

SCHOOL DISTRICT
OF
RUMSON-FAIR HAVEN REGIONAL
OF MONMOUTH COUNTY

Rumson-Fair Haven Regional High School District
Rumson, New Jersey

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2016

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Of the

Rumson-Fair Haven Regional High School District
of Monmouth County

Rumson, New Jersey

For the Fiscal Year Ended June 30, 2016

Prepared by

Rumson-Fair Haven Regional Board of Education
Finance Department

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

INTRODUCTORY SECTION	Page
Letter of Transmittal	1-4
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION	
Independent Auditor's Report	9-11
REQUIRED SUPPLEMENTARY INFORMATION - PART I	
Management's Discussion and Analysis	13-21
BASIC FINANCIAL STATEMENTS	
A. District Wide Financial Statements	
A-1 Statement of Net Position	23
A-2 Statement of Activities	24
B. Fund Financial Statements	
Governmental Funds	
B-1 Balance Sheet	25
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	26
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances Of Governmental Funds to the Statement of Activities	27
Proprietary Funds	
B-4 Statement of Net Position	28
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Positions	29
B-6 Statement of Cash Flows	30
Fiduciary Funds	
B-7 Statement of Fiduciary Net Position	31
B-8 Statement of Changes in Fiduciary Net Position	32
Notes to the Financial Statements	33-61

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

REQUIRED SUPPLEMENTARY INFORMATION - PART II

C.	Budgetary Comparison Schedules	
C-1	Budgetary Comparison Schedule - General Fund	63-66
C-1a	Combining Schedule of Revenues, Expenditures, and Changes In Fund Balance - Budget and Actual	N/A
C-1b	Community Development Block Grant - Budget and Actual	N/A
C-2	Budgetary Comparison Schedule - Special Revenue Fund	67
	Notes to the Required Supplementary Information	
C-3	Budget-to-GAAP Reconciliation	68

Required Supplementary Information - Part III

L.	Schedules Related to Accounting and Reporting for Pensions (GASB 68)	
L-1	Schedule of the District's Proportionate Share of the Net Pension Liability - PERS	70
L-2	Schedule of District Contributions - PERS	71
L-3	Schedule of the District's Proportionate Share of the Net Pension Liability - TPAF	72
	Notes to the Required Supplementary Information - Part III	73

OTHER SUPPLEMENTARY INFORMATION

D.	School Based Budget Schedules	
D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund - Schedule of Blended Expenditures Budget and Actual	N/A
E.	Special Revenue Fund	
E-1	Combining Schedules of Program Revenues and Expenditures, Special Revenue Fund - Budgetary Basis	75-76
E-2	Preschool Education Aid Schedule of Expenditures - Budgetary Basis	N/A
F.	Capital Projects Fund	
F-1	Summary Schedule of Project Expenditures	77
F-2	Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budgetary Basis	78
F-2a	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - HVAC Project	79
F-2b	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - Roof Project	N/A
F-2c	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - Elevator Project	N/A
F-2d	Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis - Drainage Project	N/A

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

G.	Proprietary Funds	
	Enterprise Fund	
	G-1 Combining Schedule of Net Position	80
	G-2 Combining Schedule of Revenues, Expenses, and Changes in Fund Net Position	81
	G-3 Combining Schedule of Cash Flows	82
H.	Fiduciary Funds	
	H-1 Combining Statement of Fiduciary Net Position	83
	H-2 Combining Statement of Changes in Fiduciary Net Position	84
	H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	85
	H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	86
	H-5 Private Purpose Scholarship Fund Schedule of Receipts and Disbursements	87
I.	Long-Term Debt	
	I-1 Schedule of Serial Bonds	88
	I-2 Schedule of Obligations Under Capital Leases	N/A
	I-3 Debt Service Fund Budgetary Comparison Schedule	89
J.	Introduction to the Statistical Section	
	Financial Trends	
	J-1 Net Assets by Component	92
	J-2 Changes in Net Assets / Position	93-94
	J-3 Fund Balances - Governmental Funds	95
	J-4 Changes in Fund Balances - Governmental Funds	96
	J-5 General Fund Other Local Revenue by Source	97
	Revenue Capacity	
	J-6 Assessed Value and Estimated Actual Value of Taxable Property	98-99
	J-7 Direct and Overlapping Property Tax Rates	100
	J-8 Principal Property Taxpayers	101
	J-9 Property Tax Levies and Collections	102
	Debt Capacity	
	J-10 Ratios of Outstanding Debt by Type	103-104
	J-11 Ratios of General Bonded Debt Outstanding	105
	J-12 Direct and Overlapping Governmental Activities Debt	106
	J-13 Legal Debt Margin Information	107
	Demographic and Economic Information	
	J-14 Demographic and Economic Statistics	108
	J-15 Principal Employers	109
	Operating Information	
	J-16 Full-time Equivalent District Employees by Function/Program	110
	J-17 Operating Statistics	111
	J-18 School Building Information	112
	J-19 Schedule of Required Maintenance Expenditures by School Facility	113
	J-20 Insurance Schedule	114

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

K. Single Audit Section

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 <i>Government Auditing Standards</i>	116-117
K-2	Independent Auditor's Report on Compliance for Each Major Program And on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB Circular Letter 15-08	118-120
K-3	Schedule of Expenditures of Federal Awards, Schedule A	121
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	122
K-5	Notes to the Schedules of Awards and Financial Assistance	123-124
K-6	Schedule of Findings and Questioned Costs	125-126
K-7	Summary Schedule of Prior Audit Findings	127

INTRODUCTORY SECTION

BOARD OF EDUCATION
RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL
74 RIDGE ROAD
RUMSON, NEW JERSEY 07760-1896
TELEPHONE (732) 842-1597
FAX (732) 842-3908

November 11, 2016

Honorable President and Members
Rumson-Fair Haven Regional High School District
County of Monmouth, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Rumson-Fair Haven Regional High School District (District) for the fiscal year ended June 30, 2016, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditors report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act and Title 2 U.S. Code of Federal Regulations (DFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and the state Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: Rumson-Fair Haven Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The District provides a full range of educational services appropriate to grade levels 9-12. The following details the changes in the 9-12 student enrollment over the last ten years:

Enrollment, 9-12		
<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-16	942	1.50
2014-15	928	0.00
2013-14	929	3.57
2012-13	897	-3.96
2011-12	934	-3.21
2010-11	965	-0.72
2009-10	972	0.62
2008-09	966	-2.72
2007-08	993	-0.35
2006-07	996.5	5.73
2005-06	942.5	5.31
2004-05	895	7.64
2003-04	831.5	2.90

2. ECONOMIC CONDITIONS AND OUTLOOK: The Rumson-Fair Haven Regional High School District serves two closely-knit and highly supportive communities. The District holds a strong financial position where 96% of revenues come from the General Fund Tax Levy. Both Rumson and Fair Haven are stable communities, which in-turn leads to the stability of the District and the long running history of success.

3. MAJOR INITIATIVES: A demanding academic program is delivered in a caring, supportive educational environment. The District maintains high standards for administrative and pedagogical excellence. Students continue surpassing state and national averages on assessment instruments. Of the most recent graduating class, 97% pursued post-secondary education at two and four-year colleges and universities that included some of the best undergraduate institutions in the nation.

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

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

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

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

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

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

7. FINANCIAL INFORMATION AT FISCAL YEAR-END: 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. Readers should refer to the Management's Discussion and Analysis for a summary of the financial statements in relation to the prior year.

8. DEBT ADMINISTRATION: At June 30, 2016, the District's outstanding debt issues included \$2,270,000 of general obligation bonds (Note 11).

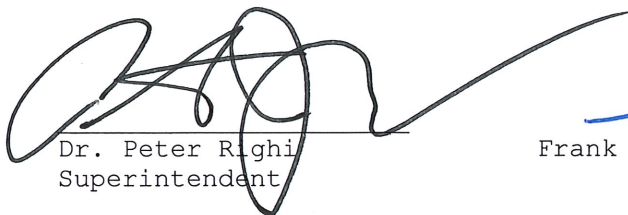
9. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 6. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey where the funds are secured in accordance with the Act.

10. RISK MANAGEMENT: The Board carries various forms of insurance, including but not limited to: general liability, comprehensive/collision, student and volunteer accident, hazard and theft insurance on property and contents, earthquake, flood and fidelity bonds. Annual reviews of the entire program are done in order to evaluate potential insurance changes.


11. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Perry & Company, LLP, was selected by the Board to provide this service. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Single Audit Act of 1996, and the related Uniform Guidance and state Treasury Circular Letter 15-08. The auditor's report on the basic financial statements and combined and individual fund statements and schedules is included in the financial section of this report. The auditor's reports specifically related to the single audit are included in the single audit section of this report.

12. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Rumson-Fair Haven Regional High School District for their continued concern in providing fiscal accountability to the taxpayers and citizens of the District, thereby contributing their full support to the development and maintenance of the District's financial operation.

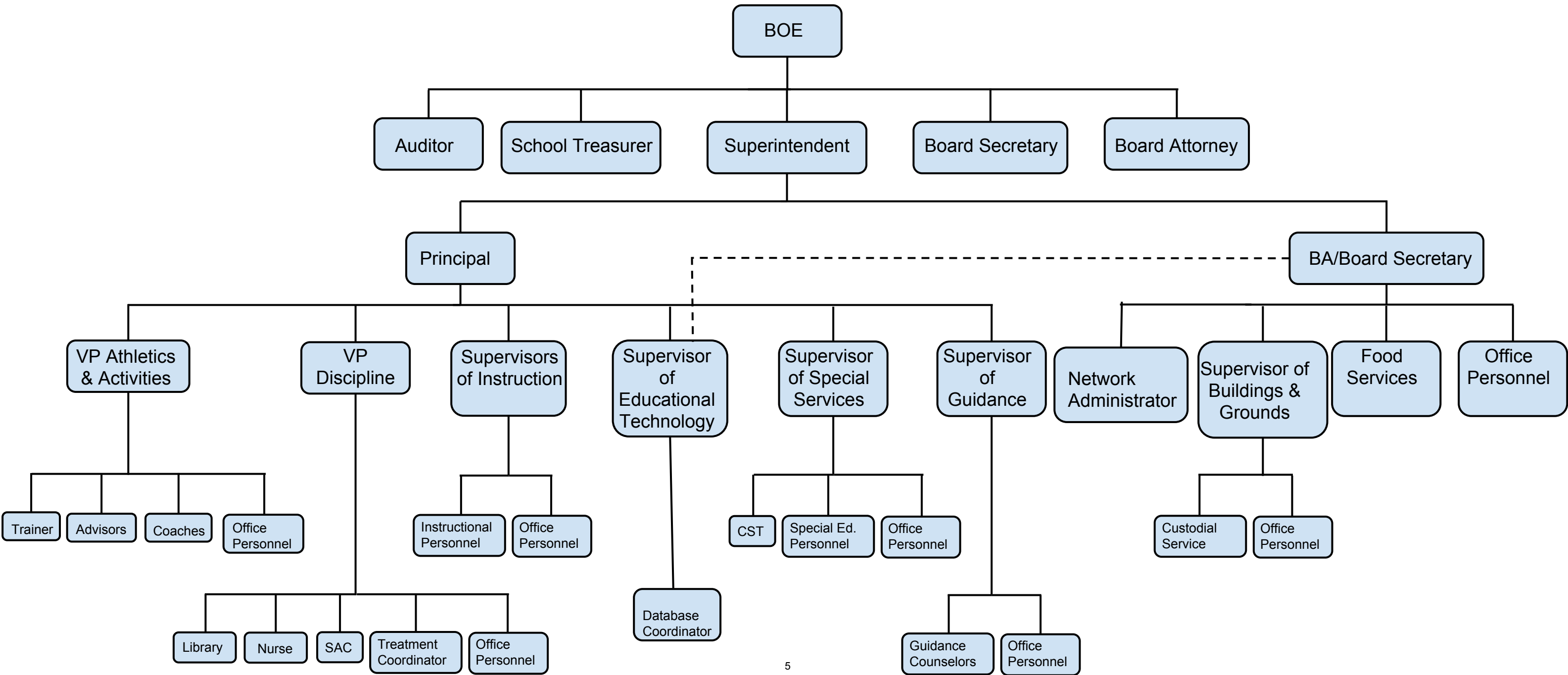
Respectfully submitted,



Dr. Peter Righi
Superintendent



Frank E. Gripp, III
Business Administrator/Board Secretary



Rumson-Fair Haven Regional High School District
Rumson, New Jersey

Roster of Officials
June 30, 2016

Members of the Board of Education

Term Expires

Lisa Walters, President	2017
Michael Goione, Vice President	2016
Jim Wassel	2016
Lourdes Lucas	2018
John Caruso	2018
Sarah Maris	2018
Annie McGinty	2017
Kaye Wise	2016
Chuck Volker	2017

Other Officials

Dr. Peter Righi, Superintendent
Frank E. Gripp, III, School Business Administrator/Board Secretary
Anthony Sciarrillo, Esquire

Rumson-Fair Haven Regional High School District
Consultants and Advisors

Audit Firm

Kathryn Perry, CPA
Jump, Perry and Company, L.L.P.
12 Lexington Avenue
Toms River, New Jersey 08753

Attorney

Tony Sciarrillo, Esq.
Lindabury, McCormick & Estabrook
53 Cardinal Drive
P.O. Box 2369
Westfield, New Jersey 07091-2369

Official Depositories

Wells Fargo Bank
Rumson, New Jersey

PNC Bank
Fair Haven, New Jersey

Rumson-Fair Haven Bank and Trust
Fair Haven, New Jersey

State of NJ Cash Management Fund

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Honorable President and
Members of the Board of Education
Rumson-Fair Haven Regional High School District:
County of Monmouth
Rumson, New Jersey

Report of 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 Board of Education of Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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 Rumson-Fair Haven Regional High School District in the County of Monmouth, 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 and budgetary comparison information as presented 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 Rumson-Fair Haven Regional High School District's basic financial statements. The introductory section, combining fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, and is also not a required part of the basic financial statements.

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

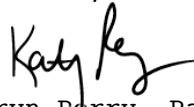
The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 11, 2016 on our consideration of the Board of Education of the Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey 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 Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey internal control over financial reporting and compliance.

Respectfully Submitted,

Jump, Perry & Company L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 11, 2016
Toms River, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

Rumson-Fair Haven Regional High School District

Management's Discussion and Analysis

For the Fiscal Year Ended June 30, 2016

Unaudited

The discussion and analysis of Rumson-Fair Haven Regional High School District's financial performance provides an overall review of the district's financial activities for the fiscal year ended 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 notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

In total, net position totaled \$14,792,624, which represents a 2.43 percent decrease from 2015.

General revenues accounted for \$18,541,031 in revenue or 9.88 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$2,088,036 or 0.12 percent of total revenues of \$20,629,067.

Total assets increased by \$(221,902) as cash and cash equivalents increased by \$345,042, receivables decreased by \$21,559 and capital assets decreased by \$(588,696).

The District had \$20,278,545 in expenses; only \$2,088,036 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$18,541,031 were adequate to provide for these programs.

Among major funds, the General Fund had \$19,430,213 in revenues and \$19,073,768 in expenditures and transfers. The General Fund's balance increase \$356,445 over 2015. The General Fund's balance is \$4,489,371. The Capital Reserve Fund balance is \$982,366. The Capital Reserve Fund balance increased \$378,006 over 2015. The increase was anticipated by the Board of Education.

Using this Comprehensive Annual Financial Report (CAFR)

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

The Statement of Net Position and Statement of Activities provide information about the activities of the District, presenting both an aggregate view of the District's finances and longer-term view of those finances. Fund financial statements provide the next level of detail. For government funds, these statements tell how services were financed in the short term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other non-major funds presented in total in one column. In the case of Rumson-Fair Haven Regional High School District, the General Fund is by far the most significant.

Reporting the District as a Whole

Statement of Net Position and the Statement of Activities

This document contains all funds used by the District to provide programs and activities viewing the District as a whole and reports the culmination of all financial transactions. The report answers the question "How We Did Financially During Fiscal Year 2016." The Statement of Net Position and the Statement of Activities provides the summary. The statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in those assets. This change in net position is important because reports whether the District's financial position has improved or diminished.

