

CLINTON TOWNSHIP
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

OF THE

CLINTON TOWNSHIP BOARD OF EDUCATION
CLINTON TOWNSHIP, NEW JERSEY
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prepared by

CLINTON TOWNSHIP BOARD OF EDUCATION
DEPARTMENT OF ADMINISTRATION

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INTRODUCTORY SECTION

Clinton Township Board of Education



2.0

Dr. Drucilla Clark
Superintendent of Schools

Anthony Juskiewicz
School Business Administrator/Board Secretary

November 19, 2015

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

Dear Board Members:

The comprehensive annual financial report of the Clinton Township School District for the fiscal year ended June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (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 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 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments," and New Jersey OMB's Circular 04-04, "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: Clinton Township 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 Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Preschool through 8. These include regular, as well as special education for handicapped youngsters. The District completed the 2014-2015 fiscal year with an enrollment of 1,550 students. The following details the changes in the student enrollment of the District over the last ten years.

Average Daily Enrollment

2.1

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	1450.2	
2013-14	1542.7	(5.03%)
2012-13	1624.5	3.77%
2011-12	1565.5	(6.68%)
2010-11	1677.6	(2.4%)
2009-10	1718.6	(1.83%)
2008-09	1750.6	(0.002%)
2007-08	1753.7	(0.01%)
2006-07	1766.8	(2.0%)
2005-06	1803.8	2.2%

2.) **ECONOMIC CONDITION AND OUTLOOK:** Nationwide the economy continues to struggle, so Clinton Township is not alone, although we see continued signs of hope. We do have some financially, struggling families and birth rates continue to decline. Although the School Choice Program has served to support our budget and helped to maintain a relatively, consistent enrollment this is not expected to continue at the same rate and in fact we are seeing lower enrollment numbers again this year. A school closure is being considered for the future and a demographic study was commissioned.

3.) **MAJOR INITIATIVES:** The 2014-2015 school year focused on the district's progress towards the educational needs of the 21st Century Learner through professional development of the staff and the alignment of curriculum across all grade levels. Cross-curricular lessons and integration of technology were planned and implemented in order to accomplish this goal. The new teacher and principal evaluation system has also been a major focus in terms of professional development, utilization and purchase of the online Teachscape System. Technology initiatives implementing Google Docs and the purchase of Chrome Books for students, supports the movement to the PARCC online testing.

Student achievement was framed by the creation of professional learning communities with a focus on how we assess student progress and the introduction of benchmark testing with the continuation of the MAP program. Rubicon Atlas continued to be utilized to update the district curriculum in line with the revised New Jersey Core Curriculum Content Standards. Purchase of Chrome Books for student use and movement to Google Docs for Education supports future changes in state online testing programs. A Full Day Kindergarten Program was recommended for the start of the 2015 School Year.

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 valuation of costs and benefits requires estimates and judgments by management.

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

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

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 canceled or are included as appropriations of fund balance in the subsequent year. Those amounts to be appropriated are reported as reservations of fund balance at June 30, 2013.

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 account groups. These funds and account groups are explained in "Notes to the Financial Statements," Note 1.

7.) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.


8.) **OTHER INFORMATION:**

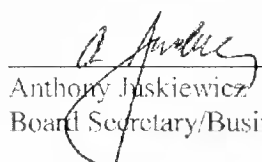
A) **Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of William M. Colantano, Jr., was selected by the Board of Education. In addition to meeting the requirements of the Single Audit Act of 1996 and the related OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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.

9.) **ACKNOWLEDGMENTS:**

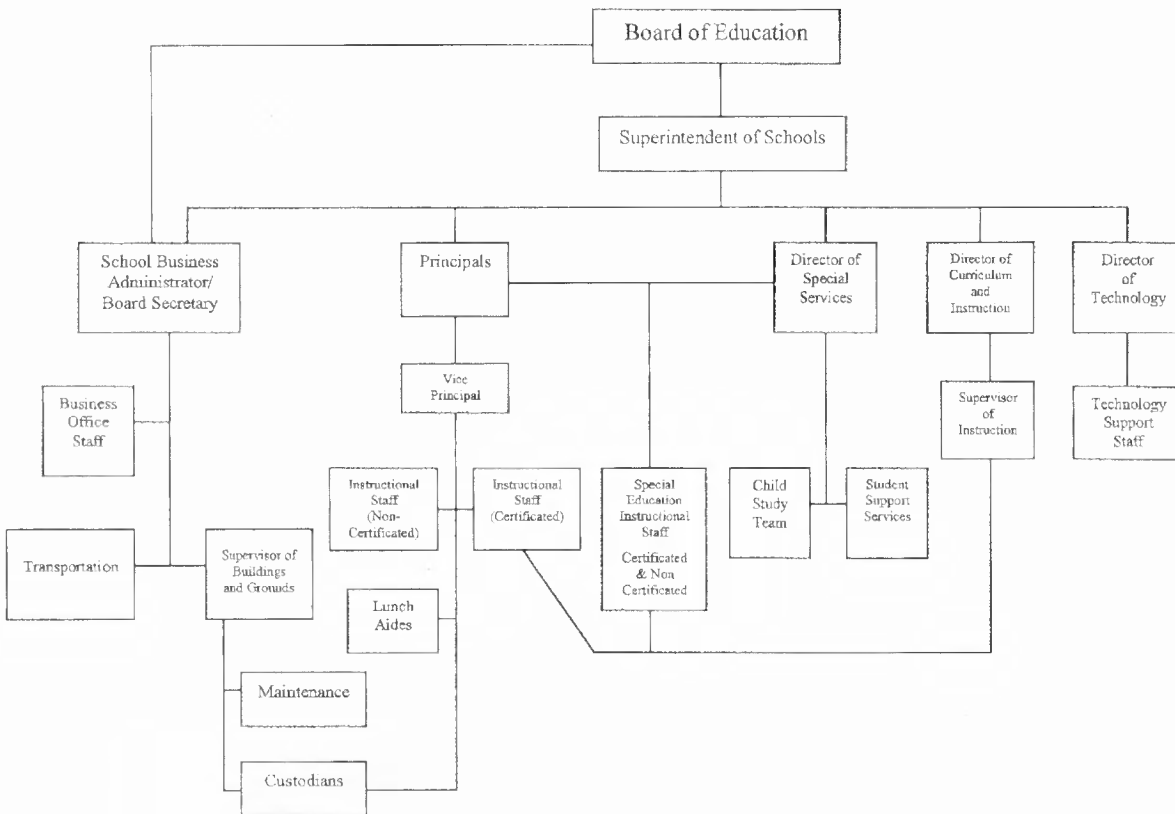
We would like to express our appreciation to the members of the Clinton Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial 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. Drucilla Clark
 Superintendent of Schools


 Anthony Juskiewicz
 Board Secretary/Business Administrator

ORGANIZATION CHART
CLINTON TOWNSHIP SCHOOL DISTRICT



CLINTON TOWNSHIP BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 30, 2015

<u>Name</u>	<u>Term Expires</u>
Maria Grant, President	2017
Rachel McLaughlin, Vice-President	2015
Maria McHuugh	2017
Gina Hand	2016
Kevin Maloy	2015
Dan McTiernan	2015
John Patuto	2016
Kevin Sturges	2016
Susan Vanderof	2017

Other Officials

Dr. Drucilla Clark, Superintendent of Schools

Anthony Juskiewicz, School Business Administrator/Board Secretary

Porzio, Bromberg and Newman, Attorney

CLINTON TOWNSHIP BOARD OF EDUCATION**CONSULTANTS AND ADVISORS****JUNE 30, 2015**

Audit Firm: William Colantano, Jr. CPA
100 Route 31 North
Washington, NJ 07882

Architect: Parette Somjen Architects
439 Route 46 East
Rockaway, NJ 07866

Attorney: Porzio, Bromberg and Newman
163 Madison Avenue
Morristown, NJ 07962

Official Depository: Investors Bank
101 JFK Parkway
Short Hills, NJ 07078

FINANCIAL 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 19, 2015

Honorable President and
Members of the Board of Education
Clinton Township 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 Township 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 19, 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 Clinton Township 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 statement and financial statement to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for fiscal year 2015 are as follows:

- In total, net position increased \$1,746,786, which represents a 9.11 percent increase from fiscal year 2014.
- General revenues accounted for \$33,682,228 in revenue or 93.75 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$2,244,799 or 6.25 percent to total revenues of \$35,927,027.
- Total assets of governmental activities increased by \$113,862 as cash and cash equivalents increased by \$273,000, receivables increased by \$292,946 and capital assets decreased by \$452,084.
- The School District had \$34,130,491 in expenses; only \$2,244,799 of these expenses was offset by program specific charges for services, grants, or contributions. General revenues (primarily property taxes) of \$33,682,228 were adequate to provide for these programs.
- Among major funds, the General Fund had \$28,536,509 in revenues and \$26,714,306 in expenditures. After considering net other financing uses of \$106,326, the General Fund's balance increased by \$1,715,877 from fiscal year 2014. This increase was anticipated by the Board of Education. It is a result of effective cost-cutting measures implemented by the District.

Using this Generally Accepted Accounting Principles Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Clinton Township School District as a financial whole, an entire 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 future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Clinton Township School District, the General Fund is by far the most significant fund.

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

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 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 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 net 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 has 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.

The Statement of Net Position and the Statement of Activities reports information on two distinct kinds of activities:

- **Governmental Activities** – All of the School District's major programs and services are reported here including, but not limited to, instruction, co-curricular activities, support services, operation and maintenance of plant facilities, and pupil transportation.
- **Business-Type Activities** – The District's Food Service Enterprise Fund is reported here. Charges for goods and services offset the expense of the goods and services provided.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major 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. In addition to the governmental funds, the district also utilizes proprietary and fiduciary funds.

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

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 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 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.

Proprietary Funds

Proprietary funds use the accrual basis of accounting, which is the same method utilized on the government-wide statements. The District's Food Service Enterprise Fund was initiated in fiscal year 2012 and is the only proprietary fund of the District. The information provided on the enterprise fund and proprietary fund statements are essentially the same as on the business-type activities portion of the government-wide statements.

Fiduciary Funds

Fiduciary funds report activities where the District acts as a trustee for other third parties. The District's fiduciary funds are the Unemployment Compensation Fund, the Student Activity Agency Fund, and the Payroll Agency Fund. We exclude these activities from the District's government-wide statements because the District cannot use these assets to finance its operations.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Total net position increased \$1,746,786. Unrestricted net position; the part of net position that can be used to finance day-to-day activities without constraints established by grants or legal requirements of the School District, increased by \$743,962.

The increase in unrestricted net position can mostly be attributed to the effective cost-cutting measures implemented by the District. The negative balance in unrestricted net position 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.

CLINTON TOWNSHIP SCHOOL DISTRICT

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

Table 1 provides a summary of the District's net position at 6/30/15 with comparisons to 6/30/14.

Table 1
Net Position

	6/30/15	6/30/14	Variance	
			Dollars	%
Assets:				
Current & Other Assets	\$ 5,086,821	\$ 4,521,999	\$ 564,822	12.49
Capital Assets	53,088,922	53,540,238	(451,316)	(0.84)
Total Assets	<u>58,175,743</u>	<u>58,062,237</u>	<u>113,506</u>	0.20
Deferred Outflow of Resources:				
Deferred Pension Activity	654,913	260,969	393,944	150.95
Total Deferred Outflow of Resources	<u>654,913</u>	<u>260,969.00</u>	<u>393,944</u>	150.95
Liabilities:				
Long-Term Liabilities	36,542,805	37,455,194	(912,389)	(2.44)
Other Liabilities	967,557	1,691,470	(723,913)	(42.80)
Total Liabilities	<u>37,510,362</u>	<u>39,146,664</u>	<u>(1,636,302)</u>	(4.18)
Deferred Inflow of Resources:				
Deferred Pension Activity	396,966		396,966	*
Total Deferred Inflow of Resources	<u>396,966</u>	<u>-</u>	<u>396,966</u>	*
Net Position:				
Net Investment in Capital Assets	25,008,890	24,480,268	528,622	2.16
Restricted	2,473,779	1,999,577	474,202	23.72
Unrestricted	(6,559,341)	(7,303,303)	743,962	10.19
Total Net Position	<u>\$ 20,923,328</u>	<u>\$ 19,176,542</u>	<u>\$ 1,746,786</u>	9.11

* = Undefined

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

Table 2 provides a summary of the District's changes in net position in fiscal year ending 6/30/15 with comparisons to 6/30/14.

**Table 2
Changes in Net Position**

	Fiscal Year Ending		Variance	
	6/30/15	6/30/14	Dollars	%
Revenues				
Program Revenues:				
Charges for Services	\$ 923,668	\$ 952,602	\$ (28,934)	(3.04)
Operating Grants	876,705	920,326	(43,621)	(4.74)
Capital Grants	444,426	59,895	384,531	642.01
General Revenues:				
Property Taxes	24,693,866	24,613,694	80,172	0.33
Unrestricted Grants	8,822,963	5,326,061	3,496,902	65.66
Other	165,399	120,052	45,347	37.77
Total Revenues	<u>35,927,027</u>	<u>31,992,630</u>	<u>3,934,397</u>	12.30
Program Expenses				
Instruction:				
Regular	11,982,686	10,427,487	1,555,199	14.91
Special	4,767,628	4,493,701	273,927	6.10
Other	1,307,691	995,358	312,333	31.38
Support Services:				
Tuition	664,972	873,557	(208,585)	(23.88)
Student & Instructional Staff	6,322,668	5,733,507	589,161	10.28
General & Business Administration	1,282,779	1,162,128	120,651	10.38
School Administration	1,694,187	1,338,075	356,112	26.61
Maintenance	2,660,530	2,618,431	42,099	1.61
Transportation	1,600,577	1,589,009	11,568	0.73
Food Service	421,896	426,264	(4,368)	(1.02)
Special Schools	99,612	114,065	(14,453)	(12.67)
Interest on Long-Term Debt	1,325,265	1,358,695	(33,430)	(2.46)
Total Expenses	<u>34,130,491</u>	<u>31,130,277</u>	<u>3,000,214</u>	9.64
Increase (Decreases) Before Special Items	<u>1,796,536</u>	<u>862,353</u>	<u>934,183</u>	108.33
Transfers & Special Items:				
Transfers	(50,000)		(50,000)	*
Gain (Loss) on Disposal of Assets	250	(6,657)	6,907	(103.76)
Total Transfers & Special Items	<u>(49,750)</u>	<u>(6,657)</u>	<u>(43,093)</u>	647.33
Increase (Decrease) in Net Position	<u>\$ 1,746,786</u>	<u>\$ 855,696</u>	<u>\$ 891,090</u>	104.14

* = Undefined

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

Governmental Activities

Property taxes made up 69.6 percent of revenues for governmental activities for the Clinton Township School District for fiscal year 2015.

Instruction comprised 53.6 percent of district expenses. Support services expenses made up 42.2 percent of the expenses and other expenses comprised 4.2 percent of total 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.

Business-Type Activities

The business-type activity of the District is the Food Service Fund. The following is a summary of the fiscal year 2015 results of operations:

- Food Service revenues and other financing sources were more than expenses and other financing uses by \$928. The majority of this increase was a reduction in expenses charged to the food service operation.
- Charges for services from amounts paid for daily food services were \$348,680 and total operating expenses were \$421,896.
- Federal and state reimbursements for meals, including payments for free and reduced lunches served and donated government commodities were \$73,937.

CLINTON TOWNSHIP SCHOOL DISTRICT

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

Table 3 provides a summary of the School District's cost of governmental services in fiscal year ending 6/30/15 with comparisons to 6/30/14.

Table 3
Cost of Governmental Services

	Total Cost of Services		Net Cost of Services	
	6/30/15	6/30/14	6/30/15	6/30/14
Instruction	\$ 18,058,005	\$ 15,916,546	\$ 17,065,725	\$ 15,227,208
Support Services:				
Tuition	664,972	873,557	309,736	388,568
Student & Instructional Staff	6,322,668	5,733,507	6,012,023	5,546,286
General & Business				
Administration	1,282,779	1,162,128	1,259,262	1,153,696
School Administration	1,694,187	1,338,075	1,667,299	1,334,917
Plant Operations & Maintenance	2,660,530	2,618,431	2,581,076	2,536,587
Pupil Transportation	1,600,577	1,589,009	1,567,890	1,554,955
Special Schools	99,612	114,065	98,137	106,468
Interest on Long-Term Debt	1,325,265	1,358,695	1,325,265	1,358,695
Total Expenses	\$ 33,708,595	\$ 30,704,013	\$ 31,886,413	\$ 29,207,380

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

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students.

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.

Extracurricular activities include expenses related to student activities provided by the School District which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

Interest and fiscal charges involved the transactions associated with the payment of interest and other related charges to debt of the School District.

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

The dependence upon tax revenues is apparent. For all activities tax revenue support is 78.0 percent. The community, as a whole, is the primary support of the Clinton Township School District.

The School District's Funds

Information about the School District's major funds starts on page 17. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$31,897,071 and expenditures of \$30,577,339. The net positive change in fund balance for the year was most significant in the General Fund, an increase of \$1,715,877. The Clinton Township School District continues to be challenged by budgetary restrictions, economic forecasts and unfunded mandates in the State of New Jersey. The school district has been successful maintaining a stable tax levy due in large part to extraordinary aid and School Choice revenue. Although the School Choice Program has served to support our budget and helped to maintain a relatively consistent enrollment, this is not expected to continue at the same rate.

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 cash receipts, disbursements, and encumbrances, the most significant budgeted fund in the General Fund.

During the course of fiscal year 2015, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources (excluding on-behalf TPAF Pension and Social Security) was \$26,066,292, \$101,232 above final budgeted estimates of \$25,965,060. This difference was due primarily to state aid realized in excess of budget amount of \$114,683.

General fund revenues and other financing sources were greater than expenditures and other financing uses by \$1,703,739.

Capital Assets

At the end of the fiscal year 2015, the School District had \$53,088,922 invested in land, construction in progress, buildings, furniture and equipment, and vehicles.

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

Table 4 provides a summary of the School District's capital assets net of depreciation at 6/30/15 with comparisons to 6/30/14.

