
Net Investment in Capital Assets	16,495		16,495
Unrestricted	<u>40,165</u>	<u>75,961</u>	<u>116,126</u>
TOTAL NET POSITION	<u>\$ 56,660</u>	<u>\$ 75,961</u>	<u>\$ 132,621</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Services	Child Care Program	Total
Operating Revenues:			
Charges for Services:			
Daily Sales-Reimbursable Programs	\$ 52,787		\$ 52,787
Daily Sales-Nonreimbursable Programs	32,828		32,828
Child Care Revenues		\$ 144,852	144,852
Total Operating Revenues	<u>85,615</u>	<u>144,852</u>	<u>230,467</u>
Operating Expenses:			
Costs of Sales-Reimbursable Programs	37,103		37,103
Costs of Sales-Nonreimbursable Programs	22,740		22,740
Salaries	33,944	68,139	102,083
Employee Benefits	5,136	6,201	11,337
Insurance	3,542		3,542
Management Fees	7,621		7,621
Other Purchased Services	4,208	20,000	24,208
Repairs and Maintenance	1,587		1,587
General Supplies	6,995	2,370	9,365
Depreciation	1,394		1,394
Total Operating Expenses	<u>124,270</u>	<u>96,710</u>	<u>220,980</u>
Operating Income (Loss)	<u>(38,655)</u>	<u>48,142</u>	<u>9,487</u>
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	1,348		1,348
Federal Sources:			
National School Lunch Program:			
Cash Assistance	28,383		28,383
Noncash Assistance (Commodities)	9,157		9,157
Interest Earned on Investments	32		32
Total Nonoperating Revenues (Expenses)	<u>38,920</u>	<u>-</u>	<u>38,920</u>
Change in Net Position	265	48,142	48,407
Total Net Position, Beginning	<u>56,395</u>	<u>27,819</u>	<u>84,214</u>
Total Net Position, Ending	<u>\$ 56,660</u>	<u>\$ 75,961</u>	<u>\$ 132,621</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Services	Child Care Program	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 85,615	\$ 144,852	\$ 230,467
Payments to Employees		(68,139)	(68,139)
Payments for Employee Benefits		(6,201)	(6,201)
Payments to Food Services Management Co	(116,755)		(116,755)
Payments to Vendors	(6,908)	(22,370)	(29,278)
Net Cash Provided by (Used For) Operating Activities	<u>(38,048)</u>	<u>48,142</u>	<u>10,094</u>
Cash Flows from Noncapital Financing Activities:			
State Sources	1,512		1,512
Federal Sources	31,241		31,241
Interfund Activity	(7,056)		(7,056)
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>25,697</u>	<u>-</u>	<u>25,697</u>
Cash Flows from Capital Financing Activities:			
Acquisition of Equipment	(10,110)		(10,110)
Net Cash Provided by (Used For) Capital Financing Activities	<u>(10,110)</u>	<u>-</u>	<u>(10,110)</u>
Cash Flows from Investing Activities:			
Interest Earned on Investments	32		32
Net Cash Provided by Investing Activities	<u>32</u>	<u>-</u>	<u>32</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(22,429)	48,142	25,713
Cash and Cash Equivalents, July 1, 2013	<u>37,322</u>	<u>27,819</u>	<u>65,141</u>
Cash and Cash Equivalents, June 30, 2014	<u>\$ 14,893</u>	<u>\$ 75,961</u>	<u>\$ 90,854</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:			
Operating Income (Loss)	\$ (38,655)	\$ 48,142	\$ 9,487
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:			
Depreciation	1,394		1,394
Federal Food Donation Program	9,157		9,157
(Increase) Decrease in Other Receivables	(10,297)		(10,297)
(Increase) Decrease in Inventory	833		833
Increase (Decrease) in Unearned Revenue	(480)		(480)
Net Cash Provided by (Used For) Operating Activities	<u>\$ (38,048)</u>	<u>\$ 48,142</u>	<u>\$ 10,094</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund
ASSETS			
Cash & Cash Equivalents	\$ 56,196	\$ 51,696	\$ 3,848
Due from Other Funds	20		
TOTAL ASSETS	56,216	\$ 51,696	\$ 3,848
LIABILITIES			
Due to Other Funds			\$ 4,020
Due to Student Groups		\$ 51,696	
Payroll Deductions & Withholdings			(172)
TOTAL LIABILITIES	-	\$ 51,696	\$ 3,848
NET POSITION	\$ 56,216		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Unemployment Compensation Fund
ADDITIONS	
Contributions:	
Plan Members	\$ 8,196
Total Additions	<u>8,196</u>
DEDUCTIONS	
Unemployment Claims	<u>5,878</u>
Total Deductions	<u>5,878</u>
Change in Net Position	2,318
Net Position, Beginning of the Year	<u>53,898</u>
Net Position, End of the Year	<u><u>\$ 56,216</u></u>

NOTES TO FINANCIAL STATEMENTS

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Board of Education (Board) of the Clinton-Glen Gardner School District (District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant accounting policies of the District are described below.

The basic financial statements include:

A Management's Discussion and Analysis (MD&A) providing an analysis of the Districts overall financial position and results of operations.

Basic financial statements prepared using full-accrual accounting for all of the District's activities.

A. Reporting Entity

The District is a Type II district located in the County of Hunterdon, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of five members elected to three-year-terms. The purpose of the district is to educate students in Grades K-8. The District serves the communities of the Town of Clinton and the Borough of Glen Gardner. The District had an approximate enrollment at June 30, 2015 of approximately 484 students.

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

1. The organization is legally separate (can sue or be sued in their own name.)
2. The District holds the corporate powers of the organization.
3. The District appoints a voting majority of the organization's board.
4. The District is able to impose its will on the organization.
5. The organization has the potential to impose a financial benefit/ burden on the District.
6. There is a fiscal dependency by the organization on the District.

Based on the aforementioned criteria, the District has no component units.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of changes in net position) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include 1) charges to students or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The District has elected to treat all of its governmental funds as major funds and they are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, early retirement, arbitrage rebates, and post employment healthcare benefits, are recorded only when payment is due.

Property taxes, tuition 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. As under New Jersey State Statute, a municipality is required to remit to its school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive moneys under the established payment schedule and the unpaid amount is considered to be an accounts receivable. All other revenue items are considered to be measurable and available only when the District receives cash.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

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

Amounts reported as program revenues include 1) charges to students for tuition, fees, rental, material, supplies, 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, and unrestricted state aids.

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.

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

The District reports the following major governmental funds:

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

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

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

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

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

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

Additionally, the District reports the following fund types:

Proprietary Fund Types

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

Enterprise Fund - The Enterprise Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

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

All proprietary funds are accounted for on a current financial resources measurement focus. This means that all assets and liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (total net position) is segregated into contributed capital and unreserved retained earnings, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

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

Equipment	12 Years
Light Trucks & Vehicles	4 Years
Heavy Trucks & Vehicles	6 Years

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

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

Fiduciary Fund Types

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other government's and/ or other funds. Agency funds are custodial in nature and do not involve measurement of results of operations. The following is a description of the Trust and Agency Funds of the District.

Unemployment Compensation Trust Fund - This fund is used to account for the portion of employee deductions for unemployment compensation required to be deposited and accumulated for future unemployment claims under the "Benefit Reimbursement Method."

Student Activities Agency Fund - This fund is used to account for funds derived from athletic events or other activities of pupil organizations and accumulated for payment of student group activities.

Payroll Agency Fund - This fund accounts for the withholding and remittance of employee salary deductions.

D. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the county office and, if necessary are voted upon at the annual school election in November. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in NJAC 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

D. Budgets/Budgetary Control (Cont'd)

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.

E. Encumbrances

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

Open encumbrances in the Special Revenue Fund for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

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

F. Tuition Receivable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

G. Tuition Payable

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

H. Short-Term Interfund Receivables/Payables

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

I. Inventories and Prepaid Items

Inventories and prepaid items, which benefit future periods, other than those recorded in the Enterprise Fund are recorded as an expenditure during the year of purchase.

Enterprise Fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. The commodities inventory value at balance sheet date is reported as a unearned revenue as title does not pass to the school district until the commodities are used. Prepaid items in the Enterprise Fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

J. Capital Assets

Capital assets, which include land, land improvements, buildings and improvements, vehicles and furniture and equipment, are reported in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

All reported capital assets, except for land and construction in progress, of the District are depreciated using the straight-line method over the following estimated lives:

<u>Assets</u>	<u>Years</u>
Buildings	50
Building Improvements & Portable Classroom	50
Land Improvements	20
Furniture	20
Maintenance Equipment	15
Musical Instruments	10
Athletic Equipment	10
Audio Visual Equipment	10
Office Equipment	5 to 10
Computer Equipment	5 to 10

K. Compensated Absences

The District accounts for compensated absences (e.g., unused vacation and sick leave) as directed by Governmental Accounting Standards Board statement number 16 (GASB 16), "Accounting for Compensated Absences." A liability for compensated absences attributable to services already rendered and not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

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

The liability for compensated absences was accrued using the vesting method, whereby the liability is calculated by vesting balances as of the balance sheet date for which a payment is probable. Salary related payments for the employer's share of social security and medicare taxes are included.

For the government-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, in the fund financial statements, all of the compensated absences are considered long-term and therefore are not a fund liability. This represents a reconciling item between the fund and government-wide presentations.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

L. Unearned Revenue

Unearned revenue in the General Fund and Special Revenue Fund represents cash, which has been received but not yet earned. See Note 1 (E) regarding the Special Revenue Fund.

Unearned revenue in the Enterprise Fund includes United States government commodity inventories at year-end. The aid revenue associated with this commodity inventory is deferred until it is used in the operations of the Food Service Fund. Prepaid lunch debit card revenue balances at year-end are also included in unearned revenue.

M. Long-Term Obligations

In the government-wide financial statements and in internal service fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuance are reported as other financing uses.

N. Fund Balances-Governmental Funds

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

- Non-Spendable - includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.
- Restricted - includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.
- Committed - includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.
- Assigned - includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.
- Unassigned - includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

N. Fund Balances-Governmental Funds (cont'd)

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

O. Comparative Data/Reclassifications

Comparative total data for the prior year have been presented in selected sections of the accompanying financial statements in order to provide an understanding of the changes in the District's financial position and operations. Also, certain immaterial amounts presented in the prior year data have been reclassified in order to be consistent with the current year's presentation.

P. Allocation of Indirect Expenses

Certain expenses, which have not been charged to a specific function in the District's fund financial statements, have been allocated to the functions for the government-wide statements. Employee benefits, on-behalf TPAF pension contributions, reimbursed TPAF social security contributions and compensated absences accruals have been allocated based on salaries by function. Depreciation expense which was not specifically identified by function has been allocated based on the current year expenses by function.

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES

Property valuations (assessments) are determined on true values as arrived at by a cost approach, market data approach and capitalization of net income where appropriate. Current assessments are the results of new assessments on a like basis with established comparable properties for newly assessed or purchased properties. This method assures equitable treatment to like property owners.

Upon the filing of certified adopted budgets by the municipality, the municipality's local school districts, and the county, the tax rate is struck by the County Board of Taxation based on the certified amounts in each of the taxing districts for collection to fund the budgets. The statutory provision for the assessment of property, levying of taxes and the collection thereof are set forth in NJSA 54:4 et seq. Special taxing districts are permitted in New Jersey for various special services rendered to the properties located within the special districts.

Tax bills are mailed annually in June. The taxes are due August 1 and November 1 respectively, and are adjusted to reflect the current fiscal year's total tax liability. The preliminary taxes due February 1 and May 1 of the succeeding fiscal year are based upon one-half of the current year's total tax.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 2. TAX ASSESSMENTS AND PROPERTY TAXES (Cont'd)

Tax installments not paid on or before the due date are subject to interest penalties of eight percent per annum on the first \$1,500 of the delinquency and eighteen percent per annum on any amount in excess of \$1,500. Pursuant to Chapter 75, PL 1991, the governing body may also fix a penalty to be charged to a taxpayer with a delinquency in excess of \$10,000 who fails to pay that delinquency prior to the end of the calendar year. The penalty so fixed shall not exceed six percent of the amount of the delinquency. These interest and penalties are the highest permitted under the New Jersey statutes. Delinquent taxes are annually included in a tax sale in accordance with New Jersey statutes.

School taxes are guaranteed as to amount of collection by the municipality, the collection agency, and are transmitted to the school district in accordance with the schedule of tax installments as certified by the school district's Board of Education on an annual basis.

NOTE 3. DEPOSITS AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

Deposits at June 30, 2015 appear in the financial statements as summarized below:

Cash		<u>\$ 2,203,256</u>
	Ref.	
Cash:		
Governmental Funds, Balance Sheet	B-1	\$ 2,000,662
Enterprise Fund, Statement of Net Position	B-4	90,854
Fiduciary Funds, Statement of Net Position	B-7	<u>111,740</u>
Total Cash		<u>\$ 2,203,256</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

Deposits – The District's carrying amount of bank deposits at June 30, 2015 is \$2,203,256 and the bank balance is \$2,980,228. Of the bank balance, \$250,000 is covered by federal depository insurance and \$2,730,228 is insured by GUDPA.

Deposit and Investment Risk

GASB Statement No. 40 "Deposit and Investment Risk Disclosures" requires state and local governments to communicate key information about deposit and investment risks. Required disclosures are as follows:

1. Custodial credit risk disclosures are required for:
 - Deposits that are uninsured and either (a) uncollateralized or (b) collateralized with securities held by the pledging financial institution, or its trust department or agent but not in the government's name.
 - Investment securities that are uninsured, are not registered in the name of the government, and are held by either (a) the counterparty or (b) the counterparty's trust department or agent but not in the government's name .

As the district has no such investments, this disclosure is not applicable.

2. Credit quality ratings for investments in debt securities, external investment pools, money market funds, bond mutual funds, and other pooled investments of fixed-income securities. As the district has no such investments, this disclosure is not applicable.
3. Disclosure of investments by amount and issuer for any issuer that represents five percent of more of total investments. This requirement does not apply to investments issued or explicitly guaranteed by the US government and investments in mutual funds or pools. This disclosure is reported below under Concentration of Credit Risk.
4. Interest rate risk disclosures are required for all debt investments and non-money market like pools. As the district has no such investments, this disclosure is not applicable.
5. Investments that are exposed to foreign currency risk should be disclosed. As the district has no such investments this disclosure is not applicable.

Concentration of Credit Risk

The State of New Jersey does not place any limit on the amount that the district may invest with any one issuer. As of June 30, 2015, the district had no investments.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 4. CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets, Not Being Depreciated:				
Land	\$ 320,100			\$ 320,100
Construction in Progress	19,084	\$ 1,111,283		1,130,367
Total	<u>339,184</u>	<u>1,111,283</u>	<u>\$ -0-</u>	<u>1,450,467</u>
Capital Assets, Being Depreciated:				
Land Improvements	206,106			206,106
Building & Improvements	10,221,477			10,221,477
Furniture & Equipment	736,379	28,099		764,478
Total	<u>11,163,962</u>	<u>28,099</u>	<u>-0-</u>	<u>11,192,061</u>
Accumulated Depreciation:				
Land Improvements	117,817	5,995		123,812
Building & Improvements	3,915,141	200,107		4,115,248
Furniture & Equipment	638,306	44,152	9	682,458
Total	<u>4,671,264</u>	<u>250,254</u>	<u>-0-</u>	<u>4,921,518</u>
Total Capital Assets, Being Depreciated, Net	<u>6,492,698</u>	<u>(222,155)</u>	<u>-0-</u>	<u>6,270,543</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,831,882</u>	<u>\$ 889,128</u>	<u>\$ -0-</u>	<u>\$ 7,721,010</u>
Business-Type Activities:				
Furniture & Equipment	\$ 97,416	\$ 10,110		\$ 107,526
Less: Accum Depreciation	89,637	1,394		91,031
Business-Type Activities Capital Assets, Net	<u>\$ 7,779</u>	<u>\$ 8,716</u>	<u>\$ -0-</u>	<u>\$ 16,495</u>

Depreciation expense was charged to governmental functions in the current year as follows:

Instruction:	
Regular	\$ 114,486
Special Education	44,383
Other Special Instruction	9,265
Co-Curricular Activities	4,360
Support Services:	
Student & Instruction	49,062
General & Business Admin	16,953
School Administration	10,252
Plant & Maintenance	1,493
Total Depreciation Expense, Governmental Activities	<u>\$ 250,254</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 5. LONG-TERM DEBT

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

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
General Obligation Bonds Payable	\$ 1,405,000	\$ 2,104,000	\$ 450,000	\$ 3,059,000	\$ 275,000
Lease Obligations Payable	41,158		41,158		
PERS Net Pension Liability	1,441,288	168,864		1,610,152	
Compensated Absences Payable	64,913	32,567		97,480	
Total Governmental Activities Long-Term Liabilities	<u>\$ 2,952,359</u>	<u>\$ 2,305,431</u>	<u>\$ 491,158</u>	<u>\$ 4,766,632</u>	<u>\$ 275,000</u>

Payments on the general obligation bonds are made in the debt service fund from property taxes and state aid. The other long-term debts are paid in the current expenditures budget of the District's general fund.