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

Governmental Activities - All of the District's programs and services are reported here including, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Reporting the District's Most Significant Funds

Fund Financial Statement

The Analysis of the District's major funds begins on page 25. Fund financial reports provide detailed information about the District's major funds. The District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows into and out of the funds and balances left at year-end available for spending in the future years. These funds are reported using a modified accrual accounting method 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 fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities. The reporting of this fund did not make a change with the conversion to GASB 34.

The District as a Whole

The Statement of Net Position provides the financial perspective of the District as a whole.

Table 1 provides a summary comparison of the School District's net position for 2015 and 2016.

Table 1

Net Position as of June 30, 2016 and 2015

	2016	2015
Assets:		
Cash and Cash Equivalents	\$ 3,606,975	\$ 3,639,939
Receivables, Net	115,033	93,474
Inventory	1,244	1,051
Restricted Assets:		
Cash and Cash Equivalents	982,366	604,360
Capital Assets, Net	<u>15,949,213</u>	<u>16,537,909</u>
Total Assets	<u>20,654,831</u>	<u>20,876,733</u>
Deferred Outflows of Resources:		
Deferred outflows - PERS	513,913	116,330
Deferred charge on refunding	38,569	38,569
Total deferred outflows of resources	<u>552,482</u>	<u>154,899</u>
Liabilities:		
Accounts Payable	20	20
Deferred Revenue	3,113	16,397
Noncurrent Liabilities:		
Due Within One Year	895,425	854,742
Due Beyond One Year	<u>5,380,524</u>	<u>5,461,309</u>
Total Liabilities	<u>6,279,082</u>	<u>6,332,468</u>
Deferred Inflows of Resources:		
Deferred inflows - PERS	58,665	180,120
Deferred premium on refunding	<u>76,942</u>	<u>76,942</u>
Total deferred inflows of resources	<u>135,607</u>	<u>257,062</u>
Net Position:		
Invested in Capital Assets, Net of Related Debt	13,640,840	13,514,536
Restricted for:		
Capital Projects	1,597,197	1,556,131
Debt Service	21,628	21,628
General Fund	2,599,943	2,343,036
Unrestricted	<u>(3,066,984)</u>	<u>(2,993,229)</u>
Total Net Position	<u>\$14,792,624</u>	<u>\$14,442,102</u>

The District's combined net position were \$14,792,624 on June 30, 2016. This is a change of 2.43% from the previous year.

Table 2 provides a comparison analysis of District-wide changes in net position from fiscal years 2015 and 2016.

Table 2

Changes in Net Position

	2016	2015
<u>Revenues</u>		
Program Revenues:		
Charges for Services	\$ 783,547	\$ 621,331
Operating Grants and Contributions	1,304,489	1,204,680
Capital Grants and Contributions	-	-
General Revenues:		
Property Taxes	17,626,580	17,085,106
Grants and Entitlements	721,880	657,962
Other	<u>192,571</u>	<u>230,177</u>
 Total Revenues	 <u>20,629,067</u>	 <u>19,799,256</u>
<u>Program Expenses</u>		
Instruction	8,551,029	8,285,412
Support Services:		
Pupils and Instructional Staff	3,377,156	3,009,804
General Administration, School Administration		
Business Operations and Maintenance of		
Facilities	6,604,709	6,520,190
Pupil Transportation	941,875	839,528
 Food Service	 744,076	 624,113
Interest on Long-Term Debt	<u>59,700</u>	<u>61,390</u>
 Total Expenses	 <u>20,278,545</u>	 <u>19,340,437</u>
 Increase in Net Position	 <u>350,522</u>	 <u>\$ 458,819</u>

Government Activities

Property Taxes as approved by the voters of the Boroughs of Rumson and Fair Haven made up 88.82 % of revenues for governmental activities for the fiscal year 2016. The District's total revenues were \$19,845,520 for the year ended June 30, 2016. Federal, state and local grants accounted for another 11.18 %.

The total cost of all programs and services was \$19,534,469. Instruction comprises 0.44 % of the District's expenses.

Expenses for Fiscal Year 2016

Business-Type Activities

Revenues for the District's business-type activities (food service program) were comprised of charges for services.

Food service expenses exceeded revenues by \$27,585.

Charges for services represent \$754,868 of revenue. This represents the amount paid by patrons for daily food service and catering.

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 costs of services and the net cost of services. The net cost shows the financial burden that was placed on the School District's taxpayers by each of these functions.

Table 3

Governmental Activities

	2016		2015	
	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost of Services</u>
Instruction	\$ 8,551,029	\$ 8,551,029	\$ 8,285,412	\$ 8,285,412
Support Services:				
Pupils and Instructional Staff	3,377,156	3,377,156	3,009,804	3,009,804
General Administration, School Administration, Business Operation and Maintenance of Facilities	6,604,709	5,300,220	6,406,604	5,201,924
Pupil Transportation	941,875	941,875	839,528	839,528
Interest and Fiscal Charges	59,700	59,700	61,390	61,390
Total Expenses	<u>\$19,534,469</u>	<u>\$18,229,980</u>	<u>\$18,602,738</u>	<u>\$17,398,058</u>

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

Extracurricular activities includes expenses related to student activities provided by the District which are designed to provide opportunities for students to participate in school and public events for the purpose of motivation, enjoyment, skill improvement, school spirit and leadership. Approximately 90% of the student population participates in extracurricular activities. Three foundations support the addition of ice hockey, boys' lacrosse, and rowing to the sports offerings.

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

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

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

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

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the District. The District passed a referendum in December 2003 in the amount of \$8,798,326 to be paid over 15 years.

Other includes special schools and unallocated depreciation.

The District's Funds

Information about the District's major funds starts on page 23. These funds are accounted for using the modified accrual basis of accounting. All government funds had total revenues of \$19,845,520 and expenditures of \$19,515,866. The net positive (negative) change in fund balance for the year was most significant in the General Fund, a decrease of \$(329,654).

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. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2016, and the amount and percentage of increase and increases in relation to prior-year revenues.

<u>Revenue</u>	<u>2015-16 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2015-16</u>	<u>Percent of Increase/ (Decrease)</u>
Local Sources	\$17,819,151	89.79 %	\$ 503,868	75.48 %
State Sources	1,805,007	9.10	106,555	15.96
Federal Sources	<u>221,362</u>	<u>1.11</u>	<u>57,172</u>	<u>8.56</u>
Total	<u>\$19,845,520</u>	<u>100.00 %</u>	<u>\$ 667,595</u>	<u>100.00 %</u>

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2016.

<u>Expenditures</u>	<u>2015-16 Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2015-16</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expense:				
Instruction	\$ 7,669,866	39.30 %	\$ 238,047	21.90 %
Undistributed Expenditures	10,603,142	54.33	448,070	41.25
Capital Outlay	468,158	2.40	394,130	36.28
Debt Service:				
Principal	715,000	3.66	20,000	1.84
Interest	<u>59,700</u>	<u>0.31</u>	<u>(13,900)</u>	<u>(1.28)</u>
Total	<u>\$19,515,866</u>	<u>100.00 %</u>	<u>\$ 1,086,347</u>	<u>99.99 %</u>

General Fund Budgeting Highlights

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

During the course of the fiscal year 2016, the District amended its General Fund budget as needed. The District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management. Transfers from one program to another must be approved by the Business Administration, Superintendent and Board of Education. Transfers were necessitated by:

- Staffing changes based on student needs.
- Building required maintenance and renovation projects.
- Changes in appropriations to prevent budget overruns.

While the District final budget for the General Fund anticipated that revenues and expenditures would roughly equal, the actual results for the year show a \$356,445 excess.

Actual revenues were \$19,430,213.

Actual expenditures and transfers were \$19,073,768.

Capital Assets

At the end of the fiscal year 2016, the School District had \$15,879,617 invested in land, buildings, and machinery and equipment.

Table 4

Capital Assets (Net of Depreciation) at June 30, 2016 and 2015

	2016	2015
Land	\$ 7,500	\$ 7,500
Construction in Progress	-	-
Site Improvements	73,891	105,744
Building and Improvements	15,347,347	15,979,804
Machinery and Equipment	<u>450,879</u>	<u>364,312</u>
Total	<u>\$15,879,617</u>	<u>\$16,457,360</u>

Overall capital assets decreased \$(577,743) from fiscal year 2015 to 2016.

For the Future

The Rumson-Fair Haven Regional High School District is in excellent financial position.

The use of Capital Reserve and State Facility Grants provides funding for capital improvements. The District has been diligent in its efforts to fund a maintenance reserve to maintain its investment in its buildings and grounds. An Emergency reserve has been established to fund unexpected budgetary needs such as unanticipated special education tuition. General Fund Reserve is used each year to reduce tax levied to fund the budget.

The residents of Rumson and Fair Haven show their support of the schools by successfully passing their school budget. The Boroughs are primarily residential with very few ratables; thus the burden of taxes levied by the District falls to the homeowners.

The District Board of Education practices long-term financial planning. The District is proud of its system for financial planning, budgeting, and internal financial controls.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, you may contact the School Business Administrator/Board Secretary at Rumson-Fair Haven Regional High School District, 74 Ridge Road, Rumson, NJ 07760.

BASIC FINANCIAL STATEMENTS

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,491,467	\$ 115,508	\$ 3,606,975
Capital reserve cash	982,366	-	982,366
Receivables - other	24,121	-	24,121
Receivables - state	90,761	-	90,761
Receivables - federal	-	-	-
Inventory	-	1,244	1,244
Interfund receivable	151	-	151
Other asset	-	-	-
Capital assets, non depreciable	-	-	-
Capital assets, depreciable net:	15,879,617	69,596	15,949,213
Total assets	<u>20,468,483</u>	<u>186,348</u>	<u>20,654,831</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	513,913	-	513,913
Deferred charge on refunding	38,569	-	38,569
Total deferred outflows of resources	<u>552,482</u>	<u>-</u>	<u>552,482</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	\$ -
Accrued payroll	-	-	-
Other liabilities	20	-	20
Interfund payable	-	-	-
Payable to state government	-	-	-
Unearned revenue	3,113	-	3,113
Noncurrent liabilities:			
Due within one year	895,425	-	895,425
Due beyond one year	5,380,524	-	5,380,524
Total liabilities	<u>6,279,082</u>	<u>-</u>	<u>6,279,082</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	58,665	-	58,665
Deferred premium on refunding	76,942	-	76,942
Total deferred inflows of resources	<u>135,607</u>	<u>-</u>	<u>135,607</u>
NET POSITION			
Net investment in capital assets	13,571,244	69,596	13,640,840
Restricted for:			
Debt service	21,628	-	21,628
Capital projects	1,597,197	-	1,597,197
Other purposes	2,599,943	-	2,599,943
Unrestricted	(3,183,736)	116,752	(3,066,984)
Total net position	<u>\$ 14,606,276</u>	<u>\$ 186,348</u>	<u>\$ 14,792,624</u>

See accompanying notes to financial statements.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Current:							
Regular instruction	\$ 6,525,479	\$ -	\$ -	\$ -	\$ (6,525,479)	\$ -	\$ (6,525,479)
Special education instruction	1,029,550	-	-	-	(1,029,550)	-	(1,029,550)
Other special instruction	996,000	-	-	-	(996,000)	-	(996,000)
Support services and undistributed costs:							
Instruction	1,115,237	-	-	-	(1,115,237)	-	(1,115,237)
Attendance and social work	41,022	-	-	-	(41,022)	-	(41,022)
Health services	130,684	-	-	-	(130,684)	-	(130,684)
Other support services	1,226,087	-	-	-	(1,226,087)	-	(1,226,087)
Improvement of instruction	737,805	-	-	-	(737,805)	-	(737,805)
Educational media services	110,525	-	-	-	(110,525)	-	(110,525)
Instruction staff training	15,796	-	-	-	(15,796)	-	(15,796)
General administrative services	609,826	-	-	-	(609,826)	-	(609,826)
School administrative services	501,264	-	-	-	(501,264)	-	(501,264)
School central services	313,160	-	-	-	(313,160)	-	(313,160)
School admin info technology	13,284	-	-	-	(13,284)	-	(13,284)
Allowed maintenance for school facilities	224,161	-	-	-	(224,161)	-	(224,161)
Other operation & maintenance of plant	1,187,742	-	-	-	(1,187,742)	-	(1,187,742)
Care & upkeep of grounds	32,212	-	-	-	(32,212)	-	(32,212)
Security	14,964	-	-	-	(14,964)	-	(14,964)
Student transportation services	941,875	-	-	-	(941,875)	-	(941,875)
Unallocated employee benefits	2,403,607	-	-	-	(2,403,607)	-	(2,403,607)
Non-budgeted expenditures	1,304,489	-	1,304,489	-	-	-	-
Interest expense	59,700	-	-	-	(59,700)	-	(59,700)
Total governmental activities	<u>19,534,469</u>	<u>-</u>	<u>1,304,489</u>	<u>-</u>	<u>(18,229,980)</u>	<u>-</u>	<u>(18,229,980)</u>
Business-type activities:							
Food Service	727,283	754,868	-	-	-	27,585	27,585
Intramurals	16,793	28,679	-	-	-	11,886	11,886
Total business-type activities	<u>744,076</u>	<u>783,547</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>39,471</u>	<u>39,471</u>
Total primary government	<u>\$ 20,278,545</u>	<u>\$ 783,547</u>	<u>\$ 1,304,489</u>	<u>\$ -</u>	<u>\$ (18,229,980)</u>	<u>\$ 39,471</u>	<u>\$ (18,190,509)</u>
General revenues:							
Taxes:							
Property taxes levied for general purpose					16,851,880	-	16,851,880
Taxes levied for debt service					774,700	-	774,700
Federal and state aid not restricted					721,880	-	721,880
State aid restricted					-	-	-
Miscellaneous income					192,571	-	192,571
Sale of fixed assets					-	-	-
Donated assets					-	-	-
Total general revenues, special items, extraordinary items and transfers					<u>18,541,031</u>	<u>-</u>	<u>18,541,031</u>
Change in net position					311,051	39,471	350,522
Net position—beginning					14,295,225	146,877	14,442,102
Net position—ending					<u>\$ 14,606,276</u>	<u>186,348</u>	<u>\$ 14,792,624</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,550,844	\$ 3,113	\$ (84,138)	\$ 21,648	\$ 3,491,467
Capital reserve account	982,366	-	-	-	982,366
Receivables, net	-	-	-	-	-
Receivables from other funds	151	-	197,193	-	197,344
Receivables from state	90,761	-	-	-	90,761
Receivables from federal	-	-	-	-	-
Receivables from other governments	24,121	-	-	-	24,121
Other receivables	-	-	-	-	-
Inventory	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 4,648,243</u>	<u>\$ 3,113</u>	<u>\$ 113,055</u>	<u>\$ 21,648</u>	<u>\$ 4,786,059</u>
LIABILITIES					
Liabilities:					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Cash overdraft	-	-	-	-	-
Accrued salaries and benefits	-	-	-	-	-
Interfund payable	197,193	-	-	-	197,193
Other current liabilities	-	-	-	20	20
Payable to state government	-	-	-	-	-
Deferred revenue	-	3,113	-	-	3,113
Total liabilities	<u>197,193</u>	<u>3,113</u>	<u>-</u>	<u>20</u>	<u>200,326</u>
FUND BALANCES					
Restricted for:					
Unexpended additional spending proposal					
Capital reserve account	1,484,142	-	-	-	1,484,142
Maintenance reserve account	1,089,660	-	-	-	1,089,660
Emergency reserve account	250,000	-	-	-	250,000
Excess surplus - current year	-	-	-	-	-
Excess surplus -- designated for					
Subsequent year's expenditures	-	-	-	-	-
Debt service fund	-	-	-	21,628	21,628
Capital projects fund	-	-	113,055	-	113,055
Other purposes	-	-	-	-	-
Committed to:					
Other purposes	710,283	-	-	-	710,283
Assigned to:					
Debt service fund	-	-	-	-	-
Designated by the BOE for subsequent year's expenditure	550,000	-	-	-	550,000
Capital projects fund	-	-	-	-	-
Other purposes	-	-	-	-	-
Unassigned to:					
General fund	366,965	-	-	-	366,965
Special revenue fund	-	-	-	-	-
Total fund balances	<u>4,451,050</u>	<u>-</u>	<u>113,055</u>	<u>21,628</u>	<u>4,585,733</u>
Total liabilities and fund balances	<u>\$ 4,648,243</u>	<u>\$ 3,113</u>	<u>\$ 113,055</u>	<u>\$ 21,648</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 \$29,106,717 and the accumulated depreciation is \$12,649,357.	15,879,617
Deferred outflows related to the PERS pension plan	513,913
Deferred inflows related to the PERS pension plan	(58,665)
Bond issuance costs are being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$73,632.	38,569
Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$146,890.	(76,942)
Long-term liabilities, including bonds payable but not including current portion of compensated absences of \$0 are not due and payable in the current period and therefore are not reported as liabilities in the funds.	<u>(6,275,949)</u>
Net position of governmental activities	<u>\$ 14,606,276</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 16,851,880	\$ -	\$ -	\$ 774,700	\$ 17,626,580
Tuition charges	143,020	-	-	-	143,020
Interest earned on capital reserve funds	-	-	-	-	-
Miscellaneous	15,909	33,642	-	-	49,551
Total - Local sources	17,010,809	33,642	-	774,700	17,819,151
State sources	1,805,007	-	-	-	1,805,007
Federal sources	-	221,362	-	-	221,362
Total revenues	18,815,816	255,004	-	774,700	19,845,520
EXPENDITURES					
Current:					
Regular instruction	\$ 5,456,568	\$ 222,596	\$ -	\$ -	\$ 5,679,164
Special education instruction	999,680	-	-	-	999,680
Other special instruction	991,022	-	-	-	991,022
Support services and undistributed costs:					
Instruction	1,030,605	-	-	-	1,030,605
Attendance and social work	41,022	-	-	-	41,022
Health services	114,629	16,055	-	-	130,684
Other support services	1,221,693	4,394	-	-	1,226,087
Improvement of instruction	725,846	11,959	-	-	737,805
Educational media services	110,525	-	-	-	110,525
Instruction staff training	15,796	-	-	-	15,796
General administrative services	609,826	-	-	-	609,826
School administrative services	443,486	-	-	-	443,486
School central services	313,160	-	-	-	313,160
School admin info technology	13,284	-	-	-	13,284
Required maintenance for school facilities	224,161	-	-	-	224,161
Other operation & maintenance of plant	1,137,506	-	-	-	1,137,506
Care & upkeep of grounds	32,212	-	-	-	32,212
Security	14,964	-	-	-	14,964
Student transportation services	941,875	-	-	-	941,875
Unallocated employee benefits	2,275,655	-	-	-	2,275,655
Non-budgeted expenditures	1,304,489	-	-	-	1,304,489
Debt service:					
Principal	-	-	-	715,000	715,000
Interest and other charges	-	-	-	59,700	59,700
Capital outlay	441,367	-	26,791	-	468,158
Total expenditures	18,459,371	255,004	26,791	774,700	19,515,866
Excess (Deficiency) of revenues over expenditures	356,445	-	(26,791)	-	329,654
OTHER FINANCING SOURCES (USES)					
Transfer to Capital Reserve	-	-	-	-	-
Transfer from Capital Projects	-	-	-	-	-
Costs for bond issuance	-	-	-	-	-
Total other financing sources and uses	-	-	-	-	-
Net change in fund balances	356,445	-	(26,791)	-	329,654
Fund balance—July 1	4,094,605	-	139,846	21,628	4,256,079
Fund balance—June 30	\$ 4,451,050	\$ -	\$ 113,055	\$ 21,628	\$ 4,585,733