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

	6/30/15	6/30/14	Variance	
			Dollars	%
Land	\$ 4,996,634	\$ 4,996,634	\$ -	0.00
Land Improvements	219,530	263,937	(44,407)	(16.82)
Buildings & Improvements	46,113,573	47,155,068	(1,041,495)	(2.21)
Machinery & Equipment	674,384	571,078	103,306	18.09
Vehicles	20,685	24,255	(3,570)	(14.72)
Construction in Progress	1,064,116	529,266	534,850	101.06
Total	<u>\$ 53,088,922</u>	<u>\$ 53,540,238</u>	<u>\$ (451,316)</u>	<u>(0.84)</u>

Overall capital assets decreased \$451,316 from fiscal year 2014 to fiscal year 2015. The District completed several facility projects in fiscal year 2015 which includes door hardware replacement and security camera upgrades. The District started projects for additional security upgrades including vestibule construction and exterior door replacements at all four schools.

Debt Administration

At June 30, 2015, the School District had \$36,542,805 in long-term liabilities.

At June 30, 2015, the School District's overall debt limit was \$66,543,114 and the legal debt margin was \$37,172,235.

Table 5 provides a summary of the School District's outstanding debt at 6/30/15 with comparisons to 6/30/14

**Table 5
Long-Term Liabilities at Year-end**

	6/30/15	6/30/14	Variance	
			Dollars	%
2012 Refunding Bonds for '03 Issue	\$ 10,370,000	\$ 10,395,000	\$ (25,000)	(0.24)
2011 Refunding Bonds for '03 Issue	9,395,000	10,255,000	(860,000)	(8.39)
2006 Refunding Bonds for '03 Issue	8,705,000	8,725,000	(20,000)	(0.23)
Net Pension Liability	6,661,109	6,619,471	41,638	0.63
Unamortized Bond Premiums	713,572	800,578	(87,006)	(10.87)
Compensated Absences Payable	698,124	660,145	37,979	5.75
	<u>\$ 36,542,805</u>	<u>\$ 37,455,194</u>	<u>\$ (912,389)</u>	<u>(2.44)</u>

* = Undefined

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

For the Future

The Clinton Township School District continues to be challenged by budgetary restrictions, economic forecasts and unfunded mandates in the State of New Jersey. However, included in the 2015-2016 budget the school district has been successful in improving instruction, reinstating critical programs, and completing a variety of important capital projects due in large part to extraordinary aid and School Choice revenue. New State initiatives such as teacher and principal evaluation systems will strain budgets and resources even further as we move forward.

Clinton Township is primarily a residential community, with very few ratables; thus the burden is focused on homeowners to bare the tax burden.

The Administration and Board of Education continue to work diligently to offer our students a strong educational experience while ensuring their health and safety in clean, well-maintained educational facilities.

In conclusion, the Clinton Township School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge 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 any questions about this report or need additional information contact Anthony Juskiwicz, School Business Administrator/Board Secretary or email at ajuskiwicz@ctsd.k12.nj.us.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets 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 TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Totals
ASSETS			
Cash & Cash Equivalents	\$ 982,523	\$ 15,469	\$ 997,992
Receivables, Net	2,137,474	4,201	2,141,675
Internal Balances	1,970	(1,970)	
Due from Other Funds	16,206		16,206
Inventory		5,871	5,871
Restricted Assets:			
Cash & Cash Equivalents	1,925,077		1,925,077
Capital Assets (Note 4):			
Land and Construction in Progress	6,060,750		6,060,750
Other Capital Assets, Net of Depreciation	47,014,691	13,481	47,028,172
Total Assets	58,138,691	37,052	58,175,743
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	654,913	-	654,913
LIABILITIES			
Accounts Payable	15,878		15,878
Payables to Other Governments	28,863		28,863
Accrued Interest	559,632		559,632
Unearned Revenue	21,115	10,118	31,233
Insurance Adjustments	331,951		331,951
Long-Term Liabilities (Note 5):			
Due Within One Year	1,102,361		1,102,361
Due Beyond One Year	35,440,444		35,440,444
Total Liabilities	37,500,244	10,118	37,510,362
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	396,966	-	396,966
NET POSITION			
Net Investment in Capital Assets	24,995,409	13,481	25,008,890
Restricted For:			
Capital Projects	548,702		548,702
Legal Reserves	1,925,077		1,925,077
Unrestricted	(6,572,794)	13,453	(6,559,341)
TOTAL NET POSITION	\$ 20,896,394	\$ 26,934	\$ 20,923,328

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business-Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 7,013,524	\$ 4,969,162	\$ 384,771	\$ 209,165	\$ 195,604	\$ (11,193,146)		\$ (11,193,146)
Special Education	2,635,464	2,132,164	70,279	10,961	73,490	(4,612,898)		(4,612,898)
Other Special Education	669,167	546,403		27,595	18,663	(1,169,312)		(1,169,312)
Other Instruction	62,836	29,285			1,752	(90,369)		(90,369)
Support Services:								
Tuition	664,972			355,236		(309,736)		(309,736)
Student & Instruction Related Services	3,720,534	2,602,134	26,097	181,511	103,037	(6,012,023)		(6,012,023)
General & Business Administration Services	836,489	446,290			23,517	(1,259,262)		(1,259,262)
School Administration Services	964,085	730,102			26,888	(1,667,299)		(1,667,299)
Plant Operations & Maintenance	2,199,093	461,437	61,154	18,300		(2,581,076)		(2,581,076)
Pupil Transportation	1,588,424	12,153	32,687			(1,567,890)		(1,567,890)
Special Schools	52,892	46,720			1,475	(98,137)		(98,137)
Interest on Long-Term Debt	1,325,265					(1,325,265)		(1,325,265)
Total Governmental Activities	<u>21,732,745</u>	<u>11,975,850</u>	<u>574,988</u>	<u>802,768</u>	<u>444,426</u>	<u>(31,886,413)</u>	<u>\$ -</u>	<u>(31,886,413)</u>
Business-Type Activities:								
Food Service	421,896		348,680	73,937			721	721
Total Business-Type Activities	<u>421,896</u>	<u>-</u>	<u>348,680</u>	<u>73,937</u>	<u>-</u>	<u>-</u>	<u>721</u>	<u>721</u>
Total Primary Government	<u>\$ 22,154,641</u>	<u>\$ 11,975,850</u>	<u>\$ 923,668</u>	<u>\$ 876,705</u>	<u>\$ 444,426</u>	<u>(31,886,413)</u>	<u>721</u>	<u>(31,885,692)</u>
			General Revenues, Special Items and Transfers					
						22,580,498		22,580,498
						2,113,368		2,113,368
						8,822,963		8,822,963
						22,077	207	22,284
						143,115		143,115
						(50,000)		(50,000)
						250		250
						33,632,271	207	33,632,478
						1,745,858	928	1,746,786
						19,150,536	26,006	19,176,542
						<u>\$ 20,896,394</u>	<u>\$ 26,934</u>	<u>\$ 20,923,328</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 TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	\$ 982,523				\$ 982,523
Due from Other Funds	505,759				505,759
Receivables from Other Governments:					
State	657,512		\$ 1,405,200		2,062,712
Federal		\$ 60,549			60,549
Local	6,186				6,186
Other Receivables	4,045	3,982			8,027
Restricted Cash & Cash Equivalents	1,925,077				1,925,077
TOTAL ASSETS	\$ 4,081,102	\$ 64,531	\$ 1,405,200	\$ -	\$ 5,550,833
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 15,878				\$ 15,878
Due to Other Funds		\$ 21,053	\$ 466,530		487,583
Payables to Other Governments:					
State		28,863			28,863
Unearned Revenue	6,500	14,615			21,115
Insurance Adjustments	331,951				331,951
Total Liabilities	354,329	64,531	466,530	\$ -	885,390

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Project Fund	Debt Service Fund	Total Governmental Funds
LIABILITIES AND FUND BALANCES (Cont'd)					
Fund Balances:					
Restricted For:					
Excess Surplus	\$ 190,892				\$ 190,892
Capital Projects Balance			\$ 938,670		938,670
Committed For:					
Capital Reserve Account	1,552,077				1,552,077
Maintenance Reserve Account	373,000				373,000
Assigned For:					
Year End Encumbrances	988,770				988,770
Designated for Subsequent Year's Expenditures	240,000				240,000
Unassigned Fund Balance	382,034				382,034
Total Fund Balances	<u>3,726,773</u>	<u>\$ -</u>	<u>938,670</u>	<u>\$ -</u>	<u>4,665,443</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 4,081,102</u>	<u>\$ 64,531</u>	<u>\$ 1,405,200</u>	<u>\$ -</u>	

Amounts reported for governmental activities in the Statement of Net Position
(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

\$ 72,226,133
19,150,692

53,075,441

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

(36,542,805)

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

257,947

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

(559,632)

Total Net Position of Governmental Activities

\$ 20,896,394

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON TOWNSHIP 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 Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 22,580,498			\$ 2,113,368	\$ 24,693,866
Tuition Charges	455,050				455,050
Interest on Investments	20,466				20,466
Interest Earned on Capital Reserve Funds	1,611				1,611
Miscellaneous	103,738	\$ 60,906			164,644
Total	23,161,363	60,906	\$ -	2,113,368	25,335,637
State Sources	5,375,146	221,442	444,426		6,041,014
Federal Sources		520,420			520,420
Total Revenues	28,536,509	802,768	444,426	2,113,368	31,897,071
EXPENDITURES					
Current:					
Instructional:					
Regular Instruction	6,816,399	197,125			7,013,524
Special Education Instruction	2,624,066	10,961			2,635,027
Other Special Instruction	641,572	27,595			669,167
Other Instruction	62,836				62,836
Support Service & Undistributed Costs:					
Tuition	309,736	355,236			664,972
Student & Instruction Related Services	3,512,926	181,511			3,694,437
General & Business Administrative Services	843,220				843,220
School Administrative Services	964,085				964,085
Plant Operations & Maintenance	2,143,445	18,300			2,161,745
Pupil Transportation	1,553,746				1,553,746
Unallocated Benefits	7,037,783				7,037,783

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

CLINTON TOWNSHIP 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 Governmental Funds
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 62,591	\$ 12,040	\$ 906,897		\$ 981,528
Special Schools	52,892				52,892
Debt Service:					
Principal				\$ 905,000	905,000
Interest on Bonds				1,248,368	1,248,368
Interest on SDA Obligations	89,009				89,009
Total Expenditures	<u>26,714,306</u>	<u>802,768</u>	<u>906,897</u>	<u>2,153,368</u>	<u>30,577,339</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>1,822,203</u>	<u>-</u>	<u>(462,471)</u>	<u>(40,000)</u>	<u>1,319,732</u>
Other Financing Sources (Uses):					
Transfers In			16,326	40,000	56,326
Transfers Out	(106,326)				(106,326)
Total Other Financing Sources (Uses)	<u>(106,326)</u>	<u>-</u>	<u>16,326</u>	<u>40,000</u>	<u>(50,000)</u>
Net Change in Fund Balance	1,715,877	-	(446,145)	-	1,269,732
Fund Balances, July 1	<u>2,010,896</u>	<u>-</u>	<u>1,384,815</u>	<u>-</u>	<u>3,395,711</u>
Fund Balances, June 30	<u>\$ 3,726,773</u>	<u>\$ -</u>	<u>\$ 938,670</u>	<u>\$ -</u>	<u>\$ 4,665,443</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

Total Net Changes in Fund Balances-Governmental Fund (from B-2)		\$ 1,269,732
<p>Amounts reported for governmental activities in the Statement of Activities (A-2) are different because:</p>		
<p>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 expenses. This is the amount by which depreciation exceeds capital outlays in the period:</p>		
Capital Outlays	\$ 981,528	
Depreciation Expense	<u>(1,433,612)</u>	(452,084)
<p>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 position and are not reported in the statements of activities:</p>		
Bond Principal Payments		905,000
<p>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.</p>		
		(44,660)
<p>Governmental funds report the effect of premiums or discounts when debt is first issued, whereas these amounts are deferred & amortized in the statement of activities:</p>		
Amortization of Bond Premium/Discount		87,006
<p>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.</p>		
		18,843
<p>In the statement of activities, compensated absences are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation.</p>		
		<u>(37,979)</u>
Change in Net Position of Governmental Activities		<u>\$ 1,745,858</u>

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

	<u>Food Service Fund</u>
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 15,469
Receivables from Other Governments:	
State	351
Federal	3,275
Accounts Receivable-Other	575
Inventory	5,871
Total Current Assets	<u>25,541</u>
Noncurrent Assets:	
Capital Assets	168,139
Less: Accumulated Depreciation	154,658
Total Noncurrent Assets	<u>13,481</u>
Total Assets	<u>39,022</u>
LIABILITIES	
Current Liabilities:	
Due to Other Funds	1,970
Unearned Revenue	10,118
Total Liabilities	<u>12,088</u>
NET POSITION	
Net Investment in Capital Assets	13,481
Unrestricted	<u>13,453</u>
TOTAL NET POSITION	<u>\$ 26,934</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 221,888
Daily Sales-Unreimbursable Programs	126,792
Total Operating Revenues	348,680
Other Expenses:	
Salaries	143,803
Employee Benefits	31,829
Purchased Property Services (Repairs)	17,307
Insurance	2,330
Management Fee	15,975
Other Purchased Services	3,649
Supplies and Materials	1,257
Depreciation	1,416
Costs of Sales-Reimbursable Programs	138,610
Costs of Sales-Nonreimbursable Programs	64,616
Miscellaneous	1,104
Total Operating Expenses	421,896
Operating Income (Loss)	(73,216)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	3,440
Federal Sources:	
National School Lunch Program:	
Cash Assistance	44,966
Noncash Assistance (Commodities)	25,531
Interest Earned on Investments	207
Total Nonoperating Revenues (Expenses)	74,144
Change in Net Position	928
Net Position, Beginning	26,006
Net Position, Ending	\$ 26,934

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers (Net)	\$ 347,926
Payments to Food Service Management Company	(378,391)
Payments to Vendors (Net)	(16,845)
Net Cash Provided by (Used For) Operating Activities	<u>(47,310)</u>
Cash Flows from Noncapital Financing Activities:	
State Sources	3,549
Federal Sources	45,105
General Fund Interfund Activity	1,970
Net Cash Provided by (Used For) Noncapital Financing Activities	<u>50,624</u>
Cash Flows from Investing Activities:	
Interest Earned on Investments	<u>207</u>
Cash Flows from Capital & Related Financing Activities:	
Purchase of Capital Assets	<u>(2,184)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	1,337
Cash and Cash Equivalents (Deficit), July 1	<u>14,132</u>
Cash and Cash Equivalents (Deficit), June 30	<u>\$ 15,469</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Operating Income (Loss)	\$ (73,216)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	1,416
Federal Food Donation Program	25,531
(Increase) Decrease in Accounts Receivable	286
(Increase) Decrease in Inventory	(43)
Increase (Decrease) in Unearned Revenue	<u>(1,284)</u>
Net Cash Provided by (Used For) Operating Activities	<u>\$ (47,310)</u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund
ASSETS			
Cash & Cash Equivalents	\$ 37,288	\$ 110,497	\$ 149,775
TOTAL ASSETS	<u>37,288</u>	<u>\$ 110,497</u>	<u>\$ 149,775</u>
LIABILITIES			
Due to Other Funds			\$ 16,206
Accounts Payable	3,658		
Accumulated Interest			318
Due to Student Groups		\$ 110,497	
Payroll Deductions & Withholdings			133,251
TOTAL LIABILITIES	<u>3,658</u>	<u>\$ 110,497</u>	<u>\$ 149,775</u>
NET POSITION			
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 33,630</u>		

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

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

	<u>Unemployment Compensation Fund</u>
ADDITIONS	
Contributions:	
Plan Members	\$ 24,238
Investment Earnings:	
Interest	119
Total Additions	<u>24,357</u>
DEDUCTIONS	
Unemployment Claims	<u>90,825</u>
Total Deductions	<u>90,825</u>
Other Financing Sources (Uses):	
Transfers In from the General Fund	<u>50,000</u>
Total Other Financing Sources (Uses)	<u>50,000</u>
Change in Net Position	(16,468)
Net Position, Beginning	<u>50,098</u>
Net Position, Ending	<u><u>\$ 33,630</u></u>

SEE ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS

CLINTON TOWNSHIP 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 Township 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 nine members elected to three-year-terms. The purpose of the district is to educate students in Grades K-8. The District had an approximate enrollment at June 30, 2015 of 1,471 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.

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.

CLINTON TOWNSHIP 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 (Cont'd)

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.

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.

CLINTON TOWNSHIP 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)

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 subfund.

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

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

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.

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:

CLINTON TOWNSHIP 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)

Proprietary Fund Types (Cont'd)

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.

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

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 governments 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."

CLINTON TOWNSHIP 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 (Cont'd)

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 required 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.

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

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.

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

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

J. Capital Assets (Cont'd)

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
Food Service Equipment	15
Athletic Equipment	15
Audio Visual Equipment	10
Buses	08
Vehicles	08
Computer Equipment	05 to 10
Office Equipment	05 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 employers 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 TOWNSHIP 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, Special Revenue Fund and Debt Service Fund represents revenues, 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 TOWNSHIP 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 TOWNSHIP 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 & Cash Equivalents		<u>\$ 3,220,629</u>
Cash:	<u>Ref.</u>	
Governmental Funds, Balance Sheet	B-1	\$ 2,907,600
Enterprise Fund Statement of Net Position (Deficit)	B-4	15,469
Fiduciary Funds, Statement of Net Position	B-7	<u>297,560</u>
Total		<u>\$ 3,220,629</u>

CLINTON TOWNSHIP 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 \$3,220,629 and the bank balance is \$3,663,742. Of the bank balance, \$250,000 is covered by federal depository insurance and \$3,413,742 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.

