

**BOARD OF EDUCATION  
OF THE  
BLACK HORSE PIKE REGIONAL  
SCHOOL DISTRICT  
BLACKWOOD, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2016**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Table of Contents

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	<b>10</b>
<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	<b>16</b>
<b>Basic Financial Statements</b>	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	30
A-2 Statement of Activities	31
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	33
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	34
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	36
Proprietary Funds:	
B-4 Statement of Net Position	37
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	38
B-6 Statement of Cash Flows	39
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	40
B-8 Statement of Changes in Fiduciary Net Position	41
<b>Notes to the Financial Statements</b>	<b>42</b>
<b>Required Supplementary Information - Part II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	75
C-1a Combining Schedule of Revenues, Expenditures and Changes In Fund Balance - Budget and Actual	N/A
C-1b Community Development Block Grant - Budget and Actual	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	88
C-3 Budgetary Comparison Schedule - Note to RSI	90

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Table of Contents (Cont'd)

---

	<b>Page</b>
<b>Required Supplementary Information - Part III</b>	
L. Schedules Related to Accounting and Reporting for Pensions	
L-1 Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS	93
L-2 Schedule of the School District's Contributions – PERS	94
L-3 Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF	95
L-4 Schedule of the School District's Contributions – TPAF	96
L-5 Notes to the Required Supplementary Information - Part III GASB 68 Pension Changes	97
<b>Required Supplementary Information - Part IV</b>	
L-6 Schedule of Funding Progress for Health Benefits Plan	N/A
L-7 Notes to the Required Supplementary Information - Part IV	N/A
<b>Other Supplementary Information</b>	
D. School Based Budget Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	100
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Statement of Project Expenditures	103
F-2 Summary Statement of Revenues, Expenditures, and Changes in Fund Balance	104
F-2a Statement of Project Revenues, Expenditures, Project Balance and Project Status	105
F-2b Statement(s) of Project Revenues, Expenditures, Project Balance and Project Status	106

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Table of Contents (Cont'd)

	<b>Page</b>
<b>Other Supplementary Information (Cont'd)</b>	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Statement of Net Position	113
G-2 Statement of Revenues, Expenses and Changes in Fund Net Position	114
G-3 Statement of Cash Flows	115
Internal Service Fund:	
G-4 Combining Statement of Net Position	116
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	117
G-6 Combining Statement of Cash Flows	118
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	120
H-2 Statement of Changes in Fiduciary Net Position	121
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	122
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	123
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	125
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	126

**STATISTICAL SECTION (Unaudited)**

**Introduction to the Statistical Section**

**Financial Trends**

J-1 Net Position by Component	129
J-2 Changes in Net Position	130
J-3 Fund Balances - Governmental Funds	132
J-4 Changes in Fund Balances - Governmental Funds	133
J-5 General Fund Other Local Revenue by Source	134

**Revenue Capacity**

J-6 Assessed Value and Actual Value of Taxable Property	136
J-7 Direct and Overlapping Property Tax Rates	137
J-8 Principal Property Taxpayers	138
J-9 Property Tax Levies and Collections	141

**Debt Capacity**

J-10 Ratios of Outstanding Debt by Type	143
J-11 Ratios of Net General Bonded Debt Outstanding	144
J-12 Direct and Overlapping Governmental Activities Debt	145
J-13 Legal Debt Margin Information	148

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Table of Contents (Cont'd)

---

	<b>Page</b>
<b>STATISTICAL SECTION (Unaudited) (Cont'd)</b>	
<b>Demographic and Economic Information</b>	
J-14 Demographic and Economic Statistics	150
J-15 Principal Non-Governmental Employers	151
<b>Operating Information</b>	
J-16 Full-time Equivalent District Employees by Function/Program	155
J-17 Operating Statistics	156
J-18 School Building Information	157
J-19 Schedule of Required Maintenance Expenditures by School Facility	158
J-20 Insurance Schedule	159
<b>SINGLE AUDIT SECTION</b>	
K-1 Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	13
K-2 Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required By the Uniform Guidance and State of New Jersey Circular 15-08-OMB	161
K-3 Schedule of Expenditures of Federal Awards, Schedule A	163
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	165
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	167
K-6 Schedule of Findings and Questioned Costs	169
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	174

## **INTRODUCTORY SECTION**

# BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

580 Erial Road, Blackwood, New Jersey 08012-4550

(856) 227-4106 • Fax (856) 227-6835

[www.bhprsd.org](http://www.bhprsd.org)

Engaging Students, Fostering Achievement, Inspiring Excellence

**Brian Repici, Ed.D.**

*Superintendent*

**D. Jean Grubb**

*Board Secretary*

*Business Administrator*

**David C. Cappuccio, Jr.**

*Director of Special Services & Special Education*

**Matthew Szuchy**

*Director of Curriculum & Instruction*

**Julie A. Scully**

*Supervisor of Personnel Management*

November 21, 2016

Honorable President and  
Members of the Board of Education  
Black Horse Pike Regional School District  
580 Erial Rd.  
Blackwood, NJ 08012

Dear Board Members:

The comprehensive annual financial report of the Black Horse Pike Regional School District for the fiscal year ending June 30, 2016 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and 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 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 Uniform Guidance, and New Jersey OMB Circular 15-08.

Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulation and findings and recommendations, are included in the single audit section of this report.

1. **REPORTING ENTITY AND ITS SERVICES:** Black Horse Pike Regional is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Black Horse Pike Regional Board of Education and all its schools constitute the Districts reporting entity.

The District provides a full range of educational services appropriate to grade levels 9 through 12. These include regular, vocational as well as special education for handicapped youngsters.

The District complete the 2016 fiscal year with an enrollment of 3742 students, which is 98 students less than the previous year's ending enrollment. The following details the changes in the student enrollment of the District over the last ten years.

FISCAL YEAR	STUDENT ENROLLMENT	PERCENTAGE OF CHANGE
2016	3742	(2.55%)
2015	3840	(5.88%)
2014	4080	(4.09%)
2013	4254	5.61%
2012	4028	(1.83%)
2011	4103	(.024%)
2010	4104	(1.11%)
2009	4150	.095%
2008	4146	.509%
2007	4125	(1.528%)
2006	4189	3.177%
2005	4060	1.525%

2. **ECONOMIC CONDITION AND OUTLOOK:** The School District is comprised of the Township of Gloucester and the Boroughs of Bellmawr and Runnemede. This District services pupils in grades nine through twelve in three high school facilities, Triton Regional High School, Highland Regional High School and Timber Creek Regional High School.

Triton Regional High School, which was constructed in 1956, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Borough of Runnemede, receives students residing the in communities of Runnemede, Bellmawr and the Glendora, Timberbirch, Broadmoor, Chews Landing, Hilltop, Pine Run and Catalina Hills sections of the Township of Gloucester. The functional capacity of Triton Regional High is 1219; current enrollment is current enrollment is 1191.

Highland Regional High School, which was constructed in 1967, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Township of Gloucester, receives students residing in Blenheim, Millbridge, Blackwood, and Cherrywood, Glen Oaks, Laurel Springs Gardens and Laurel Hills sections of the Township of Gloucester. The functional capacity of Highland Regional High School is 1285; current enrollment is 1220.

Timber Creek High School was constructed in 2001. The school, which is located in the Township of Gloucester, receives students residing in the Erial and Lambs Terrace sections of the Township of Gloucester. The functional capacity of Timber Creek High School is 1655; current enrollment is 1321.

The voters of the Regional District approved a 44.8 million dollar bond referendum in 1998, which provided one million dollars for Highland Regional High School and one million dollars for Triton High School for the installation of a fiber optic backbone and wiring of all classrooms for internet access as well as the purchase of additional computer hardware. The referendum also provided \$845,000 at Highland Regional High School for the construction of a weight room and field improvements. \$885,000 was provided for Triton Regional High School for the construction of a weight room and field improvement. The remaining balance of the \$44.8 million dollars was for the acquisition of additional land and the construction of Timber Creek High School. The initial facility was designed to house 1,500 students with core facilities designed to house 1,800 students. The new school opened to students September 2001.

The future outlook for District financing continues to depend primarily upon the ability and willingness of the Governor and State Legislature to provide funding and the availability of tax revenues to the State. State revenue is extremely sensitive to economic conditions, which in turn affects property taxes. Retail sale and use taxes, bank and corporation taxes comprise more that 90% of the State's General Fund income.



The State implemented a new funding formula for the 2008-2009 school year which increased by 20%. The Board utilized \$3,000,000 to reduce the local property tax impact. During the 2009-2010 budget year, the Federal Government provided \$5,339,890 under the American Recovery and Reinvestment Act to stabilize local budgets during the economic downturn. These funds were also utilized during the 2010-2011 budget year. The State, in an effort to correct its own fiscal crisis, reduced local aid dollar for dollar of ARRA money received by the District. In 2011-2012, the District utilized federal funding from the Ed Jobs program in the amount of \$1,145,881.00 to maintain the budget. In 2012-2013, revenue was supported by a state aid increase of approximately \$1,800,000.00 and it was also the first year teachers participated in making health benefit contributions. However, the state aid increase was offset by the loss of federal Ed Jobs funding which had been provided during 2011-2012. For the 2014-2015 school year, the District is eligible to receive up to \$5,488,940.00 in SDA/ROD grant funds to assist in completing planned capital projects. In looking forward to 2017-2018, we are unsure whether state aid revenue will be maintained or altered in any way. This type of uncertainty causes us to carefully plan any additional capital projects that may be needed.

3. **INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data is 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 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 part of the Districts single audit described earlier, tests are made to determine the adequacy of the of the internal control structure, including the portion related to federal and state financial assistance programs, as well as to determine that the District has complied with applicable laws and regulations.

4. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The object of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the General Fund, Special Revenue Fund and the Debt Service Fund. Project length budgets for capital improvements are 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 re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2016.
5. **ACCOUNT SYSTEM AND REPORTS:** The Districts accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of fund and account groups. These funds and account groups are explained in Notes to the Financial Statements
6. **CASH MANAGEMENT:** The funds, which the Board receives, are held in deposit with Republic Bank. State Aid is wired directly into the account twice a month. Other sources of revenue are deposited by the district on a daily basis. Interest is received on the funds residing in the District Account.
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, property, and contents and fidelity bonds.

8. **OTHER INFORMATION:**

**INDEPENDENT AUDIT:** State Statutes require an annual audit by an independent, certified public accountant or registered municipal accountant. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report of 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.

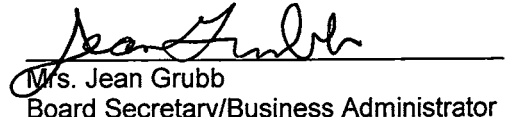
9. **ACKNOWLEDGMENTS:**

We would like to express our appreciation to the members of the Black Horse Pike Regional School Board for their concern in providing fiscal information to the citizens and taxpayers of the school district and thereby secure 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 educational staff.

Respectfully submitted,



Dr. Brian Repici  
Superintendent

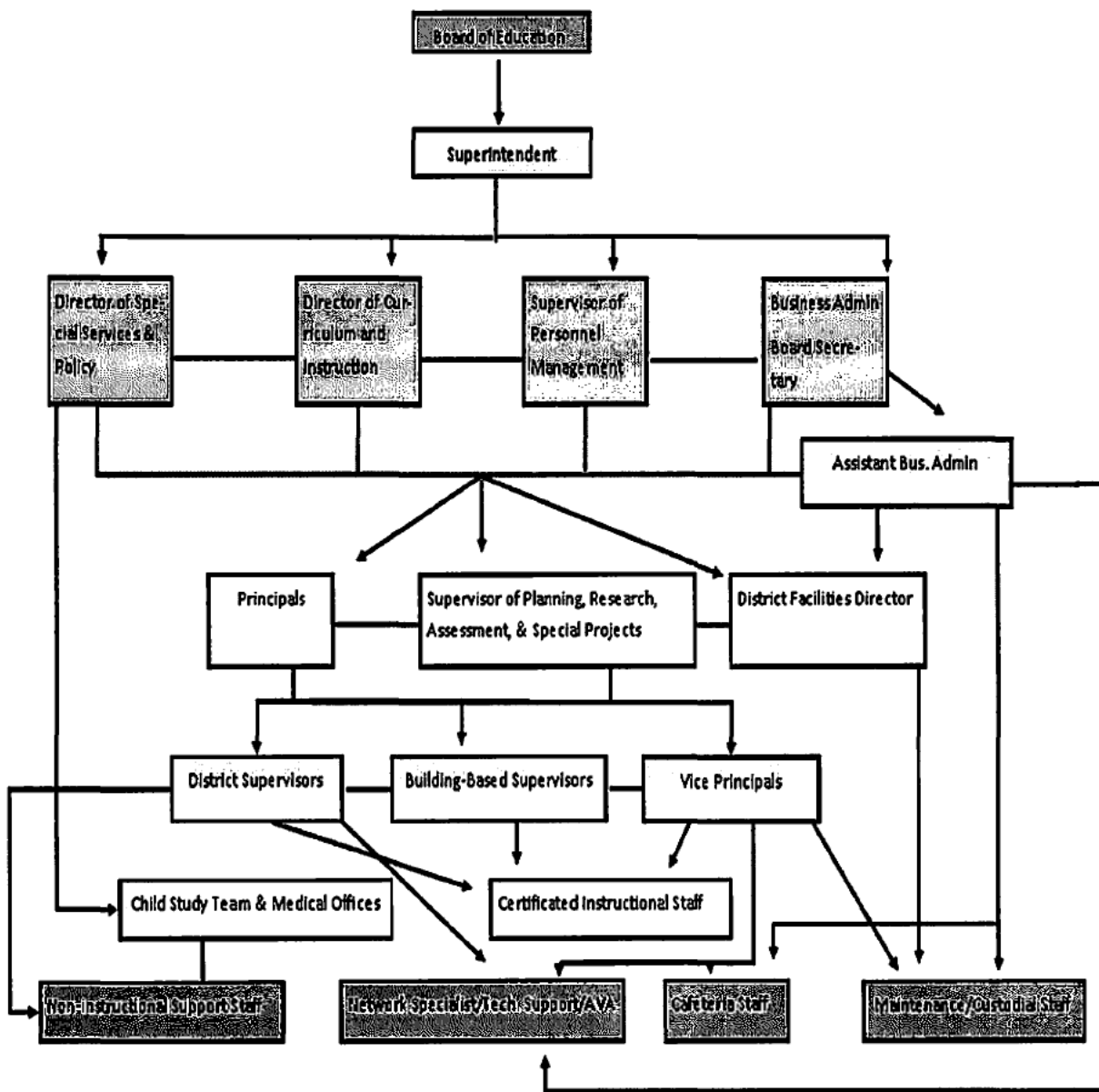


Mrs. Jean Grubb  
Board Secretary/Business Administrator

# POLICY

## BLACK HORSE PIKE REGIONAL BOARD OF EDUCATION

Administration  
1110/Page 2 of 2  
ORGANIZATIONAL CHART



**ROSTER OF OFFICIALS  
JUNE 30, 2016**

<b><u>MEMBERS OF THE BOARD OF EDUCATION</u></b>		<b><u>TERM EXPIRES</u></b>
Mr. Mark Schmitz	President	2016
Mr. Jay McMullin	Vice-President	2018
Mr. Kevin Bucceroni		2017
Ms. Joyce W. Ellis		2017
Mrs. Dawn Leary		2018
Mr. Bill Murray		2016
Ms. Patricia Wilson		2016
Mrs. Jennifer Storer		2018
Ms. Jill Dawson		2017

**OTHER OFFICIALS**

Dr. Brian Repici, Superintendent

Jean Grubb, Board Secretary/Business Administrator

David C. Cappuccio Jr., Director of Special Services & Special Education

Matthew Szuchy, Director of Curriculum & Instruction

Julie Scully, Supervisor of Personnel Management

Janet Glover, Custodian of School Funds

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

**CONSULTANTS AND ADVISORS**

**Architect**

---

Garrison Architects  
1400 F Commerce Parkway  
Mt. Laurel, NJ 08054

**Audit Firm**

---

Bowman & Company LLP  
601 White Horse Road  
Voorhees, NJ 08043-2493

**Attorney**

---

Daniel Long  
1250 Chews Landing Road  
Laurel Springs, NJ 08021

**Official Depository**

---

Republic Bank  
101 Laurel Oak Road  
Voorhees, NJ 08043

**FINANCIAL SECTION**

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Black Horse Pike Regional School District  
Blackwood, 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 Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditor's Responsibility***

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

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

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

### ***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 Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Black Horse Pike Regional School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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



20600

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2016 on our consideration of the Black Horse Pike Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Black Horse Pike Regional School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Public School Accountant No. CS 01191

Voorhees, New Jersey  
November 21, 2016

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

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Black Horse Pike Regional School District  
Blackwood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 21, 2016.

***Internal Control Over Financial Reporting***

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or 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 Black Horse Pike Regional School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

**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* and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Public School Accountant No. CS 01191

Voorhees, New Jersey  
November 21, 2016

**REQUIRED SUPPLEMENTARY INFORMATION**  
**PART I**

# **Black Horse Pike Regional School District**

## **Management's Discussion and Analysis**

### **Year Ended June 30, 2016**

This section of the Black Horse Pike Regional School District's annual financial report presents our discussion and analysis of the School District's financial performance during the fiscal year that ended on June 30, 2016. 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 transmittal letter at the front of this report and the School District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) was a new element initiated as of June 30, 2003 as part of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2015-16) and the prior year (2014-15) is required to be presented in the MD&A.

#### **FINANCIAL HIGHLIGHTS**

Key financial highlights for the 2015-16 fiscal year include the following:

- Net Position at June 30, 2016 for Governmental and Business-Type activities were \$41,988,809.08 and \$-0- respectively.
- Net Position for both activities increased by \$8,800,956.60 from July 1, 2015 to June 30, 2016.
- The General Fund fund balance as of June 30, 2016 was \$11,761,164.00, an increase of \$955,397.48 when compared with the beginning balance as of July 1, 2015 of \$10,805,766.52.

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

The financial section of the annual report consists of four parts – Independent Auditor's Report, required supplementary information which includes the management's discussion and analysis (this section), the basic financial statements, and supplemental information. The basic financial statements include two kinds of statements that present different views of the Black Horse Pike Regional School District.

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

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. Table A-1 summarizes the major features of the Black Horse Pike Regional School District's financial statements, including the portion of the School District's activities they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

Table A-1

**MAJOR FEATURES OF THE GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

	<b>Government-wide Statements</b>	<b>Fund Financial Statements</b>	
		<b>Governmental Funds</b>	<b>Proprietary Funds</b>
<b>Scope</b>	Entire district (except fiduciary funds)	The activities of the district that are not proprietary or fiduciary, such as regular and special education, building maintenance and transportation	Activities the district operates similar to private businesses: Food Service Fund
<b>Required Financial Statements</b>	Statements of net position	Balance sheet	Statement of net position
	Statement of activities	Statement of revenue, expenditures and changes in fund balances	Statement of revenue, expenses and changes in fund net position
			Statement of cash flows
<b>Accounting Basis and measurement focus</b>	Accrual accounting and economic resources focus	Modified accrual accounting and current financial focus	Accrual accounting and economic resources focus
<b>Type of asset/liability information</b>	All assets and liabilities, both financial and capital, short-term and long-term	Generally assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities included	All assets and liabilities, both financial and capital, and short-term and long-term
<b>Type of inflow/outflow information</b>	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable	All revenue and expenses during the year, regardless of when cash is received or paid

**Government-wide Statements**

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

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**Government-wide Statements (Cont'd)**

The two government-wide statements report the Black Horse Pike Regional School District's net position and how they have changed. Net position – the difference between the School District's assets plus deferred outflows and liabilities plus deferred inflows – are a measure of the School District's financial health or position.

- Over time, increases or decreases in the School District's net position are an indicator of whether the financial position is improving or deteriorating, respectively.
- To assess the overall health of the School District you need to consider additional non-financial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements the School District's activities are shown in two categories:

- *Governmental activities* - Most of the School District's basic services are included here, such as regular and special education, transportation, administration, and maintenance. Aid from the State of New Jersey and from the Federal government along with local property taxes finances most of these activities.
- *Business-type activities* - The School District charges fees to customers to help it cover the costs of certain services it provides. The School District's Food Service Fund is included here.

**Fund Financial Statements**

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

- Some funds are required by State law and by bond covenants.
- The School District uses other funds, established in accordance with the State of New Jersey Uniform Chart of Accounts, to control and manage money for particular purposes (e.g., repaying its long-term debts) or to show that it is properly using certain revenues (e.g., federal funds).

The School District has three kinds of funds:

- **Governmental funds** - Most of the School District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps to determine whether there are more or fewer financial resources that can be spent in the near future to finance the School District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statements that explain the relationship (or differences) between them.
- **Proprietary funds** - Services for which the School District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the government-wide statements.
- **Fiduciary funds** - The School District is the trustee, or fiduciary, for assets that belong to others. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the School District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the government-wide financial statements because the School District cannot use these assets to finance its operations.

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**FINANCIAL ANALYSIS OF THE BLACK HORSE PIKE  
REGIONAL SCHOOL DISTRICT AS A WHOLE**

**Net Position.** The School District's net position for **governmental and business-type activities** were \$41,988,809 and \$-0-, respectively, as of June 30, 2016.  
(See Table A-2).

<b>Black Horse Pike Regional School District's Net Position</b>						
	<b>Governmental Activities</b>		<b>Business-Type Activities</b>		<b>Total</b>	
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
Current and Other Assets	\$ 15,112,274	\$ 12,114,920	\$ 71,497	\$ 12,493	\$ 15,183,771	\$ 12,127,413
Capital Assets	59,746,304	56,278,158	32,603	34,932	59,778,907	56,313,090
<b>Total Assets</b>	<b>74,858,578</b>	<b>68,393,078</b>	<b>104,100</b>	<b>47,425</b>	<b>74,962,678</b>	<b>68,440,503</b>
Deferred Outflow s	4,565,264	1,926,763			4,565,264	1,926,763
Long-term Liabilities	32,712,989	31,701,740	83,100	45,338	32,796,089	31,747,078
Other Liabilities	4,141,714	4,081,070	21,000	2,088	4,162,714	4,083,158
<b>Total Liabilities</b>	<b>36,854,703</b>	<b>35,782,810</b>	<b>104,100</b>	<b>47,425</b>	<b>36,958,803</b>	<b>35,830,235</b>
Deferred Inflow s	580,330	1,349,179			580,330	1,349,179.00
Net Position						
Net Investment in						
Capital Assets	47,585,603	41,085,085	32,603	34,932	47,618,206	41,120,017
Restricted	7,840,006	10,555,900			7,840,006	10,555,900
Unrestricted	(13,436,800)	(18,453,132)	(32,603)	(34,932)	(13,469,403)	(18,488,064)
<b>Total Net Position</b>	<b>\$ 41,988,809</b>	<b>\$ 33,187,852</b>	<b>-</b>	<b>-</b>	<b>\$ 41,988,809</b>	<b>\$ 33,187,852</b>



Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**Change in Net Position.** Net position for governmental and business-type activities increased by \$8,800,957 from July 1, 2015 to June 30, 2016. (See Table A-3).

<b>Table A-3</b>			
<b>Black Horse Pike Regional School District's Changes in Net Position</b>			
	2016	2015	Increase/ (Decrease)
<b>Revenues</b>			
Program Revenues:			
Charges for services	\$ 2,315,145	\$ 2,104,697	\$ 210,448
Operating grants and contributions	14,827,779	12,936,018	1,891,761
General Revenues:			
Property taxes	33,003,622	31,195,984	1,807,638
State and Federal Aid	38,866,625	35,483,523	3,383,102
Other	514,791	394,740	120,052
<b>Total Revenues</b>	<b>89,527,962</b>	<b>82,114,962</b>	<b>7,413,000</b>
<b>Expenses</b>			
Governmental Activities:			
Instruction:			
Regular	18,545,247	18,059,823	485,424
Special Education	4,186,722	4,143,173	43,548
Other Special Instruction	335,641	401,141	(65,499)
Other Instruction	2,349,671	2,303,653	46,018
Support Services:			
Tuition	5,905,178	5,944,586	(39,407)
Student & Instruction Related Services	7,448,133	7,326,904	121,229
School Administrative Services	2,639,375	2,530,083	109,292
General & Business Administrative Services	2,037,736	2,010,445	27,291
Plant Operations and Maintenance	6,374,923	6,173,078	201,845
Pupil Transportation	4,189,557	4,046,572	142,985
Unallocated Benefits	10,706,067	10,452,249	253,818
Reimbursed TPAF and Social Security	13,221,163	10,555,743	2,665,420
Special Schools	151,228	146,590	4,638
Transfer to Charter Schools	33,316	10,373	22,943
Interest on Long-term Debt	402,622	765,038	(362,416)
Unallocated Depreciation	731,812	716,614	15,199
<b>Total Expenses - Governmental Activities</b>	<b>79,258,392</b>	<b>75,586,065</b>	<b>3,672,327</b>
Business-Type Activities:			
Food Service	1,468,613	1,453,856	14,757
<b>Total Expenses - Business-Type Activities</b>	<b>1,468,613</b>	<b>1,453,856</b>	<b>14,757</b>
<b>Total Expenses</b>	<b>80,727,006</b>	<b>77,039,921</b>	<b>3,687,085</b>
<b>Increase/(Decrease) in Net Position</b>	<b>8,800,957</b>	<b>5,075,041</b>	<b>3,725,916</b>
<b>Net Position, 7/1</b>	<b>33,187,853</b>	<b>28,112,812</b>	<b>5,075,041</b>
<b>Net Position, 6/30</b>	<b>\$ 41,988,809</b>	<b>\$ 33,187,853</b>	<b>\$ 8,800,957</b>

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

Total revenues for the School District were \$89,527,962. Government funding was the source of 43.41% of the School District's revenues. This includes the State of New Jersey and Federal sources.

Property taxes of \$33,003,622 provided 36.86% of revenues, a decrease from 37.99% in 2015.

Other miscellaneous revenues of \$514,791 represent 0.58% of the School District revenues.

The School District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$31,322,460 (39.52%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$11,637,690 (14.68%) of total expenditures. (See Table A-3).

Total revenues exceeded expenditures for governmental activities, increasing net position \$8,800,957 from the beginning balance as of July 1, 2015.

The School District's net cost of services for governmental activities was \$63,520,994 for the year ended June 30, 2016. (See Table A-4).

<b>Table A-4</b>		
<b>Black Horse Pike Regional School District's Net Cost of Governmental Activities For the Year Ended June 30, 2016</b>		
	<b>Total Cost of Services</b>	<b>Net Cost of Services</b>
<b>Governmental Activities:</b>		
Instruction:		
Regular	\$ 18,545,247	\$ 17,637,244
Special Education	4,186,722	4,186,722
Other Special Instruction	335,641	335,641
Other Instruction	2,349,671	2,349,671
Support Services:		
Tuition	5,905,178	4,965,310
Student & Instruction Related Services	7,448,133	6,915,940
School Administrative Services	2,639,375	2,639,375
General & Business Administrative Services	2,037,736	2,037,736
Plant Operations and Maintenance	6,374,923	6,374,923
Pupil Transportation	4,189,557	3,618,557
Unallocated Benefits	10,706,067	10,706,067
Reimbursed TPAF and Social Security	13,221,163	633,226
Special Schools	151,228	151,228
Transfer to Charter Schools	33,316	33,316
Interest on Long-term Debt	402,622	204,225
Unallocated Depreciation	731,812	731,812
<b>Total Governmental Activities</b>	<b>\$ 79,258,392</b>	<b>\$ 63,520,994</b>

**Activity Descriptions**

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

**Tuition expenses** include the cost to the School District to send pupils with special needs living within the School District to private schools and/or schools outside the School District area.