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2016

Total net change in fund balances - governmental funds (from B-2)	\$	329,654
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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	\$ (995,665)	
Capital outlays	<u>417,922</u>	(577,743)

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey		(127,952)
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Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long - term liabilities in the statement of net position and is not reported in the statement of activities.		715,000
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In the Statement of Activities, the amortization of bond premium is recorded as a reduction to interest expense. In the governmental funds, the amortization is not recorded.		-
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In the Statement of Activities, the amortization of bond cost is recorded as a reduction to interest expense. In the governmental funds, the amortization is not recorded.		-
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In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid.		<u>(27,908)</u>
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Change in net positions of governmental activities	\$	<u>311,051</u>
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RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2016

	Business-type Activities - Enterprise Funds		
	Food Service	Intramural	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 65,783	\$ 49,725	\$ 115,508
Other receivables	-	-	-
Inventories	1,244	-	1,244
Total current assets	<u>67,027</u>	<u>49,725</u>	<u>116,752</u>
Noncurrent assets:			
Furniture, machinery & equipment	169,447	-	169,447
Less accumulated depreciation	(99,851)	-	(99,851)
Total noncurrent assets	<u>69,596</u>	<u>-</u>	<u>69,596</u>
Total assets	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>
LIABILITIES			
Current liabilities:			
Accounts payable	-	-	-
Interfund payable	-	-	-
Accrued salaries and benefits	-	-	-
Total current liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Noncurrent Liabilities:			
Compensated absences	-	-	-
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
NET POSITION			
Invested in capital assets net of related debt	69,596	-	69,596
Restricted for:			
Other	-	-	-
Unrestricted	67,027	49,725	116,752
Total net position	<u>136,623</u>	<u>49,725</u>	<u>186,348</u>
Total liabilities and net position	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>

See accompanying notes to financial statements.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2016

	Business-type Activities - Enterprise Fund		
	Food Service	Intramural	Total Enterprise
Operating revenues:			
Local sources:			
Daily sales reimbursable programs			
School breakfast	\$ -	\$ -	\$ -
School lunch	-	-	-
Total daily sales reimbursable programs	-	-	-
Daily sales non-reimbursable programs	735,082	-	735,082
Special functions	19,786	-	19,786
Miscellaneous	-	28,679	28,679
Total operating revenues	<u>754,868</u>	<u>28,679</u>	<u>783,547</u>
Operating expenses:			
Salaries	289,807	15,600	305,407
Employee benefits	32,745	1,193	33,938
Purchased property	6,053	-	6,053
Other purchased services	57,231	-	57,231
Supplies and materials	4,950	-	4,950
Depreciation	10,953	-	10,953
Cost of sales	325,544	-	325,544
Total operating expenses	<u>727,283</u>	<u>16,793</u>	<u>744,076</u>
Operating income	<u>27,585</u>	<u>11,886</u>	<u>39,471</u>
Nonoperating revenues (expenses):			
Interest income	-	-	-
State sources:			
Vending machine grant	-	-	-
State school lunch program	-	-	-
State school breakfast program	-	-	-
Federal sources:			
School breakfast program	-	-	-
National school lunch program	-	-	-
Food distribution program	-	-	-
After school snack program	-	-	-
Total nonoperating revenues (expenses)	<u>-</u>	<u>-</u>	<u>-</u>
Income before contributions & transfers	<u>27,585</u>	<u>11,886</u>	<u>39,471</u>
Transfers in (out)	-	-	-
Change in net position	<u>27,585</u>	<u>11,886</u>	<u>39,471</u>
Total net position—beginning	<u>109,038</u>	<u>37,839</u>	<u>146,877</u>
Total net position—ending	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>

See accompanying notes to financial statements.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Food Services Enterprise Fund
Combining Statement of Cash Flows
for the Fiscal Year ended June 30, 2016

	Business-type Activities - Enterprise Funds		
	Food		Total
	Service	Intramural	Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other funds	\$ 754,868	\$ 28,679	\$ 783,547
Payments to employees & benefits	(322,552)	(16,793)	(339,345)
Payments to suppliers	(393,971)	-	(393,971)
Net cash provided by (used in) operating activities	<u>38,345</u>	<u>11,886</u>	<u>50,231</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State sources	-	-	-
Federal sources	-	-	-
Board interfund loans	-	-	-
Net cash provided by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Change in capital contributions	-	-	-
Purchases of capital assets	-	-	-
Gain/Loss on sale of fixed assets (proceeds)	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	-	-	-
Proceeds from sale/maturities of investments	-	-	-
Net cash provided by (used for) investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	38,345	11,886	50,231
Balances—beginning of year	27,438	37,839	65,277
Balances—end of year	<u>\$ 65,783</u>	<u>\$ 49,725</u>	<u>\$ 115,508</u>
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:			
Operating loss	\$ 27,585	\$ 11,886	\$ 39,471
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:			
Depreciation and net amortization	10,953	-	10,953
(Increase) decrease in inventories	(193)	-	(193)
Total adjustments	<u>10,760</u>	<u>-</u>	<u>10,760</u>
Net cash provided by (used in) operating activities	<u>\$ 38,345</u>	<u>\$ 11,886</u>	<u>\$ 50,231</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Statement of Fiduciary Net Position
 June 30, 2016

	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>	<u>Student Activity</u>	<u>Agency Fund</u>
ASSETS				
Cash and cash equivalents	\$ 221,405	\$ 529,516	\$ 281,748	\$ 8,143
Total assets	<u>221,405</u>	<u>529,516</u>	<u>281,748</u>	<u>8,143</u>
LIABILITIES				
Payroll deductions and withholdings	-	-	-	7,992
Payable to student groups	-	-	281,748	-
Interfund payable	-	-	-	151
Total liabilities	<u>-</u>	<u>-</u>	<u>281,748</u>	<u>8,143</u>
NET POSITION				
Held in trust for unemployment claims and other purposes	221,405	-	-	-
Reserved for scholarships	-	529,516	-	-
Total net position	<u>221,405</u>	<u>529,516</u>	<u>-</u>	<u>-</u>
Total liabilities and net position	<u>\$ 221,405</u>	<u>\$ 529,516</u>	<u>\$ 281,748</u>	<u>\$ 8,143</u>

See accompanying notes to financial statements.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	Scholarship Funds	Unemployment Compensation Fund	Total
ADDITIONS			
Contributions:			
Board	\$ -	\$ 13,902	\$ 13,902
Other	17,310	-	17,310
Total Contributions	<u>17,310</u>	<u>13,902</u>	<u>31,212</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	28	-	28
Dividends	-	-	-
Less investment expense	-	-	-
Net investment earnings	<u>28</u>	<u>-</u>	<u>28</u>
Total additions	<u>17,338</u>	<u>13,902</u>	<u>31,240</u>
DEDUCTIONS			
Unemployment claims	-	6,398	6,398
Scholarships awarded	37,404	-	37,404
Total deductions	<u>37,404</u>	<u>6,398</u>	<u>43,802</u>
Change in net position	(20,066)	7,504	(12,562)
Net position—beginning of the year	<u>549,582</u>	<u>213,901</u>	<u>763,483</u>
Net position—end of the year	<u>\$ 529,516</u>	<u>\$ 221,405</u>	<u>\$ 750,921</u>

See accompanying notes to financial statements.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. Summary of Significant Accounting Policies

The Financial statements of the Board of Education ("Board") of the Rumson-Fair Haven Regional High School District ("District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity:

The Rumson-Fair Haven Regional High School District is a Type II district located in the county of Monmouth, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year staggered terms. The purpose of the District is to educate students in grades 9-12. The Rumson-Fair Haven Regional High School District had an approximate enrollment of 998 students at June 30, 2016.

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

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 the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The district-wide financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include elementary school, junior high schools and a senior high school located in Rumson and Fair Haven. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation, Basis of Accounting:

The School District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and Fund Financial Statements which provide a more detailed level of financial information. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. Items not meeting that definition of assets and liabilities have been classified as deferred outflows or deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The School District has employees that are enrolled in a defined benefit plan operated by the State of New Jersey which creates deferred outflows and inflows as described in Note 11.

In June, 2015, GASB issued Statement No. 74, Financial Reporting for Postemployment Benefits Other Than Pension Plans (Replaces GASB No. 43 and No. 57) and Statement No. 75 Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (Replaces GASB No. 45 and No. 57). The primary objective of these Statements is to improve accounting and financial reporting by state and local governments for postemployment benefits. It also improves information provided by state and local governmental employers about financial support for postemployment benefits that is provided by other entities. These Statements result from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The requirements of these Statements will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net postemployment benefit liability and a more comprehensive measure of pension expense. The requirements of these Statements are effective for financial statements for periods beginning after June 15, 2016 (GASB No. 74) and June 15, 2017 (GASB No. 75). The effect of these new standards on the School District has not been measured.

District-Wide Statements: The district-wide financial statements (A-1 and A-2) include the statement of net position and the statement of activities. These Statements include the financial activities of the overall District, except for fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the statement of activities. Individual funds are not displayed but the statements distinguish governmental activities, generally financed in whole or in part with fees charged to external customers.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each Fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education ("NJDOE") has elected to require New Jersey districts to treat each governmental fund as a major fund. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

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

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

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated Fund Balance. Expenditures are those that result in the acquisition of or additions to Fixed Assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by Board resolution.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Presentation (Cont'd):

Special Revenue Fund - The Special Revenue Fund is used to account for all 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.

The District reports the following proprietary funds:

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

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

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The Food Service Fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e., expenses including depreciation and indirect costs) of providing primarily through user charges.

The District reports the following fund types:

Trust and Agency Funds - The Trust and Agency Funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds.

Expandable Trust Fund - An Expandable Trust Fund is accounted for in essentially the same manner as the governmental fund types, using the same measurement focus and basis of accounting. Expandable Trust Funds account for assets where both the principal and interest may be spent. The Expandable Trust Fund includes the Unemployment Compensation Insurance Fund and the Scholarship Account.

Agency Funds - Agency Funds are used to account for the assets that the District holds on behalf of others as their agent. Agency Funds are custodial in nature and do not involve measurement of results of operations. Agency Funds include payroll and student activities funds.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation, Basis of Accounting (Cont'd):

Basis of Accounting

Basis of Accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds use the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds, if general long-term debt and acquisitions under capital releases, are reported as other financing sources.

All governmental and business-type activities and Enterprise Funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

Property Taxes: Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable".

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the General, Special Revenue, and Debt Service Funds. The budgets are submitted to the County Office and are not voted upon in the annual school election. Budgets are prepared using the modified accrual basis of accounting, except for Special Revenue Fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C 6:20-2A.2(m)1. All budget amendments/transfers must be approved by Board resolution. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally-authorized revisions of the annual budgets during the year.

Appropriations, except remaining project appropriations, encumbrances, and unexpected grant appropriation, lapse at the end of each fiscal year. The Capital Project Fund presents the remaining project appropriations compared to current-year expenditures.

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.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

D. Encumbrance Accounting:

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

Open encumbrances in the Special Revenue Fund, for which the District has received advances are reflected in the Balance Sheet as 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.

E. Assets, Liabilities, and Equity:

Interfund Transactions:

Transfers between Governmental and Business-Type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as Interfund transfers. Interfund transfers are reported as other financing sources/uses in Governmental Funds and after non-operating revenues/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the Enterprise Fund, are recorded as expenditures during the first year of purchase. Enterprise Fund inventories are valued at cost, which approximates market, using the first-in/first-out ("FIFO") method.

Deferred Outflows/Inflows 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*, represent 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 future periods and so will *not* be recognized as an inflow of resources (revenue) until that time.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

E. Assets, Liabilities, and Equity (Cont'd):

Capital Assets:

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure.

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Building and Improvements	20-50 years
Furniture and Equipment	5-20 years
Vehicles	8 years

Compensated Absences:

The Districts accounts for Compensated Absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Board. 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 the employee is accrued as the employees earn the rights to the benefits.

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

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

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 Food Service Fund.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

E. Assets, Liabilities, and Equity (Cont'd):

Unearned/Deferred Revenue:

Unearned/Deferred revenue in the special revenue fund represents cash which has been received but not yet earned.

Accrued Liabilities and Long-Term Obligations:

All Payables, Accrued Liabilities, and Long-Term Obligations are reported on the District-wide financial statements. In general, governmental fund payables are 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, contractually-required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

Net Position:

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net Position are 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. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

Fund Balance Reserves:

The District reserves those portions of Fund Balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation in future periods. A Fund Balance Reserve has been established for encumbrances, maintenance, capital and subsequent year's expenditures.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

E. Assets, Liabilities, and Equity (Cont'd):

Revenues - Exchange and Nonexchange Transactions:

Revenue resulting from Exchange Transactions, in which each party gives and receives essentially equal value, is recorded on the actual accrual basis when the Exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District available means within sixty days of the fiscal year-end.