NOTE 4. CAPITAL ASSETS

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

GOVERNMENTAL ACTIVITIES	Beginning Balance	Increases	Decreases	Ending Balance
Capital Assets, Not Being Depreciated:				
Land	\$ 4,996,634			\$ 4,996,634
Construction in Progress	529,266	\$ 936,517	\$ 401,667	1,064,116
Total	5,525,900	936,517	401,667	6,060,750

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 4. CAPITAL ASSETS (Cont'd)

	Beginning Balance	Increases	Decreases	Ending Balance
GOVERNMENTAL ACTIVITIES				
Capital Assets, Being				
Depreciated:				
Land Improvements	\$ 1,064,181			\$ 1,064,181
Building & Improvements	63,306,580	\$ 233,108		63,539,688
Furniture & Equipment	1,252,063	208,260	\$ 3,200	1,457,123
Vehicles	106,081	5,310	7,000	104,391
Total	<u>65,728,905</u>	<u>446,678</u>	<u>10,200</u>	<u>66,165,383</u>
Accumulated Depreciation:				
Land Improvements	800,244	44,407		844,651
Building & Improvements	16,151,512	1,274,602		17,426,115
Furniture & Equipment	693,698	105,723	3,200	796,220
Vehicles	81,826	8,880	7,000	83,706
Total	<u>17,727,280</u>	<u>1,433,612</u>	<u>10,200</u>	<u>19,150,692</u>
Total Capital Assets, Being Depreciated, Net	<u>48,001,625</u>	<u>(986,934)</u>	<u>-0-</u>	<u>47,014,691</u>
Transfers	<u>-0-</u>	<u>(401,667)</u>	<u>(401,667)</u>	<u>-0-</u>
Governmental Activities Capital Assets, Net	<u>\$ 53,527,525</u>	<u>\$ (452,084)</u>	<u>\$ -0-</u>	<u>\$ 53,075,441</u>
BUSINESS-TYPE ACTIVITIES				
Capital Assets:				
Machinery & Equipment	\$ 165,955	\$ 2,184		\$ 168,139
Less: Accum Depreciation	<u>153,242</u>	<u>1,416</u>		<u>154,658</u>
Business-Type Activities Capital Assets, Net	<u>\$ 12,713</u>	<u>\$ 768</u>	<u>\$ -0-</u>	<u>\$ 13,481</u>
Depreciation Expense was Charged to Governmental Functions in the Current Year as Follows:				
Instruction:				
Regular	\$ 619,529			
Special Education	233,198			
Other Special Instruction	59,110			
Co-curricular Activities	5,551			
Support Services:				
Student & Instruction	326,342			
General & Business Admin	74,485			
School Administration	85,161			
Plant & Maintenance	23,573			
Pupil Transportation	1,991			
Special School	4,672			
Total Depreciation Expense, Governmental Activities	<u>\$ 1,433,612</u>			

CLINTON TOWNSHIP 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	Accruals	Payments	Ending Balance	Due Within One Year
Governmental Activities:					
Refunding Bonds Payable	\$ 29,375,000		\$ 905,000	\$ 28,470,000	\$ 940,000
Unamortized Bond Premiums	800,578		87,006	713,572	87,006
PERS Net Pension Liability	6,619,471	\$ 41,638		6,661,109	
Compensated Absences Payable	660,145	131,845	93,866	698,124	75,355
Total Governmental Activities Long-Term Liabilities	<u>\$ 37,455,194</u>	<u>\$ 173,483</u>	<u>\$ 1,085,872</u>	<u>\$ 36,542,805</u>	<u>\$ 1,102,361</u>

Payments on the general obligation bonds and refunding 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 and Refunding Bonds Outstanding as of June 30, 2015 Including Interest Payments are Listed as Follows:

Year Ending June 30,	Principal	Interest	Total
2016	\$ 940,000	\$ 1,221,017	\$ 2,161,017
2017	975,000	1,183,698	2,158,698
2018	1,020,000	1,144,978	2,164,978
2019	1,070,000	1,095,102	2,165,102
2020	1,125,000	1,042,728	2,167,728
2021-2025	6,630,000	4,328,035	10,958,035
2026-2030	8,430,000	2,833,245	11,263,245
2031-2034	8,280,000	917,850	9,197,850
Totals	<u>\$ 28,470,000</u>	<u>\$ 13,766,653</u>	<u>\$ 42,236,653</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

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

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

\$8,830,000 – 2006 general obligation refunding bonds, due in annual installments of \$15,000 to \$2,190,000 beginning Jan 15, 2011, through Jan 15, 2034 interest from 3.50% to 4.35%	\$ 8,705,000
\$12,100,000 – 2011 general obligation refunding bonds, due in Annual installments of \$195,000 to \$1,255,000 beginning Jan 15, 2012, through January 15, 2024 interest from 3.00% to 5.00%	9,395,000
\$10,630,000 – 2012 general obligation refunding bonds, due in annual installments of \$25,000 to \$1,790,000 beginning January 15, 2012, through January 15, 2030 interest from 2.00% to 4.125%	<u>10,370,000</u>
	<u>\$ 28,470,000</u>

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 \$66,543,114. General obligation debt at June 30, 2015 is \$29,370,879, resulting in a legal debt margin of \$37,172,235.

Bonds and Notes Authorized But Not Issued

As of June 30, 2015, the District had \$900,879 of authorized but not issued debt for the school facility capital project authorized by the voters on April 7, 2003 for \$39,522,182. The authorized but not issued amount is summarized below:

Total Authorized	\$ 39,522,182
Bonds Issued	(32,259,000)
NJ SPA Aid Received @ 06/30/15	(6,361,988)
Local Funding Provided	<u>(315)</u>
Total Authorized But Not Issued	<u>\$ 900,879</u>

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

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.

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS

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

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.

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.

CLINTON TOWNSHIP 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)

Contributions (Cont'd)

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.

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	\$ 13,900,710	\$ 12,909,326
Plan Fiduciary Net Position	<u>7,239,601</u>	<u>6,289,855</u>
Net Pension Liability	<u>\$ 6,661,109</u>	<u>\$ 6,619,471</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%

CLINTON TOWNSHIP 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)

Components of Net Pension Liability (Cont'd)

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.

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:

	<u>2014</u>
At Current Discount Rate (5.39%)	\$ 6,661,109
At a 1% Lower Rate (4.39%)	8,379,902
At a 1% Higher Rate (6.39%)	5,217,760
	<u>2013</u>
At Current Discount Rate (5.55%)	\$ 6,619,471
At a 1% Lower Rate (4.55%)	8,240,369
At a 1% Higher Rate (6.55%)	5,261,373

CLINTON TOWNSHIP 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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -0-	\$ -0-
Changes of assumptions	209,461	
Net difference between projected and actual earnings on pension plan investments		396,966
Changes in proportion and differences between District contributions and proportionate share of contributions	152,155	
District contributions subsequent to the measurement date	<u>293,297</u>	<u> </u>
Total	<u>\$ 654,913</u>	<u>\$ 396,966</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 \$293,297 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:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Deferred Outflows of Resources:				
Changes of Assumptions	\$ -0-	\$ 247,965	\$ 38,504	\$ 209,461
Deferred Inflows of Resources:				
Difference Between Projected and Actual Earnings on Pension Plan Investments	-0-	496,207	99,241	<u>396,966</u>
Net of Deferred Outflows/(Inflows)				<u>\$ (187,505)</u>

CLINTON TOWNSHIP 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)

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	\$ (60,738)
2016	(60,738)
2017	(60,738)
2018	(60,738)
2019	38,505
Thereafter	<u>16,942</u>
Total	<u>\$ (187,505)</u>

Pension Expense

For the year ended June 30, 2015, the District recognized net pension expense of \$337,957 which represents the District's proportionate share of allocable plan pension expense of \$342,465 plus net amortization of deferred amounts from changes in proportion of \$27,970 plus the pension expense related to specific liabilities of individual employers of \$2,261 and less other adjustments to the net pension liability of \$34,739. 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	\$ 311,658
Interest on Total Pension Liability	735,333
Member Contributions	(170,678)
Administrative Expense	5,198
Expected Investment Return Net of Investment Expense	(476,193)
Pension Expense Related to Specific Liabilities of Individual Employers	(2,116)
Recognition of Deferred Inflows/Outflows of Resources:	
Amortization of Assumption Changes or Inputs	38,504
Amortization of Projected Versus Actual Investment Earnings on Pension Plan Investments	<u>(99,241)</u>
Pension Expense	<u>\$ 342,465</u>

CLINTON TOWNSHIP 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)

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.

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.

CLINTON TOWNSHIP 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)

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.

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:

	<u>2014</u>	<u>2013</u>
Net Pension Liability	\$ 64,074,645	\$55,865,468
Employer Pension Expense & Related Revenue	3,447,817	N/A
Non-Employer Contribution	509,258	715,921
Allocable Proportionate Percentage	.1198850273%	.1105388548%

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 for 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/njdcprp.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

C. Defined Contribution Retirement Program (Cont'd)

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.

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.

Three Year Trend Information for TPAF (Paid on-behalf of the District)

<u>Year</u> <u>Funding</u>	<u>TPAF</u> <u>Benefit Costs</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>
06/30/14	\$ 1,642,193	100%
06/30/14	1,338,719	100%
06/30/13	1,521,892	100%

Three Year Trend Information for PERS (Paid on-behalf of the District)

<u>Year</u> <u>Funding</u>	<u>Annual</u> <u>Pension</u> <u>Cost (APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>
06/30/14	\$ 293,297	100%
06/30/14	260,969	100%
06/30/13	274,614	100%

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 6. PENSION PLANS (Cont'd)

Contribution Requirements (Cont'd)

During the year ended June 30, 2015, the State of New Jersey contributed \$1,007,529 to the TPAF for post-retirement medical benefits and \$42,597 for the non-contributory insurance premiums, and \$592,067 for normal costs and accrued liability on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$815,636 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.

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 JUNE 30, 2015
 (Continued)

NOTE 7. POST-RETIREMENT BENEFITS (Cont'd)

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.

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:

Lincoln Financial
 AXA The Equitable
 Variable Annuity Life Ins Co

NOTE 9. INTERFUND RECEIVABLE AND PAYABLES

Interfund balances as of June 30, 2015 were as follows:

	Receivable	Payable
General Fund	\$ 505,759	
Special Revenue Fund		\$ 21,053
Payroll Agency Fund		6,206
Capital Projects Fund		466,530
Food Service Fund		1,970
Payroll Flex Spending Fund		10,000
	\$ 505,759	\$ 505,759

The balance due from the Payroll Flex Spending Fund to the General Fund of \$10,000 represents an imprest loan to the Flex Spending account for cash-flow reasons.

The balance due from the Capital Projects Fund to the General Fund represents a loan from the General Fund of \$466,530 due to cash flow issues related to the delayed receipt of NJ SDA aid. The balance due from the Food Service Fund to the General Fund of \$1,970 represents equipment purchased in the General Fund for the Food Service Fund not yet reimbursed

The balance due from the Payroll Agency Fund to the General Fund of \$6,206 represents voided outstanding checks and balances due to the General Fund.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 10. INVENTORY

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

Food	\$	4,623
Supplies		1,248
	\$	5,871

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.

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. There was no significant reduction in insurance coverage from coverage of the prior year. The District did not have any insurance settlements which exceeded insurance coverage for the past three years. 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 Districts expendable trust fund for the current and previous two years:

Fiscal Year	Other	District Contrib	Interest Earnings	Employee Contrib	Amount Reimbursed	Ending Balance
2014-2015	\$ -0-	\$ 50,000	\$ 119	\$ 24,238	\$ 90,825	\$ 33,630
2013-2014	-0-	-0-	243	26,847	73,428	50,098
2012-2013	-0-	45,000	263	26,474	75,831	96,436

NOTE 13. LEGAL RESERVE ACCOUNTS

A capital reserve account was established by the District by inclusion of \$1 on June 27, 2014 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.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 13. LEGAL RESERVE ACCOUNTS (Cont'd)

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.

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 \$1,000,000 to their Capital Reserve account and \$200,000 to their Maintenance Reserve account by board resolution in June 2015 as summarized in the following schedule.

The following schedule is a summarization of the Legal Reserve Accounts for the current year:

Reserve Type	Beginning Balance	District Contribution	Interest Earnings	Withdrawals	Ending Balance
Capital	\$ 606,792	\$ 1,000,000	\$ 1,611	\$ 56,326	\$ 1,552,077
Maintenance	323,000	200,000		150,000	373,000
Totals	<u>\$ 929,792</u>	<u>\$ 1,200,000</u>	<u>\$ 1,611</u>	<u>\$ 206,326</u>	<u>\$ 1,925,077</u>

NOTE 14. FUND BALANCES-BUDGETARY BASIS

As described in Note 1 N-Fund Balance may be restricted, committed or assigned. The following is an analysis of the General Fund Balance on the "budgetary basis" as of June 30, 2015 and 2014. The total differs from the Governmental Funds Balance Sheet, which is stated on the "GAAP" basis, by \$219,900.

	2015	2014
Restricted:		
Excess Surplus-Represents amount in excess of allowable percentage. In accordance with state statute, the excess surplus is designated for utilization in succeeding year's budgets	\$ 190,892	
Committed:		
Capital Reserve Account-Represents funds restricted to capital projects in the Districts Long Range Facilities Plan	1,552,077	\$ 606,792
Maintenance Reserve-Represents funds accumulated for the required maintenance of a facility in accordance with the EFCFA (NJSA18A:76-9)	373,000	323,000
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,	\$ 988,770	\$ 366,647
Designated for Subsequent User's Expenditures-Amount appropriated in the succeeding year's budget to reduce tax requirements	240,000	200,000

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 14. FUND BALANCES-BUDGETARY BASIS (Cont'd)

	2015	2014
Unassigned:		
Undesignated-Represents fund balance which has not been restricted or designated	\$ 601,934	\$ 746,495
Total Fund Balance	\$ 3,946,673	\$ 2,242,934

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 \$190,892.

NOTE 16. SUBSEQUENT EVENTS

The District has evaluated subsequent events through November 19, 2015, which is the date the financial statements were available to be issued and one additional item was noted for disclosure as follows:

On October 2015, the District issued \$8,680,000 in general obligation bonds with an interest rate of 2.00% to 3.25% to currently refund all of the District's outstanding callable Refunding School Bonds, Series 2006, maturing on January 15 in the years 2017 through 2034, inclusive, in the aggregate principal amount of \$8,685,000

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.

CLINTON TOWNSHIP SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2015
(Continued)

NOTE 17. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

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.

NOTE 18: INSURANCE CLAIM PROCEEDS RECEIVED FOR DESTROYED BARN

The District has received funds from insurance claims for the total destruction of a barn building and its contents. The unexpended balance of these funds as of June 30, 2015 is recorded as "Insurance Adjustments" which is a liability account in the General Fund. These funds will be utilized for the future replacement of the barn building and its contents.

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:

	Business Type Activities	Governmental Activities
Net Position, June 30, 2014 as Originally Stated	\$ 23,774	\$ 25,509,038
Add: Deferred Outflow of Resources for Pension Activity		260,969
Adjustments to Net Investment in Capital Assets	2,232	
Less: PERS Net Pension Liability as of June 30, 2014		(6,619,471)
Net Position, June 30, 2014 as Restated	<u>\$ 26,006</u>	<u>\$ 19,150,536</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 \$6,572,794 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 TOWNSHIP 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	\$ 22,580,498		\$ 22,580,498	\$ 22,580,498	
Tuition-Individuals	112,500		112,500	94,500	\$ (18,000)
Tuition from Other LEAs Within the State-Regular	331,566		331,566	290,271	(41,295)
Tuition from Other LEAs Within the State-Special				70,279	70,279
Transportation Fees from Other LEAs Within/State	17,500		17,500		(17,500)
Interest on Investments	25,000		25,000	20,466	(4,534)
Interest Earned on Capital Reserve Funds	2,500		2,500	1,611	(889)
Building Use Rental Income				47,379	47,379
Miscellaneous	105,000		105,000	56,109	(48,891)
Total	<u>23,174,564</u>	<u>\$ -</u>	<u>23,174,564</u>	<u>23,161,113</u>	<u>(13,451)</u>
State Sources:					
Categorical Transportation Aid	147,078		147,078	147,078	
Categorical Special Education Aid	780,827		780,827	780,827	
Categorical Security Aid	82,468		82,468	82,468	
School Choice Aid	1,288,584	(208,256)	1,080,328	1,080,328	
Additional Adjustment Aid	169,208		169,208	169,208	
PARCC Readiness Aid	14,050		14,050	14,050	
Per Pupil Growth Aid	14,050		14,050	14,050	
Extraordinary Aid	502,487		502,487	599,821	97,334
Non Public Transportation Aid				17,349	17,349
On-Behalf TPAF Pension Contribution				634,664	634,664
On-Behalf TPAF Post Retirement Medical Benefits				1,007,529	1,007,529
Reimbursed TPAF Social Security Contribution				815,636	815,636
Total	<u>2,998,752</u>	<u>(208,256)</u>	<u>2,790,496</u>	<u>5,363,008</u>	<u>2,572,512</u>
TOTAL REVENUES	<u>\$ 26,173,316</u>	<u>\$ (208,256)</u>	<u>\$ 25,965,060</u>	<u>\$ 28,524,121</u>	<u>\$ 2,559,061</u>
EXPENDITURES					
Current:					
Regular Program-Instruction:					
Salaries of Teachers:					
Preschool	\$ 186,158	\$ (24,246)	\$ 161,912	\$ 149,734	\$ 12,178
Kindergarten	199,100	6,918	206,018	187,482	18,536
Grades 1-5	3,393,129	(179,685)	3,213,444	2,981,946	231,498
Grades 6-8	2,383,881	(98,404)	2,285,477	2,197,154	88,323
Home Instruction:					
Salaries of Teachers	15,257	6,207	21,464	21,207	257
Purchased Professional-Educational Services		3,116	3,116	3,098	18
Regular Programs-Undistributed Instruction:					
Purchased Professional-Educational Services	144,000	244,121	388,121	384,823	3,298
Purchased Technical Services	12,000		12,000	10,306	1,694
Other Purchased Services	303,492	(46,220)	257,272	248,101	9,171
General Supplies	564,598	211,898	776,496	628,690	147,806
Textbooks	63,300	(27,961)	35,339	1,313	34,026
Other Objects	6,404	(1,595)	4,809	2,545	2,264
Total	<u>7,271,318</u>	<u>94,150</u>	<u>7,365,468</u>	<u>6,816,399</u>	<u>549,069</u>
Special Education:					
Auditory Impairments					
Salaries of Teachers	56,087	(42,000)	14,087		14,087
Purchased Professional-Educational Services	1,000	(1,000)			
General Supplies	700		700	345	355
Total	<u>57,787</u>	<u>(43,000)</u>	<u>14,787</u>	<u>345</u>	<u>14,442</u>