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2015 including interest payments are listed as follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 275,000	\$ 97,482	\$ 372,482
2017	320,000	67,989	387,989
2018	335,000	59,439	394,439
2019	350,000	50,382	400,382
2020	350,000	41,476	391,476
2021	355,000	32,289	387,289
2022	360,000	22,826	382,826
2023	230,000	15,801	245,801
2024	235,000	11,201	246,201
2025	249,000	5,914	254,914
Total	<u>\$ 3,059,000</u>	<u>\$ 404,799</u>	<u>\$ 3,463,799</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 5. GENERAL LONG-TERM DEBT (Cont'd)

General Obligation Bonds - General obligation school building bonds payable at June 30, 2015, with their outstanding balances are comprised of the following individual issues:

\$1,505,000 - 2009 refunding school bonds, due in annual installments of \$100,000 to \$140,000, beginning Aug 15, 2010, through Aug 15, 2021, interest at 3.00% to 4.00%	\$ 955,000
\$2,104,000 - 2014 school bonds, due in annual installments of \$155,000 to \$249,000, beginning Feb 15, 2016 through Feb 1, 2025, interest from 2.00% to 2.375%	2,104,000
	\$ 3,059,000

The general obligation bonded debt of the District is limited by state law to 3% of the average equalized assessed values of the total taxable property in the District for the past three years. The legal debt limit at June 30, 2015 is \$16,170,134. General obligation debt at June 30, 2015 is \$3,059,000, resulting in a legal debt margin of \$13,111,134.

NOTE 6. PENSION PLANS

Description of Systems

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

A. Public Employees' Retirement System (PERS)

Plan Description

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS

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

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

The following represents the membership tiers for PERS:

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

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

Allocation Methodology and Reconciliation to Financial Statements

Although the Division administers one cost-sharing multiple-employer defined benefit pension plan, separate (sub) actuarial valuations are prepared to determine the actuarial determined contribution rate by group. Following this method, the measurement of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense excluding that attributable to employer-paid member contributions are determined separately for each individual employer of the State and local groups of the plan.

To facilitate the separate (sub) actuarial valuations, the Division maintains separate accounts to identify additions, deductions, and fiduciary net position applicable to each group. The allocation percentages presented for each group in the schedule of employer allocations are applied to amounts presented in the schedules of pension amounts by employer. The allocation percentages for each group as of June 30, 2014 and 2013 are based on the ratio of each employer's contributions to total employer contributions of the group for the fiscal years ended June 30, 2014 and 2013, respectively.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

GASB Statement No. 68, Accounting and Financial Reporting for Pensions, requires participating employers in PERS to recognize their proportionate share of the collective net pension liability, collective deferred outflows of resources, collective deferred inflows of resources and collective pension expense excluding that attributable to employer-paid member contributions. The employer allocation percentages presented in the Division's schedule of employer allocations and applied to amounts presented in the schedule of pension amounts by employer are based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2014 and 2013. Employer allocation percentages have been rounded for presentation purposes, therefore amounts presented in the schedule of pension amounts by employer may result in immaterial differences.

Contributions

The contribution policy for PERS is set by NJSA 15A and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For Fiscal years 2014 and 2013, the State's pension contribution was less than the actuarial determined amount.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

Collective Net Pension Liability and Actuarial Information

Components of Net Pension Liability

The components of the District's allocable share of the net pension liability for PERS as of June 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Total Pension Liability	\$ 3,360,139	\$ 2,810,808
Plan Fiduciary Net Position	<u>1,749,987</u>	<u>1,369,520</u>
Net Pension Liability	<u>\$ 1,610,152</u>	<u>\$ 1,441,288</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	52.08%	48.72%

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

Inflation Rate	3.01%
Salary Increases (Based on Age):	
2012-2021	2.15%-4.40%
Thereafter	3.15%-5.40%
Investment Rate of Return	7.90%

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

Discount Rate

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate

The following presents the collective net pension liability of the District as of June 30, 2014 and 2013, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1% point lower or 1% point higher than the current rate:

	2014
At Current Discount Rate (5.39%)	\$ 1,610,152
At a 1% Lower Rate (4.39%)	2,025,626
At a 1% Higher Rate (6.39%)	1,261,259
	2013
At Current Discount Rate (5.55%)	\$ 1,441,288
At a 1% Lower Rate (4.55%)	1,794,214
At a 1% Higher Rate (6.55%)	1,145,583

Collective Deferred Outflows of Resources and Deferred Inflows of Resources

At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -0-	\$ -0-
Changes of assumptions	50,632	
Net difference between projected and actual earnings on pension plan investments		95,956

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

Collective Deferred Outflows of Resources and Deferred Inflows of Resources (Cont'd)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in proportion and differences between District contributions and proportionate share of contributions	\$ 170,920	
District contributions subsequent to the measurement date	<u>70,897</u>	
Total	<u>\$ 292,449</u>	<u>\$ 95,956</u>

The amount reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (ie for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) of \$70,897 will be recognized as a reduction of the net pension liability in the year ended June 30, 2015.

The following presents a summary of changes in the collective deferred outflows of resources and deferred inflows of resources (excluding employer specific amounts) for the year ended June 30, 2014:

	Beginning Balance	Increases	Decreases	Ending Balance
Deferred Outflows of Resources:				
Changes of Assumptions	\$ -0-	\$ 59,939	\$ 9,307	\$ 50,632
Deferred Inflows of Resources:				
Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	119,945	23,989	<u>95,956</u>
Net of Deferred Outflows/(Inflows)				<u>\$ (45,324)</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions (excluding employer specific amounts, deferrals from District contributions subsequent to the measurement date, and deferrals from change on proportion) will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2015	\$ (14,682)
2016	(14,682)
2017	(14,682)
2018	(14,682)
2019	9,308
Thereafter	<u>4,096</u>
Total	<u>\$ (45,324)</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

Pension Expense

For the year ended June 30, 2015, the District recognized net pension expense of \$100,090 which represents the District's proportionate share of allocable plan pension expense of \$82,782 plus the net amortization of deferred amounts from changes in proportion of \$31,419 and less other adjustments to the net pension liability of \$14,111. The components of allocable pension expense, which exclude amounts attributable to employer paid member contributions and pension expense related to specific liabilities of individual employers, for the District for the year ending June 30, 2014 are as follows:

Service Cost	\$ 75,335
Interest on Total Pension Liability	177,748
Member Contributions	(41,257)
Administrative Expense	1,257
Expected Investment Return Net of Investment Expense	(115,107)
Pension Expense Related to Specific Liabilities of Individual Employers	(512)
Recognition of Deferred Inflows/Outflows of Resources:	
Amortization of Assumption Changes or Inputs	9,307
Amortization of Projected Versus Actual Investment Earnings on Pension Plan Investments	<u>(23,989)</u>
Pension Expense	<u>\$ 82,782</u>

B. Teacher's Pension and Annuity Fund (TPAF)

Plan Description

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

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

The following represents the membership tiers for TPAF:

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

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

Special Funding Situation

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

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

For purposes of reporting required by GASB Statement No. 68, Accounting and Financial Reporting for Pensions, the District's proportionate share of allocable net pension liability, employer pension expense and related revenue, non-employer contributions and their allocable proportionate percentage for fiscal years ending June 30, 2014 and 2013 is as follows:

	2014	2013
Net Pension Liability	\$ 18,983,034	\$18,666,978
Employer Pension Expense & Related Revenue	1,021,465	N/A
Non-Employer Contribution	150,875	239,219
Allocable Proportionate Percentage	.0355176620%	.0369356316%

C. Defined Contribution Retirement Program

The Defined Contribution Retirement Program (DCRP) was established under the provisions Ch 92, PL 2007 and expanded under the provisions of Ch 89, PL 2008 and Ch 1, PL 2010 to provide eligible members with a tax sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Employees eligible to enroll in the program include the following: First, employees enrolled in the Public Employees Retirement System (PERS) or Teachers Pension and Annuity Fund (TPAF) on or after July 1, 2007 who earn salary in excess of maximum compensation limits. Also, employees otherwise eligible to enroll in the TPAF and PERS who do not earn the minimum salary (\$8,200 in 2015) but who earn salary of at least \$5,000 annually are eligible to participate. The program administrator, Prudential Financial, makes information regarding the program available on its New Jersey Defined Contribution Program Web Site: www.prudential.com/njdcrp.

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 6. PENSION PLANS (Cont'd)

Contribution Requirements

The contribution policy is set by state statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. Significant legislation which became effective October 1, 2011 will gradually increase the employee contribution rate for PERS and TPAF members. Effective October 1, 2011 the rate increased from 5.50% to 6.50% of annual contractual compensation for employees enrolled in the TPAF and PERS pension plans. The rate will increase each year on the first of July over a seven year phase-in period until the withholding rate reaches 7.50% effective July 1, 2018. Contribution rates for DCRP provide for employee contributions of 5.50% of annual contractual compensation as defined. Employers are required to contribute at an actuarially determined rate in TPAF, PERS and DCRP. The actuarially determined contribution includes funding for cost-of-living adjustments, non-contributory death benefits and post-retirement medical premiums. Under current statute, the Board is a noncontributing employer of the TPAF.

Contribution Requirements (cont'd)

Three-Year Trend Information for TPAF (Paid On-Behalf of the District)

Year Funding	TPAF Benefit Costs	Percentage of APC Contributed
06/30/15	\$ 479,006	100%
06/30/14	396,616	100%
06/30/13	508,526	100%

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed
06/30/15	\$ 70,897	100%
06/30/14	54,000	100%
06/30/13	59,103	100%

During the year ended June 30, 2015, the State of New Jersey contributed \$293,883 to the TPAF for post-retirement medical benefits, \$12,425 for the non-contributory insurance premiums and \$172,698 for TPAF normal costs and accrued liability costs on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$345,230 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members calculated on their base salaries. These amounts have been included in the financial statements and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance with GASB 68.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 7. POST-RETIREMENT BENEFITS

Chapter 384 of PL 1987 and Ch 6 of PL 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. PL 2007, Ch 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees eligible for post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with Ch 62, PL 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning the fiscal year 1994.

The State is also responsible for the cost attributable to Ch 126, PL 1992, which provides free health benefits to members of PERS and the Alternate Benefits Program who retired from a board of education or county college with 25 years of service. In fiscal year 2014, the State paid \$165.8 million toward Ch 126 benefits for 18,122 eligible retired members.

GASB Statement 45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District's only material OPEB obligation is for healthcare provided to eligible retirees through the NJ State Health Benefits Program.

Plan Description-The School District contributes to the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under NJSA 52:14-17.25 et seq., to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code, SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. The school district adopted a resolution to participate in the SHBP. The States Health Benefits Commission is the executive body established by the statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, PO Box 295, Trenton, NJ 08625-0295 or by visiting their website at (www.nj.gov/treasury/pensions).

Funding Policy-Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-retirement medical benefits under the plan have been funded on a pay-as-you-go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis. Information regarding the State's annual contributions, annual OPEB cost and net OPEB obligations is available through the State as noted in the previous paragraph.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 8. DEFERRED COMPENSATION

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

The Equitable VALIC Benefits	Lincoln National Life Syracusa Benefits
Lincoln Financial Group	

NOTE 9. INTERFUND RECEIVABLE AND PAYABLES

Interfund balances at June 30, 2015 are as follows:

	Receivable	Payable
General Fund	\$ 54,140	\$ 9,825
Special Revenue Fund		50,140
Food Service Fund	9,825	
Payroll Agency Fund	20	4,020
	\$ 63,985	\$ 63,985

The interfund owed by the Special Revenue Fund represents a loan due to the delay in receipt of grant funds. The balance due by the Payroll Agency Fund represents employee withholdings not transferred by the end of the year and the balance due by the General Fund represents Cafeteria child nutrition receipts not turned over by year end to the Cafeteria.

NOTE 10. INVENTORY

Inventory in the Food Service Fund June 30, 2015 consisted of the following:

Food	\$ 2,249
Supplies	624
	\$ 2,873

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 11. CONTINGENT LIABILITIES

The District is involved in various legal proceedings that are incidental to its operations. These legal proceedings are not likely to have a material adverse effect on the financial position of the School District.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 12. RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its NJ Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the NJ 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, and interest earnings, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's unemployment trust fund for the current and previous two years:

<u>Fiscal Year</u>	<u>Board Contrib</u>	<u>Interest Earnings</u>	<u>Employee Contrib</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$ -0-	\$ -0-	\$ 8,196	\$ 5,878	\$ 56,216
2013-2014	-0-	67	7,989	28,168	53,898
2012-2013	-0-	76	7,523	1,514	74,010

NOTE 13. LEGAL RESERVE ACCOUNTS

A capital reserve account was established by the District by inclusion of \$100 on October 6, 2001 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the districts approved Long Range Facilities Plan (LRFP) and updated annually in the Quality Assurance Annual Report (QAAR). Upon submission of the LRFP to the Department of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes. 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 NJSA 19:60-2. Pursuant to NJAC 6A:26-9.1(d)1, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Beginning in fiscal year 2008, Districts are allowed as per NJSA 18A:7F-41(a) & 41(b) to deposit to the legal reserves by board resolution during the month of June for any unanticipated revenue and/or unexpended line-item appropriation amounts. Pursuant to this state statute, the District deposited \$150,000 to their Reserve accounts.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 13. LEGAL RESERVE ACCOUNTS (Cont'd)

The following is a summarization of the Legal Reserve Accounts for the Current year.

Type	Beginning Balance	District Contribution	Interest Earnings	Return of Unused With- drawal	With- drawal	Ending Balance
Capital	\$ 402,897	\$ 150,000	\$ 812			\$ 553,709
Maintenance	100,000					100,000
Emergency	75,096		151			75,247
Totals	<u>\$ 577,993</u>	<u>\$ 150,000</u>	<u>\$ 963</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ 728,956</u>

NOTE 14. FUND BALANCES-BUDGETARY BASIS

As described in Note 1 N-Fund Equity (Fund Balance) may be restricted, committed or assigned. An analysis of the General Fund Balance on June 30, 2015 and 2014 is as follows:

	2015	2014
Committed:		
Capital Reserve Account-represents funds restricted to capital projects in the Districts Long Range Facilities Plan	\$ 553,7009	\$ 402,897
Maintenance Reserve-Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (NJSA18A:76-9)	100,000	100,000
Emergency Reserve-Represents funds accumulated to finance unanticipated general fund expenditures required for a thorough and efficient education	75,247	75,096
Assigned:		
Year End Encumbrance-Represents fund balance committed for purchase orders that have been issued but goods or services were not received as of June 30,	196,739	29,479
Unassigned:		
Undesignated-Represents fund balance which has not been restricted or designated	266,811	248,772
Total Fund Balance	<u>\$ 1,192,506</u>	<u>\$ 856,244</u>

NOTE 15. CALCULATION OF EXCESS SURPLUS

In accordance with NJSA 18A:7F-7, as amended by PL 2004, Ch 73 (S1701), the designation for Reserved Fund Balance-Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund, fund balance at the fiscal year end of June 30, if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$-0-.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 16: SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 6, 2015, which is the date the financial statements were available to be issued and no additional items were noted for disclosure.

NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

The following is a list of recent accounting pronouncements which are not yet effective as of the year end date of this report:

In February 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 72 "Fair Value Measurement and Application". This statement, which is effective for fiscal periods beginning after June 15, 2015, is not expected to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 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. This statement, which is effective for fiscal periods beginning June 15, 2015 and June 15, 2016 for pension systems not within the scope of GASB 68, is not expected to have an effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74 "Financial Reporting for Postemployment Benefits Other than Pension Plans". This statement, which is effective for fiscal periods beginning June 15, 2016, is expected to have a nominal effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other than Pensions". This statement, which is effective for fiscal periods beginning June 15, 2017, is expected to have a nominal effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 76 "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". This statement, which is effective for fiscal periods beginning June 15, 2015, is not expected to have an effect on the District's financial reporting.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77 "Tax Abatement Disclosures". This statement, which is effective for fiscal periods beginning December 15, 2015, is not expected to have an effect on the District's financial reporting.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 18. CHANGE IN ACCOUNTING ESTIMATE

During the fiscal year June 30, 2015, the District had a change in accounting estimate for their calculation of the compensated absences liability. As a result of this change, more employees are included in the liability calculation and the amount of the liability has increased. The effect of this decision is not considered material to the financial statements. A summary of the compensated absences liability is included in Note 5.

NOTE 19. RESTATEMENT OF PRIOR YEAR NET POSITION

During the fiscal year ending June 30, 2015, the District has determined that a restatement of its prior year net position is necessary. Due to changes in accounting principles resulting from the issuance of Government Accounting Standards Board's (GASB) Statement No. 68, for pension liabilities, adjustments to the net position for the net pension liability and deferred outflows of resources as of the measurement date of June 30, 2014 are necessary. The following is a summary of the District's restatement of net position as of June 30, 2014:

	<u>Governmental Activities</u>
Net Position, June 30, 2014 as Originally Stated	\$ 6,037,574
Add: Deferred Outflow of Resources for Pension Activity	56,822
Less: Net Pension Liability as of June 30, 2014	<u>(1,441,288)</u>
Net Position, June 30, 2014 as Restated	<u>\$ 4,653,108</u>

NOTE 20. DEFICIT BALANCE IN UNRESTRICTED NET POSITION

The District is reporting a deficit balance in unrestricted net position for governmental activities as of June 30, 2015 of \$1,229,777 on schedule A-1 "Statement of Net Position". The deficit balance is not a negative reflection on the District's financial condition, but is the result of reporting required by GASB Statement No. 68 Accounting and Financial Reporting for Pensions which allocates the proportionate share of the State's net pension liability for PERS to each contributing entity throughout the State.

REQUIRED SUPPLEMENTARY INFORMATION-PART II

BUDGETARY COMPARISON SCHEDULES

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy	\$ 6,299,930		\$ 6,299,930	\$ 6,299,930	
Tuition-Individuals	10,800		10,800	21,331	\$ 10,531
Rent amd Royalties	5,000		5,000	4,175	(825)
Miscellaneous-Unrestricted	1,800		1,800	29,565	27,765
Interest on Investments				2,448	2,448
Interest on Emergency Reserve	200		200	151	(49)
Interest on Maintenance Reserve	200		200		(200)
Interest on Capital Reserve Funds	300		300	811	511
Total	6,318,230	\$ -	6,318,230	6,358,411	40,181
State Sources:					
School Choice Aid	26,394		26,394	26,394	
Categorical Transportation Aid	25,514		25,514	25,514	
Categorical Special Education Aid	230,446		230,446	230,446	
Equalization Aid	613,561		613,561	613,561	
Categorical Security Aid	26,469		26,469	26,469	
Adjustment Aid	292,658		292,658	292,658	
PARCC Readiness Aid	4,620		4,620	4,620	
Per Pupil Growth Aid	4,620		4,620	4,620	
Non-public Transportation Aid				2,317	2,317
Extraordinary Special Education Costs Aid				19,114	19,114
On-Behalf TPAF Pension Contributions				185,123	185,123
On-Behalf TPAF Post Retirement Medical Benefits				293,883	293,883
Reimbursed TPAF Social Security Contribution				345,230	345,230
Total	1,224,282	-	1,224,282	2,069,949	845,667
TOTAL REVENUES	\$ 7,542,512	\$ -	\$ 7,542,512	\$ 8,428,360	\$ 885,848
EXPENDITURES					
Current:					
Regular Programs:					
Instruction-Salaries of Teachers:					
Kindergarten	\$ 146,611	\$ (572)	\$ 146,039	\$ 146,039	
Grades 1-5	1,077,177	141,020	1,218,197	1,064,232	\$ 153,965
Grades 6-8	864,395	(20,026)	844,369	844,369	
Home Instruction:					
Salaries for Teachers	1,500	2,380	3,880	3,880	
Purchased Prof-Education Services	2,000	(2,000)			
Undistributed Instruction:					
Other Salaries for Instruction	32,232	(32,232)			
Other Purchased Services	85,700	12,956	98,656	98,656	
General Supplies	168,096	40,277	208,373	188,850	19,523
Textbooks	4,500	630	5,130	5,056	74
Total	2,382,211	142,433	2,524,644	2,351,082	173,562
Multiple Disabilities:					
Salaries of Teachers		60,561	60,561	60,561	
Other Salaries for Instruction		29,576	29,576	29,576	
General Supplies		2,101	2,101	2,101	
Total	-	92,238	92,238	92,238	-
Resource Room/Center:					
Salaries of Teachers	459,543	(41,299)	418,244	418,244	
Other Salaries for Instruction	172,721	(64,757)	107,964	107,964	
General Supplies	10,439		10,439	10,406	33
Textbooks	2,500	(1,964)	536		536
Total	645,203	(108,020)	537,183	536,614	569

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Special Education: (cont'd)					
Autism:					
Salaries of Teachers	\$ 60,784	\$ (5,403)	\$ 55,381	\$ 55,381	
Other Salaries for Instruction	52,975	(237)	52,738	52,738	
General Supplies	2,000	873	2,873	2,873	
Total	<u>115,759</u>	<u>(4,767)</u>	<u>110,992</u>	<u>110,992</u>	<u>\$ -</u>
Preschool Disabilities-Part Time:					
Salaries of Teachers	87,924	68	87,992	87,992	
Other Salaries for Instruction	53,715	(723)	52,992	52,992	
General Supplies	1,500		1,500	1,153	347
Total	<u>143,139</u>	<u>(655)</u>	<u>142,484</u>	<u>142,137</u>	<u>347</u>
Total Special Education	<u>904,101</u>	<u>(21,204)</u>	<u>882,897</u>	<u>881,981</u>	<u>916</u>
Basic Skills/Remedial:					
Salaries of Teachers	166,421	(12,656)	153,765	153,765	
General Supplies	1,500	1,924	3,424	3,419	5
Total	<u>167,921</u>	<u>(10,732)</u>	<u>157,189</u>	<u>157,184</u>	<u>5</u>
Bilingual Education:					
Salaries of Teachers	33,351	(330)	33,021	33,021	
General Supplies	590	81	671	490	181
Total	<u>33,941</u>	<u>(249)</u>	<u>33,692</u>	<u>33,511</u>	<u>181</u>
School Sponsored Co/Extra-Curr Activities:					
Salaries	35,212	5,018	40,230	40,230	
Supplies and Materials	450		450	397	53
Total	<u>35,662</u>	<u>5,018</u>	<u>40,680</u>	<u>40,627</u>	<u>53</u>
School Sponsored Athletics:					
Salaries	23,300	29	23,329	23,329	
Purchased Services	6,000		6,000	6,000	
Supplies and Materials	3,500		3,500	1,520	1,980
Total	<u>32,800</u>	<u>29</u>	<u>32,829</u>	<u>30,849</u>	<u>1,980</u>
Summer School-Instruction:					
Salaries of Teachers	15,000	3,274	18,274	18,274	
Total	<u>15,000</u>	<u>3,274</u>	<u>18,274</u>	<u>18,274</u>	<u>-</u>
Total Instruction Regular	<u>\$ 3,571,636</u>	<u>\$ 118,569</u>	<u>\$ 3,690,205</u>	<u>\$ 3,513,508</u>	<u>\$ 176,697</u>
Undistributed Expenditures:					
Instruction Tuition:					
Other LEAs within the State-Special	\$ 18,541	\$ (2,128)	\$ 16,413	\$ 10,551	\$ 5,862
Tuition to CSSD & Regional Day Schools		3,892	3,892	3,892	
Private Schools for the Disabled W/I State	140,843	2,591	143,434	136,034	7,400
Total	<u>159,384</u>	<u>4,355</u>	<u>163,739</u>	<u>150,477</u>	<u>13,262</u>
Health Services:					
Salaries	80,500	(650)	79,850	79,850	
Purch Professional and Technical Services	1,750	(85)	1,665	1,500	165
Other Purchased Services	250	(165)	85	85	
Supplies and Materials	5,854	(182)	5,672	4,667	1,005
Other Objects		57	57	57	
Total	<u>88,354</u>	<u>(1,025)</u>	<u>87,329</u>	<u>86,159</u>	<u>1,170</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Speech, OT, PT & Related Services:					
Salaries	\$ 173,679	\$ (63,635)	\$ 110,044	\$ 110,044	
Purchased Professional Educational Services	30,000	4,550	34,550	34,550	
Supplies and Materials	1,000		1,000	496	\$ 504
Total	<u>204,679</u>	<u>(59,085)</u>	<u>145,594</u>	<u>145,090</u>	<u>504</u>
Other Support Services-Students-Extraordinary Serv:					
Salaries	2,500	5,062	7,562	7,562	
Purchased Professional-Educational Services	53,000	35,272	88,272	88,272	
Total	<u>55,500</u>	<u>40,334</u>	<u>95,834</u>	<u>95,834</u>	<u>-</u>
Guidance:					
Salaries of Other Professional Staff	87,988	(871)	87,117	87,117	
Supplies and Materials	500	49	549	549	
Total	<u>88,488</u>	<u>(822)</u>	<u>87,666</u>	<u>87,666</u>	<u>-</u>
Child Study Team:					
Salaries of Other Professional Staff	201,072	(3,542)	197,530	197,530	
Salaries of Secretarial and Clerical Assistants	61,509		61,509	61,509	
Purchased Professional Educational Services	10,000	2,776	12,776	11,071	1,705
Supplies and Materials	10,500	391	10,891	10,891	
Total	<u>283,081</u>	<u>(375)</u>	<u>282,706</u>	<u>281,001</u>	<u>1,705</u>
Improvement of Instructional Services:					
Salaries of Supervisor of Instruction	41,760	(8,375)	33,385	33,385	
Salaries of Other Professional Staff	26,242	1,322	27,564	27,372	192
Salaries of Facilitators, Math & Literacy Coaches	39,237		39,237	38,849	388
Total	<u>107,239</u>	<u>(7,053)</u>	<u>100,186</u>	<u>99,606</u>	<u>580</u>
Educational Media Service/School Library:					
Salaries	84,315	(1,598)	82,717	82,717	
Salaries of Technology Coordinators	63,960		63,960	63,959	1
Supplies and Materials	8,500		8,500	8,280	220
Total	<u>156,775</u>	<u>(1,598)</u>	<u>155,177</u>	<u>154,956</u>	<u>221</u>
Instructional Staff Training Services:					
Purchased Professional-Educational Services		777	777	777	
Other Purchased Services	1,500		1,500	760	740
Supplies and Materials	7,500	19	7,519	7,519	
Total	<u>9,000</u>	<u>796</u>	<u>9,796</u>	<u>9,056</u>	<u>740</u>
Support Services General Administration:					
Salaries	79,322	(13,519)	65,803	65,803	
Legal Services	24,000	(6,084)	17,916	9,682	8,234
Audit Fees	15,000		15,000	14,000	1,000
Architect/Engineer Services	2,500		2,500		2,500
Other Purchased Professional Services	4,040		4,040	4,040	
Communications/Telephone	11,000	4,704	15,704	15,366	338
BOE Other Purchased Services	1,500		1,500		1,500
Miscellaneous Purchased Services	12,000		12,000	7,884	4,116
General Supplies	4,750	981	5,731	5,731	
BOE In-House Training/Meeting Supplies		250	250		250
Miscellaneous Expenditures	6,500	(2,811)	3,689	2,443	1,246
BOE Membership Dues and Fees	5,100	1,480	6,580	6,580	
Total	<u>165,712</u>	<u>(14,999)</u>	<u>150,713</u>	<u>131,529</u>	<u>19,184</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
Support Services School Administration:					
Salaries of Principals/Asst Principals/Program Director	\$ 167,764	\$ (8,469)	\$ 159,295	\$ 159,295	
Salaries of Secretarial and Clerical Assistants	51,560		51,560	51,503	\$ 57
Other Purchased Services	1,000	(912)	88		88
Supplies and Materials	500		500	207	293
Other Objects	800	(800)			
Total	221,624	(10,181)	211,443	211,005	438
Central Services:					
Salaries	171,036		171,036	171,036	
Purchased Professional Services	500	150	650	650	
Miscellaneous Purchased Services	1,000	(1,000)			
Supplies and Materials	500	769	1,269	1,269	
Miscellaneous Expenditures	2,800	(235)	2,565	2,565	
Total	175,836	(316)	175,520	175,520	-
Administrative Information Technology:					
Salaries	7,107		7,107	7,107	
Purchased Technical Services	25,079	9,700	34,779	34,779	
Total	32,186	9,700	41,886	41,886	-
Required Maintenance for School Facilities:					
Salaries	76,500		76,500	76,500	
Cleaning, Repair and Maintenance Services	72,655	(2,804)	69,851	50,461	19,390
General Supplies	14,821	7,988	22,809	22,631	178
Total	163,976	5,184	169,160	149,592	19,568
Custodial Services:					
Salaries	118,420	9,122	127,542	126,686	856
Purchased Professional and Technical Services	5,000	(1,750)	3,250	3,250	
Cleaning, Repair and Maintenance Services	12,678	(770)	11,908	11,170	738
Other Purchased Property Services	8,292	748	9,040	8,614	426
Insurance	43,000	620	43,620	43,620	
General Supplies	15,000	4,280	19,280	19,280	
Energy (Natural Gas)	35,000	3,763	38,763	37,544	1,219
Energy (Electricity)	110,000	(16,779)	93,221	93,221	
Other Objects		175	175	175	
Total	347,390	(591)	346,799	343,560	3,239
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services		9,925	9,925	9,425	500
General Supplies	6,500	(6,212)	288	288	
Total	6,500	3,713	10,213	9,713	500
Security:					
Purchased Professional and Technical Services	482		482	420	62
Cleaning, Repair and Maintenance Services	1,000	4,596	5,596	2,608	2,988
Total	1,482	4,596	6,078	3,028	3,050
Student Transportation Services:					
Management Fee-ESC & CTSA Transportation Program	2,500		2,500	2,500	
Contracted Service-Aid in Lieu Pymts-Non Public Schools	19,100	1,480	20,580	19,501	1,079
Contracted Service-Aid in Lieu Pymts-Choice Schools	4,500	(1,287)	3,213	1,606	1,607
Contracted Service (Oth than Between Home & Sch)-Vendors	10,500	477	10,977	9,275	1,702
Contracted Service (Reg Students)-ESCs & CTSA's	145,000		145,000	144,449	551
Contracted Service (Sp Ed Students)-ESCs & CTSA's	111,000	5,427	116,427	112,060	4,367
Total	292,600	6,097	298,697	289,391	9,306
Unallocated Benefits:					
Social Security Contributions	100,000	(24,923)	75,077	75,077	
Other Retirement Contributions-PERS	80,000	(9,103)	70,897	70,897	
Other Retirement Contributions-Reg	5,000	(2,467)	2,533	2,533	
Workmen's Compensation	45,000	(2,690)	42,310	42,310	
Health Benefits	1,161,342	(62,371)	1,098,971	1,023,316	75,655
Tuition Reimbursement	15,000	2,018	17,018	17,018	
Other Employee Benefits	10,000	5,892	15,892	15,892	
Total	1,416,342	(93,644)	1,322,698	1,247,043	75,655