**Student and instruction related services** include the activities designed to assess and improve the well being of students and to supplement the teaching process.

**School Administrative and General and Business Administrative services** include expenses associated with establishing and administering policy for the School District including financial supervision.

**Plant operation and maintenance of plant activities** involve keeping the school grounds, buildings and equipment in a safe and effective working condition.

**Pupil transportation** includes activities involved with the conveyance of students to and from school, as well as to and from student activities as provided by State law and Board Policy.

**Unallocated benefits** includes the cost of benefits for the School District staff for social security, retirement contributions, worker's compensation, health benefits and other employee benefits.

**Interest on long-term debt** involves the transactions associated with the payment of interest and other related charges to the debt of the School District.

**Unallocated depreciation** is used to report the depreciation expense on capital assets whose use cannot be specifically identified to one particular function.

The School District's financial position for governmental and business-type activities is the product of the following factors:

- Program revenues were \$17,142,924:
  - ✓ Charges for Services--\$2,315,145
  - ✓ Operating Grants & Contributions--\$14,827,779
- General revenues amounted to \$72,385,038.
- Net Expenditures were \$63,584,081
- Total School District revenues & beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net position of \$41,988,809 as of June 30, 2016.
- General Revenues \$72,385,038 + Beginning assets \$33,187,852 – Net expenditures (\$63,584,081) = Net Position of \$41,988,809.

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS**

The financial performance of the Black Horse Pike Regional School District as a whole is also reflected in the governmental funds which are accounted for using the modified accrual basis of accounting. As the School District completed the year, its governmental funds reported a combined fund balance of \$14,922,057. As of June 30, 2016, the general fund balance was \$11,761,164.

All governmental funds had total revenues of \$80,513,326.42 and total expenditures of \$77,495,089.

**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 is the General Fund.

The General Fund includes the primary operations of the School District in providing educational services to students at the three high schools and includes pupil transportation activities and capital outlay projects.

The following schedule (Table A-5) presents a summary of General Fund Revenues. The summary reflects the dollar and percent increase (decrease) from the prior year.

<b>Table A-5</b>				
<b>Black Horse Pike Regional School District</b>				
<b>Summary of General Fund Revenues</b>				
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Amount of</b>	<b>Percent</b>
	<b>June 30, 2016</b>	<b>June 30, 2015</b>	<b>Increase</b>	<b>Increase</b>
			<b>(Decrease)</b>	<b>(Decrease)</b>
<b>Local Sources:</b>				
Local Tax Levy	\$ 31,088,590	\$ 29,116,325	\$ 1,972,265	6.8%
Tuition	939,868.65	700,148.35	239,720	34.2%
Transportation	571,000	571,000		
Miscellaneous	512,437	392,098	120,339	30.7%
<b>Total - Local Sources</b>	<b>33,111,895</b>	<b>30,779,572</b>	<b>2,332,324</b>	<b>7.58%</b>
State Sources	38,830,844	38,755,109	75,735	0.2%
Federal Sources	68,355	238,420	(170,065)	-71.3%
<b>Total - Govt Sources</b>	<b>38,899,199</b>	<b>38,993,529</b>	<b>(94,330)</b>	<b>-0.2%</b>
<b>Total Revenues</b>	<b>\$ 72,011,094</b>	<b>\$ 69,773,100</b>	<b>\$ 2,237,994</b>	<b>3.2%</b>

A significant source of funding for the School District is received from local property taxes that accounted for 43.17% of total revenues. State aid is the primary source of funding for the School District and accounted for 53.92% of total revenues.

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

Total General Fund revenues increased by \$2,237,994 or 3.2% from the previous year due to an increase in state aid provided during 2015-2016, an increase in the local tax levy and an increase in tuition revenues. These increases were offset by a decrease in other miscellaneous revenues.

The following schedule (Table A-6) presents a summary of General Fund expenditures. The summary reflects the dollar and percent increases (decreases) from the prior year.

<b>Table A-6</b>				
<b>Black Horse Pike Regional School District</b>				
<b>Summary of General Fund Expenditures</b>				
	<b>Year Ended</b>	<b>Year Ended</b>	<b>Amount of</b>	<b>Percent</b>
	<b>June 30, 2016</b>	<b>June 30, 2015</b>	<b>Increase</b>	<b>Increase</b>
			<b>(Decrease)</b>	<b>(Decrease)</b>
<b>Current:</b>				
Regular Instruction	\$ 16,701,541	\$ 16,034,906	\$ 666,635	4.2%
Special Education Instruction	4,186,722	4,143,173	43,548	1.1%
Other Special Instruction	335,641	401,141	(65,499)	-16.3%
Other Instruction	2,257,629	2,213,253	44,376	2.0%
<b>Support Services and Undistributed Costs:</b>				
Tuition	5,905,178	5,944,586	(39,407)	-0.7%
Student & Instruction Related Services	6,915,940	6,758,009	157,932	2.3%
School Administrative Services	2,639,375	2,530,083	109,292	4.3%
Other Administrative Services	1,709,657	1,578,410	131,247	8.3%
Plant Operations and Maintenance	6,350,506	6,149,128	201,377	3.3%
Pupil Transportation	4,189,557	4,046,572	142,985	3.5%
Unallocated Employee Benefits	10,677,328	10,354,826	322,501	3.1%
Reimbursed TPAF Pension & SS	4,981,181	4,958,966	22,215	0.4%
Special Schools	151,228	146,590	4,638	3.2%
Transfer to Charter School	33,316	10,373	22,943	221.2%
Capital Outlay	544,802	1,382,035	(837,233)	-60.6%
<b>Total Expenditures</b>	<b>\$ 67,579,602</b>	<b>\$ 66,652,051</b>	<b>\$ 927,551</b>	<b>1.4%</b>

Total General Fund expenditures increased \$927,551 or 1.4% from the previous year.

The Black Horse Pike Regional School District utilizes its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the subsequent year's budgets and provide tax relief were \$4,937,414 for the 2015-16 school year and \$5,287,908 for the 2016-17 school year.

The School District has continued the practice of returning surplus funds to taxpayers in the subsequent budget years. However, in June of 2004 the State of New Jersey passed legislation (SR1701) that weakened the financial position of all School Districts. The legislation immediately reduced fund balance to a maximum of 3% as of June 30, 2004 and a maximum of 2% as of June 30, 2005 and each year thereafter. The School District is left with a fund balance that could result in a negative cash flow during summer months if local taxes, federal and state aid are not received in a timely manner.

During the course of fiscal year 2016 the School District modified the General Fund Budget as needed to ensure no line item was projected to be over-expended.

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**DEBT SERVICE FUND**

The current year obligations for payment of debt service principal and interest amounted to \$3,422,448, of which \$1,915,032 in funding was provided by the local tax levy and \$1,407,416 was received as aid from the State.

**FOOD SERVICE FUND**

The Food Service Fund had net position of \$-0- as of June 30, 2016. This remains consistent to the balance at June 30, 2015.

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

Capital Assets are individual items purchased at a cost exceeding \$2,000, have an extended useful life of one year or more and maintain their identity and structure when placed into service.

At the end of fiscal year 2016, the School District had capital assets with a book value of \$59,746,304. This consists of a broad range of capital assets, including land, school buildings, computer and audio-visual equipment, administrative offices, and construction in progress for renovations at various schools within the School District. (See Table A-7). Total depreciation expense for the year was \$2,112,053.

	Governmental Activities		Business-Type Activities		Total	
	2016	2015	2016	2015	2016	2015
Land	\$ 1,252,903	\$ 1,252,903			\$ 1,252,903	\$ 1,252,903
Construction in Progress	11,909,986	6,857,142			11,909,986	6,857,142
Buildings & Improvements	68,868,596	68,868,596			68,868,596	68,868,596
Equipment	15,668,395	15,141,040	\$ 630,265	\$ 630,265	16,298,660	15,771,305
Total Capital Assets	<u>97,699,880</u>	<u>92,119,681</u>	<u>630,265</u>	<u>630,265</u>	<u>98,330,145</u>	<u>92,749,946</u>
Less: Accumulated Depreciation	<u>(37,953,576)</u>	<u>(35,841,523)</u>	<u>(597,662)</u>	<u>(595,333)</u>	<u>(38,551,238)</u>	<u>(36,436,855)</u>
<b>Net Capital Assets</b>	<u><u>\$ 59,746,304</u></u>	<u><u>\$ 56,278,158</u></u>	<u><u>\$ 32,603</u></u>	<u><u>\$ 34,932</u></u>	<u><u>\$ 59,778,907</u></u>	<u><u>\$ 56,313,090</u></u>

Black Horse Pike Regional School District  
Blackwood, New Jersey

Management's Discussion and Analysis (continued)  
Year Ended June 30, 2016

**Long-term Obligations**

At year-end, the School District had \$11,947,000 in net general obligation bonds outstanding, a decrease of \$2,940,000 from last year. (See Table A-8).

The School District also had a \$1,142,162 general liability for compensated absences. This liability represents the School District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement. The liability for Compensated Absences was calculated utilizing an expected retirement age of 55, which is the minimum retirement age with 25 years of service. In the future, this calculation will be revised as new pension laws are enacted, effecting minimum retirement age.

During the prior fiscal year, the School District implemented GASB 68, which required the recording of the School District's net pension liability attributable to their PERS liability. The amount of the net pension liability attributed to the Black Horse Pike Regional School District was \$22,142,692.

<b>Table A-8</b>				
<b>Black Horse Pike Regional School District</b>				
<b>Long Term Debt Schedule</b>				
<b><u>Governmental Activity</u></b>	<b><u>Year Ended</u></b> <b><u>June 30, 2016</u></b>	<b><u>Year Ended</u></b> <b><u>June 30, 2015</u></b>	<b><u>Amount of</u></b> <b><u>Increase</u></b> <b><u>(Decrease)</u></b>	<b><u>Percent</u></b> <b><u>Increase</u></b> <b><u>(Decrease)</u></b>
General Obligation Bonds Payable	\$ 11,947,000	\$ 14,887,000	\$ (2,940,000)	-19.7%
Unamortized Premiums	635,347	833,131		
Unamortized Discounts	(12,172)	(15,215)		
Net Pension Liability	22,142,692	18,027,511	4,115,181	22.8%
Compensated Absences	1,038,062	1,009,323	28,740	2.8%
<b>Total</b>	<b><u>\$ 35,750,929</u></b>	<b><u>\$ 34,741,750</u></b>	<b><u>\$ 1,203,921</u></b>	<b><u>2.9%</u></b>

## **THE FUTURE OUTLOOK**

For the 2016-2017 budget year, the Governor has continued to implement financial measures to cope with the State of New Jersey's growing budget deficit. The result of these measures allowed State Aid for the Black Horse Pike Regional School District to increase slightly for the 2016-2017 budget year. We were able to financially stabilize the School District through the appropriation of School District reserves and a freeze in School District spending during the 2015-2016 school year.

The School District now must function within a 2% cap on the tax levy, with limited exceptions.

In order to meet this challenge, we must implement a comprehensive solution which will have a significant impact on the way in which our School District will function in the future. With input from the community, we must clearly establish the core services the School District must provide to our students to ensure a superior education. We must challenge the community to define the overall educational environment they desire for their children.

Notwithstanding the adoption of the fiscal plan for 2016-2017, the 2017-2018 budget will require continued fiscal austerity, especially in the area of negotiations and discretionary spending. The actions required to move the School District into compliance with the new economic parameters and maintain a quality education are significant, but achievable.

## **CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the School District's finances and to demonstrate the School District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Board Secretary/Business Administrator at: Black Horse Pike Regional School District, 580 Erial Road, Blackwood, New Jersey 08012.



## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE FINANCIAL STATEMENTS**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Statement of Net Position  
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 8,151,687.60	\$ 130,868.05	\$ 8,282,555.65
Receivables, net	4,542,359.70	31,617.04	4,573,976.74
Internal Balances	97,476.14	(97,476.14)	
Inventory		6,487.85	6,487.85
Restricted Assets:			
Restricted Cash and Cash Equivalents	789,867.06		789,867.06
Capital Reserve Account - Cash	1,530,883.78		1,530,883.78
Capital Assets, net (Note 6)	59,746,303.90	32,603.20	59,778,907.10
<b>Total Assets</b>	<b>74,858,578.18</b>	<b>104,100.00</b>	<b>74,962,678.18</b>
<b>DEFERRED OUTFLOW OF RESOURCES:</b>			
Related to Pensions (Note 9)	4,155,790.00		4,155,790.00
Deferred Loss on Defeasance of Debt	409,473.92		409,473.92
<b>Total Deferred Outflow of Resources</b>	<b>4,565,263.92</b>	<b>-</b>	<b>4,565,263.92</b>
<b>LIABILITIES:</b>			
Accounts Payable			
Related to Pensions	875,802.00		875,802.00
Other	59,296.24		59,296.24
Interfunds Payable	1,883.84		1,883.84
Accrued Interest	37,753.96		37,753.96
Unearned Revenue	129,037.49		129,037.49
Noncurrent Liabilities (Note 7):			
Due within One Year	3,037,940.00	21,000.00	3,058,940.00
Due beyond One Year	32,712,989.49	83,100.00	32,796,089.49
<b>Total Liabilities</b>	<b>36,854,703.02</b>	<b>104,100.00</b>	<b>36,958,803.02</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 9)	580,330.00	-	580,330.00
<b>NET POSITION:</b>			
Net Investment in Capital Assets	47,585,602.70	32,603.20	47,618,205.90
Restricted for:			
Debt Service	29,366.71		29,366.71
Capital Projects	4,652,259.78		4,652,259.78
Other Purposes	3,158,379.66		3,158,379.66
Unrestricted	(13,436,799.77)	(32,603.20)	(13,469,402.97)
<b>Total Net Position</b>	<b>\$ 41,988,809.08</b>	<b>-</b>	<b>\$ 41,988,809.08</b>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2016

Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	
<b>Governmental Activities:</b>							
<b>Instruction:</b>							
Regular	\$ 18,545,247.12		\$ 908,002.96		\$ (17,637,244.16)		\$ (17,637,244.16)
Special Education	4,186,721.85				(4,186,721.85)		(4,186,721.85)
Other Special Instruction	335,641.49				(335,641.49)		(335,641.49)
Other Instruction	2,349,671.04				(2,349,671.04)		(2,349,671.04)
<b>Support Services:</b>							
Tuition	5,905,178.35	\$ 939,868.65			(4,965,309.70)		(4,965,309.70)
Student and Instruction Related Services	7,448,133.08		532,192.65		(6,915,940.43)		(6,915,940.43)
School Administrative Services	2,639,374.69				(2,639,374.69)		(2,639,374.69)
General and Business Administrative Services	2,037,735.96				(2,037,735.96)		(2,037,735.96)
Plant Operations and Maintenance	6,374,923.27				(6,374,923.27)		(6,374,923.27)
Pupil Transportation	4,189,557.04	571,000.00			(3,618,557.04)		(3,618,557.04)
Unallocated Benefits	10,706,067.16				(10,706,067.16)		(10,706,067.16)
Reimbursed TPAF and Social Security	13,304,336.93		12,671,110.93		(633,226.00)		(633,226.00)
Special Schools	151,228.41				(151,228.41)		(151,228.41)
Transfer to Charter Schools	33,316.00				(33,316.00)		(33,316.00)
Interest on Long-Term Debt	402,621.85		198,397.30		(204,224.55)		(204,224.55)
Unallocated Depreciation	731,812.18				(731,812.18)		(731,812.18)
<b>Total Governmental Activities</b>	<b>79,341,566.42</b>	<b>1,510,868.65</b>	<b>14,309,703.84</b>		<b>(63,520,993.93)</b>		<b>(63,520,993.93)</b>
<b>Business-Type Activities:</b>							
Food Service	1,468,613.45	804,276.84	601,249.14			\$ (63,087.47)	(63,087.47)
<b>Total Business-Type Activities</b>	<b>1,468,613.45</b>	<b>804,276.84</b>	<b>601,249.14</b>			<b>(63,087.47)</b>	<b>(63,087.47)</b>
<b>Total Primary Government</b>	<b>\$ 80,810,179.87</b>	<b>\$ 2,315,145.49</b>	<b>\$ 14,910,952.98</b>	<b>-</b>	<b>(63,520,993.93)</b>	<b>(63,087.47)</b>	<b>(63,584,081.40)</b>
<b>General Revenues:</b>							
<b>Taxes:</b>							
Property Taxes, Levied for General Purposes, net					31,088,589.50		31,088,589.50
Taxes Levied for Debt Service					1,915,032.00		1,915,032.00
Federal and State Aid not Restricted					33,918,017.64		33,918,017.64
Federal and State Aid Restricted					4,948,607.57		4,948,607.57
Miscellaneous Income					512,437.22	2,354.07	514,791.29
Transfers					(60,733.40)	60,733.40	
<b>Total General Revenues</b>					<b>72,321,950.53</b>	<b>63,087.47</b>	<b>72,385,038.00</b>
<b>Change in Net Position</b>					<b>8,800,956.60</b>	<b>-</b>	<b>8,800,956.60</b>
<b>Net Position -- July 1</b>					<b>33,187,852.48</b>		<b>33,187,852.48</b>
<b>Net Position -- June 30</b>					<b>\$ 41,988,809.08</b>	<b>-</b>	<b>\$ 41,988,809.08</b>

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

**FUND FINANCIAL STATEMENTS**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Governmental Funds  
Balance Sheet  
June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 8,151,687.60	\$ 177,510.56	\$ 582,989.79	\$ 29,366.71	\$ 8,941,554.66
Capital Reserve Account - Cash	1,530,883.78				1,530,883.78
Receivables, net:					
Interfund Receivable:					
Special Revenue Fund	509,970.74				509,970.74
Enterprise Fund	97,476.14				97,476.14
Internal Services Fund	74,063.99				74,063.99
Receivables from Other Governments:					
Federal Government		471,647.67			471,647.67
State of New Jersey	572,878.85		2,538,386.21		3,111,265.06
Local Governments - Tuition	149,501.73				149,501.73
Local Governments - Transportation	735,881.25				735,881.25
<b>Total Assets</b>	<b>\$ 11,822,344.08</b>	<b>\$ 649,158.23</b>	<b>\$ 3,121,376.00</b>	<b>\$ 29,366.71</b>	<b>\$ 15,622,245.02</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Accounts Payable	\$ 59,296.24				\$ 59,296.24
Interfund Payable:					
General Fund		\$ 509,970.74			509,970.74
Unemployment Fund	1,883.84				1,883.84
Unearned Revenue		129,037.49			129,037.49
<b>Total Liabilities</b>	<b>61,180.08</b>	<b>639,008.23</b>			<b>700,188.31</b>
<b>Fund Balances:</b>					
Restricted:					
Debt Service				\$ 29,366.71	29,366.71
Capital Projects			\$ 3,121,376.00		3,121,376.00
Special Revenue Fund		10,150.00			10,150.00
Capital Reserve	1,530,883.78				1,530,883.78
Excess Surplus	40,858.86				40,858.86
Excess Surplus - Designated for Subsequent Year's Expenditures	3,105,370.80				3,105,370.80
Assigned:					
For Encumbrances	3,344,763.72				3,344,763.72
Subsequent Year's Expenditure	2,182,537.20				2,182,537.20
Unassigned	1,556,749.64				1,556,749.64
<b>Total Fund Balances</b>	<b>11,761,164.00</b>	<b>10,150.00</b>	<b>3,121,376.00</b>	<b>29,366.71</b>	<b>14,922,056.71</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 11,822,344.08</b>	<b>\$ 649,158.23</b>	<b>\$ 3,121,376.00</b>	<b>\$ 29,366.71</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$97,699,879.92 and the accumulated depreciation is \$37,953,576.02.	59,746,303.90
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(13,608,237.49)
Losses arising from the issuance of refunding bonds that are a result of the difference in the carrying value of the refunded bonds and the new bonds are deferred and amortized over the life of the new bonds.	409,473.92
Interest on long term debt is accrued on the Statement of Net Position regardless when due.	(37,753.96)
Net Pension Liability	(22,142,692.00)
Accounts Payable related to the April 1, 2017 required PERS pension contribution that is not to be liquidated with current financial resources.	(875,802.00)
Deferred Outflows of Resources - Related to Pensions	4,155,790.00
Deferred Inflows of Resources - Related to Pensions	(580,330.00)
Net position of governmental activities	<u>\$ 41,988,809.08</u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 31,088,589.50			\$ 1,915,032.00	\$ 33,003,621.50
Tuition Charges	939,868.65				939,868.65
Transportation	571,000.00				571,000.00
Miscellaneous	512,437.22				512,437.22
State Sources	38,830,843.93		\$ 3,738,947.87	1,407,416.00	43,977,207.80
Federal Sources	68,354.64	\$ 1,426,677.61			1,495,032.25
Local Sources		14,159.00			14,159.00
	<u>72,011,093.94</u>	<u>1,440,836.61</u>	<u>3,738,947.87</u>	<u>3,322,448.00</u>	<u>80,513,326.42</u>
Total Revenues					
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	16,701,541.19	908,002.96			17,609,544.15
Special Education Instruction	4,186,721.85				4,186,721.85
Other Special Instruction	335,641.49				335,641.49
Other Instruction	2,257,628.95				2,257,628.95
<b>Support Services and Undistributed Costs:</b>					
Tuition	5,905,178.35				5,905,178.35
Student and Instruction Related Services	6,915,940.43	532,192.65			7,448,133.08
School Administrative Services	2,639,374.69				2,639,374.69
Other Administrative Services	1,709,657.29				1,709,657.29
Plant Operations and Maintenance	6,350,505.84				6,350,505.84
Pupil Transportation	4,189,557.04				4,189,557.04
Unallocated Benefits	10,677,327.56				10,677,327.56
Reimbursed TPAF Pension and Social Security	4,981,180.93				4,981,180.93
Special Schools	151,228.41				151,228.41
Transfer to Charter School	33,316.00				33,316.00
<b>Debt Service:</b>					
Principal				2,940,000.00	2,940,000.00
Interest and Other Charges				482,447.50	482,447.50
Capital Outlay	544,802.04		5,052,843.77		5,597,645.81
	<u>67,579,602.06</u>	<u>1,440,195.61</u>	<u>5,052,843.77</u>	<u>3,422,447.50</u>	<u>77,495,088.94</u>
Total Expenditures					
Excess (Deficiency) of Revenues over Expenditures	<u>4,431,491.88</u>	<u>641.00</u>	<u>(1,313,895.90)</u>	<u>(99,999.50)</u>	<u>3,018,237.48</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Governmental Funds  
 Statement of Revenues, Expenditures and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
OTHER FINANCING SOURCES (USES):					
Operating Transfers:					
General Fund/Capital Reserve	\$ (2,427,597.00)		\$ 2,427,597.00		
General Fund/Capital Outlay	(987,764.00)		987,764.00		
Enterprise Fund	(60,733.40)				\$ (60,733.40)
Total Other Financing Sources and Uses	<u>(3,476,094.40)</u>		<u>3,415,361.00</u>		<u>(60,733.40)</u>
Net Change in Fund Balances	955,397.48	\$ 641.00	2,101,465.10	\$ (99,999.50)	2,957,504.08
Fund Balance -- July 1	<u>10,805,766.52</u>	<u>9,509.00</u>	<u>1,019,910.90</u>	<u>129,366.21</u>	<u>11,964,552.63</u>
Fund Balance -- June 30	<u>\$ 11,761,164.00</u>	<u>\$ 10,150.00</u>	<u>\$ 3,121,376.00</u>	<u>\$ 29,366.71</u>	<u>\$ 14,922,056.71</u>

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



**BLACK HORSE PIKE REGIONAL 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, 2016

Total Net Change in Fund Balances - Governmental Funds		\$ 2,957,504.08
<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 expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense	\$ (2,112,053.34)	
Capital Outlays	5,597,645.81	
Debt Service Assessment Charged to Capital Outlay	<u>(17,447.00)</u>	
		3,468,145.47
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		2,940,000.00
<p>The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		92,372.65
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation. (+)</p>		
		4,900.00
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		(28,739.60)
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>		
		<u>(633,226.00)</u>
Change in Net Position of Governmental Activities		<u>\$ 8,800,956.60</u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Proprietary Funds  
Statement of Net Position  
June 30, 2016

	Business-Type Activities - Enterprise Funds <u>Food Service</u>	Governmental Activities - Internal <u>Service Funds</u>
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 130,868.05	
Accounts Receivable:		
State	472.70	
Federal	27,813.16	
Local School District	3,331.18	
Other Local Governments		\$ 74,063.99
Inventories	<u>6,487.85</u>	
Total Current Assets	<u>168,972.94</u>	<u>74,063.99</u>
Noncurrent Assets:		
Equipment	630,264.74	
Less Accumulated Depreciation	<u>(597,661.54)</u>	
Total Noncurrent Assets	<u>32,603.20</u>	<u>-</u>
Total Assets	<u>201,576.14</u>	<u>74,063.99</u>
<b>LIABILITIES :</b>		
Current Liabilities:		
Interfund Accounts Payable:		
Due General Fund	97,476.14	74,063.99
Compensated Absences Payable	<u>21,000.00</u>	
Total Current Liabilities	<u>118,476.14</u>	<u>74,063.99</u>
Noncurrent Liabilities:		
Compensated absences	<u>83,100.00</u>	
Total Noncurrent Liabilities	<u>83,100.00</u>	<u>-</u>
Total Liabilities	<u>201,576.14</u>	<u>74,063.99</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	32,603.20	
Unrestricted	<u>(32,603.20)</u>	
Total Net Position	<u><u>-</u></u>	<u><u>-</u></u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Fund
	<u>Food Service</u>	<u>Fund</u>
<b>OPERATING REVENUES:</b>		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 277,910.30	
Daily Sales - Non-Reimbursable Programs	388,893.78	
Special Functions	137,472.76	
Services Provided to Other Governments		\$ 94,792.82
<b>Total Operating Revenues</b>	<u>804,276.84</u>	<u>94,792.82</u>
<b>OPERATING EXPENSES:</b>		
Salaries	618,883.82	67,673.49
Employee Benefits	277,533.38	
Rentals		10,384.83
General Supplies		16,734.50
Depreciation	2,328.80	
Miscellaneous	7,500.00	
Cost of Sales - Reimbursable Programs	188,240.99	
Cost of Sales - Nonreimbursable Programs	374,126.46	
<b>Total Operating Expenses</b>	<u>1,468,613.45</u>	<u>94,792.82</u>
Operating Income (Loss)	<u>(664,336.61)</u>	<u>-</u>
<b>NONOPERATING REVENUES:</b>		
State Sources:		
State School Lunch Program	9,842.52	
Federal Sources:		
National School Lunch Program	425,552.19	
National School Breakfast Program	110,953.42	
Food Distribution Program	54,901.01	
Interest and Investment Revenue	2,354.07	
<b>Total Nonoperating Revenues</b>	<u>603,603.21</u>	<u>-</u>
Income (Loss) before Contributions and Transfers	(60,733.40)	
Operating Transfers In (Out) - General Fund	<u>60,733.40</u>	
Change in Net Position	-	-
Total Net Position -- July 1	<u>-</u>	<u>-</u>
Total Net Position -- June 30	<u>-</u>	<u>-</u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Proprietary Funds  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Fund
	<u>Food Service</u>	<u>Fund</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from Customers	\$ 800,945.66	\$ 20,728.83
Payments to Employees	(576,128.16)	(67,673.49)
Payments for Employee Benefits	(218,770.88)	
Payments to Vendors	(513,289.68)	(27,119.33)
	<u>(507,243.06)</u>	<u>(74,063.99)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
State Sources	10,041.49	
Federal Sources	545,805.49	
Operating Subsidies and Transfers to other Funds	60,733.40	74,063.99
	<u>616,580.38</u>	<u>74,063.99</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Interest and Dividends	2,354.07	
	<u>2,354.07</u>	<u>-</u>
Net Cash Provided by (used for) Investing Activities	2,354.07	-
Net Increase (Decrease) in Cash and Cash Equivalents	111,691.39	
Balances -- July 1	19,176.66	
Balances -- June 30	<u>\$ 130,868.05</u>	<u>-</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	\$ (664,336.61)	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Depreciation and Net Amortization	2,328.80	
Food Distribution Program	54,901.01	
(Increase) Decrease in Accounts Receivable, net	(3,331.18)	\$ (74,063.99)
(Increase) Decrease in Inventories	3,764.36	
Increase (Decrease) in Accounts Payable	40,668.06	
Increase (Decrease) in Other Current Liabilities	58,762.50	
	<u>157,093.55</u>	<u>(74,063.99)</u>
Total Adjustments	157,093.55	(74,063.99)
Net Cash Provided by (used for) Operating Activities	<u>\$ (507,243.06)</u>	<u>\$ (74,063.99)</u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2016

	Private-Purpose Trust Funds	Agency Funds	
	Unemployment Compensation <u>Trust</u>	Student Activity	<u>Payroll</u>
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 597,574.00	\$ 620,879.44	\$ 28,929.90
Interfund Accounts Receivable:			
Due from General Fund	1,883.84		
<b>Total Assets</b>	<u>599,457.84</u>	<u>\$ 620,879.44</u>	<u>\$ 28,929.90</u>
<b>LIABILITIES:</b>			
Accounts Payable	14,741.50		
Payable to Student Groups		\$ 620,879.44	
Payroll Deductions and Withholdings			\$ 28,929.90
<b>Total Liabilities</b>	<u>14,741.50</u>	<u>\$ 620,879.44</u>	<u>\$ 28,929.90</u>
<b>NET POSITION:</b>			
Held in Trust for Unemployment Claims	<u>\$ 584,716.34</u>		

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Position  
 For the Year Ended June 30, 2016

	Private-Purpose Trust Fund Unemployment Compensation Trust
<hr/>	
ADDITIONS:	
Payroll Deductions	\$ 53,773.48
Total Contributions	<u>53,773.48</u>
Investment earnings: Interest	<u>2,789.90</u>
Net Investment Earnings	<u>2,789.90</u>
Total Additions	<u>56,563.38</u>
DEDUCTIONS:	
Unemployment Claims	<u>112,003.58</u>
Total Deductions	<u>112,003.58</u>
Change in Net Position	(55,440.20)
Net Position -- July 1	<u>640,156.54</u>
Net Position -- June 30	<u><u>\$ 584,716.34</u></u>

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2016

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

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

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades 9 through 12 at its three high schools. The School District has an approximate enrollment at June 30, 2016 of 3,742.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

**Component Units**

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

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Component Units (Cont'd)**

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

**Government-wide and Fund Financial Statements**

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

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

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

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

**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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Camden County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

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

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

The School District reports the following major governmental funds:

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

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

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

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

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

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

The School District reports the following major proprietary fund:

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

Additionally, the School District reports the following fund types:

**Internal Service Funds**

Internal service funds are used to account for the financing of goods and services provided by one department or local governmental unit to another on a cost reimbursement basis. The School District maintains two internal service funds, one with the Gloucester Township Housing Authority, and another with the Runnemede Board of Education.