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Resource Room/Center:					
Salaries of Teachers	\$ 2,297,097	\$ (71,015)	\$ 2,226,082	\$ 2,094,515	\$ 131,567
Other Salaries for Instruction	57,482	177	57,659	48,235	9,424
Purchased Professional-Educational Services	25,000	83,365	108,365	108,365	
General Supplies	19,250	(7,731)	11,519	9,195	2,324
Total	2,398,829	4,796	2,403,625	2,260,310	143,315
Autism:					
Salaries of Teachers	193,639	3,721	197,360	182,426	14,934
Other Salaries for Instruction	249,580	(27,634)	221,946	137,731	84,215
Purchased Professional-Educational Services	30,000	23,100	53,100	40,226	12,874
General Supplies	1,800	1,278	3,078	3,028	50
Total	475,019	465	475,484	363,411	112,073
Total Special Education	2,931,635	(37,739)	2,893,896	2,624,066	269,830
Basic Skills/Remedial:					
Salaries of Teachers	687,659	12,502	700,161	621,520	78,641
Purchased Professional-Educational Services	7,500	16,126	23,626	14,921	8,705
General Supplies	6,425		6,425	5,131	1,294
Total	701,584	28,628	730,212	641,572	88,640
School Sponsored Co/Extra Curricular Activities:					
Salaries	15,905	3,392	19,297	14,789	4,508
Supplies and Materials	4,600	542	5,142	1,790	3,352
Total	20,505	3,934	24,439	16,579	7,860
School-Sponsored Athletics:					
Salaries	34,530	133	34,663	34,663	
Purchased Services	14,643	(3,073)	11,570	7,150	4,420
Supplies and Materials	4,260	184	4,444	4,444	
Total	53,433	(2,756)	50,677	46,257	4,420
Total Instruction Regular	\$ 10,978,475	\$ 86,217	\$ 11,064,692	\$ 10,144,873	\$ 919,819
Undistributed Expenditures:					
Instruction:					
Tuition to Other LEAs Within the State-Special	\$ 54,574	\$ 58,665	\$ 113,239	\$ 99,539	\$ 13,700
Tuition to Private School for the Disabled Within State	603,000	(409,981)	193,019	193,019	
Tuition-Other		17,178	17,178	17,178	
Total	657,574	(334,138)	323,436	309,736	13,700
Health Services:					
Salaries	323,635	6,917	330,552	306,022	24,530
Purchased Professional & Technical Services	3,500		3,500	3,000	500
Supplies & Materials	13,300		13,300	10,689	2,611
Total	340,435	6,917	347,352	319,711	27,641
Speech, OT, PT and Related Services:					
Salaries	581,884	14,426	596,310	486,000	110,310
Purchased Professional Educational Services	93,000	37,600	130,600	90,984	39,616
Supplies & Materials	9,500		9,500	4,741	4,759
Total	684,384	52,026	736,410	581,725	154,685
Other Support Services-Students-Extraordinary:					
Salaries	481,620	9,272	490,892	467,094	23,798
Purchased Professional-Educational Services	155,200	13,600	168,800	109,444	59,356
Total	636,820	22,872	659,692	576,538	83,154
Guidance:					
Salaries of Other Professional Staff	414,089	7,966	422,055	387,593	34,462
Other Purchased Services		14,000	14,000	14,000	
Supplies & Materials	16,250	(14,000)	2,250	733	1,517
Total	430,339	7,966	438,305	402,326	35,979

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Child Study Team:					
Salaries of Other Professional Staff	\$ 755,126	\$ (1,080)	\$ 754,046	\$ 711,466	\$ 42,580
Salaries of Secretarial & Clerical Assistants	82,740	1,534	84,274	78,950	5,324
Purchased Professional Educational Services	82,100	12,960	95,060	79,372	15,688
Other Purchased Services	26,600	1,000	27,600	21,615	5,985
Supplies & Materials	42,153	(1,178)	40,975	19,292	21,683
Other Objects	14,510		14,510	1,259	13,251
Total	1,003,229	13,236	1,016,465	911,954	104,511
Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	107,095	(1,021)	106,074	106,074	
Salaries of Other Professional Staff	19,880	12,483	32,363	20,262	12,101
Salaries of Secretarial & Clerical Assistants	23,295	473	23,768	23,170	598
Other Purchased Services	6,000		6,000	1,957	4,043
Supplies & Materials		2,700	2,700	2,341	359
Other Objects	4,225	(1,000)	3,225	2,163	1,062
Total	160,495	13,635	174,130	155,967	18,163
Educational Media Service/School Library:					
Salaries	408,432	(87,401)	321,031	283,220	37,811
Salaries of Technology Coordinators		92,000	92,000	92,000	
Purchased Professional and Technical Services	2,730	1,861	4,591	3,110	1,481
Supplies & Materials	24,725		24,725	23,200	1,525
Total	435,887	6,460	442,347	401,530	40,817
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	107,095	7,848	114,943	89,825	25,118
Salaries of Other Professional Staff	21,000		21,000		21,000
Salaries of Secretarial & Clerical Assistants	23,069	574	23,643	23,170	473
Purchased Professional Educational Services	50,950		50,950	22,909	28,041
Other Purchased Services	37,000		37,000	27,271	9,729
Total	239,114	8,422	247,536	163,175	84,361
Support Services-General Administration:					
Salaries	250,184	(21,182)	229,002	227,502	1,500
Legal Services	55,000	11,920	66,920	51,130	15,790
Audit Fees	29,000	580	29,580	29,580	
Architectural/Engineering Services	15,195	(11,485)	3,710	3,710	
Other Purchased Professional Services	4,250	9,000	13,250	11,845	1,405
Communications & Telephone	30,300	5,806	36,106	35,829	277
Board of Education Other Purchased Services	2,500	(500)	2,000	350	1,650
Miscellaneous Purchased Services	67,486	(10,150)	57,336	53,576	3,760
General Supplies	3,200	1,208	4,408	2,751	1,657
Board of Education In-House Training/Meeting Supplies	750	(318)	432	60	372
Miscellaneous Expenditures	3,025	9,000	12,025	2,850	9,175
Board of Education Membership Dues & Fees	13,500	3,500	17,000	16,992	8
Total	474,390	(2,621)	471,769	436,175	35,594
Support Services-School Administration:					
Salaries of Principals & Assistant Principals	650,244	(6,358)	643,886	611,422	32,464
Salaries of Secretarial & Clerical Assistants	315,280	13,588	328,868	304,339	24,529
Other Purchased Services	24,840	(4,135)	20,705	13,383	7,322
Supplies & Materials	37,008	(8,064)	28,944	25,532	3,412
Other Objects	14,750		14,750	9,409	5,341
Total	1,042,122	(4,969)	1,037,153	964,085	73,068

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Support Services-Central Services:					
Salaries	\$ 328,867		\$ 328,867	\$ 326,356	\$ 2,511
Purchased Professional Services	21,500	\$ 2,050	23,550	23,130	420
Purchased Technical Services	17,560	10,700	28,260	21,360	6,900
Miscellaneous Purchased Services	10,000		10,000	1,864	8,136
Supplies & Materials	7,000		7,000	6,523	477
Interest on Current Loans	12,000	(4,900)	7,100	6,731	369
Miscellaneous Expenditures	1,450		1,450	1,413	37
Total	398,377	7,850	406,227	387,377	18,850
Support Services-Administrative Information Technology:					
Salaries	3,500		3,500	3,500	
Purchased Technical Services	21,370	(6,900)	14,470	13,218	1,252
Other Purchased Services	8,750		8,750	2,950	5,800
Supplies & Materials	1,800		1,800		1,800
Other Objects	212		212		212
Total	35,632	(6,900)	28,732	19,668	9,064
Required Maintenance for School Facilities:					
Salaries	331,092	(134,455)	196,637	190,864	5,773
Cleaning, Repair & Maintenance Services	130,070	270,150	400,220	274,180	126,040
General Supplies	77,500	22,464	99,964	72,243	27,721
Other Objects		3,268	3,268	3,268	
Total	538,662	161,427	700,089	540,555	159,534
Custodial Services:					
Salaries	812,632	(4,055)	808,577	749,109	59,468
Purchased Professional & Technical Services	44,600	233	44,833	30,921	13,912
Cleaning Repair & Maintenance Services	51,900	(500)	51,400	27,152	24,248
Other Purchased Property Services	36,600	(5,181)	31,419	22,130	9,289
Insurance	118,758	5,181	123,939	123,938	1
Miscellaneous Purchased Services	1,250	517	1,767	1,612	155
General Supplies	69,750	44,209	113,959	54,723	59,236
Energy (Natural Gas)	176,000	16,694	192,694	166,568	26,126
Energy (Electricity)	394,000	7,004	401,004	400,999	5
Energy (Oil)	15,000		15,000	4,680	10,320
Other Objects		175	175	175	
Total	1,720,490	64,277	1,784,767	1,582,007	202,760
Care and Upkeep of Grounds:					
Cleaning, Repair, and Maintenance Services	3,000	4,020	7,020	4,404	2,616
General Supplies	29,000	(4,020)	24,980	13,791	11,189
Total	32,000		32,000	18,195	13,805
Security:					
General Supplies	11,500		11,500	2,688	8,812
Total	11,500		11,500	2,688	8,812
Student Transportation Services:					
Salaries of Non-Instructional Aides	15,000		15,000	11,466	3,534
Salaries-(Between Home and School)-Regular	6,965		6,965	6,928	37
Salaries-(Between Home and School)-Special Education	6,965		6,965	6,928	37
Management Fee-ESC Transportation Program	15,000	(677)	14,323	5,926	8,397
Other Purchased Professional & Technical Services	10,000	14,000	24,000	24,000	
Contracted Services-Aid In Lieu of Payments-Nonpublic	35,000	2,938	37,938	36,042	1,896
Contracted Services (Between Home & School)-Vendors	710,880	33,620	744,500	727,293	17,207
Contracted Services (Other Than Bet Home & Sch)-Vend	40,000	3,122	43,122	23,678	19,444
Contracted Services (Bet Home & School)-Joint Agreements	130,538	(14,000)	116,538	112,238	4,300
Contracted Services (Special Ed Stds)-Vendors	116,427		116,427	84,546	31,881
Contracted Services (Reg Students)-ESCs & CTSA	428,000	(34,470)	393,530	392,218	1,312
Contracted Services (Special Ed Students)-ESCs & CTSA	182,200	(5,146)	177,054	122,483	54,571
Miscellaneous Purchased Services	6,500		6,500		6,500
General Supplies	150		150		150
Total	1,703,625	(613)	1,703,012	1,553,746	149,266

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (Cont'd)					
Current: (cont'd)					
Unallocated Benefits-Employee Benefits:					
Social Security Contributions	\$ 323,161	\$ (73,301)	\$ 249,860	\$ 226,306	\$ 23,554
Other Retirement Contributions-PERS	338,512	(31,716)	306,796	294,889	11,907
Other Retirement Contributions-Regular	4,000	8,018	12,018	12,018	
Unemployment Compensation	50,000	(50,000)			
Workmen's Compensation	117,268	(4,930)	112,338	112,338	
Health Benefits	3,844,255	(58,424)	3,785,831	3,722,123	63,708
Tuition Reimbursement	85,000		85,000	68,698	16,302
Other Employee Benefits	197,650	(32,866)	164,784	143,582	21,202
Total	<u>4,959,846</u>	<u>(243,219)</u>	<u>4,716,627</u>	<u>4,579,954</u>	<u>136,673</u>
On-Behalf TPAF Pension Contribution				634,664	(634,664)
On-Behalf TPAF Post Retirement Medical Benefits				1,007,529	(1,007,529)
Reimbursed TPAF Social Security Contribution				815,636	(815,636)
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,457,829</u>	<u>(2,457,829)</u>
Total Undistributed Expenditures	<u>\$ 15,504,920</u>	<u>\$ (227,371)</u>	<u>\$ 15,277,549</u>	<u>\$ 16,364,941</u>	<u>\$ (1,087,392)</u>
TOTAL CURRENT	<u>\$ 26,483,395</u>	<u>\$ (141,154)</u>	<u>\$ 26,342,241</u>	<u>\$ 26,509,814</u>	<u>\$ (167,573)</u>
CAPITAL OUTLAY					
Equipment:					
Undistributed Expenditures:					
General Administration	\$ 12,500	\$ (12,500)			
Administrative Information Technology		10,005	\$ 10,005	\$ 10,005	
Required Maintenance for School Facilities	50,000	(4,429)	45,571	5,060	\$ 40,511
Custodial Services	19,377	(1,635)	17,742	15,058	2,684
Security		16,244	16,244	16,244	
Total	<u>81,877</u>	<u>7,685</u>	<u>89,562</u>	<u>46,367</u>	<u>43,195</u>
Facilities Acquisitions and Construction Services:					
Architectural/Engineering Services	8,670	30,773	39,443	15,974	23,469
Assessment for Debt Service on SDA Funding	89,009		89,009	89,009	
Total	<u>97,679</u>	<u>30,773</u>	<u>128,452</u>	<u>104,983</u>	<u>23,469</u>
TOTAL CAPITAL OUTLAY	<u>\$ 179,556</u>	<u>\$ 38,458</u>	<u>\$ 218,014</u>	<u>\$ 151,350</u>	<u>\$ 66,664</u>
SPECIAL SCHOOLS					
Summer School-Instruction:					
Salaries of Teachers	\$ 50,998		\$ 50,998	\$ 36,191	\$ 14,807
Purchased Professional & Technical Services	2,000	\$ (2,000)			
General Supplies	1,000		1,000	262	738
Total	<u>53,998</u>	<u>(2,000)</u>	<u>51,998</u>	<u>36,453</u>	<u>15,545</u>
Summer School-Support Services:					
Salaries	20,514	(3,560)	16,954	16,439	515
Total	<u>20,514</u>	<u>(3,560)</u>	<u>16,954</u>	<u>16,439</u>	<u>515</u>
TOTAL SPECIAL SCHOOLS	<u>\$ 74,512</u>	<u>\$ (5,560)</u>	<u>\$ 68,952</u>	<u>\$ 52,892</u>	<u>\$ 16,060</u>
TOTAL EXPENDITURES	<u>\$ 26,737,463</u>	<u>\$ (108,256)</u>	<u>\$ 26,629,207</u>	<u>\$ 26,714,056</u>	<u>\$ (84,849)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (564,147)	\$ (100,000)	\$ (664,147)	\$ 1,810,065	\$ 2,474,212
Other Financing Sources (Uses):					
Transfers Out:					
Transfers Out-Unemployment Compensation		(50,000)	(50,000)	(50,000)	
Capital Reserve to Debt Service Fund	(40,000)		(40,000)	(40,000)	
Capital Reserve to Capital Projects Fund		(16,326)	(16,326)	(16,326)	
Total Other Financing Sources (Uses)	<u>(40,000)</u>	<u>(66,326)</u>	<u>(106,326)</u>	<u>(106,326)</u>	

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

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (604,147)	\$ (166,326)	\$ (770,473)	\$ 1,703,739	\$ 2,474,212
Fund Balances, July 1	2,242,934	-	2,242,934	2,242,934	-
Fund Balances, June 30	<u>\$ 1,638,787</u>	<u>\$ (166,326)</u>	<u>\$ 1,472,461</u>	<u>\$ 3,946,673</u>	<u>\$ 2,474,212</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Adjustment for Prior Year Encumbrances	\$ (366,647)		\$ (366,647)	\$ (366,647)	
Increase in Capital Reserve	2,500	\$ 999,111	1,001,611	1,001,611	
Withdrawal from Capital Reserve	(40,000)	(16,326)	(56,326)	(56,326)	
Increase in Maintenance Reserve		200,000	200,000	200,000	
Withdrawal from Maintenance Reserve		(150,000)	(150,000)	(150,000)	
Budgeted Fund Balance	<u>(200,000)</u>	<u>(1,199,111)</u>	<u>(1,399,111)</u>	<u>1,075,101</u>	<u>\$ 2,474,212</u>
TOTAL	<u>\$ (604,147)</u>	<u>\$ (166,326)</u>	<u>\$ (770,473)</u>	<u>\$ 1,703,739</u>	<u>\$ 2,474,212</u>
RECAPITULATION OF FUND BALANCE					
Restricted Fund Balance:					
Excess Surplus:					
Current Year-Designated for 2016-2017 Budget				\$ 190,892	
Committed Fund Balance:					
Capital Reserve				1,552,077	
Maintenance Reserve				373,000	
Assigned Fund Balance:					
Year-End Encumbrances				988,770	
Designated for Subsequent Year's Expenditures				240,000	
Unassigned Fund Balance				<u>601,934</u>	
Fund Balance Per Budgetary Basis				3,946,673	
Reconciliation to Governmental Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(219,900)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 3,726,773</u>	

CLINTON TOWNSHIP SCHOOL DISTRICT
COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(NOT APPLICABLE TO THIS REPORT)

CLINTON TOWNSHIP 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	\$ 68,105		\$ 68,105	\$ 62,154	\$ (5,951)
State Sources	250,305		250,305	221,442	(28,863)
Federal Sources	522,776		522,776	520,150	(2,626)
TOTAL REVENUES	\$ 841,186	\$ -	\$ 841,186	\$ 803,746	\$ (37,440)
EXPENDITURES					
Instruction:					
Salaries	\$ 20,500		\$ 20,500	\$ 20,500	
Purchased Professional & Technical Services	165,384		165,384	140,504	\$ 24,880
Other Purchased Services	355,236	\$ 6,500	361,736	361,736	
General Supplies	62,074	(18,736)	43,338	37,387	5,951
Textbooks	27,108		27,108	26,055	1,053
Total	630,302	(12,236)	618,066	586,182	31,884
Support Services:					
Personal Services-Employee Benefits	5,330	196	5,526	5,526	
Purchased Professional & Technical Services	176,732	(1,782)	174,950	171,093	3,857
Cleaning, Repairs & Maintenance Services	18,300		18,300	18,300	
Other Purchased Services	4,699	1,760	6,459	4,760	1,699
Supplies and Materials	5,823	22	5,845	5,845	
Total	210,884	196	211,080	205,524	5,556
Facilities Acquisition & Construction Services:					
Instructional Equipment		12,040	12,040	12,040	
Total	-	12,040	12,040	12,040	-
TOTAL EXPENDITURES	\$ 841,186	\$ -	\$ 841,186	\$ 803,746	\$ 37,440

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION II

CLINTON TOWNSHIP 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> </u>	<u> </u>
<u>Sources/Inflows of Resources</u>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 28,524,121	\$ 803,746
Difference-Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures and the related revenue is recognized:		
Outstanding Encumbrances-Prior Year		5,060
Outstanding Encumbrances-Current Year		(6,038)
Asset trade-in values of capital assets are not recognized for budgetary basis purposes but treated as an additional revenue for GAAP purposes		
	250	
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):		
State Aid Receivable Prior Year	232,038	
State Aid Receivable Current Year	<u>(219,900)</u>	
Total Revenues (GAAP Basis)	<u>\$ 28,536,509</u>	<u>\$ 802,768</u>
<u>Uses/Outflows of Resources</u>		
Actual Amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 26,714,056	\$ 803,746
Differences-Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes:		
Outstanding Encumbrances-Prior Year		5,060
Outstanding Encumbrances-Current Year		(6,038)
Asset trade-in values of capital assets are not recognized for budgetary basis purposes but treated as an additional expenditure for GAAP purposes		
	<u>250</u>	
Total Expenditures (GAAP Basis)	<u>\$ 26,714,306</u>	<u>\$ 802,768</u>

