

NORTHERN BURLINGTON REGIONAL SCHOOL DISTRICT

Columbus, New Jersey

County of Burlington

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

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

COLUMBUS, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Prepared by

**Northern Burlington County Regional School District
Finance Department**

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INTRODUCTORY SECTION

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November 10, 2016

Honorable President and
Members of the Board of Education
Northern Burlington County Regional School District
Burlington County, New Jersey

Dear Board Members/Citizens:

It is with pleasure we submit the Comprehensive Annual Financial Report (CAFR) of the Northern Burlington County Regional School District for the Fiscal Year ended June 30, 2016. The CAFR includes the district's basic financial statements prepared in accordance with generally accepted accounting principles for local governments. 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 is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities, including the Management's Discussion and Analysis, have been included.

The Comprehensive Annual Financial Report is presented in four sections as follows:

-  The Introductory Section contains a Letter of Transmittal, Roster of Officials, List of Consultants, Independent Auditors and Advisors, and an Organizational Chart of the School District;
-  The Financial Section begins with the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the district's financial position and operating results, and other schedules providing detailed budgetary information;
-  The Statistical Section includes selected economic and demographic information, financial trends, and the fiscal capacity of the school district, generally presented on a multi-year basis;
-  The Single Audit Section - The district is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this Single Audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

SCHOOL DISTRICT ORGANIZATION

The Northern Burlington County Regional School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by Statement No. 14 as amended by GASB Statement No. 39. The Northern Burlington County Regional Board of Education and its two schools constitute the district's reporting entity.

Proudly serving the communities of
Chesterfield Township Mansfield Township North Hanover Township Springfield Township

The district continues to maintain a high quality of education. The district provides a full range of educational programs and services appropriate to grade levels 7 through 12. These include regular, vocational, programs for the very able students (gifted and talented), as well as those for students with disabilities both in and out of district. The district educates students from Chesterfield Township, Mansfield Township, North Hanover Township, Springfield Township and the Joint Military Base McGuire, Dix, Lakehurst.

Supervising district-wide goals is a district superintendent, an assistant superintendent for academics, a school business administrator/board secretary, three district-wide curriculum directors, a director of special services and an athletic director. The Northern Burlington County Regional High School and Middle School each have its own principal. The High School has three assistant principals and the middle school has one assistant principal.

The Regional Board of Education is comprised of nine members, each elected to three-year terms. Based on the 2010 US Census the regional school boards seats are allocated as follows: Chesterfield has two seats, Mansfield has three seats, North Hanover has three seats, and Springfield has one seat.

The Regional Board of Education traditionally meets on the second Monday of each month for a work-session meeting and the third Monday of each month for a regular meeting. During its meetings and work-sessions the board determines district goals and priorities and conducts other business. Board meetings are open to the public and begin at 7:30 PM. All work-session and regular meeting agendas and minutes are posted on the district's e-governance webpage at www.nburlington.com.

The Parent Teacher Student Connection (PTSC) is active in the district and provides community support for a variety of programs and activities for the students.

EDUCATIONAL PROGRAM

Each district school follows district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality. All curricula in the district have been aligned to the New Jersey Core Curriculum Content Standards (NJCCCS) and the Common Core State Standards (CCSS). The following briefly describes new programs and or enhancements to existing programs that ensure the implementation of the standards:

Mathematics

High school and middle school geometry courses are the first in the district's mathematics program to incorporate chrome books in the classroom and curricula. Students use online programs such as GeoGebra and Geometer Sketchpad via chrome books to facilitate learning using another modality and to also increase and improve students' proficiency using an electronic device to take assessments. Algebra II was re-designed to increase rigor in all levels of the course and to fully align to the 2014 Common Core State Standards (CCSS) by adding: statistical analysis, trigonometry, sequences and series, and the Binomial Theorem. Computer science courses are continuing to evolve by revising programming languages. PreCalculus courses will be reviewed and updated following a multi-year revision of Algebra I, Geometry and Algebra II.

Science

After a year of professional development on the three dimensions of the Next Generation Science Standards (NGSS), and the shifts required for instruction, district science teachers developed key concepts for full implementation of standards effective September 2016. Throughout the school year teachers will execute new instructional methodologies necessary to meet major components of NGSS and continue to develop learning activities to include in units of studies. During the first year of the AP Physics 2 course students will be provided opportunities to more deeply understand electricity, magnetism, and waves, which was not possible in previous program configurations and sequences.

English Language Arts

The middle school and high school English Language Arts/Literacy program focuses instruction on the inclusion of oral and written expressions, detailed aspects of genres, and characteristics of various types of literary and informational texts aligned to the 2014 Common Core State Standards (CCSS). The district's benchmark assessment system has enabled teachers to design and implement activities and assessments to generate evidence of student understanding of enduring concepts and essential skills. Further, students are expected to demonstrate application of those concepts and skills throughout the curricula in grades 7-12. The content and skills in each unit build upon one another so all standards are addressed in a coherent and logical way across the grade spans. Specifically, the courses include common vocabulary and grammar instruction, and integrate art, music, media, civics and social

studies that are on grade level. Digital learning tools and resources are accessible in the classroom for students to work within the school day or in any location. Every language arts teacher use Google Classroom, Google Apps for Education (GAPE), and chrome books on a daily basis.

Social Studies

Revisions to the social studies curricula reflect data obtained and analyzed from the district's assessment literacy framework, particularly in the benchmarking system, which assesses student evidence of essential skills. Course curricula were modified to provide teachers with a more appropriate timeline to include modern day issues and more current social studies. The district social studies program continued to focus on the incorporation of source documents and the shared responsibility of implementing the 2014 CCCS. Learning activities include interactive notebooks and daily use of Google Classroom, Google Apps for Education, and chrome books.

Visual and Performing Arts

In anticipation of the NJDOE adoption of the National Arts Standards from the National Coalition of Core Arts Standards (NCCAS), district courses will be evaluated for comprehensive inclusion of the 2014 standards in lessons and balanced assessments throughout the year. The program evaluation will identify strengths and areas in need in preparation for the official adoption and implementation. Teachers will review and inventory existing instructional resources, hardcopy and digital textbooks. Course curricula, currently based on 2009 CCCS, will be revised to align with the 2014 CCCS revisions adopted by the NJDOE in summer 2016.

21st Century Life and Careers

Twelve Career Ready Practices are now the focus in all life and career skill-based courses. Applied Technology Education, Business, Agriscience, and Child Development curriculums have been updated to incorporate diverse real world learning activities for students to practice essential life skills in analysis, development, design and problem solving. Printed and digital textbooks will be evaluated to use in Agriscience and select Business courses. Marketing, Sports Marketing, and Entrepreneurship/Management courses have increased student participation in the co-curricular activities to include DEAC (Distributive Education Clubs of America) and FLBA (Future Business Leaders of America) programs. All course curricula are aligned to the 2014 CCCS.

Comprehensive Health and Physical Education

All district health and physical education courses measure and monitor students' development of knowledge and skills that influence life-long healthy behaviors within the context of self, family, school, and the local and global community. Students are introduced to and begin to develop an understanding of national and international public health and safety issues. Other units include wellness, driver's education, first aid/CPR, sex education, teen dating violence, fitness, nutrition, drug/alcohol abuse and family life. Physical fitness is promoted through participation in a variety of athletic games, competitions, and Fitness gram. Team-building skills are strongly emphasized in grades 7 to 12 through adventure education (outdoor ropes course and rock climbing) and additional leadership skills are offered through courses for seniors that include: Peer Leadership and Lifetime Information for Everyone (LIFE). Teachers will participate in additional training on the ropes course and rock climbing, and also engage in peer observation for the purpose of learning instructional strategies in other content areas. Health and Physical education course curricula, currently based on 2009 CCCS, will be revised to align with the 2014 CCCS in summer 2016

World Languages

The World Language department uses locally developed benchmark assessment to measure student progress in the three modes of communication: interpretive (reading and listening comprehension) and presentational (writing skills). A professional learning committee consisting of world language teachers meet to ensure there is consistency between the same courses taught in both the middle school and high school. Students enrolled in upper levels of Chinese, French, and Spanish courses will be administered the STAMP (Standards-based Measurement of Proficiency) web-based examination, a NJDOE approved assessment. These results are used to analyze and revise the effectiveness of the World Language curricula. All course curricula are aligned to the 2014 CCCS.

Technology

A middle school technology course was updated and rebranded to provide elements of Business Education to middle school students. This new offering, Business and Careers, is a discovery-based course that establishes a foundation for students interested in the study of Accounting, Contemporary Business, Technology, or Marketing in the high school. Learning activities will emphasize technology skills for personal and professional use. In addition, a professional development opportunity is planned for a director and teachers to attend the International Technology and Engineering Education Association to research best practices in advancing the STEM program at Northern. All course curricula are aligned to the 2014 CCCS.

Pre-engineering course offerings continue to expand. Contemporary course names and activities will now include, Industrial Design, Architecture, Material Design, Tools & Machine, and Construction. A high school course named Technology Capstone in Material, Design and Engineering will be offered for the first time. With honors weighting, senior students of differing backgrounds will collaborate, explore, and tackle challenges that face our community. Curriculum revisions reflect Standards for Technological Literacy delineated by the International Technology and Engineering Educators Association (ITEEA) and will compliment this evolution. The implementation of locally developed benchmark assessments will continue to assess students' learning of critical content standards and enduring understandings for each course.

Northern Burlington County Regional Middle School: Grades 7 & 8

The middle school is a grade 7 to 8 school of 744 students. There are two administrators and a staff of approximately 90 teachers and support employees. The school is a modern facility built in 2003 and is 144,000 square feet in size. The school is located on 180 Mansfield Road East, in Columbus where it shares a campus with the high school.

Northern Burlington County Regional High School: Grades 9 through 12

The high school is a grade 9 through 12 school of 1328 students. There are four administrators and a staff of approximately 140 teachers and support employees. The original school building was built in 1960, has multiple dwellings, is 215,545 square feet in size and is well maintained. The high school is located on 160 Mansfield Road East, in Columbus where it shares a campus with the middle school.

ECONOMIC CONDITION AND OUTLOOK

The district completed the 2015-2016 fiscal year with an average daily enrollment of 2,024 students, which is a decrease of 81 students over the previous year's enrollment. The following details the changes in the average daily enrollment of the district over the last twelve years. The table presents the annual pupil enrollment, as of October 15, for the school years 2004-2005 through 2015-2016.

<u>School Year</u>	<u>Student Enrollment</u>	<u>Percent Changes</u>
2015-2016	2024	-3.85%
2014-2015	2105	2.04%
2013-2014	2063	4.14%
2012-2013	1981	1.43%
2011-2012	1953	4.83%
2010-2011	1863	2.59%
2009-2010	1816	1.28%
2008-2009	1793	-2.29%
2007-2008	1835	-1.87%
2006-2007	1870	-0.43%
2005-2006	1878	-1.52%
2004-2005	1907	0.79%

Enrollment projections are determined by a demographer using the cohort survival ratios and 6 years of historical data.

Projected Grade 7-12 Enrollments for 2016-17 to 2020-21
Using Cohort-Survival Ratios and 6 Years of Historical Data

Year	7	8	9	10	11	12	SE	7 - 8 Total	9 - 12 Total	7 - 12 Total
2016-17	401	336	370	315	314	325	29	746	1,344	2,090
2017-18	423	398	323	351	305	313	29	830	1,312	2,142
2018-19	367	419	382	306	340	304	29	795	1,352	2,147
2019-20	381	364	402	362	297	339	30	755	1,420	2,175
2020-21	393	378	349	381	351	296	30	781	1,397	2,178

Although the housing development in Mansfield Township has slowed, Chesterfield Township continues to build new homes and grow. Housing on Joint Military Base McGuire, Dix, Lakehurst is near capacity.

We recognize that the State is in a financial crisis and want to assure our residents that the Northern Burlington County Regional School District is doing its part to maintain a responsible budget. The district's administration closely monitors the cost of operations and continues to look for new funding sources in order to maintain the quality education services that the district has been accustomed to providing.

Maintaining our School System:

In March, 2016, the Board of Education will approve a spending plan that not only maintains current programs but also explores the opportunities to embrace a new era of strategic planning via the Excellence By Design Protocols outlined by the Middle States Accreditation Process. This initiative began last March and has continued through the summer of 2015 and the fall of 2016. This is a self-assessment protocol that will culminate in Northern's attainment of certification from the MSA.

Northern Burlington is also working hard to manage aging facilities. In September of 2015 a building referendum for approximately \$63 million was defeated at the polls. This has left the Board of Education seeking alternative strategies to address the significant facility needs. The FY'17 spending plan will appropriate revenues to address some of these more pressing concerns.

The Board remains committed to continue its practice of presenting budgets within the tax levy caps. It should be noted that the increase in state aid for 2016-2017 \$109,000 simply will not adequately fund this increase in the student population. As a result of the inadequate State Aid, the NB Board of Education will use banked cap to support the 2016-2017 spending plan.

Academic priorities for FY'17 once again find focus in the attainment of 21st Century Learning Skill for all students. Moreover, the Board, administration, and faculty will once again embrace the 21st Century Assessments such as the PARCC to measure instructional strengths and student achievement. Moreover, the district will continue with its professional development strategies to build its capacity in developing and assessing benchmark assessments. It should also be noted that there will be a continued focus on STEM programs including Math and (NGSS) Science standards during summer curriculum writing projects. Finally, 21st Century Life and Careers skill will be introduced in our Agriscience, Applied Technology, and Business and Technology programs.

In addition, this budget considers the need to incrementally enhance school and campus safety and security. As previously mentioned, this spending plan does anticipate additional student enrollment. Subsequently, an increase in teaching staff and teacher aides will be necessary to meet the needs of our growing student population. Moreover, a school resource officer for the Middle School is maintained in the budget and improved video surveillance throughout the campus along with teachers being assigned to various 'surveillance duties' throughout the day are all maintained in this spending plan. It should also be noted that the IPSC aid will once again be distributed to both the

agriscience program (approximately 25%) and the general education programs (approximately 75%) throughout the district.

Finally, the Board of Education continues to support the administration's efforts to decrease out of district special education placement costs and increase tuition revenue opportunities within the district. For FY '17, the district anticipates the need to hire one additional teacher to support this effort. It should be noted that when this administration identifies the ability to service students 'in house' these placements are oftentimes challenged by the parents. As a result, increased legal fees are realized and ultimately, the legal decision most often does not support this effort. Instead, the district is forced to pay higher tuition rates and increase services beyond what the professionals in this district have determined to be quite appropriate for the needs of the child. Until this process is improved, the district's ability to better control these costs will not be realized.

Raising Standards and Expanding Opportunities:

The Board of Education once again is pleased to have developed a spending plan that will raise academic standards and expand opportunities for all students. To accomplish this, programs are continually assessed and curriculum revised.

Academic Priorities include:

- The incorporation of locally designed benchmark assessments to enable teachers in all departments to assess the identified power standards and provide students with opportunities to demonstrate their understanding of critical content standards.
- Instructional technologies such as chrome books, interactive white boards, and Google Docs for Education software are sustained and expanded.
- In preparation for the state's adoption of the Next Generation Science Standards (NGSS), teams of teachers are intensely focusing on understanding the three dimensions of the standards and examining how curriculum and instruction will change to support the shifts. The shifts include an understanding of Science and Engineering Practices, Crosscutting Concepts, and Disciplinary Core Ideas.
- The middle school and high school English Language Arts program will focus instruction on the inclusion of oral and written expressions, detailed aspects of genres, and the characteristics of various kinds of literary and informational texts that are aligned to the Common Core State Standards (CCSS).
- In response to the College Board's revision of the national social studies curricula, teachers in the social studies department anticipate significant revisions to local curricula beginning summer 2015 and continuing in the summer of 2016.
- Pre-engineering course offerings continue to expand. Contemporary course names and activities include: Industrial Design, Architecture, Material Design, Tools & Machine, and Construction. Curriculum revisions reflect Standards for Technological Literacy delineated by the International Technology and Engineering Educators Association (ITEEA) and will compliment this evolution. The implementation of locally developed benchmark assessments will continue to assess students' learning of critical content standards and enduring understandings for each course.

Building Professionalism

Each summer the Central Administration coordinates and presents an "Administrative Retreat." This is a carefully crafted professional development program that is designed to build capacity in critical areas of the administrative team. The retreat focus for the summer of 2016 will include skill building in the areas of instructional assessment, strategic thinking, policy assessment and implementation, and contract administration.

It should also be noted that the Northern Burlington County Regional School District administrators and faculty are proud to implement its locally developed teacher assessment and principal assessment tools. Both tools have been approved by the Department of Education. Clearly, the need for staff training and resource materials needed for the implementation of EE4NJ is evidenced in the state guidelines and this spending plan provides for the necessary resources to successfully implement and monitor this process.

Northern Burlington County Regional District's locally developed teaching practice evaluation instrument was approved by the New Jersey Department of Education. Presently teachers and administrators are receiving training on the instrument and process.

Protecting our Investments (Capital and Maintenance Projects/Capital Reserve)

During Fiscal Year 2016 the school district held a special election for the Building Excellence project that proposed connecting the old junior high school building to the original high school building creating a closed campus, updating 56 year old mechanical systems such as boilers, HVAC, electric, plumbing, etc., replace sections of roofs on each school building, and expand the high school parking lot. The election was soundly defeated by the regional

school communities. Members of the School Administration in conjunction with School Board Members are hosting "focus group" meetings to determine what the school community will support relative to renovating and expanding their 56 year old high school facilities.

In the interim, costly repairs to aging electrical equipment is being completed through the current general fund budget. An outdated Federal Pacific electrical panel was repaired enough to get by long enough to replace the panel with equipment from companies that are still in business. Likewise, to alleviate students parking on surrounding roads without sidewalks, the Fiscal Year 2107 General Fund budget includes a lease purchase capital project to increase the school's parking lot by approximately 250 parking spaces.

Through a comprehensive maintenance plan the district continues to remodel high school classrooms each summer that includes the removal of asbestos floor tile, installation of vinyl composition floor tile, removal of antiquated electrical and audio-visual components and wiring, removal of slate blackboards and bulletin boards, patching, parching, and painting of rooms, electrostatic painting of all Nesbitt and Herman-Nelson unit ventilator covers and metal shelving along with the installation of SMARTBOARDS, new casework, the installation of new teacher station power and audio visual terminals.

Further, each summer the building and grounds staff continues to paint areas that need restoring. This past year the painting project included the middle school hallway walls and four bathrooms. In the high school, the building and grounds staff painted over 6 classrooms, 6 lavatories, the boy's & girl's locker rooms, east main office, CST offices, and the school nurse's suite.

For safety purposes, ADA compliant room numbering signs were installed on all doors throughout the high school west and east school buildings. The room signage now ties into the new fire suppression system installed several years ago. Likewise, for safety and security purposes, numbering signs were installed on all exterior doors throughout the district's two schools so that first responders can more easily identify access to the school buildings.

The strategic plan for the replacement of analog security cameras and expansion of digital security cameras continued to be supported through the use of federal impact aid funds. The school district installed close to 30 security cameras in the high school and middle school. The majority of these cameras replaced old analog security cameras at the high school that outlived their useful life.

The Board remains optimistic that the school community will support the renovation of outdated mechanical systems, and improve the core facilities of the high school. The Board will continue to communicate the needs of the high school with the community and work towards a suitable building plan.

Planning for the Future

This administration and Board of Education fully understand the dynamics of strategic thinking and have established a collaborative decision-making process that incorporates a deliberate approach to strategic planning initiatives. Resources are evaluated, needs assessed, and progress measured. Key decisions are examined in scenario-based discussions and final goals are established after consideration from all stakeholders.

During the 2016-2017 school year, the Board of Education and its administration will embark on the development of a strategic plan that will guide instruction, facilities, and technology decision-making for the next five years. This process will include the crossover of the district's strategic planning process from the accreditation for growth (AFG) model to the Excellence By Design (ExBD) model as well as a rethinking of technologies to improve instruction and a reimagining of facilities for the year 2020.

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 and misuse and to ensure that adequate accounting data are completed to allow for the preparation of financial statement in conformity with general accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be delivered; and (2) the valuation of costs and benefits require estimates and judgments by management.

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

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

BUDGETARY CONTROLS

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

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

CASH MANAGEMENT

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

RISK MANAGEMENT

The Board carries various forms on insurance including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, workers' compensation, and fidelity bonds. A schedule of insurance coverage is found in J-20.

In addition to the mentioned coverages, the Northern Burlington County Regional High School District is a member of the BCIPJIF. Besides providing coverages, the BCIPJIF provides a wide range of Risk Management workshops and training sessions that are geared to decrease risk exposure.

OTHER INFORMATION - INDEPENDENT AUDIT


State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman, Frenia & Allison, P.C., Certified Public Accounts, was appointed by the Board of Education. In addition to meeting the requirements set forth in the State statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB's Circular 15-08 OMB, *"Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid"*. The auditor's report on the basic financial statements and combining 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.

ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Northern Burlington County Regional Board of Education for their concern and guidance in providing fiscal accountability to the citizens and taxpayers of the Regional School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our business office staff.

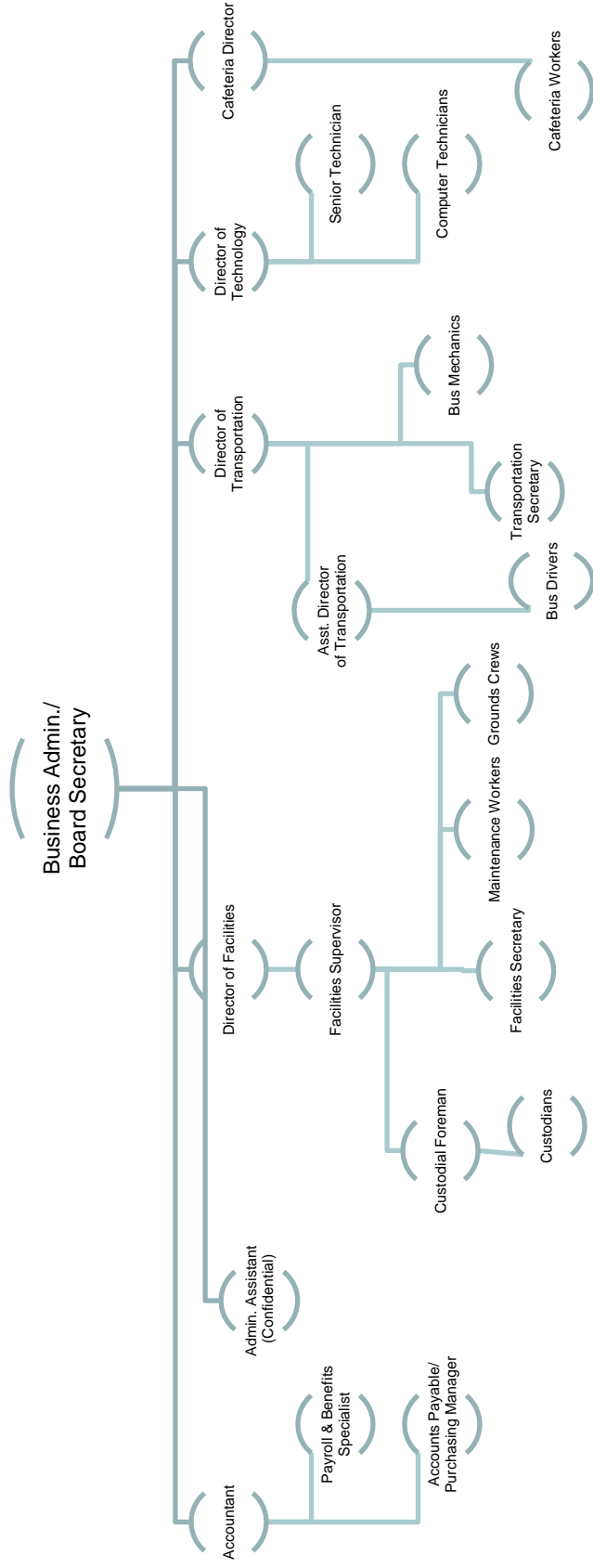
Respectfully Submitted,


James Sarruda, Ed.D.
Superintendent of Schools

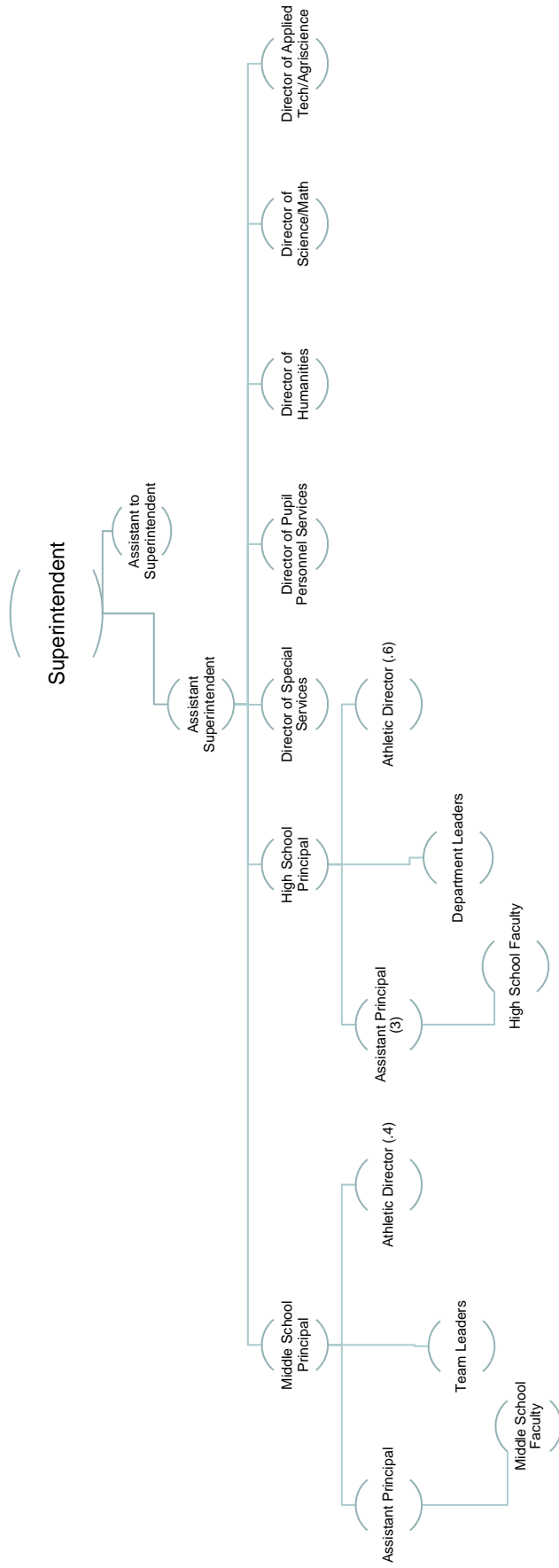

Richard Kaz, Jr.
School Business Administrator/
Board Secretary

Proudly serving the communities of
Chesterfield Township Mansfield Township North Hanover Township Springfield Township

Northern Burlington County Regional School District Business Office



Northern Burlington County Regional School District Educational Branch



**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NEW JERSEY**

ROSTER OF OFFICIALS

June 30, 2016

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Kevin Zimmer, President	2016
Marie Goodwin, Vice President	2017
Michael Crawford	2016
Megan Riffle	2016
Edmund Nowak	2017
Marcial Mojena	2018
Paul Narwid	2018
F. Gerald Spence	2018
Matthew Varava	2017

Lt. Col. Rayna W. Lowery, McGuire Joint Military Base Liaison

OTHER OFFICIALS

Dr. James Sarruda, Superintendent

Dr. Kathy McCormick, Assistant Superintendent

Richard Kaz, Board Secretary/Business Administrator

Joseph Monzo, Treasurer

Stephen J. Mushinski, Esquire, Solicitor

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NEW JERSEY**

CONSULTANTS AND ADVISORS

ARCHITECT

Fraytak Veisz Hopkins Duthie, P.C.
Trenton, New Jersey

ENGINEER

Van Cleef Engineering, Inc.
Robbinsville, New Jersey

AUDIT FIRM

Holman Frenia Allison, P.C.
Kevin P. Frenia, PSA, CPA, RMA
Medford, New Jersey

ATTORNEY

Stephen J. Mushinski, Esq.
Parkey McCay
Mount Laurel, New Jersey

OFFICIAL DEPOSITORY

TD Bank

Lumberton, New Jersey

BBT

Lumberton, New Jersey

ABCO Federal Credit Union

Rancocas, New Jersey



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting Award
is presented to**

**Northern Burlington County Regional School
District**

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Northern Burlington County Regional School District
County of Burlington
Columbus, New Jersey 08022

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 Northern Burlington County Regional School District, County of Burlington, 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 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States; and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and the schedules related to accounting and reporting for pensions, 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 Northern Burlington County 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 Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are also not a required part of the basic financial statements.