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and intramural. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

1. **Summary of Significant Accounting Policies (Cont'd)**

E. Assets, Liabilities, and Equity (Cont'd):

Allocation of Indirect Expenses:

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee Benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

Extraordinary and Special Items:

Extraordinary Items are transactions or events that are unusual in nature and infrequent in occurrence. Special Items are transactions or events that are within the control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

2. Capital Reserve Account

A Capital Reserve Account was established by the Rumson-Fair Haven Regional High School District by inclusion of \$165,641 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Capital Reserve Account are restricted to Capital Projects in the District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a District may increase the balance in the Capital Reserve by appropriating funds in the annual General Fund budget certified for taxes or by transfer by Board Resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the excess 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-5.1(d)7, 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 June 30, 2015 to June 30, 2016 fiscal year is as follows:

Beginning Balance June 30, 2015	\$ 1,416,285
Add:	
Increase per Resolution	501,776
Transfer from Capital Projects	-
Interest Earnings	1,981
Less:	
Withdrawals	<u>(435,900)</u>
Ending Balance, June 30, 2016	<u>\$ 1,484,142</u>

The June 30, 2016 LRFP balance of local support costs of uncompleted Capital Projects is \$4,560,000.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

3. Maintenance Reserve Account

A maintenance Reserve Account was established by the Rumson-Fair Haven Regional High School District by inclusion of \$ 200,000 for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Maintenance Reserve Account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP). Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2016.

The activity of the Maintenance Reserve for the June 30, 2015 to June 30, 2016 fiscal year is as follows:

Balance, June 30, 2015	\$ 1,387,931
Add:	
Increase per Resolution	409,309
Less:	
Withdrawals	<u>(707,580)</u>
Balance, June 30, 2016	\$ <u>1,089,660</u>

4. Emergency Reserve Account

An Emergency Reserve Account was established by the Rumson-Fair Haven Regional High School District by inclusion of \$ 200,000 for the accumulation of funds in accordance with N.J.S.A. 18A:7F-41c(1). The Emergency Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Emergency Reserve Account are to finance unanticipated general fund expenditures required for a thorough and efficient education.

The activity of the Emergency Reserve for the June 30, 2015 to June 30, 2016 fiscal year is as follows:

Balance, June 30, 2015	\$ <u>250,000</u>
Balance, June 30, 2016	\$ <u>250,000</u>

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

5. Transfers to Capital Outlay

During the year ending June 30, 2016, the District transferred \$- to the Capital Outlay Account.

6. Deposits and Investments

The Board of Education considers petty cash, change funds, cash in banks, certificates of deposit and deposits with the New Jersey Cash Management Fund as Cash and Cash Equivalents.

Deposits

The Board's deposits are insured through the Federal Deposit Insurance Corporation ("FDIC") or New Jersey's Governmental Unit Deposit Protection Act. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to maintain additional collateral in the amount of 5% of the average public deposits and to deposit these amounts with the Federal Reserve Bank for all deposits not covered by the FDIC.

Bank balances at June 30, 2016 are insured up to \$ 250,000 in aggregate by the FDIC for each bank. At June 30, 2016, the book value of the Board's deposits were \$5,630,153.

Custodial Credit Risk Related to Deposits

Custodial Credit Risk is the Risk that, in the event of a bank failure, the Board's deposit might not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that 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 funds 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, bail funds, or funds that 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.

At June 30, 2016, the Board's bank balances of \$6,108,214 were exposed to Custodial Credit Risk as follows:

	<u>2016</u>
Insured	\$ 2,196,702
Uninsured and Uncollateralized	<u>3,911,512</u>
	<u>\$ 6,108,214</u>

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

6. Deposits and Investments (Cont'd)

Investments

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

As of June 30, 2016, the Board had no investments.

Interest Rate Risk

On January 25, 2007, the Board adopted a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

State law limits investments as noted above (N.J.S.A. 18A:20-37). The District has an investment policy that further limits its investment choices.

Investment and interest earnings in the Capital Projects Fund are assigned to the Debt Service Fund in accordance with Board policy.

New Jersey Asset and Rebate Management Program

The Program has been established as a joint investment trust, (the "Trust"), by local governmental units in the State of New Jersey, (the "State"), consistent with the Interlocal Services Act, constituting Chapter 208 of the Pamphlet Laws of 1973 of the State of New Jersey and the acts amendatory thereof and supplemental thereto (N.J.S.A. 40:8A-1 et seq.), (the "Interlocal Services Act"), to make available to counties, municipalities, school districts, authorities, or other political subdivisions of the State, and where applicable, any bond trustee acting on behalf of such local government, a convenient method for investing and accounting for surplus cash and tax exempt debt proceeds. The Program seeks to invest tax-exempt bond and note proceeds in compliance with arbitrage management and rebate requirements of the Internal Revenue Code of 1986, as amended. The Program also provides for record keeping, depository and arbitrage rebate calculation.

As of June 30, 2016, the District had \$1,913,804 on deposit with the New Jersey Asset and Rebate Management Program.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

7. Receivables

Receivables at June 30, 2016, consisted of state aid, accrued interest, interfund, intergovernmental, and other. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

	Governmental Fund Financial <u>Statements</u>	District-Wide Financial <u>Statements</u>
State Aid	\$ 90,761	\$ 90,761
Federal Aid	-	-
Other	-	-
Interfunds	<u>197,344</u>	<u>151</u>
	288,105	90,912
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 288,105</u>	<u>\$ 90,912</u>

8. Interfund Balances and Transfers

Balances due to/from other funds at June 30, 2016 consist of the following:

\$ 151	Due to General Fund from Trust & Agency Fund representing cash advance.
<u>197,193</u>	Due to Capital Projects Fund from General Fund representing cash advance.
<u>\$ 197,344</u>	

9. Inventory

As of June 30, 2016, the District had the following inventory:

Food	\$ 478
Supplies	<u>766</u>
	<u>\$ 1,244</u>

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

10. Capital Assets

The District did not have its Fixed Assets appraised by an independent appraiser as of June 30, 2016. The valuation was no properly updated and did not include all the District's Capital Assets. As such, materially accurate asset valuation totals, accumulated depreciation expense and depreciation expense amounts were not ascertainable.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Land	\$ 7,500	\$ -	\$ -	\$ 7,500
Construction in Progress	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Capital Assets Not Being Depreciated	<u>7,500</u>	<u>-</u>	<u>-</u>	<u>7,500</u>
Capital Assets Being Depreciated				
Site Improvements	905,353	-	-	905,353
Building and Building Improvements	26,752,787	274,610	-	27,027,397
Machinery and Equipment	<u>1,441,077</u>	<u>143,312</u>	<u>-</u>	<u>1,584,389</u>
Totals at Historical Cost	<u>29,099,217</u>	<u>417,922</u>	<u>-</u>	<u>29,517,139</u>
Less Accumulated Depreciation for:				
Site Improvements	(799,609)	(31,853)	-	(831,462)
Building and Building Improvements	(10,772,983)	(907,067)	-	(11,680,050)
Machinery and Equipment	<u>(1,076,765)</u>	<u>(56,745)</u>	<u>-</u>	<u>(1,133,510)</u>
Total Accumulated Depreciation	<u>(12,649,357)</u>	<u>(995,665)</u>	<u>-</u>	<u>(13,645,022)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>16,449,860</u>	<u>(577,743)</u>	<u>-</u>	<u>15,872,117</u>
Government Activity Capital Assets, Net	<u>\$ 16,457,360</u>	<u>(577,743)</u>	<u>-</u>	<u>\$ 15,879,617</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Building Improvements	\$ 12,875	-	-	\$ 12,875
Equipment	156,572	-	-	156,572
Less Accumulated Depreciation	<u>(88,898)</u>	<u>(10,953)</u>	<u>-</u>	<u>(99,851)</u>
Enterprise Fund Capital Assets, Net	<u>\$ 80,549</u>	<u>(10,953)</u>	<u>\$ -</u>	<u>\$ 69,596</u>

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

10. Capital Assets (Cont'd)

The NJ State Department of Education has set the capitalization threshold used by school districts in the State of New Jersey at \$2,000.

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 846,315
Student and Instruction Related Services	84,632
School Administration Services	29,870
Other Special Instruction	4,978
Special Education Instruction	<u>29,870</u>
Total	<u>\$ 995,665</u>

11. Long-Term Obligations

A. Long-Term Obligation Activity:

Changes in Long-Term Obligations for the year ended June 30, 2016, are as follows:

	<u>Balance</u> <u>June 30, 2015</u>	<u>Increases/</u> <u>Decreases</u>	<u>Balance</u> <u>June 30, 2016</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<u>Governmental</u>				
<u>Activities:</u>				
Compensated Absences Payable	\$ 168,888	\$ 27,908	\$ 196,796	\$ -
PERS Pension Liability	3,162,163	646,990	3,809,153	160,425
Bonds Payable	<u>2,985,000</u>	<u>(715,000)</u>	<u>2,270,000</u>	<u>735,000</u>
	<u>\$ 6,316,051</u>	<u>\$ (40,102)</u>	<u>\$ 6,275,949</u>	<u>\$ 895,425</u>

Compensated absences and capital leases, if applicable, have been liquidated in the General Fund.

Interest paid on debt issued by the District is exempt from federal income tax. Because of this, bondholders are willing to accept a lower interest rate than they would taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The Federal Tax Code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the Federal Government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally-allowable returns.

Rebatable arbitrage liabilities related to the District debt are not recorded in governmental funds. There is no recognition in the Balance Sheet or Income Statement until rebatable amounts are due and payable to the Federal Government. There are no rebatable amounts at June 30, 2016.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

11. Long-Term Obligations (Cont'd)

B. Debt Service Requirements:

Bonds are authorized in accordance with State law by the voters of the municipality(ies) through referendums. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

2004 School Bonds

On December 9, 2003, the voters approved a referendum authorizing the issuance of \$8,798,000 in bonds for the purpose of constructing and renovating the HVAC system and other equipment, furnishings and site work. On February 25, 2004, \$8,798,000 of School Bonds were issued. The bonds have been refunded. The new bonds approved resulted in an issuance of \$3,730,000. The remaining outstanding Bonds mature annually on February 1 of each year from February 2012 and ending 2019. Interest is payable semi-annually at 2.0%.

The Bonds are general obligations of the Board and are secured by a pledge of the full faith and credit of the Board for the payment of the principal thereof and the interest thereon and, unless paid from other sources, the Bonds are payable from ad valorem taxes to be levied on all taxable real property in the school district, without limitation as to rate or amount. The Bonds are additionally secured by the provisions of the New Jersey School Bond Reserve Act.

The District, in conjunction with the issuance of the Bonds, has agreed to undertake and provide certain information to bondholders on a continuing basis. The Securities and Exchange Commission ("SEC") Rule 15c2-12(b)(5) "Continuing Disclosure" requirements, which the District has adopted, requires that various financial information about the District and the Municipality be provided annually to various information repositories.

Redemption

The Bonds maturing prior to February 1, 2015 are not subject to redemption prior to their stated maturities. The Bonds maturing on or after February 1, 2015 are redeemable in whole or in part after February 1, 2014.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

11. Long-Term Obligations (Cont'd)

B. Debt Service Requirements (Cont'd):

Debt Service Requirements on serial bonds payable at June 30, 2016 are as follows:

Fiscal Year <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 735,000	\$ 45,400	\$ 780,400
2018	760,000	30,700	790,700
2019	<u>775,000</u>	<u>15,500</u>	<u>790,500</u>
	<u>\$ 2,270,000</u>	<u>\$ 91,600</u>	<u>\$ 2,361,600</u>

C. Bonds Authorized But Not Issued

As of June 30, 2016, the District had no authorized but not issued bonds.

D. Capital Leases

As of June 30, 2016, the District had no capital leases.

12. Operating Leases

As of June 30, 2016, the District had no operating leases.

13. Pension Plans

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System ("PERS") or the Teachers' Pension and Annuity Fund ("TPAF") which have been established by State statute and are administered by the New Jersey Division of Pension and Benefits ("Division"). According to the State of New Jersey Administrative Code, all obligations of both systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly-available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

13. Pension Plans (Cont'd)

Teachers' Pension and Annuity Fund ("TPAF")

The Teachers' Pension and Annuity Fund was established as of January 1, 1955 under the provision of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The TPAF is considered a cost-sharing multiple-employer plan with a special funding situation as, under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the System's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are classified, professional, and certified.

For the year ended June 30, 2016, the District recognized pension expense of \$614,397 and revenue of \$614,397 for support provided by the State on the fund financials.

At June 30, 2016, the District has no deferred outflow, deferred inflows or pension liability for the TPAF plan as all future costs are to be incurred by the State of New Jersey. As detailed in GASB 68 the District's proportionate share of the deferred outflows of resources and deferred inflows of resources and pension liability is required to be disclosed. These items are not included on the district-wide financials. The District's proportionate share is 0.0742711461% of the total plan. The information below was provided from the State of New Jersey June 30, 2015 audit of the TPAF fund and has been adjusted to the District's proportionate share:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 237,175	\$ 14,058
Changes of assumptions	5,316,213	-
Net difference between projected and actual earnings on pension plan investments	-	395,281
Changes in proportion and differences between District contributions and proportionate share of contributions	33,949	53,641
District contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 5,587,337</u>	<u>\$ 462,980</u>

The District's proportionate share of the pension liability at June 30, 2015 as it relates to the District is \$46,942,536.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

13. Pension Plans (Cont'd)

Teachers' Pension and Annuity Fund ("TPAF") (Cont'd)

The District's proportionate share of other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense by the State of New Jersey as follows:

Year ended June 30:	
2016	\$ 607,860
2017	607,860
2018	607,860
2019	931,169
2020	788,092
Thereafter	<u>1,631,615</u>
Total	<u>\$ 5,174,456</u>

Public Employees' Retirement System ("PERS")

The Public Employees' Retirement System was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

For the year ended June 30, 2016, the District recognized pension expense of \$160,425. As detailed in GASB 68 the District's proportionate share of the deferred outflows of resources and deferred inflows of resources and pension liability is required to be disclosed and recorded. These items are included on the district-wide financials. The District's proportionate share is 0.0162541387% of the total plan. The information below was provided from the State of New Jersey June 30, 2015 audit of the PERS fund and has been adjusted to the District's proportionate share. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 87,046	\$ -
Changes of assumptions	391,844	-
Net difference between projected and actual earnings on pension plan investments	-	58,665
Changes in proportion and differences between District contributions and proportionate share of contributions	35,023	-
District contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 513,913</u>	<u>\$ 58,665</u>

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

13. Pension Plans (Cont'd)

Public Employees' Retirement System ("PERS") (Cont'd)

The District's proportionate share of the pension liability at June 30, 2015 as it relates to the District is \$3,648,728 and has been recorded on the district-wide financials. The current portion due in April 2017 for the June 30, 2016 liability is \$160,425 and has been included on the district-wide financials. The total PERS pension liability at June 30, 2016 is \$3,809,153.

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:		
2016	\$	76,502
2017		76,502
2018		76,502
2019		121,842
2020		68,877
Thereafter		-
Total	\$	<u>420,225</u>

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments 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. Best estimates of arithmetic real 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 %	5.12 %

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

13. Pension Plans (Cont'd)

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% as of June 30, 2015 based on Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the collective net pension liability of the participating employers as of June 30, 2016 and 2015 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (3.90 %)	Current Discount Rate (4.90 %)	1% Increase (5.90 %)
District's proportionate share of the net pension liability	4,534,923	3,648,728	2,905,749

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

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by the N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:66 for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years or service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

13. Pension Plans (Cont'd)

Vesting and Benefit Provisions (Cont'd)

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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.