REQUIRED SUPPLEMENTARY INFORMATION-PART III

CLINTON TOWNSHIP 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		64,074,645	55,865,468							
Total	\$ -	\$ 64,074,645	\$ 55,865,468	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll		\$ 11,690,976	\$ 11,689,197							
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 TOWNSHIP 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	\$ 634,664	\$ 507,163	\$ 714,252	\$ 340,143	\$ 33,406	\$ 35,353	\$ 34,982	\$ 743,995	\$ 680,137	\$ 98,626
Contributions in Relation to the Contractually Required Contribution	(634,664)	(507,163)	(714,252)	(340,143)	(33,406)	(35,353)	(34,982)	(743,995)	(680,137)	(98,626)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 11,364,829	\$ 11,690,976	\$ 11,689,197	\$ 11,295,135	\$ 10,582,744	\$ 10,924,967	\$ 10,223,542	\$ 10,176,340	\$ 9,761,256	\$ 8,680,423
Contributions as a Percentage of Covered Employee Payroll	5.58%	4.34%	6.11%	3.01%	0.32%	0.32%	0.34%	7.31%	6.97%	1.14%

CLINTON TOWNSHIP 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		0.0355776482%	0.0346351791%							
District's Proportion of the Net Pension Liability (Asset)- Value		\$ 6,661,109	\$ 6,619,471							
District's Covered Employee Payroll	N/A	2,355,925	2,420,911	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		282.74%	273.43%							
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		52.08%	48.72%							

CLINTON TOWNSHIP 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	\$ 293,297	\$ 260,969	\$ 274,614	\$ 319,481	\$ 316,175	\$ 253,592	\$ 125,371	\$ 195,508	\$ 104,873	\$ 47,509
Contributions in Relation to the Contractually Required Contribution	(293,297)	(260,969)	(274,614)	(319,481)	(316,175)	(253,592)	(125,371)	(195,508)	(104,873)	(47,509)
Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Employee Payroll	\$ 2,049,620	\$ 2,355,925	\$ 2,420,911	\$ 2,340,619	\$ 2,401,165	\$ 2,921,142	\$ 2,939,487	\$ 2,788,292	\$ 2,801,651	\$ 2,971,507
Contributions as a Percentage of Covered Employee Payroll	14.31%	11.08%	11.34%	13.65%	13.17%	8.68%	4.27%	7.01%	3.74%	1.60%

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION-PART III

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

	NCLB Title I	NCLB Title IIA	IDEA Basic	IDEA Preschool	NJ Nonpublic	Local Grants	Totals
REVENUES							
Local Sources						\$ 62,154	\$ 62,154
State Sources					\$ 221,442		221,442
Federal Sources	\$ 26,963	\$ 21,241	\$ 460,810	\$ 11,136			520,150
TOTAL REVENUES	<u>\$ 26,963</u>	<u>\$ 21,241</u>	<u>\$ 460,810</u>	<u>\$ 11,136</u>	<u>\$ 221,442</u>	<u>\$ 62,154</u>	<u>\$ 803,746</u>
EXPENDITURES							
Instruction:							
Salaries	\$ 20,500						\$ 20,500
Purchased Professional and Technical Services					\$ 140,504		140,504
Other Purchased Services			\$ 355,236			\$ 6,500	361,736
General Supplies	937			\$ 11,136		25,314	37,387
Textbooks					26,055		26,055
Totals	<u>21,437</u>	<u>\$ -</u>	<u>355,236</u>	<u>11,136</u>	<u>166,559</u>	<u>31,814</u>	<u>586,182</u>
Support Services:							
Personal Services-Employee Benefits	5,526						5,526
Purchased Professional/Technical Services		10,636	105,574		54,883		171,093
Cleaning, Repairs and Maintenance Services						18,300	18,300
Other Purchased Services		4,760					4,760
Supplies and Materials		5,845					5,845
Total	<u>5,526</u>	<u>21,241</u>	<u>105,574</u>	<u>-</u>	<u>54,883</u>	<u>18,300</u>	<u>205,524</u>
Facilities Acquisition/Construction Services:							
Instructional Equipment						12,040	12,040
Total	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,040</u>	<u>12,040</u>
TOTAL EXPENDITURES	<u>\$ 26,963</u>	<u>\$ 21,241</u>	<u>\$ 460,810</u>	<u>\$ 11,136</u>	<u>\$ 221,442</u>	<u>\$ 62,154</u>	<u>\$ 803,746</u>

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

Description	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations 06/30/15
			Prior Years	Current Year	
Renovations to the Three Existing Elementary Schools and the Acquisition, Construction and Equipping of a New Middle School	04/07/03	\$ 39,522,182	\$ 39,380,469		\$ 141,713
Roof Repairs for the Four District Schools	07/18/03	1,413,482	1,032,569		380,913
Various Renovations to the Four District Schools	05/02/14	544,697	488,673	\$ 55,994	30
Spruce Run School Security Upgrades Including Vestibule and Exterior Doors	05/02/14	520,960	46,212	206,346	268,402
Patrick Mc Gaheran School Security Upgrades Including Vestibule and Exterior Doors	05/02/14	509,145	45,213	197,960	265,972
Round Valley School Security Upgrades Including Vestibule and Exterior Doors	05/02/14	663,895	58,314	446,597	158,984
		<u>\$ 43,174,361</u>	<u>\$ 41,051,450</u>	<u>\$ 906,897</u>	<u>\$ 1,216,014</u>

CLINTON TOWNSHIP 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:	
State Sources-SDA Grant	\$ 104,065
Transfer from Capital Reserve	16,326
Total Revenues	<u>120,391</u>
Expenditures and Other Financing Uses:	
Purchased Professional & Technical Services	2,250
Construction Services	904,647
Total Expenditures	<u>906,897</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(786,506)
Fund Balance-Beginning	<u>2,002,520</u>
Fund Balance-Ending	<u>\$ 1,216,014</u>
<u>Reconciliation of Fund Balance Difference for GAAP Purposes</u>	
Fund Balance-Budgetary Basis (Schedule F-2)	\$ 1,216,014
Receivables from Other Governments-State:	
GAAP Basis (Schedule B-1)	1,405,200
Budgetary Basis (Schedule K-4)	<u>(1,682,544)</u>
Fund Balance-GAAP Basis (Schedule B-1)	<u>\$ 938,670</u>
<u>Reconciliation of Financial Assistance Difference for GAAP Purposes</u>	
State Financial Assistance-Budgetary Basis (Schedule F-2)	\$ 104,065
Adjustment to GAAP Basis	<u>340,361</u>
State Financial Assistance-GAAP Basis (Schedule B-2)	<u>\$ 444,426</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
ROOF REPAIRS FOR THE FOUR DISTRICT SCHOOLS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Grant	\$ 309,417	\$ 104,065	\$ 413,482	\$ 413,482
Voter Approved Change of Purpose	1,000,000		1,000,000	619,087
Total Revenues	<u>1,309,417</u>	<u>104,065</u>	<u>1,413,482</u>	<u>1,032,569</u>
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	17,569		17,569	17,569
Construction Services	1,015,000		1,015,000	1,015,000
Total Expenditures	<u>1,032,569</u>	<u>-</u>	<u>1,032,569</u>	<u>1,032,569</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 276,848</u>	<u>\$ 104,065</u>	<u>\$ 380,913</u>	<u>\$ -</u>

Additional Project Information:

Project Number	SP#203130
Project Number	SP#203131
Project Number	SP#203132
Grant Date	07/18/03
Bond Authorized Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,736,471
Reduced Authorized Cost	\$ (703,902)
Revised Authorized Cost	\$ 1,032,569
Percentage Completion	100%

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES
PROJECT BALANCE AND PROJECT STATUS-BUDGETARY BASIS
RENOVATIONS TO THE THREE EXISTING ELEMENTARY SCHOOLS AND THE
ACQUISITION, CONSTRUCTION AND EQUIPPING OF A NEW MIDDLE SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Bond Proceeds	\$ 32,259,000		\$ 32,259,000	\$ 32,259,000
State Sources-SDA Grant	7,262,867		7,262,867	7,262,867
Local Sources	315		315	315
Total Revenues	<u>39,522,182</u>	<u>\$ -</u>	<u>39,522,182</u>	<u>39,522,182</u>
Expenditures and Other Financing Uses:				
Land Purchase	3,224,134		3,224,134	3,224,134
Purchased Professional & Technical Services	3,465,839		3,465,839	3,485,839
Insurance	28,085		28,085	28,085
Construction Services	31,447,356		31,447,356	31,569,069
Land Improvements-Parking Lot	101,690		101,690	101,690
Utility Service Relocation	44,610		44,610	44,610
Water & Sewer Connection Fees	73,680		73,680	73,680
Real Estate Rollback Taxes	104,593		104,593	104,593
Equipment & Furniture Purchases	683,594		683,594	683,594
Food Service Kitchen Supplies	7,028		7,028	7,028
Other Supplies	1,910		1,910	1,910
Fees & Permits	197,950		197,950	197,950
Total Expenditures	<u>39,380,469</u>	<u>-</u>	<u>39,380,469</u>	<u>39,522,182</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 141,713</u>	<u>\$ -</u>	<u>\$ 141,713</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0920-030-03-1109
Project Number	0920-035-03-1110
Project Number	0920-040-03-1111
Project Number	0920-N01-03-1112
Grant Date	04/07/03
Bond Authorized Date	07/01/03
Bonds Authorized	\$ 39,522,182
Bonds Issued	\$ 32,259,000
Original Authorized Cost	\$ 39,522,182
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 39,522,182
Percentage Complete	99.64%

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
VARIOUS RENOVATIONS FOR THE FOUR DISTRICT SCHOOLS
INCLUDING SECURITY CAMERA SYSTEMS, ADA DOOR UPGRADES, ADA RESTROOM
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Transfer from Capital Reserve	\$ 528,371	\$ 16,326	\$ 544,697	\$ 544,697
Total Revenues	<u>528,371</u>	<u>16,326</u>	<u>544,697</u>	<u>544,697</u>
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	87,950	2,250	90,200	90,200
Construction Services	400,723	53,744	454,467	454,497
Total Expenditures	<u>488,673</u>	<u>55,994</u>	<u>544,667</u>	<u>544,697</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 39,698</u>	<u>\$ (39,668)</u>	<u>\$ 30</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0920-030-13-1000
Project Number	0920-035-13-1000
Project Number	0920-040-13-1000
Project Number	0920-050-13-1000
Grant Date	N/A
Bond Authorized Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 454,497
Additional Authorized Cost	\$ 90,200
Revised Authorized Cost	\$ 544,697
Percentage Completion	99.99%

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
SPRUCE RUN SCHOOL SECURITY UPGADES INCLUDING VESTIBULE AND EXTERIOR DOORS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Grant	\$ 208,384		\$ 208,384	\$ 208,384
Transfer from Capital Reserve	312,576		312,576	312,576
Total Revenues	<u>520,960</u>	<u>\$ -</u>	<u>520,960</u>	<u>520,960</u>
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	46,000		46,000	46,000
Construction Services		206,346	206,346	474,748
Other Costs	212		212	212
Total Expenditures	<u>46,212</u>	<u>206,346</u>	<u>252,558</u>	<u>520,960</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 474,748</u>	<u>\$ (206,346)</u>	<u>\$ 268,402</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0920-030-13-2002
Grant Date	5/2/2014
Bond Authorized Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 520,960
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 520,960
Percentage Completion	48.48%

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
PATRICK Mc GAHERAN SCHOOL SECURITY UPGADES
INCLUDING VESTIBULE AND EXTERIOR DOORS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Grant	\$ 203,658		\$ 203,658	\$ 203,658
Transfer from Capital Reserve	305,487		305,487	305,487
Total Revenues	<u>509,145</u>	<u>\$ -</u>	<u>509,145</u>	<u>509,145</u>
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	45,000		45,000	45,000
Construction Services		197,960	197,960	463,932
Other Costs	213		213	213
Total Expenditures	<u>45,213</u>	<u>197,960</u>	<u>243,173</u>	<u>509,145</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 463,932</u>	<u>\$ (197,960)</u>	<u>\$ 265,972</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0920-035-13-2004
Grant Date	5/2/2014
Bond Authorized Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 509,145
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 509,145
Percentage Completion	47.76%

CLINTON TOWNSHIP SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS-BUDGETARY BASIS
ROUND VALLEY MIDDLE SCHOOL SECURITY UPGRADES
INCLUDING VESTIBULE AND EXTERIOR DOORS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
State Sources-SDA Grant	\$ 265,558		\$ 265,558	\$ 265,558
Transfer from Capital Outlay	320,591		320,591	320,591
Transfer from Capital Reserve	77,746		77,746	77,746
Total Revenues	<u>663,895</u>	<u>\$ -</u>	<u>663,895</u>	<u>663,895</u>
Expenditures and Other Financing Uses:				
Purchased Professional & Technical Services	58,000		58,000	58,000
Construction Services		446,597	446,597	605,581
Other Costs	314		314	314
Total Expenditures	<u>58,314</u>	<u>446,597</u>	<u>504,911</u>	<u>663,895</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 605,581</u>	<u>\$ (446,597)</u>	<u>\$ 158,984</u>	<u>\$ -</u>

Additional Project Information:

Project Number	0920-040-13-2005
Grant Date	5/2/2014
Bond Authorized Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 663,895
Additional Authorized Cost	\$ -
Revised Authorized Cost	\$ 663,895
Percentage Completion	76.05%

CLINTON TOWNSHIP SCHOOL DISTRICT
 CAPITAL PROJECTS FUND
 SCHEDULE OF TEMPORARY NOTES PAYABLE
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Issue	Original Date of Issue	Original Amount of Issue	Issue Date	Maturity Date	Interest Rate	Balance 07/01/14	Issued	Redeemed	Balance 06/30/15
School Construction and Renovations-2003 Project	08/08/06	\$ 7,194,675	07/23/13	07/22/14	1.25%	\$ 540,000		\$ 540,000	
						\$ 540,000	\$ -	\$ 540,000	\$ -

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

	Food Service Fund
ASSETS	
Current Assets:	
Cash & Cash Equivalents	\$ 15,469
Receivables from Other Governments:	
State	351
Federal	3,275
Accounts Receivable-Other	575
Inventory	5,871
Total Current Assets	25,541
Noncurrent Assets:	
Capital Assets	168,139
Less: Accumulated Depreciation	154,658
Total Noncurrent Assets	13,481
Total Assets	39,022
LIABILITIES	
Current Liabilities:	
Due to Other Funds	1,970
Unearned Revenue	10,118
Total Liabilities	12,088
NET POSITION	
Net Investment in Capital Assets	13,481
Unrestricted	13,453
TOTAL NET POSITION	\$ 26,934

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

	Food Service Fund
Operating Revenues:	
Charges for Services:	
Daily Sales-Reimbursable Programs	\$ 221,888
Daily Sales-Unreimbursable Programs	126,792
Total Operating Revenues	348,680
Other Expenses:	
Salaries	143,803
Employee Benefits	31,829
Purchased Property Services (Repairs)	17,307
Insurance	2,330
Management Fee	15,975
Other Purchased Services	3,649
Supplies and Materials	1,257
Depreciation	1,416
Costs of Sales-Reimbursable Programs	138,610
Costs of Sales-Nonreimbursable Programs	64,616
Miscellaneous	1,104
Total Operating Expenses	421,896
Operating Income (Loss)	(73,216)
Nonoperating Revenues (Expenses):	
State Sources:	
State School Lunch Program	3,440
Federal Sources:	
National School Lunch Program:	
Cash Assistance	44,966
Noncash Assistance (Commodities)	25,531
Interest Earned on Investments	207
Total Nonoperating Revenues (Expenses)	74,144
Change in Net Position	928
Net Position, Beginning	26,006
Net Position, Ending	\$ 26,934

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

	Food Service Fund
Cash Flows from Operating Activities:	
Receipts from Customers (Net)	\$ 347,926
Payments to Food Service Management Company	(378,391)
Payments to Vendors (Net)	(16,845)
Net Cash Provided by (Used For) Operating Activities	(47,310)
Cash Flows from Noncapital Financing Activities:	
State Sources	3,549
Federal Sources	45,105
General Fund Interfund Activity	1,970
Net Cash Provided by (Used For) Noncapital Financing Activities	50,624
Cash Flows from Investing Activities:	
Interest Earned on Investments	207
Cash Flows from Capital & Related Financing Activities:	
Purchase of Capital Assets	(2,184)
Net Increase (Decrease) in Cash and Cash Equivalents	1,337
Cash and Cash Equivalents (Deficit), July 1	14,132
Cash and Cash Equivalents (Deficit), June 30	\$ 15,469
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Operating Income (Loss)	\$ (73,216)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used For) Operating Activities:	
Depreciation	1,416
Federal Food Donation Program	25,531
(Increase) Decrease in Accounts Receivable	286
(Increase) Decrease in Inventory	(43)
Increase (Decrease) in Unearned Revenue	(1,284)
Net Cash Provided by (Used For) Operating Activities	\$ (47,310)

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

	Unemployment Compensation Fund	Student Activity Agency Fund	Payroll Agency Fund	Totals
ASSETS				
Cash & Cash Equivalents	\$ 37,288	\$ 110,497	\$ 149,775	\$ 297,560
Total Assets	<u>37,288</u>	<u>110,497</u>	<u>149,775</u>	<u>297,560</u>
LIABILITIES				
Due to Other Funds			16,206	16,206
Accounts Payable	3,658			3,658
Accumulated Interest			318	318
Due to Student Groups		110,497		110,497
Payroll Deductions & Withholdings			133,251	133,251
Total Liabilities	<u>3,658</u>	<u>110,497</u>	<u>149,775</u>	<u>263,930</u>
NET POSITION				
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 33,630</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 33,630</u>

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

	<u>Unemployment Compensation Fund</u>
ADDITIONS	
Contributions:	
Plan Members	\$ 24,238
Investment Earnings:	
Interest	119
Total Additions	<u>24,357</u>
DEDUCTIONS	
Unemployment Claims	<u>90,825</u>
Total Deductions	<u>90,825</u>
Other Financing Sources (Uses):	
Transfers In from the General Fund	<u>50,000</u>
Total Other Financing Sources (Uses)	<u>50,000</u>
Change in Net Position	(16,468)
Net Position, Beginning of the Year	<u>50,098</u>
Net Position, End of the Year	<u><u>\$ 33,630</u></u>