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

The School District maintains the following fiduciary funds:

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

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

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

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets / Budgetary Control**

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

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

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

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

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

**Encumbrances**

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on 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.

**Cash, Cash Equivalents and Investments**

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

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

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

**Inventories**

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

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

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

**Tuition Receivable**

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

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

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

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

**Short-Term Interfund Receivables / Payables**

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

**Capital Assets**

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

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

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Land Improvements	10-20 Years	N/A
Buildings and Improvements	10-50 Years	N/A
Equipment	5-20 Years	4-12 Years

The School District does not possess any infrastructure assets.

**Deferred Outflows and Deferred Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Deferred Outflows and Deferred Inflows of Resources (Cont'd)**

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

**Defined Benefit Pension Plans** - The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the School District's proportion of expenses and liabilities to the pension as a whole, differences between the School District's pension contribution and its proportionate share of contributions, and the School District's pension contributions subsequent to the pension valuation measurement date.

In addition, the School District reports the following as deferred outflows of resources:

**Loss on Refunding of Debt** - The loss on refunding arose from the issuance of refunding bonds, which is amortized in a systematic and rational manner over the duration of the related debt as a component of interest expense.

**Unearned Revenue**

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

**Accrued Salaries and Wages**

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2016, the amounts earned by these employees were disbursed to the employees' own individual credit union accounts.

**Compensated Absences**

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Accrued Liabilities and Long-Term Obligations**

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

**Pensions**

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

**Bond Discounts / Premiums**

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

**Net Position**

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

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

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

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

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

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

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

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

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

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

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

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

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



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

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

**Accounting Estimates**

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

**Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The following GASB Statements became effective for the fiscal year ended June 30, 2016:

Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The adoption of this Statement had no impact on the basic financial statements of the School District.

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*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The adoption of this Statement had no impact on the basic financial statements of the School District.

Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. The objective of this Statement is to identify, in the context of the current governmental financial reporting environment, the hierarchy of generally accepted accounting principles (GAAP). The "GAAP hierarchy" consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. The adoption of this Statement had no impact on the basic financial statements of the School District.

Statement No. 79, *Certain External Investment Pools and Pool Participants*. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. The adoption of this Statement had no impact on the basic financial statements of the School District.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

The GASB has issued the following Statements during the fiscal year ended June 30, 2016 which will become effective in future fiscal years as shown below:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the basic financial statements of the School District.

Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local governmental employers about financial support for OPEB that is provided by other entities. The Statement will become effective for the School District in fiscal year 2018. Management has not yet determined the impact of this Statement on the basic financial statements of the School District.

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the basic financial statements of the School District.

Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. This issue is associated with pensions provided through certain multiple-employer defined benefit pension plans and to state or local governmental employers whose employees are provided with such pensions. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the basic financial statements of the School District.

Statement No. 80, *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have an impact on the basic financial statements of the School District.

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. The Statement will become effective for the School District in fiscal year 2018. Management does not expect this Statement will have an impact on the basic financial statements of the School District.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Impact of Recently Issued Accounting Principles (Cont'd)****Recently Issued Accounting Pronouncements**

Statement No. 82, *Pension Issues and amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The Statement will become effective for the School District in fiscal year 2017. Management does not expect this Statement will have a material impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

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

As of June 30, 2016, the School District's bank balances of \$14,507,294.01 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	<u>\$ 749,290.00</u>
--------------------------------	----------------------

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District by inclusion of \$1.00 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

**Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)**

The activity of the capital reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Beginning Balance, July 1, 2015		\$ 2,451,929.12
Increased by:		
Interest Earnings	\$ 6,551.66	
Deposits:		
Board Resolution (6/23/2016)	<u>1,500,000.00</u>	
		<u>1,506,551.66</u>
		3,958,480.78
Decreased by:		
Withdrawals:		
Capital Projects Fund:		
Transfer		<u>2,427,597.00</u>
Ending Balance, June 30, 2016		<u><u>\$ 1,530,883.78</u></u>

The June 30, 2016 LRFP balance of local support costs of uncompleted projects at June 30, 2016 is \$48,459,271.34. The withdrawals from the capital reserve were for use in projects included in the approved 2015-16 budget and consistent with the School District's LRFP.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2016 consisted of accounts (fees for services), intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

Description	Governmental Funds			Total Governmental Activities	Proprietary Funds		Total
	General Fund	Special Revenue Fund	Capital Projects Fund		Food Service Fund	Total Business-Type Activities	
Federal Awards		\$ 471,647.67		\$ 471,647.67	\$ 27,813.16	\$ 27,813.16	\$ 499,460.83
State Awards	\$ 572,878.85		\$ 2,538,386.21	3,111,265.06	472.70	472.70	3,111,737.76
Tuition Charges	149,501.73			149,501.73			149,501.73
Provided Services	735,881.25			735,881.25			735,881.25
	<u>\$ 1,458,261.83</u>	<u>\$ 471,647.67</u>	<u>\$ 2,538,386.21</u>	<u>\$ 4,468,295.71</u>	<u>\$ 28,285.86</u>	<u>\$ 28,285.86</u>	<u>\$ 4,496,581.57</u>

**Note 5: INVENTORY**

Inventory recorded at June 30, 2016 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 5,550.80
Supplies	<u>937.05</u>
	<u><u>\$ 6,487.85</u></u>

**Note 6: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2016 is as follows:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 1,252,903.00			\$ 1,252,903.00
Construction in Progress	6,857,142.19	\$ 5,052,843.77		11,909,985.96
Total Capital Assets, not being Depreciated	8,110,045.19	5,052,843.77	-	13,162,888.96
Capital Assets, being Depreciated:				
Equipment	15,141,039.89	527,355.04		15,668,394.93
Buildings and Improvements	63,026,638.03			63,026,638.03
Land Improvements	5,841,958.00			5,841,958.00
Total Capital Assets, being Depreciated	84,009,635.92	527,355.04	-	84,536,990.96
Total Capital Assets, Cost	92,119,681.11	5,580,198.81	-	97,699,879.92
Less Accumulated Depreciation for:				
Equipment	(11,175,289.42)	(553,850.61)		(11,729,140.03)
Buildings and Improvements	(20,513,016.26)	(1,402,164.73)		(21,915,180.99)
Land Improvements	(4,153,217.00)	(156,038.00)		(4,309,255.00)
Total Accumulated Depreciation	(35,841,522.68)	(2,112,053.34) *	-	(37,953,576.02)
Total Capital Assets, being Depreciated, Net	48,168,113.24	(1,584,698.30)	-	46,583,414.94
Governmental Activities Capital Assets, Net	\$ 56,278,158.43	\$ 3,468,145.47	-	\$ 59,746,303.90
<b>Business-Type Activities:</b>				
Capital Assets, being Depreciated:				
Equipment	\$ 630,264.74			\$ 630,264.74
Less Accumulated Depreciation for:	(595,332.74)	\$ (2,328.80)		(597,661.54)
Business-Type Activities Capital Assets, Net	\$ 34,932.00	\$ (2,328.80)	-	\$ 32,603.20

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

<b>Governmental Activities:</b>	
Instructional	\$ 935,702.97
Other Instructional	92,042.09
General and Business Administrative Services	328,078.67
Plant Operations and Maintenance	24,417.43
Unallocated	731,812.18
Total Depreciation Expense - Governmental Activities	<u>\$ 2,112,053.34</u>
<b>Business-Type Activities:</b>	
Food Service	<u>\$ 2,328.80</u>

**Note 7: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2016, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Due within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ 14,887,000.00		\$ (2,940,000.00)	\$ 11,947,000.00	\$ 2,970,000.00
Unamortized Premiums	833,130.76		(197,784.02)	635,346.74	
Less Amounts:					
Unamortized Discounts	(15,214.51)		3,042.89	(12,171.62)	
Total Bonds Payable	<u>15,704,916.25</u>	<u>-</u>	<u>(3,134,741.13)</u>	<u>12,570,175.12</u>	<u>2,970,000.00</u>
Other Liabilities:					
Net Pension Liability	18,027,511.00	\$ 6,110,432.00	(1,995,251.00)	22,142,692.00	
Compensated Absences	1,009,322.77	238,477.50	(209,737.90)	1,038,062.37	67,940.00
Governmental Activity Long-Term Liabilities	<u>\$ 34,741,750.02</u>	<u>\$ 6,348,909.50</u>	<u>\$ (5,339,730.03)</u>	<u>\$ 35,750,929.49</u>	<u>\$ 3,037,940.00</u>

The bonds payable, compensated absences, and net pension liability are liquidated by the general fund.

During the fiscal year ended June 30, 2016, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Due within</u> <u>One Year</u>
<b>Business-Type Activities:</b>					
Other Liabilities:					
Compensated Absences Payable	\$ 45,337.50	\$ 70,350.00	\$ (11,587.50)	\$ 104,100.00	\$ 21,000.00
Business-Type Activity Long-Term Liabilities	<u>\$ 45,337.50</u>	<u>\$ 70,350.00</u>	<u>\$ (11,587.50)</u>	<u>\$ 104,100.00</u>	<u>\$ 21,000.00</u>

Compensated absences are liquidated by the food service fund.

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

During fiscal year 2015, the School District issued \$13,055,000.00 in school refunding bonds at interest rates varying from 1.00% to 4.00%. The final maturity of these bonds is December 1, 2019. The bonds will be paid from property taxes and debt service aid.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 2,970,000.00	\$ 408,497.50	\$ 3,378,497.50
2018	3,025,000.00	303,447.50	3,328,447.50
2019	3,095,000.00	181,047.50	3,276,047.50
2020	2,857,000.00	59,573.75	2,916,573.75
Total	11,947,000.00	\$ 952,566.25	\$ 12,899,566.25
Unamortized Discounts	(12,171.62)		
Unamortized Premiums	635,346.74		
	<u>\$ 12,570,175.12</u>		

**Note 7: LONG-TERM LIABILITIES (CONT'D)**

**Bonds Authorized but not Issued** - As of June 30, 2016, the School District had no authorizations to issue additional bonded debt.

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 14 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 9. The School District's annual required contribution to the Public Employees' Retirement System are budgeted and paid from the general fund on an annual basis.

**Note 8: OPERATING LEASES**

At June 30, 2016, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

<b><u>Fiscal Year</u></b> <b><u>Ending June 30,</u></b>	<b><u>Amount</u></b>
2017	\$ 65,964.00
2018	54,970.00
	<u>\$ 120,934.00</u>

Rental payments under operating leases for the fiscal year ended June 30, 2016 were \$65,964.00.

**Note 9: PENSION PLANS**

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

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<http://www.nj.gov/treasury/pensions>

**General Information about the Pension Plans****Plan Descriptions**

**Teachers' Pension and Annuity Fund** - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Plan Descriptions (Cont'd)**

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on July 1, 2007 under the provisions of Chapter 92, P.L. 2007, and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et. seq.). The DCRP is a tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in SPRS or PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.

**Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.



**Note 9: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Teachers' Pension and Annuity Fund (Cont'd)** - 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.

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after 10 years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55<sup>th</sup> 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 1/60<sup>th</sup> 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.

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. 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 year 2015, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

**Note 9: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Teachers' Pension and Annuity Fund (Cont'd)** - The School District's contractually required contribution rate for the fiscal year ended June 30, 2016 was 5.05% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2016 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2016 was \$1,231,885.00, and was paid by April 1, 2016. School District employee contributions to the pension plan during the fiscal year ended June 30, 2016 were \$1,752,483.50.

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined rate which included the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2016 was 13.07% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2015, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2016 was \$875,802.00, and was paid by April 1, 2016. School District employee contributions to the pension plan during the fiscal year ended June 30, 2016 were \$482,269.89.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2016, employee contributions totaled \$9,162.96, and the School District recognized pension expense of \$4,999.10. There were no forfeitures during the fiscal year.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

**Teachers' Pension and Annuity Fund** - At June 30, 2016, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	<u>144,876,219.00</u>
	<u>\$144,876,219.00</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. For the June 30, 2015 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2015, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2015 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.2292190351%, which was an increase of 0.2057349336% from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the School District recognized \$8,845,998.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2015 measurement date.

**Public Employees' Retirement System** - At June 30, 2016, the School District reported a liability of \$22,142,692.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2015 measurement date, the School District's proportion was 0.0986399475%, which was an increase of 0.0023532072% from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the School District recognized pension expense of \$1,481,231.00, in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2015 measurement date.

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - At June 30, 2016, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 528,247.00	\$ -
Changes of Assumptions	2,377,948.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	356,012.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	373,793.00	224,318.00
School District Contributions Subsequent to the Measurement Date	875,802.00	-
	<u>\$ 4,155,790.00</u>	<u>\$ 580,330.00</u>

\$875,802.00 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b><u>Year Ending June 30,</u></b>	
2017	\$ 492,026.00
2018	492,026.00
2019	492,024.00
2020	760,612.00
2021	462,970.00
	<u>\$ 2,699,658.00</u>

**Note 9: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** – The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions**

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>TPAF</u></b>	<b><u>PERS</u></b>
Inflation	2.50%	3.04%
Salary Increases:		
2012-2021	Varies Based on Experience	2.15% - 4.40% Based on Age
Thereafter	Varies Based on Experience	3.15% - 5.40% Based on Age
Investment Rate of Return	7.90%	7.90%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2009 - June 30, 2012	July 1, 2008 - June 30, 2011

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

For PERS, mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2015 are summarized in the following tables:

**Note 9: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

<u>Asset Class</u>	<u>TPAF</u>		<u>Asset Class</u>	<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>		<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%	Cash	5.00%	1.04%
US Government Bonds	1.75%	1.39%	U.S. Treasuries	1.75%	1.64%
US Credit Bonds	13.50%	2.72%	Investment Grade Credit	10.00%	1.79%
US Mortgages	2.10%	2.54%	Mortgages	2.10%	1.62%
US Inflation-Indexed Bonds	1.50%	1.47%	High Yield Bonds	2.00%	4.03%
US High Yield Bonds	2.00%	4.57%	Inflation-Indexed Bonds	1.50%	3.25%
US Equity Market	27.25%	5.63%	Broad U.S. Equities	27.25%	8.52%
Foreign-Developed Equity	12.00%	6.22%	Developed Foreign Equities	12.00%	6.88%
Emerging Markets Equity	6.40%	8.46%	Emerging Market Equities	6.40%	10.00%
Private Real Estate Property	4.25%	3.97%	Private Equity	9.25%	12.41%
Timber	1.00%	4.09%	Hedge Funds/Absolute Return	12.00%	4.72%
Farmland	1.00%	4.61%	Real Estate (Property)	2.00%	6.83%
Private Equity	9.25%	9.15%	Commodities	1.00%	5.32%
Commodities	1.00%	3.58%	Global Debt ex U.S.	3.50%	-0.40%
Hedge Funds - MultiStrategy	4.00%	4.59%	REIT	4.25%	5.12%
Hedge Funds - Equity Hedge	4.00%	5.68%			
Hedge Funds - Distressed	4.00%	4.30%			
				<u>100.00%</u>	
	<u>100.00%</u>				

**Discount Rate** - The discount rates used to measure the total pension liability were 4.13% and 4.68% for TPAF as of June 30, 2015 and 2014, respectively, and 4.90% and 5.39% for PERS as of June 30, 2015 and 2014, respectively. For TPAF and PERS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, 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 rates for TPAF and PERS 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 actuarially determined 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 2027 for TPAF and 2033 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027 for TPAF and 2033 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Note 9: PENSION PLANS (CONT'D)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned, TPAF, has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2015, the pension plans measurement date, attributable to the School District is \$0, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 4.13%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>TPAF</b>		
	<b>1% Decrease (3.13%)</b>	<b>Current Discount Rate (4.13%)</b>	<b>1% Increase (5.13%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>172,179,971.00</u>	<u>144,876,219.00</u>	<u>121,352,403.00</u>
	<u>\$172,179,971.00</u>	<u>\$144,876,219.00</u>	<u>\$121,352,403.00</u>

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2015, the plans measurement date, calculated using a discount rate of 4.90%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease (3.90%)</b>	<b>Current Discount Rate (4.90%)</b>	<b>1% Increase (5.90%)</b>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 27,520,656.00</u>	<u>\$ 22,142,692.00</u>	<u>\$ 17,633,845.00</u>

**Pension Plan Fiduciary Net Position**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS' respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about TPAF and PERS, please refer to the plan's Comprehensive Annual Financial Report (CAFR) which can be found at [www.nj.gov/treasury/pensions/annrpts.shtml](http://www.nj.gov/treasury/pensions/annrpts.shtml).



**Note 10: STATE POST-RETIREMENT MEDICAL BENEFITS**

P.L. 1987, c.384 of P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving postemployment medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c.126, which provides free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in fiscal year 2015.

**Note 11: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2016, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs, and non-contributory insurance were \$1,156,068.00, \$1,967,297.00 and \$83,174.00, respectively.

**Note 12: RISK MANAGEMENT**

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

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

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

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2016	\$ 53,773.48	\$ 2,789.90	\$ 112,003.58	\$ 584,716.34
2015	51,729.79	2,713.11	89,360.43	640,156.54
2014	35,750.54	1,193.30	32,739.41	675,074.07

**Note 13: DEFERRED COMPENSATION**

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

*AXA Equitable  
Lincoln Investments  
Foresters Financial Services, Inc.  
Met Life  
Syracusa Benefits  
OMNI (for existing accounts as of May 2013)  
Fiduciary Trust International of the South  
Midland National  
Vanguard*

**Note 14: COMPENSATED ABSENCES**

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2016, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$1,038,062.37 and \$104,100.00, respectively.

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2016 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 681,510.87	\$ 1,883.84
Special Revenue		509,970.74
Proprietary		171,540.13
Fiduciary	1,883.84	
	<u>\$ 683,394.71</u>	<u>\$ 683,394.71</u>

**Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS (CONT'D)**

The interfund receivables and payables on the previous page predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2017, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Interfund Transfers:

	<u>Transfer In:</u>			
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Food Service Fund</u>	<u>Fiduciary Fund</u>
<b><u>Transfer Out:</u></b>				
General Fund		\$ 3,415,361.00	\$ 60,733.40	
Special Revenue Fund				
Capital Projects Fund				
Debt Service Fund				
Food Service Fund				
Total Transfers	-	\$ 3,415,361.00	\$ 60,733.40	-

The transfer made from the General Fund to the Enterprise Fund was required to cover the deficit Food Service operations during the fiscal year. Transfers from the General Fund to the Capital Projects Fund were to establish projects approved in the 2015-16 School District budget.

**Note 16: CONTINGENCIES**

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

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

**Note 17: CONCENTRATIONS**

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

**Note 18: DEFICIT NET POSITION BALANCE**

The School District has a deficit unrestricted net position balance of \$13,436,799.77 due to the application of GASB 68 and the recording of the School District's proportionate share of net pension liability (Note 9).

**Note 19: FUND BALANCES****RESTRICTED**

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

**General Fund**

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$40,858.86. Additionally, \$3,105,370.80 of excess fund balance generated during 2014-2015 has been restricted and designated for utilization in the 2016-2017 budget.

**For Capital Reserve Account** - As of June 30, 2016, the balance in the capital reserve account is \$1,530,883.78. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**Special Revenue Fund** - As of June 30, 2016, the balance in the special revenue fund was \$10,150.00.

**Capital Projects Fund** - As of June 30, 2016, the restricted fund balance amount was \$3,121,376.00.

**Debt Service Fund** - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As a result, the School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017 \$29,366.71 of debt service fund balance at June 30, 2016.

**ASSIGNED**

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

**General Fund**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017 \$2,182,537.20 of general fund balance at June 30, 2016.

**Other Purposes** - As of June 30, 2016, the School District had \$3,344,763.72 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

**Note 19: FUND BALANCES (CONT'D)****UNASSIGNED**

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

**General Fund** - As of June 30, 2016, \$1,556,749.64 of general fund balance was unassigned.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 31,088,590.00		\$ 31,088,590.00	\$ 31,088,589.50	\$ (0.50)
Tuition	130,500.00		130,500.00	939,868.65	809,368.65
Transportation	571,000.00		571,000.00	571,000.00	
Interest Earned on Capital Reserve Funds	200.00		200.00		(200.00)
Unrestricted Miscellaneous Revenues	170,114.00		170,114.00	512,437.22	342,323.22
<b>Total - Local Sources</b>	<b>31,960,404.00</b>	<b>-</b>	<b>31,960,404.00</b>	<b>33,111,895.37</b>	<b>1,151,491.37</b>
State Sources:					
Extraordinary Aid	250,000.00		250,000.00	458,286.00	208,286.00
Categorical Special Education Aid	2,402,732.00		2,402,732.00	2,402,732.00	
Equalization Aid	30,562,927.00		30,562,927.00	30,562,927.00	
Categorical Security Aid	139,073.00		139,073.00	139,073.00	
Categorical Transportation Aid	197,935.00		197,935.00	197,935.00	
Per Pupil Growth Aid	38,720.00		38,720.00	38,720.00	
PARCC Readiness	38,720.00		38,720.00	38,720.00	
Other State Aid - Nonpublic Transportation Aid				28,188.00	28,188.00
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				1,967,297.00	1,967,297.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				1,156,068.00	1,156,068.00
On-Behalf T.P.A.F. Pension Contributions - Non-Contributory Insurance				83,174.00	83,174.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,774,641.93	1,774,641.93
<b>Total - State Sources</b>	<b>33,630,107.00</b>	<b>-</b>	<b>33,630,107.00</b>	<b>38,847,761.93</b>	<b>5,217,654.93</b>
Federal Sources:					
SEMI -- Medicaid Initiative	78,685.00		78,685.00	68,354.64	(10,330.36)
<b>Total - Federal Sources</b>	<b>78,685.00</b>	<b>-</b>	<b>78,685.00</b>	<b>68,354.64</b>	<b>(10,330.36)</b>
<b>Total Revenues</b>	<b>65,669,196.00</b>	<b>-</b>	<b>65,669,196.00</b>	<b>72,028,011.94</b>	<b>6,358,815.94</b>
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers: Grades 9-12	15,718,061.65	\$ (312,499.00)	15,405,562.65	14,724,216.61	681,346.04

(Continued)