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

EXPENDITURES (Cont'd)	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Current: (cont'd)					
On-Behalf TPAF Pension Contributions				\$ 185,123	\$ (185,123)
On-Behalf TPAF Post Retirement Medical Benefits				293,883	(293,883)
Reimbursed TPAF Social Security Contribution				345,230	(345,230)
Total	\$ -	\$ -	\$ -	824,236	(824,236)
Total Undistributed Expenditures	3,976,148	(114,914)	3,861,234	4,536,348	(675,114)
TOTAL EXPENDITURES	\$ 7,547,784	\$ 3,655	\$ 7,551,439	\$ 8,049,856	\$ (498,417)
CAPITAL OUTLAY					
Equipment:					
Central Services		\$ 15,425	\$ 15,425	\$ 15,425	
Instructional	\$ 9,364		9,364	9,207	\$ 157
Custodial		3,467	3,467	3,467	
Facilities Acquisition & Construction Services:					
Architectual/Engineering Services	12,000	(12,000)			
Construction Services	138,000	12,000	150,000		150,000
Assessment for Debt Service on SDA Funding	14,143		14,143	14,143	
TOTAL CAPITAL OUTLAY	173,507	18,892	192,399	42,242	150,157
GENERAL FUND TOTAL EXPENDITURES	\$ 7,721,291	\$ 22,547	\$ 7,743,838	\$ 8,092,098	\$ (348,260)
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (178,779)	\$ (22,547)	\$ (201,326)	\$ 336,262	\$ 537,588
Fund Balances, July 1	856,244	-	856,244	856,244	-
Fund Balances, June 30	\$ 677,465	\$ (22,547)	\$ 654,918	\$ 1,192,506	\$ 537,588
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	\$ (29,479)		\$ (29,479)	\$ (29,479)	
Increase in Capital Reserve	300	\$ 150,000	150,300	150,811	\$ 511
Withdrawal from Capital Reserve	(150,000)		(150,000)		150,000
Increase in Maintenance Reserve	200		200		(200)
Increase in Emergency Reserve	200		200	151	(49)
Budgeted Fund Balance		(172,547)	(172,547)	214,779	387,326
TOTAL	(178,779)	(22,547)	(201,326)	336,262	537,588

CLINTON-GLEN GARDNER SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

RECAPITULATION OF FUND BALANCE

Committed Fund Balance:		
Capital Reserve	\$ 553,708	
Maintenance Reserve	100,000	
Emergency Reserve	<u>75,247</u>	
		\$ 728,955
Assigned Fund Balance:		
Year-End Encumbrances		196,739
Unassigned Fund Balance		<u>266,812</u>
		1,192,506
Reconciliation to Governmental Statements (GAAP):		
Last State Aid Payments not Recognized on GAAP Basis		<u>(127,681)</u>
Fund Balance Per Governmental Funds (GAAP)		<u>\$ 1,064,825</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 SPECIAL REVENUE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources	\$ 13,700	\$ 771	\$ 14,471	\$ 9,429	\$ (5,042)
Federal Sources	165,143	5,775	170,918	170,918	
TOTAL REVENUES	<u>\$ 178,843</u>	<u>\$ 6,546</u>	<u>\$ 185,389</u>	<u>\$ 180,347</u>	<u>\$ (5,042)</u>
EXPENDITURES					
Instruction:					
Salaries for Teachers	\$ 20,700		\$ 20,700	\$ 20,700	
General Supplies	9,600	\$ 771	10,371	5,329	\$ 5,042
Total	<u>30,300</u>	<u>771</u>	<u>31,071</u>	<u>26,029</u>	<u>5,042</u>
Support Services:					
Personnel Services Employee Benefits	5,382	5,465	10,847	10,847	
Other Purchased Professional Services	35,317		35,317	35,317	
Tuition	92,709	300	93,009	93,009	
General Supplies	4,100		4,100	4,100	
Other Purchased Services	11,035	10	11,045	11,045	
Total	<u>148,543</u>	<u>5,775</u>	<u>154,318</u>	<u>154,318</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 178,843</u>	<u>\$ 6,546</u>	<u>\$ 185,389</u>	<u>\$ 180,347</u>	<u>\$ 5,042</u>

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION-PART II

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 BUDGETARY COMPARISON SCHEDULE

Explanation of Differences Between Budgetary Inflows and Outflows and GAAP Revenues and Expenditures:

	General Fund	Special Revenue Fund
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 8,428,360	\$ 180,347
<p>The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expenses (GASB 33):</p>		
State Aid Receivable Prior Year	117,455	
State Aid Receivable Current Year	(127,681)	
Total Revenues (GAAP Basis)	\$ 8,418,134	\$ 180,347
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 8,092,098	\$ 180,347
Total Expenditures (GAAP Basis)	\$ 8,092,098	\$ 180,347

REQUIRED SUPPLEMENTARY INFORMATION-PART III

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-TEACHER'S PENSION AND ANNUITY FUND
 LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)- Percentage		0.00%	0.00%							
District's Proportion of the Net Pension Liability (Asset)- Value	N/A	\$ -	\$ -	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's Proportionate Share of the Net Pension Liability (Asset) Associated With The District		18,983,034	18,666,978							
Total	\$ -	\$ 18,983,034	\$ 18,666,978	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll		\$ 3,377,598	\$ 3,508,018							
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll	N/A	0.00%	0.00%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		33.64%	33.76%							

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS-TEACHER'S PENSION AND ANNUITY FUND
 LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution Contributions in Relation to the Contractually Required Contribution	\$ 185,123	\$ 150,255	\$ 238,660	\$ 121,289	\$ 12,026	\$ 12,878	\$ 12,327	\$ 274,059	\$ 271,063	\$ 36,460
Contribution Deficiency (Excess)	(185,123)	(150,255)	(238,660)	(121,289)	(12,026)	(12,878)	(12,327)	(274,059)	(271,063)	(36,460)
District's Covered Employee Payroll	\$ 3,508,604	\$ 3,377,598	\$ 3,508,018	\$ 3,319,279	\$ 3,588,518	\$ 3,714,805	\$ 3,718,056	\$ 3,555,985	\$ 3,273,334	\$ 3,395,796
Contributions as a Percentage of Covered Employee Payroll	5.28%	4.45%	6.80%	3.65%	0.34%	0.35%	0.33%	7.71%	8.28%	1.07%

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY-PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
District's Proportion of the Net Pension Liability (Asset)- Percentage		0.0085999806%	0.0075412794%							
District's Proportion of the Net Pension Liability (Asset)- Value		\$ 1,610,152	\$ 1,441,288							
District's Covered Employee Payroll	N/A	604,752	530,988	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Employee Payroll		266.25%	271.44%							
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		52.08%	48.72%							

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS-PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST 10 FISCAL YEARS

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Contractually Required Contribution	\$ 70,897	\$ 56,822	\$ 59,103	\$ 65,728	\$ 56,659	\$ 45,882	\$ 37,236	\$ 26,924	\$ 15,808	\$ 8,361
Contributions in Relation to the Contractually Required Contribution	(70,897)	(56,822)	(59,103)	(65,728)	(56,659)	(45,882)	(37,236)	(26,924)	(15,808)	(8,361)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 595,102	\$ 604,752	\$ 530,988	\$ 500,491	\$ 527,257	\$ 574,952	\$ 521,240	\$ 476,807	\$ 510,530	\$ 395,890
Contributions as a Percentage of Covered Employee Payroll	11.91%	9.40%	11.13%	13.13%	10.75%	7.98%	7.14%	5.65%	3.10%	2.11%

NOTES TO THE REQUIRED SUPPLEMENTAL INFORMATION-PART III

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
(UNAUDITED)

JUNE 30, 2014 AND 2013

NOTE 1. SPECIAL FUNDING SITUATION-TPAF

The participating employer allocations included in the supplemental schedule of employer special funding allocations and the supplemental schedule of special funding amounts by employer for each local employer are provided as each local employer is required to record in their financial statements, as an expense and corresponding revenue, their proportionate share of the pension expense allocated to the State of New Jersey (the State) under the special-funding situation and include their proportionate share of the net pension liability in their respective notes to their financial statements. For this purpose, the proportionate share was developed based on actual contributions made to the Teachers' Pension and Annuity Fund allocated to employers based upon covered payroll and adjusted by expected State Early Retirement Incentive contributions for the respective fiscal year.

OTHER SUPPLEMENTAL INFORMATION

SCHOOL LEVEL SCHEDULES

(NOT APPLICABLE TO THIS REPORT)

SPECIAL REVENUE FUND

DETAIL STATEMENTS

The special revenue fund is used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted expenditures for specific purposes.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	NCLB Title IA	NCLB Title II A	IDEA Basic	IDEA Pre-school	Local Grants	Total
REVENUES						
Local Sources					\$ 9,429	\$ 9,429
Federal Sources	\$ 32,919	\$ 9,673	\$ 123,009	\$ 5,317		170,918
TOTAL REVENUES	\$ 32,919	\$ 9,673	\$ 123,009	\$ 5,317	\$ 9,429	\$ 180,347
EXPENDITURES						
Instruction:						
Salaries for Teachers	\$ 20,700					\$ 20,700
General Supplies					\$ 5,329	5,329
Total	20,700	\$ -	\$ -	\$ -	5,329	26,029
Support Services:						
Personnel Services Employee Benefits	10,847					10,847
Other Purchased Professional Services			30,000	5,317		35,317
Tuition			93,009			93,009
General Supplies					4,100	4,100
Other Purchased Services	1,372	9,673				11,045
Total	12,219	9,673	123,009	5,317	4,100	154,318
TOTAL EXPENDITURES	\$ 32,919	\$ 9,673	\$ 123,009	\$ 5,317	\$ 9,429	\$ 180,347

CAPITAL PROJECTS FUND

DETAIL STATEMENTS

The capital projects fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE-BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Revenues and Other Financing Sources:	
Local Sources:	
Bond Proceeds	\$ 2,104,000
Interest Earned on Investments	<u>3,506</u>
Total Revenues	\$ 2,107,506
Expenditures and Other Financing Uses:	
Capital Project Expenditures	<u>1,111,283</u>
Change in Fund Balance	996,223
Fund Balance-Beginning	<u>-</u>
Fund Balance-End	<u>\$ 996,223</u>
Analysis of Balance:	
Capital Project Balance	\$ 992,717
Interest Earnings	<u>3,506</u>
	<u>\$ 996,223</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS-FACILITIES IMPROVEMENT PROJECT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Local Sources:				
Bond Proceeds		\$ 2,104,000	\$ 2,104,000	\$ 2,104,000
Other				250
Total Revenues	\$ -	2,104,000	\$ 2,104,000	2,104,250
Expenditures and Other Financing Uses:				
Construction:				
Exterior Closure		541,573	541,573	800,000
HVAC		426,597	426,597	850,000
Miscellaneous		3,581	3,581	135,000
Other Allowable Costs:				
Architect/Engineering		81,149	81,149	90,000
Bonding/Legal Fees		58,383	58,383	25,000
Construction Management				50,000
Testing Consulting Fees				15,000
Permit Fees				50,000
Construction Contingency				89,250
Total Expenditures	-	1,111,283	1,111,283	2,104,250
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 992,717	\$ 992,717	\$ -

Additional Project Information:

Project Number	0910-030-14-2000
Grant Date	N/A
Original Bonds Authorized Date	01/07/14
Original Bonds Authorized	\$ 2,104,250
Original Bonds Issued	\$ 2,104,000
Additional Bonds Issued	N/A
Percentage Completion	47.18%

PROPRIETARY FUND

DETAIL STATEMENTS

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises-where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 COMBINING STATEMENT OF FUND NET POSITION
 ENTERPRISE FUND
 JUNE 30, 2015

	Food Service Fund	Child Care Program	Total
Current Assets:			
Cash & Cash Equivalents	\$ 14,893	\$ 75,961	\$ 90,854
Accounts Receivable:			
Intergovernmental-Federal	3,088		3,088
Intergovernmental-State	190		190
Due From Other Funds	9,825		9,825
Other	10,297		10,297
Inventories	2,873		2,873
Total Current Assets	<u>41,166</u>	<u>75,961</u>	<u>117,127</u>
Fixed Assets:			
Capital Assets	107,526		107,526
Accumulated Depreciation	91,031		91,031
Total Fixed Assets	<u>16,495</u>	<u>-</u>	<u>16,495</u>
Total Assets	<u>57,661</u>	<u>75,961</u>	<u>133,622</u>
LIABILITIES			
Current Liabilities:			
Unearned Revenue	1,001		1,001
Total Current Liabilities	<u>1,001</u>	<u>-</u>	<u>1,001</u>
NET POSITION			
Net Investment in Capital Assets	16,495		16,495
Unrestricted	40,165	75,961	116,126
TOTAL NET POSITION	<u>\$ 56,660</u>	<u>\$ 75,961</u>	<u>\$ 132,621</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
 ENTERPRISE FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Services	Child Care Program	Total
Operating Revenues:			
Charges for Services:			
Daily Sales-Reimbursable Programs	\$ 52,787		\$ 52,787
Daily Sales-Nonreimbursable Programs	32,828		32,828
Child Care Revenues		\$ 144,852	144,852
Total Operating Revenues	<u>85,615</u>	<u>144,852</u>	<u>230,467</u>
Operating Expenses:			
Costs of Sales-Reimbursable Programs	37,103		37,103
Costs of Sales-Nonreimbursable Programs	22,740		22,740
Salaries	33,944	68,139	102,083
Employee Benefits	5,136	6,201	11,337
Insurance	3,542		3,542
Management Fees	7,621		7,621
Other Purchased Services	4,208	20,000	24,208
Repairs and Maintenance	1,587		1,587
General Supplies	6,995	2,370	9,365
Depreciation	1,394		1,394
Total Operating Expenses	<u>124,270</u>	<u>96,710</u>	<u>220,980</u>
Operating Income (Loss)	<u>(38,655)</u>	<u>48,142</u>	<u>9,487</u>
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	1,348		1,348
Federal Sources:			
National School Lunch Program:			
Cash Assistance	28,383		28,383
Noncash Assistance (Commodities)	9,157		9,157
Interest Earned on Investments	32		32
Total Nonoperating Revenues (Expenses)	<u>38,920</u>	<u>-</u>	<u>38,920</u>
Change in Net Position	265	48,142	48,407
Total Net Position, Beginning	<u>56,395</u>	<u>27,819</u>	<u>84,214</u>
Total Net Position, Ending	<u>\$ 56,660</u>	<u>\$ 75,961</u>	<u>\$ 132,621</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Food Services	Child Care Program	Total
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 85,615	\$ 144,852	\$ 230,467
Payments to Employees		(68,139)	(68,139)
Payments for Employee Benefits		(6,201)	(6,201)
Payments to Food Services Management Co	(116,755)		(116,755)
Payments to Vendors	(6,908)	(22,370)	(29,278)
Net Cash Provided by (Used For) Operating Activities	(38,048)	48,142	10,094
Cash Flows from Noncapital Financing Activities:			
State Sources	1,512		1,512
Federal Sources	31,241		31,241
Interfund Activity	(7,056)		(7,056)
Net Cash Provided by (Used For) Noncapital Financing Activities	25,697	-	25,697
Cash Flows from Capital Financing Activities:			
Acquisition of Equipment	(10,110)		(10,110)
Net Cash Provided by (Used For) Capital Financing Activities	(10,110)	-	(10,110)
Cash Flows from Investing Activities:			
Interest Earned on Investments	32		32
Net Cash Provided by Investing Activities	32	-	32
Net Increase (Decrease) in Cash and Cash Equivalents	(22,429)	48,142	25,713
Cash and Cash Equivalents, July 1, 2014	37,322	27,819	65,141
Cash and Cash Equivalents, June 30, 2015	<u>\$ 14,893</u>	<u>\$ 75,961</u>	<u>\$ 90,854</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:			
Operating Income (Loss)	\$ (38,655)	\$ 48,142	\$ 9,487
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:			
Depreciation	1,394		1,394
Federal Food Donation Program	9,157		9,157
(Increase) Decrease in Other Receivables	(10,297)		(10,297)
(Increase) Decrease in Inventory	833		833
Increase (Decrease) in Unearned Revenue	(480)		(480)
Net Cash Provided by (Used For) Operating Activities	\$ (38,048)	\$ 48,142	\$ 10,094

FIDUCIARY FUND

DETAIL STATEMENTS

Fiduciary Fund are used to account for funds received by the school district as an agent for individuals, private organizations, other governments and/or other funds.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 COMBINING STATEMENT OF FIDUCIARY FUND NET POSITION
 FIDUCIARY FUNDS
 JUNE 30, 2015