Contribution Requirements

<u>Three-Year Trend Information for PERS</u>			
<u>Year Funding</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>June 30,</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
2016	\$ 139,742	100 %	\$ -
2015	133,081	100 %	-
2014	120,641	100 %	-

<u>Three-Year Trend Information for TPAF (Paid on-behalf of the District)</u>			
<u>Year Funding</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>June 30,</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
2016	\$ 1,345,974	100 %	\$ -
2015	1,038,975	100 %	-
2014	832,397	100 %	-

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.78% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution included funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

There was a current year contribution to the TPAF post-retirement medical benefits made by the state of New Jersey on behalf of the Board in the amount of \$1,345,974. The State did not make any normal contributions on behalf of the Board. Also, in accordance with N.J.S.A 18A: 66-66, the State of New Jersey reimbursed the District \$572,912 during the year ended June 30, 2016 for the employer's share of social security contributions for TPAF members as calculated on their base salaries.

These amounts have been included in the general purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenues and expenditures in accordance with Governmental Accounting Standards.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

14. Post-Retirement Benefits

Legislation enacted during 1991 provides early retirement incentives for certain member of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1992 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 but less than 20 years of service. The District will assume the increased cost for the early retirement as it affects their district.

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, 2015, there were 107,314 retirees eligible for 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 premiums changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

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

15. Deferred Compensation

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

AXA Equitable

Valic

16. Risk Management

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

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.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

16. Risk Management (Cont'd)

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The table below is a summary of the District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and the previous two years.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015 / 2016	\$ 13,902	\$ -	\$ (6,398)	\$ 221,405
2014 / 2015	13,697	-	(9,841)	213,901
2013 / 2014	15,000	27,854	(12,831)	210,045

17. Contingent Liabilities

Grant Programs

The District participates in federally-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The District is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

The District is also involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the Board.

18. Fund Balance Appropriated

Fund balance will be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used.

- Nonspendable Fund Balance - amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund).
- Restricted Fund Balance - amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.
- Committed Fund Balance - amounts constrained to specific purposes by the District itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the District takes the same highest-level action to remove or change the constraint.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

18. Fund Balance Appropriated (Con't)

- Assigned Fund Balance - amounts a District intends to use for a specific purpose; intent can be expressed by the Board or by an official or body to which the Board delegates the authority.
- Unassigned Fund Balance - amounts that are available for any purpose; these amounts are reported only in the General Fund.

Fund balance reporting is the result of State Statutes, New Jersey Department of Education regulations and motions (resolutions/ordinances) that are passed at Board meetings. The Board acts on these motions under the guidance of the District's Superintendent and Business Administrator.

The District's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance, and unassigned fund balance at the end of each fiscal year, utilizing adjusting journal entries.

First, non-spendable fund balances are determined; then, restricted fund balances for specific purposed are determined (not including non-spendable amounts). Any remaining fund balance amounts for the non-General Funds are classified as restricted fund balances.

There is a potential for the non-General Funds to have negative unassigned fund balance when non-spendable amounts plus the restricted fund balances for specific purpose amounts exceed the positive fund balances for the non-General Funds.

Classification Totals

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Total</u>
Fund Balances:					
Restricted	2,823,802	-	21,628	113,055	2,958,485
Committed	710,283	-	-	-	710,283
Assigned	550,000	-	-	-	550,000
Unassigned	366,965	-	-	-	366,965
	<u>4,451,050</u>	<u>-</u>	<u>21,628</u>	<u>113,055</u>	<u>4,585,733</u>

19. Calculation of Excess Surplus

The Designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$-.

Rumson-Fair Haven Regional High School District

Notes to Financial Statements

For the Year Ended June 30, 2016

20. Uncertain Tax Positions

The school district had no unrecognized tax benefits at June 30, 2016. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 30, 2013.

21. Subsequent Events

Management has evaluated subsequent events through November 11, 2016, the date the financial statements were available to be issued.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 16,851,880	\$ -	\$ 16,851,880	\$ 16,851,880	\$ -
Interest earned on capital reserve funds	-	-	-	-	-
Tuition - from individuals	133,360	-	133,360	143,020	9,660
Miscellaneous	10,000	-	10,000	15,909	5,909
Total - local sources	16,995,240	-	16,995,240	17,010,809	15,569
State sources:					
Categorical Special Education Aid	372,879	-	372,879	372,879	-
Categorical Transportation Aid	34,287	-	34,287	34,287	-
Security aid	12,840	-	12,840	12,840	-
PARCC Readiness Aid	8,920	-	8,920	8,920	-
Per Pupil Growth Aid	8,920	-	8,920	8,920	-
Equalization aid	-	-	-	-	-
Academic achievement	-	-	-	-	-
Reward program	-	-	-	-	-
Foundation aide	-	-	-	-	-
Extraordinary aid	-	-	-	49,305	49,305
Consolidated aid	-	-	-	-	-
Non-public transportation	-	-	-	13,367	13,367
Other state aid	-	-	-	-	-
TPAF pension (on-behalf - Non-budgeted)	-	-	-	1,345,974	1,345,974
TPAF social security (reimbursed - Non-budgeted)	-	-	-	572,912	572,912
Total state sources	437,846	-	437,846	2,419,404	1,981,558
Total revenues	17,433,086	-	17,433,086	19,430,213	1,997,127
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Grades 9-12 - Salaries of teachers	\$ 4,955,424	\$ (1,704)	\$ 4,953,720	\$ 4,950,856	\$ 2,864
Regular Programs - Home Instruction:					
Salaries of teachers	23,500	-	23,500	18,503	4,997
Purchased professional-educational services	22,500	-	22,500	-	22,500
Regular Programs - Undistributed Instruction					
Purchased professional-educational services	900	4,000	4,900	2,510	2,390
Purchased technical services	14,625	3,870	18,495	7,251	11,244
Other purchased services (400-500 series)	84,365	(1,725)	82,640	68,482	14,158
General supplies	351,806	9,892	361,698	292,713	68,985
Textbooks	153,360	(440)	152,920	114,359	38,561
Other objects	600	1,700	2,300	1,894	406
TOTAL REGULAR PROGRAMS - INSTRUCTION	5,607,080	15,593	5,622,673	5,456,568	166,105
SPECIAL EDUCATION - INSTRUCTION					
Multiple Disabilities:					
Salaries of Teachers	-	66,635	66,635	66,635	-
Other salaries for instruction	-	38,904	38,904	38,899	5
General supplies	-	2,380	2,380	2,310	70
Textbooks	-	1,400	1,400	1,379	21
Total Multiple Disabilities	-	109,319	109,319	109,223	96
Resource Room/Resource Center:					
Salaries of Teachers	821,985	2,014	823,999	823,984	15
Other Salaries for Instruction	82,842	(23,625)	59,217	59,018	199
General supplies	133,600	(96,854)	36,746	5,033	31,713
Textbooks	1,700	1,650	3,350	2,422	928
Total Resource Room/Resource Center	1,040,127	(116,815)	923,312	890,457	32,855
TOTAL SPECIAL EDUCATION- INSTRUCTION	1,040,127	(7,496)	1,032,631	999,680	32,951
Basic Skills/Remedial - Instruction					
Salaries of Teachers	17,137	-	17,137	17,137	-
Total Basic Skills/Remedial - Instruction	17,137	-	17,137	17,137	-
School-Spon. Curricular Actvts. - Instruction					
Salaries	135,000	1,600	136,600	136,550	50
Purchased Services (300-500 series)	26,650	(3,500)	23,150	15,567	7,583
Supplies and Materials	34,389	(3,800)	30,589	20,570	10,019
Other Objects	5,850	(200)	5,650	2,426	3,224
Total School-Spon. Cocurricular Actvts. - Instruction	201,889	(5,900)	195,989	175,113	20,876
School-Spon. Athletics - Instruction					
Salaries	578,592	43,249	621,841	621,747	94
Purchased Services (300-500 series)	88,100	(1,749)	86,351	81,593	4,758
Supplies and Materials	94,967	24,854	119,821	88,082	31,739
Other Objects	11,000	-	11,000	7,350	3,650
Total School-Spon. Cocurricular Actvts. - Instruction	772,659	66,354	839,013	798,772	40,241
Total Instruction	7,638,892	68,551	7,707,443	7,447,270	260,173

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - Regular	\$ 9,114	\$ -	\$ 9,114	\$ 6,215	\$ 2,899
Tuition to Co. Voc. School Dist. - reg.	244,345	35,405	279,750	279,711	39
Tuition to Co. Voc. School Dist. - special	38,850	(32,705)	6,145	-	6,145
Tuition to Private Sch for Disbl w/i State	826,017	(52,700)	773,317	744,679	28,638
Tuition - Other	36,162	-	36,162	-	36,162
Total Undistributed Expenditures - Instruction:	1,154,488	(50,000)	1,104,488	1,030,605	73,883
Undistributed Expend. - Attend. & Social Work					
Salaries	42,793	-	42,793	40,502	2,291
Other Purchased Services (400-500 series)	1,000	-	1,000	-	1,000
Supplies and Materials	1,500	-	1,500	520	980
Total Undistributed Expenditures - Attend. & Social Work	45,293	-	45,293	41,022	4,271
Undist. Expend. - Health Services					
Salaries	102,405	(1,500)	100,905	100,860	45
Purchased professional and technical services	10,750	1,570	12,320	9,982	2,338
Other purchased services (400-500 series)	765	(70)	695	220	475
Supplies and materials	4,235	-	4,235	3,567	668
Total Undistributed Expenditures - Health Services	118,155	-	118,155	114,629	3,526
Undist. Expend. - Speech, OT, PT and Related Services					
Salaries	-	-	-	-	-
Purchased Prof. Ed. Services	108,600	54,200	162,800	93,355	69,445
Total Undist. Expend. - Speech, OT, PT and Related Services	108,600	54,200	162,800	93,355	69,445
Undistributed Expenditures - Guidance					
Salaries of Other Professional Staff	560,005	(3,400)	556,605	555,993	612
Salaries of Secretarial and Clerical Assistants	114,108	3,400	117,508	116,839	669
Other Salaries	67,773	-	67,773	67,773	-
Purchased Professional - Educational Services	13,000	-	13,000	2,304	10,696
Other Purch. Prof. & Tech. Svc.	8,037	-	8,037	6,175	1,862
Other Purchased Services (400-500 series)	28,748	1,300	30,048	26,083	3,965
Supplies and Materials	7,340	-	7,340	2,821	4,519
Other Objects	815	-	815	734	81
Total Undistributed Expenditures - Guidance	799,826	1,300	801,126	778,722	22,404
Undistributed Expenditures - Child Study Teams					
Salaries of Other Professional Staff	289,230	-	289,230	264,613	24,617
Salaries of Secretarial and Clerical assistants	62,923	-	62,923	62,923	-
Purchased Professional - Educational Services	11,900	-	11,900	4,965	6,935
Other Purchased Prof. & Tech. Services	11,400	-	11,400	11,253	147
Residential costs	4,200	85	4,285	285	4,000
Misc. Purch Serv	1,500	(85)	1,415	720	695
Supplies and Materials	7,622	(1,500)	6,122	4,857	1,265
Total Undistributed Expenditures - Child Study Teams	388,775	(1,500)	387,275	349,616	37,659
Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.					
Salaries Superv. Of Instr.	626,413	-	626,413	613,170	13,243
Salaries Other Prof. Staff	26,100	2,877	28,977	28,935	42
Salaries Secr. & Clerical Asst.	62,923	(4,277)	58,646	58,645	1
Purchased Professional - Educational Services	9,500	(725)	8,775	1,940	6,835
Other Purchased Services (400-500 series)	15,000	4,458	19,458	18,007	1,451
Supplies and Materials	-	-	-	-	-
Other objects	5,894	(33)	5,861	5,149	712
Total Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.	745,830	2,300	748,130	725,846	22,284
Undist. Expend. - Educational Media Services/School Library					
Salaries	84,240	-	84,240	80,145	4,095
Other Purchased Services (400-500)	23,905	400	24,305	23,978	327
Supplies and Materials	8,630	(400)	8,230	6,402	1,828
Total Undist. Expend. - Educational Media Services/School Library	116,775	-	116,775	110,525	6,250
Undist. Expend. - Instruction Staff Training Services					
Other Purchased Prof. and Tech. Services	23,000	(1,685)	21,315	7,750	13,565
Other Purchased Services (400-500 series)	3,000	5,360	8,360	8,046	314
Supplies and Materials	1,000	(250)	750	-	750
Total Undist. Expend. - Instruction Staff Training Services	27,000	3,425	30,425	15,796	14,629
Undist. Expend. - Support Service - General Administration					
Salaries	260,000	(14,650)	245,350	215,147	30,203
Legal Services	65,000	-	65,000	49,523	15,477
Audit Fees	20,000	-	20,000	19,420	580
Expenditure & Internal Control Audit Fees	-	3,800	3,800	3,720	80
Other Purchased Professional Services	1,500	10,200	11,700	11,666	34
Communications/Telephone	35,000	(15,000)	20,000	13,005	6,995
BOE Other Purchased Services	-	-	-	-	-
Misc. Purch. Serv.(400-500)	180,188	26,900	207,088	190,197	16,891
General Supplies	8,500	(1,000)	7,500	5,400	2,100
BOE In-house Training/Meeting Supplies	750	-	750	392	358
Judgments Against the School District	35,000	50,000	85,000	85,000	-
Miscellaneous Expenditures	4,000	1,750	5,750	5,607	143
BOE Membership Dues and Fees	12,500	-	12,500	10,749	1,751
Total Undist. Expend. - Support Service - General Administration	622,438	62,000	684,438	609,826	74,612

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Service - School Administration					
Salaries of Principals/Assistant principals	\$ 281,239	\$ -	\$ 281,239	\$ 281,239	\$ -
Salaries of Other Professional Staff	-	4,000	4,000	-	4,000
Salaries of Secretarial and Clerical Assistants	113,531	20,000	133,531	113,531	20,000
Purchased Professional and Technical Services	3,875	10,000	13,875	-	13,875
Other Purchased Services (400-500 series)	37,755	5,500	43,255	41,248	2,007
Supplies and Materials	9,565	6,500	16,065	3,508	12,557
Other Objects	16,518	(500)	16,018	3,960	12,058
Total Undist. Expend. - Support Service - School Administration	462,483	45,500	507,983	443,486	64,497
Undistributed Expenditures- Central Services					
Salaries	294,528	9,400	303,928	298,629	5,299
Purchased Technical Services	13,500	10,000	23,500	4,273	19,227
Misc. Purchased Services	9,250	600	9,850	8,136	1,714
Supplies and Materials	3,500	10,000	13,500	957	12,543
Miscellaneous Expenditures	2,250	2,000	4,250	1,165	3,085
Total Central Services	323,028	32,000	355,028	313,160	41,868
Administration Information Technology					
Purchased technical services	21,000	2,000	23,000	13,284	9,716
Total Admin info tech	21,000	2,000	23,000	13,284	9,716
Required Maint for School Facilities					
Cleaning, Repair and Maintenance Services	166,900	692,580	859,480	135,563	723,917
General Supplies	92,500	15,000	107,500	88,598	18,902
Total Required Maintenance for School Facilities	259,400	707,580	966,980	224,161	742,819
Custodial Services					
Salaries	341,768	(2,500)	339,268	337,399	1,869
Purchased Professional and Technical Services	24,000	39,862	63,862	46,726	17,136
Cleaning, Repair and Maintenance Services	249,750	23,992	273,742	251,834	21,908
Other Purchased Property Services	63,500	33,107	96,607	96,320	287
Insurance	128,425	(10,267)	118,158	118,158	-
Miscellaneous Purchased Services	2,500	3,400	5,900	5,340	560
General Supplies	72,000	(233)	71,767	47,421	24,346
Energy (Natural Gas)	20,800	-	20,800	4,695	16,105
Energy (Electricity)	318,000	(8,600)	309,400	229,613	79,787
Other objects	1,500	(400)	1,100	-	1,100
Total Custodial services	1,222,243	78,361	1,300,604	1,137,506	163,098
Care and Upkeep of Grounds					
Salaries	2,000	(2,000)	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Cleaning, Repair and Maintenance Services	46,000	(16,000)	30,000	24,313	5,687
General Supplies	21,500	(2,607)	18,893	7,899	10,994
Total Care and Upkeep of Grounds	69,500	(20,607)	48,893	32,212	16,681
Security					
Purchased Professional and Technical Services	11,000	4,000	15,000	14,964	36
General Supplies	5,000	(4,000)	1,000	-	1,000
Total Security	16,000	-	16,000	14,964	1,036
Total Oper. And Maintenance of Plant Services	1,567,143	765,334	2,332,477	1,408,843	923,634
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	8,679	1,000	9,679	9,466	213
Contract Svc (btw Home & Sch.)-vendors	174,815	-	174,815	171,997	2,818
Contr Serv (Oth.than Bet Home & Sch) - Vend	212,208	(2,725)	209,483	202,903	6,580
Contract Serv. (Reg Students) - ESCs & CSTAs	229,579	28,933	258,512	258,456	56
Contract Serv.(Spl. Ed. Students) - ESCs & CTSAs	320,545	(39,933)	280,612	278,770	1,842
Contr Serv. - Aid in Lieu Pymts-NonPub Sch	25,494	13,000	38,494	20,283	18,211
Total Student Transportation Services	971,320	275	971,595	941,875	29,720
Regular Programs - Instruction					
Tuition Reimbursement	35,000	(35,000)	-	-	-
Total Regular Programs - Instruction	35,000	(35,000)	-	-	-
Improvement of Instruction Services					
Tuition Reimbursement	7,500	(7,500)	-	-	-
Total Improvement of Instruction Services	7,500	(7,500)	-	-	-
Operation and Maintenance of Plant Service					
Other Employee Benefits	2,200	(2,200)	-	-	-
Total Operation and Maintenance of Plant Service	2,200	(2,200)	-	-	-
Total Allocated Benefits	44,700	(44,700)	-	-	-
Personal Services- Employee Benefits					
Social Security Contributions	170,758	-	170,758	168,940	1,818
Other Retirement Contributions - PERS	165,150	(25,000)	140,150	139,742	408
Unemployment Compensation	-	-	-	-	-
Workmen's Compensation	88,610	-	88,610	87,301	1,309
Health Benefits	2,393,281	(173,000)	2,220,281	1,843,697	376,584
Tuition Reimbursement	-	38,200	38,200	34,650	3,550
Other Employee Benefits	-	2,200	2,200	1,325	875
Total Personal Services-Employee Benefits	2,817,799	(157,600)	2,660,199	2,275,655	384,544
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	1,345,974	(1,345,974)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	572,912	(572,912)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,918,886	(1,918,886)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	2,862,499	(202,300)	2,660,199	4,194,541	(1,534,342)
TOTAL UNDISTRIBUTED EXPENDITURES	10,334,653	714,534	11,049,187	11,185,131	(135,944)
TOTAL GENERAL CURRENT EXPENSE	17,973,545	783,085	18,756,630	18,632,401	124,229