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 300,000.00		\$ 300,000.00	\$ 239,171.41	\$ 60,828.59
Purchased Professional - Educational Services	150,000.00	\$ (40,000.00)	110,000.00	62,422.59	47,577.41
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	725,000.00	(3,575.00)	721,425.00	699,897.19	21,527.81
Purchased Technical Services	20,000.00	4,700.00	24,700.00	24,700.00	
Other Purchased Services (400-500 Series)	144,500.00	(70,000.00)	74,500.00	68,796.69	5,703.31
General Supplies	1,034,467.22	(413.50)	1,034,053.72	680,462.21	353,591.51
Textbooks	258,558.70	(19,899.50)	238,659.20	201,874.49	36,784.71
<b>Total Regular Programs</b>	<u>18,350,587.57</u>	<u>(441,687.00)</u>	<u>17,908,900.57</u>	<u>16,701,541.19</u>	<u>1,207,359.38</u>
Special Education - Instruction:					
Cognitive - Moderate					
Salaries of Teachers	263,962.00	50,000.00	313,962.00	297,590.82	16,371.18
Other Salaries for Instruction	101,241.00	11,000.00	112,241.00	111,021.93	1,219.07
General Supplies	36,248.00	(11,000.00)	25,248.00	20,534.37	4,713.63
Textbooks	6,500.00		6,500.00	3,016.90	3,483.10
<b>Total Cognitive - Moderate</b>	<u>407,951.00</u>	<u>50,000.00</u>	<u>457,951.00</u>	<u>432,164.02</u>	<u>25,786.98</u>
Learning and / or Language Disabilities:					
Salaries of Teachers	514,002.00		514,002.00	501,588.67	12,413.33
Other Salaries for Instruction	139,152.00		139,152.00	122,532.69	16,619.31
General Supplies	62,940.60		62,940.60	50,131.38	12,809.22
<b>Total Learning and / or Language Disabilities</b>	<u>716,094.60</u>		<u>716,094.60</u>	<u>674,252.74</u>	<u>41,841.86</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Resource Room / Resource Center:					
Salaries of Teachers	\$ 2,782,435.00	\$ (70,810.81)	\$ 2,711,624.19	\$ 2,665,295.84	\$ 46,328.35
Other Salaries for Instruction	324,240.00	90,000.00	414,240.00	397,662.99	16,577.01
General Supplies	13,687.00		13,687.00	12,188.18	1,498.82
Textbooks	6,500.00		6,500.00	5,158.08	1,341.92
Total Resource Room / Resource Center	<u>3,126,862.00</u>	<u>19,189.19</u>	<u>3,146,051.19</u>	<u>3,080,305.09</u>	<u>65,746.10</u>
Total Special Education - Instruction	<u>4,250,907.60</u>	<u>69,189.19</u>	<u>4,320,096.79</u>	<u>4,186,721.85</u>	<u>133,374.94</u>
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	338,019.00	(70,000.00)	268,019.00	262,787.00	5,232.00
General Supplies	18,215.66		18,215.66	9,277.20	8,938.46
Textbooks	7,500.00		7,500.00	5,398.15	2,101.85
Total Basic Skills / Remedial - Instruction	<u>363,734.66</u>	<u>(70,000.00)</u>	<u>293,734.66</u>	<u>277,462.35</u>	<u>16,272.31</u>
Bilingual Education - Instruction:					
Salaries of Teachers	55,496.00	2,000.00	57,496.00	55,608.00	1,888.00
General Supplies	4,500.00		4,500.00	2,571.14	1,928.86
Total Bilingual Education - Instruction	<u>59,996.00</u>	<u>2,000.00</u>	<u>61,996.00</u>	<u>58,179.14</u>	<u>3,816.86</u>
School Sponsored Cocurricular Activities - Instruction:					
Salaries	334,653.00	51,000.00	385,653.00	375,656.50	9,996.50
Purchased Services	76,906.40	(255.00)	76,651.40	42,764.16	33,887.24
Supplies and Materials	69,886.52		69,886.52	53,286.87	16,599.65
Other Objects	66,610.01	(2,070.00)	64,540.01	55,149.35	9,390.66
Total School Sponsored Cocurricular Activities - Instruction	<u>548,055.93</u>	<u>48,675.00</u>	<u>596,730.93</u>	<u>526,856.88</u>	<u>69,874.05</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	\$ 1,168,371.00	\$ (24,000.00)	\$ 1,144,371.00	\$ 1,088,346.27	\$ 56,024.73
Purchased Services	251,163.16	(10,600.00)	240,563.16	190,707.57	49,855.59
Supplies and Materials	189,000.00	(3,000.00)	186,000.00	168,829.50	17,170.50
Other Objects	70,335.00	10,750.00	81,085.00	73,299.00	7,786.00
Total School Sponsored Athletics - Instruction	<u>1,678,869.16</u>	<u>(26,850.00)</u>	<u>1,652,019.16</u>	<u>1,521,182.34</u>	<u>130,836.82</u>
Other Instructional Programs - Instruction:					
Salaries	181,254.00	12,755.45	194,009.45	194,009.45	
Purchased Services	27,900.00		27,900.00	14,338.95	13,561.05
Supplies and Materials	6,625.00	23.00	6,648.00	1,241.33	5,406.67
Total Other Instructional Programs - Instruction	<u>215,779.00</u>	<u>12,778.45</u>	<u>228,557.45</u>	<u>209,589.73</u>	<u>18,967.72</u>
Total Instruction	<u>25,467,929.92</u>	<u>(405,894.36)</u>	<u>25,062,035.56</u>	<u>23,481,533.48</u>	<u>1,580,502.08</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	45,000.00	65,000.00	110,000.00	96,096.31	13,903.69
Tuition to Other LEA's Within State - Special	15,000.00	65,000.00	80,000.00	68,827.39	11,172.61
Tuition to County Voc. School District - Regular	607,148.00		607,148.00	603,833.00	3,315.00
Tuition to County Voc. School District - Special	227,624.00		227,624.00	227,624.00	
Tuition to CSSD and Regional Day Schools	2,090,569.00	(539,000.00)	1,551,569.00	1,503,848.48	47,720.52
Tuition to Private Schools for the Disabled - Within State	2,899,090.00	169,000.00	3,068,090.00	2,955,442.81	112,647.19
Tuition - State Facilities	308,012.00		308,012.00	290,313.00	17,699.00
Tuition - Other	175,000.00	(15,000.00)	160,000.00	159,193.36	806.64
Total Undistributed Expenditures - Instruction	<u>6,367,443.00</u>	<u>(255,000.00)</u>	<u>6,112,443.00</u>	<u>5,905,178.35</u>	<u>207,264.65</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 123,553.00	\$ (108,553.00)	\$ 15,000.00	\$ 15,000.00	
Other Purchased Services (400-500 series)	500.00		500.00	167.40	\$ 332.60
Supplies and Materials	100.00		100.00		100.00
	<u>124,153.00</u>	<u>(108,553.00)</u>	<u>15,600.00</u>	<u>15,167.40</u>	<u>432.60</u>
Total Undistributed Expenditures - Attendance and Social Work					
Undistributed Expenditures - Health Services:					
Salaries	186,557.00	49,035.41	235,592.41	234,391.34	1,201.07
Purchased Professional and Technical Services	63,000.00	3,000.00	66,000.00	58,625.35	7,374.65
Other Purchased Services (400-500 series)	300.00	900.00	1,200.00	970.60	229.40
Supplies and Materials	10,100.00	(4,900.00)	5,200.00	4,187.62	1,012.38
Other Objects	16,000.00	(5,000.00)	11,000.00	1,439.45	9,560.55
	<u>275,957.00</u>	<u>43,035.41</u>	<u>318,992.41</u>	<u>299,614.36</u>	<u>19,378.05</u>
Total Undistributed Expenditures - Health Services					
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Purchased Professional - Educational Services	500,000.00	(75,400.00)	424,600.00	356,284.10	68,315.90
	<u>500,000.00</u>	<u>(75,400.00)</u>	<u>424,600.00</u>	<u>356,284.10</u>	<u>68,315.90</u>
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	839,722.00	(45,212.30)	794,509.70	785,035.19	9,474.51
	<u>839,722.00</u>	<u>(45,212.30)</u>	<u>794,509.70</u>	<u>785,035.19</u>	<u>9,474.51</u>
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	1,609,273.00	93,400.00	1,702,673.00	1,645,907.61	56,765.39
Salaries of Secretarial and Clerical Assistants	265,600.00	10,500.00	276,100.00	273,952.80	2,147.20
Other Salaries	42,708.00	700.00	43,408.00	43,336.38	71.62
Purchased Professional and Technical Services	193,500.00	(69,145.00)	124,355.00	123,496.06	858.94
Supplies and Materials	17,000.00	(878.00)	16,122.00	14,050.63	2,071.37
	<u>2,128,081.00</u>	<u>34,577.00</u>	<u>2,162,658.00</u>	<u>2,100,743.48</u>	<u>61,914.52</u>
Total Undistributed Expenditures - Other Support Services - Students - Regular					(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Special:					
Salaries of Other Professional Staff	\$ 871,131.00		\$ 871,131.00	\$ 847,211.19	\$ 23,919.81
Salaries of Secretarial and Clerical Assistants	161,408.00		161,408.00	147,654.13	13,753.87
Purchased Professional - Educational Services	20,000.00	\$ (9,000.00)	11,000.00	6,138.00	4,862.00
Misc Purchased Services	31,500.00		31,500.00	24,640.94	6,859.06
Supplies and Materials	7,500.00		7,500.00	751.31	6,748.69
	<u>1,091,539.00</u>	<u>(9,000.00)</u>	<u>1,082,539.00</u>	<u>1,026,395.57</u>	<u>56,143.43</u>
Total Undistributed Expenditures - Other Support Services - Students - Special:					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,131,563.00	7,000.00	1,138,563.00	1,137,926.07	636.93
Salaries of Secretarial and Clerical Assistants	78,386.00	(7,000.00)	71,386.00	52,735.21	18,650.79
Other Purchased Services (400-500 series)	34,500.00	15,000.00	49,500.00	29,312.53	20,187.47
Supplies and Materials	8,000.00		8,000.00	1,824.76	6,175.24
Other Objects	12,500.00		12,500.00	11,609.00	891.00
	<u>1,264,949.00</u>	<u>15,000.00</u>	<u>1,279,949.00</u>	<u>1,233,407.57</u>	<u>46,541.43</u>
Total Undistributed Expenditures - Improvement of Instruction Services					
Undistributed Expenditures - Educational Media Services / School					
Library:					
Salaries	467,258.00	11,000.00	478,258.00	433,778.25	44,479.75
Purchased Professional and Technical Services	356,366.00	(32,000.00)	324,366.00	322,810.55	1,555.45
Other Purchased Services (400-500 series)	124,145.00	8,000.00	132,145.00	130,657.44	1,487.56
Supplies and Materials	283,636.00	(22,230.00)	261,406.00	151,401.03	110,004.97
	<u>1,231,405.00</u>	<u>(35,230.00)</u>	<u>1,196,175.00</u>	<u>1,038,647.27</u>	<u>157,527.73</u>
Total Undistributed Expenditures - Educational Media Services / School Library					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	135,075.23	22,000.00	157,075.23	54,966.29	102,108.94
Purchased Professional - Educational Services	50,000.00	(38,000.00)	12,000.00	2,550.00	9,450.00
Supplies and Materials	4,000.00		4,000.00	3,129.20	870.80
	<u>189,075.23</u>	<u>(16,000.00)</u>	<u>173,075.23</u>	<u>60,645.49</u>	<u>112,429.74</u>
Total Undistributed Expenditures - Instructional Staff Training Services:					

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 317,067.00	\$ 3,350.00	\$ 320,417.00	\$ 320,326.72	\$ 90.28
Legal Services	150,000.00	50,000.00	200,000.00	193,039.60	6,960.40
Audit Fees	90,000.00	13,000.00	103,000.00	91,500.00	11,500.00
Architectural/Engineering Services	171,131.50	(50,000.00)	121,131.50	56,341.54	64,789.96
Other Purchased Professional Services	60,000.00	(10,000.00)	50,000.00	34,371.75	15,628.25
Purchased Technical Services	54,500.00		54,500.00	8,540.00	45,960.00
Communications / Telephone	133,000.00		133,000.00	91,500.42	41,499.58
Travel		3,500.00	3,500.00	2,408.77	1,091.23
BOE Other Purchased Services	2,000.00		2,000.00		2,000.00
BOE Other Purchased Services					
Miscellaneous Purchased Services	163,500.00	(6,500.00)	157,000.00	145,174.69	11,825.31
Supplies and Materials	28,408.80		28,408.80	22,779.07	5,629.73
Judgments Against School District	200,000.00	(100,000.00)	100,000.00		100,000.00
Miscellaneous Expenditures	20,419.18	3,000.00	23,419.18	19,426.41	3,992.77
BOE Membership Dues and Fees	30,200.00		30,200.00	29,285.98	914.02
	<u>1,420,226.48</u>	<u>(93,650.00)</u>	<u>1,326,576.48</u>	<u>1,014,694.95</u>	<u>311,881.53</u>
Total Undistributed Expenditures - Support Services - General Administration					
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	1,728,167.00	4,650.00	1,732,817.00	1,630,325.52	102,491.48
Salaries of Secretarial and Clerical Assistants	885,521.00	2,000.00	887,521.00	840,826.45	46,694.55
Other Purchased Services	29,886.00	(1,800.00)	28,086.00	18,955.43	9,130.57
Supplies and Materials	143,850.00	1,800.00	145,650.00	118,131.69	27,518.31
Other Objects	42,570.00		42,570.00	31,135.60	11,434.40
	<u>2,829,994.00</u>	<u>6,650.00</u>	<u>2,836,644.00</u>	<u>2,639,374.69</u>	<u>197,269.31</u>
Total Undistributed Expenditures - Support Services - School Administration					

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - Central Services:					
Salaries	\$ 468,391.00		\$ 468,391.00	\$ 417,592.60	\$ 50,798.40
Purchased Technical Services	39,000.00	\$ (5,000.00)	34,000.00	27,121.08	6,878.92
Miscellaneous Purchased Services	4,000.00		4,000.00	1,758.90	2,241.10
Supplies and Materials	29,672.08		29,672.08	19,702.89	9,969.19
Miscellaneous Expenditures	3,500.00		3,500.00	2,708.90	791.10
<b>Total Undistributed Expenditures - Support Services - Central Services</b>	<b>544,563.08</b>	<b>(5,000.00)</b>	<b>539,563.08</b>	<b>468,884.37</b>	<b>70,678.71</b>
Undistributed Expenditures - Support Services - Administrative Information Technology:					
Salaries	232,239.00		232,239.00	214,515.10	17,723.90
Other Purchased Services (400-500 series)	1,000.00		1,000.00	558.55	441.45
Supplies and Materials	3,539.00		3,539.00	339.00	3,200.00
Other Objects	13,417.29	1,842.00	15,259.29	10,665.32	4,593.97
<b>Total Undistributed Expenditures - Support Services - Administrative Information Technology</b>	<b>250,195.29</b>	<b>1,842.00</b>	<b>252,037.29</b>	<b>226,077.97</b>	<b>25,959.32</b>
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	980,145.00	(369,000.00)	611,145.00	547,952.63	63,192.37
Cleaning, Repair and Maintenance Services	218,641.04	83,000.00	301,641.04	205,495.95	96,145.09
General Supplies	707,165.13	(222,500.00)	484,665.13	213,315.21	271,349.92
<b>Total Undistributed Expenditures - Required Maintenance for School Facilities</b>	<b>1,905,951.17</b>	<b>(508,500.00)</b>	<b>1,397,451.17</b>	<b>966,763.79</b>	<b>430,687.38</b>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services					
Salaries	\$ 1,535,863.00	\$ 449,500.00	\$ 1,985,363.00	1,924,713.32	\$ 60,649.68
Unused Vacation Payment to Terminated Employees	3,131.00		3,131.00		3,131.00
Purchased Professional and Technical Services	187,331.80	(56,417.00)	130,914.80	101,735.55	29,179.25
Cleaning, Repair and Maintenance Services	173,765.00	(22,983.00)	150,782.00	117,737.70	33,044.30
Lease purchase payments - Energy Savings Impr Program	112,633.00		112,633.00	112,632.50	0.50
Other Purchased Property Services	279,800.00	(140,750.00)	139,050.00	131,113.28	7,936.72
Insurance	318,673.00	53,400.00	372,073.00	372,036.00	37.00
Travel		5,200.00	5,200.00	3,734.04	1,465.96
Miscellaneous Purchased Services	14,600.00	(625.00)	13,975.00	10,968.96	3,006.04
General Supplies	190,086.04	62,100.00	252,186.04	217,178.67	35,007.37
Energy (Electricity)	1,186,597.19	(43,963.23)	1,142,633.96	827,410.93	315,223.03
Energy (Natural Gas)	385,716.78		385,716.78	242,636.21	143,080.57
Energy (Oil)	10,500.00	(3,000.00)	7,500.00	1,404.66	6,095.34
Other Objects		139,963.23	139,963.23	93,466.31	46,496.92
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>4,398,696.81</b>	<b>442,425.00</b>	<b>4,841,121.81</b>	<b>4,156,768.13</b>	<b>684,353.68</b>
Undistributed Expenditures - Care & Upkeep of Grounds					
Salaries	546,721.00	30,000.00	576,721.00	492,278.67	84,442.33
Purchased Professional and Technical Services					
Cleaning, Repair and Maintenance Services	69,000.00	29,350.00	98,350.00	80,805.70	17,544.30
General Supplies	124,032.94	45,000.00	169,032.94	157,018.06	12,014.88
<b>Total Undistributed Expenditures - Care &amp; Upkeep of Grounds</b>	<b>739,753.94</b>	<b>104,350.00</b>	<b>844,103.94</b>	<b>730,102.43</b>	<b>114,001.51</b>
Undistributed Expenditures - Security					
Salaries	15,000.00		15,000.00	14,060.71	939.29
Purchased Professional and Technical Services	429,400.00	3,350.00	432,750.00	431,039.53	1,710.47
Cleaning, Repair and Maintenance Services	30,574.56	(500.00)	30,074.56	22,720.04	7,354.52
General Supplies	49,405.00	(675.00)	48,730.00	29,051.21	19,678.79
<b>Total Undistributed Expenditures - Security</b>	<b>524,379.56</b>	<b>2,175.00</b>	<b>526,554.56</b>	<b>496,871.49</b>	<b>29,683.07</b>

(Continued)



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non-Instructional Aides		\$ 35,000.00	\$ 35,000.00	\$ 31,957.13	\$ 3,042.87
Salaries for Pupil Transportation (Bet. Home & Sch) - Spec. Ed.	\$ 112,779.00	(19,500.00)	93,279.00	88,609.02	4,669.98
Contracted Services (Between Home & School) - Vendors	600,000.00	(5,000.00)	595,000.00	580,717.82	14,282.18
Contracted Services - (Other than Between Home and School) - Vendors	330,803.00	(27,625.00)	303,178.00	292,347.09	10,830.91
Contracted Services (Bet.Home & School)-Joint Agreements	1,600,000.00		1,600,000.00	1,100,477.37	499,522.63
Contracted Services (Special Education Students) - Vendors	10,000.00	32,325.00	42,325.00		42,325.00
Contracted Services (Special Education Students) - Jt. Agrmnts	1,300,000.00		1,300,000.00	1,129,222.03	170,777.97
Contracted Services (Reg. Students) ESC's & CTSA's	559,000.00		559,000.00	550,000.00	9,000.00
Contracted Services - Aid in Lieu of Payments	364,442.00	43,258.00	407,700.00	334,585.10	73,114.90
Contracted Services - Choice - Aid in Lieu of Payments		81,742.00	81,742.00	49,421.13	32,320.87
Misc Purchased Services - Transportation	40,000.00		40,000.00	31,890.35	8,109.65
Other Objects	1,000.00		1,000.00	330.00	670.00
<b>Total Undistributed Expenditures - Student Transportation Services</b>	<b>4,918,024.00</b>	<b>140,200.00</b>	<b>5,058,224.00</b>	<b>4,189,557.04</b>	<b>868,666.96</b>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	925,600.00	(118,000.00)	807,600.00	657,234.12	150,365.88
Other Retirement Contributions - PERS	940,110.00	288.09	940,398.09	848,327.09	92,071.00
Workers Compensation	400,000.00		400,000.00	389,234.48	10,765.52
Health Benefits	10,154,166.00		10,154,166.00	8,470,325.97	1,683,840.03
Tuition Reimbursement	128,000.00		128,000.00	84,559.00	43,441.00
Other Employee Benefits	757,598.26	(165,288.09)	592,310.17	227,646.90	364,663.27
Unused Sick Payment to Terminated/Retired Staff	119,980.00	(25,000.00)	94,980.00		94,980.00
<b>Total Unallocated Benefits</b>	<b>13,425,454.26</b>	<b>(308,000.00)</b>	<b>13,117,454.26</b>	<b>10,677,327.56</b>	<b>2,440,126.70</b>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				\$ 1,967,297.00	\$ (1,967,297.00)
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				1,156,068.00	(1,156,068.00)
On-Behalf T.P.A.F. Pension Contributions - Non-Contributory Insurance				83,174.00	(83,174.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,774,641.93	(1,774,641.93)
Total On-behalf Contributions				4,981,180.93	(4,981,180.93)
Total Undistributed Expenditures	\$ 44,969,562.82	\$ (669,290.89)	\$ 44,300,271.93	43,368,722.13	931,549.80
Total Current Expense	70,437,492.74	(1,075,185.25)	69,362,307.49	66,850,255.61	2,512,051.88
Capital Outlay:					
Equipment:					
Grades 9-12	330,989.92	(295,031.00)	35,958.92	15,987.13	19,971.79
Special Education - Multiple Disabilities		10,217.00	10,217.00	10,217.00	
School Sponsored Athletic Programs	43,288.25	1,085,664.00	1,128,952.25	89,581.25	1,039,371.00
Undistributed Expenditures:					
Required Maintenance	96,151.00	(96,151.00)			
General Administration	57,993.00		57,993.00	52,993.00	5,000.00
Admin Information Technology	103,837.00	(72,000.00)	31,837.00	22,625.00	9,212.00
Non-instructional Equipment	170,820.06	234,053.00	404,873.06	279,230.76	125,642.30
Custodial Services	58,000.00	(58,000.00)			
Security		44,550.00	44,550.00	19,025.00	25,525.00
Care and Upkeep of Grounds		205,251.00	205,251.00	37,695.90	167,555.10
Total Equipment	861,079.23	1,058,553.00	1,919,632.23	527,355.04	1,392,277.19
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	17,447.00		17,447.00	17,447.00	
Total Facilities Acquisition and Construction Services	17,447.00		17,447.00	17,447.00	
Total Capital Outlay	878,526.23	1,058,553.00	1,937,079.23	544,802.04	1,392,277.19

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
EXPENDITURES (CONT'D):					
Special Schools:					
Special Education - Behavioral Disabilities					
Salaries of Teachers	\$ 84,176.00	\$ 9,846.07	\$ 94,022.07	\$ 94,022.07	
Salaries of Other Professional Staff	62,700.00	(6,740.00)	55,960.00	54,680.16	\$ 1,279.84
General Supplies	6,000.00	(3,473.82)	2,526.18	2,526.18	
Total Special Education - Behavioral Disabilities	<u>152,876.00</u>	<u>(367.75)</u>	<u>152,508.25</u>	<u>151,228.41</u>	<u>1,279.84</u>
Total Special Schools	<u>152,876.00</u>	<u>(367.75)</u>	<u>152,508.25</u>	<u>151,228.41</u>	<u>1,279.84</u>
Transfer of Funds to Charter Schools	<u>16,500.00</u>	<u>17,000.00</u>	<u>33,500.00</u>	<u>33,316.00</u>	<u>184.00</u>
Total Expenditures	<u>71,485,394.97</u>	<u>-</u>	<u>71,485,394.97</u>	<u>67,579,602.06</u>	<u>3,905,792.91</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,816,198.97)</u>		<u>(5,816,198.97)</u>	<u>4,448,409.88</u>	<u>10,264,608.85</u>
Other Financing Sources (Uses):					
Operating Transfers:					
Capital Outlay - Transfer to Capital Projects	(990,791.00)		(990,791.00)	(987,764.00)	3,027.00
Transfer to Food Service Fund - Board Contribution	(200,000.00)		(200,000.00)	(60,733.40)	139,266.60
Transfer to Capital Projects Fund - Capital Reserve Contribution	(2,427,597.00)		(2,427,597.00)	(2,427,597.00)	
Interest Deposit to Capital Reserve	(200.00)		(200.00)		200.00
Total Other Financing Sources (Uses)	<u>(3,618,588.00)</u>	<u>-</u>	<u>(3,618,588.00)</u>	<u>(3,476,094.40)</u>	<u>142,493.60</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 General Fund  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ <u>(Unfavorable)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (9,434,786.97)		\$ (9,434,786.97)	\$ 972,315.48	\$ 10,407,102.45
Fund Balances, July 1	<u>13,987,869.52</u>		<u>13,987,869.52</u>	<u>13,987,869.52</u>	
Fund Balances, June 30	<u>\$ 4,553,082.55</u>	<u>-</u>	<u>\$ 4,553,082.55</u>	<u>\$ 14,960,185.00</u>	<u>\$ 10,407,102.45</u>
Recapitulation:					
Restricted Fund Balances:					
Capital Reserve				\$ 1,530,883.78	
Excess Surplus - Current Year				3,239,879.86	
Excess Surplus - Designated for Subsequent Year's Expenditures				3,105,370.80	
Assigned Fund Balance:					
Year-End Encumbrances				3,344,763.72	
Designated for Subsequent Year's Expenditures				2,182,537.20	
Unassigned Fund Balance				<u>1,556,749.64</u>	
				14,960,185.00	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(3,199,021.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 11,761,164.00</u>	

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Required Supplementary Information  
Special Revenue Fund  
Budgetary Comparison Schedule  
For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Revenue from Local Sources	\$ 14,159.00		\$ 14,159.00	\$ 4,009.00	\$ (10,150.00)
Total - Local Sources	<u>14,159.00</u>	<u>-</u>	<u>14,159.00</u>	<u>4,009.00</u>	<u>(10,150.00)</u>
Federal Sources:					
No Child Left Behind					
Title I	581,776.00		581,776.00	556,740.94	(25,035.06)
Title II - Part A	55,266.00		55,266.00	55,266.00	
Title III	6,130.00		6,130.00	6,130.00	
I.D.E.I.A., Part B	883,389.00	\$ 27,239.00	910,628.00	863,965.59	(46,662.41)
Carl D. Perkins Vocational and Technical Education Act	26,282.00		26,282.00	26,281.92	(0.08)
Total - Federal Sources	<u>1,552,843.00</u>	<u>27,239.00</u>	<u>1,580,082.00</u>	<u>1,508,384.45</u>	<u>(71,697.55)</u>
Total Revenues	<u>1,567,002.00</u>	<u>27,239.00</u>	<u>1,594,241.00</u>	<u>1,512,393.45</u>	<u>(81,847.55)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries	435,905.00	(7,213.43)	428,691.57	413,123.99	15,567.58
Purchased Professional and Technical Services	3,125.00	(11.50)	3,113.50	3,113.50	
Other Purchased Services	500,000.00	33,856.75	533,856.75	529,365.98	4,490.77
General Supplies	42,552.00	(7,811.23)	34,740.77	22,068.55	12,672.22
Other Objects	25,816.00	(3,856.31)	21,959.69	11,366.41	10,593.28
Total Instruction	<u>1,007,398.00</u>	<u>14,964.28</u>	<u>1,022,362.28</u>	<u>979,038.43</u>	<u>43,323.85</u>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Required Supplementary Information

Special Revenue Fund

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES:					
Support Services:					
Salaries	\$ 205,953.00	\$ (1,313.46)	\$ 204,639.54	\$ 197,294.54	\$ 7,345.00
Benefits	183,572.00	(2,346.36)	181,225.64	181,225.64	
Purchased Professional and Technical Services	121,850.00	15,333.00	137,183.00	111,428.50	25,754.50
Other Purchased Services	17,500.00		17,500.00	17,500.00	
Supplies and Materials	30,729.00	601.54	31,330.54	25,906.34	5,424.20
Total Support Services	<u>559,604.00</u>	<u>12,274.72</u>	<u>571,878.72</u>	<u>533,355.02</u>	<u>38,523.70</u>
Total Expenditures	<u>1,567,002.00</u>	<u>27,239.00</u>	<u>1,594,241.00</u>	<u>1,512,393.45</u>	<u>81,847.55</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ended June 30, 2016

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 72,028,011.94	\$ 1,512,393.45
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		(72,197.84)
Difference between the local grant award amounts and the amounts realized as revenue on a budgetary basis		641.00
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	3,182,103.00	
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 expense (GASB 33)	<u>(3,199,021.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 72,011,093.94</u>	<u>\$ 1,440,836.61</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 67,579,602.06	\$ 1,512,393.45
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>(72,197.84)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 67,579,602.06</u>	<u>\$ 1,440,195.61</u>

REQUIRED SUPPLEMENTARY INFORMATION  
PART III



# ACCOUNTING AND REPORTING FOR PENSIONS

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Three Fiscal Years

	<b>Measurement Date Ending June 30,</b>		
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
School District's Proportion of the Net Pension Liability	0.9863994750%	0.0962867403%	0.9799891190%
School District's Proportionate Share of the Net Pension Liability	\$ 22,142,692.00	\$ 18,027,511.00	\$ 18,727,668.00
School District's Covered-Employee Payroll	\$ 7,176,324.00	\$ 6,889,320.00	\$ 7,168,632.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	308.55%	261.67%	261.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Contributions  
 Public Employees' Retirement System (PERS)  
 Last Three Fiscal Years

	<b>Fiscal Year Ended June 30,</b>		
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>
Contractually Required Contribution	\$ 875,802.00	\$ 848,039.00	\$ 793,774.00
Contributions in Relation to the Contractually Required Contribution	<u>(875,802.00)</u>	<u>(848,039.00)</u>	<u>(793,774.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered-Employee Payroll	\$ 6,698,820.00	\$ 6,839,103.00	\$ 6,594,044.00
Contributions as a Percentage of School District's Covered-Employee Payroll	13.07%	12.40%	12.04%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.  
 However, until a full 10-year trend is compiled, this presentation will only include information  
 for those years for which information is available.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Three Fiscal Years

	<b>Measurement Date Ending June 30,</b>		
	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>144,876,219.00</u>	<u>125,514,880.00</u>	<u>116,359,229.00</u>
	<u>\$ 144,876,219.00</u>	<u>\$ 125,514,880.00</u>	<u>\$ 116,359,229.00</u>
School District's Covered-Employee Payroll	\$ 27,997,456.00	\$ 26,434,616.00	\$ 26,871,064.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered-Employee Payroll	517.46%	474.81%	433.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years.  
 However, until a full 10-year trend is compiled, this presentation will only include information  
 for those years for which information is available.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Required Supplementary Information  
Schedule of School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last 10 Fiscal Years

---

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2016

---

**Public Employees' Retirement System (PERS)**

*Changes in Benefit Terms* - None

*Changes in Assumptions* - The discount rate changed from 5.39% as of June 30, 2014, to 4.90% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

**Teachers' Pension and Annuity Fund (TPAF)**

*Changes in Benefit Terms* - None

*Changes in Assumptions* - The discount rate changed from 4.68% as of June 30, 2014, to 4.13% as of June 30, 2015, in accordance with Paragraph 44 of GASB Statement No. 67.