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund	Totals
ASSETS				
Cash & Cash Equivalents	\$ 56,196	\$ 51,696	\$ 3,848	\$ 111,740
Due from Other Funds	20			20
TOTAL ASSETS	<u>56,216</u>	<u>51,696</u>	<u>3,848</u>	<u>111,760</u>
LIABILITIES				
Due to Other Funds			4,020	4,020
Due to Student Groups		51,696		51,696
Payroll Deductions & Withholdings			(172)	(172)
TOTAL LIABILITIES	<u>-</u>	<u>51,696</u>	<u>3,848</u>	<u>55,544</u>
NET POSITION				
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 56,216</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 56,216</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Fund</u>
ADDITIONS	
Contributions:	
Plan Members	\$ 8,196
Total Additions	<u>8,196</u>
DEDUCTIONS	
Unemployment Claims	<u>5,878</u>
Total Deductions	<u>5,878</u>
Change in Net Position	2,318
Net Position, Beginning of the Year	<u>53,898</u>
Net Position, End of the Year	<u><u>\$ 56,216</u></u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 STUDENT ACTIVITY AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
ASSETS				
Cash and Cash Equivalents	\$ 59,043	\$ 69,243	\$ 76,590	\$ 51,696
TOTAL ASSETS	\$ 59,043	\$ 69,243	\$ 76,590	\$ 51,696
LIABILITIES				
Due to Other Funds	\$ 12,638		\$ 12,638	
Due to Student Groups	46,405	\$ 69,243	63,952	\$ 51,696
TOTAL LIABILITIES	\$ 59,043	\$ 69,243	\$ 76,590	\$ 51,696

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 PAYROLL AGENCY FUND
 STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Balance 07/01/14	Additions	Deletions	Balance 06/30/15
ASSETS				
Cash and Cash Equivalents	\$ 4,589	\$ 5,178,270	\$ 5,179,011	\$ 3,848
TOTAL ASSETS	<u>\$ 4,589</u>	<u>\$ 5,178,270</u>	<u>\$ 5,179,011</u>	<u>\$ 3,848</u>
LIABILITIES AND RESERVES				
Due to Other Funds	\$ 4,000	\$ 20		\$ 4,020
Payroll Deductions & Withholdings	589	2,151,966	\$ 2,152,727	(172)
Net Payroll		3,026,284	3,026,284	
TOTAL LIABILITIES AND RESERVES	<u>\$ 4,589</u>	<u>\$ 5,178,270</u>	<u>\$ 5,179,011</u>	<u>\$ 3,848</u>

LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding, obligations under capital leases, and early retirement program.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 JUNE 30, 2015

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/01/14	Issued	Retired	Balance 06/30/15
			Date	Amount					
Refunding School Bonds of 2002	02/01/02	\$ 3,335,000				\$ 335,000		\$ 335,000	
Refunding School Bonds of 2009	08/15/09	1,505,000	08/15/15	\$ 120,000	4.000%				
			08/15/16	130,000	3.000%				
			08/15/17	140,000	4.000%				
			08/15/18	145,000	3.250%				
			08/15/19	140,000	3.500%				
			08/15/20	140,000	3.625%				
			08/15/21	140,000	3.750%	1,070,000		115,000	\$ 955,000
School Bonds of 2014	08/15/14	2,104,000	02/15/16	155,000	2.000%				
			02/15/17	190,000	2.000%				
			02/15/18	195,000	2.000%				
			02/15/19	205,000	2.000%				
			02/15/20	210,000	2.000%				
			02/15/21	215,000	2.000%				
			02/15/22	220,000	2.000%				
			02/15/23	230,000	2.000%				
			02/15/24	235,000	2.250%				
			02/15/25	249,000	2.375%				
						\$ 2,104,000		2,104,000	
						\$ 1,405,000	\$ 2,104,000	\$ 450,000	\$ 3,059,000

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
 JUNE 30, 2015

	Interest Rate Payable	Amount of Original Issue	Balance 07/01/14	Issued	Retired	Balance 06/30/15
Technology Equipment	2.48%	\$ 240,000	\$ 41,158		\$ 41,158	\$ -
			<u>\$ 41,158</u>	<u>\$ -</u>	<u>\$ 41,158</u>	<u>\$ -</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 BUDGETARY COMPARISON SCHEDULE
 DEBT SERVICE FUND
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local Sources:					
Local Tax Levy-Pre Merger Debt	\$ 501,796		\$ 501,796	\$ 501,796	
State Sources:					
Debt Service Aid Type II	917		917	917	
Total Revenues	<u>502,713</u>	<u>\$ -</u>	<u>502,713</u>	<u>502,713</u>	<u>\$ -</u>
EXPENDITURES					
Regular Debt Service:					
Redemption of Principal	450,000		450,000	450,000	
Interest on Bonds	52,713		52,713	52,713	
Total Expenditures	<u>502,713</u>	<u>-</u>	<u>502,713</u>	<u>502,713</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, June 30	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

STATISTICAL SECTION

CLINTON-GLEN GARDNER SCHOOL DISTRICT
STATISTICAL SECTION J SERIES

CONTENTS	PAGE
FINANCIAL TRENDS	
These Schedules Contain Trend Information to Help the Reader Understand how the District's Financial Performance and Well Being have Changed Over Time.	J-1 to J-6
REVENUE CAPACITY	
These Schedules Contain Trend Information to Help the Reader Assess the District's most Significant Local Revenue Sources, the Property Tax.	J-7 to J-15
DEBT CAPACITY	
These Schedules Contain Trend Information to Help the Reader Assess the Affordability of the District's Current Levels of Outstanding Debt and the District's Ability to Issue Additional Debt in the Future.	J-16 to J-20
DEMOGRAPHIC AND ECONOMIC INFORMATION	
These Schedules Offer Demographic and Economic Indicators to Help the Reader Understand the Environment Within Which the District's Financial Activities Take Place.	J-21 to J-22
OPERATING INFORMATION	
These Schedules Contain Service and Infrastructure Data to Help the Reader Understand how the Information in the District's Financial Report Relates to the Services the District Provides and the Activities it Performs.	J-23 to J-27

Sources: Unless Otherwise noted, the Information in these Schedules is
Derived from the Comprehensive Annual Financial Reports (CAFR) for the
Relevant Year.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GOVERNMENTAL ACTIVITIES										
Net Investment in Capital Assets	\$ 3,541,002	\$ 3,683,929	\$ 3,839,597	\$ 3,982,503	\$ 4,128,574	\$ 4,371,285	\$ 4,537,465	\$ 4,893,462	\$ 5,385,724	\$ 4,662,010
Restricted	139	139	139	40,140	102,774	167,217	197,547	397,671	577,993	1,725,179
Unrestricted	(45,517)	139,065	71,661	61,887	21,637	182,420	422,659	237,414	(1,310,609)	(1,229,777)
TOTAL GOVERNMENTAL ACTIVITIES NET POSITION	\$ 3,495,624	\$ 3,823,133	\$ 3,911,397	\$ 4,084,530	\$ 4,252,985	\$ 4,720,922	\$ 5,157,671	\$ 5,528,547	\$ 4,653,108	\$ 5,157,412
BUSINESS-TYPE ACTIVITIES										
Invested in Capital Assets, Net of Related Debt	\$ 44,338	\$ 40,534	\$ 39,422	\$ 32,523	\$ 25,920	\$ 19,570	\$ 13,217	\$ 11,526	\$ 7,779	\$ 16,495
Unrestricted	81,453	100,750	103,787	25,184	82,823	131,618	174,323	65,802	76,435	116,126
TOTAL BUSINESS-TYPE ACTIVITIES	\$ 125,791	\$ 141,284	\$ 143,209	\$ 57,707	\$ 108,743	\$ 151,188	\$ 187,540	\$ 77,328	\$ 84,214	\$ 132,621
DISTRICT-WIDE										
Net Investment in Capital Assets	\$ 3,585,340	\$ 3,724,463	\$ 3,879,019	\$ 4,015,026	\$ 4,154,494	\$ 4,390,855	\$ 4,550,682	\$ 4,904,988	\$ 5,393,503	\$ 4,678,505
Restricted	139	139	139	40,140	102,774	167,217	197,547	397,671	577,993	1,725,179
Unrestricted	35,936	239,815	175,448	87,071	104,460	314,038	596,982	303,216	(1,234,174)	(1,113,651)
TOTAL DISTRICT-WIDE	\$ 3,621,415	\$ 3,964,417	\$ 4,054,606	\$ 4,142,237	\$ 4,361,728	\$ 4,872,110	\$ 5,345,211	\$ 5,605,875	\$ 4,737,322	\$ 5,290,033

Note-Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending district to the Town of Clinton on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 CHANGES IN NET POSITION
 LAST TEN FISCAL YEARS
 (ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
EXPENSES										
Governmental Activities:										
Instruction:										
Regular	\$ 3,264,590	\$ 3,442,154	\$ 3,569,937	\$ 3,564,328	\$ 3,424,234	\$ 3,064,929	\$ 3,282,752	\$ 3,307,290	\$ 3,215,086	\$ 3,995,146
Special Education	1,167,694	1,230,670	1,374,904	1,187,652	1,397,612	1,557,303	1,537,296	1,650,654	1,626,623	1,738,146
Other Instruction	60,738	77,265	91,294	80,667	98,492	74,827	75,067	84,814	86,365	94,110
Support Services:										
Tuition	130,806	117,067	120,312	176,784	242,911	181,942	258,451	244,655	266,197	243,486
Student and Instruction Related Services	941,943	943,654	1,085,543	1,280,294	1,442,001	1,346,673	1,250,154	1,392,448	1,348,496	1,674,594
General and Business Administrative Services	554,549	512,815	588,641	583,662	568,098	553,444	678,237	569,239	501,436	501,297
School Administrative Services	191,823	214,526	242,139	236,339	269,045	268,637	244,835	273,660	299,817	359,739
Plant Operations and Maintenance	471,873	550,439	559,551	587,830	582,103	536,418	567,423	671,284	581,535	626,109
Pupil Transportation	114,654	97,408	85,674	104,463	310,020	294,709	314,598	273,342	274,744	289,391
Interest on Long-Term Debt	218,045	203,497	189,502	179,431	128,690	142,942	128,355	102,179	82,234	99,843
Total Governmental Activities Expenses	<u>7,116,715</u>	<u>7,389,495</u>	<u>7,907,497</u>	<u>7,981,450</u>	<u>8,463,206</u>	<u>8,021,824</u>	<u>8,337,168</u>	<u>8,569,565</u>	<u>8,282,533</u>	<u>9,621,861</u>
Business-Type Activities:										
Food Services	120,293	119,300	132,969	135,927	125,742	127,014	124,732	129,346	126,646	124,270
Child Care	114,826	118,049	121,767	145,249	133,131	142,781	139,139	123,450	126,384	96,710
Total Business-Type Activities	<u>235,119</u>	<u>237,349</u>	<u>254,736</u>	<u>281,176</u>	<u>258,873</u>	<u>269,795</u>	<u>263,871</u>	<u>252,796</u>	<u>253,030</u>	<u>220,980</u>
TOTAL DISTRICT EXPENSES	<u>\$ 7,351,834</u>	<u>\$ 7,626,844</u>	<u>\$ 8,162,233</u>	<u>\$ 8,262,626</u>	<u>\$ 8,722,079</u>	<u>\$ 8,291,619</u>	<u>\$ 8,601,039</u>	<u>\$ 8,822,361</u>	<u>\$ 8,535,563</u>	<u>\$ 9,842,841</u>

Note-Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending district to the Town of Clinton on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PROGRAM REVENUES										
Governmental Activities:										
Charges for Services	\$ 2,203,781	\$ 2,296,557	\$ 2,307,758	\$ 2,438,090	\$ 172,761	\$ 143,409	\$ 73,900	\$ 27,742	\$ 34,607	\$ 28,250
Operating Grants & Contributions	214,215	201,794	225,534	217,793	261,008	197,376	167,463	181,008	170,529	180,347
Capital Grants & Contributions	55,020						64,576	10,124		
Total Governmental Activities Program Revenues	<u>2,473,016</u>	<u>2,498,351</u>	<u>2,533,292</u>	<u>2,655,883</u>	<u>433,769</u>	<u>340,785</u>	<u>305,939</u>	<u>218,874</u>	<u>205,136</u>	<u>208,597</u>
Business-Type Activities:										
Charges for Services:										
Food Service	98,572	97,512	105,742	98,162	104,785	101,467	95,156	85,273	87,708	85,615
Child Care	132,247	130,280	122,783	109,159	178,063	181,453	178,671	110,082	134,188	144,852
Operating Grants & Contributions	24,631	24,770	27,790	28,258	26,969	29,152	26,255	37,174	37,972	38,888
Total Business-Type Activities Program Revenues	<u>255,450</u>	<u>252,562</u>	<u>256,315</u>	<u>235,579</u>	<u>309,817</u>	<u>312,072</u>	<u>300,082</u>	<u>232,529</u>	<u>259,868</u>	<u>269,355</u>
TOTAL DISTRICT-PROGRAM REVENUES	<u>\$ 2,728,466</u>	<u>\$ 2,750,913</u>	<u>\$ 2,789,607</u>	<u>\$ 2,891,462</u>	<u>\$ 743,586</u>	<u>\$ 652,857</u>	<u>\$ 606,021</u>	<u>\$ 451,403</u>	<u>\$ 465,004</u>	<u>\$ 477,952</u>
NET (EXPENSE) REVENUES										
Governmental Activities	\$ (4,643,699)	\$ (4,891,144)	\$ (5,374,205)	\$ (5,325,567)	\$ (8,029,437)	\$ (7,681,039)	\$ (8,031,229)	\$ (8,350,691)	\$ (8,077,397)	\$ (9,413,264)
Business-Type Activities	20,331	15,213	1,579	(45,597)	50,944	42,277	36,211	(20,267)	6,838	48,375
TOTAL DISTRICT-WIDE NET EXPENSES	<u>\$ (4,623,368)</u>	<u>\$ (4,875,931)</u>	<u>\$ (5,372,626)</u>	<u>\$ (5,371,164)</u>	<u>\$ (7,978,493)</u>	<u>\$ (7,638,762)</u>	<u>\$ (7,995,018)</u>	<u>\$ (8,370,958)</u>	<u>\$ (8,070,559)</u>	<u>\$ (9,364,889)</u>
GENERAL REVENUES & OTHER CHANGES IN NET POSITION										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 3,488,226	\$ 3,714,408	\$ 3,910,915	\$ 4,086,329	\$ 5,790,375	\$ 5,979,490	\$ 6,055,296	\$ 6,055,296	\$ 6,176,403	\$ 6,299,930
Taxes Levied for Debt Service	565,336	551,123	568,356	553,625	538,505	509,311	526,121	532,545	537,661	501,796
Unrestricted Grants & Contributions	689,659	941,125	972,218	813,646	1,865,231	1,651,392	1,883,405	1,986,350	1,861,933	3,082,105
Investment Earnings	4,038	11,997	10,386	1,686	1,931	3,590	3,073	1,689	1,390	6,916
Miscellaneous Income	8,146		594	3,414	1,850	5,193	83	441	9,037	26,821
Special Item-Insurance Claim Proceeds for Storm Damage								55,286		
Operating Transfer				40,000				90,000		
Total Governmental Activities	<u>4,755,405</u>	<u>5,218,653</u>	<u>5,462,469</u>	<u>5,498,700</u>	<u>8,197,892</u>	<u>8,148,976</u>	<u>8,467,978</u>	<u>8,721,607</u>	<u>8,586,424</u>	<u>9,917,568</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(Continued)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
GENERAL REVENUES & OTHER CHANGES IN NET POSITION (Cont'd)										
Business-Type Activities:										
Investment Earnings		\$ 280	\$ 346	\$ 95	\$ 92	\$ 168	\$ 141	\$ 55	\$ 48	\$ 32
Operating Transfer				(40,000)				(90,000)		
Total Business-Type Activities	\$ -	280	346	(39,905)	92	168	141	(89,945)	48	32
TOTAL DISTRICT-WIDE	<u>\$ 4,755,405</u>	<u>\$ 5,218,933</u>	<u>\$ 5,462,815</u>	<u>\$ 5,458,795</u>	<u>\$ 8,197,984</u>	<u>\$ 8,149,144</u>	<u>\$ 8,468,119</u>	<u>\$ 8,631,662</u>	<u>\$ 8,586,472</u>	<u>\$ 9,917,600</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 111,706	\$ 327,509	\$ 88,264	\$ 173,133	\$ 168,455	\$ 467,937	\$ 436,749	\$ 370,916	\$ 509,027	\$ 504,304
Business-Type Activities	20,331	15,493	1,925	(85,502)	51,036	42,445	36,352	(110,212)	6,886	48,407
TOTAL DISTRICT	<u>\$ 132,037</u>	<u>\$ 343,002</u>	<u>\$ 90,189</u>	<u>\$ 87,631</u>	<u>\$ 219,491</u>	<u>\$ 510,382</u>	<u>\$ 473,101</u>	<u>\$ 260,704</u>	<u>\$ 515,913</u>	<u>\$ 552,711</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund:										
Restricted	\$ 10,835	\$ 8,631				\$ 2,862	\$ 2,862			
Committed	20,139	20,139	\$ 139	\$ 40,140	\$ 70,276	167,217	197,547	\$ 397,671	\$ 577,993	\$ 728,956
Assigned	6,837	65,452	3,576			4,311	316,332	176,262	29,479	196,739
Unassigned	100,882	118,249	148,114	140,435	25,594	189,267	193,869	144,850	131,317	139,130
Total General Fund	<u>\$ 138,693</u>	<u>\$ 212,471</u>	<u>\$ 151,829</u>	<u>\$ 180,575</u>	<u>\$ 95,870</u>	<u>\$ 363,657</u>	<u>\$ 710,610</u>	<u>\$ 718,783</u>	<u>\$ 738,789</u>	<u>\$ 1,064,825</u>
All Other Governmental Funds:										
Restricted, Reported In:										
Capital Projects Fund	\$ 290									\$ 996,223
Debt Service Fund					\$ 32,498					
Total All Other Governmental Funds	<u>\$ 290</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,498</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 996,223</u>