CLINTON TOWNSHIP 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 & Cash Equivalents	\$ 100,814	\$ 180,902	\$ 171,219	\$ 110,497
TOTAL ASSETS	\$ 100,814	\$ 180,902	\$ 171,219	\$ 110,497
LIABILITIES				
Due to Student Groups:				
Spruce Run School	\$ 12,709	\$ 10,028	\$ 7,989	\$ 14,748
Patrick McGaheran School	12,143	18,413	16,972	13,584
Round Valley School	9,348	34,815	27,141	17,022
Clinton Twp. Middle School	66,614	117,646	119,117	65,143
TOTAL LIABILITIES	\$ 100,814	\$ 180,902	\$ 171,219	\$ 110,497

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

	<u>Balance 07/01/14</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance 06/30/15</u>
ASSETS				
Cash & Cash Equivalents	\$ 160,688	\$ 15,846,552	\$ 15,857,465	\$ 149,775
TOTAL ASSETS	<u>\$ 160,688</u>	<u>\$ 15,846,552</u>	<u>\$ 15,857,465</u>	<u>\$ 149,775</u>
LIABILITIES				
Due to Other Funds	\$ 11,604	\$ 30,444	\$ 25,842	\$ 16,206
Accumulated Interest	268	57	7	318
Payroll Deductions/Withholdings	142,617	7,263,502	7,272,868	133,251
Net Payroll	6,199	8,552,549	8,558,748	
TOTAL LIABILITIES	<u>\$ 160,688</u>	<u>\$ 15,846,552</u>	<u>\$ 15,857,465</u>	<u>\$ 149,775</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 TOWNSHIP 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								
2006 Refunding of 2003 Issue	09/6/2006	\$ 8,830,000	01/15/2016-		4.10%							
			01/15/2017	\$ 20,000								
			01/15/2018-									
			01/15/2022	25,000								
			01/15/2023-									
			01/15/2026	30,000								
			01/15/2027-									
			01/15/2030	35,000								
			01/15/2031	1,950,000								
			01/15/2032	2,030,000								
01/15/2033	2,110,000											
01/15/2034	2,190,000	\$ 8,725,000		\$ 20,000	\$ 8,705,000							
2011 Refunding of 2003 Issue	06/30/2011	12,100,000	01/15/2016	890,000	4.00%							
			01/15/2017	925,000								
			01/15/2018	965,000	5.00%							
			01/15/2019	1,015,000								
			01/15/2020	1,070,000								
			01/15/2021	1,130,000								
			01/15/2022	1,190,000								
			01/15/2023	1,255,000								
			01/15/2024	955,000	10,255,000						860,000	9,395,000

CLINTON TOWNSHIP SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2015
(Continued)

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance 07/01/14	Issued	Retired	Balance 06/30/15	
			Date	Amount						
2012 Refunding of 2003 Issue	12/22/2011	\$ 10,630,000	01/15/2016-							
			01/15/2017	\$ 30,000	3.00%					
			01/15/2018-							
			01/15/2019	30,000	2.00%					
			01/15/2020	30,000	2.25%					
			01/15/2021	30,000	2.50%					
			01/15/2022	35,000	2.75%					
			01/15/2023	35,000	3.00%					
			01/15/2024	400,000	3.25%					
			01/15/2025	1,460,000	3.50%					
			01/15/2026	1,520,000	3.625%					
			01/15/2027	1,580,000	3.75%					
			01/15/2028	1,650,000	3.875%					
			01/15/2029	1,720,000	4.00%					
01/15/2030	1,790,000	4.125%			\$ 10,395,000		\$ 25,000	\$ 10,370,000		
					<u>\$ 29,375,000</u>	<u>\$ -</u>	<u>\$ 905,000</u>	<u>\$ 28,470,000</u>		

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

(NOT APPLICABLE TO THIS REPORT)

CLINTON TOWNSHIP 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	\$ 2,113,368		\$ 2,113,368	\$ 2,113,368	
Total Revenues	<u>2,113,368</u>	\$ -	<u>2,113,368</u>	<u>2,113,368</u>	\$ -
EXPENDITURES					
Regular Debt Service:					
Interest on Bonds	1,248,368		1,248,368	1,248,368	
Redemption of Principal	905,000		905,000	905,000	
Total Expenditures	<u>2,153,368</u>	-	<u>2,153,368</u>	<u>2,153,368</u>	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40,000)		(40,000)	(40,000)	-
Other Financing Sources (Uses):					
Transfers In from Capital Reserve Fund	40,000		40,000	40,000	
Total Other Financing Sources (Uses)	<u>40,000</u>	-	<u>40,000</u>	<u>40,000</u>	-
Net Change in Fund Balance	-		-	-	-
Fund Balance, July 1	-	-	-	-	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenue Over (Under) Expenditures:					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

CLINTON TOWNSHIP SCHOOL DISTRICT
 STATISTICAL SECTION J SERIES

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Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Reports (CAFR) for the relevant year.

CLINTON TOWNSHIP 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
GOVERNMENT ACTIVITIES										
Net Investment in Capital Assets	\$ 19,361,930	\$ 23,005,349	\$ 23,653,443	\$ 24,273,857	\$ 24,170,262	\$ 24,723,435	\$ 24,086,810	\$ 24,136,109	\$ 24,467,555	\$ 24,995,409
Restricted	833,240	1,178,068	468,803	439,811	360,271	725,276	687,759	1,623,134	1,999,577	2,473,779
Unrestricted	(426,488)	(1,185,100)	(376,947)	(115,575)	(86,029)	(369,994)	144,549	(1,095,792)	(7,316,596)	(6,572,794)
TOTAL GOVERNMENTAL ACTIVITIES	\$ 19,768,682	\$ 22,998,317	\$ 23,745,299	\$ 24,598,093	\$ 24,444,504	\$ 25,078,717	\$ 24,919,118	\$ 24,663,451	\$ 19,150,536	\$ 20,896,394
BUSINESS-TYPE ACTIVITIES										
Net Investment in Capital Assets						\$ 14,089	\$ 19,873	\$ 15,177	\$ 10,481	\$ 13,481
Unrestricted						12,144	4,894	720	15,525	13,453
TOTAL BUSINESS-TYPE ACTIVITIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,233	\$ 24,767	\$ 15,897	\$ 26,006	\$ 26,934
DISTRICT-WIDE										
Net Investment in Capital Assets	\$ 19,361,930	\$ 23,005,349	\$ 23,653,443	\$ 24,273,857	\$ 24,170,262	\$ 24,737,524	\$ 24,106,683	\$ 24,151,286	\$ 24,478,036	\$ 25,008,890
Restricted	833,240	1,178,068	468,803	439,811	360,271	725,276	687,759	1,623,134	1,999,577	2,473,779
Unrestricted	(426,488)	(1,185,100)	(376,947)	(115,575)	(86,029)	(357,850)	149,443	(1,095,072)	(7,301,071)	(6,559,341)
TOTAL DISTRICT-WIDE	\$ 19,768,682	\$ 22,998,317	\$ 23,745,299	\$ 24,598,093	\$ 24,444,504	\$ 25,104,950	\$ 24,943,885	\$ 24,679,348	\$ 19,176,542	\$ 20,923,328

CLINTON TOWNSHIP 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	\$ 8,918,661	\$ 9,584,955	\$ 10,475,635	\$ 10,043,370	\$ 10,217,601	\$ 10,295,742	\$ 11,059,953	\$ 11,072,542	\$ 10,427,487	\$ 11,982,686
Special Education	2,779,702	3,540,796	3,291,525	3,484,836	3,416,750	3,299,597	4,125,625	4,555,119	4,493,701	4,767,628
Other Special Education	188,731	309,989	277,501	401,992	338,861	429,705	454,506	825,701	907,843	1,215,570
Other Instruction	94,879	79,135	97,082	166,473	165,740	52,817	30,593	82,329	87,515	92,121
Support Services:										
Tuition	363,353	551,591	578,004	616,096	740,675	644,832	687,219	851,271	873,557	664,972
Student & Instruction Related Services	3,534,810	3,553,613	4,312,277	4,283,237	4,969,819	4,866,959	5,117,953	5,209,914	5,733,507	6,322,668
General & Business Administrative Services	1,711,993	1,835,510	1,574,369	1,466,054	1,508,265	1,572,965	1,682,380	1,265,380	1,162,128	1,282,779
School Administration	1,032,402	1,145,778	1,278,280	1,313,750	1,410,570	1,340,834	1,330,348	1,344,527	1,338,075	1,694,187
Plant Operations & Maintenance	2,011,351	2,189,848	2,870,477	2,875,907	2,828,358	2,579,451	2,524,664	2,481,162	2,618,431	2,660,530
Pupil Transportation	1,747,694	1,884,304	1,851,610	1,933,904	2,028,437	1,887,008	1,814,468	1,901,850	1,589,009	1,600,577
Food Services	17,063	21,317	32,126	28,885	32,154					
Special Schools	81,173		135,775	191,750	234,564	89,858	85,566	111,631	114,065	99,612
Transfer to Charter Schools	16,703									
Interest on Long Term Debt	1,746,451	1,924,428	1,799,686	1,624,627	1,495,883	1,266,814	1,193,844	1,357,230	1,358,695	1,325,265
Total Governmental Activities Expenses	24,244,966	26,621,264	28,574,347	28,430,881	29,387,677	28,326,582	30,107,119	31,058,656	30,704,013	33,708,595
Business-Type Activities:										
Food Services						485,150	481,361	468,526	428,496	421,896
Total Business-Type Activities	-	-	-	-	-	485,150	481,361	468,526	428,496	421,896
TOTAL DISTRICT EXPENSES	\$ 24,244,966	\$ 26,621,264	\$ 28,574,347	\$ 28,430,881	\$ 29,387,677	\$ 28,811,732	\$ 30,588,480	\$ 31,527,182	\$ 31,132,509	\$ 34,130,491

CLINTON TOWNSHIP 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:										
Regular Instruction	\$ 258,615	\$ 235,926	\$ 414,764	\$ 415,117	\$ 426,432	\$ 484,226	\$ 426,078	\$ 377,789	\$ 344,801	\$ 384,771
Special Education	41,395	86,936		86,190	31,666	123,977	156,779	67,775	89,808	70,279
Other Instruction			7,667			46,806		63,806		
Other Support Services- Tuition									2,787	
Student & Instructional Related Services	100				48,583	51,253	46,292	43,275	47,144	26,097
General & Business Administrative Services	93	273	1,825	83,074	38,777	39,878	40,817	38,000	5,312	
Plant Operations & Maintenance	96,801	109,077	98,525	117,669	83,487	58,657	58,944	67,447	67,589	61,154
Pupil Transportation	10,000	10,000	16,400	19,800	15,978	19,784	29,569	38,812	34,054	32,687
Special Schools	64,900								7,340	
Operating Grants & Contributions	638,997	611,063	735,230	765,351	955,369	1,034,344	764,091	644,603	837,903	802,768
Capital Grants & Contributions	3,356,417	3,653,616	119,127	102,062					59,895	444,426
Total Governmental Activities Program Revenues	4,467,318	4,706,891	1,393,538	1,589,263	1,600,292	1,858,925	1,522,570	1,341,507	1,496,633	1,822,182
Business-Type Activities:										
Charges for Services:										
Food Service						429,007	401,046	375,792	353,767	348,680
Operating Grants & Contributions						60,628	78,106	82,351	82,423	73,937
Total Business-Type Activities Program Revenues	-	-	-	-	-	489,635	479,152	458,143	436,190	422,617
TOTAL DISTRICT-PROGRAM REVENUES	\$ 4,467,318	\$ 4,706,891	\$ 1,393,538	\$ 1,589,263	\$ 1,600,292	\$ 2,348,560	\$ 2,001,722	\$ 1,799,650	\$ 1,932,823	\$ 2,244,799
NET (EXPENSE) REVENUES										
Governmental Activities	\$ (19,777,648)	\$ (21,914,373)	\$ (27,180,809)	\$ (26,841,618)	\$ (27,787,385)	\$ (26,467,657)	\$ (28,584,549)	\$ (29,717,149)	\$ (29,207,380)	\$ (31,886,413)
Business-Type Activities						4,485	(2,209)	(10,383)	7,694	721
TOTAL DISTRICT-WIDE NET EXPENSES	\$ (19,777,648)	\$ (21,914,373)	\$ (27,180,809)	\$ (26,841,618)	\$ (27,787,385)	\$ (26,463,172)	\$ (28,586,758)	\$ (29,727,532)	\$ (29,199,686)	\$ (31,885,692)

CLINTON TOWNSHIP 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										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 17,547,401	\$ 18,273,534	\$ 21,122,013	\$ 21,102,628	\$ 21,533,969	\$ 22,145,328	\$ 22,311,013	\$ 22,281,013	\$ 22,530,498	\$ 22,580,498
Property Taxes Levied for Debt Service	3,067,929	3,064,645	2,717,581	2,987,434	2,600,256	2,732,796	2,241,684	2,170,882	2,083,196	2,113,368
Unrestricted Grants & Contributions	2,871,828	3,603,834	3,755,960	3,398,695	3,384,872	2,416,664	3,856,577	5,291,912	5,326,061	8,822,963
Investment Earnings	1,102,018	540,887	315,590	40,880	13,115	7,158	44,481	21,233	21,145	22,077
Miscellaneous Income	33,601	86,698	38,971	182,299	247,523	440,747	275,186	100,756	98,724	143,115
Transfers Out	(2,000)	(1,000)	(10,000)	(16,000)	(145,939)	(100,000)	(75,000)	(45,000)		(50,000)
Special Item-Gain/(Loss) on Deletion of Assets		12,136	(12,324)	(1,524)					(6,657)	250
Special Item-Gain/(Loss) on Transfer of Assets						(21,713)				
Special Item-Payment to Refunding Bond Agent		(436,726)				(519,110)	(228,991)			
Special Item-Insurance Proceeds for Flood Damage								42,104		
Total Governmental Activities	<u>24,620,777</u>	<u>25,144,008</u>	<u>27,927,791</u>	<u>27,694,412</u>	<u>27,633,796</u>	<u>27,101,870</u>	<u>28,424,950</u>	<u>29,862,900</u>	<u>30,052,967</u>	<u>33,632,271</u>
Business-Type Activities:										
Investment Earnings						35	435	188	183	207
Special Item-Gain/(Loss) on Transfer of Assets						21,713	308	1,325		
Total Business-Type Activities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,748</u>	<u>743</u>	<u>1,513</u>	<u>183</u>	<u>207</u>
TOTAL DISTRICT-WIDE	<u>\$ 24,620,777</u>	<u>\$ 25,144,008</u>	<u>\$ 27,927,791</u>	<u>\$ 27,694,412</u>	<u>\$ 27,633,796</u>	<u>\$ 27,123,618</u>	<u>\$ 28,425,693</u>	<u>\$ 29,864,413</u>	<u>\$ 30,053,150</u>	<u>\$ 33,632,478</u>
CHANGE IN NET POSITION										
Governmental Activities	\$ 4,843,129	\$ 3,229,635	\$ 746,982	\$ 852,794	\$ (153,589)	\$ 634,213	\$ (159,599)	\$ 145,751	\$ 845,587	\$ 1,745,858
Business-Type Activities						26,233	(1,466)	(8,870)	7,877	928
TOTAL DISTRICT	<u>\$ 4,843,129</u>	<u>\$ 3,229,635</u>	<u>\$ 746,982</u>	<u>\$ 852,794</u>	<u>\$ (153,589)</u>	<u>\$ 660,446</u>	<u>\$ (161,065)</u>	<u>\$ 136,881</u>	<u>\$ 853,464</u>	<u>\$ 1,746,786</u>

CLINTON TOWNSHIP 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	\$ 39,809	\$ 8,906	\$ 8,906	\$ 73,055	\$ 73,055	\$ 3,502	\$ 84,739	\$ 81,237		\$ 190,892
Committed	75,372	79,245	53,821	104,284	229,430	619,580	522,371	1,447,831	\$ 929,792	1,925,077
Assigned	734,679	134,840	830,072	528,288	567,154	766,326	1,216,314	254,882	566,647	1,228,770
Unassigned	210,613	450,869	379,870	628,376	521,381	860,394	719,270	628,567	514,457	382,034
Total General Fund	<u>\$ 1,060,473</u>	<u>\$ 673,860</u>	<u>\$ 1,272,669</u>	<u>\$ 1,334,003</u>	<u>\$ 1,391,020</u>	<u>\$ 2,249,802</u>	<u>\$ 2,542,694</u>	<u>\$ 2,412,517</u>	<u>\$ 2,010,896</u>	<u>\$ 3,726,773</u>
All Other Governmental Funds:										
Restricted, Reported In:										
Capital Projects Fund	\$ 13,525,016	\$ 2,248,638	\$ 552,125	\$ 552,497	\$ 523,320	\$ 425,439	\$ 418,561	\$ 418,561	\$ 1,384,815	\$ 938,670
Assigned, Reported In:										
Debt Service Fund	677,551	747,066	286,905	207,382	8,058	901	61,857	71,772		
Total All Other Governmental Funds	<u>\$ 14,202,567</u>	<u>\$ 2,995,704</u>	<u>\$ 839,030</u>	<u>\$ 759,879</u>	<u>\$ 531,378</u>	<u>\$ 426,340</u>	<u>\$ 480,418</u>	<u>\$ 490,333</u>	<u>\$ 1,384,815</u>	<u>\$ 938,670</u>