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND**



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2016

	<u>Total</u>	<u>No Child Left Behind</u>			<u>Total Brought Forward</u>
		<u>Title I</u>	<u>Title II Part A</u>	<u>Title III</u>	
<b>REVENUES:</b>					
Federal Sources	\$ 1,508,384.45	\$ 556,740.94	\$ 55,266.00	\$ 6,130.00	\$ 890,247.51
Local Sources	4,009.00				4,009.00
<b>Total Revenues</b>	<b>\$ 1,512,393.45</b>	<b>\$ 556,740.94</b>	<b>\$ 55,266.00</b>	<b>\$ 6,130.00</b>	<b>\$ 894,256.51</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries	\$ 413,123.99	\$ 346,115.78			\$ 67,008.21
Purchased Professional and Technical Services	3,113.50				3,113.50
Other Purchased Services	529,365.98				529,365.98
General Supplies	22,068.55			\$ 6,130.00	15,938.55
Other Objects	11,366.41	11,366.41			
<b>Total Instruction</b>	<b>979,038.43</b>	<b>357,482.19</b>		<b>6,130.00</b>	<b>615,426.24</b>
<b>Support Services:</b>					
Salaries	197,294.54	28,021.75	\$ 8,614.35		160,658.44
Benefits	181,225.64	135,592.00	1,189.53		44,444.11
Purchased Professional and Technical Services	111,428.50	18,145.00	42,038.00		51,245.50
Other Purchased Services	17,500.00	17,500.00			
Supplies and Materials	25,906.34		3,424.12		22,482.22
<b>Total Support Services</b>	<b>533,355.02</b>	<b>199,258.75</b>	<b>55,266.00</b>	<b>-</b>	<b>278,830.27</b>
<b>Total Expenditures</b>	<b>\$ 1,512,393.45</b>	<b>\$ 556,740.94</b>	<b>\$ 55,266.00</b>	<b>\$ 6,130.00</b>	<b>\$ 894,256.51</b>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Special Revenue Fund  
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis  
For the Fiscal Year Ended June 30, 2016

	Total Carried Forward	C.D. Perkins Vocational & Applied Technology	IDEA Part B Basic	Local Public Safety Award
<b>REVENUES:</b>				
Federal Sources	\$ 890,247.51	\$ 26,281.92	\$ 863,965.59	
Local Sources	4,009.00			\$ 4,009.00
Total Revenues	<u>\$ 894,256.51</u>	<u>\$ 26,281.92</u>	<u>\$ 863,965.59</u>	<u>\$ 4,009.00</u>
<b>EXPENDITURES:</b>				
Instruction:				
Salaries	\$ 67,008.21		\$ 67,008.21	
Purchased Professional and Technical Services	3,113.50	\$ 3,113.50		
Other Purchased Services	529,365.98		529,365.98	
General Supplies	15,938.55	2,635.53	13,303.02	
Other Objects				
Total Instruction	<u>615,426.24</u>	<u>5,749.03</u>	<u>609,677.21</u>	<u>-</u>
Support Services:				
Salaries	160,658.44	16,700.00	143,958.44	
Benefits	44,444.11	1,277.55	43,166.56	
Purchased Professional and Technical Services	51,245.50		51,245.50	
Other Purchased Services				
Supplies and Materials	22,482.22	2,555.34	15,917.88	\$ 4,009.00
Total Support Services	<u>278,830.27</u>	<u>20,532.89</u>	<u>254,288.38</u>	<u>4,009.00</u>
Total Expenditures	<u>\$ 894,256.51</u>	<u>\$ 26,281.92</u>	<u>\$ 863,965.59</u>	<u>\$ 4,009.00</u>

**CAPITAL PROJECTS FUND**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Summary Statement of Project Expenditures  
 For the Fiscal Year Ended June 30, 2016

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2016</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Timber Creek - Security Upgrades	2/10/14	\$ 507,651.00		\$ 496,288.80	\$ 11,362.20
Triton High School - Unbundled Project - Exterior closure, HVAC, communications, life safety	7/10/14	4,331,336.00	\$ 1,915,642.24	1,102,759.96	1,312,933.80
Highland High School - Unbundled Project - Exterior closure, HVAC, communications, life safety	7/10/14	4,753,138.00	1,230,476.10	3,159,810.01	362,851.89
Central Office - Rain Garden & Storm Water Improvement	10/1/15	198,500.00		188,454.00	10,046.00
Triton - Band Room & Backstage Ramps	2/1/16	90,000.00			90,000.00
Triton High School - Unbundled Project - Various Walkway Improvements, Gym Doors/Enclosures	2/1/16	866,550.00			866,550.00
Highland High School - Unbundled Project - 2nd Floor Rehabilitation, Painting of Garage and Various Interior and Exterior Improvements	6/15/16	2,260,311.00		105,531.00	2,154,780.00
<b>Total</b>		<u>\$ 13,007,486.00</u>	<u>\$ 3,146,118.34</u>	<u>\$ 5,052,843.77</u>	<u>\$ 4,808,523.89</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Unexpended Balance as of June 30, 2016					\$ 4,808,523.89
SDA Grant Revenue Not Recognized on GAAP Basis					<u>(1,687,147.89)</u>
Fund Balance per Governmental Funds (GAAP)					<u>\$ 3,121,376.00</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Summary Statement of Revenues, Expenditures, and Changes in Fund Balance -- Budgetary Basis  
 For the Fiscal Year Ended June 30, 2016

**Revenues and Other Financing Sources**

Transfer from Capital Reserve	\$ 2,427,597.00	
Transfer from Capital Outlay	<u>987,764.00</u>	
Total Revenues		\$ 3,415,361.00

**Expenditures and Other Financing Uses**

Expenditures:		
Other Purchased Professional and Technical Services	466,873.83	
Construction Services	<u>4,585,969.94</u>	
Total Expenditures		<u>5,052,843.77</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures		(1,637,482.77)
Fund Balance -- July 1		<u>6,446,006.66</u>
Fund Balance -- June 30		<u>\$ 4,808,523.89</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Timber Creek Security Upgrades  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SDA Grant	\$ 290,495.00		\$ 290,495.00	\$ 290,495.00
Transfer from Capital Reserve	217,156.00		217,156.00	217,156.00
<b>Total Revenues</b>	<b>507,651.00</b>	<b>-</b>	<b>507,651.00</b>	<b>507,651.00</b>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services		\$ 37,428.80	37,428.80	37,428.80
Construction Services		458,860.00	458,860.00	458,860.00
<b>Total Expenditures</b>	<b>-</b>	<b>496,288.80</b>	<b>496,288.80</b>	<b>496,288.80</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<b>\$ 507,651.00</b>	<b>\$ (496,288.80)</b>	<b>\$ 11,362.20</b>	<b>\$ 11,362.20</b>
 <b>Additional Project Information:</b>				
Project Number	0390-030-14-G2VE			
Grant Date	February 10, 2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 507,651.00			
Additional Authorized Cost	-			
Revised Authorized Cost	507,651.00			
 Percentage Increase over Original Authorized Cost				
Percentage Completion	97.76%			
Original Target Completion Date	10/15/2015			
Revised Target Completion Date	11/30/2016			

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Triton High School - Unbundled Project - Exterior closure, HVAC, communications, life safety  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SDA Grant	\$ 2,478,538.00		\$ 2,478,538.00	\$ 2,478,538.00
Transfer from Capital Reserve	1,852,798.00		1,852,798.00	1,852,798.00
<b>Total Revenues</b>	<b>4,331,336.00</b>	<b>-</b>	<b>4,331,336.00</b>	<b>4,331,336.00</b>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	22,176.28	\$ 195,458.03	217,634.31	217,634.31
Construction Services	1,893,465.96	907,301.93	2,800,767.89	2,800,767.89
<b>Total Expenditures</b>	<b>1,915,642.24</b>	<b>1,102,759.96</b>	<b>3,018,402.20</b>	<b>3,018,402.20</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 2,415,693.76</u>	<u>\$ (1,102,759.96)</u>	<u>\$ 1,312,933.80</u>	<u>\$ 1,312,933.80</u>
<b>Additional Project Information:</b>				
Project Number	0390-050-14-G3EF			
Grant Date	July 10, 2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 6,103,812.50			
Additional Authorized Cost	-			
Revised Authorized Cost	6,103,812.50			
Percentage Increase over Original Authorized Cost				
Percentage Completion	69.69%			
Original Target Completion Date	10/15/2015			
Revised Target Completion Date	11/30/2016			

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Highland High School - Unbundled Project - Exterior closure, HVAC, communications, life safety  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
State Sources--SDA Grant	\$ 2,719,907.00		\$ 2,719,907.00	\$ 2,719,907.00
Transfer from Capital Reserve	2,033,231.00		2,033,231.00	2,033,231.00
<b>Total Revenues</b>	<u>4,753,138.00</u>	<u>-</u>	<u>4,753,138.00</u>	<u>4,753,138.00</u>
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	16,130.00	\$ 233,987.00	250,117.00	250,117.00
Construction Services	1,214,346.10	2,925,823.01	4,140,169.11	4,140,169.11
<b>Total Expenditures</b>	<u>1,230,476.10</u>	<u>3,159,810.01</u>	<u>4,390,286.11</u>	<u>4,390,286.11</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 3,522,661.90</u>	<u>\$ (3,159,810.01)</u>	<u>\$ 362,851.89</u>	<u>\$ 362,851.89</u>
<b>Additional Project Information:</b>				
Project Number	0390-020-14-G3EE			
Grant Date	July 20, 2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 6,231,250.00			
Additional Authorized Cost	-			
Revised Authorized Cost	6,231,250.00			
Percentage Increase over Original Authorized Cost				
Percentage Completion	92.37%			
Original Target Completion Date	10/15/2015			
Revised Target Completion Date	11/30/2016			



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Central Office - Rain Garden & Storm Water Improvement  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	<u>                    </u>	<u>\$ 198,500.00</u>	<u>\$ 198,500.00</u>	<u>\$ 198,500.00</u>
Total Revenues	<u>-</u>	<u>198,500.00</u>	<u>198,500.00</u>	<u>198,500.00</u>
<b>Expenditures and Other Financing Uses</b>				
Construction Services	<u>                    </u>	<u>188,454.00</u>	<u>188,454.00</u>	<u>188,454.00</u>
Total Expenditures	<u>-</u>	<u>188,454.00</u>	<u>188,454.00</u>	<u>188,454.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>\$ 10,046.00</u>	<u>\$ 10,046.00</u>	<u>\$ 10,046.00</u>

**Additional Project Information:**

Project Number	BHPR-C-001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 198,500.00
Additional Authorized Cost	-
Revised Authorized Cost	198,500.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	94.94%
Original Target Completion Date	10/15/2016
Revised Target Completion Date	N/A

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**  
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Triton - Band Room & Backstage Ramps  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve	_____	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00
Total Revenues	_____ -	_____ 90,000.00	_____ 90,000.00	_____ 90,000.00
<b>Expenditures and Other Financing Uses</b>				
Other Purchased Professional and Technical Services	_____	_____	_____	_____
Construction Services	_____	_____	_____	_____
Total Expenditures	_____ -	_____ -	_____ -	_____ -
Excess (Deficiency) of Revenues Over (Under) Expenditures	_____ -	\$ 90,000.00	\$ 90,000.00	\$ 90,000.00

**Additional Project Information:**

Project Number	BHPR-TR-001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 90,000.00
Additional Authorized Cost	-
Revised Authorized Cost	90,000.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	
Original Target Completion Date	12/31/2016
Revised Target Completion Date	N/A

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Triton High School - Unbundled Project - Various Wa kway Improvements, Baseball Backstops and Gym Doors/Enclosures  
 From Inception and for the Fiscal Year Ended June 30, 2016

---

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve		\$ 866,550.00	\$ 866,550.00	\$ 866,550.00
Total Revenues	-	866,550.00	866,550.00	866,550.00
<b>Expenditures and Other Financing Uses</b>				
Construction Services			-	
Total Expenditures	-	-		-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	\$ 866,550.00	\$ 866,550.00	\$ 866,550.00

**Additional Project Information:**

Project Number	BHPR-TR-002
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 866,550.00
Additional Authorized Cost	-
Revised Authorized Cost	866,550.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	
Original Target Completion Date	12/31/2016
Revised Target Completion Date	N/A

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUND**

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis  
 Highland High School - Unbundled Project - 2nd Floor Rehabilitation, Painting of Garage and Various Interior and Exterior Improvements  
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>Revenues and Other Financing Sources</b>				
Transfer from Capital Reserve		\$ 1,272,547.00	\$ 1,272,547.00	\$ 1,272,547.00
Transfer from Capital Outlay		987,764.00	987,764.00	987,764.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	-	2,260,311.00	2,260,311.00	2,260,311.00
<b>Expenditures and Other Financing Uses</b>				
Construction Services		105,531.00	105,531.00	105,531.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	-	105,531.00	105,531.00	105,531.00
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>				
	<hr/>	<hr/>	<hr/>	<hr/>
	-	\$ 2,154,780.00	\$ 2,154,780.00	\$ 2,154,780.00

**Additional Project Information:**

Project Number	BHPR-HH-001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,260,311.00
Additional Authorized Cost	-
Revised Authorized Cost	2,260,311.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	4.67%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	N/A

**PROPRIETARY FUNDS**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Proprietary Funds  
 Business-Type Activities - Enterprise Funds  
 Statement of Net Position  
 June 30, 2016

	<u>Food Service</u>
<b>ASSETS:</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 130,868.05
Accounts Receivable:	
State	472.70
Federal	27,813.16
Local School District	3,331.18
Inventories	<u>6,487.85</u>
Total Current Assets	<u>168,972.94</u>
Noncurrent Assets:	
Equipment	630,264.74
Less Accumulated Depreciation	<u>(597,661.54)</u>
Total Noncurrent Assets	<u>32,603.20</u>
Total Assets	<u>201,576.14</u>
<b>LIABILITIES:</b>	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	97,476.14
Compensated Absences Payable	<u>21,000.00</u>
Total Current Liabilities	<u>118,476.14</u>
Noncurrent Liabilities:	
Compensated Absences Payable	<u>83,100.00</u>
Total Liabilities	<u>201,576.14</u>
<b>NET POSITION:</b>	
Net Investment in Capital Assets	32,603.20
Unrestricted	<u>(32,603.20)</u>
Total Net Position	<u><u>-</u></u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Proprietary Funds  
 Business-Type Activities - Enterprise Funds  
 Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>
<b>OPERATING REVENUES:</b>	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 277,910.30
Daily Sales - Non-Reimbursable Programs	388,893.78
Special Functions	137,472.76
	804,276.84
<b>OPERATING EXPENSES:</b>	
Salaries	618,883.82
Employee Benefits	277,533.38
Depreciation	2,328.80
Miscellaneous	7,500.00
Cost of Sales - Reimbursable Programs	188,240.99
Cost of Sales - Nonreimbursable Programs	374,126.46
	1,468,613.45
Total Operating Expenses	1,468,613.45
Operating Income / (Loss)	(664,336.61)
<b>NONOPERATING REVENUES:</b>	
State Sources:	
State School Lunch Program	9,842.52
Federal Sources:	
National School Lunch Program	425,552.19
National School Breakfast Program	110,953.42
Food Distribution Program	54,901.01
Interest and Investment Revenue	2,354.07
	603,603.21
Total Nonoperating Revenues	603,603.21
Income (Loss) before Contributions and Transfers	(60,733.40)
Operating Transfers In (Out) - General Fund	60,733.40
Change in Net Position	-
Net Position -- July 1	-
Net Position -- June 30	-

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from Customers	\$ 800,945.66
Payments to Employees	(576,128.16)
Payments for Employee Benefits	(218,770.88)
Payments to Vendors	<u>(513,289.68)</u>
Net Cash Provided by (used for) Operating Activities	<u>(507,243.06)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>	
State Sources	10,041.49
Federal Sources	545,805.49
Operating Subsidies and Transfers to Other Funds	<u>60,733.40</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>616,580.38</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Interest Revenue	<u>2,354.07</u>
Net Cash Provided by (used for) Investing Activities	<u>2,354.07</u>
Net Increase (Decrease) in Cash and Cash Equivalents	111,691.39
Cash and Cash Equivalents -- July 1	<u>19,176.66</u>
Cash and Equivalents -- June 30	<u><u>\$ 130,868.05</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	\$ (664,336.61)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	2,328.80
Food Distribution Program	54,901.01
(Increase) Decrease in Accounts Receivable, net	(3,331.18)
(Increase) Decrease in Inventories	3,764.36
Increase (Decrease) in Accounts Payable	40,668.06
Increase (Decrease) in Other Liabilities	<u>58,762.50</u>
Total Adjustments	<u>157,093.55</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (507,243.06)</u></u>



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Net Position  
 June 30, 2016

	<u>Gloucester Township Housing Authority</u>	<u>Runnemed Board of Education</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Accounts Receivable:			
Other Local Governments	\$ 73,744.04	\$ 319.95	\$ 74,063.99
	<hr/>	<hr/>	<hr/>
<b>LIABILITIES:</b>			
Current Liabilities:			
Interfund Accounts Payable:			
Due General Fund	73,744.04	319.95	74,063.99
	<hr/>	<hr/>	<hr/>
<b>NET POSITION:</b>			
Unrestricted	<hr/> -	<hr/> -	<hr/> -
Total Net Position	<hr/> <hr/> -	<hr/> <hr/> -	<hr/> <hr/> -

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2016

	Gloucester Township Housing <u>Authority</u>	Runnemede Board of <u>Education</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Services Provided to Other Governments	\$ 92,735.29	\$ 2,057.53	\$ 94,792.82
OPERATING EXPENSES:			
Salaries	66,387.50	1,285.99	67,673.49
Rentals	10,384.83		10,384.83
General Supplies	15,962.96	771.54	16,734.50
Total Operating Expenses	92,735.29	2,057.53	94,792.82
Operating Income / (Loss)	-	-	-
Net Position -- July 1	-	-	-
Net Position -- June 30	-	-	-

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Proprietary Funds  
 Governmental Activities - Internal Service Funds  
 Combining Statement of Cash Flows  
 For the Fiscal Year Ended June 30, 2016

	Gloucester Township Housing Authority	Runnemede Board of Education	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 18,991.25	\$ 1,737.58	\$ 20,728.83
Payments to Employees	(66,387.50)	(1,285.99)	(67,673.49)
Payments to Vendors	<u>(26,347.79)</u>	<u>(771.54)</u>	<u>(27,119.33)</u>
Net Cash Provided by (used for) Operating Activities	<u>(73,744.04)</u>	<u>(319.95)</u>	<u>(74,063.99)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Operating Subsidies and Transfers to Other Funds	<u>73,744.04</u>	<u>319.95</u>	<u>74,063.99</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>73,744.04</u>	<u>319.95</u>	<u>74,063.99</u>
Net Increase (Decrease) in Cash and Cash Equivalents	-	-	-
Cash and Cash Equivalents -- July 1	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Equivalents -- June 30	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	-	-	-
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
(Increase) Decrease in Accounts Receivable, net	\$ (73,744.04)	\$ (319.95)	\$ (74,063.99)
Total Adjustments	<u>(73,744.04)</u>	<u>(319.95)</u>	<u>(74,063.99)</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (73,744.04)</u></u>	<u><u>\$ (319.95)</u></u>	<u><u>\$ (74,063.99)</u></u>

**FIDUCIARY FUNDS**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Position  
 June 30, 2016

	Private-Purpose Trust Fund	<u>Agency Funds</u>		
	Unemployment Compensation Trust	Student Activity	Payroll	Total
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 597,574.00	\$ 620,879.44	\$ 28,929.90	\$ 1,247,383.34
Interfund Accounts Receivable:				
Due from General Fund	<u>1,883.84</u>			<u>1,883.84</u>
<b>Total Assets</b>	<u>599,457.84</u>	<u>\$ 620,879.44</u>	<u>\$ 28,929.90</u>	<u>\$ 1,249,267.18</u>
<b>LIABILITIES:</b>				
Accounts Payable	14,741.50			14,741.50
Payable to Student Groups		\$ 620,879.44		620,879.44
Payroll Deductions and Withholdings			\$ 28,929.90	28,929.90
<b>Total Liabilities</b>	<u>14,741.50</u>	<u>\$ 620,879.44</u>	<u>\$ 28,929.90</u>	<u>664,550.84</u>
<b>NET POSITION:</b>				
Held in Trust for Unemployment Claims	<u>584,716.34</u>			<u>584,716.34</u>
<b>Total Net Position</b>	<u>\$ 584,716.34</u>			<u>\$ 584,716.34</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Position  
 For the Fiscal Year Ended June 30, 2016

	Private-Purpose Trust Fund Unemployment Compensation <u>Trust</u>
<b>ADDITIONS:</b>	
Payroll Deductions	\$ 53,773.48
Total Contributions	<u>53,773.48</u>
Investment Earnings: Interest	<u>2,789.90</u>
Net Investment Earnings	<u>2,789.90</u>
Total Additions	<u>56,563.38</u>
<b>DEDUCTIONS:</b>	
Unemployment Claims	<u>112,003.58</u>
Total Deductions	<u>112,003.58</u>
Change in Net Position	(55,440.20)
Net Position -- July 1	<u>640,156.54</u>
Net Position -- June 30	<u><u>\$ 584,716.34</u></u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Fiduciary Funds  
Student Activity Agency Fund Schedule of Receipts and Disbursements  
For the Fiscal Year Ended June 30, 2016

---

	<u>Balance</u> <u>June 30, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2016</u>
SENIOR HIGH SCHOOLS:				
Highland	\$ 171,253.46	\$ 454,661.06	\$ 446,585.62	\$ 179,328.90
Timber Creek	231,169.13	494,474.80	476,604.92	249,039.01
Triton	<u>191,053.04</u>	<u>442,945.07</u>	<u>441,486.58</u>	<u>192,511.53</u>
Total Senior High Schools	<u>593,475.63</u>	<u>1,392,080.93</u>	<u>1,364,677.12</u>	<u>620,879.44</u>
Total All Schools	<u><u>\$ 593,475.63</u></u>	<u><u>\$ 1,392,080.93</u></u>	<u><u>\$ 1,364,677.12</u></u>	<u><u>\$ 620,879.44</u></u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Fiduciary Funds  
 Payroll Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 292,042.25	\$ 38,816,620.45	\$ 39,079,732.80	\$ 28,929.90
<b>Total Assets</b>	<b><u>\$ 292,042.25</u></b>	<b><u>\$ 38,816,620.45</u></b>	<b><u>\$ 39,079,732.80</u></b>	<b><u>\$ 28,929.90</u></b>
<b>LIABILITIES:</b>				
Payroll Deductions and Withholdings	\$ 292,042.25	\$ 17,566,134.02	\$ 17,829,246.37	\$ 28,929.90
Net Payroll		21,196,712.95	21,196,712.95	
Interfund Accounts Payable:				
Due Unemployment Fund		<u>53,773.48</u>	<u>53,773.48</u>	
<b>Total Liabilities</b>	<b><u>\$ 292,042.25</u></b>	<b><u>\$ 38,816,620.45</u></b>	<b><u>\$ 39,079,732.80</u></b>	<b><u>\$ 28,929.90</u></b>



**LONG-TERM DEBT**

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Statement of Serial Bonds  
For the Fiscal Year Ended June 30, 2016

	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30 2015	Issued	Retired	Balance June 30 2016
			Date	Amount					
Refunding Bonds, Series 2008	01/16/08	\$ 1,947,000.00	12/01/19	\$ 1,947,000.00	4.250%	\$ 1,947,000.00			\$ 1,947,000.00
Refunding Bonds, Series 2014	09/19/14	13,055,000.00	12/01/16	2,970,000.00	3.000%	12,940,000.00		\$ 2,940,000.00	10,000,000.00
			12/01/17	3,025,000.00	4.000%				
			12/01/18	3,095,000.00	4.000%				
			12/01/19	910,000.00	4.000%				
						<u>\$ 14,887,000.00</u>	<u>-</u>	<u>\$ 2,940,000.00</u>	11,947,000.00
									Unamortized Discounts (12,171.62)
									Unamortized Premiums 635,346.74
									<u>Total General Obligation Bonds Payable \$ 12,570,175.12</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Budgetary Comparison Schedule  
 Debt Service Fund  
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 1,915,032.00		\$ 1,915,032.00	\$ 1,915,032.00	
State Sources:					
Debt Service Aid Type II	<u>1,407,416.00</u>		<u>1,407,416.00</u>	<u>1,407,416.00</u>	
Total Revenues	<u>3,322,448.00</u>		<u>3,322,448.00</u>	<u>3,322,448.00</u>	
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	482,448.00		482,448.00	482,447.50	\$ 0.50
Redemption of Principal	<u>2,940,000.00</u>		<u>2,940,000.00</u>	<u>2,940,000.00</u>	
Total Regular Debt Service	<u>3,422,448.00</u>		<u>3,422,448.00</u>	<u>3,422,447.50</u>	<u>0.50</u>
Total Expenditures	<u>3,422,448.00</u>		<u>3,422,448.00</u>	<u>3,422,447.50</u>	<u>0.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(100,000.00)		(100,000.00)	(99,999.50)	0.50
Fund Balance, July 1	<u>129,366.21</u>		<u>129,366.21</u>	<u>129,366.21</u>	
Fund Balance, June 30	<u>\$ 29,366.21</u>	<u>-</u>	<u>\$ 29,366.21</u>	<u>\$ 29,366.71</u>	<u>\$ 0.50</u>

**STATISTICAL SECTION**

## **Financial Trends Information**

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30									
	2016	2015 (2)	2014	2013 (1)	2012	2011	2010	2009	2008	2007
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 47,585,602.70	\$ 41,085,084.58	\$ 35,998,325.72	\$ 32,340,756.81	\$ 26,946,444.28	\$ 23,872,226.95	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,831,425.59	\$ 13,510,121.73
Restricted	7,840,006.15	10,555,899.94	10,703,242.03	9,661,778.39	8,035,900.05	4,322,150.95	6,279,909.52	5,065,491.31	4,160,761.79	2,813,705.47
Unrestricted	(13,436,799.77)	(18,453,132.04)	138,912.01	70,554.99	410,979.84	197,350.21	(2,758,019.82)	(2,965,962.07)	(660,547.21)	775,233.36
<b>Total Governmental Activities Net Position</b>	<b>\$ 41,988,809.08</b>	<b>\$ 33,187,852.48</b>	<b>\$ 46,840,479.76</b>	<b>\$ 42,073,090.19</b>	<b>\$ 35,393,324.17</b>	<b>\$ 28,391,728.11</b>	<b>\$ 23,760,408.99</b>	<b>\$ 19,786,880.97</b>	<b>\$ 19,331,640.17</b>	<b>\$ 17,099,060.56</b>
<b>Business-type Activities:</b>										
Net Investment in Capital Assets	\$ 32,603.20	\$ 34,932.00		\$ 11,399.37	\$ 8,188.58	\$ 14,765.84	\$ 104,114.59	\$ 89,306.95	\$ 45,049.63	\$ 91,924.41
Unrestricted	(32,603.20)	(34,932.00)							122,997.40	90,603.02
<b>Total Business-type Activities Net Position</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>\$ 11,399.37</b>	<b>\$ 8,188.58</b>	<b>\$ 14,765.84</b>	<b>\$ 104,114.59</b>	<b>\$ 89,306.95</b>	<b>\$ 168,047.03</b>	<b>\$ 182,527.43</b>
<b>Government-wide:</b>										
Net Investment in Capital Assets	\$ 47,618,205.90	\$ 41,120,016.58	\$ 35,998,325.72	\$ 32,340,756.81	\$ 26,946,444.28	\$ 23,872,226.95	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,876,475.22	\$ 13,602,046.14
Restricted	7,840,006.15	10,555,899.94	10,703,242.03	9,661,778.39	8,035,900.05	4,322,150.95	6,279,909.52	5,065,491.31	4,160,761.79	2,813,705.47
Unrestricted	(13,469,402.97)	(18,488,064.04)	138,912.01	81,954.36	419,168.42	212,116.05	(2,653,905.23)	(2,876,655.12)	(537,549.81)	865,836.38
<b>Total Government-wide Net Position</b>	<b>\$ 41,988,809.08</b>	<b>\$ 33,187,852.48</b>	<b>\$ 46,840,479.76</b>	<b>\$ 42,084,489.56</b>	<b>\$ 35,401,512.75</b>	<b>\$ 28,406,493.95</b>	<b>\$ 23,864,523.58</b>	<b>\$ 19,876,187.92</b>	<b>\$ 19,499,687.20</b>	<b>\$ 17,281,587.99</b>

(1) In accordance with GASB 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

(2) In accordance with GASB 68, effective for the fiscal year ended June 30, 2015, the School District recognizes their proportionate share of net pension liability.