Note-Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending district to the Town of Clinton on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Tax Levy	\$ 4,053,562	\$ 4,265,531	\$ 4,479,271	\$ 4,639,954	\$ 6,328,880	\$ 6,488,801	\$ 6,581,417	\$ 6,587,841	\$ 6,714,064	\$ 6,801,726
Tuition Charges	2,203,781	2,296,557	2,307,758	2,438,090	167,641	142,369	64,450	26,650	23,072	21,331
Interest Earnings	4,038	11,997	10,386	1,686	1,931	3,590	3,073	1,669	1,390	6,916
Miscellaneous	8,146	2,500	594	3,414	6,970	15,597	18,745	19,739	30,603	43,169
State Sources	698,277	942,613	972,218	813,646	1,744,283	1,626,274	1,860,552	1,986,350	1,861,933	2,060,640
State Sources-Capital Projects	55,020						64,576			
Federal Sources	205,597	197,806	225,534	217,793	381,956	213,130	181,104	172,926	160,499	170,918
Total Revenues	7,228,421	7,717,004	7,995,761	8,114,583	8,631,661	8,489,761	8,773,917	8,795,175	8,791,561	9,104,700
Expenditures:										
Instruction:										
Regular Instruction	2,253,707	2,259,424	2,398,807	2,505,608	2,350,284	2,167,949	2,140,059	2,297,341	2,315,569	2,351,082
Special Education Instruction	532,463	579,784	632,853	634,331	860,755	861,954	813,675	851,116	891,693	881,981
Other Special Instruction	157,326	180,375	200,480	112,272	148,018	182,015	192,768	218,102	197,423	190,695
Other Instruction	57,749	72,779	87,107	76,656	93,907	71,266	71,386	80,908	82,361	89,750
Support Services:										
Tuition	130,806	117,067	120,312	176,784	96,486	95,361	166,803	142,727	171,096	150,477
Student and Instruction Related Services	645,459	684,543	733,736	854,322	964,733	872,713	820,473	912,176	944,721	959,368
General Administration	267,917	273,163	281,301	265,808	231,371	221,784	219,939	242,270	221,603	131,529
School Administration Services	140,062	145,882	163,362	166,327	194,046	177,960	183,410	186,453	187,559	211,005
Central Services/Business	152,329	158,005	143,074	159,785	157,272	147,860	151,469	152,881	157,048	175,520
Administrative Information Technology	27,903		6,784	6,166	13,582	24,364	27,914	31,597	28,904	41,886
Plant Operations and Maintenance	470,006	548,746	558,031	579,231	572,610	535,505	566,606	674,443	510,361	505,893
Pupil Transportation	114,654	97,408	85,674	104,463	310,020	294,709	314,598	273,342	274,744	289,391
Employee Benefits	1,006,020	1,097,901	1,143,407	1,172,060	1,378,060	1,288,745	1,274,384	1,280,565	1,217,177	1,247,043
On-Behalf TPAF Pension & Soc Sec Contributions	449,451	669,706	703,327	539,398	544,550	547,095	624,779	781,792	652,189	824,236
Capital Outlay	14,994	4,300	3,000	225,000			240,000	67,743	195,772	28,099
Capital Projects	122,035						153,845			1,111,283
Special Revenue Funds	212,946	201,794	225,534	217,793	261,008	197,376	167,463	191,132	170,529	180,347
Debt Service:										
Principal	350,000	350,000	380,000	380,000	380,000	405,000	415,000	440,000	465,000	450,000
Interest & Other Charges	214,680	202,639	189,614	174,833	127,166	137,816	122,393	107,680	87,806	66,856
Total Expenditures	7,320,507	7,643,516	8,056,403	8,350,837	8,683,868	8,229,472	8,666,964	8,932,268	8,771,555	9,886,441
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(92,086)	73,488	(60,642)	(236,254)	(52,207)	260,289	106,953	(137,093)	20,006	(781,741)
Other Financing Sources (Uses):										
Capital Leases (Non-Budgeted)				225,000			240,000			
Proceeds from Bond Issue					1,445,000					2,104,000
Payments to Refunding Bond Escrow Agent					(1,445,000)					
Insurance Claim Proceeds for Storm Damage								55,266		
Transfers In (Out)				40,000		(25,000)		90,000		
Total Other Financing Sources (Uses)	-	-	-	265,000	1,445,000	(25,000)	240,000	145,266	-	2,104,000
Net Change in Fund Balances	\$ (92,086)	\$ 73,488	\$ (60,642)	\$ 28,746	\$ 1,392,793	\$ 235,289	\$ 346,953	\$ 8,173	\$ 20,006	\$ 1,322,259
Debt Service as a Percentage of Non-Capital Expenditures	8.53%	7.80%	7.61%	7.33%	6.20%	7.06%	6.95%	6.59%	6.89%	6.28%

Source: District Records

NOTE: Non-capital expenditures are total expenditures less capital outlay, capital projects and debt service.

NOTE: Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending dist on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 LOCAL TAX LEVY BY CONSTITUENT DISTRICT
 LAST SIX FISCAL YEARS

Fiscal Year Ended June 30	Total	Town of Clinton		Borough of Glen Gardner
		General	Debt Service	
2010	\$ 6,328,880	\$ 4,274,142	\$ 538,505	\$ 1,516,233
2011	6,488,801	4,418,753	509,311	1,560,737
2012	6,581,417	4,415,494	526,121	1,639,802
2013	6,587,841	4,392,907	532,545	1,662,389
2014	6,714,064	4,478,679	537,661	1,697,724
2015	6,801,726	4,614,245	501,796	1,685,685

Source: District Records

Note-Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending district to the Town of Clinton on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 GENERAL FUND-OTHER LOCAL REVENUES BY SOURCE
 LAST TEN FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)

Description	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Interest Income	\$ 4,038	\$ 11,997	\$ 10,386	\$ 1,686	\$ 1,931	\$ 3,590	\$ 3,156	\$ 1,669	\$ 1,390	\$ 3,410
Tuition	2,203,781	2,296,557	2,307,758	2,438,090	167,641	142,369	64,450	26,650	23,072	21,331
Insurance Recovery						3,542			3,750	
Prior Year Refunds					1,800	1,651		440	1,025	20,680
Miscellaneous Refunds									800	
Miscellaneous			82		50				114	
Building Use Fees			512		5,120	1,040	9,450	943	8,045	4,175
Workshop Fee								150	3,490	2,745
I Pad Insurance Fees									2,657	6,140
Outstanding Checks Canceled	8,146			3,414					692	
Annual Totals	\$ 2,215,965	\$ 2,308,554	\$ 2,318,738	\$ 2,443,190	\$ 176,542	\$ 152,192	\$ 77,056	\$ 29,852	\$ 45,035	\$ 58,481

Source: District Records

Note-Effective for the school year 2009-2010 the school districts of the Town of Clinton and Borough of Glen Gardner were merged to operate as one entity. Prior to the merger the Borough of Glen Gardner was a sending district to the Town of Clinton on a tuition basis. As such, some financial data may not be comparable.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 ALL CONSTITUENT DISTRICTS COMBINED
 LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 5,376,003	\$ 5,567,604	\$ 6,342,904	\$ 6,327,863	\$ 6,521,263	\$ 6,521,263	\$ 6,223,363	\$ 8,037,603	\$ 7,321,203	\$ 7,291,703
Residential	437,863,900	450,355,800	447,988,700	448,191,300	447,685,200	446,949,000	443,077,600	397,137,900	394,649,100	396,024,300
Farm Regular	2,125,000	2,645,000	2,642,100	2,642,100	2,642,100	2,430,300	2,430,300	2,479,000	2,085,150	2,080,650
Qualified Farm	124,737	124,737	110,237	110,237	110,237	88,887	88,887	88,887	92,392	90,458
Commercial	85,988,300	89,357,300	94,565,400	95,029,050	94,853,850	94,238,800	86,116,000	80,205,200	78,468,600	78,503,400
Industrial	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600
Apartment	8,251,200	9,034,300	12,196,000	12,196,000	12,196,000	10,843,800	10,843,800	9,900,000	9,606,500	9,613,800
Total Assessed Value	540,297,740	557,653,341	564,413,941	565,065,150	564,577,250	561,640,650	549,348,550	498,417,190	492,791,545	494,172,911
Public Utilities (a)	1,542,889	1,299,116	1,135,630	1,004,639	1,308,038	1,439,503	1,496,855	1,207,689	-	-
Net Valuation Taxable	\$ 541,840,629	\$ 558,952,457	\$ 565,549,571	\$ 566,069,789	\$ 565,885,288	\$ 563,080,153	\$ 550,845,405	\$ 499,624,879	\$ 492,791,545	\$ 494,172,911
Estimated Actual County Equalized Value	\$ 576,021,554	\$ 659,726,428	\$ 647,526,471	\$ 619,587,923	\$ 608,258,225	\$ 583,151,701	\$ 562,668,493	\$ 540,639,395	\$ 539,108,373	\$ 537,497,077
Percentage of Net Valuation to Estimated Actual County Equalized Value	94.07%	84.72%	87.34%	91.36%	93.03%	96.56%	97.90%	92.41%	91.41%	91.94%

Source: Municipal Tax Assessors

NOTE Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

(a) Taxable Value of Machinery, Implements and Equipment of Telephone and Message System Companies.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 BY CONSTITUENT DISTRICT-TOWN OF CLINTON
 LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 4,048,000	\$ 4,204,500	\$ 4,979,800	\$ 4,964,760	\$ 5,158,160	\$ 5,158,160	\$ 4,891,560	\$ 6,798,400	\$ 5,995,800	\$ 6,050,500
Residential	308,688,000	321,691,200	318,996,900	319,427,500	318,510,000	318,264,300	314,374,900	268,505,400	265,511,000	266,926,800
Farm Regular	210,300	214,700	211,800	211,800	211,800	211,800	211,800	211,800	119,750	119,750
Qualified Farm	73,800	73,800	59,300	59,300	59,300	38,200	38,200	38,200	53,850	45,700
Commercial	81,165,500	84,436,500	89,817,400	90,159,550	89,984,350	89,369,300	81,246,500	75,335,700	73,645,300	73,680,100
Industrial										
Apartment	7,371,200	7,829,100	10,990,800	10,990,800	10,990,800	9,638,600	9,638,600	8,694,800	8,401,300	8,401,300
Total Assessed Value	401,556,800	418,449,800	425,056,000	425,813,710	424,914,410	422,468,560	410,189,760	359,372,500	353,727,000	355,224,150
Public Utilities (a)	1,069,486	1,012,182	884,156	753,165	1,056,564	1,150,337	1,207,689	1,207,689	-	-
Net Valuation Taxable	\$ 402,626,286	\$ 419,461,982	\$ 425,940,156	\$ 426,566,875	\$ 425,970,974	\$ 423,618,897	\$ 411,397,449	\$ 360,580,189	\$ 353,727,000	\$ 355,224,150
Estimated Actual County Equalized Value	\$ 394,059,112	\$ 452,680,802	\$ 442,351,393	\$ 420,954,544	\$ 419,286,974	\$ 401,632,430	\$ 390,744,000	\$ 378,185,031	\$ 381,523,007	\$ 382,454,942
Percentage of Net Valuation to Estimated Actual County Equalized Value	102.17%	92.66%	96.29%	101.33%	101.59%	105.47%	105.29%	95.34%	92.71%	92.88%

Source: Municipal Tax Assessor

NOTE Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.
 (a) Taxable Value of Machinery, Implements and Equipment of Telephone and Message System Companies

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 BY CONSTITUENT DISTRICT-BOROUGH OF GLEN GARDNER
 LAST TEN FISCAL YEARS

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 1,328,003	\$ 1,363,104	\$ 1,363,104	\$ 1,363,103	\$ 1,363,103	\$ 1,363,103	\$ 1,331,803	\$ 1,239,203	\$ 1,325,403	\$ 1,241,203
Residential	129,175,900	128,664,600	128,991,800	128,763,800	129,175,200	128,684,700	128,702,700	128,632,500	129,138,100	129,097,500
Farm Regular	1,914,700	2,430,300	2,430,300	2,430,300	2,430,300	2,430,300	2,430,300	2,479,000	1,965,400	1,960,900
Qualified Farm	50,937	50,937	50,937	50,937	50,937	50,687	50,687	50,687	38,542	44,758
Commercial	4,822,800	4,920,800	4,748,000	4,869,500	4,869,500	4,869,500	4,869,500	4,869,500	4,823,300	4,823,300
Industrial	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600	568,600
Apartment	880,000	1,205,200	1,205,200	1,205,200	1,205,200	1,205,200	1,205,200	1,205,200	1,205,200	1,212,500
Total Assessed Value	138,740,940	139,203,541	139,357,941	139,251,440	139,662,840	139,172,090	139,158,790	139,044,690	139,064,545	138,948,761
Public Utilities (a)	473,403	286,934	251,474	251,474	251,474	289,166	289,166	-	-	-
Net Valuation Taxable	\$ 139,214,343	\$ 139,490,475	\$ 139,609,415	\$ 139,502,914	\$ 139,914,314	\$ 139,461,256	\$ 139,447,956	\$ 139,044,690	\$ 139,064,545	\$ 138,948,761
Estimated Actual County Equalized Value	\$ 181,962,442	\$ 207,045,626	\$ 205,175,078	\$ 198,633,379	\$ 188,971,251	\$ 181,519,271	\$ 171,924,493	\$ 162,454,364	\$ 157,585,366	\$ 155,042,135
Percentage of Net Valuation to Estimated Actual County Equalized Value	76.51%	67.37%	68.04%	70.23%	74.04%	76.83%	81.11%	85.59%	88.25%	89.62%

Source: Municipal Tax Assessor

NOTE

- Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.
- (a) Taxable Value of Machinery, Implements and Equipment of Telephone and Message System Companies.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 BY CONSTITUENT DISTRICT-TOWN OF CLINTON
 LAST TEN FISCAL YEARS
 (RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate				Overlapping Rates			Total Direct & Overlapping Tax Rate	
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)		Regional School Tax Rate	Municipality	County		Fire District
			Total Direct School Tax Rate						
2006	\$ 0.90	\$ 0.13	\$ 1.03	\$ 0.48	\$ 0.44	\$ 0.35		\$ 2.30	
2007	0.90	0.14	1.04	0.47	0.42	0.36		2.29	
2008	0.94	0.13	1.07	0.47	0.44	0.35		2.33	
2009	0.98	0.13	1.11	0.50	0.44	0.34		2.39	
2010	1.03	0.12	1.15	0.51	0.46	0.34		2.46	
2011	1.04	0.12	1.16	0.52	0.46	0.32		2.46	
2012	1.08	0.12	1.20	0.53	0.48	0.33		2.54	
2013	* 1.23	0.15	1.38	0.59	0.63	0.37		2.97	
2014	1.27	0.15	1.42	0.57	0.69	0.40		3.08	
2015	1.33	0.11	1.44	0.54	0.74	0.40		3.12	

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 DIRECT AND OVERLAPPING PROPERTY TAX RATES
 BY CONSTITUENT DISTRICT-BOROUGH OF GLEN GARDNER
 LAST TEN FISCAL YEARS
 (RATE PER \$100 OF ASSESSED VALUE)

Assessment Year	School District Direct Rate				Regional School Tax Rate	Overlapping Rates			Total Direct & Overlapping Tax Rate
	Basic Rate (a)	General Obligation Debt Service (b)	(From J-6)			Municipality	County	Fire District	
			Direct	Total School Tax Rate					
2006	\$ 1.04		\$ 1.04	\$ 0.73	\$ 0.44	\$ 0.42		\$ 2.63	
2007	1.06		1.06	0.68	0.45	0.49		2.68	
2008	1.10		1.10	0.75	0.45	0.49		2.79	
2009	1.09		1.09	0.79	0.46	0.49		2.83	
2010	1.11		1.12	0.76	0.48	0.46		2.82	
2011	1.18		1.18	0.74	0.49	0.45		2.86	
2012	1.19		1.19	0.69	0.50	0.44		2.82	
2013	1.22		1.22	0.69	0.53	0.42		2.86	
2014	1.21		1.21	0.74	0.58	0.42		2.95	
2015	1.24	\$ 0.03	1.27	0.65	0.62	0.42		2.96	

Sources: Municipal Tax Collector

NOTE: NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy. The levy when added to other components of the district's net budget may not exceed the pre-budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- (a) The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.
- (b) Rates for debt service are based on each year's requirements.