CLINTON TOWNSHIP SCHOOL DISTRICT
CHANGES IN 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
Revenues:										
Tax Levy	\$ 20,615,330	\$ 21,338,179	\$ 23,839,594	\$ 24,090,062	\$ 24,134,225	\$ 24,878,124	\$ 24,552,697	\$ 24,451,895	\$ 24,613,694	\$ 24,693,866
Tuition Charges	258,615	235,926	414,764	501,307	458,098	608,203	582,857	444,124	434,609	455,050
Transportation Fees	10,000	10,000	16,400	19,800	15,978	15,978	26,317			
Interest Earnings	1,102,018	540,887	315,590	40,880	13,115	7,158	44,481	21,233	21,145	22,077
Miscellaneous	21,161	20,518	81,192	314,343	422,640	562,296	156,996	137,568	110,388	164,644
State Sources	3,081,396	3,810,300	3,986,730	3,703,713	3,664,102	2,666,473	3,984,372	5,482,915	5,531,287	5,596,588
State Sources- Capital Projects	3,356,417	3,653,616	119,127	102,062					59,895	444,426
Federal Sources	419,416	399,656	442,214	432,002	622,422	731,633	609,711	414,257	584,847	520,420
Total Revenues	28,864,353	30,009,082	29,215,611	29,204,169	29,330,580	29,469,865	29,957,431	30,951,992	31,355,865	31,897,071
Expenditures:										
Instruction:										
Regular Instruction	6,505,462	6,520,666	6,768,244	7,133,712	6,994,248	6,882,570	7,361,905	7,367,340	6,925,038	6,816,399
Special Education Instruction	1,945,237	2,401,497	2,224,565	2,460,601	2,039,225	1,844,152	2,357,196	2,782,540	2,958,654	2,624,066
Other Special Instruction	158,096	215,185	221,028	278,481	233,327	270,107	284,442	521,774	580,738	641,572
School Sponsored/Other Instructional	80,998	57,673	75,609	118,432	112,630	3,735	19,729	12,559	61,655	62,836
Support Services:										
Tuition	98,034	551,591	578,004	616,096	692,865	556,493	680,719	817,218	388,568	309,736
Student & Inst Related Services	2,474,365	2,186,598	2,677,087	2,737,918	3,324,588	3,123,051	3,359,037	3,414,393	3,773,373	3,512,926
General Administration	681,972	592,188	637,450	543,258	535,962	558,046	558,990	489,321	450,982	436,175
School Administration Services	719,616	846,082	937,436	951,734	1,013,008	884,959	853,486	895,970	865,515	964,085
Central Services	412,714	387,425	367,992	439,975	424,616	425,335	369,223	366,229	381,322	387,377
Administrative Information Technology	295,992	351,404	257,582	158,753	122,012	102,284	132,882	31,644	22,610	19,668
Plant Operations & Maintenance	1,647,376	1,763,905	2,381,484	2,428,324	2,347,758	2,118,743	2,024,338	2,015,701	2,156,672	2,143,445
Pupil Transportation	1,740,541	1,874,888	1,843,013	1,925,189	2,019,941	1,870,359	1,798,780	1,851,268	1,541,955	1,553,746
Employee Benefits	2,959,337	3,334,055	3,455,706	3,743,903	3,984,681	4,320,723	4,716,982	4,580,270	4,560,740	4,579,954
Food Service	6,572	10,858	14,900	19,102	22,392					
On-Behalf TPAF Pension & Social Security Contribution	1,279,335	1,940,221	2,037,056	1,469,916	1,518,172	1,532,804	1,877,027	2,395,022	2,191,134	2,457,829
Capital Outlay	81,218	49,725	389,729	104,220	24,483	119,853	91,430	597,302	213,345	62,591
Special Schools	15,651		108,902	135,731	161,276	59,163	56,029	72,806	70,411	52,892
Transfer of Funds to Charter Schools	16,703									
Special Revenue Funds	638,997	611,063	735,230	765,351	955,369	1,034,344	764,091	639,308	837,903	802,768
Capital Projects Fund	17,088,959	15,077,572	1,843,402	101,690	29,177	259,437	153,082		638,412	906,897
Debt Service:										
Principal	1,329,800	1,354,800	1,279,799	1,439,800	1,245,000	1,280,000	1,225,000	860,000	880,000	905,000
Interest & Other Charges	1,758,443	1,687,384	2,065,909	1,634,400	1,555,395	1,531,519	997,297	1,358,693	1,363,977	1,337,377
Total Expenditures	41,935,418	41,814,780	30,900,127	29,206,586	29,356,125	28,777,677	29,681,665	31,069,358	30,863,004	30,577,339
Excess (Deficiency) of Revenues Over (Under) Expenditures	(13,071,065)	(11,805,698)	(1,684,516)	(2,417)	(25,545)	692,188	275,766	(117,366)	492,861	1,319,732
Other Financing Sources (Uses):										
Capital Leases (Non Budgeted)			132,516							
Insurance Claim Proceeds for Storm Damage								42,104		
Bond Issue Proceeds										
Premium on Bonds and Notes		140,358	4,135	600		1,210,666				
Proceeds from Refunding Bond Issue		8,830,000				12,100,000	10,630,000			
Payment to Refunding Bond Escrow Agent		(8,775,726)				(13,149,110)	(10,308,991)			
Discount on Bond Issue							(174,805)			
Proceeds from Deletion of Capital Assets		18,590								
Transfers In (Out)	(2,000)	(1,000)	(10,000)	(16,000)	(145,939)	(100,000)	(75,000)	(45,000)		(50,000)
Total Other Financing Sources (Uses)	(2,000)	212,222	126,651	(15,400)	(145,939)	61,556	71,204	(2,896)	-	(50,000)
Net Change in Fund Balances	\$ (13,073,065)	\$ (11,593,476)	\$ (1,557,865)	\$ (17,817)	\$ (171,484)	\$ 753,744	\$ 346,970	\$ (120,262)	\$ 492,861	\$ 1,269,732
Debt Service as a Percentage of Non-capital Expenditures	14.25%	12.87%	13.21%	11.86%	10.57%	10.99%	8.17%	7.85%	8.08%	8.19%

Source: District Records

NOTE: Non-capital expenditures are total expenditures less capital outlay, lease purchase agreement-principal, capital projects fund, and debt service.

CLINTON TOWNSHIP 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	\$ 172,319	\$ 184,357	\$ 151,759	\$ 34,237	\$ 12,300	\$ 7,072	\$ 44,481	\$ 21,233	\$ 21,145	\$ 22,077
Tuition	258,615	235,926	414,764	501,307	458,098	608,203	582,857	444,124	434,609	455,050
Transportation Fees	10,000	10,000	16,400	19,800	15,978	15,978	26,317			
Shared Service Charges from Other LEA's				83,000	86,320	92,438	46,446	40,800		
Employee Contributions for Health Benefits					203,360	275,475				
Book Fines							21			
Building Use Rental Income			10,000	47,374	60,987	56,523	33,800	43,675	50,840	47,379
E-Rate Telephone Rebates				10,394	8,712	56,073	42,694	800		
Donations			5,603	43,012						
Payroll Account Balances	2,138			10	645					
Prior Year Refunds	3,071	8,638	2,417	120	838	17,033	2,909	12,210		
Prior Year Accounts Payable Canceled			325	31,932	6,439	3,370	2,646		10,952	225
Prior Year Outstanding Checks Canceled	4,711	6,489		5,246	600	73				900
Prior Year Insurance Claims						3,706				
Sale of Assets				37,659			18			250
Student Activity Ski Club Stipends				12,600						
Insurance Rebates				11,793		3,321				
Insurance Proceeds-Demolition of barn										50,000
Miscellaneous Refunds						700	120	162		
Miscellaneous Other	1,228	450	286	2,872	1,022	682	1,757	578	766	4,984
Annual Totals	\$ 452,082	\$ 445,860	\$ 601,554	\$ 841,356	\$ 855,299	\$ 1,140,647	\$ 784,066	\$ 563,582	\$ 518,312	\$ 580,865

Source: District Records

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Vacant Land	\$ 21,548,100	\$ 20,364,500	\$ 19,106,600	\$ 19,716,000	\$ 18,895,600	\$ 18,076,000	\$ 15,748,800	\$ 14,144,800	\$ 13,374,700	\$ 13,162,200
Residential	2,067,886,100	2,080,587,600	2,090,024,500	2,082,368,700	2,028,180,000	1,930,391,700	1,748,923,100	1,706,925,700	1,706,616,300	1,715,936,500
Farm Regular	69,249,700	70,948,100	70,456,000	70,495,700	70,897,500	69,096,900	61,211,000	58,510,900	55,811,400	53,221,300
Q Farm	2,609,800	2,861,516	2,533,216	2,452,816	2,515,500	2,499,600	2,482,100	2,473,500	2,393,000	2,408,900
Commercial	226,528,300	221,664,300	228,922,200	234,903,800	228,936,000	226,230,600	211,503,000	197,046,000	191,683,800	189,838,200
Industrial	162,969,600	162,969,600	164,242,500	164,242,500	164,242,500	158,714,500	147,366,600	143,348,600	147,099,700	155,426,500
Apartment	18,005,800	18,005,800	18,005,800	18,005,800	18,132,000	18,132,000	18,111,100	18,541,900	18,541,900	19,142,900
Total Assessed Value	2,568,797,400	2,577,401,416	2,593,290,816	2,592,185,316	2,531,799,100	2,423,141,300	2,205,345,700	2,140,991,400	2,135,520,800	2,149,136,500
Public Utilities (a)	12,078,767	13,071,697	14,613,079	13,462,227	11,039,724	8,858,764	7,336,516	5,974,452	-	-
Net Valuation Taxable	\$ 2,580,876,167	\$ 2,590,473,113	\$ 2,607,903,895	\$ 2,605,647,543	\$ 2,542,838,824	\$ 2,432,000,064	\$ 2,212,682,216	\$ 2,146,965,852	\$ 2,135,520,800	\$ 2,149,136,500
Estimated Actual County Equal. Value	\$ 2,621,243,314	\$ 2,788,155,777	\$ 2,655,695,163	\$ 2,548,647,650	\$ 2,510,347,819	\$ 2,350,284,312	\$ 2,144,092,354	\$ 2,178,554,898	\$ 2,181,551,537	\$ 2,243,591,711
Percentage of Net Valuation to Estimated Actual County Equalized Value	98.46%	92.91%	98.20%	102.24%	101.29%	103.48%	103.20%	98.55%	97.89%	95.79%
Total Direct School Tax Rate (b)	\$ 0.83	\$ 0.92	\$ 0.92	\$ 0.93	\$ 0.98	\$ 1.01	\$ 1.11	\$ 1.15	\$ 1.16	\$ 1.17

*

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 equipments of telephone and messenger system companies
- (b) Tax rates are per \$100

* Revalued/Reassessed

CLINTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN 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)		Municipality	County		
			Regional School Rate	Total Direct School Tax Rate				
2006	*	0.71	0.12	0.83	0.50	0.21	0.36	1.90
2007		0.82	0.10	0.92	0.50	0.22	0.36	2.00
2008		0.81	0.11	0.92	0.51	0.20	0.34	1.97
2009		0.83	0.10	0.93	0.53	0.20	0.34	2.00
2010		0.87	0.11	0.98	0.55	0.22	0.33	2.08
2011		0.92	0.09	1.01	0.57	0.23	0.33	2.14
2012		1.01	0.10	1.11	0.62	0.26	0.34	2.33
2013		1.05	0.10	1.15	0.64	0.28	0.37	2.44
2014		1.06	0.10	1.16	0.66	0.30	0.37	2.49
2015		1.07	0.10	1.17	0.67	0.32	0.39	2.55

Sources: Municipal Tax Collector

NOTE: NJSIA 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 pre-budget 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 TOWNSHIP SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAXPAYERS,
 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
Exxon Capital Corporation	\$ 112,100,000	1	5.22%	\$ 125,178,900	1	4.85%
111 Cokesbury LLC	22,586,800	2	1.05%			
New York Life Insurance Company	21,603,500	3	1.01%	45,997,300	2	1.78%
East Coast- The Mews at Annandale	17,400,000	4	0.81%			
ARCP OFC Annandale NJ LLC	16,075,400	5	0.75%			
Transcontinental Gas Pipeline	11,973,000	6	0.56%			
Hunterdon Medical Center	6,283,600	7	0.29%			
American Golf Corp	5,689,700	8	0.26%			
Annandale Falls LLC	5,638,200	9	0.26%			
Meridian Property Group LLC	4,100,300	10	0.19%	7,829,800	9	0.30%
PVI-WIP Clinton LLC						
DC Toys East LLC				24,746,700	3	0.96%
IR Funding Company LLC				25,650,000	4	0.99%
Clinton Building Associates				20,690,200	5	0.80%
United Telephone Company of NJ				14,923,508	6	0.58%
NGP Realty Sub LP				8,263,900	7	0.32%
Chanco Development Corp				8,149,000	8	0.32%
Individual Property Owner #1				5,985,000	10	0.23%
	<u>\$ 223,450,500</u>		<u>10.40%</u>	<u>\$ 287,414,308</u>		<u>11.13%</u>

Source: Municipal Tax Assessor

CLINTON TOWNSHIP SCHOOL DISTRICT
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS

Year Ending December 31,	Taxes Levied for the Year	Collected Within the Year of the Levy (a)	
		Amount	Percentage of Levy
2005	\$ 47,352,092	\$ 47,004,295	99.27%
2006	49,411,013	48,983,098	99.13%
2007	52,091,060	51,679,715	99.21%
2008	51,446,910	50,955,818	99.04%
2009	52,058,339	51,313,261	98.56%
2010	53,031,523	52,325,739	98.66%
2011	52,027,312	51,283,243	98.56%
2012	51,641,864	50,925,292	98.61%
2013	52,445,842	51,806,694	98.78%
2014	53,294,158	52,682,663	98.85%

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 TOWNSHIP 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	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases			
2006	\$ 38,428,399					\$ 38,428,399	4.56%	\$ 2,755
2007	37,564,599			\$ 7,194,675		44,759,274	3.39%	3,214
2008	36,284,800		\$ 98,670	1,782,471		38,165,941	4.02%	2,747
2009	34,845,000		69,192	1,782,471		36,696,663	3.84%	2,641
2010	33,600,000		38,256	540,000		34,178,256	3.86%	2,536
2011	31,790,000		5,789	540,000		32,335,789	3.68%	2,418
2012	31,115,000			540,000		31,655,000	3.42%	2,386
2013	30,255,000			540,000		30,795,000	3.11%	2,318
2014	29,375,000			540,000		29,915,000	3.01%	2,274
2015	28,470,000					28,470,000	N/A	2,164

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

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

CLINTON TOWNSHIP 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 of Property (a)	Per Capita (b)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	\$ 38,428,399		\$ 38,428,399	1.49%	\$ 2,755
2007	37,564,599		37,564,599	1.45%	2,697
2008	36,284,800		36,284,800	1.39%	2,611
2009	34,845,000		34,845,000	1.34%	2,507
2010	33,600,000		33,600,000	1.32%	2,493
2011	31,790,000		31,790,000	1.31%	2,377
2012	31,115,000		31,115,000	1.41%	2,345
2013	30,255,000		30,255,000	1.41%	2,277
2014	29,375,000		29,375,000	1.38%	2,232
2015	28,470,000		28,470,000	1.32%	2,164

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

- (a) See Exhibit J-6 for property tax data.
- (b) Population data can be found in Exhibit J-14.

CLINTON TOWNSHIP SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
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	\$ 25,507,597	100.00	\$ 25,507,597
Regional High School	2,160,000	27.50	593,942
County General Obligation Debt	70,347,424	10.60	<u>7,455,172</u>
Subtotal, Overlapping Debt			33,556,711
School District Direct Debt			<u>30,815,879</u>
Total Direct and Overlapping Debt			<u>\$ 64,372,590</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 TOWNSHIP SCHOOL DISTRICT
 LEGAL DEBT MARGIN INFORMATION,
 LAST TEN FISCAL YEARS

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized Valuation Basis									
									2014	\$ 2,229,377,597
									2013	2,187,140,055
									2012	<u>2,237,793,709</u>
										<u>\$ 6,654,311,361</u>
									Average Equalized Valuation of Taxable Property	\$ 2,218,103,787
									Debt Limit (3.0% of Average Equalization Value)	66,543,114 (a)
									Total Net Debt Applicable to Limit	<u>29,370,879</u>
									Legal Debt Margin	<u>\$ 37,172,235</u>
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 63,460,895	\$ 69,980,832	\$ 75,719,273	\$ 79,082,228	\$ 79,246,179	\$ 76,542,565	\$ 73,531,161	\$ 70,319,904	\$ 67,727,114	\$ 66,543,114
Total Net Debt Applicable	<u>45,655,267</u>	<u>44,759,274</u>	<u>38,067,271</u>	<u>36,627,471</u>	<u>34,579,057</u>	<u>32,690,879</u>	<u>32,015,879</u>	<u>31,155,879</u>	<u>30,275,879</u>	<u>29,370,879</u>
Legal Debt Margin	<u>\$ 17,805,628</u>	<u>\$ 25,221,558</u>	<u>\$ 37,652,002</u>	<u>\$ 42,454,757</u>	<u>\$ 44,667,122</u>	<u>\$ 43,851,686</u>	<u>\$ 41,515,282</u>	<u>\$ 39,164,025</u>	<u>\$ 37,451,235</u>	<u>\$ 37,172,235</u>
Total Net Debt Applicable to the Limit as a Percent- age of Debt Limit	71.94%	63.96%	50.27%	46.32%	43.63%	42.71%	43.54%	44.31%	44.70%	44.14%

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

CLINTON TOWNSHIP SCHOOL DISTRICT
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS

Year	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2006	13,949	\$ 905,610,927	\$ 64,923	4.5%
2007	13,926	951,020,466	68,291	3.9%
2008	13,896	955,308,312	68,747	5.2%
2009	13,897	913,019,003	65,699	9.2%
2010	13,476	885,251,916	65,691	9.5%
2011	13,373	932,325,441	69,717	9.3%
2012	13,266	988,768,044	74,534	9.6%
2013	13,286	1,003,398,578	75,523	5.0%
2014	13,158	N/A	N/A	4.9%
2015	13,158	N/A	N/A	N/A

Sources:

- (a) Population information provided by the NJ Dept of Labor and Workforce Development
- (b) Personal income has been estimated based upon the municipal population and per capita personal income presented
- (c) Per capita personal income by county estimated based upon the 2010 census published by the US Bureau of Economic Analysis.
- (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development

CLINTON TOWNSHIP 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 TOWNSHIP 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	115.0	141.0	110.5	109.0	106.5	111.5	110.0	103.5	107.9	94.0
Special Education	94.0	54.0	77.1	87.4	76.0	71.5	92.6	100.6	85.2	59.5
Support Services:										
Student and Instruction Related Services	28.0	28.0	32.6	33.6	32.9	31.3	29.0	27.7	30.3	55.3
General Administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School Administration Services	11.0	11.0	12.0	12.0	11.0	11.0	11.0	11.0	11.0	13.0
Central Services	6.0	6.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Administrative Information Technology	4.0	4.0	5.0	5.0	8.0	3.0	1.0	1.0	1.0	3.0
Plant Operations and Maintenance	17.0	16.0	24.4	25.4	22.9	17.0	24.5	14.5	19.75	32.2
Total	<u>277.0</u>	<u>262.0</u>	<u>268.6</u>	<u>279.4</u>	<u>264.3</u>	<u>252.3</u>	<u>275.1</u>	<u>265.3</u>	<u>262.15</u>	<u>263.95</u>