The accompanying combining statements and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 Schedule 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 10, 2016 on our consideration of the Northern Burlington County 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 Northern Burlington County Regional School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
November 10, 2016

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

Management's Discussion and Analysis

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

The Discussion and Analysis (MD&A) of Northern Burlington County Regional School District's (the District) financial performance provides an overall review of the District financial activities for the fiscal year ended on June 30, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance. Certain comparative information between the current fiscal year (2015-2016) and the prior fiscal year (2014-2015) is required and is presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2016 fiscal year are as follows:

-  Northern Burlington formally reserved \$1,190,271 of unanticipated Federal Impact Aid bringing the total reserve to \$6,268,117.
-  During Fiscal Year 2016, Northern allocated \$38,280 of Federal Impact Aid funds to cover the purchase and installation of digital security cameras.
-  The overall General Fund balance increased \$1,896,833 from the prior fiscal year to \$12,849,610.
-  At the conclusion of the fiscal year, the district's Unassigned General Fund balance is \$897,125. The amount of unassigned general fund balance is absent two State aid payments for Fiscal Year 2016 that are traditionally paid in June but now paid in July. The absent State aid payments amount to \$1,174,328. If these two State aid payments were received or recorded as receivable at fiscal year-end June 30, 2016 then the unassigned general fund balance would be \$2,071,453. Please note that Chapter 73, Public Law of 2004 ("S1701") limits the amount of unassigned fund balance to 2% of the adjusted 2016 General Fund Expenditures plus allowable adjustments or \$2,071,453.
-  During Fiscal Year 2016, Northern transferred \$500,000 into the Capital Reserve account to fund future Capital expenditures of the District.
-  The Food Service Enterprise Fund is reporting a net change in position of \$9,480 due to various capital improvements made during the fiscal year. The enterprise fund balance is \$233,543. This fund continues to be self-sustaining.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Northern Burlington County Regional School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The focus of governmental accounting differs from that of business enterprises. In government, the financial statement user is concerned with determining accountability for funds, evaluating operating results, and assessing of service that can be provided by the governmental along with its ability to meet obligations as they become due. In comparison, the primary emphasis in the private sector from both an operational and reporting perspective is on the maximization of profits.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Northern Burlington County Regional School District, the general fund is by far the most significant fund.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

This document contains the large number of funds used by the District to provide programs and activities. The view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets, deferred outflows of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting similar to the accounting used by most private-sector companies. These bases of accounting takes into account all of the current year's revenues and expenses, regardless of when cash is received or paid.

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. The District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental funds information help the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds

The District maintains four proprietary fund types, enterprise funds. The enterprise funds are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in the District's middle and high schools. The transportation services enterprise fund provides for the operation of a

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

transportation system that provides transportation services to three school districts within the regional system. Likewise, the technology fund provides for shared technology services such as computer technicians and Internet access to three school districts within the regional system. The proprietary funds have been included within the business-type activities in the government-wide financial statements.

Fiduciary funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government entity. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the District's own programs.

The District uses trust and agency funds to account for resources held for payroll transactions, student activities, retirement trust, and for the District's unemployment trust fund.

Notes to the Government-wide Financial Statements

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the school district as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The district's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Table 1 provides a summary of the school district's net position for 2016 and 2015.

Table 1				
Net Position				
As of June 30, 2016				
	Governmental Activities		Business-Type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Assets				
Current and Other Assets	\$ 13,876,571	\$ 11,971,331	\$ 433,396	\$ 553,669
Capital Assets, Net	33,382,363	34,736,953	147,788	139,860
Total Assets	47,258,934	46,708,284	581,184	693,529
Deferred Outflows				
Deferred Charges on Refunding of Debt	308,742	329,791	-	-
Deferred Outflows Related to Pensions	1,781,218	713,844	-	-
Total Deferred Outflows	2,089,960	1,043,635	-	-
Liabilities				
Long-term Liabilities	28,967,934	28,276,007	-	-
Other Liabilities	560,715	1,047,603	21,548	215,638
Total Liabilities	29,528,649	29,323,610	21,548	215,638
Deferred Inflows				
Deferred Inflows Related to Pension	576,426	1,021,975	-	-
Total Deferred Inflows	576,426	1,021,975	-	-
Net Position				
Net Investment in capital assets	19,188,176	18,425,737	147,788	139,860
Restricted	12,625,099	11,028,010	-	-
Unrestricted	(12,569,456)	(12,047,413)	411,848	338,031
Total Net Position	\$ 19,243,819	\$ 17,406,334	\$ 559,636	\$ 477,891

The District's combined net position was \$19,803,455 on June 30, 2016. This was an increase of \$1,919,230 or 10.73% from the prior year.

The District's largest item of net position is the \$19,188,176 portion of net position shown above that is buildings, equipment, and other net investments in capital assets. Restricted represents resources that are subject to external restrictions on how they may be used. These accounts include Capital Reserve, Capital Projects Funds, and Debt Service Fund. Unrestricted net position is any remaining funds not included in capital assets and restricted net positions.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Table 2 shows the changes in net position from fiscal year 2016 and fiscal year 2015.

**Table 2
Changes in Net Position**

Revenues	Governmental Activities		Business Type Activities	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Program Revenues				
Operating grants and contributions	\$ 8,360,090	\$ 6,943,041	\$ 208,870	\$ 173,032
Charges for Services	209,665	166,593	1,660,791	1,735,464
General Revenues				
Property Taxes	20,741,862	19,993,700	-	-
State and Federal Aid	14,923,393	16,525,759	-	-
Other Charges	422,131	(1,312,606)	-	-
Total Revenues	<u>\$ 44,657,141</u>	<u>\$ 42,316,487</u>	<u>\$ 1,869,661</u>	<u>\$ 1,908,496</u>
Expenses				
Governmental Activities:				
Instruction :				
Regular	\$ 9,495,752	\$ 9,486,398	-	-
Special Education	2,577,439	2,450,328	-	-
Other Special Instructions	48,783	81,612	-	-
Other Instruction'	1,647,632	1,543,266	-	-
Support Services:				
Tuition	1,458,106	1,442,300	-	-
Attendance & Social Work Services	152,239	179,256	-	-
Health Services	382,382	345,076	-	-
Student & Instructional Related Services	2,949,226	3,017,555	-	-
Educational Media Services/School Library	187,856	196,039	-	-
Instructional Staff Training	310,793	246,700	-	-
School Administrative Services	1,112,390	1,112,411	-	-
Central Services	475,929	433,347	-	-
Administrative Information Technology	57,589	56,410	-	-
Other Administrative Services	607,860	572,815	-	-
Plant Operations & Maintenance	3,409,752	3,132,914	-	-
Pupil Transportation	2,030,136	2,050,359	-	-
Unallocated Benefits	13,395,423	11,584,527	-	-
Interest on Long-Term Debt	1,049,905	736,902	-	-
Unallocated Depreciation	1,520,464	1,474,410	-	-
Food Services	-	-	1,737,916	1,857,494
Total Expenses	<u>42,869,656</u>	<u>40,142,625</u>	<u>1,737,916</u>	<u>1,857,494</u>
Transfers				
Transfer from Enterprise Fund	50,000	-	(50,000)	-
Total Transfers	<u>50,000</u>	<u>-</u>	<u>(50,000)</u>	<u>-</u>
Net Increase (Decrease) in Net Position	1,837,485	2,173,862	81,745	51,002
Net Position, Beginning	<u>17,406,334</u>	<u>15,232,472</u>	<u>477,891</u>	<u>426,889</u>
Net Position, Ending	<u>\$ 19,243,819</u>	<u>\$ 17,406,334</u>	<u>\$ 559,636</u>	<u>\$ 477,891</u>

Property taxes made up 46.40% of revenues for governmental activities for the Northern Burlington County Regional School District for fiscal year 2016 and 47.25% of revenues for fiscal year 2015. Property tax revenues increased \$748,162 which is a 3.74% increase over the prior year. The increase was within the State mandated cap of 2% on property tax increases exclusive of cap adjustments for health care costs and bank cap. The District's total revenues for governmental activities were

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

\$44,707,141 for the year ended June 30, 2016. Federal, state and local grants accounted for another 33.38% of revenue.

Governmental Activities

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

**Table 3
Net Cost of Governmental Activities**

Governmental Activities:	Source	2016		2015	
		Total Cost of Services	Net Cost of Services	Total Cost of Services	Net Cost of Services
Instruction:					
Regular	A-2	\$ 9,495,752	\$ 9,286,087	\$ 9,486,398	\$ 9,319,805
Special Education	A-2	2,577,439	2,050,114	2,450,328	1,904,826
Other Special Education	A-2	48,783	48,783	81,612	81,612
Other Instruction	A-2	1,647,632	1,647,632	1,543,266	1,543,266
Support Services & Undistributed Costs:					
Tuition	A-2	1,458,106	1,458,106	1,442,300	1,442,300
Attendance & Social Work Services	A-2	152,239	152,239	179,256	179,256
Health Services	A-2	382,382	382,382	345,076	345,076
Student & Instructional Related Services	A-2	2,949,226	2,895,545	3,017,555	2,991,002
Educational Media Services/School Library	A-2	187,856	187,856	196,039	196,039
Instructional Staff Training	A-2	310,793	310,793	246,700	246,700
School Administrative Services	A-2	1,112,390	1,112,390	1,112,411	1,112,411
Central Services	A-2	475,929	475,929	433,347	433,347
Administrative Information Technology	A-2	57,589	57,589	56,410	56,410
Other Administrative Services	A-2	607,860	607,860	572,815	572,815
Plant Operations & Maintenance	A-2	3,409,752	3,409,752	3,132,914	3,132,914
Pupil Transportation	A-2	2,030,136	2,030,136	2,050,359	2,050,359
Unallocated Benefits	A-2	13,395,423	6,314,014	11,584,527	5,928,316
Interest on Long-Term Debt	A-2	1,049,905	352,230	736,902	22,127
Unallocated Depreciation (Excludes Direct Expenses)	A-2	1,520,464	1,520,464	1,474,410	1,474,410
Total Governmental Activities		\$ 42,869,656	\$ 34,299,901	\$ 40,142,625	\$ 33,032,991









- ❖ Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.
- ❖ Support Services include the activities involved with assisting staff with the content and process of teaching to students, including child study team services, curriculum and staff development and extraordinary services.
- ❖ School administration, central services and other administrative services include expenses associated with administrative and financial supervision of the District.
- ❖ Plant Operations and maintenance involve keeping the school grounds, buildings, and equipment in effective working condition.
- ❖ Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by state law.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

- ❖ Unallocated benefits include employee health benefits, social security, local and state share of pension costs, workmen's compensation insurance, tuition reimbursement, etc.
- ❖ Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to District debt.

Increase/decrease in Government-wide and fund statements:

-  Regular Instruction- increase in teachers
-  Other Instruction – increase in vocational, co-curricular & athletic instruction
-  Tuition – increase in students and services for the special services school
-  Other Administrative Services – decrease in administrative salaries and professional services
-  Student & Instruction Related Services – increase in support and extra services
-  Plant and Operations – increase in cost of utilities
-  Unallocated Benefits – increase in health benefits premiums
-  Capital Outlay – increase in instructional equipment

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$40,704,374 and expenditures were \$39,092,540. The net positive changes in fund balance for the year were in the general fund which showed an increase of \$1,896,834. As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

Table 4				
Summary of Governmental Fund Revenues				
	Year Ended June 30, 2016	Year Ended June 30, 2015	Amount of Increase (Decrease)	Percent Increase (Decrease)
REVENUES				
Local sources:				
Local Tax Levy	\$ 20,741,862	\$ 19,993,700	\$ 748,162.00	3.7%
Tuition	209,665	166,593	43,072	25.9%
Transportation	185,381	106,099	79,282	74.7%
Miscellaneous	236,750	200,276	36,474	18.2%
Total - Local Sources	<u>21,373,658</u>	<u>20,466,668</u>	<u>906,990</u>	4.4%
Federal Sources	2,832,464	4,544,075	(1,711,611)	-37.7%
State Sources	16,498,252	16,022,536	(475,716)	-3.0%
Total - Govt Sources	<u>19,330,716</u>	<u>20,566,611</u>	<u>(2,187,327.00)</u>	-11.3%
Total Revenues	<u>\$ 40,704,374</u>	<u>\$ 41,033,279</u>	<u>\$ (328,905.00)</u>	<u>-0.8%</u>

Revenues were down \$328,905 or 0.80% over the prior year, mostly due to decrease in impact aid receipts.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Table 5 Summary of Governmental Fund Expenditures				
	Year Ended June 30, 2016	Year Ended June 30, 2015	Amount of Increase/ (Decrease)	Percent Increase/ (Decrease)
Current:				
Regular Instruction	\$ 9,329,900	\$ 9,454,824	\$ (124,924)	-1.32%
Special Education Instruction	2,577,439	2,450,328	\$ 127,111	5.19%
Other Instruction	1,696,415	1,624,878	\$ 71,537	4.40%
Support Services and Undistributed Costs:			\$ -	
Tuition	1,458,106	1,442,300	\$ 15,806	1.10%
Student & Instruction Related Services	3,982,496	3,984,626	\$ (2,130)	-0.05%
School Administrative Services	1,645,908	1,602,168	\$ 43,740	2.73%
General Administrative Services	607,860	572,815	\$ 35,045	6.12%
Plant Operations and Maintenance	3,069,040	3,132,914	\$ (63,874)	-2.04%
Pupil Transportation	2,134,701	2,050,359	\$ 84,342	4.11%
Unallocated Benefits	9,160,079	8,464,319	\$ 695,760	8.22%
Debt Service	2,784,697	2,824,948	\$ (40,251)	-1.42%
Capital Outlay	<u>645,899</u>	<u>1,505,609</u>	<u>\$ (859,710)</u>	<u>-57.10%</u>
Total Expenditures	<u>\$ 39,092,540</u>	<u>\$ 39,110,088</u>	<u>\$ (17,548)</u>	<u>-0.04%</u>

Expenditures were down \$17,548 or a decrease of 0.04% over the prior year. This increase is attributed to a significant increase in health care, increase in the District's special needs population and ancillary services, and the track widening project that expands the track to eight lanes from six lanes.

In 2003, P.L. 2003, c.97 provided that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue, for budget purposes only, in the current school budget year. The bill provides the legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes the liability. Since the state is recording the last state aid payment in the subsequent fiscal year, the District cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable.

In 2016, due to severe budget issues at the state level, the Governor withheld the second state aid payment, in the same manner as was done in 2003 which is explained above, which totals \$1,174,328.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Table 6 highlights various significant budgetary variations for the 2015-16 school year.

Table 6							
Fiscal Year 2016 Highlights of Significant Budgetary Variations							
Account Description	Account Number	Original Budget	Budget Transfers	Final Budget	Actual	Over/ (Under)	Explanation
Tuition	10-1300	73,891	-	73,891	209,665	135,774	See Schedule
Impact Aid	10-4100	1,075,000	-	1,075,000	2,165,581	1,090,581	\$99,690 DOD, \$1066,121 FY'16, \$513,508 FY '15, \$468,129 FY '14 & \$117,823 FY '13
School Choice	10-3116	415,100	-	415,100	415,100	-	
Extraordinary Aid	10-3xxx	-	-	-	334,139	334,139	Not included in budget
Educational Services	11-190-100-320	319,170	84,813	403,983	398,825	5,158	Sub-teachers covering Leaves of Absences (LOA)
General Supplies	11-190-100-610	428,815	117,194	546,009	432,063	113,946	Chromebooks
Purchased Services	11-213-100-320	233,539	(7,594)	225,945	225,273	672	Sub-teachers covering Leaves of Absences (LOA)
Supplies and Materials	11-402-100-600	157,533	18,188	175,721	156,404	19,317	Athletic Uniforms
Purchased Services	11-000-217-320	857,289	(48,265)	809,024	623,708	185,316	Contracted Nursing Services
Architectural/Engineering Services	11-000-230-334	42,388	177,169	219,557	95,023	124,534	HS E Parking Lot Expansion Project
Principals	11-000-240-103	625,653	(13,585)	612,068	588,292	23,776	Reclassification of AP from Director
Salaries of Other Prof.Staff	11-000-240-104	276,100	13,975	290,075	290,075	-	
Supplies and Materials	11-000-240-600	30,080	(385)	29,695	7,655	22,040	Replacement desks
Cleaning, Repair & Maintenance Services	11-000-261-420	254,485	70,915	325,400	270,342	55,058	Renovated Art Classroom
Other Purchased & Technical Services	12-000-400-390	-	295,777	295,777	50,644	245,133	Ground soil remediation

Proprietary Funds

The District's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

The Food Service Enterprise Fund's net position increased by \$9,480 over that of the 2015-16 school year, from \$224,063 to \$233,543. The food services program continues to be self-sustaining.

The Regional Transportation Enterprise Fund's net position increased by \$120,691 over that of the 2015-16 school year, from \$42,482 to \$163,173.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Capital Assets

At the end of the fiscal year 2016, the school district had \$33,382,363 invested in land, buildings and improvements and machinery and equipment. Table 7 shows fiscal 2016 balances compared to 2015.

Table 7			
Capital Assets			
Governmental Activities			
	<u>2016</u>	<u>2015</u>	
Building & Bldg Improvements	\$ 42,150,309	\$ 41,932,678	
Machinery and Equipment	7,410,072	7,291,279	
Construction in Progress	-	-	
Land	640,900	640,900	
Land Improvements	<u>5,567,528</u>	<u>5,567,527</u>	
Total Capital Assets	55,768,809	55,432,384	
Less: Accumulated Depreciation	<u>(22,238,658)</u>	<u>(20,695,431)</u>	
Net Capital Assets	<u>\$ 33,530,151</u>	<u>\$ 34,736,953</u>	

Overall, the capital assets decreased \$1,354,590 from fiscal year 2015 to fiscal year 2016. The decrease in net position is due to the depreciation of assets exceeding new asset purchases. For more detailed information, please refer to Note 6 in the Notes to the Basic Financial Statements.

Debt Administration

As of June 30, 2016 the District had \$13,898,350 of outstanding debt. Of this amount, \$1,221,490 is for compensated absences, \$446,860 is for capital lease and the balance of \$12,230,000 is for bonds for school construction.

At June 30, 2016, the District's overall legal debt limit was \$77,448,674. For more detailed information, please refer to Note 7 in the Notes to the Basic Financial Statements. Following is a listing of all bond issues for which the District is currently paying debt service.

	<u>Date of Issue</u>	<u>Original Amount of Issue</u>	<u>Balance Remaining</u>
School Refunding	10/1/2001	\$11,750,000	\$1,130,000
School Refunding	11/2/2006	\$15,205,000	\$11,430,000
School Bonds	6/17/2009	\$2,731,000	\$1,771,000

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

For the Future

The Superintendent and Business Administrator maintain that the Northern Burlington County Regional School District's Board of Education has historically practiced financial strategies that have established a strong fiscal position. Furthermore, the Board of Education and its administration fully anticipates that the approved 2016-2017 budget will satisfy all financial needs of the district and support academic programs and standards that will insure the continued success of the students.

The financial trends in New Jersey indicate that the Northern Burlington County Regional School District will continue to experience difficult economic times since the primary sources of public school funding is property tax revenue and state aid. As a result, the financial well-being of most all school districts in New Jersey are dependent, in large measure, to the actions of the state legislature. Over the years, significant cuts in state funding and/or restrictions on the growth rate of the local property tax levy have significantly restricted the growth of school programs. Continued limits to funding will continue to result in significant constraints on the District's programs and services. The Board of Education and this administration will stand ready to manage any new funding formula being considered with the hopes that the formula will be implemented and the traditional approach of 'funding freezes' will no longer be implemented.

The Board of Education has a long history of effectively implementing the practice of shared services or buying cooperatives in an effort to efficiently manage the limited revenues and reduce expenses. For example, the business of the district demonstrates significant gains in a wide variety of shared services which include the sharing of services with Northern's constituent elementary school districts in the area of busing, transportation routing, fuel, instructional assistants and technology including E-rate services. Furthermore, Northern continues to participate in reverse energy auctions to procure competitive natural gas and electric supply pricing. The District belongs to a handful of purchasing cooperatives recognizing efficiency and cost savings on technology, paper, office supplies, capital assets and equipment. Further, the District is self-insured through a Joint Insurance Fund for workers compensation insurance, legal liability insurance, property and auto insurance. For Fiscal Year 2016 the District renewed its' shared services agreement with the Mansfield Township Police Department for vehicle maintenance of their police vehicles. Further, the District entered into shared service agreements with Hainesport Township Elementary School District for Technology services and Westampton Township Elementary School District for Social Worker services.

The Northern Burlington County Regional School District Board of Education has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting and internal fiscal controls are well effective and consistently implemented. The District plans to continue its sound fiscal management practices to meet the challenges of the future. **Correspondingly, we are pleased to report that the district was awarded the Certificate of Excellence (COE) in Financial Reporting for the fiscal year ended June 30, 2015 from the Association of School Business Officials International (ASBO).** For many years, the Association of School Business Officials has offered a Certificate of Excellence in Financial Reporting Program and this program has been the "gold standard" for school districts wanting to demonstrate superior accounting practices and reporting procedures to the communities they serve. Northern Burlington earned this honor.

During Fiscal Year 2014 Northern Burlington opened a newly constructed 5,000 square foot Transportation Center that provides three (3) repair bays, department offices and a drivers' training center. The project was funded by Enterprise Funds and Federal Impact Aid. The Center has created shared service opportunities whereas Northern Burlington is now maintaining vehicles of local law enforcement and elementary constituent districts.

Also, the school district upgraded its infrastructure by rewiring the entire high school for digital security cameras. The district continues to upgrade the wiring in the middle school for digital security cameras. Fifteen digital security cameras were installed. While it appears the Fiscal Year 2016 budget cannot afford any capital improvements the Board of Education is desirous of upgrading security cameras on the school

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
COLUMBUS, NJ**

**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

campus and expanding coverage. A strategic plan for the replacement of analog security cameras and expansion of digital security cameras has been developed.

The Building and Grounds Committee reviewed and presented to the full Board, the Comprehensive Feasibility report completed by the district's architect and mechanical engineer. Simultaneously the educational specifications were adopted and a Building Excellence referendum scheduled for September 29, 2015 was approved by the Board.

The Board's bond referendum was divided into two questions, totaling \$65 million. The question sought approval to borrow \$53.9 million to cover construction of a school addition that comprised of an up-to-date media center and an auditorium that connects the east and west buildings of the high school. The building project also includes roof replacement, electrical and heating, ventilation and air-conditioning improvements. The building project qualified for approximately \$15.5 million of reimbursement by the New Jersey Department of Education. The second question asked residents to approve \$11.5 million to construct a new high school gymnasium.

The referendum failed and the Board is currently meeting with district residents to determine how to proceed with capital projects needed on the 55+ year high school building, as well as the need for additional parking. It is Board's intention to revise the Building Excellence referendum project and present a revised ballot question for the November 2016 general election. In order to alleviate an increase in the debt service tax levy the Board is attempting to present the building project in conjunction with the expiration of debt in 2017.