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Equipment					
Regular Programs - Instruction:					
Grades 9-12	\$ -	\$ 4,081	\$ 4,081	\$ 4,081	\$ -
Special Education- Instruction:					
School - Sponsored and Other Instructional Program	-	-	-	-	-
General Administration					
Undist. Expend.-Support Serv.- Related & Extra	4,950	-	4,950	-	4,950
Undistributed exp.-Non-instructional services					
Non-instructional Equip.	-	25,519	25,519	25,519	-
Total Equipment	4,950	29,600	34,550	29,600	4,950
Facilities Acquisition and Construction Services					
Construction Services	359,650	60,441	420,091	357,176	62,915
Supplies & Materials	47,250	(47,250)	-	-	-
Assessment for Debt Service on SDA Funding	54,591	(54,591)	-	54,591	(54,591)
Total Facilities Acquisition and Construction Services	461,491	(41,400)	420,091	411,767	8,324
TOTAL CAPITAL OUTLAY	466,441	(11,800)	454,641	441,367	13,274
TOTAL EXPENDITURES	18,439,986	771,285	19,211,271	19,073,768	137,503
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,006,900)	(771,285)	(1,778,185)	356,445	2,134,630
Other Financing Sources / Uses:					
Transfer from Capital Projects	-	-	-	-	-
Cancellation of State Receivable	-	-	-	-	-
Total Other Financing Sources:	-	-	-	-	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,006,900)	(771,285)	(1,778,185)	356,445	2,134,630
Fund Balance, July 1	4,132,926	-	4,132,926	4,132,926	-
Fund Balance, June 30	<u>\$ 3,126,026</u>	<u>\$ (771,285)</u>	<u>\$ 2,354,741</u>	<u>\$ 4,489,371</u>	<u>\$ 2,134,630</u>
Recapitulation:					
Restricted Fund Balance:					
Maintenance reserve				1,089,660	
Emergency Reserve				250,000	
Excess surplus - current year				-	
Excess surplus-designated for subsequent year's expenditures				-	
Capital reserve				1,484,142	
Committed Fund Balance:					
Other purposes				-	
Year-end encumbrances				710,283	
Assigned Fund Balance:					
Designated for subsequent year's expenditures				550,000	
Unrestricted/undesignated				405,286	
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				(38,321)	
Fund balance per governmental funds (GAAP)				<u>\$ 366,965</u>	

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local sources	\$ -	\$ -	\$ -	\$ 33,642	\$ 33,642
State sources	-	-	-	-	-
Federal sources	-	-	-	221,362	221,362
Total Revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>255,004</u>	<u>255,004</u>
EXPENDITURES					
Instruction:					
Personal services-salaries	135,000	86,914	221,914	206,838	15,076
Purchased professional and technical services	-	1,200	1,200	1,200	-
General supplies	-	15,864	15,864	13,044	2,820
Tuition	-	-	-	-	-
Other objects	-	1,514	1,514	1,514	-
Total instruction	<u>135,000</u>	<u>105,492</u>	<u>240,492</u>	<u>222,596</u>	<u>17,896</u>
Support services:					
Personal services - salaries	-	-	-	-	-
Purchased professional and technical services	-	11,130	11,130	11,130	-
Other purchased services	3,445	5,470	8,915	4,925	3,990
Employee benefits	-	3,782	3,782	3,394	388
Travel	-	-	-	-	-
Supplies- materials	-	11,959	11,959	11,959	-
Other objects	-	1,000	1,000	1,000	-
Total support services	<u>3,445</u>	<u>33,341</u>	<u>36,786</u>	<u>32,408</u>	<u>4,378</u>
EXPENDITURES:					
Facilities acquisition and const. serv.:					
Instructional equipment	-	-	-	-	-
Total facilities acquisition and const. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>138,445</u>	<u>138,833</u>	<u>277,278</u>	<u>255,004</u>	<u>22,274</u>
Other financing sources (uses)					
Transfer in from general fund	-	-	-	-	-
Contribution to whole school reform	-	-	-	-	-
Total outflows	<u>138,445</u>	<u>138,833</u>	<u>277,278</u>	<u>255,004</u>	<u>22,274</u>
Excess (deficiency) of revenues					
Over (under) expenditures	<u>\$ (138,445)</u>	<u>\$ (138,833)</u>	<u>\$ (277,278)</u>	<u>\$ -</u>	<u>\$ 277,278</u>
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				\$ -	
Fund balance per governmental funds (GAAP)				<u>\$ -</u>	

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to Required Supplementary Information
 For the 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-1]	\$ 19,430,213	[C-2]	\$ 255,004
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		-
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(614,397)		-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(38,321)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		38,321		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 18,815,816	[B-2]	\$ 255,004
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 19,073,768	[C-2]	\$ 255,004
Differences - budget to GAAP:				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(614,397)		-
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 18,459,371	[B-2]	\$ 255,004

REQUIRED SUPPLEMENTARY INFORMATION - PART III

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of Net Pension Liability-PERS
 For the Fiscal Year Ended June 30, 2016

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>
District's proportionate share of the net pension liability	0.0161430529%	0.0162541387%
District's proportionate share of the net pension liability	\$ 3,162,163	\$ 3,809,153
District's covered-employee payroll	1,141,200	1,138,190
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	36.09%	29.88%
Plan fiduciary net position as a percentage of the total pension liability	67.89%	61.84%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

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

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District Contributions-PERS
 For the Fiscal Year Ended June 30, 2016

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>
Contractually required contributions	\$ 133,081	\$ 139,742
Contributions in relation to the contractually required contribution	<u>133,081</u>	<u>139,742</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,141,200	\$ 1,138,190
Contributions as a percentage of covered-employee payroll	11.66%	12.28%

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

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of Net Pension Liability-TPAF
 For the Fiscal Year Ended June 30, 2016

Last 10 Fiscal Years*

	<u>2015</u>	<u>2016</u>
District's proportion of the net pension liability	0.0745429505%	0.0742711461%
District's proportionate share of the net pension liability	\$ 39,840,781	\$ 46,942,536
District's covered-employee payroll	7,807,842	7,945,192
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	19.60%	16.93%
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%

The District has a special funding situation and is not required to make any payments for this liability therefore it is not recorded.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

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

Rumson-Fair Haven Regional High School District

Notes to Required Supplementary Information - Part III

For the Year Ended June 30, 2016

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.04 %
Salary increases: 2012-2021	2.15 - 4.40 % based on age
Thereafter	3.15 - 5.40 % based on age
Investment rate of return	7.90 %

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

OTHER SUPPLEMENTARY INFORMATION

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016

	Title I 15/16	Title II Part A 15/16	I.D.E.A. B-Basic Reg Prog 15/16
Revenues:			
Local sources	-	\$ -	\$ -
State sources	-	-	-
Federal sources	47,762	11,130	162,470
Total revenues	<u>47,762</u>	<u>11,130</u>	<u>162,470</u>
Expenditures:			
Instruction:			
Salaries	44,368	-	162,470
Purchased professional services	-	-	-
General supplies	-	-	-
Tuition	-	-	-
Other Objects	-	-	-
Total instruction	<u>44,368</u>	<u>-</u>	<u>162,470</u>
Support services:			
Other support services -			
students - special:			
Salaries	-	-	-
Purchased prof. and tech. services	-	11,130	-
Other purchased services	-	-	-
Employee benefits	3,394	-	-
Travel	-	-	-
Supplies and materials	-	-	-
Total other support services -			
students - special	<u>3,394</u>	<u>11,130</u>	<u>-</u>
Total support services	<u>3,394</u>	<u>11,130</u>	<u>-</u>
Equipment:			
Regular programs instruction	-	-	-
Non-instructional equipment	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>47,762</u>	<u>\$ 11,130</u>	<u>\$ 162,470</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016

(Continued from prior page)

	RFH Education Foundation 15/16	Other	Total 2016
Revenues:			
Local sources	\$ 13,640	20,002	\$ 33,642
State sources	-	-	-
Federal sources	-	-	221,362
Total revenues	<u>13,640</u>	<u>20,002</u>	<u>255,004</u>
Expenditures:			
Instruction:			
Salaries	-	-	206,838
Purchased professional services	1,200	-	1,200
General supplies	5,001	8,043	13,044
Tuition	-	-	-
Other objects	1,514	-	1,514
Total instruction	<u>7,715</u>	<u>8,043</u>	<u>222,596</u>
Support services:			
Other support services - students - special:			
Salaries	-	-	-
Purchased prof. and tech. services	-	-	11,130
Other purchased services	4,925	-	4,925
Employee benefits	-	-	3,394
Travel	-	-	-
Supplies and materials	-	11,959	11,959
Other objects	1,000	-	1,000
Total other support services - students - special	<u>5,925</u>	<u>11,959</u>	<u>32,408</u>
Total support services	<u>5,925</u>	<u>11,959</u>	<u>32,408</u>
Equipment:			
Regular programs instruction	-	-	-
Non-instructional equipment	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 13,640</u>	<u>\$ 20,002</u>	<u>\$ 255,004</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2016

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2016
			Prior Years	Current Year	
HVAC Project - SP 4580-050-04-000Y	12/9/2003	\$ 14,663,877	\$ 14,524,031	\$ (26,791)	\$ 113,055
ELEVATOR Project - SP 4580-050-09-1001	2/3/2009	498,515	498,515	-	-
ROOF Project - SP 4580-050-09-1002	5/19/2009	348,161	348,161	-	-
Totals		<u>\$ 15,510,553</u>	<u>\$ 15,370,707</u>	<u>\$ (26,791)</u>	<u>\$ 113,055</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Capital Projects Fund

Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 For the Year Ended June 30, 2016

Revenues and Other Financing Sources

State Sources - SDA Grant	-
Bond proceeds and transfers	-
Capital lease proceeds	-
Transfer from capital reserve	-
Interest	-
Total revenues	-

Expenditures and Other Financing Uses

Purchased professional and technical services	-
Land and improvements	-
Construction services	26,791
Supplies	-
Total expenditures	26,791

Excess (deficiency) of revenues over (under) expenditures (26,791)

Fund balance - beginning 139,846

Fund balance - ending 113,055

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 HVAC PROJECT
 For the Fiscal Year Ended June 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ 5,865,551	\$ -	\$ 5,865,551	\$ 5,865,551
Bond proceeds and transfers	8,798,000	-	8,798,000	8,798,000
Local Revenue	326	-	326	326
Total revenues	<u>14,663,877</u>	<u>-</u>	<u>14,663,877</u>	<u>14,663,877</u>
Expenditures and Other Financing Uses				
Purchased prof. and technical services	1,814,999	-	1,814,999	2,296,986
Construction services	12,699,009	26,791	12,725,800	12,356,867
Supplies	10,023	-	10,023	10,024
Total expenditures	<u>14,524,031</u>	<u>26,791</u>	<u>14,550,822</u>	<u>14,663,877</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 139,846</u>	<u>\$ (26,791)</u>	<u>\$ 113,055</u>	<u>\$ -</u>
Additional project information:				
Project Number	SP 4580-050-04-000Y			
Grant Date	2003/04			
Bond Authorization Date	12/9/2003			
Bonds Authorized	\$ 8,798,000			
Bonds Issued	\$ 8,798,000			
Original Authorized Cost	\$ 14,663,877			
Additional Authorized Cost	\$ -			
Revised Authorized Cost	\$ 14,663,877			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	99.00%			
Original target completion date	2005			
Revised target completion date	2009			

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
June 30, 2016

	Business-type Activities - Enterprise Funds		
	Food Service	Intramural	Total Enterprise
Assets:			
Current assets:			
Cash and cash equivalents	\$ 65,783	\$ 49,725	\$ 115,508
Accounts receivable:			
State	-	-	-
Federal	-	-	-
Others	-	-	-
Interfund	-	-	-
Inventories	1,244	-	1,244
Total current assets	<u>67,027</u>	<u>49,725</u>	<u>116,752</u>
Fixed assets:			
Equipment	12,875	-	12,875
Buildings and improvements	156,572	-	156,572
Accumulated depreciation	(99,851)	-	(99,851)
Total fixed assets	<u>69,596</u>	<u>-</u>	<u>69,596</u>
Total assets	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>
Liabilities and Net Position:			
Liabilities:			
Accounts payable	-	-	-
Accrued salaries and benefits	-	-	-
Compensated absences	-	-	-
Interfund payable	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Net position:			
Invested in capital assets	69,596	-	69,596
Restricted for other purposes	-	-	-
Unrestricted net position	67,027	49,725	116,752
Total net position	<u>136,623</u>	<u>49,725</u>	<u>186,348</u>
Total liabilities and net position	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Enterprise Funds
Combined Statement of Revenues, Expenses and
Changes in Net Position
For the Fiscal Year ended June 30, 2016