* Revalued/Reassessed

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS,
 BY CONSTITUENT DISTRICT-TOWN OF CLINTON
 CURRENT YEAR AND NINE YEARS AGO

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
SNG Properties LLC	\$ 4,260,000	1	1.20%			
FMCD Realty	3,900,000	2	1.10%			
Highway 22 Grocery Owners LLC	3,860,400	3	1.09%			
Clinton Unity Group LLC	3,281,500	4	0.92%	3,591,300	1	0.89%
Goldstar Property LLC	3,257,800	5	0.92%	3,223,000	2	0.80%
RowlandHouse LLC & Clinton II LLC	3,000,000	6	0.84%			
Clinton Garden Assoc	3,000,000	7	0.84%	2,592,000	5	0.64%
Bank of America	1,823,600	8	0.51%			
Chrisellan Investors	1,725,300	9	0.49%	2,017,800	7	0.50%
Z & F LLC	1,580,400	10	0.44%			
Clinton Mangagement				2,956,900	3	0.73%
Great Alantic & Pacific Tea Co				2,777,000	4	0.69%
Clinton Manor Associates				2,077,000	6	0.52%
FMCD Realty				1,963,000	8	0.49%
Individual Property Owner				1,500,200	9	0.37%
Individual Property Owner				1,308,000	10	0.32%
	<u>\$ 29,689,000</u>		<u>8.36%</u>	<u>\$ 24,006,200</u>		<u>5.96%</u>

Source: Municipal Tax Assessor

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS,
 BY CONSTITUENT DISTRICT-BOROUGH OF GLEN GARDNER
 CURRENT YEAR AND NINE YEARS AGO

	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Individual Property Owner #1	\$ 990,400	1	0.71%	\$ 1,216,700	1	0.87%
Individual Property Owner #2	940,100	2	0.68%	866,200	2	0.62%
Eastern Concrete Materials Inc	794,500	3	0.57%			
Individual Property Owner #3	604,900	4	0.44%	718,100	4	0.52%
Individual Property Owner #4	595,700	5	0.43%	653,468	5	0.47%
Glen Gardner Partnership	585,500	6	0.42%	585,500	6	0.42%
Heartland Inc	584,000	7	0.42%	584,000	7	0.42%
Individual Property Owner #5	535,400	8	0.39%	552,600	8	0.40%
Individual Property Owner #6	531,600	9	0.38%	535,400	9	0.38%
Terminus Occidentalis LLC	531,200	10	0.38%	531,200	10	0.38%
Pinnacle Materials Inc				794,500	3	0.57%
	<u>\$ 6,693,300</u>		<u>4.82%</u>	<u>\$ 7,037,668</u>		<u>5.06%</u>

Source: Municipal Tax Assessor

CLINTON-GLEN GARDNER SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-TOWN OF CLINTON
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2005	\$ 8,793,690	\$ 8,657,175	98.45%
2006	9,275,600	9,045,726	97.52%
2007	9,598,684	9,401,251	97.94%
2008	9,917,195	9,686,129	97.67%
2009	10,209,913	9,926,875	97.23%
2010	10,456,542	10,188,834	97.44%
2011	10,638,767	10,040,857	94.38%
2012	10,461,890	10,193,519	97.43%
2013	10,703,566	10,453,171	97.66%
2014	10,903,891	10,726,501	98.37%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
BY CONSTITUENT DISTRICT-BOROUGH OF GLEN GARDNER
LAST TEN FISCAL YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Fiscal Year of the Levy (a)	
		Amount	Percentage of Levy
2005	\$ 3,447,499	\$ 3,384,229	98.16%
2006	3,748,187	3,627,812	96.79%
2007	3,743,444	3,664,547	97.89%
2008	3,898,996	3,847,017	98.67%
2009	3,952,336	3,861,141	97.69%
2010	3,943,892	3,865,672	98.02%
2011	3,983,013	3,912,840	98.24%
2012	3,934,219	3,861,396	98.15%
2013	3,979,459	3,935,405	98.89%
2014	4,109,027	4,047,839	98.51%

Sources: District records including the Certificate and Report of School Taxes (A4F form)

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

CLINTON-GLEN GARDNER SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

Fiscal Year Ending June 30,	Governmental Activities				Business-Type Activities	Total District	% of Personal Income (a)	Per Capita (a)
	General Obligation Bonds (b)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2006	\$ 4,560,000		\$ 28,021			\$ 4,588,021	2.93%	\$ 1,772
2007	4,210,000					4,210,000	2.52%	1,633
2008	3,830,000					3,830,000	2.18%	1,488
2009	3,450,000		198,983			3,648,983	1.17%	1,423
2010	3,130,000		121,478			3,251,478	1.09%	718
2011	2,725,000		41,205			2,766,205	0.95%	591
2012	2,310,000		200,834			2,510,834	1.33%	569
2013	1,870,000		121,974			1,991,974	0.99%	454
2014	1,405,000		41,158			1,446,158	0.71%	330
2015	3,059,000					3,059,000	N/A	700

Note Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- (a) See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.
- (b) Includes Early Retirement Incentive Plan (ERIP) refunding.

Note Effective for the school year 2009-2010 the school districts of the Town of Clinton and the Borough of Glen Gardner were merged to operated as one entity. Information prior to the school year 2009-2010 is based only on the Town of Clinton.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
 LAST TEN FISCAL YEARS

Fiscal Year Ending June 30.	General Bonded Debt Outstanding			% of Actual Taxable Value (a) of Property	Per Capita (a)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 4,560,000		\$ 4,560,000	1.13%	\$ 1,769
2007	4,210,000		4,210,000	1.00%	1,636
2008	3,830,000		3,830,000	0.90%	1,494
2009	3,450,000		3,450,000	0.81%	1,344
2010	3,130,000		3,130,000	0.55%	708
2011	2,725,000		2,725,000	0.48%	619
2012	2,310,000		2,310,000	0.42%	528
2013	1,870,000		1,870,000	0.37%	427
2014	1,870,000		1,870,000	0.38%	429
2015	3,059,000		3,059,000	0.62%	N/A

Note Details regarding the district's outstanding debt can be found in the notes to the financial statements.

- (a) See Exhibit J-7 for property tax data.
- (b) Population data can be found in Exhibit J-21.

Note Effective for the school year 2009-2010 the school districts of the Town of Clinton and the Borough of Glen Gardner were merged to operated as one entity. Information prior to the school year 2009-2010 is based only on the Town of Clinton

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 BY CONSTITUENT DISTRICT-TOWN OF CLINTON
 AS OF DECEMBER 31, 2014

	<u>Debt Outstanding</u>	<u>Estimated % Applicable (a)</u>	<u>Estimated Share of Overlapping Debt</u>
GOVERNMENTAL UNIT			
Debt Repaid with Property Taxes:			
Municipality	\$ 3,777,362	100.00%	\$ 3,777,362
Regional High School	2,160,000	5.00%	101,926
County General Obligation Debt	70,347,424	1.82%	<u>1,279,382</u>
Subtotal, Overlapping Debt			5,158,670
School District Direct Debt			<u>2,775,860</u>
Total Direct and Overlapping Debt			<u><u>\$ 7,934,530</u></u>

Sources: Assessed Value Data Used to Estimate Applicable Percentages
 Provided by the County Board of Taxation. Debt Outstanding Data
 Provided by Each Governmental Unit.

Note: Overlapping Governments are those that Coincide, at least in Part, with the Geographic Boundaries of the District. This Schedule Estimates the Portion of the Outstanding Debt of Those Overlapping Governments that is Borne by the Residents and Businesses of the Municipality. This Process Recognizes that, when Considering the District's Ability to Issue and Repay Long-Term Debt, the Entire Debt Burden Borne by the Residents and Businesses Should be Taken into Account. However this Does Not Imply that Every Taxpayer is a resident, and Therefore Responsible for Repaying the Debt, of Each Overlapping Payment.

(a) For Debt Repaid with Property Taxes, the Percentage of Overlapping Debt Applicable is Estimated Using Taxable Assessed Property Values. Applicable Percentages were Estimated by Determining the Portion of Another Governmental Unit's Taxable Value that is Within the District's Boundaries and Dividing it by Each Unit's Total Taxable Value.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
 BY CONSTITUENT DISTRICT-BOROUGH OF GLEN GARDNER
 AS OF DECEMBER 31, 2014

GOVERNMENTAL UNIT	Debt Outstanding	Estimated % Applicable (a)	Estimated Share of Overlapping Debt
Debt Repaid with Property Taxes:			
Municipality	\$ 2,534,000	100.00%	\$ 2,534,000
Regional High School	2,160,000	2.00%	42,403
County General Obligation Debt	70,347,424	0.76%	532,243
Subtotal, Overlapping Debt			3,108,646
School District Direct Debt			618,140
Total Direct and Overlapping Debt			<u>\$ 3,726,786</u>

Sources: Assessed Value Data Used to Estimate Applicable Percentages
 Provided by the County Board of Taxation. Debt Outstanding Data
 Provided by Each Governmental Unit.

Note: Overlapping Governments are those that Coincide, at least in Part, with the Geographic Boundaries of the District. This Schedule Estimates the Portion of the Outstanding Debt of Those Overlapping Governments that is Borne by the Residents and Businesses of the Municipality. This Process Recognizes that, when Considering the District's Ability to Issue and Repay Long-Term Debt, the Entire Debt Burden Borne by the Residents and Businesses Should be Taken into Account. However this Does Not Imply that Every Taxpayer is a resident, and Therefore Responsible for Repaying the Debt, of Each Overlapping Payment.

(a) For Debt Repaid with Property Taxes, the Percentage of Overlapping Debt Applicable is Estimated Using Taxable Assessed Property Values. Applicable Percentages were Estimated by Determining the Portion of Another Governmental Unit's Taxable Value that is Within the District's Boundaries and Dividing it by Each Unit's Total Taxable Value.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION,
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized Valuation Basis	
2014	\$ 537,000,992
2013	537,033,971
2012	542,978,413
	<u>\$ 1,617,013,376</u>
Average Equalized Valuation of Taxable Property	<u>\$ 539,004,459</u>
Debt Limit (3.0% of Average Equalization Value)	\$ 16,170,134 (a)
Total Net Debt Applicable to Limit	<u>3,059,000</u>
Legal Debt Margin	<u>\$ 13,111,134</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>
Debt Limit	\$ 10,329,999	\$ 11,327,610	\$ 12,290,248	\$ 12,832,722	\$ 18,724,350	\$ 18,243,612	\$ 17,813,780	\$ 17,007,105	\$ 16,530,684	\$ 16,170,134
Total Net Debt Applicable	<u>4,560,000</u>	<u>4,210,000</u>	<u>3,830,000</u>	<u>3,450,000</u>	<u>3,130,000</u>	<u>2,725,000</u>	<u>2,310,000</u>	<u>1,870,000</u>	<u>3,509,000</u>	<u>3,059,000</u>
Legal Debt Margin	<u>\$ 5,769,999</u>	<u>\$ 7,117,610</u>	<u>\$ 8,460,248</u>	<u>\$ 9,382,722</u>	<u>\$ 15,594,350</u>	<u>\$ 15,518,612</u>	<u>\$ 15,503,780</u>	<u>\$ 15,137,105</u>	<u>\$ 13,021,684</u>	<u>\$ 13,111,134</u>
Total Net Debt Applicable to the Limit as a Percent- age of Debt Limit	44.14%	37.17%	31.16%	26.88%	16.72%	14.94%	12.97%	11.00%	21.23%	18.92%

Source: Equalized Valuation Bases were Obtained from the Annual Report of the State of New Jersey.
 Department of Treasury, Division of Taxation

(a) Limit Set by NJSA 18A:24-19

Note Effective for the school year 2009-2010 the school districts of the Town of Clinton and the Borough of Glen Gardner were merged to operated as one entity. Information prior to the school year 2009-2010 is based only on the Town of Clinton

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

CONSTITUENT DISTRICT	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>SCHOOL DISTRICT POPULATION (a)</u>										
Town of Clinton	2,578	2,574	2,564	2,567	2,718	2,706	2,689	2,692	2,684	N/A
Borough of Glen Gardner	1,970	1,964	1,958	1,961	1,703	1,969	1,687	1,683	1,676	N/A
	<u>4,548</u>	<u>4,538</u>	<u>4,522</u>	<u>4,528</u>	<u>4,421</u>	<u>4,675</u>	<u>4,376</u>	<u>4,375</u>	<u>4,360</u>	<u>-</u>
<u>PERSONAL INCOME (b)</u>										
Town of Clinton	\$ 167,575,156	\$ 175,781,034	\$ 176,267,308	\$ 168,649,333	\$ 178,548,138	\$ 188,654,202	\$ 200,421,926	\$ 203,307,916	N/A	N/A
Borough of Glen Gardner	128,053,940	134,123,524	134,606,626	128,835,739	111,871,773	137,272,773	125,738,858	127,105,209	N/A	N/A
	<u>\$ 295,629,096</u>	<u>\$ 309,904,558</u>	<u>\$ 310,873,934</u>	<u>\$ 297,485,072</u>	<u>\$ 290,419,911</u>	<u>\$ 325,926,975</u>	<u>\$ 326,160,784</u>	<u>\$ 330,413,125</u>	<u>\$ -</u>	<u>\$ -</u>
<u>PER CAPITA PERSONAL INCOME</u>										
County of Hunterdon	<u>\$ 64,923</u>	<u>\$ 68,291</u>	<u>\$ 68,747</u>	<u>\$ 65,699</u>	<u>\$ 65,691</u>	<u>\$ 69,717</u>	<u>\$ 74,534</u>	<u>\$ 75,523</u>	<u>N/A</u>	<u>N/A</u>
<u>UNEMPLOYMENT RATE (c)</u>										
Town of Clinton	2.6%	2.3%	3.0%	5.5%	5.6%	5.5%	5.7%	7.6%	4.6%	N/A
Borough of Glen Gardner	2.5%	2.2%	2.8%	5.2%	5.3%	5.2%	5.4%	4.9%	5.1%	N/A

(a) Population Information Provided by the NJ Dept of Labor and Workforce Development
 (b) Personal Income has Been Estimated Based Upon Municipal Population and Per Capita Income Presented for the County of Hunterdon
 © Unemployment Data Provided by the NJ Dept of Labor and Workforce Development

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 PRINCIPAL EMPLOYERS
 CURRENT YEAR AND NINE YEARS AGO

Employer	2015			2006		
	Employees	Rank	Percentage of Total Municipal Employment	Employees	Rank	Percentage of Total Municipal Employment

INFORMATION IS NOT AVAILABLE FOR THIS SCHOOL DISTRICT

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST TEN FISCAL YEARS

FUNCTION/PROGRAM	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction:										
Regular	54.3	50.2	45.7	39.3	35.2	33.2	29.8	33.2	34.2	35.5
Special Education	4.0	8.5	12.0	22.0	19.0	19.0	18.0	19.0	19.5	18.0
Support Services:										
Student and Instruction Related Services	8.8	8.6	10.0	11.2	12.4	12.9	12.9	11.9	10.9	9.4
General Administration	2.2	2.2	2.2	2.2	1.5	1.5	1.5	1.5	1.5	0.9
School Administration Services	2.0	2.0	2.0	2.5	3.3	2.3	2.3	2.3	2.3	2.5
Central Services	2.3	2.3	2.3	1.8	1.9	1.9	1.9	1.8	1.8	2.0
Plant Operations and Maintenance					0.9				5.0	4.6
Total	<u>73.6</u>	<u>73.8</u>	<u>74.2</u>	<u>79.0</u>	<u>74.2</u>	<u>70.8</u>	<u>66.4</u>	<u>69.7</u>	<u>75.2</u>	<u>72.9</u>

Sources: District Personnel Records

N/A: Information not available

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	Operating Expenditures (a)	Cost Per Pupil	Percentage Change	Teaching Staff (b)	Teacher Ratio	Average Daily Enrollment (ADE) (c)	Average Daily Attendance (ADA) (c)	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	548	\$ 6,616,798	\$ 12,074	11.59%	57.0	1 to 9.61	547.4	523.1	-4.40%	95.56%
2007	555	7,086,577	12,769	5.75%	47.0	1 to 11.81	555.8	532.3	1.53%	95.77%
2008	542	7,483,789	13,808	8.14%	46.7	1 to 11.61	542.2	518.6	-2.45%	95.65%
2009	532	7,571,004	14,231	3.07%	49.2	1 to 10.80	533.6	511.0	-1.59%	95.76%
2010	517	8,176,702	15,816	11.13%	44.2	1 to 11.80	521.4	498.6	-2.29%	95.63%
2011	507	7,686,656	15,161	-4.14%	42.2	1 to 12.06	508.9	484.2	-2.40%	95.15%
2012	496	7,735,726	15,596	2.87%	42.2	1 to 11.75	492.1	472.7	-3.30%	96.06%
2013	477	8,316,845	17,436	11.79%	42.5	1 to 11.25	477.1	457.4	-3.05%	95.87%
2014	478	8,022,977	16,784	-3.74%	43.0	1 to 11.12	475.4	455.5	-0.36%	95.81%
2015	480	8,230,203	17,146	2.16%	44.0	1 to 11.00	483.9	464.5	1.80%	95.98%

Source: District Records

(a) Operating Expenditures Equal Total Expenditures Less Debt Service and Capital Outlay.