Finally, it should be noted that the Board of Education has recently completed a high school parking lot expansion project that included a new bus access road to separate school bus traffic from student, teacher, and parent traffic. This project was completed during the summer of 2016 and demonstrates the school Board's commitment to continue maintenance and upkeep of its facilities.

Requests for Information

This financial report is designed to provide a general overview of the Northern Burlington County Regional School District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary at the Northern Burlington County Regional High School, located at 160 Mansfield East, Columbus, New Jersey 08022.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2016

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS- TYPE ACTIVITIES	TOTALS JUNE 30, 2016
Cash & Cash Equivalents	\$ 13,408,615	\$ 335,451	\$ 13,744,066
Receivables, Net	467,956	80,369	548,325
Inventory	-	17,576	17,576
Capital Assets, Non-Depreciable (Note 6)	640,900	-	640,900
Capital Assets, Depreciable, Net (Note 6)	32,741,463	147,788	32,889,251
Total Assets	47,258,934	581,184	47,840,118
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	1,781,218	-	1,781,218
Deferred Charges on Refunding of Debt	308,742	-	308,742
Total Deferred Outflows of Resources	2,089,960	-	2,089,960
Total Assets and Deferred Outflows of Resources	49,348,894	581,184	49,930,078
LIABILITIES			
Accounts Payable	340,669	4,641	345,310
Accrued Interest Expense	206,369	-	206,369
Intergovernmental Payable	4,407	-	4,407
Unearned Revenue	9,270	16,907	26,177
Noncurrent Liabilities (Note 7):			
Due Within One Year	2,203,430	-	2,203,430
Due Beyond One Year	26,764,504	-	26,764,504
Total Liabilities	29,528,649	21,548	29,550,197
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	576,426	-	576,426
Total Deferred Inflows of Resources	576,426	-	576,426
Total Liabilities and Deferred Inflows of Resources	30,105,075	21,548	30,126,623
NET POSITION			
Net Investment in Capital Assets	19,188,176	147,788	19,335,964
Restricted For:			
Capital Projects	672,614	-	672,614
Other Purposes	11,952,485	-	11,952,485
Unrestricted	(12,569,456)	411,848	(12,157,608)
Total Net Position	\$ 19,243,819	\$ 559,636	\$ 19,803,455

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Governmental Activities:						
Instruction:						
Regular	\$ 9,495,752	\$ 209,665	\$ -	\$ (9,286,087)	\$ -	\$ (9,286,087)
Special Education	2,577,439	-	527,325	(2,050,114)	-	(2,050,114)
Other Special Instruction	48,783	-	-	(48,783)	-	(48,783)
Other Instruction	1,647,632	-	-	(1,647,632)	-	(1,647,632)
Support Services & Undistributed Costs:						
Tuition	1,458,106	-	-	(1,458,106)	-	(1,458,106)
Attendance & Social Work Services	152,239	-	-	(152,239)	-	(152,239)
Health Services	382,382	-	-	(382,382)	-	(382,382)
Student & Instruction Related Services	2,949,226	-	53,681	(2,895,545)	-	(2,895,545)
Educational Media Services/School Library	187,856	-	-	(187,856)	-	(187,856)
Instructional Staff Training	310,793	-	-	(310,793)	-	(310,793)
School Administrative Services	1,112,390	-	-	(1,112,390)	-	(1,112,390)
Central Services	475,929	-	-	(475,929)	-	(475,929)
Administrative Information Technology	57,589	-	-	(57,589)	-	(57,589)
Other Administrative Services	607,860	-	-	(607,860)	-	(607,860)
Plant Operations & Maintenance	3,409,752	-	-	(3,409,752)	-	(3,409,752)
Pupil Transportation	2,030,136	-	-	(2,030,136)	-	(2,030,136)
Unallocated Benefits	13,395,423	-	7,081,409	(6,314,014)	-	(6,314,014)
Interest on Long-Term Debt and Other Charges	1,049,905	-	697,675	(352,230)	-	(352,230)
Unallocated Depreciation (Excludes Direct Expenses)	1,520,464	-	-	(1,520,464)	-	(1,520,464)
Total Governmental Activities	42,869,656	209,665	8,360,090	(34,299,901)	-	(34,299,901)

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTALS
Business-Type Activities:						
Food Service	768,310	568,920	208,870	-	9,480	9,480
Regional Transportation	615,884	736,575	-	-	120,691	120,691
Adult Schools	68,410	81,345	-	-	12,935	12,935
Technologies	285,312	273,951	-	-	(11,361)	(11,361)
Total Business-Type Activities	1,737,916	1,660,791	208,870	-	131,745	131,745
Total Primary Government	\$ 44,607,572	\$ 1,870,456	\$ 8,568,960	(34,299,901)	131,745	(34,168,156)
General Revenues:						
Taxes:						
Property Taxes, Levied for General Purposes, Net				18,754,839	-	18,754,839
Taxes Levied for Debt Service				1,987,023	-	1,987,023
Federal & State Aid Not Restricted				14,923,393	-	14,923,393
Miscellaneous Income				422,131	-	422,131
Total General Revenues, Special Items & Extraordinary Items				36,087,386	-	36,087,386
Transfers:						
Transfer from Enterprise Fund				50,000	-	50,000
Transfer to General Fund				-	(50,000)	(50,000)
Total Transfers				50,000	(50,000)	-
Change in Net Position				1,837,485	81,745	1,919,230
Net Position - Beginning				17,406,334	477,891	17,884,225
Net Position - Ending				\$ 19,243,819	\$ 559,636	\$ 19,803,455

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

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B. Fund Financial Statements

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Governmental Funds

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2016**

					<u>TOTALS</u>
	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	JUNE 30, 2016
ASSETS					
Cash & Cash Equivalents	\$ 10,253,761	\$ -	\$ 672,614	\$ 1	\$ 10,926,376
Accounts Receivable:					
Federal Aid	-	43,912	-	-	43,912
State Aid	389,183	-	-	-	389,183
Other	34,861	-	-	-	34,861
Restricted Cash	2,506,717	-	-	-	2,506,717
Total Assets	<u>\$ 13,184,522</u>	<u>\$ 43,912</u>	<u>\$ 672,614</u>	<u>\$ 1</u>	<u>\$ 13,901,049</u>
LIABILITIES & FUND BALANCES					
Liabilities:					
Cash Deficit	\$ -	\$ 24,478	\$ -	\$ -	\$ 24,478
Accounts Payable	334,912	5,757	-	-	340,669
Intergovernmental Payable:					
State	-	4,407	-	-	4,407
Unearned Revenue	-	9,270	-	-	9,270
Total Liabilities	<u>334,912</u>	<u>43,912</u>	<u>-</u>	<u>-</u>	<u>378,824</u>
Fund Balances:					
Restricted for:					
Capital Reserve Account	2,506,717	-	-	-	2,506,717
Excess Surplus	163,932	-	-	-	163,932
Capital Projects Fund	-	-	672,614	-	672,614
Debt Service Fund	-	-	-	1	1
Committed to:					
Other Purposes	1,067,163	-	-	-	1,067,163
Remediation of Ground Water	395,500	-	-	-	395,500
Federal Impact Aid Reserve	6,268,117	-	-	-	6,268,117
Assigned to:					
Designated for Subsequent Year's Expenditures	1,551,056	-	-	-	1,551,056
Unassigned Fund Balance	897,125	-	-	-	897,125
Total Fund Balances	<u>12,849,610</u>	<u>-</u>	<u>672,614</u>	<u>1</u>	<u>13,522,225</u>
Total Liabilities & Fund Balances	<u>\$ 13,184,522</u>	<u>\$ 43,912</u>	<u>\$ 672,614</u>	<u>\$ 1</u>	

Amounts reported for governmental activities in the statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$55,291,793 and the accumulated depreciation is \$21,909,430.	33,382,363
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the period.	(206,369)
Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds.	1,513,534
Long-term liabilities, including bonds payable, compensated absences payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(28,967,934)</u>

Net Position of Governmental Activities

\$ 19,243,819

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS JUNE 30, 2016
Revenues:					
Local Sources:					
Local Tax Levy	18,754,839	-	-	1,987,023	20,741,862
Tuition	209,665	-	-	-	209,665
Transportation	185,381	-	-	-	185,381
Miscellaneous	235,180	1,570	-	-	236,750
Total Local Sources	19,385,065	1,570	-	1,987,023	21,373,658
State Sources	15,771,524	29,053	-	697,675	16,498,252
Federal Sources	2,282,081	550,383	-	-	2,832,464
Total Revenues	37,438,670	581,006	-	2,684,698	40,704,374
Expenditures:					
Current Expense:					
Instruction					
Regular Instruction	9,329,900	-	-	-	9,329,900
Special Education Instruction	2,050,114	527,325	-	-	2,577,439
Other Special Instruction	48,783	-	-	-	48,783
Other Instruction	1,647,632	-	-	-	1,647,632
Support Services					
Tuition	1,458,106	-	-	-	1,458,106
Attendance	152,239	-	-	-	152,239
Health Services	382,382	-	-	-	382,382
Student & Instruction Related Services	2,895,545	53,681	-	-	2,949,226
Educational Media Services/School					
Library	187,856	-	-	-	187,856
Instructional Staff Training	310,793	-	-	-	310,793
School Administrative Services	1,112,390	-	-	-	1,112,390
Central Services	475,929	-	-	-	475,929
Administrative Information Technology	57,589	-	-	-	57,589
Other Administrative Services	607,860	-	-	-	607,860
Plant Operations & Maintenance	3,069,040	-	-	-	3,069,040
Pupil Transportation	2,134,701	-	-	-	2,134,701
Employee Benefits	9,160,079	-	-	-	9,160,079
Capital Outlay	645,899	-	-	-	645,899
Debt Service:					
Principal	-	-	-	2,080,000	2,080,000
Interest & Other Charges	-	-	-	704,697	704,697
Total Expenditures	35,726,837	581,006	-	2,784,697	39,092,540
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	1,711,833	-	-	(99,999)	1,611,834
Other Financing Sources/(Uses):					
Transfer from Enterprise Funds	50,000	-	-	-	50,000
Capital Leases (Nonbudgeted)	235,000	-	-	-	235,000
Transfers In	-	-	-	100,000	100,000
Transfers Out	(100,000)	-	-	-	(100,000)
Total Other Financing Sources & Uses	185,000	-	-	100,000	285,000
Net Change in Fund Balances	1,896,833	-	-	1	1,896,834
Fund Balances July 1, 2015	10,952,777	-	672,614	-	11,625,391
Fund Balances June 30, 2016	12,849,610	-	672,614	1	13,522,225

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

**NORTHERN BURLINGTON COUNTY 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 YEAR ENDED JUNE 30, 2016**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ 1,896,834

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:

Depreciation Expense	\$ (1,520,464)	
Adjustment to Fixed Assets	(340,712)	
Capital Outlays	506,586	(1,354,590)

Repayment of bond principal and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

Bonds	2,080,000	
Capital Leases	104,565	2,184,565

Repayment of annual other postemployment benefits is an expenditure in the governmental funds, but the repayment of benefits decreases long-term liabilities in the statement of net position and is not reported in the statement of activities.

Prior Year	1,316,515	
Current Year	(1,570,392)	(253,877)

In the governmental funds, Bond Proceeds and Capital Leases are reported as an other financing source. These leases are liabilities and are a reduction to the reconciliation.

Capital Lease Proceeds		(235,000)
------------------------	--	-----------

Amortization of losses on early extinguishments of debt and premiums from refunded debt issuances are recorded when incurred in the governmental funds but are accrued and expensed over time in the statement of activities.

Prior Year	(264,470)	
Current Year	247,590	(16,880)

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

Unfunded TPAF Pension Expense	(3,952,767)	
State Share of Unfunded TPAF Pension Expense	3,952,767	
District Pension Contributions	430,432	
Pension Expense	(713,009)	(282,577)

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.

Prior Year	271,231	
Current Year	(206,369)	64,862

Increase in compensated absences is not an expenditure in the governmental funds, but increases long-term liabilities in the statement of net position and is not reported in the statement of activities.

Prior Year	1,055,638	
Current Year	(1,221,490)	(165,852)

Change in Net Position of Governmental Activities \$ 1,837,485

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Proprietary Funds

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2016**

ASSETS	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	JUNE 30, 2016
Current Assets:					
Cash & Cash Equivalents	\$ 93,564	\$ 105,346	\$ 142,801	\$ -	\$ 341,711
Accounts Receivable:					
State	267	-	-	-	267
Federal	6,501	-	-	-	6,501
Miscellaneous	-	58,453	-	15,148	73,601
Inventories	17,576	-	-	-	17,576
Total Current Assets	117,908	163,799	142,801	15,148	439,656
Capital Assets:					
Equipment	461,770	-	15,246	-	477,016
Accumulated Depreciation	(329,228)	-	-	-	(329,228)
Total Capital Assets	132,542	-	15,246	-	147,788
Total Assets	250,450	163,799	158,047	15,148	587,444
Current Liabilities:					
Cash Defecit	-	-	-	6,260	6,260
Accounts Payable	-	626	3,208	807	4,641
Unearned Revenue	16,907	-	-	-	16,907
Total Current Liabilities	16,907	626	3,208	7,067	27,808
NET POSITION					
Net Investment in Capital Assets	132,542	-	15,246	-	147,788
Unrestricted	101,001	163,173	139,593	8,081	411,848
Total Net Position	\$ 233,543	\$ 163,173	\$ 154,839	\$ 8,081	\$ 559,636

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND CHANGES
 IN FUND NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2016**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS JUNE 30, 2016
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	
	Operating Revenue:				
Daily Sales - Reimbursable Programs:					
School Lunch Program	\$ 265,617	\$ -	\$ -	\$ -	\$ 265,617
Total - Daily Sales - Reimbursable Programs	265,617	-	-	-	265,617
Daily Sales Nonreimbursable Programs	303,303	-	-	-	303,303
Transportation Fees	-	736,575	-	-	736,575
Fees	-	-	81,345	273,951	355,296
Total Operating Revenue	568,920	736,575	81,345	273,951	1,660,791
Operating Expenses:					
Salaries & Employee Benefits	318,207	334,012	60,728	250,521	963,468
Supplies and Materials	18,775	69,844	4,178	-	92,797
Depreciation	22,763	-	-	-	22,763
Management Fee	44,841	-	-	-	44,841
Contracted Services	-	201,809	-	-	201,809
Miscellaneous	21,367	10,219	3,504	28,549	63,639
Cost of Sales	342,357	-	-	-	342,357
Total Operating Expenses	768,310	615,884	68,410	279,070	1,731,674
Operating (Loss)/Gain	(199,390)	120,691	12,935	(5,119)	(70,883)
Nonoperating Revenues:					
State Sources:					
State School Lunch Program	6,260	-	-	-	6,260
Federal Sources:					
National School Lunch Program	146,955	-	-	-	146,955
Food Distribution Program	55,655	-	-	-	55,655
Total Nonoperating Revenues	208,870	-	-	-	208,870
Other Financing Sources/(Uses):					
Transfer In/(Out):					
Transfers	-	-	-	(50,000)	(50,000)
Cancellation of Prior Year Receivable	-	-	-	(6,242)	(6,242)
Total Other Financing Sources/(Uses)	-	-	-	(56,242)	(56,242)
Change in Net Position	9,480	120,691	12,935	(61,361)	81,745
Total Net Position - Beginning	224,063	42,482	141,904	69,442	477,891
Total Net Position - Ending	\$ 233,543	\$ 163,173	\$ 154,839	\$ 8,081	\$ 559,636

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS				TOTALS
	FOOD SERVICE FUND	REGIONAL TRANSPORTATION PROGRAM	EVENING SCHOOL	TECHNOLOGY FUND	JUNE 30, 2016
Cash Flows From Operating Activities:					
Receipts from Customers	\$ 581,431	\$ 678,122	\$ 81,620	\$ 258,803	\$ 1,599,976
Payments to Employees	(306,150)	(218,180)	(60,728)	(175,373)	(760,431)
Payments for Employee Benefits	(12,057)	(115,832)	-	(75,148)	(203,037)
Payments to Suppliers	(380,536)	(462,704)	(4,519)	(55,363)	(903,122)
Net Cash Provided/(Used) by Operating Activities	(117,312)	(118,594)	16,373	(47,081)	(266,614)
Cash Flows From Noncapital Financing Activities:					
Cash Sent to Other Funds	-	-	-	(50,000)	(50,000)
Cash Received From State & Federal Reimbursements	153,215	-	-	-	153,215
Net Cash Provided by Noncapital Financing Activities	153,215	-	-	(50,000)	103,215
Cash Flows From Capital & Related Financing Activities:					
Purchase of Capital Assets	(15,445)	-	(15,246)	-	(30,691)
Net Cash Provided/(Used) by Capital & Related Financing Activities	(15,445)	-	(15,246)	-	(30,691)
Net Increase/(Decrease) in Cash & Cash Equivalents Cash and Cash Equivalents, July 1	20,458 73,106	(118,594) 223,940	1,127 141,674	(97,081) 90,821	(194,090) 529,541
Cash & Cash Equivalents, June 30	\$ 93,564	\$ 105,346	\$ 142,801	\$ (6,260)	\$ 335,451

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RECONCILIATION OF OPERATING INCOME/(LOSS) TO NET CASH PROVIDED/(USED) BY OPERATING ACTIVITIES:

Cash Provided/(Used) by Operating Activities:					
Operating Income/(Loss)	\$ (199,390)	\$ 120,691	\$ 12,935	\$ (5,119)	\$ (70,883)
Adjustments to Reconcile Operating Income/(Loss) to Cash Provided/(Used) by Operating Activities:					
Depreciation Expense	22,763	-	-	-	22,763
Food Distribution Program	55,655	-	-	-	55,655
Increase/(Decrease) in Unearned Revenue	10,433	-	-	-	10,433
Change in Assets & Liabilities:					
(Increase)/Decrease in Accounts Payable	(40)	626	3,163	(26,814)	(23,065)
(Increase)/Decrease in Inventory	-	(181,458)	-	-	(181,458)
(Increase)/Decrease in Interfund Receivable	(8,811)	-	-	-	(8,811)
Decrease/(Increase) in Accounts Receivable	2,078	(58,453)	275	(15,148)	(71,248)
Total Adjustments	82,078	(239,285)	3,438	(41,962)	(195,731)
Net Cash Provided/(Used) by Operating Activities	\$ (117,312)	\$ (118,594)	\$ 16,373	\$ (47,081)	\$ (266,614)

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Fiduciary Fund

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016**

ASSETS	PRIVATE PURPOSE TRUST FUNDS	AGENCY FUNDS	<u>TOTALS</u> JUNE 30, 2016
Cash & Cash Equivalents	\$ 203,314	\$ 357,368	\$ 560,682
Total Assets	<u>203,314</u>	<u>357,368</u>	<u>560,682</u>
LIABILITIES			
Payroll Deductions & Withholdings	-	19,358	19,358
Accounts Payable	7,800	-	7,800
Due to Student Groups	-	338,010	338,010
Total Liabilities	<u>7,800</u>	<u>357,368</u>	<u>365,168</u>
NET POSITION			
Held in Trust For:			
Unemployment Claims	63,737	-	63,737
Retirement Claims	131,777	-	131,777
Total Net Position	<u>\$ 195,514</u>	<u>\$ -</u>	<u>\$ 195,514</u>

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

EXHIBIT B-8

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	PRIVATE PURPOSE TRUST FUNDS TRUST	<u>TOTALS</u> JUNE 30, 2016
ADDITIONS:		
Contributions:		
Deductions From Employees' Salaries	\$ 29,534	\$ 29,534
Total Contributions	29,534	29,534
Total Additions	29,534	29,534
DEDUCTIONS:		
Unemployment Claims	56,174	56,174
Total Deductions	56,174	56,174
Change in Net Position	(26,640)	(26,640)
Net Position - Beginning of Year	222,154	222,154
Net Position - End of Year	\$ 195,514	\$ 195,514

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

June 30, 2016

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies

The financial statements of the Northern Burlington County Regional School District (the 'District') have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

Reporting Entity

The Northern Burlington County Regional School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The operations of the District include two schools located in Mansfield Township. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels 7 through 12. These include regular, vocational, as well as special education for handicapped youngsters. The Northern Burlington County Regional School District has an approximate enrollment at June 30, 2016 of 2,024 students.

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

- ◆ the organization is legally separate (can sue or be sued in their own name)
- ◆ the District holds the corporate powers of the organization
- ◆ the District appoints a voting majority of the organization's board
- ◆ the District is able to impose its will on the organization
- ◆ the organization has the potential to impose a financial benefit/burden on the District
- ◆ there is a fiscal dependency by the organization on the District

There were no additional entities required to be included in the reporting entity under the criteria as described above. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Component Units

GASB Statement No.14, The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34. The District had no component units as of for the year ended June 30, 2016.

Government-Wide Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. These statements present summaries of Governmental and Business-Type Activities for the District accompanied by a total column. Fiduciary activities of the District are not included in these statements.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

These statements are presented on an “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all of the District’s assets, deferred outflows of resources, liabilities, and deferred inflows of resources, including capital assets and long-term liabilities, are included in the accompanying Statement of Net Position. The Statement of Activities presents changes in net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows. The types of transactions reported as program revenues for the District are reported in three categories: 1) charges for services, 2) operating grants and contributions, and 3) capital grants and contributions.

Certain eliminations have been made to interfund activities, payables, and receivables. All internal balances in the Statement of Net Position have been eliminated except those representing balances between the governmental activities and the business-type activities, which are presented as internal balances and eliminated in the total primary government column. In the Statement of Activities, internal service fund transactions have been eliminated; however, those transactions between governmental and business-type activities have not been eliminated.

Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. An accompanying schedule (Exhibit B-3) is presented to reconcile and explain the differences in fund balances and changes in fund balances as presented in these statements to the net position and changes in net position presented in the Government-Wide financial statements. The District has presented all major funds that met those qualifications.

All governmental funds are accounted for on a spending or “current financial resources” measurement focus and the modified accrual basis of accounting. Accordingly, only current assets and current liabilities are included on the Balance Sheets. (The District’s deferred outflows of resources and deferred inflows of resources are noncurrent.) The Statement of Revenues, Expenditures and Changes in Fund Balances present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Under the modified accrual basis of accounting, revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the current period. Accordingly, revenues are recorded when received in cash, except that revenues subject to accrual (generally 60 days after year-end) are recognized when due. The primary revenue sources, which have been treated as susceptible to accrual by the District, are property tax and intergovernmental revenues and other taxes. Expenditures are recorded in the accounting period in which the related fund liability is incurred.

Proprietary Fund Financial Statements

Proprietary fund financial statements include a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Fund Net Position, and a Statement of Cash Flows for each major proprietary fund and for the non-major funds aggregated. A column representing internal service funds is also presented in these statements. However, internal service funds balances and activities have been combined with the governmental activities in the Government-Wide financial statements.

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

Operating revenues in the proprietary funds are those revenues that are generated from the primary operations of the fund. All other revenues are reported as non-operating revenues. Operating expenses are those expenses that are essential to the primary operations of the fund. All other expenses are reported as non-operating expenses.

Fiduciary Fund Financial Statements

Fiduciary fund financial statements include a Statement of Net Position. The District's fiduciary funds are Agency Funds, which are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Agency funds are accounted for on a spending or "economic resources" measurement focus and the accrual basis of accounting as are the proprietary funds explained above.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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 taxes.

While government-wide and fund financial statements are presented separately, they are interrelated. The governmental activities column of the government wide statements incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the District's enterprise funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. However, data from the fiduciary funds is not incorporated in the government-wide financial statements

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. 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. General capital assets acquisitions are reported as expenditures in the governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

Property taxes, charges for services, licenses, and interest on notes receivable associated with the current fiscal period are all considered to be susceptible to accrual and accordingly have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available when cash is received.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the Food Service Fund, Regional Transportation Program, Evening Adult School and Technology Fund programs are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, employee salaries and benefits, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Internal service funds are used to account for those operations which provide benefits to other funds, departments, or agencies of the primary government and its component unit. Although internal service funds are reported as a proprietary fund in the fund financial statements, it is incorporated into governmental activities in the government-wide financial statements. The District does not maintain any internal service funds.

The District reports the following major governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that 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. These resources can be transferred from and to Current Expense by board resolution.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

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

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

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

The District reports the following major proprietary funds:

Food Service Fund – This fund accounts for the revenues and expenses pertaining to the District’s cafeteria operations.

Regional Transportation Program – This fund accounts for the revenues and expenses pertaining to the District’s transportation services provided to other districts.

Evening School – This fund accounts for the revenues and expenses pertaining to the District’s adult education evening school program.

Technology Fund – This fund accounts for the revenues and expenses pertaining to the District’s adult education evening school program.

Additionally, the District reports the following major fiduciary funds:

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

Unemployment Trust Fund – Revenues consist of employee payroll withholdings, interest income, and contributions through the annual budget process of the District. Expenditures consist of unemployment reimbursement claims.

Retirement Trust Fund – There are no current year revenues or expenditures for this Trust Fund.

Agency Funds - Agency funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity’s own operating programs. The district currently maintains Payroll funds and Student Activity Funds as Agency Funds.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental funds and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise funds) are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as internal balances in the business-type activities column.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. Effective January 17, 2012, P.L.2011 c.202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. 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:23-1.2*. All budget amendments must be approved by School Board resolution.

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

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

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the General Fund Budgetary Comparison Schedules 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 Balance – Governmental Funds. Note that the District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

Encumbrances

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

Open encumbrances in the special revenue fund for which the Northern Burlington County Regional School District has received advances are reflected in the balance sheet as deferred 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 and Cash Equivalents

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

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

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

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 Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Tuition Payable/Receivable

Tuition rates for the fiscal year end June 30, 2016 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

Inventories

Inventories are valued at cost, using the first-in/first-out (FIFO) method. The costs of inventories are recorded as expenditures when consumed rather than when purchased.

Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair value at the date of donation. The District has established a threshold of \$2,000 for capitalization of depreciable assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets of the District are depreciated or amortized using the straight-line method over the following estimated lives:

Buildings	20-50 Years
Machinery and Equipment	5-10 Years
Improvements	10-20 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the 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 District and

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

its employees, are accounted for in the period in which such services are rendered or in which such events take place.

In the District-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

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 measureable and the District is eligible to realize the revenue.

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, government 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.

Use of 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 assumption that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District classifies governmental fund balances as follows:

- Non-spendable – This 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. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- Restricted – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

- Committed – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These 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) that was employed when the funds were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.
- Assigned – This classification includes amounts that are constrained by the School District’s intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, it is the District’s policy to consider restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, it is the District’s policy to consider amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed, unless the Board has provided otherwise in its commitment or assignment actions.

Net Position

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

- Net Investment in Capital Assets – This components represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for 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 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.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

For the year ended June 30, 2016, the District implemented GASB Statement No. 72, *Fair Value Measurement and Application*. As a result of implementing this statement, the District is required to measure certain investments at fair value for financial reporting purposes. In addition, the District is required to measure donated capital assets at acquisition value (an entry price); these assets were previously required to be measured at fair value. Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Implementation of this Statement did not impact the District's financial statements.

The District implemented GASB 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*. Implementation of this Statement did not impact the District's financial statements.

The District implemented GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*. Implementation of this Statement did not impact the District's financial statements.

Recently Issued and Adopted Accounting Pronouncements

The GASB has issued the following Statements 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. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 75, *Accounting and Financial Reporting for Post-employment Benefits Other than Pensions*. This Statement replaces the requirements of Statement No. 45, *Accounting and Financial Reporting by Employers for Post-employment Benefits Other Than Pensions*, as amended, and No. 57, *OPEB Measurements by Agency Employers and Agent Multi-Employer Plans*, for OPEB Statement No. 74, *Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans*, establishes new accounting and financial reporting requirements for OPEB Plans. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the District's financial statements.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 1. Summary of Significant Accounting Policies (continued):

Impact of Recently Issued Accounting Principles (continued):

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

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 Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

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. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, *The Financial Reporting Entity, as amended*. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to impact the District's financial statements.

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. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to impact the District's financial statements.

Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, 68 and No. 73*. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions*, and No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the District's financial statements.

Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 1. Summary of Significant Accounting Policies (continued):

Bond Premiums, Discounts and Issuance Costs (continued):

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

Subsequent Events

The Northern Burlington County Regional School District has evaluated subsequent events occurring after June 30, 2016 through the date of November 10, 2015, which is the date the financial statements were available to be issued.

Pensions Section

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 pension plan's fiduciary net position and additions to/deductions from the plan's fiduciary net position have been determined on the same basis as they are reported by the plan. 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.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 2. Cash Deposits and Investments

Cash Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2016, the District’s bank balance of \$15,281,314 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$	500,000
Collateralized by securities held by Pledging financial institution		13,927,067
Uninsured and uncollateralized		<u>854,247</u>
Total	\$	<u>15,281,314</u>

Investments

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

1. Bonds and other obligations of the United State or obligations guaranteed by the United States.
2. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States Bank , which have a maturity date not greater than twelve months from the date of purchase.
3. New Jersey Cash Management Fund, New Jersey Asset and Rebate Management Fund and MBIA CLASS.

Custodial credit risk - This is the risk that in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The District does not have custodial credit risk policies for investments.

Interest rate risk - This is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 2. Cash Deposits and Investments (continued):

Investments (continued):

Credit risk - Generally, credit risk is the risk that an issuer of a debt type investment will not fulfill its obligation to the holder of the investment. This is measured by assignment of a rating by a nationally recognized rating organization. U.S. Government securities or obligations explicitly guaranteed by the U.S. government are not considered to have credit risk exposure.

Concentrations - The District places no limit in the amount the District may invest in any one issuer

The District did not hold any investments at June 30, 2016.

Note 3. Capital Reserve Account

A capital reserve account was established by the Northern Burlington County Regional School District by inclusion of \$10,000 on October 10, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

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

Beginning Balance, July 1 2015	\$ 2,101,822
Interest Earnings	4,895
Transfer In, as approved in June 2016	500,000
Anticipated in 2015-2016 Budget	<u>(100,000)</u>
Ending Balance, June 30 , 2016	<u>\$ 2,506,717</u>

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 4. Accounts Receivable

Accounts receivable at June 30, 2016 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Funds	Total
State Aid	\$ 389,183	\$ -	\$ 267	\$ 389,450
Federal Aid	-	43,912	6,501	50,413
Other	34,861	-	73,601	108,462
Total	\$ 424,044	\$ 43,912	\$ 80,369	\$ 548,325

Note 5. Transfers to Capital Outlay

During the year ending June 30, 2016 the District transferred \$586,653 to the capital outlay account to supplement a capital project previously approved by the voters in the budget certified for taxes pursuant to *N.J.A.C.6A:23-8.4*.

Note 6. Capital Assets

The following schedule is a summarization of the general capital assets by source for the fiscal year ended June 30, 2016:

	June 30, <u>2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	June 30, <u>2016</u>
<u>Non-Depreciable Assets</u>					
Land	\$ 640,900	\$ -	\$ -	\$ -	\$ 640,900
Total Non-Depreciable Assets	640,900	-	-	-	640,900
<u>Depreciable Assets</u>					
Land Improvements	5,567,527	-	-	-	5,567,527
Buildings	42,150,309	-	-	-	42,150,309
Machinery & Equipment	7,073,647	305,734	-	(446,325)	6,933,056
Subtotal	55,432,383	305,734	-	(446,325)	55,291,792
<u>Accumulated Depreciation</u>					
Land Improvements	(2,804,584)	(264,457)	-	-	(3,069,041)
Buildings	(12,655,958)	(855,404)	-	-	(13,511,362)
Machinery & Equipment	(5,234,889)	(400,602)	-	306,465	(5,329,026)
Subtotal	(20,695,431)	(1,520,463)	-	306,465	(21,909,429)
Total	\$ 34,736,952	\$ (1,214,729)	\$ -	\$ (139,860)	\$ 33,382,363

All depreciation will be shown as unallocated, unless it is otherwise broken out by function for governmental activities.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 6. Capital Assets (continued):

The following is a summary of proprietary fund type capital assets at June 30, 2016:

	June 30, <u>2015</u>	<u>Additions</u>	<u>Deletions</u>	June 30, <u>2016</u>
<u>Depreciable Assets</u>				
Machinery & Equipment	\$ 446,325	\$ 30,691	\$ -	\$ 477,016
Subtotal	446,325	30,691	-	477,016
<u>Accumulated Depreciation</u>				
Machinery & Equipment	(306,465)	(22,763)	-	(329,228)
Total	\$ 139,860	\$ 7,928	\$ -	\$ 147,788

Note 7. Long-Term Obligations

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

	June 30, <u>2015</u>	<u>Increase</u>	<u>Decrease</u>	June 30, <u>2016</u>	<u>Due Within One Year</u>
GASB #45 - Other Post					
Employment Benefits	\$ 1,316,515	\$ 253,877	\$ -	\$ 1,570,392	\$ -
Bonds Payable	16,411,000	-	(2,080,000)	14,331,000	2,101,000
Capital Lease Payable	414,686	235,000	(104,565)	545,121	98,261
Net Pension Liability	9,012,847	2,225,932	-	11,238,779	-
Unamortized Bond Premium	65,321	-	(4,169)	61,152	4,169
Compensated Absences Payable	1,055,638	165,852	-	1,221,490	-
Total	\$ 28,276,007	\$ 2,880,661	\$ (2,188,734)	\$ 28,967,934	\$ 2,203,430

A. Bonds Payable:

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

On September 1, 2001, the Northern Burlington County Regional School District advance refunded prior bond issues. The District Issued \$11,750,000 of refunding school bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt of the District. This advance refunding was undertaken to reduce the debt service payments over the next 15 years. The interest rate is 5.25%.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 7. Long-Term Obligations (continued):

On November 2, 2006, the Northern Burlington County Regional School District advance refunded a portion of the 2002 school bonds. The District Issued \$15,205,000 of refunding school bonds to provide resources to purchase U.S. government securities that were placed in an irrevocable trust for the purpose of generating resources for all future debt service payments of the refunded debt. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the general long-term debt of the District. This advance refunding was undertaken to reduce the debt service payments over the next 25 years by \$874,755 and to obtain an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$564,401. The interest rate ranges from 3.50% - 5.00%.

On June 17, 2009, the Northern Burlington County Regional School District issued \$2,731,000 in school bonds in order to undertake improvements and renovations to the Northern Burlington County Regional High School. The interest rate ranges from 3.00% - 4.50%.

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

Year-ending June 30,	Principal	Interest	Total
2017	2,101,000	603,893	2,704,893
2018	975,000	498,900	1,473,900
2019	975,000	452,763	1,427,763
2020	985,000	413,925	1,398,925
2021	980,000	374,650	1,354,650
2022-2026	4,625,000	1,284,300	5,909,300
2027-2031	3,690,000	437,700	4,127,700
Total	\$ 14,331,000	\$ 4,066,131	\$ 18,397,131

B. Compensated Absences:

The compensated absences will be paid from the fund from which the employees' salaries are paid. All compensated absence payments are made from the general fund.

C. Capital Leases Payable

The school district approved a lease during the 2012/2013 school year to lease 4 school buses with a total purchase price of \$284,529 with lease terms of 5 years at a 1.82% fixed interest rate. During the 2014/2015 school year, the District approved an additional school bus lease with a total purchase price of \$261,754 with lease terms of 5 years at a 1.999% fixed interest rate. During the 2015/2016 school year, the District approved an additional school bus lease with a total purchase price of \$244,718 with lease terms of 5 years at a 1.833% fixed interest rate.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 7. Long-Term Obligations (continued):

The following is a schedule of future minimum lease payments under the capital lease, and the present value of the net minimum lease payments at June 30, 2016 :

Year-ending June 30,	Amount
2017	158,201
2018	158,201
2019	101,295
2020	101,295
2021	48,944
Total Minimum Lease Payments	567,936
Less: Amount Representing Interest	(22,812)
Present Value of Lease Payments	<u>\$ 545,124</u>

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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.

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Components of Pension Liability - At June 30, 2016, the District reported a liability of \$11,238,779 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2014, to the measurement date of June 30, 2015. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The District's proportion measured as of June 30, 2015, was 0.05007% percent, which was an increase of 0.00193% from its proportion measured as of June 30, 2014.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

<u>Collective Balances at June 30, 2016 & June 30, 2015</u>		
	6/30/2016	6/30/2015
Actuarial Valuation Date	July 1, 2015	July 1, 2014
Deferred Outflows of Resources	\$ 1,781,218.00	\$ 713,844.00
Deferred Inflows of Resources	\$ 576,426.00	\$ 1,021,975.00
Net Pension Liability	\$ 11,238,779.00	\$ 9,012,847.00
District's Portion of the Plan's Total Net Pension Liability	0.05007%	0.04814%

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2016, the District recognized pension expense of \$713,009. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and actual experience	\$ 268,118.00	\$ -
Changes of assumptions	1,206,955.00	-
Net difference between projected and actual earnings on pension plan investments	-	180,698.00
Changes in proportion and differences between district contributions and proportionate share of contributions	306,145.00	395,728.00
Total	<u>\$ 1,781,218.00</u>	<u>\$ 576,426.00</u>

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:	
2017	206,079
2018	206,079
2019	206,079
2020	206,079
2021	206,079
Thereafter	174,397

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

	<u>PERS</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Interest rate	7.90%
Salary scale	2012-2021 - 2.15-4.40% Based on Age Thereafter - 3.15-5.40% Based on Age
Inflation rate	3.01%

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.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Long-Term Expected Rate of Return - 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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

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 PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.21%
Total	<u>100.00%</u>	

Discount Rate - The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of 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 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8. Pension Plans (continued):

A. Public Employees' Retirement System (PERS) (continued):

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability as of June 30, 2015, calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90) or 1-percentage-point higher (5.90%) than the current rate:

	<u>Decrease</u> <u>(3.90%)</u>	<u>Discount</u> <u>(4.90%)</u>	<u>Increase</u> <u>(5.90%)</u>
District's proportionate share of the net pension liability	\$ 13,968,427	\$ 11,238,779	\$ 8,950,262

B. Teachers' Pension and Annuity Fund (TPAF)

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

The vesting and benefit provisions are set by 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:

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 8: Pension Obligations (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

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. 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.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for TPAF is set by *N.J.S.A 18A:66* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount.

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

Teachers Pensions and Annuity Fund (TPAF) - 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 additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the TPAF. 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.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

Note 8: Pension Obligations (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

	<u>TPAF</u>
Measurement date	June 30, 2015
Actuarial valuation date	July 1, 2014
Interest rate	7.90%
Salary scale	Varies Based On Experience
Inflation rate	2.50%

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on 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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8: Pension Obligations (continued):

B. Teachers' Pension and Annuity Fund (TPAF) (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Market Equities	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - MultiStrategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%
Total	100%	

Discount Rate - The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of employers' 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. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Pension plan fiduciary net position - Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS & TPAF financial report.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 8: Pension Obligations (continued):

C. Defined Contribution Retirement Program (DCRP)

The District contributes to the New Jersey Defined Contribution Retirement Program (DCRP) which is a defined contribution retirement benefit plan, along with life insurance and disability coverage, for its employees who are ineligible for PERS or TPAF.

When enrolled in the DCRP, members contribute 5.5 percent of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3 percent employer contribution.

Employees are immediately vested in their own contributions and earnings on those contributions and become vested in District contributions and earnings on District contributions after commencement of their second year of employment, with some exceptions. Nonvested District contributions and earnings are forfeited upon separation from covered employment. Such forfeitures are reverted back to a forfeiture account for the employer and may be used to reduce pension expenses. For the year ended June 30, 2016, the District did not apply forfeitures to reduce the District's pension expense.

Note 9. Post-Retirement Benefits

P.L. 1987, c. 384 and 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 post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 107,314 retirees receiving post-retirement 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2016.

Note 10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During the previous three years there have been no insurance claims that have exceed the insurance coverage.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 10. Risk Management (continued):

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

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2015-2016	\$ -	\$ 29,534	\$ 56,174	\$ 63,737
2014-2015	-	29,508	10,728	90,377
2013-2014	-	18,510	1,961	71,597

Note 11. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2016 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 12. Economic Dependency

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

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 13. Interfund Receivables and Payables

The District did not have any interfund Receivables or Payables as of June 30, 2016.

The summary of interfund transfers follows:

Fund	Transfers In	Transfers Out
General Fund	\$ 233,608	\$ 100,000
Debt Service Fund	100,000	-
Regional Transportation Program	-	181,458
Technology Fund	-	50,000
Fiduciary Funds	-	2,150
	<u>\$ 333,608</u>	<u>\$ 333,608</u>

The purpose of interfund transfers were for the liquidation of prior year interfund receivables and payables and for payments made on behalf of other funds.

Note 14. Fund Balance Disclosures

General Fund (Exhibit B-1) – Of the \$12,849,610 General Fund fund balance at June 30, 2016, \$1,067,163 has been committed to other purposes; \$2,506,717 has been restricted for the Capital Reserve Account; \$395,500 has been committed for a ground water remediation project; \$6,268,117 has been restricted for future use of Federal Impact Aid reserves; \$1,551,056 has been appropriated and included as anticipated revenue for the year-ending June 30, 2016 and \$897,125 is unassigned.

Capital Projects Fund (Exhibit B-1) – The fund balance of \$672,614 has been restricted for the Capital Projects Fund.

Impact Aid Reserve – The District receives a large portion of its annual operating revenue from Federal Impact Aid. Due to the uncertainty of future funding the District has reserved Federal Impact Aid Fund Balance for use in future years. Reserves have been set up to fund future capital projects as well as future operating expenses.

Remediation of Ground Water - The Board passed a resolution during 2004 to reserve funds from a ground water remediation settlement. The reservation of these funds will be cancelled when all necessary expenditures in connection with the project have been completed.

Note 15. Deferred Compensation

The Board offers its employees a choice of the following deferred compensation plans created in accordance with Internal Revenue Code Section 403(b). The plans, which are administered by the entities listed below, permits 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:

Equitable	Van Guard	Lincoln
Waddell & Reed	Siracusa	Citistreet

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 16. Compensated Absences

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

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2016 is \$1,221,490.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2016 no liability existed for compensated absences in the proprietary fund types.

Note 17. Post Retirement Health Benefits

This note analyzes the other post-employment benefits (OPEB) offered by the Northern Burlington County Regional School District. It establishes the actuarial liability of the post-retirement welfare benefit plan in accordance with GASB Statements Number 43 and 45 for the fiscal year beginning July 1, 2013. Provided within is the Annual Required Contribution (ARC), and summarized census data statistics. The note reflects the plan design, premium rates, and cost sharing effective July 1, 2013.

The accounting standard prescribes an accrual methodology for accumulating the value of postretirement welfare benefits over participants' active working lifetimes. This is consistent with Generally Accepted Accounting Principles (GAAP) that tries to match the recognition of costs and obligations with the events that give rise to those costs and obligations. The postretirement benefit obligations shown in this report are a function of many assumptions about future demographic and economic experience. Actual experience is likely to vary from these assumptions.

The ARC is calculated to be \$272,452. The ARC is an amount that is actuarially determined to recognize the value, and cost, of post-retirement healthcare over an employee's working lifetime. As such, if contributed it would pre-fund the benefits, and is thought of as a budgetary method. Currently the plan is funded on a pay-as-you-go basis, meaning benefits are being paid as they come due. Net claims for the plan year ending June 30, 2015 are projected to be \$37,136.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 17. Post Retirement Health Benefits (continued):

Summary of Valuation Results

	As of June 30, <u>2015</u>
A. Annual Required Contribution (ARC)	
1. Amortization of Unfunded Accrued Actuarial Liability (UAAL)	\$ 77,571
2. Normal Cost	<u>194,881</u>
3. Total ACR for Year	\$ 272,452
B. Discount Rate	3.75%
C. Actuarial Accrued Liability	
1. Retired participants and beneficiaries	\$ 44,419
2. Active participants:	
a. Fully eligible to receive benefits	33,592
b. Not yet eligible to receive benefits	<u>2,169,617</u>
c. Subtotal active	<u>2,203,209</u>
3. Subtotal postretirement benefits	\$ 2,247,628
D. Market Value of Assets	\$ 0
E. Unfunded actuarial liability (C.3. – D)	\$ 2,247,628
Benefit Payment Comparison	\$ 272,452
1. Annual Required Contribution (ARC)	
2. Pay-As-You-Go Retiree Medical Cost	<u>37,136</u>
3. Net Increase (Decrease) (1-2)	\$ 235,316

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 17. Post Retirement Health Benefits (continued):

As of 6/30	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
A. Net OPEB Obligation (NOO)				
1. NOO @ BOY	\$ 523,780	\$ 689,047	\$ 884,149	\$ 1,075,174
a. ARC @ BOY	\$ 172,717	\$ 203,126	\$ 211,726	\$ 272,452
b. Interest on NOO	26,189	27,562	35,366	40,319
c. ARC Adjustment	<u>(19,466)</u>	<u>(24,609)</u>	<u>(28,799)</u>	<u>(37,107)</u>
2. Annual OPEB Cost (a+b+c)	\$ 179,440	\$ 206,079	\$ 218,293	\$ 275,664
3. Contributions Made	<u>14,173</u>	<u>10,977</u>	<u>27,268</u>	<u>34,323</u>
4. Net Change (2-3)	\$ 165,267	\$ 195,102	\$ 191,025	\$ 241,342
5. NOO @ EOY (1+4)	\$ 689,047	\$ 884,149	\$ 1,075,174	\$ 1,316,515
B. Schedule				
1. Sub-Total AOC (A.2)	\$ 179,440	\$ 206,079	\$ 218,293	\$ 275,664
2. Contributions Made	<u>14,173</u>	<u>10,977</u>	<u>27,268</u>	<u>34,323</u>
3. Remaining AOC (1-2)	\$ 165,267	\$ 195,102	\$ 191,025	\$ 241,342
4. Percent Contributed (2÷1)	7.9%	5.3%	12.5%	12.5%
C. Funding Progress				
1. Assets	\$ -	\$ -	\$ -	\$ -
2. Accrued Liability	<u>1,345,859</u>	<u>1,515,678</u>	<u>1,720,062</u>	<u>2,247,628</u>
3. Unfunded Liability (UAL) (2-3)	\$ 1,345,859	\$ 1,515,678	\$ 1,720,062	\$ 2,247,628
4. Funded Ratio (1÷2)	0.00%	0.00%	0.00%	0.00%
5. Covered Payroll	\$18,755,410	\$18,256,639	\$18,499,005	\$18,785,199
6. UAL as % of Payroll (2÷5)	6.32%	8.30%	9.30%	11.96%

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 17. Post Retirement Health Benefits (continued):

Monthly Claims Costs and Self-Pay Rates

	As of June 30, <u>2015</u>
Composite Claims Cost	
Pre – 65	\$ 935
Composite Self Pay Rates	
Pre – 65	None

Participant Statistics	<u>2015</u>	<u>2013</u>
a. Participant Counts		
Retirees	4	4
Actives eligible to receive benefits	18	10
Actives not fully eligible to receive benefits	<u>283</u>	<u>232</u>
Sub Total actives	<u>301</u>	<u>242</u>
Total	305	246
b. Average Ages		
Retirees	65.6	67.0
Actives eligible to receive benefits	66.6	64.6
Actives not fully eligible to receive benefits	<u>45.5</u>	<u>45.0</u>
Sub Total actives	<u>46.8</u>	<u>45.8</u>
Total	47.0	46.2
c. Active Counts by Department		
Administrators	30	13
Custodians	31	29
Child Study Team	12	6
Secretarial	8	19
Teachers	169	142
Transportation	<u>51</u>	<u>33</u>
Total	301	242

Actuarial Assumptions

Valuation date:	June 30, 2015
Measurement date:	June 30, 2015
Actuarial method:	Projected unit credit

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 17. Post Retirement Health Benefits (continued):

Actuarial assumptions:

Discount rate	3.75%
Mortality	Sex distinct RP-2014 tables with sex distinct Improvement Scale BB from the year 2014.
Turnover	In accordance with The U.S. Office of Personnel
Spouse coverage	66%
Spouse's age	Males are 3 years older than females
Retirement rates	100% when first eligible but not before age 55 and one more Year of service.
Disability rates	No disabilities were assumed before retirement.

Inflation:

Medical Trend

<u>Year</u>	<u>Trend</u>
2016	6.0%
2017	5.5%
2018	5.0%
2019+	4.5%

Contribution Trend No trend

Administrative expenses: 2.0% of net costs

ARC Amortization Period: 30 years, as a level percent of payroll

Salary Scale 3.5% per year

Plan Summary

The Northern Burlington County Regional School District provides a medical bridge benefit payable to those retirees who are not eligible for the State Employees Health Benefits Plan (SEHBP) until the participant becomes eligible for Medicare. In order to be eligible for SEHBP a participant must have at least 25 years of service.