	Business-type Activities - Enterprise Funds		
	Food Service	Intramural	Total Enterprise
Operating revenues:			
Local sources:			
Daily sales-reimbursable programs:			
School breakfast program	\$ -	\$ -	\$ -
School lunch program	-	-	-
Total-daily sales-reimbursable programs	-	-	-
Daily sales non-reimbursable programs	735,082	-	735,082
Special functions	19,786	-	19,786
Miscellaneous	-	28,679	28,679
Total operating revenues	<u>754,868</u>	<u>28,679</u>	<u>783,547</u>
Operating expenses:			
Salaries	289,807	15,600	305,407
Employee benefits	32,745	1,193	33,938
Purchased property	6,053	-	6,053
Other purchased services	57,231	-	57,231
Supplies and materials	4,950	-	4,950
Depreciation	10,953	-	10,953
Cost of sales	325,544	-	325,544
Total operating expenses	<u>727,283</u>	<u>16,793</u>	<u>744,076</u>
Operating income (loss)	<u>27,585</u>	<u>11,886</u>	<u>39,471</u>
Nonoperating revenues:			
State sources:			
State school lunch program	-	-	-
Federal sources:			
National school lunch program	-	-	-
Food distribution program	-	-	-
Interest	-	-	-
Total nonoperating revenues	<u>-</u>	<u>-</u>	<u>-</u>
Change in net position before transfers	27,585	11,886	39,471
Transfers in (out)	-	-	-
Change in net position	27,585	11,886	39,471
Total unrestricted net position beginning	<u>109,038</u>	<u>37,839</u>	<u>146,877</u>
Total unrestricted net position ending	<u>\$ 136,623</u>	<u>\$ 49,725</u>	<u>\$ 186,348</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Food Services Enterprise Fund
Combining Statement of Cash Flows
for the Fiscal Year ended June 30, 2016

	Business-type Activities - Enterprise Funds		
	Food Service	Intramural	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other funds	\$ 754,868	\$ 28,679	\$ 783,547
Payments to employees & benefits	(322,552)	(16,793)	(339,345)
Payments to suppliers	(393,971)	-	(393,971)
Net cash provided by (used in) operating activities	<u>38,345</u>	<u>11,886</u>	<u>50,231</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State sources	-	-	-
Federal sources	-	-	-
Board interfund loans	-	-	-
Net cash provided by non-capital financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Change in capital contributions	-	-	-
Purchases of capital assets	-	-	-
Gain/Loss on sale of fixed assets (proceeds)	-	-	-
Net cash provided by (used in) capital and related financing activities	<u>-</u>	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	-	-	-
Proceeds from sale/maturities of investments	-	-	-
Net cash provided by (used for) investing activities	<u>-</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>38,345</u>	<u>11,886</u>	<u>50,231</u>
Balances—beginning of year	<u>27,438</u>	<u>37,839</u>	<u>65,277</u>
Balances—end of year	<u>\$ 65,783</u>	<u>\$ 49,725</u>	<u>\$ 115,508</u>
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:			
Operating loss	\$ 27,585	\$ 11,886	\$ 39,471
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:			
Depreciation and net amortization	10,953	-	10,953
Federal commodities	-	-	-
(Increase) decrease in accounts receivable, net	-	-	-
(Increase) decrease in inventories	(193)	-	(193)
Increase (decrease) in accounts payable	-	-	-
Increase (decrease) in accrued salaries benefits	-	-	-
Increase (decrease) in compensated absences	-	-	-
Total adjustments	<u>10,760</u>	<u>-</u>	<u>10,760</u>
Net cash provided by (used in) operating activities	<u>\$ 38,345</u>	<u>\$ 11,886</u>	<u>\$ 50,231</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Combining Statement of Fiduciary Net Position
 June 30, 2016

	<u>Student Activity</u>	<u>Payroll Agency</u>	<u>Scholarship Fund</u>	<u>Unemployment Compensation Trust</u>	<u>Total</u>
ASSETS					
Cash and cash equivalents	\$ 281,748	\$ 8,143	\$ 529,516	\$ 221,405	\$ 1,040,812
Total assets	<u>281,748</u>	<u>8,143</u>	<u>529,516</u>	<u>221,405</u>	<u>1,040,812</u>
LIABILITIES					
Payroll deductions and withholdings	-	7,992	-	-	7,992
Payable to student groups	281,748	-	-	-	281,748
Interfund payable	-	151	-	-	151
Total liabilities	<u>281,748</u>	<u>8,143</u>	<u>-</u>	<u>-</u>	<u>289,891</u>
Fund Balances					
Reserved for future payment	-	-	529,516	221,405	750,921
Total fund balances	<u>-</u>	<u>-</u>	<u>529,516</u>	<u>221,405</u>	<u>750,921</u>
Total liabilities and fund balances	<u>\$ 281,748</u>	<u>\$ 8,143</u>	<u>\$ 529,516</u>	<u>\$ 221,405</u>	<u>\$ 1,040,812</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	Scholarship Funds	Unemployment Compensation Fund	Total
ADDITIONS			
Contributions:			
Board	\$ -	\$ 13,902	\$ 13,902
Other	17,310	-	17,310
Total contributions	<u>17,310</u>	<u>13,902</u>	<u>31,212</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	28	-	28
Dividends	-	-	-
Less investment expense	-	-	-
Net investment earnings	<u>28</u>	<u>-</u>	<u>28</u>
Total additions	<u>17,338</u>	<u>13,902</u>	<u>31,240</u>
DEDUCTIONS			
Quarterly contribution reports	-	-	-
Unemployment claims	-	6,398	6,398
Scholarships awarded	37,404	-	37,404
Refunds of contributions	-	-	-
Administrative expenses	-	-	-
Total deductions	<u>37,404</u>	<u>6,398</u>	<u>43,802</u>
Change in net position	(20,066)	7,504	(12,562)
Net position—beginning of the year	<u>549,582</u>	<u>213,901</u>	<u>763,483</u>
Net position—end of the year	<u>\$ 529,516</u>	<u>\$ 221,405</u>	<u>\$ 750,921</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Student Activity Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2016</u>
Student Activities Funds	<u>\$ 298,991</u>	<u>\$ 609,027</u>	<u>\$ 626,270</u>	<u>\$ 281,748</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Payroll Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS:				
Cash and cash equivalents	\$ 14,013	\$ 11,136,965	\$ 11,142,835	\$ 8,143
Due from other governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total assets	<u>\$ 14,013</u>	<u>11,136,965</u>	<u>11,142,835</u>	<u>8,143</u>
LIABILITIES:				
Payroll deductions and withholdings	13,862	7,992	13,862	7,992
Accrued salaries and wages	-	-	-	-
Intrafund payable	-	-	-	-
Interfund payable	151	-	-	151
Other current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 14,013</u>	<u>\$ 7,992</u>	<u>\$ 13,862</u>	<u>\$ 8,143</u>

**RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Private Purpose Scholarship Fund
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2016**

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS:				
Cash and cash equivalents:				
Kaleen Pezzuti Memorial Fund	\$ 14,805	\$ 25	\$ 1,500	\$ 13,330
Lee Rose Memorial Fund	3,816	1	1,000	2,817
Superintendent's Award	19,353	2	2,604	16,751
Frank W. Baigent Scholarship Fund	371,857	-	20,000	351,857
General Scholarships	<u>139,751</u>	<u>17,310</u>	<u>12,300</u>	<u>144,761</u>
	549,582	17,338	37,404	529,516
Investments:				
Anonymous	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>\$ 549,582</u>	<u>\$ 17,338</u>	<u>\$ 37,404</u>	<u>\$ 529,516</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Long-Term Debt
 Schedule of Serial Bonds
 June 30, 2016

Exhibit I-1

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount Of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance July 1, 2015</u>	<u>Issued</u>	<u>Retired</u>	<u>Refinanced</u>	<u>Balance June 30, 2016</u>
Refunding 2004 Bonds	2/1/2013	3,730,000	2/1/2017	735,000	2.000%	2,985,000	-	(715,000)	-	2,270,000
			2/1/2018	760,000	2.000%					
			2/1/2019	775,000	2.000%					
						\$ 2,985,000	\$ -	\$ (715,000)	\$ -	\$ 2,270,000

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 774,700	\$ -	\$ 774,700	\$ 774,700	\$ -
Miscellaneous	-	-	-	-	-
State Sources:					
Debt Service Aid Type II	-	-	-	-	-
Debt Service Aid Type I	-	-	-	-	-
Total - State Sources	-	-	-	-	-
Total Revenues	774,700	-	774,700	774,700	-
EXPENDITURES:					
Regular Debt Service:					
Interest	59,700	-	59,700	59,700	-
Redemption of Principal	715,000	-	715,000	715,000	-
Total Regular Debt Service	774,700	-	774,700	774,700	-
Total Expenditures	774,700	-	774,700	774,700	-
Excess (Deficiency) of Revenues Over (Under) Expendit	-	-	-	-	-
Fund Balance, July 1	(42)	-	(42)	21,628	21,670
Fund Balance, June 30	\$ (42)	\$ -	\$ (42)	\$ 21,628	\$ 21,670
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	\$ (42)	\$ -	\$ (42)	\$ 21,628	\$ 21,670

STATISTICAL SECTION

**RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Statistical Section**

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	92-97
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	98-102
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	103-107
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	108-109
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	110-114

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.*

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Net Assets/Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities											
Net investment in capital assets	\$ 8,155,106	\$ 9,643,963	\$ 10,145,705	\$ 11,190,723	\$ 11,995,205	\$ 12,333,157	\$ 12,567,547	\$ 12,405,448	\$ 13,671,872	\$ 13,433,987	\$ 13,571,244
Restricted	3,299,741	2,608,435	3,582,097	3,343,222	2,594,418	3,065,359	3,426,122	4,354,038	3,120,494	3,920,795	4,218,768
Unrestricted	129,851	108,721	110,956	80,886	149,265	164,724	95,981	91,208	260,550	(3,059,557)	(3,183,736)
Total governmental activities net assets/position	\$ 11,584,698	\$ 12,361,119	\$ 13,838,758	\$ 14,614,831	\$ 14,738,888	\$ 15,563,240	\$ 16,089,650	\$ 16,850,694	\$ 17,052,916	\$ 14,295,225	\$ 14,606,276
Business-type activities											
Net investment in capital assets	\$ 57,774	\$ 50,260	62,311	55,725	60,138	53,074	46,441	39,809	33,177	80,549	69,596
Restricted	-	-	-	-	-	-	-	-	-	-	-
Unrestricted	48,152	58,415	57,559	54,899	49,042	66,684	71,255	101,493	116,482	66,328	116,752
Total business-type activities net assets/position	\$ 105,926	\$ 108,675	\$ 119,870	\$ 110,624	\$ 109,180	\$ 119,758	\$ 117,696	\$ 141,302	\$ 149,659	\$ 146,877	\$ 186,348
District-wide											
Net investment in capital assets	\$ 8,212,880	\$ 9,643,963	10,208,016	11,246,448	12,055,344	12,386,230	12,613,988	12,445,257	13,705,049	13,514,536	13,640,840
Restricted	3,299,741	2,608,435	3,582,097	3,343,222	2,594,418	3,065,359	3,426,122	4,354,038	3,120,494	3,920,795	4,218,768
Unrestricted	178,003	167,136	168,515	135,785	198,306	231,408	167,236	192,701	377,032	(2,993,229)	(3,066,984)
Total district net assets/position	\$ 11,690,624	\$ 12,419,534	\$ 13,958,628	\$ 14,725,455	\$ 14,848,068	\$ 15,682,997	\$ 16,207,346	\$ 16,991,996	\$ 17,202,575	\$ 14,442,102	\$ 14,792,624