(b) Teaching Staff Includes Only Full-Time Equivalents or Certificated Staff.

(c) Average Daily Enrollment and Average Daily Attendance are Obtained from the School Register Summary (SRS).

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 SCHOOL BUILDING INFORMATION
 LAST TEN FISCAL YEARS

DISTRICT BUILDING	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Elementary (1923)</u>										
Square Feet	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668	75,668
Capacity (Students)	605	605	605	605	605	605	605	605	605	605
Enrollment	541	555	542	532	517	507	496	477	478	480

Number of Schools at June 30, 2015:

Elementary	1
Middle School	0
High School	0
Other	0

District Facilities Office

Year of Original Construction is shown in Parentheses. Increase in Square Footage and Capacity are the Result of Renovations and Additions. Enrollment is Based on the Annual October District Count.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

*School Facilities

	<u>Amount</u>	<u>Total</u>
2006	\$ 42,521	\$ 42,521
2007	87,825	87,825
2008	61,246	61,246
2009	66,116	66,116
2010	75,229	75,229
2011	45,886	45,886
2012	144,525	144,525
2013	153,784	153,784
2014	160,104	160,104
2015	149,592	149,592
Total School Facilities	<u>\$ 677,132</u>	<u>\$ 677,132</u>

* School Facilities as Defined Under EFCFA.
(NJAC 6A:26-1.2 and NJAC 6A:26A-1.3)

Source: District Records

CLINTON-GLEN GARDNER SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy-New Jersey School Boards Association Insurance Group:		
Property-Blanket Building & Contents (Fund Limit)	\$ 350,000,000	\$ 5,000
Comprehensive General Liability	16,000,000	1,000
Excess Liability	10,000,000	
Workmen's Compensation	2,000,000	
School Board Legal Liability	16,000,000	5,000
Crime/Dishonesty	1,000,000	1,000
Student Accident-Bollinger Insurance Co:		
Student Accident Policy	5,000,000	
Catastrophe-Fireman's Fund	50,000,000	
Public Employees' Faithful Performance-Selective Insurance:		
Treasurer	180,000	
School Board Secretary	175,000	

Source: District Records

SINGLE AUDIT SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
Washington, NJ 07882 - 1530
Fax # (908) 689-8388
(908) 689-5002

INDEPENDENT AUDITOR'S REPORT

November 6, 2015

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Clinton-Glen Gardner School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Board of Education's basic financial statements, and have issued our report thereon dated November 6, 2015.

Internal Control over Financial Reporting

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

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

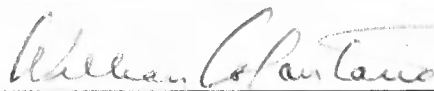
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not 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 Board of Education's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



William M. Colantano, Jr.
Public School Accountant

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

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INDEPENDENT AUDITOR'S REPORT

November 6, 2015

Honorable President and
Members of the Board of Education
Clinton-Glen Gardner School District
County of Hunterdon, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Clinton-Glen Gardner School District's (the District) compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB State Grant Compliance Supplement that could have a direct and material effect on each of the Board of Education's major federal and state programs for the year ended June 30, 2015. The Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Board of Education's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB 15-08. Those standards, OMB Circular A-133 and NJ OMB 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

Management of The Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal 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 program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and NJ OMB 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 Board of Education's internal control over compliance.


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

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

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

**Report on Schedules of Expenditures of Federal Awards Required by OMB Circular A-133
and Expenditures of State Financial Assistance Required by NJ OMB 15-08**

We have audited the financial statements of the District as of and for the year ended June 30, 2015, and have issued our report thereon dated November 6, 2015, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by OMB Circular A-133 and NJ Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.



William M. Colantano, Jr.
Public School Accountant
No. CS 0128

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, SCHEDULE A
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2013		Cash Received	Budgetary Expenditure	Adjustment	Repay of Prior Year Balance	Balance June 30, 2014				
					(Acct Rec) Def Revenue	Carryover Amount					Accounts Receivable	Deferred Revenue	Due to Grantor		
US Department of Education Passed Through State Department of Education.															
Special Revenue Fund:															
NCLB Title I	84.010A	NCLB-091015	\$ 27,454	07/01/14-06/30/15			\$ 12,360	\$ 27,454				\$ (15,094)			
NCLB Title I	84.010A	NCLB-091014	28,958	09/01/13-08/31/14	\$ (3,380)		8,845	5,465							
NCLB Title II A	84.367A	NCLB-091015	9,663	07/01/14-06/30/15			6,993	9,663				(2,670)			
NCLB Title II A	84.367A	NCLB-091012	11,466	09/01/11-08/31/12	10			10							
NCLB Title II A	84.367A	NCLB-091014	9,585	09/01/13-08/31/14	(223)		223								
IDEA Basic	84.027	IDEA-091015	122,709	07/01/14-06/30/15			90,279	122,709				(32,430)			
IDEA Basic	84.027	IDEA-091011	130,002	09/01/10-08/31/11	300			300							
IDEA Pre School	84.173	IDEA-091015	5,317	07/01/14-06/30/15				5,317				(5,317)			
Total Special Revenue Fund						(3,293)	\$ -	118,700	170,918	\$ -	\$ -	(55,511)	\$ -	\$ -	
US Department of Agriculture Passed Through State Department of Education:															
Enterprise Fund:															
Food Donation Program	10.555	N/A	7,512	07/01/13-06/30/14	1,481			1,481							
Food Donation Program	10.555	N/A	8,677	07/01/14-06/30/15			8,677	7,676				1,001			
National School Lunch Program	10.555	N/A	28,982	07/01/13-06/30/14	(5,947)		5,947					(3,088)			
National School Lunch Program	10.555	N/A	28,383	07/01/14-06/30/15			25,295	28,383				(3,088)	1,001	-	
Total Enterprise Fund					(4,466)	-	39,919	37,540	-	-		(3,088)	1,001	-	
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ (7,759)	\$ -	\$ 158,619	\$ 208,458	\$ -	\$ -	\$ (58,599)	\$ 1,001	\$ -		

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, SCHEDULE B
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance 06/30/13 (Acct Rec) Def Revenue	Cash Received	Budgetary Expenditure	Adjustment	Balance June 30, 2014			MEMO	
								Accounts Receivable	Deferred Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
State Department of Education												
General Fund:												
Special Education Aid	13-495-034	\$ 230,446	07/01/2014-									
	-5120-089		6/30/2015		\$ 206,413	\$ 230,446		\$ (24,033)			\$ (24,033)	\$ 230,446
Special Education Aid	14-495-034	230,446	07/01/2013-									
	-5120-089		6/30/2014	\$ (22,771)	22,771							
Equalization Aid	15-495-034	613,561	07/01/2014-									
	-5120-078		6/30/2015		549,572	613,561		(63,989)			(63,989)	613,561
Equalization Aid	14-495-034	613,561	07/01/2013-									
	-5120-078		6/30/2014	(60,628)	60,628							
Security Aid	15-495-034	26,469	07/01/2014-									
	-5120-084		6/30/2015		23,709	26,469		(2,760)			(2,760)	26,469
Security Aid	14-495-034	26,469	07/01/2013-									
	-5120-084		6/30/2014	(2,616)	2,616							
Adjustment Aid	15-495-034	292,658	07/01/2014-									
	-5120-085		6/30/2015		262,137	292,658		(30,521)			(30,521)	292,658
Adjustment Aid	14-495-034	292,658	07/01/2013-									
	-5120-085		6/30/2014	(28,919)	28,919							
Transportation Aid	15-495-034	25,514	07/01/2014-									
	-5120-014		6/30/2015		22,853	25,514		(2,661)			(2,661)	25,514
Transportation Aid	14-495-034	25,514	07/01/2013-									
	-5120-014		6/30/2014	(2,521)	2,521							
School Choice Aid	15-495-034	26,394	07/01/2014-									
	-5120-068		6/30/2015		23,641	26,394		(2,753)			(2,753)	26,394
Per Pupil Growth Aid	15-495-034	4,620	07/01/2014-									
	-5120-097		6/30/2015		4,138	4,620		(482)			(482)	4,620
PARCC Readiness Aid	15-495-034	4,620	07/01/2014-									
	-5120-098		6/30/2015		4,138	4,620		(482)			(482)	4,620
Non-Public Transportation Aid	15-495-034	2,317	07/01/2014-									
	-5120-014		6/30/2015			2,317		(2,317)			(2,317)	2,317
Non-Public Transportation Aid	14-495-034	3,719	07/01/2013-									
	-5120-014		6/30/2014	(3,719)	3,719							
Extraordinary Special Education Cost Aid	14-100-034	19,024	07/01/2013-									
	-5120-473		6/30/2014	(18,827)	19,024	197						197
Extraordinary Special Education Cost Aid	15-100-034	18,917	07/01/2014-									
	-5120-473		6/30/2015			18,917		(18,917)			(18,917)	18,917
Reimbursement TPAF Social Security Contribution	15-495-034	345,230	07/01/2014-									
	-5094-003		6/30/2015		332,141	345,230		(13,089)			(13,089)	345,230
On-Behalf TPAF Pension Contribution- Teachers' Pension and Annuity Fund	15-495-034	172,698	07/01/2014-									
	-5094-006		6/30/2015		172,698	172,698						172,698
On-Behalf TPAF Pension Contribution- Non-Contributory Insurance	15-495-034	12,425	07/01/2014-									
	-5094-007		6/30/2015		12,425	12,425						12,425
On-Behalf TPAF Pension Contribution- Post Retirement Medical Benefits	15-495-034	293,883	07/01/2014-									
	-5094-001		6/30/2015		293,883	293,883						293,883
Total General Fund				(140,001)	2,047,946	2,069,949	\$ -	(162,004)	\$ -	\$ -	(162,004)	2,069,949

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON-GLEN GARDNER SCHOOL DISTRICT
 SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE, SCHEDULE B
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 (Continued)

Grantor/Program Title	Project Number	Program or Award Amount	Grant Period From To	Balance	Cash	Budgetary	Adjustment	Balance June 30, 2014			MEMO	
				6/30/2013 (Acct Rec) Def Revenue				Received	Expenditure	Accounts Receivable	Deferred Revenue	Due to Grantor
<u>State Department of Education</u>												
Debt Service Fund:												
Debt Service Aid-State Support	15-495-034 -5120-017	\$ 917	07/01/14- 06/30/15		\$ 917	\$ 917						\$ 917
Total Debt Service Fund				\$ -	917	917	\$ -	\$ -	\$ -	\$ -	\$ -	917
<u>State Department of Agriculture</u>												
Enterprise Fund:												
State School Lunch Program	15-100-010 -3350-023	1,348	07/01/14- 06/30/15		1,158	1,348		(190)				1,348
State School Lunch Program	14-100-010 -3350-023	1,348	07/01/13- 06/30/14	(353)	353							
Total Enterprise Fund				(353)	1,511	1,348	-	(190)	-	-	-	1,348
TOTAL STATE FINANCIAL ASSISTANCE				<u>\$ (140,354)</u>	<u>\$ 2,050,374</u>	<u>\$ 2,072,214</u>	<u>\$ -</u>	<u>\$ (162,194)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (162,004)</u>	<u>\$ 2,072,214</u>

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2015

NOTE 1. GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Clinton-Glen Gardner 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 financial assistance passed through other government agencies, is included on the schedule of federal financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented using the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 1 (C) and 1 (D) to the Board's financial statements.

NOTE 3. RELATIONSHIP OF GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to PL 2003, Ch 97 (A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferred and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$10,226 for the general fund and \$-0- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Financial assistance revenues are reported in the Board's financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 2,059,723	\$ 2,059,723
Special Revenue Fund	\$ 170,918		170,918
Debt Service Fund		917	917
Food Service Fund	<u>37,540</u>	<u>1,348</u>	<u>38,888</u>
	<u>\$ 208,458</u>	<u>\$ 2,061,988</u>	<u>\$ 2,270,446</u>

CLINTON-GLEN GARDNER SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2015

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the USDA Commodities Program represent current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2015. TPAF Social Security Contribution represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of Auditor's Report Issued: Unmodified

Internal Control Over Financial Reporting:

1. Material weakness(es) identified? Yes X No

2. Reportable conditions identified
that are not considered to be material
weaknesses? Yes X No

Noncompliance Material to Financial Statements Noted? Yes X No

Federal Awards NOT APPLICABLE

Internal Control Over Major Programs:

1. Material weakness(es) identified? Yes No

2. Reportable conditions identified
that are not considered to be material
weaknesses? Yes No

Type of Auditor's Report Issued on Compliance
for Major Programs? NOT APPLICABLE

Any Audit Findings Disclosed that are Required
to be Reported in Accordance with Section .510
(a) of Circular A-133 Yes No

Identification of Major Programs:

CFDA Numbers Amount Name of Federal Program

NOT APPLICABLE

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

SECTION I-SUMMARY OF AUDITOR'S RESULTS

Federal Awards (Cont'd) NOT APPLICABLE

Dollar Threshold used to Distinguish Between
Type A and Type B Programs: _____

Auditee qualified as a low-risk auditee Yes No

State Awards

Dollar Threshold used to Distinguish Between
Type A and Type B Programs: \$300,000

Auditee Qualified as low-risk auditee X Yes No

Type of Auditor's Report Issued on Compliance
for Major Programs: Unmodified

Internal Control Over Major Programs:
1. Material weakness(es) identified? Yes X No
2. Reportable conditions identified
that are not considered to be material
weaknesses? Yes X No

Any Audit Findings Disclosed That are Required
to be Reported in Accordance with NJ OMB
Circular Letter 15-08? Yes X No

Identification of Major Programs:

<u>GMIS Numbers</u>	<u>Amount</u>	<u>Name of State Program</u>
15-495-034-5120-078	\$ 613,561	Equalization Aid
15-495-034-5120-085	292,658	Adjustment Aid
15-495-034-5120-089	230,446	Special Education Aid

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

SECTION II-FINANCIAL STATEMENT FINDINGS

There were no findings or questioned costs for the year ended June 30, 2015.

SECTION III-FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE FINDINGS AND QUESTIONED COSTS

There were no findings or questioned costs for the year ended June 30, 2015.

CLINTON-GLEN GARDNER SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

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There were no prior year findings or questioned costs.