Departments Summary of Eligibility within Labor Agreements

<u>Department</u>	<u>Years of Service</u>	<u>Years of Retirement</u>
Teachers*	15	5
Administrators	15	5
Child Study Team	15	5
Custodians	15	4
Transportation	20	3
Secretarial	15	5

* While the other Labor Agreements specify only single coverage is available, the Teachers does not specify the only single coverage is available, we have assumed Member only benefits are available upon retirement.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 17. Post Retirement Health Benefits (continued):

Benefits

The following are the monthly insurance premiums paid on behalf of the participant by the plan:

	<u>As of June 30,</u>
	<u>2015</u>
Medical	
Single	\$ 715.06
Member & Spouse	\$ 1,430.14
Family	\$ 1,966.42
Parent & Child	\$ 1,251.36
Prescription Drug	
Single	\$ 187.27
Member & Spouse	\$ 374.54
Family	\$ 514.99
Parent & Child	\$ 327.72
Dental	
Single	\$ 32.58
Member & Spouse	\$ 65.16
Family	\$ 87.59
Parent & Child	\$ 63.56
 Total Premiums by Group	
Single	\$ 934.91
Member & Spouse	\$ 1,869.84
Family	\$ 2,569.00
Parent & Child	\$ 1,642.64

Note 18. Deficit Unrestricted Net Position

As reflected on Exhibit A-1, Statement of Net position, a deficit in unrestricted net position of \$(12,569,456) existed as of June 30, 2016 for governmental activities. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the long-term liability for compensated absences and net pension. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences and pension liabilities that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events that place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016**

Note 19. Federal Impact Aid Reserve

As permitted by P.L.2015, c.46 which amended *N.J.S.A.* 18A:7F-41 a federal impact reserve account was established by the Northern Burlington County Regional School District. The district increased the impact aid – general reserve by transfer of \$1,151,991 by board resolution for the amount of federal impact aid funds – general fund – received during the current fiscal year for use as general fund expenditures in subsequent fiscal years. The federal impact aid – general reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning Balance, July 1 2015	\$ 5,116,126
Transfer In, as approved in June 2016	1,190,271
Utilized in 2015-2016 Budget	<u>(38,280)</u>
Ending Balance, June 30 , 2016	<u>\$ 6,268,117</u>

Note 19. Subsequent Events

During the school year, the District approved a lease purchase agreement for capital improvements to the District's High School Parking Facilities. The lease had a total purchase price of \$2,200,000 with lease terms of 5 years at a 1.430% fixed interest rate. The first lease payment comes due on September 1, 2016 at \$453,823. The General Fund has typically been used in prior years to liquidate capital leases.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Revenues:					
Local Tax Levy	10-1210	\$ 18,754,839	\$ -	\$ 18,754,839	\$ -
Tuition	10-1300	73,891	-	73,891	209,665
Transportation	10-1420-1440	100,000	-	100,000	185,381
Interest on Capital Reserve Funds	10-1XXX	2,100	-	2,100	4,895
Miscellaneous Revenues	10-1XXX	83,000	-	83,000	230,285
Total Local Sources		19,013,830	-	19,013,830	371,235
Federal Sources:					
Impact Aid	10-4100	1,075,000	-	1,075,000	2,165,581
Department of Defense Aid	10-4XXX	-	-	-	99,690
Medicaid Reimbursement	10-4200	24,154	-	24,154	16,810
Total Federal Sources		1,099,154	-	1,099,154	2,282,081
State Sources:					
Categorical Special Education Aid	10-3132	1,064,239	-	1,064,239	1,064,239
Equalization Aid	10-3176	10,071,884	-	10,071,884	10,071,886
Categorical Security Aid	10-3177	152,560	-	152,560	152,560
School Choice Aid	10-3116	415,100	-	415,100	415,100
Categorical Transportation Aid	10-3121	558,546	-	558,546	558,546
Adjustment Aid	10-3197	8,302	-	8,302	8,302
PARCC Readiness Aid	10-3XXX	21,780	-	21,780	21,780
Per Pupil Growth Aid	10-3XXX	21,780	-	21,780	21,780
Extraordinary Aid	10-3XXX	-	-	-	334,139
Non-Public Transportation Aid	10-3XXX	-	-	-	13,050
Nonbudgeted:					
On-Behalf TPAF Pension Contribution		-	-	-	993,379
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	1,182,839
Reimbursed TPAF Social Security Contribution		-	-	-	952,424
Total State Sources		12,314,191	-	12,314,191	15,790,024
Total Revenues		32,427,175	-	32,427,175	37,457,170
Expenditures:					
Current Expense:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Grades 6 - 8	11-130-100-101	2,950,679	235	2,950,914	2,888,250
Grades 9 - 12	11-140-100-101	5,366,367	(59,773)	5,306,594	5,277,926
Home Instruction:					
Salaries of Teachers	11-150-100-101	28,000	(15,691)	12,309	12,268
Purchased Professional-					41
Total Expenditures		32,427,175	-	32,427,175	5,029,995

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Educational Services	11-150-100-320	21,500	30,229	51,729	46,875	4,854
Other Purchased Services	11-150-100-500	3,000	(629)	2,371	630	1,741
Regular Programs - Undistributed Instruction:						
Purchased Professional -						
Educational Services	11-190-100-320	319,170	84,813	403,983	398,825	5,158
Purchased Technical Services	11-190-100-340	163,557	(25,248)	138,309	135,669	2,640
Other Purchased Services	11-190-100-500	75,059	(14,703)	60,356	47,132	13,224
General Supplies	11-190-100-610	428,815	117,194	546,009	432,063	113,946
Textbooks	11-190-100-640	89,507	(2,417)	87,090	68,508	18,582
Other Objects	11-190-100-890	28,359	2,654	31,013	21,754	9,259
Total Regular Programs		9,474,013	116,664	9,590,677	9,329,900	260,777
Special Education:						
Instruction:						
Textbooks	11-204-100-640	-	5,878	5,878	5,878	-
Total Instruction		-	5,878	5,878	5,878	-
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	235,572	(21,108)	214,464	211,381	3,083
Purchased Professional -						
Educational Services	11-212-100-320	14,000	(11,221)	2,779	1,812	967
Other Purchased Services	11-212-100-500	200	-	200	-	200
General Supplies	11-212-100-610	14,274	17,111	31,385	31,379	6
Textbooks	11-212-100-640	9,699	(190)	9,509	9,499	10
Other	11-212-100-800	1,302	286	1,588	1,270	318
Total Multiple Disabilities		275,047	(15,122)	259,925	255,341	4,584
Resource Room:						
Salaries of Teachers	11-213-100-101	1,544,465	16,813	1,561,278	1,557,246	4,032
Purchased Services	11-213-100-320	233,539	(7,594)	225,945	225,273	672
Other Purchased Services	11-213-100-500	700	(700)	-	-	-
General Supplies	11-213-100-610	755	-	755	501	254
Textbooks	11-213-100-640	1,000	(999)	1	-	1
Other Objects	11-213-100-800	5,346	529	5,875	5,875	-
Total Resource Room		1,785,805	8,049	1,793,854	1,788,895	4,959
Total Special Education		2,060,852	(1,195)	2,059,657	2,050,114	9,543
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	40,502	3,694	44,196	43,946	250

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Other Purchased Services	11-230-100-320	4,000	(756)	3,244	3,244
General Supplies	11-230-100-610	6,760	(3,350)	3,410	1,593
Total Basic Skills/Remedial		51,262	(412)	50,850	48,783
Vocational Programs - Local - Instruction:					
Salaries of Teachers	11-300-100-101	364,915	-	364,915	364,513
Other Salaries for Instruction	11-300-100-106	11,014	-	11,014	11,014
Purchased Professional - Educational Services	11-300-100-320	7,000	(1,107)	5,893	5,893
Purchased Professional - Technical Services	11-300-100-340	3,500	(3,500)	-	-
Other Purchased Services	11-300-100-500	12,600	-	12,600	10,151
General Supplies	11-300-100-610	51,952	416	52,368	49,257
Textbooks	11-300-100-640	-	336	336	336
Other Objects	11-300-100-800	2,500	-	2,500	-
Total Vocational Programs - Local Instruction		453,481	(3,855)	449,626	441,164
School Sponsored Cocurricular Activities:					
Salaries	11-401-100-100	311,867	630	312,497	302,979
Purchased Services	11-401-100-500	9,525	-	9,525	8,094
Supplies and Materials	11-401-100-600	38,050	45	38,095	27,109
Other Objects	11-401-100-930	250	-	250	-
Transfers to Cover Deficit	11-401-100-930	3,000	-	3,000	3,000
Total School Sponsored Cocurricular Activities		362,692	675	363,367	341,182
School Sponsored Athletics - Instruction:					
Salaries	11-402-100-100	626,041	-	626,041	608,617
Other Purchased Services	11-402-100-500	825	-	825	825
Supplies and Materials	11-402-100-600	157,533	18,188	175,721	156,404
Transfers to Cover Deficit	11-402-100-930	38,278	61,162	99,440	99,440
Total School Sponsored Athletics Instruction		822,677	79,350	902,027	865,286
Total Instruction		13,224,977	191,227	13,416,204	13,076,429
Community Services Programs/Operations:					
Other Objects	11-800-330-800	1,075	-	1,075	-
Total Community Services Programs/Operations		1,075	-	1,075	-
Undistributed Expenditures:					
Instruction :					

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	JUNE 30, 2016					
	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
Tuition to Other LEAs Within the State - Regular	11-000-100-561	78,000	-	78,000	49,451	28,549
Tuition to Other LEAs Within the State - Special	11-000-100-562	92,719	2,018	94,737	52,705	42,032
Tuition to County Vocational School District - Regular	11-000-100-563	75,401	-	75,401	50,944	24,457
Tuition to County Vocational School District - Special	11-000-100-564	39,500	-	39,500	33,672	5,828
Tuition to CSSD & Regional Day School	11-000-100-565	385,592	(33,158)	352,434	195,281	157,153
Instruction (continued):						
Tuition to Private School for the Handicapped - State	11-000-100-566	1,134,231	(171,257)	962,974	879,262	83,712
Tuition to Private School Other LEAs Outside State	11-000-100-567	163,600	7,270	170,870	164,485	6,385
Tuition - State Facilities	11-100-100-568	32,306	-	32,306	32,306	-
Total Undistributed Expenditures - Instruction		2,001,349	(195,127)	1,806,222	1,458,106	348,116
Attendance & Social Work Services:						
Salaries	11-000-211-100	77,794	-	77,794	72,649	5,145
Purchased Professional & Technical Services	11-000-211-300	118,016	-	118,016	79,590	38,426
Total Attendance & Social Work Services		195,810	-	195,810	152,239	43,571
Health Services:						
Salaries	11-000-213-100	367,630	(453)	367,177	351,050	16,127
Purchased Professional & Technical Services	11-000-213-300	19,701	628	20,329	19,203	1,126
Other Purchased Services	11-000-213-500	300	(175)	125	-	125
Supplies and Materials	11-000-213-600	11,704	1,754	13,458	12,129	1,329
Other Objects	11-000-213-800	324	(200)	124	-	124
Total Health Services		399,659	1,554	401,213	382,382	18,831
Other Support Services - Students - Related Services:						
Salaries	11-000-216-100	92,831	-	92,831	72,874	19,957
Purchased Services	11-000-216-320	126,500	18,992	145,492	121,665	23,827
Travel	11-000-216-580	-	175	175	-	175
Supplies and Materials	11-000-216-600	775	(175)	600	600	-
Other Objects	11-000-216-800	300	-	300	239	61
Total Other Support Services - Students - Related Services		220,406	18,992	239,398	195,378	44,020

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Other Support Services - Students - Extra Services:						
Salaries	11-000-217-100	138,738	1	138,739	135,937	2,802
Purchased Services	11-000-217-320	857,289	(48,265)	809,024	623,708	185,316
Total Other Support Services - Students - Extra Services		996,027	(48,264)	947,763	759,645	188,118
Other Support Services - Students - Regular:						
Salaries of Other Professional Staff	11-000-218-104	599,259	6,600	605,859	556,523	49,336
Salaries of Secretarial & Clerical Assistants	11-000-218-105	160,012	-	160,012	150,113	9,899
Purchased Professional & Technical Services	11-000-218-320	4,000	(2,194)	1,806	1,006	800
Other Purchased Professional & Technical Services	11-000-218-390	29,945	(5,633)	24,312	15,774	8,538
Other Purchased Services	11-000-218-500	2,275	(1,800)	475	-	475
Supplies and Materials	11-000-218-600	4,262	-	4,262	3,577	685
Other Objects	11-000-218-800	2,465	325	2,790	650	2,140
Total Other Support Services - Students - Regular		802,218	(2,702)	799,516	727,643	71,873
Other Support Services - Students - Special Services:						
Salaries of Other Professional Staff	11-000-219-104	503,245	3,989	507,234	507,234	-
Salaries of Secretarial & Clerical Assistants	11-000-219-105	101,715	2,900	104,615	104,615	-
Purchased Professional - Educational Services	11-000-219-320	20,000	20,293	40,293	26,605	13,688
Other Purchased Professional & Technical Services	11-000-219-390	590	-	590	562	28
Miscellaneous Purchased Services	11-000-219-592	3,000	682	3,682	1,274	2,408
Supplies and Materials	11-000-219-600	7,771	391	8,162	8,162	-
Other Objects	11-000-219-800	4,650	(1,718)	2,932	2,370	562
Total Other Support Services - Students - Special Services		640,971	26,537	667,508	650,822	16,686
Improvement of Instruction Services/Other Support Services - Instruction Staff:						
Salaries of Supervisors of Instruction	11-000-221-102	274,269	(1)	274,268	269,272	4,996
Salaries of Other Professional Staff	11-000-221-104	46,000	20,706	66,706	64,703	2,003
Salaries of Secretarial & Clerical						

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	JUNE 30, 2016					
	ACCOUNT NUMBERS	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
Assistants	11-000-221-105	79,015	10,223	89,238	88,837	401
Other Salaries	11-000-221-110	128,941	(2,115)	126,826	124,023	2,803
Purchased Professional - Educational Services	11-000-221-320	3,100	-	3,100	282	2,818
Other Purchased Services	11-000-221-500	1,045	-	1,045	732	313
Supplies and Materials	11-000-221-600	8,500	-	8,500	5,306	3,194
Other Objects	11-000-221-800	10,800	-	10,800	8,902	1,898
Total Improvement of Instruction Services/Other Support Services Instructional Staff		551,670	28,813	580,483	562,057	18,426
Educational Media Services/School Library:						
Salaries	11-000-222-100	144,504	-	144,504	131,048	13,456
Purchased Professional & Technical Services	11-000-222-300	19,765	1,690	21,455	20,219	1,236
Other Purchased Services	11-000-222-500	600	(500)	100	-	100
Supplies and Materials	11-000-222-600	35,664	4,899	40,563	36,212	4,351
Other Objects	11-000-222-800	885	12	897	377	520
Total Educational Media Services/School Library		201,418	6,101	207,519	187,856	19,663
Support Services Instructional Staff Training Service:						
Salaries of Supervisors of Instruction	11-000-223-102	227,153	-	227,153	214,131	13,022
Salaries of Other Professional	11-000-223-104	14,250	14,742	28,992	27,280	1,712
Salaries of Secretarial & Clerical Assistants	11-000-223-105	46,065	10,223	56,288	52,424	3,864
Purchased Professional - Educational Services	11-000-223-320	7,600	-	7,600	5,420	2,180
Other Purchased Services	11-000-223-500	6,500	900	7,400	6,720	680
Supplies and Materials	11-000-223-600	6,355	-	6,355	790	5,565
Other Objects	11-000-223-800	13,690	1,992	15,682	4,028	11,654
Total Support Services Instructional Staff Training Services		321,613	27,857	349,470	310,793	38,677
Support Services General Administration:						
Salaries	11-000-230-100	310,838	(38,613)	272,225	272,225	-
Legal Services	11-000-230-331	71,000	(46,376)	24,624	17,197	7,427
Audit Services	11-000-230-332	30,000	17,800	47,800	24,900	22,900
Architectural/Engineering Services	11-000-230-334	42,388	177,169	219,557	95,023	124,534
Other Purchased Professional Services	11-000-230-339	55,240	(6,118)	49,122	44,672	4,450
Purchased Technical Services	11-000-230-340	2,600	(818)	1,782	1,782	-
Communications/Telephone	11-000-230-530	65,119	(8,761)	56,358	48,215	8,143

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
BOE Other Purchased Professional Services	11-000-230-585	24,000	(1,150)	22,850	-
Other Purchased Services	11-000-230-590	62,446	(7,550)	54,896	486
General Supplies	11-000-230-610	3,050	(2,429)	621	368
Miscellaneous Expenditures	11-000-230-890	3,636	(300)	3,336	7
BOE Membership Dues & Fees	11-000-230-895	22,954	50	23,004	-
Total Support Services General Administration		693,271	82,904	776,175	168,315
Support Services School Administration:					
Salaries of Principals & Assistant Principals	11-000-240-103	625,653	(13,585)	612,068	588,292
Salaries of Other Professional Staff	11-000-240-104	276,100	13,975	290,075	290,075
Salaries of Secretarial & Clerical Assistants	11-000-240-105	215,496	1	215,497	210,637
Purchased Technical Services	11-000-240-300	3,860	-	3,860	2,558
Other Purchased Services	11-000-240-500	8,565	(2,500)	6,065	2,706
Supplies and Materials	11-000-240-600	30,080	(385)	29,695	7,655
Other Objects	11-000-240-800	20,150	-	20,150	10,467
Total Support Services School Administration		1,179,904	(2,494)	1,177,410	65,020
Central Services:					
Salaries	11-000-251-100	427,260	(7,352)	419,908	419,908
Purchased Professional Services	11-000-251-330	34,362	8,275	42,637	38,612
Miscellaneous Purchased Services	11-000-251-592	13,701	(5,866)	7,835	7,835
Supplies & Materials	11-000-251-600	7,950	(445)	7,505	7,474
Miscellaneous Expenditures	11-000-251-890	2,176	(54)	2,122	2,100
Total Central Services		485,449	(5,442)	480,007	475,929
Administrative Information Technology:					
Salaries	11-000-252-100	57,721	-	57,721	56,140
Other Purchased Services	11-000-252-500	1,350	105	1,455	1,449
Total Administrative Information Technology		59,071	105	59,176	57,589
Allowance Maintenance for School Facilities:					
Salaries	11-000-261-100	226,376	1,188	227,564	224,814
Cleaning, Repair & Maintenance Services	11-000-261-420	254,485	70,915	325,400	270,342
General Supplies	11-000-261-610	67,185	7,811	74,996	64,003
Other Objects	11-000-261-800	2,850	480	3,330	1,651
Total Allowance Maintenance for School Facilities		550,896	80,394	631,290	560,810

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Operation & Maintenance of Plant Services:						
Salaries	11-000-262-100	1,179,980	5,031	1,185,011	1,150,145	34,866
Purchased Professional & Technical Services	11-000-262-300	27,133	(16,511)	10,622	5,555	5,067
Cleaning, Repair & Maintenance Services	11-000-262-420	158,800	18,773	177,573	131,343	46,230
Other Purchased Property Services	11-000-262-490	293,657	17,723	311,380	219,268	92,112
Insurance	11-000-262-520	113,681	-	113,681	113,681	-
Miscellaneous Purchased Services	11-000-262-590	6,174	1,000	7,174	5,366	1,808
General Supplies	11-000-262-610	114,150	8,256	122,406	116,347	6,059
Energy (Natural Gas)	11-000-262-621	150,000	39,106	189,106	117,662	71,444
Energy (Electricity)	11-000-262-622	693,000	66,429	759,429	541,318	218,111
Other Objects	11-000-262-800	2,810	-	2,810	1,859	951
Total Operation & Maintenance of Plant Services		2,739,385	139,807	2,879,192	2,402,544	476,648
Care & Upkeep of Grounds						
Cleaning, Repair & Maintenance Services	11-000-263-420	61,612	9,808	71,420	43,923	27,497
General Supplies	11-000-263-610	57,538	5,366	62,904	60,366	2,538
Total Care & Upkeep of Grounds		119,150	15,174	134,324	104,289	30,035
Security						
Cleaning, Repair & Maintenance Services	11-000-266-420	5,000	(3,603)	1,397	1,397	-
Total Security		5,000	(3,603)	1,397	1,397	-
Student Transportation Services:						
Salaries for Pupil Transportation (Between Home & School) - Regular	11-000-270-160	668,073	(2,687)	665,386	664,050	1,336
Salaries for Pupil Transportation (Between Home & School) - Special	11-000-270-161	126,513	27,975	154,488	154,488	-
Salaries for Pupil Transportation (Other Than Between Home & School)	11-000-270-162	150,312	(17,813)	132,499	123,525	8,974
Purchased Professional & Technical Services	11-000-270-390	12,676	(454)	12,222	12,219	3
Cleaning, Repair & Maintenance Services	11-000-270-420	20,913	7,899	28,812	28,751	61
Lease Purchase Payments - School Buses	11-000-270-443	111,873	54,225	166,098	109,224	56,874
Contracted Services (Other Than Between School) - Vendors	11-000-270-511	408,335	(2,331)	406,004	406,004	-
Contracted Services Between Home & School - Vendors	11-000-270-512	3,638	(3,638)	-	-	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Contracted Services (Special Education Students) - Vendors	11-000-270-514	345,320	(28,364)	316,956	316,956	-
Contracted Services (Special Education Students) - Joint Agreements	11-000-270-515	73,000	8,820	81,820	78,347	3,473
Aid in Lieu of Payments - Nonpublic Miscellaneous Purchased	11-000-270-503	63,648	2,983	66,631	59,943	6,688
Services - Transportation	11-000-270-593	20,876	-	20,876	20,876	-
Transportation Supplies	11-000-270-615	216,953	3,721	220,674	153,347	67,327
Other Objects	11-000-270-800	6,624	353	6,977	6,971	6
Total Student Transportation Services		2,228,754	50,689	2,279,443	2,134,701	144,742
Instruction - Regular Programs: Health Benefits	11-100-100-270	2,166,685	116,588	2,283,273	2,080,479	202,794
Total Regular Programs		2,166,685	116,588	2,283,273	2,080,479	202,794
Special Education: Health Benefits	11-200-100-270	500,546	(43,829)	456,717	456,717	-
Total Special Education		500,546	(43,829)	456,717	456,717	-
Vocational Programs- Local - Instruction: Health Benefits	11-300-100-270	59,214	(11,020)	48,194	48,194	-
Total Vocational Programs - Local Instruction		59,214	(11,020)	48,194	48,194	-
Attendance & Social Work Services: Health Benefits	11-000-211-270	37,395	(4,328)	33,067	33,067	-
Total Attendance & Social Work Services		37,395	(4,328)	33,067	33,067	-
Health Services: Health Benefits	11-000-213-270	92,810	(2,337)	90,473	90,473	-
Total Health Services		92,810	(2,337)	90,473	90,473	-
Other Support Services - Students - Related Services: Health Benefits	11-000-216-270	26,470	(5,756)	20,714	20,714	-
Total Other Support Services - Students - Related Services		26,470	(5,756)	20,714	20,714	-
Other Support Services - Students - Extra Services: Health Benefits	11-000-217-270	28,984	(18,836)	10,148	10,148	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Total Other Support Services - Students - Extra Services		28,984	(18,836)	10,148	10,148	-
Other Support Services - Students - Regular: Health Benefits	11-000-218-270	209,980	(5,181)	204,799	204,799	-
Total Other Support Services - Students - Regular		209,980	(5,181)	204,799	204,799	-
Other Support Services - Student - Special Services: Health Benefits	11-000-219-270	127,760	(487)	127,273	127,273	-
Total Other Support Services - Students - Special Services		127,760	(487)	127,273	127,273	-
Improvement of Instructional Services/Other Support Services - Instruction Staff: Health Benefits	11-000-221-270	75,353	1,146	76,499	76,499	-
Total Improvement of Instruction Services/Other Support Services - Instructional Staff		75,353	1,146	76,499	76,499	-
Educational Media Services/School Library: Health Benefits	11-000-222-270	26,195	94	26,289	26,289	-
Total Educational Media Services/School Library		26,195	94	26,289	26,289	-
Instructional Staff Training Services: Health Benefits	11-000-223-270	45,457	5,636	51,093	51,093	-
Total Instructional Staff Training Services		45,457	5,636	51,093	51,093	-
Support Services General Administration: Health Benefits	11-000-230-270	34,035	3,701	37,736	37,736	-
Total Support Services General Administration		34,035	3,701	37,736	37,736	-
Support Services School Administration: Health Benefits	11-000-240-270	252,038	(2,845)	249,193	249,160	33
Total Support Services School Administration		252,038	(2,845)	249,193	249,160	33
Central Services: Health Benefits	11-000-251-270	119,806	(900)	118,906	118,906	-
Total Central Services		119,806	(900)	118,906	118,906	-
Administrative Information Technology:						

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Health Benefits	11-000-252-270	15,120	-	15,120	15,120	-
Total Administrative Information Technology		15,120	-	15,120	15,120	-
Operation & Maintenance of Plant Services:						
Health Benefits	11-000-260-270	645,795	(27,552)	618,243	618,243	-
Total Operation & Maintenance of Plant Services		645,795	(27,552)	618,243	618,243	-
Student Transportation Services:						
Health Benefits	11-000-270-270	697,587	(11,475)	686,112	686,046	66
Total Student Transportation Services		697,587	(11,475)	686,112	686,046	66
Total Allocated Benefits		5,161,230	(7,381)	5,153,849	4,950,956	202,893
Unallocated Benefits - Employee Benefits:						
Social Security	11-000-291-220	443,693	1,878	445,571	417,457	28,114
Other Retirement Contributions - PERS	11-000-291-241	435,475	2,604	438,079	437,270	809
Unemployment Compensation	11-000-291-250	14,568	-	14,568	668	13,900
Worker's Compensation	11-000-291-260	168,965	-	168,965	168,965	-
Tuition Reimbursement	11-000-291-280	70,600	-	70,600	56,121	14,479
Total Unallocated Benefits - Employee Benefits		1,133,301	4,482	1,137,783	1,080,481	57,302
Nonbudgeted:						
On-Behalf TPAF Pension Contribution		-	-	-	993,379	(993,379)
On-Behalf TPAF Post-Retirement Medical Contribution		-	-	-	1,182,839	(1,182,839)
Reimbursed TPAF Social Security Contribution		-	-	-	952,424	(952,424)
Total Undistributed Expenditures		20,686,552	218,396	20,904,948	22,004,509	(1,099,561)
Total Expenditures - Current Expense		33,912,604	409,623	34,322,227	35,080,938	(758,711)
Capital Outlay:						
Interest Deposit to Capital Reserve	10-604-000-000	2,100	-	2,100	-	2,100
Equipment:						
Regular Programs - Instruction:						
Grades 6 - 8	12-130-100-730	18,800	73,810	92,610	65,910	26,700
Grades 9 - 12	12-140-100-730	26,100	64,059	90,159	37,383	52,776
Special Education - Instruction:						
School Sponsored Other	12-400-100-730	-	27,104	27,104	27,093	11
Instruction						
Undistributed Expense - Support Services -						

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ACCOUNT NUMBERS	JUNE 30, 2016			OVER/ (UNDER)	
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		ACTUAL
Student Registration	12-400-100-730	-	3,450	3,450	3,450	-
Required Maintenance of School Facilities	12-000-261-730	-	32,685	32,685	31,685	1,000
Undistributed Expense - Custodial Services	12-000-262-730	2,262	-	2,262	2,262	-
Undistributed Expense - Care and Upkeep of Grounds	12-000-263-730	-	82,768	82,768	53,159	29,609
Student Transportation: Noninstructional Equipment	12-000-270-732	-	7,000	7,000	-	7,000
Total Equipment		47,162	290,876	338,038	220,942	117,096
Facilities Acquisition & Construction Services: Other Purchased Professional & Technical Services	12-000-400-390	-	295,777	295,777	50,644	245,133
Assessment for Debt Service on SDA Funding	12-000-400-896	139,313	-	139,313	139,313	-
Capital Reserve - Transfer to Repayment of Debt	12-000-400-933	100,000	-	100,000	100,000	-
Total Facilities Acquisition & Construction Services		239,313	295,777	535,090	289,957	245,133
Assets Acquired Under Capital Leases (Nonbudgeted): Capital Leases		-	-	-	235,000	(235,000)
Total Assets Acquired Under Capital Leases (Nonbudgeted)		-	-	-	235,000	(235,000)
Total Capital Outlay		288,575	586,653	875,228	745,899	129,329
Total Expenditures		34,201,179	996,276	35,197,455	35,826,837	(629,382)
Excess/(Deficiency) of Revenues Over/(Under) Expenditures		(1,774,004)	(996,276)	(2,770,280)	1,630,333	4,400,613
Other Financing Sources/(Uses): Operating Transfer In/(Out): Transfer from Enterprise Funds Capital Leases (Nonbudgeted)		-	-	-	50,000	(50,000)
Total Other Financing Sources/(Uses)		-	-	-	235,000	(235,000)
Excess/(Deficiency) of Revenues & Other Financing Sources Over/(Under) Expenditures & Other Financing Sources (Uses)		(1,774,004)	(996,276)	(2,770,280)	1,915,333	4,685,613
Fund Balances, July 1		12,108,605	-	12,108,605	12,108,605	-
Fund Balances, June 30		10,334,601	(996,276)	9,338,325	14,023,938	4,685,613