Source: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Changes in Net Position  
 Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2016	2015 (2)	2014	2013	2012	2011	2010	2009	2008	2007
<b>Expenses:</b>										
Governmental Activities:										
Instruction:										
Regular	\$ 18,545,247.12	\$ 18,059,823.13	\$ 18,142,019.60	\$ 17,872,091.73	\$ 17,270,112.94	\$ 17,785,243.91	\$ 18,698,619.61	\$ 18,143,529.50	\$ 17,890,088.31	\$ 16,597,891.61
Special Education	4,186,721.85	4,143,173.45	3,955,429.96	3,935,878.26	4,210,011.05	4,006,438.97	4,242,244.95	3,951,571.40	3,573,737.31	3,163,634.67
Other Special Education	335,641.49	401,140.74	521,282.20	519,389.96	490,867.53	92,654.32	129,099.74	427,046.45	344,615.29	299,508.49
Other Instruction	2,349,671.04	2,303,653.15	2,195,081.63	2,152,190.75	1,907,903.02	1,946,365.91	2,279,740.76	2,218,313.52	2,179,084.80	2,067,799.85
Support Services:										
Tuition	5,905,178.35	5,944,585.54	5,038,400.82	4,125,976.02	3,962,762.13	4,060,956.40	5,005,769.18	5,372,217.67	4,669,037.78	3,668,247.49
Student and Instruction Related Services	7,448,133.08	7,326,904.35	7,039,832.26	6,771,600.52	6,597,712.79	6,685,172.11	7,184,973.51	6,577,503.83	6,352,081.34	6,461,586.65
School Administrative Services	2,639,374.69	2,530,083.11	2,436,107.91	2,532,236.45	2,446,231.09	2,444,145.58	2,560,210.88	2,485,190.42	2,392,834.31	2,419,925.67
General and Business Administrative Services	2,037,735.96	2,010,445.11	1,898,855.18	1,898,880.64	1,711,804.95	1,975,796.10	2,017,965.70	1,940,263.62	2,108,447.49	2,135,008.41
Plant Operations and Maintenance	6,374,923.27	6,173,078.41	6,162,533.40	5,627,922.11	5,732,929.60	5,610,405.98	5,588,556.48	5,655,562.77	5,863,444.48	5,513,502.77
Pupil Transportation	4,189,557.04	4,046,571.68	3,473,165.02	3,376,355.77	3,182,706.95	3,407,993.57	3,785,124.00	4,048,797.72	3,697,447.01	3,245,023.33
Unallocated Benefits	10,706,067.16	10,452,249.22	10,988,682.32	9,989,584.25	11,002,796.12	11,219,262.63	9,632,880.17	9,091,218.91	8,812,871.11	8,527,056.85
Reimbursed TPAF and Social Security	13,304,336.93	10,555,742.73	4,433,855.23	4,873,561.53	4,074,073.58	3,354,441.84	3,372,488.90	3,207,213.05	4,891,734.64	4,659,760.47
Special Schools	151,228.41	146,590.15	160,592.55	155,695.84	160,143.58	121,380.07	147,911.57	151,911.29	139,628.69	143,350.32
Transfer to Charter Schools	33,316.00	10,373.00	56,277.00	47,865.00						
Interest on Long-term Debt	402,621.85	765,037.64	893,815.31	994,208.31	1,085,725.98	1,191,256.28	1,273,800.99	1,362,678.76	1,472,892.21	1,603,298.38
Amortization of Debt Issuance Costs					21,375.84	21,375.84	21,375.83	21,375.83	21,902.08	19,925.14
Unallocated Depreciation	731,812.18	716,613.56	678,192.96	652,428.06	611,736.62	633,789.00	679,176.65	671,730.10	672,939.93	640,717.95
<b>Total Governmental Activities Expenses</b>	<b>79,341,566.42</b>	<b>75,586,064.97</b>	<b>68,074,123.35</b>	<b>65,525,865.20</b>	<b>64,468,893.77</b>	<b>64,556,678.51</b>	<b>66,619,938.92</b>	<b>65,326,124.84</b>	<b>65,082,786.78</b>	<b>61,166,238.05</b>
Business-type Activities:										
Food Service	1,468,613.45	1,453,856.38	1,366,032.11	1,388,584.43	1,429,537.89	1,618,959.23	1,826,244.03	2,048,298.57	1,891,877.72	1,888,064.64
<b>Total Business-type Activities Expense</b>	<b>1,468,613.45</b>	<b>1,453,856.38</b>	<b>1,366,032.11</b>	<b>1,388,584.43</b>	<b>1,429,537.89</b>	<b>1,618,959.23</b>	<b>1,826,244.03</b>	<b>2,048,298.57</b>	<b>1,891,877.72</b>	<b>1,888,064.64</b>
<b>Total District Expenses</b>	<b>\$ 80,810,179.87</b>	<b>\$ 77,039,921.35</b>	<b>\$ 69,440,155.46</b>	<b>\$ 66,914,449.63</b>	<b>\$ 65,898,431.66</b>	<b>\$ 66,175,637.74</b>	<b>\$ 68,446,182.95</b>	<b>\$ 67,374,423.41</b>	<b>\$ 66,974,664.50</b>	<b>\$ 63,054,302.69</b>

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Changes in Net Position  
Last Ten Fiscal Years (Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2016	2015 (2)	2014	2013	2012	2011	2010	2009	2008	2007
<b>Program Revenues:</b>										
Governmental Activities:										
Charges for Services	\$ 1,510,868.65	\$ 1,271,148.35								
Operating Grants and Contributions	14,309,703.84	12,345,708.85	\$ 6,043,888.72	\$ 6,615,484.77	\$ 5,835,273.04	\$ 5,934,157.77	\$ 5,803,114.27	\$ 5,228,721.42	\$ 6,735,198.43	\$ 6,486,818.46
Total Governmental Activities Program Revenues	15,820,572.49	13,616,857.20	6,043,888.72	6,615,484.77	5,835,273.04	5,934,157.77	5,803,114.27	5,228,721.42	6,735,198.43	6,486,818.46
Business-type activities:										
Charges for services										
Food service	804,276.84	833,548.89	772,038.57	812,213.43	870,226.05	917,170.52	1,017,458.19	1,204,657.87	1,222,540.53	1,209,768.39
Operating Grants and Contributions	601,249.14	590,309.21	564,666.72	578,166.19	550,007.37	504,967.18	522,992.47	431,378.21	379,297.46	330,283.86
Total Business-type Activities Program Revenues	1,405,525.98	1,423,858.10	1,336,705.29	1,390,379.62	1,420,233.42	1,422,137.70	1,540,450.66	1,636,036.08	1,601,837.99	1,540,052.25
Total District Program Revenues	\$ 17,226,098.47	\$ 15,040,715.30	\$ 7,380,594.01	\$ 8,005,864.39	\$ 7,255,506.46	\$ 7,356,295.47	\$ 7,343,564.93	\$ 6,864,757.50	\$ 8,337,036.42	\$ 8,026,870.71
<b>Net (Expense)/Revenue:</b>										
Governmental Activities	\$ (63,520,993.93)	\$ (61,969,207.77)	\$ (62,030,234.63)	\$ (58,910,380.43)	\$ (58,633,620.73)	\$ (58,622,520.74)	\$ (60,816,824.65)	\$ (60,097,403.42)	\$ (58,347,588.35)	\$ (54,679,419.59)
Business-type Activities	(63,087.47)	(29,998.28)	(29,326.82)	1,795.19	(9,304.47)	(196,821.53)	(285,793.37)	(412,262.49)	(290,039.73)	(348,012.39)
Total District-wide Net Expense	\$ (63,584,081.40)	\$ (61,999,206.05)	\$ (62,059,561.45)	\$ (58,908,585.24)	\$ (58,642,925.20)	\$ (58,819,342.27)	\$ (61,102,618.02)	\$ (60,509,665.91)	\$ (58,637,628.08)	\$ (55,027,431.98)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 31,088,589.50	\$ 29,116,325.00	\$ 28,545,418.00	\$ 27,985,704.00	\$ 27,985,704.00	\$ 27,867,689.00	\$ 26,795,855.00	\$ 25,861,401.00	\$ 29,655,998.00	\$ 27,733,018.00
Taxes Levied for Debt Service	1,915,032.00	2,079,659.00	2,100,446.00	2,146,368.00	2,161,893.00	2,174,868.00	1,879,116.00	1,916,716.00	1,915,304.00	1,806,378.00
Federal and State Aid not Restricted	33,918,017.64	34,034,563.11	33,689,168.28	33,031,659.91	33,188,508.97	31,197,401.23	33,120,045.29	30,468,456.66	26,152,323.00	25,461,036.80
Federal and State Aid Restricted	4,948,607.57	1,448,959.95	1,227,869.60	1,217,192.57	1,023,642.58	1,177,886.12	2,384,163.80	1,724,035.03	1,663,972.49	1,145,593.11
Tuition Received			239,416.69	314,309.77	167,376.00					
Transportation			571,000.00	571,000.00	571,000.00	550,507.25	596,433.25	501,232.66	782,000.00	330,164.40
Miscellaneous	512,437.22	392,098.23	441,299.82	494,918.92	537,092.24	385,488.26	352,799.20	407,874.87	669,195.48	577,026.59
Special Items							(44,635.00)		(0.01)	(18,709.00)
Transfers	(60,733.40)	(27,356.80)	(16,994.19)			(100,000.00)	(293,424.87)	(327,072.00)	(258,625.00)	(301,446.69)
Total Governmental Activities	72,321,950.53	67,044,248.49	66,797,624.20	65,761,153.17	65,635,216.79	63,253,839.86	64,790,352.67	60,552,644.22	60,580,167.96	56,733,061.21
Business-type Activities:										
Miscellaneous Income	2,354.07	2,641.48	933.26	1,415.60	2,727.21	7,472.78	7,176.14	6,450.41	16,934.33	25,609.24
Transfers	60,733.40	27,356.80	16,994.19			100,000.00	293,424.87	327,072.00	258,625.00	301,446.69
Total Business-type Activities	63,087.47	29,998.28	17,927.45	1,415.60	2,727.21	107,472.78	300,601.01	333,522.41	275,559.33	327,055.93
Total District-wide	\$ 72,385,038.00	\$ 67,074,246.77	\$ 66,815,551.65	\$ 65,762,568.77	\$ 65,637,944.00	\$ 63,361,312.64	\$ 65,090,953.68	\$ 60,886,166.63	\$ 60,855,727.29	\$ 57,060,117.14
<b>Change in Net Position:</b>										
Governmental Activities	\$ 8,800,956.60	\$ 5,075,040.72	\$ 4,767,389.57	\$ 6,850,772.74	\$ 7,001,596.06	\$ 4,631,319.12	\$ 3,973,528.02	\$ 455,240.80	\$ 2,232,579.61	\$ 2,053,641.62
Business-type Activities	-	-	(11,399.37)	3,210.79	(6,577.26)	(89,348.75)	14,807.64	(78,740.08)	(14,480.40)	(20,956.46)
Total District	\$ 8,800,956.60	\$ 5,075,040.72	\$ 4,755,990.20	\$ 6,853,983.53	\$ 6,995,018.80	\$ 4,541,970.37	\$ 3,988,335.66	\$ 376,500.72	\$ 2,218,099.21	\$ 2,032,685.16

(2) In accordance with GASB 68, effective for the fiscal year ended June 30, 2015, the School District recognizes their proportionate share of net pension liability.

Source: District Records



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2016	2015	2014	2013	2012	2011 (1)	2010	2009	2008	2007
General Fund:										
Restricted	\$ 4,677,113.44	\$ 5,151,780.20	\$ 8,120,486.03	\$ 7,394,016.60	\$ 4,251,147.45	\$ 1,928,033.56				
Assigned	5,527,300.92	4,245,333.63	2,575,603.39	2,260,189.42	3,606,176.75	1,758,373.79				
Unassigned	1,556,749.64	1,408,652.69	1,112,022.94	952,630.84	1,539,744.83	1,368,633.82				
Reserved							\$ 1,455,735.78	\$ 2,039,622.40	\$ 3,303,588.37	\$ 3,817,800.31
Unreserved							933,675.73	230,897.09	1,881,192.90	1,860,646.98
<b>Total General Fund</b>	<b>\$ 11,761,164.00</b>	<b>\$ 10,805,766.52</b>	<b>\$ 11,808,112.36</b>	<b>\$ 10,606,836.86</b>	<b>\$ 9,397,069.03</b>	<b>\$ 5,055,041.17</b>	<b>\$ 2,389,411.51</b>	<b>\$ 2,270,519.49</b>	<b>\$ 5,184,781.27</b>	<b>\$ 5,678,447.29</b>
All Other Governmental Funds:										
Restricted	\$ 3,160,892.71	\$ 1,158,786.11	\$ 7,152.61	\$ 7,572.37	\$ 7,569.13	\$ 443,361.04				
Reserved							\$ 2,457,057.72	\$ 1,175,966.14		
Unassigned, Reported in:										
Special Revenue Fund									\$ (4,407.00)	\$ (4,407.00)
Debt Service Fund							0.62	18,786.38	18,785.89	
<b>Total All Other Governmental Funds</b>	<b>\$ 3,160,892.71</b>	<b>\$ 1,158,786.11</b>	<b>\$ 7,152.61</b>	<b>\$ 7,572.37</b>	<b>\$ 7,569.13</b>	<b>\$ 443,361.04</b>	<b>\$ 2,457,058.34</b>	<b>\$ 1,194,752.52</b>	<b>\$ 14,378.89</b>	<b>\$ (4,407.00)</b>

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

Source: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
<b>Revenues</b>										
Tax Levy	\$ 33,003,621.50	\$ 31,195,984.00	\$ 30,645,864.00	\$ 30,132,072.00	\$ 30,147,597.00	\$ 30,042,557.00	\$ 28,674,971.00	\$ 27,778,117.00	\$ 31,571,302.00	\$ 29,539,396.00
Other Local Revenue	2,037,464.87	1,684,371.01	1,253,983.46	1,387,471.74	1,286,196.24	954,899.51	968,239.45	1,006,501.13	1,451,195.48	907,190.99
State Sources	43,977,207.80	40,368,258.97	39,645,459.23	39,455,494.09	37,486,712.91	36,128,902.24	33,976,107.90	35,882,381.05	33,500,882.64	32,119,745.27
Federal Sources	1,495,032.25	1,925,211.51	1,313,200.42	1,401,600.11	2,549,983.68	2,161,638.88	7,312,208.46	1,441,438.46	1,050,611.28	973,703.10
<b>Total Revenue</b>	<b>80,513,326.42</b>	<b>75,173,825.49</b>	<b>72,858,507.11</b>	<b>72,376,637.94</b>	<b>71,470,489.83</b>	<b>69,287,997.63</b>	<b>70,931,526.81</b>	<b>66,108,437.64</b>	<b>67,573,991.40</b>	<b>63,540,035.36</b>
<b>Expenditures</b>										
Instruction										
Regular Instruction	17,609,544.15	17,144,417.47	17,280,485.27	17,057,056.73	16,534,746.32	17,030,552.14	17,868,804.04	17,330,213.48	17,099,221.14	15,842,342.28
Special Education Instruction	4,186,721.85	4,143,173.45	3,955,429.96	3,935,878.26	4,210,011.05	4,006,438.97	4,242,244.95	3,951,571.40	3,573,737.31	3,163,634.67
Other Special Instruction	335,641.49	401,140.74	521,282.20	519,389.96	490,867.53	92,654.32	129,099.74	427,046.45	344,615.29	299,508.49
Other Instruction	2,257,628.95	2,213,252.90	2,109,833.99	2,070,433.25	1,832,016.85	1,868,047.63	2,195,171.74	2,135,057.15	2,096,230.64	1,989,017.20
Support Services:										
Tuition	5,905,178.35	5,944,585.54	5,038,400.82	4,125,976.02	3,962,762.13	4,060,956.40	5,005,769.18	5,372,217.67	4,669,037.78	3,668,247.49
Student and Instruction Related Services	7,448,133.08	7,326,904.35	7,039,832.26	6,771,600.52	6,597,712.79	6,685,172.11	7,184,973.51	6,577,503.83	6,352,081.34	6,461,586.65
School Administrative Services	2,639,374.69	2,530,083.11	2,436,107.91	2,532,236.45	2,446,231.09	2,444,145.58	2,560,210.88	2,485,190.42	2,392,834.31	2,419,925.67
Other Administrative Services	1,709,657.29	1,695,355.70	1,472,411.27	1,541,061.13	1,420,256.12	1,702,966.90	1,979,322.59	2,144,719.68	2,258,501.16	2,264,356.63
Plant Operations and Maintenance	6,350,505.84	6,149,128.45	6,139,897.90	5,606,146.80	5,712,547.02	5,589,312.68	5,565,916.54	5,633,205.92	5,841,063.82	5,492,214.64
Pupil Transportation	4,189,557.04	4,046,571.68	3,473,165.02	3,376,355.77	3,182,706.95	3,407,993.57	3,785,124.00	4,048,797.72	3,697,447.01	3,245,023.33
Unallocated Benefits	10,677,327.56	10,354,825.39	10,888,197.24	10,228,198.39	11,037,206.41	11,577,317.57	9,550,232.10	9,051,331.63	13,757,293.54	13,218,280.05
Reimbursed TPAF Pension and Social Security	4,981,180.93	4,958,965.73	4,433,855.23	4,873,561.53	4,074,073.58	3,354,441.84	3,372,488.90	3,207,213.05		
Special Schools	151,228.41	146,590.15	160,592.55	155,695.84	160,143.58	121,380.07	147,911.57	151,911.29	139,628.69	143,350.32
Transfer to Charter School	33,316.00	10,373.00	56,277.00	47,865.00						
Debt Service:										
Principal	2,940,000.00	3,065,000.00	2,875,000.00	2,850,000.00	2,780,000.00	2,700,000.00	2,625,000.00	2,545,000.00	2,435,000.00	2,280,000.00
Interest and Other Charges	482,447.50	437,627.45	791,243.76	896,393.76	993,493.76	1,096,143.73	1,189,518.76	1,288,362.51	1,395,706.11	1,522,963.76
Capital Outlay	5,597,645.81	4,548,153.62	2,968,644.80	4,579,017.46	2,129,478.70	2,798,541.76	1,810,480.60	1,165,911.59	1,737,848.39	942,611.07
<b>Total Expenditures</b>	<b>77,495,088.94</b>	<b>75,116,148.73</b>	<b>71,640,657.18</b>	<b>71,166,866.87</b>	<b>67,564,253.88</b>	<b>68,536,065.27</b>	<b>69,212,269.10</b>	<b>67,515,253.79</b>	<b>67,790,246.53</b>	<b>62,953,062.25</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	3,018,237.48	57,676.76	1,217,849.93	1,209,771.07	3,906,235.95	751,932.36	1,719,257.71	(1,406,816.15)	(216,255.13)	586,973.11
<b>Other Financing Sources (Uses)</b>										
Proceeds of Bonds		13,055,000.00								
Payment to Refunded Debt Escrow Agent		(13,870,768.30)								
Premium/(Discount) on Bonds		934,736.00								
Enterprise Fund	(60,733.40)	(27,356.80)	(16,994.19)							
Refunds of Prior Year Funds Ineligible Costs							(44,635.00)			(18,709.00)
Transfers Out						(100,000.00)	(293,424.87)	(327,072.00)	(258,625.00)	(301,446.69)
<b>Total Other Financing Sources (Uses)</b>	<b>(60,733.40)</b>	<b>91,610.90</b>	<b>(16,994.19)</b>	<b>-</b>	<b>-</b>	<b>(100,000.00)</b>	<b>(338,059.87)</b>	<b>(327,072.00)</b>	<b>(258,625.00)</b>	<b>(320,155.69)</b>
<b>Net Change in Fund Balances</b>	<b>\$ 2,957,504.08</b>	<b>\$ 149,287.66</b>	<b>\$ 1,200,855.74</b>	<b>\$ 1,209,771.07</b>	<b>\$ 3,906,235.95</b>	<b>\$ 651,932.36</b>	<b>\$ 1,381,197.84</b>	<b>\$ (1,733,888.15)</b>	<b>\$ (474,880.13)</b>	<b>\$ 266,817.42</b>
Debt Service as a Percentage of Noncapital Expenditures	4.8%	5.0%	5.3%	5.6%	5.8%	5.8%	5.7%	5.8%	5.8%	6.1%

Source: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 General Fund - Other Local Revenue by Source  
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)  
*Unaudited*

	Fiscal Year Ended June 30									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Interest	\$ 51,428.59	\$ 44,201.31	\$ 20,530.07	\$ 25,842.38	\$ 25,951.60	\$ 46,754.69	\$ 27,290.44	\$ 33,784.79	\$ 192,648.11	\$ 303,916.27
Gate Receipts	47,361.00	42,324.00	36,574.50	50,631.00	34,393.00	37,215.00	28,946.00	37,437.00	39,306.00	36,650.00
Tuition Students/Other LEAs		15,136.28	41,907.03	33,439.50		124,293.53	31,246.24	2,212.00		11,053.20
Fines						8,304.16	11,495.54	12,132.87	10,107.72	9,188.10
Refunds	127,243.85	102,951.31	104,624.90	64,274.84	96,139.76	12,869.01	31,549.77	35,177.95		68,124.73
Federal/State Refunds	40,000.00						13,010.22			
SAT Prep Fees	16,444.00									
Use of Facilities Fees	107,075.00	61,800.00	89,370.00	67,450.00	76,810.00	61,100.25	39,780.00	38,270.00	24,090.97	10,201.10
Miscellaneous	70,509.48	69,968.49	75,363.73	135,094.96	117,553.29	15,229.83	14,443.91	11,716.64	24,929.81	7,322.38
E-Rate Refunds	40,650.76	31,447.80	44,575.71	20,698.80	36,025.60	21,748.21	28,546.59		17,660.53	26,029.96
Insurance Reimbursements	11,724.54	19,278.32	27,628.24	96,405.99	56,392.65	35,821.92	45,591.97	39,897.64	120,316.65	85,504.69
Insurance Dividends		4,990.72				5,242.29	44,109.88	76,289.00	34,317.58	
Health Benefit Contributions					92,561.01	12,158.48	20,914.19	23,312.53	26,161.10	
Copier Lease Buyout - Prior Year									161,440.41	
Copier Lease Buyout - Current Year								91,995.35	15,000.00	
Copier Fees									1,176.60	
Mentoring Fees								1,000.00		9,669.00
GED Course Fees									2,040.00	1,630.00
Homeless Aid										7,737.16
<b>Total Miscellaneous Revenues</b>	<b>\$ 512,437.22</b>	<b>\$ 392,098.23</b>	<b>\$ 440,574.18</b>	<b>\$ 493,837.47</b>	<b>\$ 535,826.91</b>	<b>\$ 380,737.37</b>	<b>\$ 336,924.75</b>	<b>\$ 403,225.77</b>	<b>\$ 669,195.48</b>	<b>\$ 577,026.59</b>