Sources: District Personnel Records

CLINTON TOWNSHIP 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	1,804	\$ 21,676,998	\$ 12,016	5.04%	175	1 to 10.31	1,803.8	1,734.3	2.20%	96.15%
2007	1,818	23,645,299	13,006	8.24%	175	1 to 10.39	1,766.7	1,695.9	-2.06%	95.99%
2008	1,774	25,321,288	14,274	9.74%	178	1 to 9.97	1,753.7	1,683.6	-0.74%	96.00%
2009	1,749	25,926,476	14,824	3.85%	185	1 to 9.45	1,750.6	1,683.8	-0.18%	96.18%
2010	1,726	26,502,070	15,355	3.58%	180	1 to 9.60	1,718.7	1,648.2	-1.82%	95.90%
2011	1,678	25,586,868	15,248	-0.69%	179	1 to 9.32	1,677.6	1,608.4	-2.39%	95.88%
2012	1,566	27,214,856	17,379	13.97%	184	1 to 8.51	1,565.5	1,505.2	-6.68%	96.15%
2013	1,602	28,253,363	17,636	1.48%	163	1 to 9.83	1,624.5	1,558.3	3.77%	95.92%
2014	1,550	27,767,270	17,914	1.58%	157	1 to 9.87	1,542.7	1,481.1	-5.03%	96.01%
2015	1,471	27,365,474	18,603	3.85%	146	1 to 10.08	1,450.2	1,372.3	-6.00%	94.63%

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 TOWNSHIP SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS

DISTRICT BUILDING	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Spruce Run School (1955)</u>										
Square Feet	55,445	55,445	55,445	55,445	55,445	55,445	55,445	55,445	55,445	55,445
Capacity (Students)	444	444	444	444	444	444	444	444	444	444
Enrollment	574	528	351	358	326	312	301	303	292	251
<u>Patrick McGaheran School (1988)</u>										
Square Feet	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623	67,623
Capacity (Students)	541	541	541	541	541	541	541	541	541	541
Enrollment	610	624	382	338	334	343	301	284	288	293
<u>Round Valley School (1965)</u>										
Square Feet	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806	107,806
Capacity (Students)	506	506	506	506	506	506	506	506	506	506
Enrollment	658	653	613	612	605	562	556	558	539	496
<u>Clinton Township Middle School (2007)</u>										
Square Feet			123,284	123,284	123,284	123,284	123,284	123,284	123,284	123,284
Capacity (Students)			640	640	640	640	640	640	640	640
Enrollment			428	444	445	463	462	457	425	413
Number of Schools at June 30, 2015:										
Elementary	3									
Middle School	1									
High School	0									
Other	0									

Source: 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 TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

JNDISTRIBUTED EXPENDITURES-REQUIRED MAINTENANCE
FOR SCHOOL FACILITIES 11-000-261-XXX

<u>*School Facilities</u>	<u>Spruce Run School</u>	<u>Patrick McGaheeran School</u>	<u>Round Valley School</u>	<u>Clinton Township Middle School</u>	<u>Total</u>
2006	\$ 109,820	\$ 120,085	\$ 212,653		\$ 442,558
2007	92,655	133,279	112,692		338,626
2008	108,059	98,330	193,521	\$ 93,777	493,687
2009	103,222	166,417	113,929	92,220	475,788
2010	99,781	131,899	115,025	116,673	463,378
2011	77,364	71,681	106,628	87,917	343,590
2012	86,308	80,195	142,226	90,873	399,602
2013	85,939	100,474	114,858	101,240	402,511
2014	58,124	93,727	145,003	158,257	455,111
2015	93,171	124,614	153,352	169,418	540,555
	<u>\$ 914,443</u>	<u>\$ 1,120,701</u>	<u>\$ 1,409,887</u>	<u>\$ 910,375</u>	<u>\$ 4,355,406</u>

*School facilities as defined under
EFCFA (NJAC 6A:26-1.2 &
NJAC 6:24-1.3)

CLINTON TOWNSHIP SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2015
(UNAUDITED)

	<u>Coverage</u>	<u>Deductible</u>
School Commercial Package Policy-NJ Schools Insurance Group		
Insurance Group:		
Property-Building Blanket and Contents	\$ 91,982,242	\$ 5,000
Equipment Breakdown	100,000,000	5,000
Comprehensive General Liability	11,000,000	
Comprehensive Auto Liability	11,000,000	
Crime Coverage	1,000,000	1,000
Excess Liability-NJUWP:		
Property Damage	29,000,000	
School Board Legal Liability-NJ Schools Insurance Group		
Insurance Group:		
Directors and Officers Policy	11,000,000	5,000
Environmental Impairment Policy-NJ Schools Insurance Group		
Insurance Group Through Steadfast Insurance:		
Aggregate Limit	2,000,000	25,000
Workers Compensation-NJ Schools Insurance Group		
Insurance Group:		
Employers Liability	2,000,000	
Disease Each Employee	2,000,000	
Disease Policy Limit	2,000,000	
Supplemental Indemnity-Chubb Insurance Company:		
Benefit Period	52 weeks	7 day waiting
Student Accident Insurance-Monumental Life Insurance Company:		
Policy Limit	500,000	
Public Employees' Faithful Performance-NJ Schools Insurance Group:		
School Board Secretary/Business Administrator	230,000	1,000

Source: District Records

SINGLE AUDIT SECTION

Certified Public Accountant
Public School Accountant
Registered Municipal Accountant

100 Route 31 North
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INDEPENDENT AUDITOR'S REPORT

November 19, 2015

Honorable President and
Members of the Board of Education
Clinton Township 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 Township 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 19, 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
No. CS 0128

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INDEPENDENT AUDITOR'S REPORT

November 19, 2015

Honorable President and
Members of the Board of Education
Clinton Township 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 Members of the Board of Education Clinton Township 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 19, 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 TOWNSHIP 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, 2014	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balances	Balance June 30, 2015		
											Accounts Receivable	Unearned Revenue	Due to Grantor
US Department of Education Passed Through State Department of Education: Special Revenue Fund													
NCLB Title IA	84 010A	NCLB-092014	\$ 27,733	07/01/2013-06/30/2014			\$ 421	\$ 421					
NCLB Title IA	84 010A	NCLB-092015	26,542	07/01/2014-06/30/2015			285	26,542				\$ (26,257)	
NCLB Title IIA	84 367A	NCLB-092011	25,981	09/01/2010-08/31/2011	\$ (910)				\$ 910				
NCLB Title IIA	84.367A	NCLB-092013	21,468	09/01/2012-08/31/2013	(3,053)		4,723					\$ 1,670	
NCLB Title IIA	84.367A	NCLB-092014	21,218	07/01/2013-06/30/2014	28								28
NCLB Title IA	84 010A	NCLB-092015	21,241	07/01/2014-06/30/2015			17,347	21,241				(3,894)	
IDEA Cluster:													
IDEA Basic	84 027	IDEA-092014	401,227	07/01/2013-06/30/2014	(94,497)	\$ (46,162)	140,659						
IDEA Basic Carry-over	84.027	IDEA-092015	401,227	07/01/2014-06/30/2015		46,162		46,162					
IDEA Basic	84 027	IDEA-092015	414,648	07/01/2014-06/30/2015			386,273	414,648				(28,375)	
IDEA Preschool	84 173	IDEA-092015	12,064	07/01/2014-06/30/2015									
IDEA Cluster Subtotal					(94,497)	-	536,973	471,946	-	\$ -		(2,023)	928
Total Special Revenue Fund					(98,432)	-	559,749	520,150	910	-		(60,549)	2,626

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON TOWNSHIP SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, SCHEDULE A
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(CONTINUED)

Grantor/Program Title	Federal CFDA Number	Project Number	Program or Award Amount	Grant Period From To	Balance June 30, 2014	Carryover Amount	Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balances	Balance June 30, 2015		
											Accounts Receivable	Unearned Revenue	Due to Grantor
US Department of Agriculture Passed- Through State Department of Agriculture: Enterprise Fund:													
Child Nutrition Cluster:													
National School Lunch Program- Cash Assistance	10.555	N/A	\$ 48,727	07/01/2013- 06/30/2014	\$ (3,414)		\$ 3,414						
National School Lunch Program- Non-cash Assistance (Commodities)	10.555	N/A	30,069	07/01/2013- 06/30/2014	2,549			\$ 2,549					
National School Lunch Program- Cash Assistance	10.555	N/A	44,966	07/01/2014- 06/30/2015			41,691	44,966			\$ (3,275)		
National School Lunch Program- Non-cash Assistance (Commodities)	10.555	N/A	25,288	07/01/2014- 06/30/2015			25,288	22,982				\$ 2,306	
Total Enterprise Fund					(865)	\$ -	70,393	70,497	\$ -	\$ -	(3,275)	2,306	\$ -
TOTAL FEDERAL FINANCIAL ASSISTANCE					\$ (99,297)	\$ -	\$ 630,142	\$ 590,647	\$ 910	\$ -	\$ (63,824)	\$ 4,932	\$ -

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON TOWNSHIP 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 June 30, 2014		Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balances	Balance June 30, 2015			MEMO		
				Unearned Rev (Accts Rec)	Due to Grantor					Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures	
State Department of Education															
General Fund:															
Categorical Special Education Aid	15-495-034	\$ 780,827	07/01/2014-												
	-5120-089		06/30/2015			\$ 780,827	\$ 780,827						\$ 75,045	\$ 780,827	
Categorical Transportation Aid	15-495-034	147,078	07/01/2014-												
	-5120-014		06/30/2015			147,078	147,078						14,136	147,078	
Categorical Security Aid	15-495-034	82,468	07/01/2014-												
	-5120-084		06/30/2015			82,468	82,468						7,926	82,468	
Adjustment Aid	15-495-034	169,208	07/01/2014-												
	-5120-085		06/30/2015			169,208	169,208						16,263	169,208	
PARCC Readiness Aid	15-495-034	14,050	07/01/2014-												
	-5120-098		06/30/2015			14,050	14,050						1,350	14,050	
Per Pupil Growth Aid	15-495-034	14,050	07/01/2014-												
	-5120-097		06/30/2015			14,050	14,050						1,350	14,050	
School Choice Aid	15-495-034	1,080,328	07/01/2014-												
	-5120-068		06/30/2015			1,080,328	1,080,328						103,830	1,080,328	
Extraordinary Aid	15-100-034	599,821	07/01/2014-												
	-5120-473		06/30/2015				599,821			\$ (599,821)				599,821	
Extraordinary Aid	14-100-034	665,789	07/01/2013-												
	-5120-473		06/30/2014	\$ (665,789)		665,789								665,789	
Nonpublic Remote Transportation	15-495-034	17,349	07/01/2014-												
	-5120-014		06/30/2015				17,349			(17,349)				17,349	
Nonpublic Remote Transportation	14-495-034	19,698	07/01/2013-												
	-5120-014		06/30/2014	(19,698)		19,698								19,698	
On-Behalf TPAF Pension Contribution- Post Retirement Medical	15-495-034	1,007,529	07/01/2014-												
	-5094-001		06/30/2015			1,007,529	1,007,529							1,007,529	
On-Behalf TPAF Pension Contribution- Non Contributory Group Insurance	15-495-034	42,597	07/01/2014-												
	-5094-007		06/30/2015			42,597	42,597							42,597	
On-Behalf TPAF Pension Contribution- Normal Cost & Accrued Liability	15-495-034	592,067	07/01/2014-												
	-5094-006		06/30/2015			592,067	592,067							592,067	
Reimbursed TPAF Social Security Contribution	15-495-034	815,636	07/01/2014-												
	-5094-003		06/30/2015			775,294	815,636			(40,342)				815,636	
Total General Fund				(685,487)	\$ -	5,390,983	5,363,008	\$ -	\$ -	(657,512)	\$ -	\$ -	219,900	6,048,495	
Special Revenue Fund:															
NJ Nonpublic Aid:															
Textbook Aid	14-100-034	26,272	07/01/2013-												
	-5120-064		06/30/2014							6,071				20,201	
Textbook Aid	15-100-034	27,108	07/01/2014-												
	-5120-064		06/30/2015			27,108	26,055						1,053	26,055	
Nursing Services	14-100-034	36,978	07/01/2013-												
	-5120-070		06/30/2014							884				36,094	
Nursing Services	15-100-034	43,253	07/01/2014-												
	-5120-070		06/30/2015			43,253	40,960						2,293	40,960	
Technology Initiative	14-100-034	9,580	07/01/2013-												
	-5120-373		06/30/2014			219				219				9,361	
Technology Initiative	15-100-034	14,560	07/01/2014-												
	-5120-373		06/30/2015			14,560	13,923						637	13,923	
Auxiliary Services Aid Cluster:															
Compensatory Education	14-100-034	48,791	07/01/2013-												
	-5120-067		06/30/2014							2,825				45,966	
Compensatory Education	15-100-034	48,373	07/01/2014-												
	-5120-067		06/30/2015			48,373	40,401						7,972	40,401	
English as a Second Language	15-100-034	1,827	07/01/2014-												
	-5120-067		06/30/2015			1,827							1,827		
English as a Second Language	14-100-034	873	07/01/2013-												
	-5120-067		06/30/2014							873					
Subtotal for Auxiliary Services Aid Cluster						-	3,698	50,200	40,401	-	3,698	-	9,799	-	86,367

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON TOWNSHIP 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 June 30, 2014		Cash Received	Budgetary Expenditure	Adjustment	Repayment of Prior Year Balances	Balance June 30, 2015			MEMO	
				Unearned Rev (Accts Rec)	Due to Grantor					Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable	Cumulative Expenditures
State Department of Education														
Special Revenue Fund (Continued):														
NJ Nonpublic Aid (Continued):														
Handicapped Services Aid Cluster:														
Examination & Classification	15-100-034	\$ 55,286	07/01/2014-06/30/2015			\$ 55,286	\$ 55,286							\$ 55,286
Corrective Speech	14-100-034	25,858	07/01/2013-06/30/2014		\$ 547				\$ 547					25,311
Corrective Speech	15-100-034	31,806	07/01/2014-06/30/2015			31,806	16,725					\$ 15,081		16,725
Supplemental Instruction	14-100-034	25,394	07/01/2013-06/30/2014		416				416					24,978
Supplemental Instruction	15-100-034	28,092	07/01/2014-06/30/2015			28,092	28,092							28,092
Subtotal-Handicapped Services Aid Cluster				\$ -	963	115,184	100,103	\$ -	963	\$ -	\$ -	15,081	\$ -	150,392
Total Special Revenue Fund				-	11,835	250,305	221,442	-	11,835	-	-	28,863	-	383,353
Capital Projects Fund:														
Building Addition Project:														
Spruce Run School	0920-030-03-1109	615,133	N/A	(80,998)						(80,998)				615,133
Round Valley School	0920-040-03-1111	972,868	N/A	(578,857)						(578,857)				972,868
New Middle School	0920-N01-03-1112	5,356,094	N/A	(241,024)						(241,024)				5,356,094
Roof Renovation Project:														
Spruce Run School	SP #203130	59,477	N/A				26,668			(26,668)				32,809
Patrick McGaheeran School	SP #203131	188,568	N/A				7,297			(7,297)				181,271
Round Valley School	SP #203132	165,437	N/A				70,100			(70,100)				95,337
Security Upgrades Including Vestibule and Exterior Doors Project:														
Spruce Run School	0920-030-13-2002	208,384	N/A	(208,384)						(208,384)				208,384
Patrick McGaheeran School	0920-035-13-2004	203,658	N/A	(203,658)						(203,658)				203,658
Round Valley School	0920-040-13-2005	265,558	N/A	(265,558)						(265,558)				265,558
Total Capital Projects Fund				(1,578,479)	-	-	104,065	-	-	(1,682,544)	-	-	-	7,931,112
State Department of Agriculture														
Enterprise Fund:														
State School Lunch Program	14-100-010-3350-023	3,839	07/01/2013-06/30/2014	(460)		460								3,839
State School Lunch Program	15-100-010-3350-023	3,440	07/01/2014-06/30/2015			3,089	3,440			(351)				3,440
Total Enterprise Fund				(460)	-	3,549	3,440	-	-	(351)	-	-	-	7,279
TOTAL STATE FINANCIAL ASSISTANCE				\$ (2,264,426)	\$ 11,835	\$ 5,644,837	\$ 5,691,955	\$ -	\$ 11,835	\$ (2,340,407)	\$ -	\$ 28,863	\$ 219,900	\$ 14,370,239

SEE ACCOMPANYING NOTES TO SCHEDULES OF FINANCIAL ASSISTANCE

CLINTON TOWNSHIP 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 Township 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.

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 \$12,138 for the general fund and (\$978) for the special revenue fund and \$340,061 for the Capital Projects 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 and Exhibit F-2 for the Capital Project Fund.

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

	<u>Local</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund			\$ 5,375,146	\$ 5,375,146
Special Revenue Fund	\$ 60,906	\$ 520,420	221,442	802,768
Capital Projects Fund			444,426	444,426
Food Service Fund		70,497	3,440	73,937
	<u>\$ 60,906</u>	<u>\$ 590,917</u>	<u>\$ 6,044,454</u>	<u>\$ 6,696,277</u>

CLINTON TOWNSHIP 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

The amount reported as TPAF Pension Contribution represents the amount paid by the state on behalf of the District for the year ended June 30, 2015. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

CLINTON TOWNSHIP 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 Unmodified

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? Unmodified

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

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Amount</u>	<u>Name of Federal Program</u>
84.027	\$ 460,810	IDEA Cluster:
84.173	11,136	IDEA Basic
		IDEA Preschool

CLINTON TOWNSHIP 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)

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

Auditee qualified as a low-risk auditee X 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>
15-100-034-5120-473	\$ 599,821	Extraordinary Special Education Costs Aid
15-100-034-5120-066	100,103	Non-Public Handicapped Services Aid Cluster
15-495-034-5120-014	147,078	Categorical Transportation Aid
15-495-034-5120-068	1,080,328	School Choice Aid
15-495-034-5120-085	169,208	Adjustment Aid
15-495-034-5120-089	780,827	Categorical Special Education Aid
Various	104,065	NJ SDA Cluster

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

SECTION II-FINANCIAL STATEMENT FINDINGS

See Below

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

Instance of Non-Compliance or Eligibility

Federal Programs:

None

State Programs:

Extraordinary Aid

GMIS Number 15-100-034-5120-473

Finding: The District completed their Extraordinary Aid application inaccurately.

Criteria: for Extraordinary Aid.

Condition: The costs reported for on the application for several special education students were inaccurate.

Cause: Procedures in place to ensure that the Extraordinary Aid application was completed accurately by the District were not effective.

Effect: The District received an inaccurate amount of Extraordinary Aid as a result of the application not being prepared properly.

Recommendation: 2015-1. Procedures should be implemented to ensure that the Extraordinary Aid application is completed accurately by the District.

CLINTON TOWNSHIP SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2014

There were no prior year findings or questioned costs.