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
ACCOUNT NUMBERS	JUNE 30, 2016				
RECAPITULATION OF BUDGET TRANSFERS:					
Prior Year Encumbrances		\$ 1,067,944			
Cancellation of Prior Year Encumbrances		(109,948)			
Utilization of Reserve for Federal Impact Aid		<u>38,280</u>			
Total		<u>\$ 996,276</u>			
RECAPITULATION OF FUND BALANCE:					
Restricted Fund Balance:				\$ 2,506,717	
Capital Reserve				163,932	
Current Year Excess Surplus				1,067,163	
Committed Fund Balance:				6,268,117	
Year-end Encumbrances				395,500	
Reserve for Impact Aid				1,551,056	
Reserve for Legal Remediation				<u>2,071,453</u>	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures					
Unassigned Fund Balance				14,023,938	
Subtotal					
Reconciliation to Governmental Fund Statements (GAAP):					
Last State Aid Payments Not Recognized on GAAP Basis				<u>(1,174,328)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u>\$ 12,849,610</u>	

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	JUNE 30, 2016				
	ORIGINAL BUDGET	TRANSFERS/ ADJUSTMENTS	FINAL BUDGET	ACTUAL	OVER/ (UNDER)
Revenues:					
State Sources	\$ 37,618	\$ (4,158)	\$ 33,460	\$ 29,053	\$ 4,407
Federal Sources	517,094	30,491	547,585	545,286	2,299
Local Sources	-	10,135	10,135	1,570	8,565
Total Revenues	554,712	36,468	591,180	575,909	15,271
Expenditures:					
Instruction:					
Salaries of Teachers	55,916	(49,201)	6,715	6,715	-
Purchase of Professional Education Services	-	6,572	6,572	5,565	1,007
Tuition	403,608	18,581	422,189	422,189	-
General Supplies	40,926	45,057	85,983	79,802	6,181
Textbooks	1,370	(57)	1,313	659	654
Other Objects	2,918	4,580	7,498	7,298	200
Total Instruction	504,738	25,532	530,270	522,228	8,042
Support Services:					
Salaries	27,236	(8,298)	18,938	18,938	-
Benefits	-	1,963	1,963	1,963	-
Purchase of Professional Education Services	2,267	(2,267)	-	-	-
Other Purchased Service	20,471	16,679	37,150	29,923	7,227
Travel	-	765	765	763	2
Other Objects	-	2,094	2,094	2,094	-
Total Support Services	49,974	10,936	60,910	53,681	7,229
Total Expenditures	554,712	36,468	591,180	575,909	15,271
Total Outflows	554,712	36,468	591,180	575,909	15,271
Excess/(Deficiency) of Revenues Over/(Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2016**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 37,457,170	\$ 575,909
Difference - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year	-	5,924
Current Year	-	(827)
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		
	1,155,828	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		
	<u>(1,174,328)</u>	<u>-</u>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)		
	<u>\$ 37,438,670</u>	<u>\$ 581,006</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 35,826,837	\$ 575,909
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year	-	5,924
Current Year	-	(827)
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)		
	<u>\$ 35,826,837</u>	<u>\$ 581,006</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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L. Schedules Related to Accounting and Reporting for Pensions (GASB 68)

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
District's proportion of the net pension liability (asset)	0.05007%	-99.94886%	0.05114%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's proportionate share of the net pension liability (asset)	\$ 11,238,779	\$ 9,012,847	\$ 9,774,214	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered-employee payroll	\$ 3,226,872	\$ 3,214,021	\$ 3,236,834	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	348.29%	280.42%	301.97%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Plan fiduciary net position as a percentage of the total pension liability	47.93%	48.72%	48.72%	N/A	N/A	N/A	N/A	N/A	N/A	N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 SCHEDULE OF DISTRICT CONTRIBUTIONS
 PUBLIC EMPLOYEES' RETIREMENT SYSTEM
 LAST TEN FISCAL YEARS

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Contractually required contribution	\$ 430,432	\$ 396,847	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contributions in relation to the contractually required contribution	430,432	396,847	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contribution deficiency (excess)	\$ -	\$ -	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's covered-employee payroll	\$ 3,226,872	\$ 3,214,021	\$ 3,236,834	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
Contributions as a percentage of covered-employee payroll	13.34%	12.35%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS' PENSION AND ANNUITY FUND
LAST TEN FISCAL YEARS**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
District's proportion of the net pension liability (asset)	0.12817%	0.12501%	0.12065%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
State's proportionate share of the net pension liability (asset) associated with the District	\$81,005,999	\$66,811,725	\$60,973,040	N/A	N/A	N/A	N/A	N/A	N/A	N/A
District's covered-employee payroll	\$13,248,953	\$13,023,015	\$12,799,821	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A	**N/A

**This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**NORTHERN BURLINGTON REGIONAL SCHOOL DISTRICT
ACCOUNTING AND REPORTING FOR PENSIONS (GASB 68)
CHANGE OF BENEFIT TERMS AND ASSUMPTIONS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
JUNE 30, 2016**

Teachers Pension and Annuity Fund (TPAF)

Basis of Presentation. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. The numbers were derived in a report provided by KPMG dated July 28, 2016. The full report is available by the State of New Jersey, Division of Pension and Benefits. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Changes of benefit terms. 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.

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

Public Employees' Retirement System (PERS)

Basis of Presentation. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. The numbers were derived in a report provided by KPMG dated April 14, 2016. The full report is available by the State of New Jersey, Division of Pension and Benefits. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

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

Changes of assumptions. 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. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	<u>NO CHILD LEFT BEHIND</u>				
	TITLE II PART A	TITLE I	FOOD FOR ALL	FMC CHAPTER	STEM GRANT
Revenues:					
State Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Sources	25,952	59,455	-	-	6,223
Local Sources	-	-	1,172	398	-
Total Revenues	\$ 25,952	\$ 59,455	\$ 1,172	\$ 398	\$ 6,223
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ 6,715	\$ -	\$ -	\$ -
Purchase of Professional Educational Services	5,565	-	-	-	-
Other Professional Services	-	-	-	-	-
Tuition	-	-	-	-	-
General Supplies	-	52,226	1,172	398	4,587
Textbooks	-	-	-	-	-
Other Objects	-	-	-	-	873
Total Instruction	5,565	58,941	1,172	398	5,460
Support Services:					
Salaries	18,938	-	-	-	-
Purchase of Professional Education Services	-	-	-	-	-
Personal Services - Employee Benefits	1,449	514	-	-	-
Other Professional Services	-	-	-	-	-
Travel	-	-	-	-	763
Other Objects	-	-	-	-	-
Total Support Services	20,387	514	-	-	763
Total Expenditures	\$ 25,952	\$ 59,455	\$ 1,172	\$ 398	\$ 6,223

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	I.D.E.A. PART B BASIC		NONPUBLIC		
	PERKINS GRANT	REGULAR PROGRAM	AUXILIARY TEXTBOOK	CORRECTIVE SPEECH	SUPPLEMENTAL INSTRUCTION
Revenues:					
State Sources	\$ -	\$ -	\$ 659	\$ 2,090	\$ 3,045
Federal Sources	27,270	426,386	-	-	-
Total Revenues	\$ 27,270	\$ 426,386	\$ 659	\$ 2,090	\$ 3,045
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ -
Purchase of Professional Education Services	-	-	-	-	-
Other Professional Services	-	-	-	-	-
Tuition	-	422,189	-	-	-
General Supplies	18,751	-	-	-	-
Textbooks	-	-	659	-	-
Other Objects	6,425	-	-	-	-
Total Instruction	25,176	422,189	659	-	-
Support Services:					
Salaries	-	-	-	-	-
Purchase of Professional Education Services	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-
Other Professional Services	-	4,197	-	2,090	3,045
Travel	-	-	-	-	-
Other Objects	2,094	-	-	-	-
Total Support Services	2,094	4,197	-	2,090	3,045
Total Expenditures	\$ 27,270	\$ 426,386	\$ 659	\$ 2,090	\$ 3,045

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	NONPUBLIC				2016
	CH. 192 EXAMINATION	CH 192/193 COMP. ED.	TECHNOLOGY	NURSING	
Revenues:					
State Sources	\$ 4,602	\$ 15,989	\$ 598	\$ 2,070	\$ 29,053
Federal Sources	-	-	-	-	545,286
Local Sources	-	-	-	-	1,570
Total Revenues	\$ 4,602	\$ 15,989	\$ 598	\$ 2,070	\$ 575,909
Expenditures:					
Instruction:					
Salaries of Teachers	\$ -	\$ -	\$ -	\$ -	\$ 6,715
Purchase of Professional Education Services	-	-	-	-	5,565
Other Professional Services	-	-	-	-	-
Tuition	-	-	-	-	422,189
General Supplies	-	-	598	2,070	79,802
Textbooks	-	-	-	-	659
Other Objects	-	-	-	-	7,298
Total Instruction	-	-	598	2,070	522,228
Support Services:					
Salaries	-	-	-	-	18,938
Purchase of Professional Education Services	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	1,963
Other Professional Services	4,602	15,989	-	-	29,923
Travel	-	-	-	-	763
Other Objects	-	-	-	-	2,094
Total Support Services	4,602	15,989	-	-	53,681
Total Expenditures	\$ 4,602	\$ 15,989	\$ 598	\$ 2,070	\$ 575,909

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F. Capital Projects Fund

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2016**

PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES		CANCELLATION	UNEXPENDED BALANCE 2016
			PRIOR YEAR	CURRENT YEAR		
Renovations to High School	06/17/09	\$ 3,915,136	\$ 3,242,522	\$ -	\$ -	\$ 672,614
Total		\$ 3,915,136	\$ 3,242,522	\$ -	\$ -	\$ 672,614

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2016**

Fund Balance - Beginning	\$ 672,614
Fund Balance - Ending	<u>\$ 672,614</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
RENOVATIONS TO HIGH SCHOOL
FOR THE YEAR ENDED JUNE 30, 2016**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
State Sources - SCC Grant	\$ 1,184,040	\$ -	\$ 1,184,040	\$ 1,184,040
Bond Proceeds & Transfers	2,731,096	-	2,731,096	2,731,096
Total Revenues	3,915,136	-	3,915,136	3,915,136
Expenditures & Other Financing Uses:				
Purchased Professional & Technical Services	284,547	-	284,547	284,547
Construction Services	2,957,879	-	2,957,879	3,630,589
Cancellation of Receivable	96	-	96	-
Total Expenditures	3,242,522	-	3,242,522	3,915,136
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	\$ 672,614	\$ -	\$ 672,614	\$ -

ADDITIONAL PROJECT INFORMATION

Bond Authorization Date	6/17/2009
Bonds Authorized	\$2,731,000
Bonds Issued	\$2,731,000
Original Authorized Cost	\$3,800,323
Revised Authorized Cost	n/a
Percentage Increase Over Original Authorized Cost	n/a
Original Target Completion Date	n/a
Revised Target Completion Date	n/a

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G. Proprietary Funds

**These Statements are Presented as Exhibit B-4, Exhibit B-5 & Exhibit B-6.
Duplication as G-Exhibits is not required.**

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Enterprise Funds

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016**

ASSETS	PRIVATE PURPOSE		AGENCY		2016
	UNEMPLOYMENT COMPENSATION TRUST	RETIREMENT TRUST	PAYROLL FUND	STUDENT ACTIVITY	
Cash & Cash Equivalents	\$ 71,537	\$ 131,777	\$ 19,358	\$ 338,010	\$ 560,682
Total Assets	71,537	131,777	19,358	338,010	560,682
LIABILITIES					
Payroll Deductions & Withholdings	-	-	19,358	-	19,358
Accounts Payable	7,800	-	-	-	7,800
Due to Student Groups	-	-	-	338,010	338,010
Total Liabilities	7,800	-	19,358	338,010	365,168
NET POSITION					
Held in Trust For:					
Unemployment Claims	63,737	-	-	-	63,737
Retirement Claims	-	131,777	-	-	131,777
Total Net Position	63,737	\$ 131,777	\$ -	\$ -	\$ 195,514

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2016**

ADDITIONS:	PRIVATE PURPOSE		2016
	UNEMPLOYMENT COMPENSATION TRUST	RETIREMENT TRUST	
Contributions:			
Deductions From			
Employee's Salaries	\$ 29,534	\$ -	\$ 29,534
Total Contributions	29,534	-	29,534
Total Additions	29,534	-	29,534
DEDUCTIONS:			
Unemployment Claims	56,174	-	56,174
Total Deductions	56,174	-	56,174
Change in Net Position	(26,640)	-	(26,640)
Net Position - Beginning of Year	90,377	131,777	222,154
Net Position - End of Year	\$ 63,737	\$ 131,777	\$ 195,514

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF CHANGES IN ASSETS & LIABILITIES
FOR FISCAL YEAR ENDED JUNE 30, 2016**

	BALANCE JULY 1, 2015	CASH RECEIPTS	CASH DISBURSEMENTS	BALANCE JUNE 30, 2016
Due to Student Groups	\$ 312,388	\$ 822,744	\$ 797,122	\$ 338,010
Total	<u>\$ 312,388</u>	<u>\$ 822,744</u>	<u>\$ 797,122</u>	<u>\$ 338,010</u>

**PAYROLL AGENCY FUND
STATEMENT OF CHANGES IN ASSETS & LIABILITIES
FOR FISCAL YEAR ENDED JUNE 30, 2016**

ASSETS	BALANCE JULY 1, 2015	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2016
Cash & Cash Equivalents	\$ 19,103	\$ 20,819,963	\$ 20,819,708	\$ 19,358
Total Assets	<u>\$ 19,103</u>	<u>\$ 20,819,963</u>	<u>\$ 20,819,708</u>	<u>\$ 19,358</u>
LIABILITIES				
Net Payroll Deductions & Withholdings	\$ 19,103	\$ 20,819,963	\$ 20,819,708	\$ 19,358
Total Liabilities	<u>\$ 19,103</u>	<u>\$ 20,819,963</u>	<u>\$ 20,819,708</u>	<u>\$ 19,358</u>

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I. Long-Term Debt

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS
JUNE 30, 2016

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL MATURITY DATE	ANNUAL MATURITY AMOUNT	INTEREST RATE	BALANCE JUNE 30, 2015	RETIRED	BALANCE JUNE 30, 2016
School Refunding Bonds	10/1/2001	\$ 11,750,000	April 1, 2017	1,130,000	5.25%	\$ 2,265,000	\$ 1,135,000	\$ 1,130,000
			March 1, 2017	780,000	5.00%	12,190,000	760,000	11,430,000
School Refunding Bonds	11/2/2006	15,205,000	2018	785,000	5.00%			
			2019	785,000	4.00%			
			2020	785,000	4.00%			
			2021	780,000	4.00%			
			2022	775,000	4.00%			
			2023	770,000	4.00%			
			2024	765,000	4.00%			
			2025	760,000	4.125%			
			2026	755,000	4.125%			
			2027	1,495,000	4.125%			
			2028	1,475,000	4.25%			
2029	720,000	3.50%						
School Bonds	6/17/2009	2,731,000	July, 15 2017	191,000	3.50%	1,956,000	185,000	1,771,000
			2018	190,000	3.50%			
			2019	190,000	3.75%			
			2020	200,000	3.88%			
			2021	200,000	4.00%			
			2022	200,000	4.25%			
			2023	200,000	4.25%			
2024	200,000	4.50%						
2025	200,000	4.50%						
Total								
								\$ 16,411,000
								\$ 2,080,000
								\$ 14,331,000

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2016**

SERIES	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2015	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2016
2013 Purchase of Buses	1.82%	\$270,000	\$ 164,686	\$ -	\$ 53,908	\$ 110,778
2015 Purchase of Buses	1.99%	\$250,000	250,000	-	50,657	199,343
2016 Purchase of Buses	1.83%	\$235,000	-	235,000	-	235,000
			<u>\$ 414,686</u>	<u>\$ 235,000</u>	<u>\$ 104,565</u>	<u>\$ 545,121</u>

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	JUNE 30, 2016				OVER/ (UNDER)
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 1,987,023	-	\$ 1,987,023	\$ 1,987,023	-
State Sources:					
Debt Service Aid Type II	697,675	-	697,675	697,675	-
Repayment of Debt:					
Transfers from Capital Reserve	100,000	-	100,000	100,000	-
Total Revenues	2,784,698	-	2,784,698	2,784,698	-
Expenditures:					
Regular Debt Service:					
Interest	704,698	-	704,698	704,697	1
Principal	2,080,000	-	2,080,000	2,080,000	-
Total Expenditures	2,784,698	-	2,784,698	2,784,697	1
Excess/(Deficiency) of Revenues Over/(Under) Expenditures	-	-	-	1	(1)
Fund Balance July 1	-	-	-	-	-
Fund Balance June 30	\$ -	\$ -	\$ -	\$ 1	\$ (1)

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STATISTICAL SECTION (Unaudited)

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Governmental Activities:										
Net Investment in Capital Assets	\$ 19,188,176	\$ 18,425,737	\$ 17,957,455	\$ 16,274,942	\$ 14,206,320	\$ 12,927,726	\$ 12,125,692	\$ 11,229,091	\$ 11,916,606	\$ 10,320,576
Restricted	12,625,099	11,028,010	2,694,782	2,677,062	6,110,173	4,525,689	7,862,456	9,523,641	6,474,610	6,798,913
Unrestricted	(12,569,456)	(12,047,413)	4,354,449	4,761,520	385,937	833,241	(1,749,501)	(2,491,607)	916,859	1,663,410
Total Governmental Activities	\$ 19,243,819	\$ 17,406,334	\$ 25,006,686	\$ 23,713,524	\$ 20,702,430	\$ 18,286,656	\$ 18,238,647	\$ 18,261,125	\$ 19,308,075	\$ 18,782,899
Business-Type Activities:										
Net Investment in Capital Assets	\$ 147,788	\$ 139,860	\$ 170,424	\$ 130,252	\$ 141,222	\$ 24,434	\$ 33,480	\$ 29,806	\$ 38,854	\$ 47,900
Unrestricted	411,848	338,031	256,465	471,004	697,600	828,643	750,020	548,394	610,497	422,307
Total Business-Type Activities	\$ 559,636	\$ 477,891	\$ 426,889	\$ 601,256	\$ 838,822	\$ 853,077	\$ 783,500	\$ 578,200	\$ 649,351	\$ 470,207
District-Wide:										
Net Investment in Capital Assets	\$ 19,335,964	\$ 18,565,597	\$ 18,127,879	\$ 16,405,194	\$ 14,347,542	\$ 12,952,160	\$ 12,159,172	\$ 11,258,897	\$ 11,955,460	\$ 10,368,476
Restricted	12,625,099	11,028,010	2,694,782	2,677,062	6,110,173	4,525,689	7,862,456	9,523,641	6,474,610	6,798,913
Unrestricted	(12,157,608)	(11,709,382)	4,610,914	5,232,524	1,083,537	1,661,884	(999,481)	(1,943,213)	1,527,356	2,085,717
Total District Net Position	\$ 19,803,455	\$ 17,884,225	\$ 25,433,575	\$ 24,314,780	\$ 21,541,252	\$ 19,139,733	\$ 19,022,147	\$ 18,839,325	\$ 19,957,426	\$ 19,253,106

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 9,286,087	\$ 9,486,398	\$ 8,727,051	\$ 8,520,223	\$ 8,499,224	\$ 8,326,740	\$ 8,213,138	\$ 9,219,218	\$ 8,819,284	\$ 8,658,655
Special Education	2,577,439	2,450,328	2,301,724	2,263,281	2,111,357	1,940,360	2,157,565	1,598,828	1,564,120	1,541,829
Other Special Instruction	48,783	81,612	267,606	347,334	350,963	240,525	462,740	300,187	251,254	252,540
Other Instruction	1,647,632	1,543,266	1,492,982	1,383,126	1,314,700	1,318,793	1,319,907	1,296,907	1,254,115	1,220,411
Support Services:										
Tuition	1,458,106	1,442,300	1,309,562	1,156,994	1,040,201	927,092	539,348	1,001,125	917,919	1,030,441
Student & Instruction Related Services	3,982,496	3,984,626	3,696,263	3,716,110	3,259,385	3,212,310	3,340,263	3,404,210	3,048,686	2,824,743
School Administrative Services	1,112,390	1,112,411	1,771,495	996,378	1,029,322	1,095,064	1,291,712	1,210,498	1,246,588	1,214,006
General & Business Administrative Services	1,141,378	1,062,572	1,141,784	1,101,914	1,055,122	1,045,767	1,083,668	1,052,726	1,035,740	1,040,935
Plant Operations & Maintenance	3,409,752	3,132,914	3,204,197	2,897,805	3,026,494	2,914,623	3,377,381	3,369,244	3,495,796	2,867,661
Pupil Transportation	2,030,136	2,050,359	2,004,656	1,930,611	1,843,691	1,742,377	1,669,298	1,747,329	1,828,848	1,724,894
Special Schools	-	-	-	-	-	9,610	9,582	9,240	8,824	8,405
Interest on Long-Term Debt	1,049,905	736,902	865,093	1,040,073	1,081,842	1,193,432	1,187,648	1,119,976	1,171,905	1,109,731
Unallocated Benefits	13,395,423	11,584,527	8,028,599	7,111,018	6,765,425	8,058,785	7,841,839	7,197,782	7,469,765	7,236,262
Transfer to Charter Schools	-	-	-	9,182	9,554	-	-	-	-	-
Amortization of Debt Refunding Costs	-	-	-	-	23,795	23,794	23,794	23,795	23,795	15,863
Compensated Absences	-	-	-	-	115,139	3,310	126,296	31,690	122,620	(57,544)
Unallocated Depreciation	1,520,464	1,474,410	103,796	1,406,229	1,419,971	1,403,418	1,306,379	1,285,162	1,428,312	1,384,599
Cancellation of Accounts Receivable	-	-	-	96	306,794	-	-	-	-	-
Loss on Disposal of Assets	-	-	-	-	-	-	-	-	-	917,999
Total Governmental Activities Expenses	42,659,991	40,142,625	33,320,808	33,880,374	33,252,979	33,456,000	33,950,558	33,867,917	33,687,571	32,991,430
Business-Type Activities:										
Food Service	768,310	777,411	725,789	716,716	887,752	774,331	702,206	688,339	654,812	664,759
Regional Transportation	615,884	744,999	769,823	700,345	697,562	792,598	761,431	786,951	618,585	590,559
Evening Schools	68,410	52,073	45,490	66,772	50,432	50,168	60,093	61,565	63,036	74,727
Job Fair	-	-	-	-	-	-	-	6,606	6,451	4,815
Shared Services	-	-	-	49,228	-	20,454	32,604	-	-	-
Technologies	285,312	283,011	209,445	214,279	126,790	156,143	121,276	94,931	89,100	75,854
Total Business-Type Activities Expense	1,737,916	1,857,494	1,750,547	1,747,340	1,762,536	1,793,694	1,677,610	1,638,392	1,431,984	1,410,714
Total District Expenses	\$ 44,397,907	\$ 42,000,119	\$ 35,071,355	\$ 35,627,714	\$ 35,015,515	\$ 35,249,694	\$ 35,628,168	\$ 35,506,309	\$ 35,119,555	\$ 34,402,144
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$ 8,360,090	\$ 6,943,041	\$ 1,240,694	\$ 1,244,759	\$ 748,802	\$ 783,595	\$ 863,907	\$ 1,261,023	\$ 1,210,509	\$ 813,978
Charges for Services	-	166,593	-	-	-	-	-	-	-	-