Source: District Records

## **Revenue Capacity Information**

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Fiscal Years  
*Unaudited*

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
<b>Bellmaw Borough:</b>												
2016	\$ 7,661,500.00	\$ 572,510,500.00	None	\$ 69,317,400.00	\$ 87,610,000.00	\$ 56,573,700.00	\$ 793,673,100.00	-	\$ 793,673,100.00	\$ 126,893,100.00	\$ 739,893,605.00	\$ 0.500
2015	8,480,800.00	573,700,600.00	None	66,805,300.00	88,400,500.00	57,573,700.00	794,960,900.00	\$ 990,835.00	795,951,735.00	127,501,500.00	732,648,341.00	0.499
2014	8,431,200.00	575,853,700.00	None	71,734,800.00	92,182,900.00	58,073,700.00	806,276,300.00	1,148,357.00	807,424,657.00	127,172,200.00	769,783,984.00	0.517
2013	8,622,900.00	577,200,200.00	None	74,789,900.00	94,217,500.00	58,655,700.00	813,486,200.00	983,907.00	814,470,107.00	126,992,600.00	795,123,885.00	0.529
2012	8,623,100.00	578,828,500.00	None	78,980,400.00	91,645,100.00	65,648,200.00	823,725,300.00	1,068,074.00	824,793,374.00	126,622,600.00	859,545,615.00	0.509
2011	8,763,100.00	578,671,900.00	None	80,294,900.00	99,163,600.00	65,702,600.00	832,596,100.00	1,147,259.00	833,743,359.00	126,285,800.00	858,904,057.00	0.491
2010	8,439,300.00	577,285,300.00	None	83,073,000.00	99,602,300.00	65,702,600.00	834,102,500.00	1,337,997.00	835,440,497.00	126,273,500.00	855,123,775.00	0.464
2009 - R	8,672,800.00	576,086,300.00	None	84,801,500.00	106,056,000.00	66,014,700.00	841,631,300.00	1,380,914.00	843,012,214.00	123,595,800.00	848,773,063.00	0.433
2008	4,030,800.00	297,552,200.00	None	40,861,800.00	58,522,900.00	28,582,600.00	429,550,300.00	659,045.00	430,209,345.00	53,829,800.00	865,270,803.00	0.877
2007	4,180,700.00	296,793,900.00	None	41,060,700.00	58,522,900.00	28,553,300.00	429,111,500.00	695,909.00	429,807,409.00	53,653,500.00	784,806,639.00	0.885
<b>Gloucester Township:</b>												
2016	\$ 55,182,400.00	\$ 3,762,790,300.00	\$ 6,675,400.00	\$ 373,582,200.00	\$ 47,981,100.00	\$ 159,262,700.00	\$ 4,405,474,100.00	\$ 6,402,300.00	\$ 4,411,876,400.00	\$ 696,449,100.00	\$ 4,242,534,898.00	\$ 0.576
2015	54,885,800.00	3,792,784,400.00	6,870,600.00	375,824,800.00	49,999,300.00	160,526,700.00	4,440,891,600.00	6,549,400.00	4,447,441,000.00	634,921,000.00	4,120,583,955.00	0.566
2014	43,112,300.00	3,798,043,600.00	6,969,100.00	337,565,300.00	53,742,100.00	160,579,500.00	4,400,011,900.00	6,371,300.00	4,406,383,200.00	703,718,500.00	4,120,767,301.00	0.542
2013	43,644,900.00	3,860,376,200.00	7,165,800.00	340,996,300.00	58,290,800.00	161,685,100.00	4,472,159,100.00	8,504,800.00	4,480,663,900.00	740,427,900.00	4,256,390,391.00	0.518
2012	42,470,400.00	3,912,957,500.00	7,189,600.00	333,418,200.00	57,339,900.00	160,651,000.00	4,514,026,600.00	10,169,900.00	4,524,196,500.00	754,018,000.00	4,530,225,550.00	0.509
2011	44,506,600.00	3,926,504,450.00	6,791,800.00	320,755,000.00	58,630,600.00	164,046,800.00	4,521,235,250.00	10,362,210.00	4,531,597,460.00	768,960,600.00	4,679,086,681.00	0.511
2010 - R	48,611,000.00	3,922,641,150.00	7,735,800.00	317,979,100.00	60,852,900.00	166,205,500.00	4,524,025,450.00	11,677,300.00	4,535,702,750.00	777,355,900.00	4,740,264,761.00	0.499
2009	25,485,900.00	2,145,192,600.00	4,312,600.00	153,492,500.00	32,643,200.00	85,262,700.00	2,446,389,500.00	5,923,640.00	2,452,313,140.00	418,139,400.00	4,902,197,036.00	0.888
2008	25,716,200.00	2,140,088,300.00	4,313,700.00	151,720,300.00	32,694,200.00	85,262,700.00	2,439,795,400.00	5,520,631.00	2,445,316,031.00	410,586,000.00	4,820,589,508.00	0.939
2007	24,462,900.00	2,125,453,500.00	4,277,200.00	148,503,800.00	33,918,700.00	82,508,000.00	2,419,124,100.00	6,055,577.00	2,425,179,677.00	404,633,900.00	4,764,364,192.00	0.981
<b>Runnemedede Borough:</b>												
2016	\$ 3,884,400.00	\$ 380,679,000.00	None	\$ 75,988,800.00	\$ 16,597,100.00	\$ 26,719,000.00	\$ 503,868,300.00	\$ 1,053,284.00	\$ 504,921,584.00	\$ 74,304,100.00	\$ 505,337,538.00	\$ 0.583
2015	3,876,000.00	381,090,800.00	None	75,373,700.00	16,597,100.00	26,843,000.00	504,080,600.00	1,048,625.00	505,129,225.00	75,021,800.00	515,584,720.00	0.587
2014	4,354,200.00	380,658,400.00	None	74,854,600.00	18,574,500.00	27,118,900.00	505,560,600.00	1,021,763.00	506,582,363.00	74,712,900.00	530,362,958.00	0.568
2013 - R	4,788,500.00	381,511,400.00	None	73,710,800.00	19,241,100.00	27,118,900.00	506,370,700.00	1,242,127.00	507,612,827.00	74,040,800.00	518,884,724.00	0.566
2012	3,097,500.00	257,928,600.00	None	45,472,800.00	12,060,100.00	14,752,700.00	333,311,700.00	943,609.00	334,255,309.00	44,526,200.00	552,310,184.00	0.869
2011	2,856,100.00	257,348,900.00	None	45,272,700.00	12,060,100.00	17,052,700.00	334,590,500.00	933,735.00	335,524,235.00	44,621,800.00	579,912,820.00	0.835
2010	2,897,400.00	257,268,300.00	None	45,786,500.00	12,300,100.00	18,027,700.00	336,280,000.00	970,055.00	337,250,055.00	44,295,000.00	591,488,840.00	0.835
2009	2,979,200.00	257,477,700.00	None	45,139,100.00	12,300,100.00	18,297,700.00	336,193,800.00	945,824.00	337,139,624.00	43,772,300.00	612,997,837.00	0.838
2008	2,952,100.00	257,174,700.00	None	45,644,500.00	12,749,700.00	18,297,700.00	336,818,700.00	1,048,363.00	337,867,063.00	43,690,400.00	591,141,251.00	0.866
2007	3,211,700.00	255,372,400.00	None	45,678,400.00	13,049,700.00	18,297,700.00	335,609,900.00	1,121,421.00	336,731,321.00	43,525,600.00	534,990,012.00	0.876

(1) Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

(2) Regional School Tax Rates are per \$100.00 of Assessed Valuation

R - Revaluation

Source: Camden County Board of Taxation

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (Rate per \$100 of Assessed Value)  
*Unaudited*

Year Ended Dec. 31	District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Local School District	Local Municipality	Other Entities	Camden County	
Bellmawr Borough:								
2016	\$ 0.463	\$ 0.037	\$ 0.500	\$ 1.173	\$ 1.147		\$ 0.809	\$ 3.629
2015	0.475	0.024	0.499	1.140	1.117		0.803	3.559
2014	0.496	0.021	0.517	1.059	1.087		0.792	3.455
2013	0.494	0.035	0.529	0.992	1.039		0.810	3.370
2012	0.458	0.051	0.509	0.954	0.990		0.799	3.252
2011	0.457	0.034	0.491	0.932	0.938		0.734	3.095
2010	0.409	0.055	0.464	0.920	0.934		0.665	2.983
2009	0.402	0.031	0.433	0.879	0.858		0.563	2.733
2008	0.854	0.023	0.877	1.651	1.608		1.280	5.416
2007	0.831	0.054	0.885	1.648	1.435		1.283	5.251
Gloucester Township:								
2016	\$ 0.559	\$ 0.017	\$ 0.576	\$ 1.113	\$ 1.038	\$ 0.874	\$ 0.856	\$ 4.457
2015	0.507	0.059	0.566	1.026	0.918	0.835	0.812	4.157
2014	0.499	0.043	0.542	1.039	0.927	0.828	0.796	4.132
2013	0.473	0.045	0.518	0.973	0.854	0.778	0.790	3.913
2012	0.477	0.032	0.509	0.956	0.845	0.764	0.772	3.846
2011	0.474	0.037	0.511	0.947	0.843	0.734	0.736	3.771
2010	0.457	0.042	0.499	0.922	0.887	0.708	0.682	3.698
2009	0.810	0.078	0.888	1.667	1.448	1.294	1.239	6.536
2008	0.945	(0.006)	0.939	1.692	1.116	1.259	1.257	6.263
2007	0.922	0.059	0.981	1.727	1.040	1.211	1.287	6.246
Runnemede Borough:								
2016	\$ 0.546	\$ 0.037	\$ 0.583	\$ 1.370	\$ 1.006		\$ 0.829	\$ 3.788
2015	0.555	0.032	0.587	1.352	1.015		0.845	3.799
2014	0.505	0.063	0.568	1.322	1.020		0.840	3.750
2013	0.548	0.018	0.566	1.294	0.998		0.802	3.660
2012	0.783	0.086	0.869	1.953	1.481		1.199	5.502
2011	0.770	0.065	0.835	1.895	1.462		1.159	5.351
2010	0.791	0.044	0.835	1.817	1.379		1.073	5.104
2009	0.770	0.068	0.838	1.808	1.347		1.017	5.010
2008	0.850	0.016	0.866	1.823	1.248		1.041	4.978
2007	0.823	0.053	0.876	1.839	1.109		1.046	4.870

Source: Municipal Tax Collectors

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
Unaudited

Bellmawr Borough:	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Mutual Housing Corp.	\$ 27,639,100.00	1	3.47%	\$ 13,213,000.00	2	3.07%
East Coast Hyde Park Apts. LLC (1)	11,500,000.00	2	1.44%	5,929,900.00	5	1.38%
South Penn Associates	7,500,000.00	3	0.94%	4,225,700.00	7	0.98%
International Paper Company	5,500,000.00	4	0.69%	6,972,800.00	4	1.62%
151 Partners LLC (2)	4,969,000.00	5	0.62%			
J&J Snack Foods Corp. of N.J.	4,873,700.00	6	0.61%	2,748,200.00	8	0.64%
Spruce Manor Enterprises LLC	4,687,500.00	7	0.59%			
Heller Road Partners LLC	4,378,300.00	8	0.55%			
Browning Square Inc	4,215,000.00	9	0.53%			
45 Heller Road LLC	4,195,700.00	10	0.53%	2,350,000.00	9	0.55%
The Korman Co				16,627,300.00	1	3.87%
Interstate Holding				7,574,000.00	3	1.76%
Willamette Industries				4,679,000.00	6	1.09%
Bernard Devel Co				2,300,000.00	10	0.54%
<b>Total</b>	<b>\$ 79,458,300.00</b>		<b>9.98%</b>	<b>\$ 66,619,900.00</b>		<b>15.50%</b>

(1) Nine years ago, this property was reported as Hyde Park Apts LLC

(2) Nine years ago, this property was owned by Holt, Reinhart & Winston. In recent years it was owned by Houghton Mifflin Harcourt Publishing.

Source: Municipal Tax Assessor

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
*Unaudited*

Gloucester Township:	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
HP Altman Autumn Ridge LLC	\$ 34,982,900.00	1	0.79%			
SDK Millbridge Gardens LLC	33,388,000.00	2	0.75%	\$ 15,480,300.00	3	0.64%
Camden County Reality LLC	28,090,300.00	3	0.63%			
Lakeview Reality Investment Assoc.	22,360,500.00	4	0.50%	17,402,000.00	2	0.72%
Korman Residential Prop Inc C/O T S	18,773,500.00	5	0.42%			
East Coast Fairways Apartments LLC	16,145,500.00	6	0.36%	7,800,000.00	7	0.32%
Jemstone Cross Keys LLC	13,644,700.00	7	0.31%			
Paramount Realty Svcs, LLC	12,159,800.00	8	0.27%			
Target Corporation	10,913,800.00	9	0.25%			
Lowe's Home Centers Inc	9,975,200.00	10	0.22%			
Fountainview Village Apartments				18,476,800.00	1	0.76%
Cherrywood Apartments				10,914,600.00	4	0.45%
Group IV Equities				10,547,600.00	5	0.43%
Chews Landing Investors (Market Place)				9,810,800.00	6	0.40%
Pine Run Commerce Center				6,602,900.00	8	0.27%
A.C. Moore Warehouse				6,472,600.00	9	0.27%
Zallies Supermarket (Shop Rite)				4,350,600.00	10	0.18%
Total	<u>\$ 200,434,200.00</u>		<u>4.51%</u>	<u>\$ 107,858,200.00</u>		<u>4.44%</u>

Source: Municipal Tax Assessor

(Continued)



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Principal Property Tax Payers  
Current Year and Nine Years Ago  
*Unaudited*

Runnemede Borough:  <u>Taxpayer</u>	2016			2007		
	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>
TNJ Properties LLC (1)	\$ 10,205,100.00	1	2.02%	\$ 6,000,000.00	2	1.78%
The Meadows At Runnemede Investors	10,028,000.00	2	1.99%	4,424,500.00	4	1.31%
Hartford Plaza LTD LP	6,596,300.00	3	1.31%	5,092,300.00	3	1.51%
HC Runnemede LLC	4,338,800.00	4	0.86%			
Sintara Corp	3,830,600.00	5	0.76%	2,450,000.00	6	0.73%
DPE 165 Runnemede Associates LLP	3,319,200.00	6	0.66%			
East Coast Enterprises INC	3,273,600.00	7	0.65%	2,125,100.00	7	0.63%
Hartford Plaza LTD LP	3,259,000.00	8	0.65%			
Runnemede Associates	2,966,500.00	9	0.59%	1,362,200.00	8	40.00%
D&P 155 Runnemede Assoc LP	2,394,200.00	10	0.47%			
D&P Industrial				11,316,300.00	1	3.36%
Runnemede Lodging Investors				3,250,000.00	5	0.97%
CVS Pharmacy				1,578,700.00	8	0.47%
United Softee Reality Co.				1,250,000.00	10	0.37%
<b>Total</b>	<u>\$ 50,211,300.00</u>		<u>9.94%</u>	<u>\$ 38,849,100.00</u>		<u>51.13%</u>

(1) Nine years ago, this property was reported as Presidential Associates

Source: Municipal Tax Office

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
*Unaudited*

---

<u>Fiscal Year Ended June 30,</u>	<u>School District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2016	\$ 33,003,622.00	\$ 33,003,621.50	100.00%	\$ 0.50
2015	31,195,984.00	31,195,983.96	100.00%	0.04
2014	30,645,864.00	28,092,042.00	91.67%	2,553,822.00
2013	30,132,072.00	27,870,543.00	92.49%	2,261,529.00
2012	30,147,597.00	27,870,117.02	92.45%	2,277,479.98
2011	30,042,557.00	29,700,103.37	98.86%	342,453.63
2010	28,674,971.00	28,370,367.13	98.94%	304,603.87
2009	27,778,117.00	27,778,117.00	100.00%	N/A
2008	31,571,302.00	29,339,274.72	92.93%	1,925,883.67
2007	29,539,396.00	29,249,925.09	99.02%	289,470.91

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

Source: District Records

## **Debt Capacity Information**

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended <u>June 30,</u>	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Textbook Leases	Capital Leases				
Bellmawr Borough:							
2016	\$ 1,651,225.05	-	-	\$ 1,651,225.05	Unavailable	Unavailable	
2015	2,104,564.22	-	-	2,104,564.22	Unavailable	183.61	
2014	2,662,967.25	-	-	2,662,967.25	0.50%	232.49	
2013	3,074,726.45	-	-	3,074,726.45	0.59%	266.88	
2012	3,454,120.49	-	-	3,454,120.49	0.67%	298.98	
2011	3,739,571.90	-	-	3,739,571.90	0.73%	323.10	
2010	4,086,045.37	-	-	4,086,045.37	0.84%	352.88	
2009	4,423,229.97	\$ 18,457.27	-	4,441,687.24	0.95%	396.23	
2008	4,762,823.02	69,533.20	-	4,832,356.22	1.04%	431.92	
2007	5,056,353.47	111,916.99	-	5,168,270.46	1.15%	461.54	
Gloucester Township:							
2016	\$ 9,161,835.64	-	-	\$ 9,161,835.64	Unavailable	Unavailable	
2015	11,355,911.28	-	-	11,355,911.28	Unavailable	177.61	
2014	14,081,064.87	-	-	14,081,064.87	0.47%	219.92	
2013	16,277,135.52	-	-	16,277,135.52	0.56%	253.57	
2012	18,463,387.67	-	-	18,463,387.67	0.64%	286.51	
2011	20,658,382.30	-	-	20,658,382.30	0.73%	320.13	
2010	22,766,546.49	-	-	22,766,546.49	0.84%	352.44	
2009	24,827,794.26	\$ 103,601.49	-	24,931,395.75	0.93%	385.34	
2008	26,839,805.36	391,838.55	-	27,231,643.91	1.02%	420.23	
2007	28,752,596.20	636,408.06	-	29,389,004.26	1.13%	451.49	
Runnemede Borough:							
2016	\$ 1,133,939.31	-	-	\$ 1,133,939.31	Unavailable	Unavailable	
2015	1,426,524.50	-	-	1,426,524.50	Unavailable	170.21	
2014	1,752,967.88	-	-	1,752,967.88	0.45%	209.28	
2013	2,020,138.03	-	-	2,020,138.03	0.53%	239.86	
2012	2,304,491.84	-	-	2,304,491.84	0.61%	272.53	
2011	2,604,045.80	-	-	2,604,045.80	0.70%	307.70	
2010	2,849,408.14	-	-	2,849,408.14	0.80%	336.61	
2009	3,075,975.77	\$ 12,835.44	-	3,088,811.21	0.88%	367.37	
2008	3,269,371.62	47,730.07	-	3,317,101.69	0.95%	393.91	
2007	3,513,050.33	77,757.62	-	3,590,807.95	1.06%	424.95	

## Sources:

- (1) District Records
- (2) Personal income has been estimated based upon the municipal population and per capita
- (3) Per Capita personal income data provided by the NJ Dept of Labor and Workforce Development

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
<b>Bellmawr Borough:</b>					
2016	\$ 1,651,225.05	-	\$ 1,651,225.05	0.21%	Unavailable
2015	2,104,564.22	-	2,104,564.22	0.26%	183.61
2014	2,662,967.25	-	2,662,967.25	0.33%	232.49
2013	3,074,726.45	-	3,074,726.45	0.38%	266.88
2012	3,454,120.49	-	3,454,120.49	0.42%	298.98
2011	3,739,571.90	-	3,739,571.90	0.45%	323.10
2010	4,086,045.37	-	4,086,045.37	0.49%	352.88
2009	4,423,229.97	-	4,423,229.97	0.52%	394.58
2008	4,762,823.02	-	4,762,823.02	1.11%	425.71
2007	5,056,353.47	-	5,056,353.47	1.18%	451.54
<b>Gloucester Township:</b>					
2016	9,161,835.64	-	9,161,835.64	0.21%	Unavailable
2015	11,355,911.28	-	11,355,911.28	0.26%	177.61
2014	14,081,064.87	-	14,081,064.87	0.32%	219.92
2013	16,277,135.52	-	16,277,135.52	0.36%	253.57
2012	18,463,387.67	-	18,463,387.67	0.41%	286.51
2011	20,658,382.30	-	20,658,382.30	0.46%	320.13
2010	22,766,546.49	-	22,766,546.49	0.50%	352.44
2009	24,827,794.26	-	24,827,794.26	1.01%	383.74
2008	26,839,805.36	-	26,839,805.36	1.10%	414.19
2007	28,752,596.20	-	28,752,596.20	1.19%	441.71
<b>Runnemede Borough:</b>					
2016	1,133,939.31	-	1,133,939.31	0.22%	Unavailable
2015	1,426,524.50	-	1,426,524.50	0.28%	170.21
2014	1,752,967.88	-	1,752,967.88	0.35%	209.28
2013	2,020,138.03	-	2,020,138.03	0.40%	239.86
2012	2,304,491.84	-	2,304,491.84	0.69%	272.53
2011	2,604,045.80	-	2,604,045.80	0.78%	307.70
2010	2,849,408.14	-	2,849,408.14	0.84%	336.61
2009	3,075,975.77	-	3,075,975.77	0.91%	365.84
2008	3,269,371.62	-	3,269,371.62	0.97%	388.24
2007	3,513,050.33	-	3,513,050.33	1.04%	415.75

**Sources:**

- (1) District Records
- (2) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation
- (3) Per Capita calculation based upon population information provided by the NJ Dept of Labor and Workforce Development

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2015  
*Unaudited*

## Bellmawr Borough:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Bellmawr Borough</u>
Municipal Debt: (1)				
Bellmawr Borough School District	\$ 2,988,000.00	\$ 2,988,000.00		
Black Horse Pike Regional School District	1,651,225.05	1,651,225.05		
Bellmawr Borough Water & Sewer Utility	2,696,526.49	2,696,526.49		
Bellmawr Borough	<u>13,388,165.90</u>	<u>313,642.49</u>	<u>\$ 13,074,523.41</u>	<u>\$ 13,074,523.41</u>
	<u>20,723,917.44</u>	<u>7,649,394.03</u>	<u>13,074,523.41</u>	<u>13,074,523.41</u>

Overlapping Debt Apportioned to  
the Municipality:

## County of Camden: (2)

## General:

Bonds	35,899,000.00	12,761,633.00 (3)	23,137,367.00	460,433.60 (5)
Loan Agreement	269,003,014.00		269,003,014.00	5,353,159.98 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>471,754,632.00</u>	<u>471,754,632.00 (4)</u>		
	<u>776,656,646.00</u>	<u>484,516,265.00</u>	<u>292,140,381.00</u>	<u>5,813,593.58</u>
	<u>\$ 797,380,563.44</u>	<u>\$ 492,165,659.03</u>	<u>\$ 305,214,904.41</u>	<u>\$ 18,888,116.99</u>

## Sources:

- (1) 2015 Annual Debt Statement as revised
  - (2) County's 2015 Audit Report
  - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
  - (4) Deductible in accordance with N.J.S. 40:37A-80.
  - (6) Such debt is allocated as a proportion of the Borough's share of the total 2015 Equalized Value, which is 1.99%.
- The source for this computation was the 2015 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2015  
*Unaudited*

Gloucester Township:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Gloucester Township</u>
Municipal Debt: (1)				
Gloucester Township School District (1)	\$ 11,156,000.00	\$ 11,156,000.00		
Black Horse Pike Regional School District (1) (2)	9,161,836.00	9,161,836.00		
Gloucester Township (3)	<u>60,596,453.76</u>	<u>2,101,464.77</u>	<u>\$ 58,494,988.99</u>	<u>\$ 58,494,988.99</u>
	<u>80,914,289.76</u>	<u>22,419,300.77</u>	<u>58,494,988.99</u>	<u>58,494,988.99</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	35,695,000.00	12,761,633.00 (4)	22,933,367.00	2,566,243.77 (6)
Loan Agreements	269,003,014.00		269,003,014.00	30,101,437.27 (6)
Bonds Issued by Other Public Bodies				
Guaranteed by the County	471,754,632.00	471,754,632.00 (5)		
Gloucester Township Municipal Utilities Authority(1)	9,604,763.00		9,604,763.00	9,604,763.00
Gloucester Township Fire Districts (1)	<u>650,000.00</u>		<u>650,000.00</u>	<u>650,000.00</u>
	<u>786,707,409.00</u>	<u>484,516,265.00</u>	<u>302,191,144.00</u>	<u>42,922,444.03</u>
	<u>\$ 867,621,698.76</u>	<u>\$ 506,935,565.77</u>	<u>\$ 360,686,132.99</u>	<u>\$ 101,417,433.02</u>

Sources:

- (1) Entity's Audit Report
- (2) Allocated based on percentage of average equalized valuations
- (3) Township Audit Report
- (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2015 Net Valuation on which County taxes are apportioned, which is 11.19%.  
The source for this computation was the County of Camden 2015 Abstract of Ratables.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2015  
*Unaudited*

## Runnemedede Borough:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Runnemedede Borough</u>
Municipal Debt: (1)				
Black Horse Pike Regional School District (2)	\$ 1,133,939.31	\$ 1,133,939.31		
Runnemedede Borough	6,528,552.94	99,785.50	\$ 6,428,767.44	\$ 6,428,767.44
Runnemedede Borough Sewer Utility	<u>3,821,119.06</u>	<u>3,821,119.06</u>		
	<u>11,483,611.31</u>	<u>5,054,843.87</u>	<u>6,428,767.44</u>	<u>6,428,767.44</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	35,695,000.00	12,761,633.00 (3)	22,933,367.00	322,124.60 (5)
Loan Agreement	269,003,014.00		269,003,014.00	3,778,445.92 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>471,754,632.00</u>	<u>471,754,632.00 (4)</u>		
	<u>776,452,646.00</u>	<u>484,516,265.00</u>	<u>291,936,381.00</u>	<u>4,100,570.52</u>
	<u>\$ 787,936,257.31</u>	<u>\$ 489,571,108.87</u>	<u>\$ 298,365,148.44</u>	<u>\$ 10,529,337.96</u>

## Sources:

- (1) Borough of Runnemedede
  - (2) Allocated based on percentage of average equalized valuations
  - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
  - (4) Deductible in accordance with N.J.S. 40:37A-80.
  - (5) Such debt is allocated as a proportion of the Borough's share of the total 2015 Equalized Value, which is 1.40%.
- The source for this computation was the 2015 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2015**

<b>Average Equalized valuation basis (1)</b>		
<b>Bellmawr Borough</b>	\$	749,914,430
<b>Gloucester Township</b>		4,160,906,320
<b>Runnemede Borough</b>		514,985,797
		<u>5,425,806,547</u>
	<b>[A]</b>	<b>\$ 5,425,806,547</b>
Debt limit (3% of average equalization value) (2)		<b>[B]</b> \$ 162,774,196.41
Total Net Debt Applicable to Limit		<b>[C]</b> <u>11,947,000.00</u>
Legal Debt Margin		<b>[B-C]</b> <u>\$ 150,827,196.41</u>

	Fiscal Year Ended June 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt limit	\$ 162,774,196.41	\$ 163,571,569.30	\$ 173,833,263.47	\$ 175,172,726.02	\$ 180,634,795.71	\$ 184,373,499.51	\$ 185,993,239.21	\$ 181,275,939.52	\$ 168,898,022.58	\$ 148,408,568.85
Total net debt applicable to limit (3)	<u>11,947,000.00</u>	<u>14,887,000.00</u>	<u>18,497,000.00</u>	<u>21,372,000.00</u>	<u>24,222,000.00</u>	<u>27,002,000.00</u>	<u>29,702,000.00</u>	<u>32,327,000.00</u>	<u>34,872,000.00</u>	<u>37,322,000.00</u>
Legal debt margin	<u>\$ 150,827,196.41</u>	<u>\$ 148,684,569.30</u>	<u>\$ 155,336,263.47</u>	<u>\$ 153,800,726.02</u>	<u>\$ 156,412,795.71</u>	<u>\$ 157,371,499.51</u>	<u>\$ 148,948,939.52</u>	<u>\$ 148,948,939.52</u>	<u>\$ 134,026,022.58</u>	<u>\$ 111,086,568.85</u>
Total net debt applicable to the limit as a percentage of debt limit	7.34%	9.10%	10.64%	12.20%	13.41%	14.65%	17.83%	17.83%	20.65%	25.15%

Sources:

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

## **Demographic and Economic Information**

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**

Demographic and Economic Statistics

Last Ten Fiscal Years

*Unaudited*

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
<b>Bellmawr Borough:</b>				
2016	Unavailable	Unavailable	Unavailable	Unavailable
2015	11,462	Unavailable	Unavailable	6.50%
2014	11,454	\$ 537,032,244.00	\$ 46,886.00	7.60%
2013	11,521	519,332,117.00	45,077.00 R	9.00%
2012	11,553	516,904,326.00	44,742.00 R	9.10%
2011	11,574	510,587,010.00	44,115.00 R	9.00%
2010	11,579	486,236,947.00	41,993.00 R	9.10%
2009	11,210	466,795,610.00	41,641.00 R	8.70%
2008	11,188	462,881,124.00	41,373.00 R	5.50%
2007	11,198	447,987,188.00	40,006.00 R	4.20%
<b>Gloucester Township:</b>				
2016	Unavailable	Unavailable	Unavailable	Unavailable
2015	63,939	Unavailable	Unavailable	5.70%
2014	64,029	\$ 3,002,063,694.00	\$ 46,886.00	7.10%
2013	64,191	2,893,537,707.00	45,077.00 R	8.10%
2012	64,443	2,883,308,706.00	44,742.00 R	9.40%
2011	64,531	2,846,785,065.00	44,115.00 R	9.30%
2010	64,597	2,712,621,821.00	41,993.00 R	9.60%
2009	64,700	2,694,172,700.00	41,641.00 R	8.70%
2008	64,801	2,681,011,773.00	41,373.00 R	3.20%
2007	65,094	2,604,150,564.00	40,006.00 R	2.70%
<b>Runnemede Borough:</b>				
2016	Unavailable	Unavailable	Unavailable	Unavailable
2015	8,381	Unavailable	Unavailable	6.20%
2014	8,376	\$ 392,717,136.00	\$ 46,886.00	8.20%
2013	8,422	379,638,494.00	45,077.00 R	7.60%
2012	8,456	378,338,352.00	44,742.00 R	12.80%
2011	8,463	373,345,245.00	44,115.00 R	12.60%
2010	8,465	355,470,745.00	41,993.00 R	12.80%
2009	8,408	350,117,528.00	41,641.00 R	12.20%
2008	8,421	348,402,033.00	41,373.00 R	7.90%
2007	8,450	338,050,700.00	40,006.00 R	6.00%

Sources:

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

R- Revised

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Principal Non-Governmental Employers  
Current Year and Nine Years Ago  
*Unaudited*

	2016			2007			
	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
<b>Bellmawr Borough:</b>							
J&J Snack Foods Corp.	200	1	3.60%	150	4	2.45%	
US Logistics Inc	150	2	2.70%				
Ginsberg Bakery	150	2	2.70%				
Holcomb Bus Service Inc - Garage	100	4	1.80%				
General Floor Industries	100	4	1.80%				
International Paper Co. (1)	70	6	1.26%	137	5	2.24%	
Liedtka Trucking Inc	60	7	1.08%				
Underwood Engineering Inc	50	8	0.90%				
D'Orazio Foods Inc.	50	8	0.90%	70	10	1.15%	
Concord Products	45	10	0.81%				
Country Home Bakers Inc				250	1	4.09%	
Veritis Communications				220	2	3.60%	
Evergreen Printing and Publishing Co. Inc				200	3	3.27%	
Ginsey Industries Inc				135	6	2.21%	
Mae Holding Company				130	7	2.13%	
Harcourt Inc				125	8	2.05%	
US Post Office				74	9	1.21%	
	<u>975</u>		<u>17.53%</u>	<u>1,491</u>		<u>24.40%</u>	

(1) In 2008, Weyerhaeuser Company sold its division in Bellmawr, NJ to International Paper Company.