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Governmental Activities Program Revenues	8,360,090	7,109,634	1,240,694	1,244,759	748,802	783,595	863,907	1,261,023	1,210,509	813,978
Business-Type Activities:										
Charges for Services:										
Food Service	568,920	575,582	570,318	577,473	621,854	569,428	578,874	573,286	538,810	594,473
Regional Transportation	736,575	784,531	755,527	750,717	741,687	889,123	887,159	958,087	880,530	653,935
Evening Schools	81,345	81,394	60,780	64,943	59,128	67,345	82,298	65,953	86,935	79,355
Job Fair	-	-	-	-	-	-	-	6,600	10,900	6,650
Shared Services	-	-	-	49,228	17	16,311	36,837	-	-	-
Regional Technologies	273,951	293,957	197,529	191,449	180,107	170,406	122,480	115,434	86,573	82,238
Operating Grants & Contributions	208,870	173,032	171,873	183,702	160,858	150,392	148,428	127,086	107,653	113,365
Total Business Type Activities Program Revenues	1,869,661	1,908,496	1,756,027	1,817,512	1,763,651	1,863,005	1,856,076	1,846,446	1,711,401	1,530,016
Total District Program Revenues	<u>\$ 10,229,751</u>	<u>\$ 9,018,130</u>	<u>\$ 2,996,721</u>	<u>\$ 3,062,271</u>	<u>\$ 2,512,453</u>	<u>\$ 2,646,600</u>	<u>\$ 2,719,983</u>	<u>\$ 3,107,469</u>	<u>\$ 2,921,910</u>	<u>\$ 2,343,994</u>
Net/(Expense)/Revenue:										
Governmental Activities	\$(34,299,901)	\$(33,032,991)	\$(34,280,114)	\$(32,635,615)	\$(32,504,177)	\$(32,672,405)	\$(33,086,651)	\$(32,606,894)	\$(32,477,062)	\$(32,177,452)
Business-Type Activities	131,745	51,002	5,480	70,172	1,115	69,311	178,466	208,054	279,417	119,302
Total Government-Wide Net Expense	<u>\$(34,168,156)</u>	<u>\$(32,981,989)</u>	<u>\$(34,274,634)</u>	<u>\$(32,565,443)</u>	<u>\$(32,503,062)</u>	<u>\$(32,603,094)</u>	<u>\$(32,908,185)</u>	<u>\$(32,398,840)</u>	<u>\$(32,197,645)</u>	<u>\$(32,058,150)</u>
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 18,754,839	\$ 17,983,527	\$ 17,316,137	\$ 16,654,619	\$ 15,846,421	\$ 15,996,421	\$ 15,996,421	\$ 15,461,943	\$ 15,054,234	\$ 14,475,225
Taxes Levied for Debt Service	1,987,023	2,010,173	2,008,648	2,007,523	2,015,105	2,072,399	1,777,183	1,772,714	1,730,229	2,184,215
Unrestricted Grants & Contributions	14,923,393	16,525,759	15,979,507	16,461,954	16,579,063	14,245,032	14,158,139	16,776,948	15,479,032	15,260,143
Tuition Received	-	-	-	-	162,316	171,924	138,606	176,098	93,847	180,074
Miscellaneous Income	422,131	306,375	211,274	215,873	274,782	980,867	270,037	270,842	508,496	782,748
Revaluation of Capital Assets	-	(1,618,981)	-	-	-	(746,229)	723,787	(2,209,674)	-	-
Transfers	50,000	-	179,847	306,740	42,264	-	-	321,126	136,400	(14,905)
Total Governmental Activities	36,137,386	35,206,853	35,695,413	35,646,709	34,919,951	32,720,414	33,064,173	32,569,997	33,002,238	32,867,500
Business-Type Activities:										
Cancellation of Prior Year Receivable	-	-	-	(1,050)	(16,993)	-	-	-	-	-
Miscellaneous Income	-	-	-	52	1,623	266	26,834	41,921	36,127	19,524
Transfers	(50,000)	-	(179,847)	(306,740)	-	-	-	(321,126)	(136,400)	14,905

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Total Business-Type Activities	(50,000)	-	(179,847)	(307,738)	(15,370)	266	26,834	(279,205)	(100,273)	34,429
Total District-Wide	\$ 36,087,386	\$ 35,206,853	\$ 35,515,566	\$ 35,338,971	\$ 34,904,581	\$ 32,720,680	\$ 33,091,007	\$ 32,290,792	\$ 32,901,965	\$ 32,901,929
Change in Net Position:										
Governmental Activities	\$ 1,837,485	\$ 2,173,862	\$ 1,415,299	\$ 3,011,094	\$ 2,415,774	\$ 48,009	\$ (22,478)	\$ (36,897)	\$ 525,176	\$ 690,048
Business-Type Activities	81,745	51,002	(174,367)	(237,566)	(14,255)	69,577	205,300	(71,151)	179,144	153,731
Total District	\$ 1,919,230	\$ 2,224,864	\$ 1,240,932	\$ 2,773,528	\$ 2,401,519	\$ 117,586	\$ 182,822	\$ (108,048)	\$ 704,320	\$ 843,779

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
General Fund:										
Restricted	\$ 2,670,649	\$ 7,217,948	\$ 2,022,168	\$ 2,119,261	\$ 1,713,945	\$ 5,003,250	\$ 6,317,845	\$ 5,924,235	\$ 6,041,677	\$ 6,224,970
Committed	7,730,780	1,463,444	4,737,177	4,480,518	4,505,540	-	-	-	-	-
Assigned	1,551,056	1,674,004	1,705,552	1,524,784	1,403,663	-	-	-	-	-
Unassigned	897,125	597,381	314,689	562,416	651,280	1,471,354	113,849	1,967,503	1,439,375	1,778,811
Total General Fund	\$ 12,849,610	\$ 10,952,777	\$ 8,779,586	\$ 8,686,979	\$ 8,274,428	\$ 6,474,604	\$ 6,431,694	\$ 7,891,738	\$ 7,481,052	\$ 8,003,781
All Other Governmental Funds:										
Restricted										
Capital Projects Fund	\$ 672,614	\$ 672,614	\$ 672,614	\$ 557,801	\$ 557,897	\$ 1,108,715	\$ 1,148,731	\$ 2,099,920	\$ 776,144	\$ 586,276
Debt Service Fund	1	-	-	-	2	2	-	-	-	36,174
Total All Other Governmental Funds	\$ 672,615	\$ 672,614	\$ 672,614	\$ 557,801	\$ 557,899	\$ 1,108,717	\$ 1,148,731	\$ 2,099,920	\$ 776,144	\$ 622,450

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues:										
Taxes Local	\$ 20,741,862	\$ 19,993,700	\$ 19,324,785	\$ 18,662,142	\$ 17,861,526	\$ 18,068,820	\$ 17,773,604	\$ 17,234,657	\$ 16,784,463	\$ 16,659,440
Tuition Charges	209,665	166,593	175,667	196,020	162,316	171,924	138,606	176,098	93,847	180,074
Transportation	185,381	106,099	117,623	128,954	110,742	119,759	118,652	51,522	130,332	165,330
Miscellaneous	236,750	200,276	93,651	86,919	164,040	861,108	151,385	219,320	378,164	617,418
State Sources	16,498,252	16,022,536	15,802,307	15,728,728	14,655,690	13,655,756	11,394,499	15,337,095	14,953,670	14,202,668
Federal Sources	2,832,464	4,544,075	4,544,075	1,977,985	2,672,175	1,372,871	3,627,547	2,700,876	1,735,871	1,871,453
Total Revenue	40,704,374	41,033,279	40,058,108	36,780,748	35,626,489	34,250,238	33,204,293	35,719,568	34,076,347	33,696,383
Expenditures:										
Instruction:										
Regular Instruction	9,329,900	9,454,824	8,927,326	8,745,164	8,499,224	8,326,740	8,213,138	9,219,218	8,819,284	8,658,655
Special Education Instruction	2,577,439	2,450,328	2,301,724	2,263,281	2,111,357	1,940,360	2,157,565	1,598,828	1,564,120	1,541,829
Other Special Instruction	48,783	81,612	267,606	347,334	350,963	240,525	462,740	300,187	251,254	252,540
Other Instruction	1,647,632	1,543,266	1,492,982	1,383,126	1,314,700	1,318,793	1,319,907	1,296,907	1,254,115	1,220,411
Support Services:										
Tuition	1,458,106	1,442,300	1,309,562	1,156,994	1,040,201	927,092	539,348	1,001,125	917,919	1,030,441
Student & Instruction Related Services	3,982,496	3,984,626	3,696,263	3,716,110	3,259,385	3,212,310	3,340,263	3,404,210	3,048,686	2,824,743
School Administrative Services	1,112,390	112,411	1,077,495	996,378	1,029,322	1,095,064	1,291,712	1,210,498	1,246,588	1,214,006
General & Business Administration Services	1,141,378	1,062,572	1,124,902	1,078,120	1,055,122	1,045,767	1,083,668	1,052,726	1,035,740	1,040,935
Plant Operations & Maintenance	3,069,040	3,132,914	3,204,197	2,897,805	3,026,494	2,914,623	3,377,381	3,369,244	3,495,796	2,867,661
Pupil Transportation	2,134,701	2,050,359	2,004,656	1,985,079	1,896,446	1,793,471	1,718,784	1,800,226	1,828,848	1,724,894
Employee Benefits	9,160,079	8,464,319	7,799,785	7,609,999	6,771,225	8,103,085	7,648,886	7,004,829	7,469,765	7,236,262
Special Schools	-	-	-	-	-	9,610	9,582	9,240	8,824	8,405
Capital outlay	645,899	1,505,609	1,139,958	1,660,732	942,519	1,379,499	2,923,510	1,432,321	1,719,342	1,655,407
Debt service:										
Principal	2,080,000	2,020,000	1,935,000	1,850,000	1,765,000	1,625,000	1,445,000	1,375,000	1,305,000	1,330,000
Interest & Other Charges	704,697	804,948	892,898	975,635	1,041,441	1,157,816	1,073,351	1,130,951	1,185,626	1,148,526
Total Expenditures	39,092,540	38,110,088	37,174,354	36,665,757	34,103,399	35,089,755	36,604,835	35,205,510	35,150,907	33,754,715

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Excess (Deficiency) of Revenues Over/(Under) Expenditures	1,611,834	1,923,191	(242,427)	114,991	1,523,090	(839,517)	(3,400,542)	514,058	(1,074,560)	(58,332)
Other Financing Sources/(Uses):										
Cancellation of Accounts Receivable	-	-	-	(96)	(306,794)	-	-	-	-	-
Transfer to Charter School Capital Leases (Nonbudgeted)	-	-	-	(9,182)	(9,554)	-	-	-	-	-
Transfers in	235,000	250,000	270,000	-	-	-	-	-	260,700	-
Transfers Out	150,000	100,000	279,847	406,740	142,264	-	-	324,544	145,400	-
Bond Proceeds	(100,000)	(100,000)	(100,000)	(100,000)	(100,000)	-	-	(3,418)	(9,000)	(14,905)
	-	-	-	-	-	-	-	2,731,000	-	-
Total Other Financing Sources/(Uses)	285,000	250,000	449,847	297,462	(274,084)	-	-	3,052,126	397,100	(14,905)
Net Change in Fund Balances	\$ 1,896,834	\$ 2,173,191	\$ 207,420	\$ 412,453	\$ 1,249,006	\$ (839,517)	\$ (3,400,542)	\$ 3,566,184	\$ (677,460)	\$ (73,237)

Debt Service as a Percentage of Noncapital Expenditures 7.2% 7.7% 7.8% 8.1% 8.5% 8.3% 7.5% 7.4% 8.2% 7.7%

Source: District Records

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	INTEREST ON INVESTMENTS	TUITION	TRANSPORTATION FROM LEAS	SRECS REVENUE	SERVICE AND USE FEES	MISCELLANEOUS	TOTAL
2016	\$ 31,940	\$ 209,665	\$ 185,381	\$ 61,936	\$ 23,892	\$ 117,412	\$ 630,226
2015	21,171	166,593	106,099	42,023	30,800	99,683	466,369
2014	25,890	175,667	117,623	-	14,792	52,969	386,941
2013	25,890	196,020	128,954	-	14,792	46,237	411,893
2012	38,711	162,316	110,742	-	22,394	102,935	437,098
2011	51,520	171,924	119,759	-	288,703	517,868	1,149,774
2010	87,913	138,606	118,652	-	-	62,722	407,893
2009	170,486	176,098	51,522	-	32,188	14,276	444,570
2008	325,152	93,847	130,332	-	30,579	22,433	602,343
2007	512,893	180,074	165,330	-	21,568	82,957	962,822

Source: District records

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
 LAST TEN FISCAL YEARS

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QF ARM	COMMERCIAL	INDUSTRIAL	APARTMENT	TOTAL ASSESSED VALUE	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
Chesterfield												
2016	10,765,800	647,224,400	60,875,400	6,334,300	20,480,200	289,700	311,900	746,281,700	1,179,510	747,461,210	2.034	744,392,758
2015	12,749,620	627,626,300	61,010,200	6,343,900	21,435,700	249,800	311,900	729,727,420	1,197,383	730,924,803	1.938	729,679,569
2014	16,999,100	605,978,600	63,921,400	6,399,100	26,821,768	N/A	311,900	720,431,868	1,428,088	721,859,956	1.721	721,859,956
2013	16,999,100	605,978,600	63,921,400	6,399,100	26,821,768	N/A	311,900	720,431,868	1,428,088	721,859,956	1.721	721,859,956
2012	17,452,700	595,722,000	64,404,000	6,406,500	28,426,700	N/A	311,900	712,723,800	1,414,385	714,138,185	1.638	714,138,185
2011	28,535,250	646,753,950	74,048,800	6,365,000	29,487,200	N/A	336,700	785,526,900	1,473,969	787,000,869	1.432	787,000,869
2010	41,851,975	603,223,800	74,378,100	6,317,500	31,673,300	N/A	336,700	757,781,375	1,090,910	758,872,285	1.344	646,960,178
2009	61,646,900	565,065,600	55,031,700	6,407,900	32,209,000	N/A	336,700	720,697,800	1,090,910	721,788,710	1.249	603,060,976
2008	82,590,600	496,199,700	53,793,300	9,730,800	29,990,500	N/A	336,700	672,641,600	956,969	673,598,569	1.142	467,524,506
2007	16,617,100	215,877,000	25,557,500	5,910,385	20,145,700	N/A	161,700	284,269,385	535,021	284,804,406	2.427	400,025,757
Mansfield												
2016	12,063,900	845,779,100	34,758,600	4,321,200	81,173,100	4,021,200	1,162,800	983,279,900	1,344,984	984,624,884	2.149	1,201,640,486
2015	15,112,000	812,902,800	34,584,400	4,321,200	80,181,000	4,021,200	1,183,800	952,306,400	1,444,026	953,750,426	2.130	1,132,486,963
2014	26,630,600	1,145,919,600	48,395,700	4,555,700	95,256,100	5,301,200	1,549,700	1,327,608,600	2,218,786	1,209,236,086	0.725	1,261,563,098
2013	26,630,600	1,145,919,600	48,395,700	4,555,700	95,256,100	5,301,200	1,549,700	1,327,608,600	2,218,786	1,209,236,086	0.725	1,261,563,098
2012	31,041,800	1,131,661,700	48,095,900	4,583,000	93,223,200	5,301,200	1,549,700	1,315,456,500	2,453,660	1,199,019,660	0.688	1,346,272,138
2011	37,953,900	1,118,913,700	49,117,800	4,416,400	90,481,100	5,301,200	1,549,700	1,307,733,800	2,323,604	1,191,166,904	0.664	1,364,791,953
2010	40,718,500	1,105,446,900	48,025,500	4,040,600	89,713,300	5,301,200	1,898,100	1,295,144,100	2,235,393	1,184,394,093	0.637	1,297,379,493
2009	45,735,400	1,094,648,400	47,024,100	4,218,900	89,409,800	5,301,200	2,165,400	1,288,503,200	1,257,603	1,178,091,703	0.610	1,290,671,921
2008	17,388,103	554,560,315	25,660,900	2,244,700	47,667,900	2,331,200	918,900	650,772,018	1,513,781	543,239,199	1.209	1,272,162,007
2007	13,961,600	541,902,415	24,745,000	2,316,600	44,453,400	2,331,200	918,900	630,629,115	1,513,781	567,731,596	1.204	940,809,581
North Hanover												
2016	7,865,100	294,839,000	43,285,000	3,999,453	60,868,050	327,800	13,184,900	424,369,303	941,379	425,310,682	1.346	420,863,296
2015	7,884,400	295,339,300	42,470,800	3,992,144	58,109,200	327,800	13,184,900	421,308,544	924,253	422,232,797	1.323	402,532,175
2014	7,626,700	299,041,200	47,208,400	3,817,000	55,552,750	327,800	14,068,500	427,642,350	186,808,500	614,450,850	0.514	440,784,678
2013	7,626,700	299,041,200	47,208,400	3,817,000	55,552,750	327,800	14,068,500	427,642,350	186,808,500	614,450,850	0.514	440,784,678
2012	7,469,300	300,264,900	42,790,000	3,828,800	58,829,650	N/A	14,139,900	427,322,550	1,130,610	428,772,960	0.494	458,272,038
2011	4,201,200	171,210,250	22,355,150	2,855,777	26,918,100	N/A	7,127,300	234,667,777	473,019	427,795,569	0.863	496,725,277
2010	4,534,700	171,085,100	21,676,400	2,643,127	29,645,700	N/A	7,127,300	236,712,327	473,019	235,140,796	0.823	556,802,474
2009	4,701,550	169,389,600	21,988,750	2,691,627	29,309,650	N/A	7,120,300	235,201,477	507,590	237,219,917	0.803	461,269,812
2008	5,054,100	165,948,150	21,257,600	2,871,377	29,440,250	N/A	7,346,300	231,917,777	490,186	235,691,663	0.783	455,320,108
2007	4,328,050	162,828,650	18,051,600	2,914,050	27,434,000	N/A	7,346,300	222,902,650	689,343	223,591,993	0.743	425,751,605
Springfield												
2016	8,249,050	280,081,300	48,562,500	7,491,860	39,312,130	N/A	N/A	383,696,840	969,755	384,666,595	1.981	402,868,515
2015	8,960,950	280,027,800	48,404,200	8,247,250	39,026,130	N/A	N/A	385,266,330	1,042,493	386,308,823	1.899	391,454,551
2014	10,200,450	285,013,000	46,312,500	8,166,310	40,271,630	N/A	N/A	390,313,890	941,780	391,255,670	0.882	399,666,076
2013	9,148,800	319,406,300	58,130,350	8,141,325	44,744,730	N/A	N/A	443,198,535	1,059,877	440,631,382	N/A	N/A
2012	8,693,800	320,597,900	59,831,550	7,705,755	46,369,530	N/A	N/A	444,449,935	1,064,130	444,262,665	0.746	N/A
2011	8,829,800	321,062,500	59,498,670	7,845,835	47,213,330	N/A	N/A	446,264,359	1,058,600	445,508,735	0.729	459,515,714
2010	9,494,300	322,408,700	57,574,970	9,248,059	47,538,330	N/A	N/A	443,862,429	1,231,512	447,495,871	0.722	484,277,796
2009	7,384,000	322,920,700	55,634,310	9,881,839	48,041,580	N/A	N/A	440,123,649	1,189,150	445,051,579	0.711	505,358,815
2008	7,097,900	322,260,900	54,235,910	9,176,159	47,552,780	N/A	N/A	433,668,709	1,095,081	441,218,730	0.691	491,033,999
2007	7,222,300	321,869,699	52,533,150	6,777,679	45,265,980	N/A	N/A	429,413,028	1,038,693	434,707,402	0.678	481,778,051

b. Tax rates are per \$100

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE			OVERLAPPING RATES			TOTAL DIRECT AND OVERLAPPING TAX RATE
	LOCAL SCHOOL	REGIONAL SCHOOL	TOTAL DIRECT	TWP OF SENDING DISTRICT	BURLINGTON COUNTY	COUNTY LIBRARY	
Chesterfield							
2016	1.429	0.605	2.034	0.263	0.335	0.032	0.040
2015	1.345	0.593	1.938	0.224	0.341	0.032	0.040
2014	1.156	0.575	1.731	0.129	0.332	0.031	0.015
2013	1.156	0.575	1.731	0.129	0.332	0.031	0.015
2012	1.124	0.597	1.721	0.295	0.318	0.032	0.042
2011	1.094	0.544	1.638	0.053	0.388	N/A	N/A
2010	0.931	0.501	1.432	0.041	0.295	0.028	0.039
2009	0.883	0.461	1.344	0.041	0.354	N/A	N/A
2008	0.803	0.446	1.249	0.041	0.348	N/A	N/A
2007	0.734	0.408	1.142	0.042	0.376	N/A	N/A
Mansfield							
2016	1.110	1.039	2.149	0.471	0.410	0.039	0.049
2015	1.118	1.012	2.130	0.465	0.405	0.038	0.048
2014	1.080	0.945	2.025	0.430	0.415	0.038	0.019
2013	1.080	0.945	2.025	0.430	0.415	0.038	0.019
2012	0.725	0.635	1.360	0.287	0.293	0.029	0.038
2011	0.702	0.615	1.317	0.238	0.302	0.029	0.039
2010	0.688	0.636	1.324	0.226	0.317	0.031	0.041
2009	0.664	0.642	1.306	0.219	0.324	0.031	0.420
2008	0.644	0.644	1.281	0.182	0.323	0.030	0.041
2007	0.610	0.637	1.247	0.168	0.334	0.032	0.039
North Hanover							
2016	0.649	0.697	1.346	0.324	0.332	0.031	0.040
2015	0.641	0.682	1.323	0.354	0.326	0.031	0.039
2014	0.546	0.653	1.199	0.293	0.335	0.031	0.015
2013	0.546	0.653	1.199	0.293	0.335	0.031	0.015
2012	0.514	0.617	1.131	0.277	0.316	0.031	0.041
2011	0.494	0.603	1.097	0.273	0.406	N/A	N/A
2010	0.863	1.106	1.969	0.457	0.794	N/A	N/A
2009	0.823	1.179	2.002	0.406	0.897	N/A	N/A
2008	0.803	1.039	1.842	0.381	0.761	N/A	N/A
2007	0.783	1.039	1.822	0.297	0.802	N/A	N/A
Springfield							
2016	0.898	1.083	1.981	0.547	0.351	0.033	0.042
2015	0.899	1.000	1.899	0.532	0.342	0.032	0.041
2014	0.769	0.778	1.547	0.434	0.310	0.029	0.014
2013	0.769	0.778	1.547	0.434	0.310	0.029	0.014
2012	0.746	0.734	1.480	0.418	0.298	0.030	0.039
2011	0.729	0.728	1.457	0.398	0.391	N/A	N/A
2010	0.722	0.699	1.421	0.378	0.412	N/A	N/A
2009	0.711	0.687	1.398	0.379	0.432	N/A	N/A
2008	0.691	0.727	1.418	0.366	0.433	N/A	N/A
2007	0.678	0.782	1.460	0.352	0.468	N/A	N/A

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 PRINCIPAL PROPERTY TAX PAYERS,
 CURRENT YEAR AND TEN YEARS AGO

	2016			2007		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
CHESTERFIELD TOWNSHIP						
Three Putt LLC	N/A	1	N/A	N/A	1	N/A
Colonial Pipeline Co	N/A	2	N/A	N/A	2	N/A
Colonial Pipeline Co	N/A	3	N/A	N/A	3	N/A
Taxpayer #1	N/A	4	N/A	N/A	4	N/A
Taxpayer #2	N/A	5	N/A	N/A	5	N/A
Taxpayer #3	N/A	6	N/A	N/A	6	N/A
Anna N A Black Farm LLC	N/A	7	N/A	N/A	7	N/A
Crosbie Enterprises LLC	N/A	8	N/A	N/A	8	N/A
Mekwin LLC	N/A	9	N/A	N/A	9	N/A
Transcontinental Gas Pipeline	N/A	10	N/A	N/A	10	N/A
Total						
MANSFIELD TOWNSHIP						
N.A.D.E./Manheim Auto Auction	N/A	1	N/A	N/A	1	N/A
Vanco USA LLC	N/A	2	N/A	N/A	2	N/A
Homestead Plaza II	N/A	3	N/A	N/A	3	N/A
Transcontinental Gas Pipeline	N/A	4	N/A	N/A	4	N/A
Cubesmart LP	N/A	5	N/A	N/A	5	N/A
MLC Developers LLC	N/A	6	N/A	N/A	6	N/A
NJ American Water	N/A	7	N/A	N/A	7	N/A
Taxpayer #1	N/A	8	N/A	N/A	8	N/A
Taxpayer #2	N/A	9	N/A	N/A	9	N/A
NJ BM&P Apprentice	N/A	10	N/A	N/A	10	N/A
Total						
NORTH HANOVER TOWNSHIP						
Spartan Village Inc.	N/A	1	N/A	N/A	1	N/A
Riteaid	N/A	2	N/A	N/A	2	N/A
Hanover Village LLC	N/A	3	N/A	N/A	3	N/A
Matrix Hanver Golf LLC	N/A	4	N/A	N/A	4	N/A
California Village LLC	N/A	5	N/A	N/A	5	N/A
North Mill Assoc.	N/A	6	N/A	N/A	6	N/A
South Mill Assoc.	N/A	7	N/A	N/A	7	N/A
Store & Lock Self Storage	N/A	8	N/A	N/A	8	N/A
JCP & L	N/A	9	N/A	N/A	9	N/A
Maplewood Apartments	N/A	10	N/A	N/A	10	N/A
Total						
SPRINGFIELD TOWNSHIP						
Columbus Farmers Market	N/A	1	N/A	N/A	1	N/A
Helis Enterprise	N/A	2	N/A	N/A	2	N/A
Transcontinental Pipeline	N/A	3	N/A	N/A	3	N/A
NJ Land	N/A	4	N/A	N/A	4	N/A
Milo Corporation	N/A	5	N/A	N/A	5	N/A
Interstate Storage & Pipeline	N/A	6	N/A	N/A	6	N/A
K&P Ganesh Corporation	N/A	7	N/A	N/A	7	N/A
Store & Lock Self Storage	N/A	8	N/A	N/A	8	N/A
Verizon	N/A	9	N/A	N/A	9	N/A
Taxpayer #1	N/A	10	N/A	N/A	10	N/A
Total	<u>N/A</u>		<u>N/A</u>			

Source: Municipal Tax Assessor

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2016	\$ 20,741,862	\$ 20,741,862	100.00%	N/A
2015	19,993,700	19,993,700	100.00%	N/A
2014	19,324,785	19,324,785	100.00%	N/A
2013	18,662,142	18,662,142	100.00%	N/A
2012	17,861,526	17,861,526	100.00%	N/A
2011	18,068,820	18,068,820	100.00%	N/A
2010	17,773,604	17,773,604	100.00%	N/A
2009	17,234,657	17,234,657	100.00%	N/A
2008	16,784,463	16,784,463	100.00%	N/A
2007	16,659,440	16,659,440	100.00%	N/A

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 20,	GOVERNMENTAL ACTIVITIES		
	GENERAL OBLIGATION BONDS	CAPITAL LEASES	TOTAL DISTRICT
2016	\$ 14,331,000	\$ 545,121	\$ 14,876,121
2015	16,411,000	414,686	16,825,686
2014	18,431,000	217,631	18,648,631
2013	18,516,000	-	18,516,000
2012	22,216,000	54,468	22,270,468
2011	23,981,000	107,223	24,088,223
2010	25,606,000	158,317	25,764,317
2009	27,051,000	207,803	27,258,803
2008	25,695,000	260,700	25,955,700
2007	27,000,000	-	27,000,000

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF AVERAGE PER CAPITA INCOME	PER AVERAGE PER CAPITA INCOME
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2016	\$ 14,331,000	\$ -	\$ 14,331,000	N/A	N/A
2015	16,411,000	-	16,411,000	N/A	N/A
2014	18,431,000	-	18,431,000	N/A	N/A
2013	18,516,000	-	18,516,000	N/A	359
2012	22,216,000	-	22,216,000	0.84%	434
2011	23,981,000	-	23,981,000	0.95%	485
2010	25,606,000	-	25,606,000	1.09%	538
2009	27,051,000	-	27,051,000	1.20%	571
2008	25,695,000	-	25,695,000	1.14%	538
2007	27,000,000	-	27,000,000	1.22%	583

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2016**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	PERCENTAGE APPLICABLE	OVERLAPPING DEBT
Chesterfield			
Debt Repaid With Property Taxes:			
Chesterfield Township	\$ 3,078,629	100.000%	\$ 3,078,629
Burlington County General Obligation Debt	303,356,410	1.729%	5,245,656
Regional School Debt	14,331,000	29.404%	<u>4,213,847</u>
Subtotal, Overlapping Debt			12,538,132
Chesterfield Township Schools			<u>34,010,000</u>
Total Direct & Overlapping Debt			<u>\$ 46,548,132</u>
Mansfield			
Debt Repaid With Property Taxes:			
Mansfield Township	\$ 13,039,000	100.000%	\$ 13,039,000
Burlington County General Obligation Debt	303,356,410	2.278%	6,910,062
Regional School Debt	14,331,000	38.733%	<u>5,550,868</u>
Subtotal, Overlapping Debt			25,499,930
Mansfield Township School District			<u>7,865,000</u>
Total Direct & Overlapping Debt			<u>\$ 33,364,930</u>
North Hanover			
Debt Repaid With Property Taxes:			
North Hanover Township	\$ 525,000	100.000%	\$ 525,000
Burlington County General Obligation Debt	303,356,410	0.984%	2,984,815
Regional School Debt	14,331,000	16.731%	<u>2,397,709</u>
Subtotal, Overlapping Debt			5,907,524
North Hanover Township School District			<u>-</u>
Total Direct & Overlapping Debt			<u>\$ 5,907,524</u>
Springfield			
Debt Repaid With Property Taxes:			
Springfield Township	\$ 5,250,000	100.000%	\$ 5,250,000
Burlington County General Obligation Debt	303,356,410	0.890%	2,699,576
Regional School Debt	14,331,000	15.132%	<u>2,168,576</u>
Subtotal, Overlapping Debt			10,118,152
Springfield Township School District			<u>4,104,000</u>
Total Direct & Overlapping Debt			<u>\$ 14,222,152</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Burlington County Board of Taxation.