**Source:** ReferenceUSA

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Principal Non-Governmental Employers  
Current Year and Nine Years Ago  
*Unaudited*

	2016			2007		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment (1)</u>
<b>Gloucester Township:</b>						
<u>Employer</u>						
Metrologic Corp	500	1	1.50%	500	1	N/A
US Vision	350	2	1.05%	350	2	N/A
Zallies Supermarket	300	3	0.90%	300	3	N/A
Freeland Associates	255	4	0.77%	255	4	N/A
Super G	225	5	0.68%	225	5	N/A
Blackwell North America	180	6	0.54%	180	6	N/A
Wastequip/Accurate Industries	150	7	0.45%	150	7	N/A
K-Mart	100	8	0.30%	100	8	N/A
A.L. Hyde Company	95	9	0.29%	95	9	N/A
Reliable Tire Distributors	77	10	0.23%	77	10	N/A
	<u>2,232</u>		<u>6.72%</u>	<u>2,232</u>		<u>N/A</u>

(1) Information not available.

Source: ReferenceUSA

(Continued)

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Principal Non-Governmental Employers  
Current Year and Nine Years Ago  
*Unaudited*

	2016			2007		
	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>
Holy Redeemer Home Care	1,000	1	25.33%	128	1	N/A
East Coast Salon Svc	170	2	4.31%			
Scotts Lawn Svc	100	3	2.53%	40	10	N/A
Toyota of Runnemedede	80	4	2.03%	56	5	N/A
Deluxe Italian Bakery Inc.	80	4	2.03%			
Team Health Care Clinic	70	6	1.77%			
Philly Sports Bar	70	6	1.77%	53	7	N/A
Roto-Rooter Services Company	60	8	1.52%			
Quality Discount Furniture Inc	50	9	1.27%			
Wawa Food Market	45	10	1.14%	43	9	N/A
DHL				84	2	N/A
Swets Blackwell				77	3	N/A
ACME Market				70	4	N/A
COPD Services				54	6	N/A
Holiday Inn				45	8	N/A
	<u>1,725</u>		<u>43.69%</u>	<u>650</u>		<u>N/A</u>

(1) Information not provided by Municipal entity.

Source: ReferenceUSA

## **Operating Information**

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

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction										
Regular	259	241	248	235	223	232	262	240	238	227.5
Special education	67	72	57	98	77	59	49	53	47	50
Other special education	-	-	-	-	1	32	45	44	42	42
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	79	70	68	72	43	55	54	58	55.5	78.5
General administrative services	10	5	9	23	-	13	10	13	13	12.5
School administrative services	15	65	53	48	54	54	51	52	51	41
Business administrative services	7	6	6	6	9	9	6	6	6.5	6.5
Plant operations and maintenance	81	51	75	51	55	57	50	50	49	53
Pupil transportation	6	5	7	9	-	-	-	-	-	-
Total	<u>524</u>	<u>515</u>	<u>523</u>	<u>542</u>	<u>462</u>	<u>511</u>	<u>527</u>	<u>516</u>	<u>502</u>	<u>511</u>

N/A - Not available

Source: District Records



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Operating Statistics  
 Last Ten Fiscal Years  
*Unaudited*

---

<u>Fiscal Year Ended June 30.</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio District</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2016	3,742	\$ 68,474,995.63	\$ 18,299.04	4.78%	326	1:11	3,704.68	3,455.41	-1.26%	93.27%
2015	3,840	67,065,367.66	17,464.94	9.62%	313	1:12	3,751.97	3,513.71	-2.68%	93.65%
2014	4,080	65,005,768.62	15,932.79	7.86%	305	1:13	3,855.30	3,610.39	-2.18%	93.65%
2013	4,254	62,841,455.65	14,772.32	-3.50%	333	1:13	3,941.15	3,671.93	-1.66%	93.17%
2012	4,028	61,661,281.42	15,308.16	1.40%	301	1:13	4,007.67	3,749.02	-3.30%	93.55%
2011	4,103	61,941,379.78	15,096.61	-2.56%	323	1:13	4,144.27	3,876.80	-0.95%	93.55%
2010	4,104	63,587,269.74	15,493.97	2.85%	326	1:13	4,184.10	3,915.80	0.44%	93.59%
2009	4,150	62,515,979.69	15,064.09	0.38%	333	1:13	4,165.80	3,896.30	-3.08%	93.53%
2008	4,146	62,221,692.03	15,007.64	6.35%	331	1:13	4,298.30	4,015.90	3.57%	93.43%
2007	4,125	58,207,487.42	14,110.91	8.08%	320	1:13	4,150.20	3,893.20	0.33%	93.81%

Sources: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
<b>District Building</b>										
<b>High School</b>										
Triton High School (1956)										
Square Feet	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124
Capacity (students)	1,219	1,219	1,219	1,219	1,219	1,219	1,219	1,219	1,657	1,657
Enrollment	1,191	1,191	1,357	1,495	1,557	1,557	1,557	1,557	1,525	1,494
Highland High School (1967)										
Square Feet	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079
Capacity (students)	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,416	1,416
Enrollment	1,220	1,220	1,276	1,264	1,179	1,179	1,179	1,179	1,193	1,212
Timber Creek High School (2001)										
Square Feet	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614
Capacity (students)	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,442	1,442
Enrollment	1,316	1,316	1,447	1,495	1,414	1,414	1,414	1,414	1,428	1,419
<b>Other</b>										
Central Administration (1990)										
Square Feet	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880
Number of Schools at June 30, 2016										
High School = 3										
Other = 1										

Source: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

**UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES (11-000-261-XXX)**

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Triton High School		\$ 319,296.93	\$ 452,823.96	\$ 448,364.29	\$ 446,089.78	\$ 449,281.06	\$ 380,623.83	\$ 396,868.83	\$ 462,083.37	\$ 297,266.25	\$ 357,355.84
Highland High School		353,313.53	600,548.12	484,103.30	409,699.57	456,973.00	362,842.17	449,874.95	460,692.79	320,744.84	314,253.70
Timber Creek High School		292,182.41	359,545.45	386,909.42	434,876.09	386,596.18	386,433.45	400,435.66	402,486.42	206,697.93	171,969.09
<b>Total School Facilities</b>		<u>964,792.87</u>	<u>1,412,917.53</u>	<u>1,319,377.01</u>	<u>1,290,665.44</u>	<u>1,292,850.24</u>	<u>1,129,899.45</u>	<u>1,247,179.44</u>	<u>1,325,262.58</u>	<u>824,709.02</u>	<u>843,578.63</u>
Other Facilities		1,970.92	-	-	-	-	-	-	-	-	24,740.42
<b>Grand Total</b>		<u>\$ 966,763.79</u>	<u>\$ 1,412,917.53</u>	<u>\$ 1,319,377.01</u>	<u>\$ 1,290,665.44</u>	<u>\$ 1,292,850.24</u>	<u>\$ 1,129,899.45</u>	<u>\$ 1,247,179.44</u>	<u>\$ 1,325,262.58</u>	<u>\$ 824,709.02</u>	<u>\$ 868,319.05</u>

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

Source: District Records

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Insurance Schedule  
 June 30, 2016  
*Unaudited*

---

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy		
Property - Blanket Building & Personal Property	\$ 143,023,223.00 (a)	\$ 1,000.00
Comprehensive General Liability	6,000,000.00	
Comprehensive Automobile Liability	1,000,000.00	1,000.00
Employee Benefits Program Liability	3,000,000.00	1,000.00
Commercial Umbrella Policy	10,000,000.00	
School Board Legal Liability	3,000,000.00	7,500.00
Student Accident	1,000,000.00	
Catastrophic Student Accident	6,000,000.00	
Public Employees Dishonesty Per Loss	100,000.00	500.00
Workers Compensation Coverage	2,000,000.00	
Bonds		
Board Secretary	100,000.00	
Treasurer of School Funds	350,000.00	

(a) Pool limit

Source: District Records

**SINGLE AUDIT SECTION**

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Black Horse Pike Regional School District  
Blackwood, New Jersey

***Report on Compliance for Each Major Federal and State Program***

We have audited the Black Horse Pike Regional School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2016. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

***Management's Responsibility***

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Black Horse Pike Regional School District's, in the County of Camden, State of New Jersey, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal and State Program***

In our opinion, the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2016.

**Report on Internal Control Over Compliance**

Management of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Michael D. Cesaro  
Certified Public Accountant  
Public School Accountant No. CS 01191

Voorhees, New Jersey  
November 21, 2016

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards, Schedule A  
 For the Fiscal Year Ended June 30, 2016

<u>Federal Grantor/ Pass-through Grantor/Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal FAIN Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u> <u>From</u> <u>To</u>		<u>Balance June 30, 2015</u>	<u>Carryover/ (Walkover) Amount</u>
U.S. Department of Agriculture								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
Non-Cash Assistance (Food Distribution):								
National School Lunch Program	10 555	16161NJ304N1099	None	\$ 54,910.01	7-1-15	6-30-16	\$ 6,342.83	
Cash Assistance:								
School Breakfast Program	10 553	16161NJ304N1099	None	98,978.41	7-1-14	6-30-15	(8,998.08)	
School Breakfast Program	10 553	16161NJ304N1099	None	110,953.42	7-1-15	6-30-16		
National School Lunch Program	10 555	16161NJ304N1099	None	404,847.82	7-1-14	6-30-15	(28,114.96)	
National School Lunch Program	10 555	16161NJ304N1099	None	425,552.19	7-1-15	6-30-16		
Total Enterprise Fund (Total Child Nutrition Cluster)							(30,770.21)	-
U.S. Department of Education								
Passed-through State Department of Education:								
N.C.L.B.:								
Title I	84 010	S010A150030	NCLB039015	452,838.00	7-1-14	6-30-15	(237,485.58)	\$(27,612.00)
Title I	84 010	S010A150030	NCLB039016	554,164.00	7-1-15	6-30-16		27,612.00
Total Title I							(237,485.58)	-
Title II Part A	84 367	S367A150029	NCLB039015	55,937.00	7-1-14	6-30-15	(25,092.00)	
Title II Part A	84 367	S367A150029	NCLB039016	55,266.00	7-1-15	6-30-16		
Total Title II							(25,092.00)	-
Title III, Part A	84 365		NCLB039016	6,130.00	7-1-15	6-30-16	-	-
I.D.E.A., Part B Programs:								
Basic Regular	84 027	H027A150100	FT039015	861,034.00	7-1-14	6-30-15	(199,178.00)	(27,239.00)
Basic Regular	84 027	H027A150100	FT039016	883,389.00	7-1-15	6-30-16		27,239.00
Total I.D.E.A. Part B Cluster							(199,178.00)	-
Vocational Education								
Perkins Vocational and Applied Technology Education								
Prior Year	84 048	S048A150030	PERK039015	30,931.00	7-1-14	6-30-15	(18,961.00)	
Current Year	84 048	S048A150030	PERK039016	26,282.00	7-1-15	6-30-16		
Total Perkins Vocational & Applied Technology Education							(18,961.00)	-
Math-in-CTE								
Prior Year	84 048	S048A150030	None	12,000.00	9-1-08	8-31-09	(2,326.22)	
Total Special Revenue Fund							(483,042.80)	-
U.S. Department of Health and Human Services:								
Passed-through the State Department of Education:								
Special Education -- Medicaid Initiative	93.778	1605NJ5MAP	None	69,456.33	7-1-15	6-30-16		
Total General Fund							-	-
Total Federal Financial Assistance							\$ (513,813.01)	-

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

(A) See notes to Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance.



<u>Cash Received</u>	<u>Adjustments (A)</u>	<u>Budgetary Expenditures</u>			<u>Passed-Through to Subrecipients</u>	<u>Repayment of Prior Years' Balance</u>	<u>Balance at June 30, 2016</u>		
		<u>Pass-Through Funds</u>	<u>Direct Funds</u>	<u>Total Budgetary Expenditures</u>			<u>(Accounts Receivable)</u>	<u>Unearned Revenue</u>	<u>Due to Grantor</u>
\$ 54,910.01		\$ (60,210.81)		\$ (60,210.81)				\$ 1,042.03	
8,998.08									
104,447.27		(110,953.42)		(110,953.42)			\$ (6,506.15)		
28,114.96									
404,245.18		(425,552.19)		(425,552.19)			(21,307.01)		
600,715.50	-	(596,716.42)	-	(596,716.42)	-	-	(27,813.16)	1,042.03	-
237,485.00	\$ 27,612.58								
381,748.00	(27,612.00)	(556,740.94)		(556,740.94)			(174,992.94)		
619,233.00	0.58	(556,740.94)	-	(556,740.94)	-	-	(174,992.94)	-	-
25,092.00									
37,050.00		(55,266.00)		(55,266.00)			(18,216.00)		
62,142.00	-	(55,266.00)	-	(55,266.00)	-	-	(18,216.00)	-	-
6,130.00	-	(6,130.00)	-	(6,130.00)	-	-	-	-	-
199,178.00	27,239.00								
609,052.00	(27,239.00)	(863,965.59)		(863,965.59)			(254,913.59)		
808,230.00	-	(863,965.59)	-	(863,965.59)	-	-	(254,913.59)	-	-
18,961.00									
5,083.00		(26,281.92)		(26,281.92)			(21,198.92)		
24,044.00	-	(26,281.92)	-	(26,281.92)	-	-	(21,198.92)	-	-
							(2,326.22)		
1,519,779.00	0.58	(1,508,384.45)	-	(1,508,384.45)	-	-	(471,647.67)	-	-
69,456.33		(69,456.33)		(69,456.33)					
69,456.33	-	(69,456.33)	-	(69,456.33)	-	-	-	-	-
\$ 2,189,950.83	\$ 0.58	\$(2,174,557.20)	-	\$(2,174,557.20)	-	-	\$ (499,460.83)	\$ 1,042.03	-

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Schedule of Expenditures of State Financial Assistance, Schedule B  
For the Fiscal Year Ended June 30, 2016

<u>State Grantor/ Program Title</u>	Grant or State Project Number	Program or Award Amount	Required Match	Grant Period		Balance at June 30, 2015	
				From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor
<b>State Department of Education (State Aid)</b>							
<b>General Fund</b>							
Equalization Aid	15-495-034-5120-078	\$ 30,562,927.00		7-1-14	6-30-15	\$ (2,913,543.00)	
Equalization Aid	16-495-034-5120-078	30,562,927.00		7-1-15	6-30-16		
Special Education Categorical Aid	15-495-034-5120-089	2,402,732.00		7-1-14	6-30-15	(229,051 00)	
Special Education Categorical Aid	16-495-034-5120-089	2,402,732.00		7-1-15	6-30-16		
Security Aid	15-495-034-5120-084	139,073.00		7-1-14	6-30-15	(13,258.00)	
Security Aid	16-495-034-5120-084	139,073.00		7-1-15	6-30-16		
Per Pupil Growth Aid	15-495-034-5120-097	38,720.00		7-1-14	6-30-15	(3,691 00)	
Per Pupil Growth Aid	16-495-034-5120-097	38,720.00		7-1-15	6-30-16		
PARCC Readiness	15-495-034-5120-098	38,720.00		7-1-14	6-30-15	(3,691.00)	
PARCC Readiness	16-495-034-5120-098	38,720.00		7-1-15	6-30-16		
Total State Aid Public						(3,163,234.00)	-
Transportation Aid	15-495-034-5120-014	197,935.00		7-1-14	6-30-15	(18,869 00)	
Transportation Aid	16-495-034-5120-014	197,935.00		7-1-15	6-30-16		
Other State Aid - Extraordinary Aid	15-100-034-5120-473	380,404.00		7-1-14	6-30-15	(380,404.00)	
Other State Aid - Extraordinary Aid	16-100-034-5120-473	458,286.00		7-1-15	6-30-16		
Other State Aid - Non-Public Transportation Aid	15-495-034-5120-014	44,387.00		7-1-14	6-30-15	(44,387 00)	
Non-Public Transportation Aid	16-495-034-5120-014	28,188.00		7-1-15	6-30-16		
Reimbursed T P.A.F. Social Security Tax	15-495-034-5094-003	1,752,426.73		7-1-14	6-30-15	(84,834 55)	
Reimbursed T P.A.F. Social Security Tax	16-495-034-5094-003	1,774,641.93		7-1-15	6-30-16		
Total General Fund						(3,691,728.55)	-
<b>Capital Projects Fund</b>							
New Jersey Schools Development Authority	SP#0390-020-14-G3EE	2,719,907.00	\$ 2,033,231.00	7-10-14	Proj. End	802,754 90	
New Jersey Schools Development Authority	SP#0390-050-14-G3EF	2,478,538.00	1,852,798.00	7-10-14	Proj. End	(62,844 24)	
New Jersey Schools Development Authority	SP#0390-030-14-G2VE	290,495.00	217,156 00	7-10-14	Proj. End	217,156.00	
Total Capital Projects Fund						957,066 66	-
<b>Debt Service Fund</b>							
Debt Service Aid	16-495-034-5120-125	1,407,416 00		7-1-15	6-30-16		
Total Debt Service Fund						-	-
<b>Enterprise Fund</b>							
State School Lunch Program	15-100-010-3350-023	9,941.26		7-1-14	6-30-15	(671 67)	
State School Lunch Program	16-100-010-3350-023	9,842.52		7-1-15	6-30-16		
Total Enterprise Fund						(671 67)	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit						(2,735,333.56)	-
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
<b>General Fund (Non-Cash Assistance)</b>							
New Jersey Department of the Treasury:							
On-behalf Contributions:							
T.P.A.F. Post-Retirement Medical	16-495-034-5094-001	1,967,297 00		7-1-15	6-30-16		
Teacher's Pension and Annuity Fund	16-495-034-5094-002	1,156,068.00		7-1-15	6-30-16		
T.P.A.F. Non-contributory Insurance	16-495-034-5094-004	83,174.00		7-1-15	6-30-16		
Total General Fund (Non-Cash Assistance)						-	-
Total State Financial Assistance						\$ (2,735,333.56)	-

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

Cash Received	Adjustments	Total Budgetary Expenditures	Passed-Through to Subrecipients	Balance at June 30, 2016			Memo	
				Accounts Receivable	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30 2016	Cumulative Total Expenditures
\$ 2,913,543.00								\$ (30,562,927 00)
27,633,894.00		\$ (30,562,927 00)		\$ (2,929,033.00)			\$ (2,929,033.00)	(30,562,927 00)
229,051.00								(2,402,732 00)
2,172,463.00		(2,402,732.00)		(230,269.00)			(230,269.00)	(2,402,732 00)
13,258.00								(139,073.00)
125,745.00		(139,073 00)		(13,328.00)			(13,328.00)	(139,073.00)
3,691.00								(38,720.00)
35,009.00		(38,720 00)		(3,711.00)			(3,711.00)	(38,720.00)
3,691.00								(38,720.00)
35,009.00		(38,720 00)		(3,711.00)			(3,711.00)	(38,720.00)
<u>33,165,354.00</u>	<u>-</u>	<u>(33,182,172 00)</u>	<u>-</u>	<u>(3,180,052.00)</u>	<u>-</u>	<u>-</u>	<u>(3,180,052.00)</u>	<u>(66,209,464 00)</u>
18,869.00								(197,935.00)
178,966.00		(197,935 00)		(18,969.00)			(18,969.00)	(197,935.00)
380,404.00		(458,286 00)		(458,286.00)				(380,404.00)
								(458,286.00)
44,387.00								(44,387.00)
		(28,188 00)		(28,188.00)				(28,188.00)
84,834.55								(1,752,426.73)
<u>1,688,237.08</u>	<u>-</u>	<u>(1,774,641.93)</u>	<u>-</u>	<u>(86,404.85)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,774,641 93)</u>
<u>35,561,051.63</u>	<u>-</u>	<u>(35,641,222 93)</u>	<u>-</u>	<u>(3,771,899.85)</u>	<u>-</u>	<u>-</u>	<u>(3,199,021.00)</u>	<u>(71,043,667 66)</u>
271,990.70		(3,159,810.01)		(2,447,916.30)	\$ 362,851.89			(4,390,286.11)
991,415.20		(1,102,759.96)		(1,487,122.80)	1,312,933 80			(3,018,402 20)
		(496,288 80)		(290,495.00)	11,362.20			(496,288.80)
<u>1,263,405.90</u>	<u>-</u>	<u>(4,758,858.77)</u>	<u>-</u>	<u>(4,225,534.10)</u>	<u>1,687,147 89</u>	<u>-</u>	<u>-</u>	<u>(7,904,977.11)</u>
1,407,416.00		(1,407,416.00)						(1,407,416 00)
<u>1,407,416.00</u>	<u>-</u>	<u>(1,407,416.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,407,416 00)</u>
671.67								(9,941 26)
9,369.82		(9,842 52)		(472.70)				(9,842.52)
10,041.49		(9,842 52)		(472.70)				(19,783.78)
<u>38,241,915.02</u>	<u>-</u>	<u>(41,817,340 22)</u>	<u>-</u>	<u>(7,997,906.65)</u>	<u>1,687,147.89</u>	<u>-</u>	<u>(3,199,021.00)</u>	<u>(80,375,844 55)</u>
1,967,297.00		(1,967,297 00)						(1,967,297 00)
1,156,068.00		(1,156,068.00)						(1,156,068 00)
83,174.00		(83,174 00)						(83,174.00)
<u>3,206,539.00</u>	<u>-</u>	<u>(3,206,539 00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,206,539 00)</u>
<u>\$ 41,448,454.02</u>	<u>-</u>	<u>\$ (45,023,879 22)</u>	<u>-</u>	<u>\$ (7,997,906.65)</u>	<u>\$ 1,687,147.89</u>	<u>-</u>	<u>\$ (3,199,021.00)</u>	<u>\$ (83,582,383 55)</u>

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2016

---

**Note 1: BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Black Horse Pike Regional School District (hereafter referred to as the "School District"). The School District is defined in note 1 to the School District's basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules of expenditures of federal awards and state financial assistance. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund is presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District's basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, or State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement. The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under Uniform Guidance.

**Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

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

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is (\$71,556.84) for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 68,354.64	\$ 38,830,843.93	\$ 38,899,198.57
Special Revenue	1,426,677.61		1,426,677.61
Capital Projects		3,738,947.87	3,738,947.87
Debt Service		1,407,416.00	1,407,416.00
Food Service	591,406.62	9,842.52	601,249.14
Total Awards and Financial Assistance	<u>\$ 2,086,438.87</u>	<u>\$ 43,987,050.32</u>	<u>\$ 46,073,489.19</u>

**Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**Note 5: ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" represent carryover amounts from 2014-15 grant awards and also rounding differences between amounts reported for reimbursement and actual reimbursements.

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

During the fiscal year ended June 30, 2016, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, and post-retirement medical costs related to TPAF members.

**Note 7: MAJOR PROGRAMS**

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section 1- Summary of Auditor's Results

Financial Statements

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

Federal Awards

Internal control over major programs:
Material weakness(es) identified? \_\_\_ yes \_\_\_ X \_\_\_ no
Significant deficiency(ies) identified? \_\_\_ yes \_\_\_ X \_\_\_ none reported
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 516 of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)? \_\_\_ yes \_\_\_ X \_\_\_ no

Identification of major programs:

Table with 3 columns: CFDA Number(s), FAIN Number(s), Name of Federal Program or Cluster. Includes rows for National School Lunch Program and School Breakfast Program.

Dollar threshold used to determine Type A programs \$ 750,000.00
Auditee qualified as low-risk auditee? \_\_\_ X \_\_\_ yes \_\_\_ \_\_\_ no

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2016

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

**State Financial Assistance**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes  no

Significant deficiency(ies) identified? \_\_\_ yes  none reported

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 New Jersey Circular 15-08-OMB? \_\_\_ yes  no

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

- \_\_\_\_\_
- \_\_\_\_\_ 495-034-5120-078 \_\_\_\_\_
- \_\_\_\_\_ 495-034-5120-089 \_\_\_\_\_
- \_\_\_\_\_ 495-034-5120-084 \_\_\_\_\_
- \_\_\_\_\_ 495-034-5120-097 \_\_\_\_\_
- \_\_\_\_\_ 495-034-1520-098 \_\_\_\_\_

- \_\_\_\_\_ State Aid Public: \_\_\_\_\_
- \_\_\_\_\_ Equalization Aid \_\_\_\_\_
- \_\_\_\_\_ Special Education Categorical Aid \_\_\_\_\_
- \_\_\_\_\_ Security Aid \_\_\_\_\_
- \_\_\_\_\_ Per Pupil Growth Aid \_\_\_\_\_
- \_\_\_\_\_ PARCC Readiness \_\_\_\_\_

Dollar threshold used to determine Type A programs \$ \_\_\_\_\_ 1,254,520.00

Auditee qualified as low-risk auditee?  yes \_\_\_ no

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2016

---

***Section 2- Schedule of Financial Statement Findings***

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

None.



**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2016

---

***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

None.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2016

---

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

None.

**BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

---

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARDS**

None.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

None.