Debt outstanding data provided by each governmental unit.

NOTE - Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the above Townships. This process recognizes that, when considering the District's ability to issue and repay Long-Term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS**

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Debt Limit	\$ 93,148,228	\$ 93,859,674	\$ 94,061,997	\$ 96,486,171	\$ 105,417,938	\$ 106,800,265	\$ 104,471,068	\$ 100,139,959	\$ 89,299,923	\$ 77,838,496
Total Net Debt Applicable to Limit	14,331,000	16,411,000	18,431,000	20,366,000	22,216,000	23,981,000	25,606,000	27,051,000	25,695,000	27,000,000
Legal Debt Margin	\$ 78,817,228	\$ 77,448,674	\$ 75,630,997	\$ 76,120,171	\$ 83,201,938	\$ 82,819,265	\$ 78,865,068	\$ 73,088,959	\$ 63,604,923	\$ 50,838,496
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	15.39%	17.48%	19.59%	21.11%	21.07%	22.45%	24.51%	27.01%	28.77%	34.69%

Legal Debt Margin Calculation for Fiscal Year 2015

	Chesterfield	Equalized Valuation Basis			Total
		Mansfield	North Hanover	Springfield	
2015	\$ 725,375,169	\$ 1,161,349,268	\$ 415,901,820	\$ 401,110,182	\$ 2,703,736,439
2014	720,521,819	1,126,982,679	398,592,589	393,977,884	2,640,074,971
2013	708,713,580	1,125,459,812	407,804,453	398,344,556	2,640,322,401
					<u>\$ 7,984,133,811</u>
Average Equalized Valuation of Taxable Property					<u>\$ 2,661,377,937</u>
Debt Limit (3.5% of Average Equalization Value)					<u>\$ 93,148,228</u>
Net Bonded School Debt					<u>14,331,000</u>
Legal Debt Margin					<u>\$ 78,817,228</u>

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
Chesterfield			
2016	N/A	N/A	N/A
2015	7,572	N/A	4.7%
2014	7,693	N/A	5.7%
2013	7,755	51,638	9.0%
2012	7,649	51,149	8.6%
2011	7,790	49,471	N/A
2010	7,723	47,586	N/A
2009	7,620	47,384	N/A
2008	7,421	47,758	N/A
2007	6,973	46,295	3.9%
Mansfield			
2016	N/A	N/A	N/A
2015	8,574	N/A	4.9%
2014	8,563	N/A	5.9%
2013	8,550	51,638	11.7%
2012	8,582	51,149	11.3%
2011	8,555	49,471	N/A
2010	8,548	47,586	10.9%
2009	8,000	47,384	6.4%
2008	7,958	47,758	4.7%
2007	7,926	46,295	5.2%
North Hanover			
2016	N/A	N/A	N/A
2015	7,609	N/A	6.2%
2014	7,647	N/A	7.1%
2013	7,661	51,638	11.5%
2012	7,689	51,149	0
2011	7,690	49,471	N/A
2010	7,676	47,586	N/A
2009	7,368	47,384	6.3%
2008	7,371	47,758	4.6%
2007	7,401	46,295	5.1%
Springfield			
2016	N/A	N/A	N/A
2015	3,355	N/A	5.1%
2014	3,387	N/A	6.0%
2013	3,401	51,638	8.9%
2012	3,416	51,149	8.5%
2011	3,416	49,471	8.8%
2010	3,412	47,586	8.3%
2009	3,454	47,384	4.8%
2008	3,466	47,758	3.5%
2007	3,487	46,295	3.9%

Source:

(a) Population information provided by the NJ Dept of Labor and Workforce Development

(c) Per Capita data provided by the NJ Dept of Labor and Workforce Development

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

	ESTIMATED EMPLOYEES	2016 RANK	PERCENTAGE OF TOTAL EMPLOYMENT
Albert C. Wagner Youth Correctional Facility	550	1	N/A
Garden State Youth Correctional Center	500	2	N/A
Northern Burlington Regional	315	3	N/A
North Hanover School District	250	4	N/A
Mansfield School District	150	5	N/A
Chesterfield School District	125	6	N/A
Springfield School District	<u>55</u>	7	<u>N/A</u>
	<u><u>1,945</u></u>		<u><u></u></u>

2007

NOT AVAILABLE

Source: Comprehensive Annual Financial Reports of Individual School Districts

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEAR**

Function/Program	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Instruction:										
Regular	129.75	129.75	122.99	122.99	117.85	117.17	129.39	135.80	136.50	129.50
Special Education	29.72	28.44	29.68	29.68	29.54	29.13	29.01	25.00	24.00	28.80
Vocational	5.00	5.00	4.83	4.83	5.33	5.00	5.00	5.00	5.00	4.70
Support Services:										
Student & Instruction Related										
Services	44.89	43.66	45.73	45.73	44.80	62.56	65.55	66.05	61.75	60.50
School Administrative Services	16.40	16.40	15.60	15.60	16.60	17.60	18.85	19.75	19.75	21.50
General & Business Administrative										
Services	9.30	9.30	9.30	9.30	9.30	9.30	8.80	8.60	8.90	7.62
Plant Operations & Maintenance	30.00	31.00	29.00	29.00	29.00	30.00	32.00	32.00	32.00	30.00
Pupil Transportation	44.00	44.00	44.00	44.00	41.00	41.00	44.00	43.00	42.00	42.00
Total	309.06	307.55	301.13	301.13	301.13	293.42	311.76	332.60	335.20	329.90

Source: District Personnel Records

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
 OPERATING STATISTICS
 LAST TEN FISCAL YEARS

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO		AVERAGE DAILY ENROLLMENT (ADA) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						DISTRICT	DISTRICT				
2016	2,024	\$35,661,944	17,620	11.94%	157	12.89	2,074.0	1,916	-1.473%	92.38%	
2015	2,148	34,779,531	16,192	2.87%	157	13.68	2,105.0	1,987	2.036%	94.39%	
2014	2,011	32,685,054	16,253	8.16%	157	12.81	2,063.0	1,884	4.139%	91.32%	
2013	2,011	31,652,741	15,740	4.74%	157	12.81	1,981.0	1,884	1.434%	95.10%	
2012	1,986	29,843,543	15,027	-5.81%	153	12.98	1,953.0	1,850	4.831%	94.73%	
2011	1,904	30,376,175	15,954	-3.48%	151	12.61	1,863.0	1,763	2.537%	94.63%	
2010	1,836	30,347,500	16,529	-2.00%	166	11.06	1,816.9	1,717	1.333%	94.50%	
2009	1,822	30,730,212	16,866	2.37%	166	10.98	1,793.0	1,720	-2.305%	95.93%	
2008	1,848	30,445,829	16,475	5.18%	166	11.13	1,835.3	1,720	-1.861%	93.72%	
2007	1,891	29,620,782	15,664	7.71%	163	11.60	1,870.1	1,764	-0.442%	94.30%	
2006	1,929	28,053,724	14,543	11.12%	158	12.21	1,878.4	1,774	-1.526%	94.44%	

Sources: District records
 Note: Enrollment based on annual October district count.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEAR**

DISTRICT BUILDINGS	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Middle School:										
Middle School (2003):										
Square Feet	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000	144,000
Capacity (Students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	744	768	726	726	736	658	656	602	602	601
High School:										
High School (1960):										
Square Feet	215,545	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000	156,000
Capacity (Students)	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800	1,800
Enrollment	1,328	1,380	1,285	1,285	1,250	1,158	1,156	1,246	1,246	1,254

Number of Schools at June 30, 2016:

- Middle School = 1
- Senior High School = 1
- Other = 0

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES**

	*	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	TOTAL
School Facilities	\$	560,810	\$ 617,893	\$ 601,618	\$ 573,459	\$ 613,877	\$ 511,264	\$ 718,612	\$ 632,115	\$ 754,682	\$ 432,297	\$ 6,016,627

* 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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2016**

	COVERAGE	DEDUCTIBLE
School Package Policy (1):		
Building & Contents (All Locations)	Replacement Cost	500
Limits of Liability per Occurrence	150,000,000	500
Boiler & Machinery	50,000,000	1,000
General Automobile Liability	10,000,000	N/A
Educator's Legal Liability	10,000,000	N/A
Workers' Compensation	Statutory	N/A
Pollution Legal Liability	3,000,000	10,000
 Student Accident Insurance (2)	 5,000,000	
 Surety Bonds (3)		
Treasurer	250,000	N/A
Board Secretary	100,000	N/A

- (1) Burlington County Insurance Pool - Joint Insurance Fund (BCIPJIF)
(2) AIG Life Insurance Company
(3) Utica Mutual Insurance Company

Source: District records

SINGLE AUDIT SECTION

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EXHIBIT K-1

INDEPENDENT AUDITOR’S 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

Honorable President and Members
of the Board of Education
Northern Burlington County Regional School District
County of Burlington
Columbus, New Jersey 08022

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Northern Burlington Regional School District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Northern Burlington Regional School District’s basic financial statements, and have issued our report thereon dated November 10, 2016.

Internal Control Over Financial Reporting

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

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

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
November 10, 2016



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Northern Burlington County Regional School District
County of Burlington
Columbus, New Jersey 08022

Report on Compliance for Each Major Federal and State Program

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

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Northern Burlington Regional School District’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance); *the New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance and New Jersey OMB’s Circular 15-08 require that we plan and perform the audit to

obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about Northern Burlington Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, Northern Burlington Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of Northern Burlington Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Northern Burlington Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Northern Burlington Regional School District's internal control over compliance.

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Kevin P. Frenia
Certified Public Accountant
Public School Accountant, No. 1011

Medford, New Jersey
November 10, 2016

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NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2016

FEDERAL GRANTOR PASS THROUGH GRANTOR PROGRAM TITLE	FEDERAL CFDA NUMBER	FEDERAL FAIN NUMBER	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2015	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEARS' BALANCES	SUB RECIPIENT EXPENDITURES	(ACCOUNTS RECEIVABLE, AT JUNE 30, 2016)	UNEARNED REVENUE AT JUNE 30, 2016	DUE TO GRANTOR AT JUNE 30, 2016				
STATE DEPARTMENT OF AGRICULTURE PASSED-THROUGH																	
STATE DEPARTMENT OF EDUCATION:																	
Child Nutrition Cluster:																	
Noncash Assistance:																	
Food Distribution Program																	
10.555	1616INJ304N1099		N/A	\$ 55,655	7/1/15-6/30/16	\$ -	\$ 55,655	\$ (55,655)	\$ -	\$ -	\$ -	\$ -	\$ -				
Cash Assistance:																	
10.555	1616INJ304N1099	5120-201-372573-63		146,955	7/1/15-6/30/16	-	140,454	(146,955)	-	-	(6,501)	-	-				
10.555	1616INJ304N1099	5120-201-372573-63		134,705	7/1/14-6/30/15	(8,283)	8,283	-	-	-	-	-	-				
Total Child Nutrition Cluster																	
Total U.S. Department of Agriculture																	
U.S. DEPARTMENT OF EDUCATION:																	
Title VIII, Impact Aid, 8003(d)																	
84.041	S041B143114		N/A	2,165,581	9/1/15-8/30/16	-	2,165,581	(2,165,581)	-	-	-	-	-				
93.778	1605NJSMP		N/A	16,810	9/1/15-8/30/16	-	16,810	(16,810)	-	-	-	-	-				
84.041	S041B143114		N/A	99,690	9/1/15-8/30/16	-	99,690	(99,690)	-	-	-	-	-				
Total U.S. Department of Education																	
U.S. DEPARTMENT OF EDUCATION PASSED-THROUGH																	
STATE DEPARTMENT OF EDUCATION:																	
N.C.L.B.																	
Title I																	
84.010	S010A150030		NCLB316016	59,455	7/1/15-6/30/16	-	56,732	(59,455)	-	-	(2,723)	-	-				
84.010	S010A150030		NCLB316015	55,913	7/1/14-6/30/15	(525)	525	-	-	-	-	-	-				
84.010	S010A150030		NCLB316014	50,813	7/1/13-6/30/14	(1,310)	1,310	-	-	-	-	-	-				
84.010	S010A150030		NCLB316013	58,907	9/1/12-8/30/13	(12)	12	-	-	-	-	-	-				
Total Title I																	
84.367A	S367A150029		NCLB316016	26,759	7/1/15-6/30/16	-	20,387	(25,952)	-	-	(5,565)	-	-				
84.367A	S367A150029		NCLB316014	26,995	7/1/13-6/30/14	(139)	139	-	-	-	-	-	-				
Total title II																	
Special Education Cluster:																	
84.027	H027A150100		IDEA316016	425,404	7/1/15-6/30/16	-	396,123	(424,609)	-	-	(28,486)	-	-				
84.027	H027A150100		IDEA316015	408,447	7/1/14-6/30/15	(36,646)	37,431	(785)	-	-	-	-	-				
84.027	H027A150100		IDEA316014	377,847	7/1/13-6/30/14	546	447	(993)	-	-	-	-	-				
Total I.D.E.A. Part B, Basic Regular																	
84.391	S412A130049		IDEA316011	392,074	9/1/09-8/30/11	(801)	801	-	-	-	(28,486)	-	-				
Total Special Education Cluster																	
12.330	N6833516P0293		N/A	5,980	9/1/15-8/30/16	-	-	(5,728)	-	-	(5,728)	-	-				
12.330	N6833516P0293		N/A	6,250	7/1/14-6/30/15	330	-	-	-	-	-	330	-				
12.330	N6833516P0293		N/A	6,535	9/1/12-8/30/13	598	-	(495)	-	-	-	103	-				
Total Stem Grant																	
Vocational Education:																	
84.048A	V048A140030		N/A	27,270	7/1/15-6/30/16	-	25,031	(27,270)	-	-	(2,239)	-	-				
Total U.S. Department of Education																	
Total Federal Financial Assistance																	
											\$ (46,242)	\$ 3,025,411	\$ (3,029,978)	\$ -	\$ (51,242)	\$ 433	\$ -

NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2016

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2015	CASH RECEIVED	BUDGETARY EXPENDITURES	REPAYMENT OF PRIOR YEAR BALANCES	SUB RECEIPT EXPENDITURES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2016	UNEARNED REVENUE AT JUNE 30, 2016	DUETO GRANTOR AT JUNE 30, 2016	MEMO	
												BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education:													
General Fund:													
Equalization Aid	495-084-5120-078	\$ 10,071,886	7/1/15-6/30/16	\$ -	\$ 10,071,886	\$ (10,071,886)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 960,493	\$ 10,071,886
Categorical Special Education Aid	495-084-5120-089	1,064,239	7/1/15-6/30/16	-	1,064,239	(1,064,239)	-	-	-	-	-	101,490	1,064,239
Categorical Transportation Aid	495-084-5120-014	558,546	7/1/15-6/30/16	-	558,546	(558,546)	-	-	-	-	-	53,265	558,546
Categorical Security Aid	495-084-5120-084	152,560	7/1/15-6/30/16	-	152,560	(152,560)	-	-	-	-	-	14,549	152,560
School Choice Aid	495-084-5120-068	415,100	7/1/15-6/30/16	-	415,100	(415,100)	-	-	-	-	-	39,585	415,100
Adjustment Aid	495-084-5120-085	8,302	7/1/15-6/30/16	-	8,302	(8,302)	-	-	-	-	-	792	8,302
PARCC Readiness Aid	495-084-5120-098	21,780	7/1/15-6/30/16	-	21,780	(21,780)	-	-	-	-	-	2,077	21,780
Per Pupil Growth Aid	495-084-5120-097	21,780	7/1/15-6/30/16	-	21,780	(21,780)	-	-	-	-	-	2,077	21,780
Extraordinary Aid	495-084-5120-044	334,139	7/1/15-6/30/16	-	334,139	(334,139)	-	-	-	-	-	-	334,139
Transportation Aid:	495-084-5120-044	267,825	7/1/14-6/30/15	(267,825)	-	-	-	-	-	-	-	-	-
Non-Public School Costs	100-084-5120-067	13,050	7/1/15-6/30/16	-	-	(13,050)	-	-	(13,050)	-	-	-	13,050
Non-Public School Costs	100-084-5120-067	11,484	7/1/14-6/30/15	(11,484)	-	-	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	495-084-5095-002	952,424	7/1/15-6/30/16	-	910,430	(952,424)	-	-	(41,994)	-	-	-	952,424
Reimbursed TPAF Social Security Contribution (Non-Budgeted)	495-084-5095-002	961,120	7/1/14-6/30/15	(41,840)	41,840	-	-	-	-	-	-	-	-
On-Behalf TPAF Pension Contribution (Non-Budgeted)	495-084-5095-001	993,379	7/1/15-6/30/16	-	993,379	(993,379)	-	-	-	-	-	-	993,379
On-Behalf TPAF Post-Retirement Medical (Non-Budgeted)	495-084-5095-001	1,182,839	7/1/15-6/30/16	-	1,182,839	(1,182,839)	-	-	-	-	-	-	1,182,839
Total General Fund		(321,149)		15,721,990	(15,790,024)	-	-	-	(389,183)	-	-	1,174,328	15,790,024
Special Revenue Fund:													
N.J. Nonpublic Aid:													
Nursing	100-084-5120-070	2,070	7/1/15-6/30/16	-	2,070	(2,070)	-	-	-	-	-	-	2,070
Technology	100-084-5120-373	598	7/1/15-6/30/16	-	598	(598)	-	-	-	-	-	-	598
Textbook	100-084-5120-064	1,313	7/1/15-6/30/16	-	1,313	(659)	(15)	-	-	654	-	-	659
Textbook	100-084-5120-064	1,370	7/1/14-6/30/15	15	-	-	(15)	-	-	-	-	-	-
Corrective Speech 192	100-084-5120-067	2,174	7/1/15-6/30/16	354	2,174	(2,090)	(354)	-	-	84	-	-	2,090
Corrective Speech 192	100-084-5120-067	16,921	7/1/14-6/30/15	-	16,921	(15,989)	(803)	-	-	932	-	-	15,989
Ch. 192/193 Comp. Ed.	100-084-5120-067	15,587	7/1/14-6/30/15	803	-	-	(803)	-	-	-	-	-	-
Ch. 192/193 Comp. Ed.	100-084-5120-066	3,194	7/1/15-6/30/16	-	3,194	(3,045)	(149)	-	-	149	-	-	3,045
Supp 193	100-084-5120-067	2,354	7/1/14-6/30/15	627	-	-	(627)	-	-	-	-	-	-
Supp 193	100-084-5120-066	4,602	7/1/15-6/30/16	-	4,602	(4,602)	-	-	-	-	-	-	4,602
E&C	100-084-5120-067	1,982	7/1/14-6/30/15	362	-	-	(362)	-	-	-	-	-	-
E&C	100-084-5120-067	2,588	7/1/15-6/30/16	-	2,588	-	-	-	-	2,588	-	-	-
ESL	100-084-5120-067	3,143	7/1/14-6/30/15	1,829	-	-	(1,829)	-	-	-	-	-	-
ESL	100-084-5120-067	6,000	7/1/14-6/30/15	(2,328)	2,328	-	-	-	-	-	-	-	-
Personalized Student Learning Plan	N/A	250	7/1/11-6/30/12	220	-	-	-	-	-	220	-	-	-
SUNY Grant	N/A	1,882		35,788	(29,063)	-	(3,990)	-	-	4,407	-	-	29,063
Total Special Revenue Fund		697,675		697,675	(697,675)	-	-	-	-	-	-	-	697,675
Debt Service Fund:													
Debt Service Aid													
Total Debt Service Fund		697,675		697,675	(697,675)	-	-	-	-	-	-	-	697,675
State Department of Agriculture:													
Enterprise Fund:													
National School Lunch Program	100-010-3360-067	6,260	7/1/15-6/30/16	-	5,993	(6,260)	-	-	(267)	-	-	-	6,260
(State Share)				(564)	564	-	-	-	-	-	-	-	-
National School Lunch Program	100-010-3360-067	6,437	7/1/14-6/30/15	(564)	-	-	-	-	-	-	-	-	-
(State Share)				(564)	564	(6,260)	-	-	(267)	-	-	-	6,260
Total Enterprise Fund		(319,831)		16,462,010	(16,523,012)	-	(3,990)	-	(389,450)	220	4,407	1,174,328	16,523,012
Total State Financial Assistance													
Less: State Financial Assistance Not Subject to Major Program Determination:													
On-Behalf TPAF Pension Contributions	495-084-5095-001	993,379	7/1/15-6/30/16	-	\$	\$	\$	\$	\$	\$	\$	\$	993,379
On-Behalf TPAF Post-Retirement Medical	495-084-5095-001	1,182,839	7/1/15-6/30/16	-	1,182,839	(1,182,839)	-	-	-	-	-	-	1,182,839
Total State Financial Assistance subject to Major Program Determination					\$	\$	\$	\$	\$	\$	\$	\$	(14,346,794)

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016**

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, Northern Burlington County Regional School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. 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 is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These basis of accounting are described in Note 1 to the board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Of the federal and state expenditures presented in the schedules of expenditures of federal awards and state financial assistance, the Northern Burlington County Regional School District did not provide any federal or state awards to sub recipients.

Noncash assistance is reported in the schedule of expenditures of federal awards as the entitlement value, as determined by the United States Department of Agriculture, of the food commodities received and disbursed during the year ended June 30, 2016. Unearned revenue represents the value of commodities left in the ending inventory of the District as of June 30, 2016.

Northern Burlington County Regional School District has not elected to use the 10% de minimis cost rate allowed by the Uniform Guidance.

Note 3. Relationship to Basic Financial Statements

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

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE (continued):
JUNE 30, 2016**

Note 3. Relationship to Basic Financial Statements (continued):

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(18,500) for the general fund and \$5,097, for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

	Federal	State	Total
General Fund	\$2,282,081	\$ 15,771,524	\$ 18,053,605
Special Revenue Fund	550,383	29,053	579,436
Debt Service Fund	-	697,675	697,675
Food Service Fund	202,610	6,260	208,870
	\$ 3,035,074	\$ 16,504,512	\$ 19,539,586

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

Note 6. Federal and State Loans Outstanding

The Northern Burlington County Regional School District had no loan balances outstanding at June 30, 2016.

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section I – Summary of Auditor’s Results

Financial Statements

Type of auditor’s report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	No
Noncompliance material to basic financial Statements noted?	No

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a) of the Uniform Guidance?	No

Identification of major programs:

CFDA Number(s)	FAIN Number(s)	Name of Federal Program or Cluster
84.041	S041B143114	Impact Aid
Dollar threshold used to distinguish between type A and type B programs: [518]		\$750,000
Auditee qualified as low-risk auditee?		Yes

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section I – Summary of Auditor’s Results (continued):

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With 2 CFR 200 Section .516(a) of the Uniform Guidance or NJOMB Circular Letter 15-08 as applicable?	No

Identification of major programs:

GMIS Number(s)	Name of State Program
	State Aid Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Categorical Special Education Aid
495-034-5120-068	School Choice Aid
495-034-5120-084	Categorical Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness Aid

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2016**

Section II – Financial Statement Findings

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

No Current Year Findings

Section III – Schedule of Federal Award Findings & Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

No Current Year Findings

Section IV – State Financial Assistance Findings & Questioned Costs

This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and NJOMB Circular Letter 15-08, as applicable.

No Current Year Findings

**NORTHERN BURLINGTON COUNTY REGIONAL SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2016**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, USOMB *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (¶.511 (a)(b)) and NJOMB's Circular 15-08, as applicable.

No Prior Year Findings