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses											
Governmental activities											
Instruction											
Regular	(6,411,979)	(6,892,235)	(7,400,409)	(7,247,154)	(7,540,130)	(7,279,519)	(7,863,183)	6,085,044	6,259,316	6,432,317	6,525,479
Special education	(1,140,730)	(1,343,923)	(1,266,147)	(1,263,649)	(1,267,600)	(1,359,452)	(1,406,388)	888,195	891,548	923,779	1,029,550
Other special education	(100,643)	(9,737)	(32,066)	(31,278)	(24,370)	(21,131)	(42,037)	762,375	1,004,506	929,316	996,000
Vocational											
Other instruction	(590,376)	(712,925)	(727,866)	(708,425)	(744,974)	(704,743)	(692,131)				
Nonpublic school programs											
Adult/continuing education programs											
Support Services:											
Tuition	(504,339)	(154,705)	(353,536)	(364,455)	(444,453)	(443,372)	(401,696)				
Student & Instruction Related Services	(1,786,036)	(2,010,668)	(2,163,454)	(2,387,619)	(2,698,999)	(2,460,706)	(2,589,474)				
Instruction											
Attendance and social work								660,165	904,891	872,928	1,115,237
Health services								28,658	25,777	37,453	41,022
Improvement of instr. services								115,405	122,207	125,354	130,684
Educational media services								668,126	705,261	697,897	737,805
Instruction staff training								112,002	121,723	115,501	110,525
School Administrative services	(554,261)	(550,026)	(475,053)	(501,687)	(501,137)	(521,245)	(512,846)	22,909	14,903	14,122	15,796
General administration	(453,644)	(490,294)	(521,596)	(570,511)	(510,909)	(544,187)	(513,620)	411,527	381,896	506,821	501,264
Central Services	(246,233)	(241,306)	(254,904)	(274,771)	(316,604)	(330,909)	(353,117)	483,699	580,060	682,986	609,826
Plant operations and maintenance	(1,692,678)	(1,800,541)	(2,397,737)	(2,016,967)	(1,955,400)	(2,116,988)	(2,115,164)	286,751	294,232	306,106	313,160
Administrative information technology	(7,800)	(8,580)	(11,650)	(9,815)	(18,730)	(9,815)	(55,563)	1,272,625	1,283,543	1,371,271	1,459,079
Pupil transportation	(868,387)	(657,893)	(918,350)	(966,585)	(1,050,824)	(857,834)	(721,643)	18,668	26,377	17,128	13,284
Other support services								645,679	817,813	839,528	941,875
Business and other support services								1,080,940	1,152,704	1,146,549	1,226,087
Non-budgeted expenditures								-	-	-	-
Special Schools								1,550,045	1,389,860	1,204,680	1,304,489
Interest on long-term debt	(274,348)	(263,946)	(250,913)	(236,663)	(221,313)	(205,313)	(188,083)	-	-	-	-
Unallocated employee benefits								260,228	83,510	61,390	59,700
Total governmental activities expenses	<u>(14,631,454)</u>	<u>(15,136,779)</u>	<u>(16,773,701)</u>	<u>(16,579,579)</u>	<u>(17,295,443)</u>	<u>(16,855,214)</u>	<u>(17,454,945)</u>	<u>2,399,028</u>	<u>2,469,119</u>	<u>2,431,198</u>	<u>2,403,607</u>
Business-type activities:											
Food service	(562,947)	(572,633)	(578,058)	(566,979)	(601,336)	(568,075)	(557,909)	550,041	570,097	591,641	727,283
Child Care								71,356	26,255	32,472	16,793
Total business-type activities expense	<u>(562,947)</u>	<u>(572,633)</u>	<u>(578,058)</u>	<u>(566,979)</u>	<u>(601,336)</u>	<u>(568,075)</u>	<u>(557,909)</u>	<u>621,397</u>	<u>596,352</u>	<u>624,113</u>	<u>744,076</u>
Total district expenses	<u>(15,194,401)</u>	<u>(15,709,412)</u>	<u>(17,351,759)</u>	<u>(17,146,558)</u>	<u>(17,896,779)</u>	<u>(17,423,289)</u>	<u>(18,012,854)</u>	<u>18,373,466</u>	<u>19,123,598</u>	<u>19,340,437</u>	<u>20,278,545</u>
Program Revenues											
Governmental activities:											
Charges for services:											
Instruction (tuition)	259,516	283,154	282,637	196,110	153,373	133,350	190,605	-	-	-	-
Pupil transportation	168,304	208,270	205,980	220,820	235,239	187,818	71,964	-	-	-	-
Central and other support services	-	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	129,260	133,443	133,575	114,530	118,885	7,722	10,119	1,550,045	1,389,860	1,204,680	1,304,489
Capital grants and contributions	-	-	879,833	227,431	204,888	158,125	110,071	-	-	-	-
Total governmental activities program revenues	<u>557,080</u>	<u>624,867</u>	<u>1,502,025</u>	<u>758,891</u>	<u>712,385</u>	<u>487,015</u>	<u>382,759</u>	<u>1,550,045</u>	<u>1,389,860</u>	<u>1,204,680</u>	<u>1,304,489</u>
Business-type activities:											
Charges for services											
Food service	543,552	559,971	554,801	540,711	566,119	567,167	544,502	534,453	571,075	584,690	754,868
Child Care	-	-	-	-	-	-	-	65,810	33,634	36,641	28,679
Operating grants and contributions	15,678	15,411	15,948	17,022	21,818	11,486	11,345	12,903	-	-	-
Capital grants and contributions	-	-	9,225	-	11,955	-	-	-	-	-	-
Total business type activities program revenues	<u>559,230</u>	<u>575,382</u>	<u>579,974</u>	<u>557,733</u>	<u>599,892</u>	<u>578,653</u>	<u>555,847</u>	<u>613,166</u>	<u>604,709</u>	<u>621,331</u>	<u>783,547</u>
Total district program revenues	<u>1,116,310</u>	<u>1,200,249</u>	<u>2,081,999</u>	<u>1,316,624</u>	<u>1,312,277</u>	<u>1,065,668</u>	<u>938,606</u>	<u>2,163,211</u>	<u>1,994,569</u>	<u>1,826,011</u>	<u>2,088,036</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Net (Expense)/Revenue											
Governmental activities	(14,074,374)	(14,511,912)	(15,271,676)	(15,820,688)	(16,583,058)	(16,368,199)	(17,072,186)	(17,752,069)	(18,527,246)	(18,716,324)	(19,534,469)
Business-type activities	(3,718)	2,749	1,915	(9,246)	(1,444)	10,577	(2,061)	(621,387)	(596,352)	(624,113)	(744,076)
Total district-wide net expense	<u>(14,078,092)</u>	<u>(14,509,163)</u>	<u>(15,269,761)</u>	<u>(15,829,934)</u>	<u>(16,584,502)</u>	<u>(16,357,622)</u>	<u>(17,074,247)</u>	<u>(18,373,456)</u>	<u>(19,123,598)</u>	<u>(19,340,437)</u>	<u>(20,278,545)</u>
General Revenues and Other Changes in Net Assets/Position											
Governmental activities:											
Property taxes levied for general purposes, net	12,335,982	12,753,309	13,498,102	14,038,026	14,318,786	14,891,537	15,056,632	15,310,626	15,616,839	16,316,506	16,851,880
Taxes levied for debt service	660,550	646,051	698,240	673,121	695,985	760,608	769,143	775,605	760,698	768,600	774,700
Unrestricted grants and contributions	1,675,142	2,212,157	2,296,938	1,752,196	1,594,977	1,485,614	1,728,955	541,275	694,769	657,962	721,880
Federal and State Aid Restricted	-	-	-	-	-	-	-	-	-	-	-
Tuition Received	-	-	-	-	-	-	-	-	-	-	-
Investment earnings	170,466	207,418	118,029	38,936	5,258	1,117	370	-	-	-	-
Miscellaneous income	202,587	94,264	72,598	94,482	92,109	53,672	43,496	335,562	267,302	230,177	192,571
Transfers	-	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>15,044,727</u>	<u>15,913,199</u>	<u>16,683,907</u>	<u>16,596,761</u>	<u>16,707,115</u>	<u>17,192,348</u>	<u>17,598,596</u>	<u>16,963,068</u>	<u>17,339,608</u>	<u>17,973,245</u>	<u>18,541,031</u>
Change in Net Assets/Position											
Governmental activities	970,352	776,420	1,412,232	776,073	124,057	824,353	526,409	761,044	202,222	461,601	311,051
Business-type activities	(3,717)	2,749	1,916	(9,246)	(1,444)	10,577	(2,061)	(8,231)	8,357	(2,782)	39,471
Total district	<u>966,635</u>	<u>779,169</u>	<u>1,414,148</u>	<u>766,827</u>	<u>122,613</u>	<u>834,930</u>	<u>524,348</u>	<u>752,813</u>	<u>210,579</u>	<u>458,819</u>	<u>350,522</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund											
Reserved	\$ 2,559,807	\$ 3,155,700	\$ 3,406,732	\$ 3,031,845	\$ 2,290,053	\$ -	\$ -	\$ 4,141,418	\$ 2,907,896	\$ 3,759,321	\$ 4,084,085
Unreserved	273,861	245,094	280,644	277,644	294,483	-	-	240,503	387,179	335,284	366,965
Restricted	-	-	-	-	-	2,126,422	2,677,727	-	-	-	-
Committed	-	-	-	-	-	114,100	-	-	-	-	-
Assigned	-	-	-	-	-	709,482	615,945	-	-	-	-
Unassigned	-	-	-	-	-	321,379	307,911	-	-	-	-
Total general fund	<u>\$ 2,833,668</u>	<u>\$ 3,400,795</u>	<u>\$ 3,687,377</u>	<u>\$ 3,309,489</u>	<u>\$ 2,584,536</u>	<u>\$ 3,271,383</u>	<u>\$ 3,601,583</u>	<u>\$ 4,381,921</u>	<u>\$ 3,295,075</u>	<u>\$ 4,094,605</u>	<u>\$ 4,451,050</u>
All Other Governmental Funds											
Reserved	\$ 798,049	\$ (483,187)	\$ 255,755	\$ 386,693	\$ 374,466	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:	-	-	-	-	-	-	-	-	-	-	-
Special revenue fund	-	-	-	-	-	-	-	-	-	-	-
Capital projects fund	-	-	-	-	-	-	-	190,970	190,970	139,846	113,055
Debt service fund	31,273	21,092	180	205	170	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	21	22	21,650	21,628	21,628	21,628
Capital projects fund	-	-	-	-	-	-	190,970	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	170	-	-	-	-	-
Capital projects fund	-	-	-	-	-	179,936	-	-	-	-	-
Permanent fund	-	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 829,322</u>	<u>\$ (462,095)</u>	<u>\$ 255,935</u>	<u>\$ 386,897</u>	<u>\$ 374,635</u>	<u>\$ 180,126</u>	<u>\$ 190,992</u>	<u>\$ 212,620</u>	<u>\$ 212,598</u>	<u>\$ 161,474</u>	<u>\$ 134,683</u>

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues											
Tax levy	12,996,532	13,399,360	14,196,342	14,711,147	15,014,771	15,652,145	15,825,775	16,086,231	16,377,537	17,085,106	17,626,580
Tuition charges	259,516	283,154	282,637	186,110	153,373	133,350	190,605	-	195,073	170,701	143,020
Interest earnings	170,466	207,418	118,029	38,936	5,089	1,117	370	621	311	-	-
Miscellaneous	370,891	302,534	278,578	315,301	312,348	241,492	115,461	305,703	71,918	59,476	49,551
Transportation fees	-	-	-	-	-	-	-	10,878	-	-	-
State sources	1,638,595	2,183,762	3,104,621	1,927,592	1,557,271	1,288,971	1,667,231	1,966,020	1,885,002	1,698,452	1,805,007
Federal sources	165,807	161,838	205,724	166,564	166,564	345,938	362,490	181,913	199,627	164,190	221,362
Other financing sources	-	-	-	-	-	-	-	-	-	-	-
Total revenue	15,601,807	16,538,067	18,185,931	17,555,651	17,388,790	17,679,565	17,981,355	18,494,753	18,729,468	19,177,925	19,845,520
Expenditures											
Instruction	5,638,060	5,649,402	5,933,677	6,257,189	6,534,880	6,101,047	6,486,661	5,360,437	5,430,297	5,612,482	5,679,164
Regular instruction	994,150	985,200	1,039,576	1,104,655	1,124,304	1,173,332	1,212,789	-	-	-	-
Special education instruction	12,146	10,134	32,066	10,907	24,370	21,131	42,037	862,621	862,289	894,844	999,660
School Sponsors/Other special instruction	569,836	599,866	584,593	628,254.46	651,281	665,968	634,340	758,113	999,629	924,493	931,022
Undistributed:											
Support Services:											
Instruction	504,339	437,859	353,536	364,455	444,453	443,372	401,696	587,704	821,989	790,944	1,030,605
Support Services Students	1,050,985	1,447,204	1,398,477	1,507,719	1,639,168	1,529,578	1,564,924	-	-	-	-
Attendance and social work	-	-	-	-	-	-	-	28,658	25,777	37,453	41,022
Health services	-	-	-	-	-	-	-	115,405	122,207	125,354	130,684
Other support services	-	-	-	-	-	-	-	1,080,940	1,152,704	1,146,549	1,226,087
Improvement of instruction	-	-	-	-	-	-	-	668,126	705,261	697,897	737,805
Educational media services	-	-	-	-	-	-	-	112,002	121,723	115,501	110,525
Instruction staff training	347,988	434,662	620,539	696,120	888,399	722,845	816,627	22,909	12,903	14,122	15,796
General administrative services	375,460	447,276	494,584	486,742	485,543	524,663	476,949	483,699	580,060	682,986	609,826
School administrative services	416,720	540,414	461,304	540,496	486,602	484,971	494,290	448,588	375,303	435,627	443,486
School central services	205,811	230,669	243,080	261,463	301,338	309,713	332,183	286,751	294,232	306,106	313,160
School admin info technology	7,800	8,580	11,650	9,815	18,730	9,815	55,563	18,668	26,377	17,128	13,284
Allowed maintenance for school facilities	-	-	-	-	-	-	-	207,280	123,617	184,924	224,161
Other operation & maintenance of plant	1,345,339	1,525,398	2,143,491	1,781,174	1,684,862	1,396,805	1,358,978	992,394	1,059,585	1,131,736	1,184,682
Student transportation services	868,387	999,606	918,350	966,585	1,050,824	857,834	721,643	645,679	617,813	839,528	941,875
Business and other support services	-	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	1,691,498	172,705	204,951	241,728	265,802	328,588	323,790	2,399,028	2,469,119	2,424,537	2,275,655
Non-budgeted expenditures	-	-	-	-	-	-	-	1,550,045	1,389,860	1,204,680	1,304,489
Other	-	-	-	-	-	-	-	-	-	-	-
On-Behalf TPAP Post Retirement Contributions	-	549,943	543,374	456,110	455,336	484,632	465,894	-	-	-	-
On-Behalf TPAP Pension Contributions	568,780	481,418	495,364	23,908	24,244	22,817	231,758	-	-	-	-
Reimbursed TPAP Social Security	460,067	486,237	506,184	531,532	554,907	521,944	534,375	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-	-
Capital outlay	111,674	76,836	79,011	423,577	24,562	78,659	211,830	309,763	1,664,871	74,028	468,158
Special Revenue	192,858	207,389	247,681	210,354	400,459	396,251	193,929	-	-	-	-
Debt service:											
Principal	440,000	460,000	480,000	505,000	525,000	550,000	575,000	615,000	665,000	695,000	715,000
Interest and other charges	279,713	268,163	255,513	241,713	226,563	210,813	194,313	138,977	95,720	73,600	59,700
Total expenditures	16,141,011	16,018,960	17,047,199	17,249,516	17,811,625	16,834,778	17,329,570	17,692,787	18,816,336	18,429,519	19,515,866
Excess (deficiency) of revenues over (under) expenditures	(539,204)	519,107	1,138,732	106,134	(422,835)	844,786	651,785	801,966	(1,086,868)	748,406	329,654
Other financing sources (uses)											
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	329,342	406,226	20	211,683	-	-	-	-
Transfers out	-	-	-	(329,342)	(406,226)	(20)	(211,683)	(18,360)	-	-	-
Total other financing sources (uses)	-	-	-	-	-	-	-	(18,360)	-	-	-
Net change in fund balances	(539,204)	519,107	1,138,732	106,134	(422,835)	844,786	651,785	783,606	(1,086,868)	748,406	329,654
Debt service as a percentage of noncapital expenditures	4.49%	4.57%	4.33%	4.44%	4.23%	4.54%	4.49%	4.34%	4.19%	4.19%	4.07%

Source: District records

Note: Noncapital expenditures are total expenditures less capital outlay.
 Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Sale of Capital Assets	Interest on Investments	Event Receipts	Rentals	Prior Year Refunds	Transportation Fees	Miscellaneous	Annual Totals
2006	-	-	-	-	-	-	800,873	800,873
2007	-	-	-	-	-	-	793,106	793,106
2008	-	-	-	-	-	-	574,762	574,762
2009	-	-	-	-	-	-	467,622	467,622
2010	-	-	-	-	-	-	416,289	416,289
2011	-	-	-	-	-	-	339,917	339,917
2012	-	-	-	-	-	-	280,080	280,080
2013	-	621	-	-	-	10,878	-	11,499
2014	-	311	-	-	-	-	34,766	35,077
2015	-	-	-	-	-	-	32,067	32,067
2016	-	-	-	-	-	-	15,909	15,909

Source: District records

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years

Rumson Borough

Calendar Year Ended Dec 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b	Total Direct Regional Tax Rate
2006	31,304,000	2,680,775,700	6,051,700	32,300	102,473,300		3,588,500	2,824,225,500	-	1,202,538	2,825,428,038	3,481,455,773	0.402	0.347
2007	41,876,500	2,715,256,600	6,051,700	32,400	101,986,100		3,588,500	2,868,791,800	-	1,268,783	1,376,424,076	3,590,848,112	0.410	0.366
2008	45,975,700	2,747,446,100	6,051,700	31,000	101,724,700		3,668,100	2,904,897,300	-	1,340,414	1,389,197,202	3,638,605,916	0.425	0.373
2009	42,970,900	2,802,888,200	6,051,700	32,600	102,395,500		1,494,800	2,955,833,700	-	1,626,628	1,387,534,300	3,765,682,073	0.441	0.361
2010	37,540,800	2,819,687,500	6,051,700	29,200	102,464,300		628,700	2,966,402,200	-	1,903,707	2,968,305,907	3,625,612,976	0.458	0.381
2011	38,412,300	2,807,299,400	6,307,600	32,000	102,610,100		628,700	2,955,290,100	-	1,405,766	2,956,695,866	3,482,171,902	0.468	0.379
2012	41,969,100	2,809,034,000	-	30,200	103,446,700		628,700	2,955,108,700	-	1,363,484	3,248,954,038	3,441,790,050	0.480	0.389
2013	54,489,000	2,757,376,100	-	26,800	99,895,900		628,700	2,912,416,500	-	1,277,630	2,913,694,130	3,320,270,792	0.496	0.407
2014	54,489,000	2,757,376,100	-	26,800	99,895,900		628,700	2,912,416,500	-	1,277,630	2,913,694,130	3,320,270,792	0.496	0.407
2015	47,011,900	3,192,319,600	7,361,700	25,000	80,679,000		31,338,400	3,358,735,600	-	1,124,732	3,359,860,332	3,320,270,792	0.446	0.374
2016	38,095,200	3,290,090,400	6,891,700	25,000	111,691,600		488,900	3,447,282,800	-	1,126,150	3,448,408,950	3,337,400,638	0.446	0.372

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

* Revaluation effective 2004

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100

N/A At the time of CAFR completion, this data was not yet available

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Fair-Haven Borough

Calendar Year Ended Dec 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b	Total Direct Regional Tax Rate
2006	6,619,300	1,070,273,200	-	-	36,902,800	-	-	1,113,795,300	-	330,605	1,114,125,905	1,496,562,873	0.952	0.033
2007	9,753,800	1,076,615,700	-	-	36,782,800	-	-	1,123,152,300	-	453,685	1,123,605,985	1,574,377,872	0.991	0.324
2008	10,976,600	1,088,054,500	-	-	37,360,200	-	-	1,136,391,300	-	464,997	1,136,856,297	1,597,417,358	1.024	0.334
2009	11,701,300	1,098,504,400	-	-	38,035,100	-	-	1,148,240,800	-	5,781,747	1,154,022,547	1,533,094,129	1.054	0.358
2010	8,257,500	1,108,252,100	-	-	38,035,100	-	-	1,154,544,700	-	593,599	1,155,138,299	1,563,193,686	1.088	0.377
2011	8,336,600	1,112,471,500	-	-	38,126,700	-	-	1,158,934,800	-	456,964	1,159,391,764	1,547,381,557	1.102	0.387
2012	11,706,700	1,112,721,000	-	-	38,126,700	-	-	1,162,554,400	-	-	1,162,554,400	1,505,176,258	1.120	0.396
2013	10,626,900	1,115,672,700	-	-	37,727,500	-	-	1,164,027,100	-	488,358	1,164,515,458	1,458,033,006	1.137	0.391
2014	10,626,900	1,115,672,700	-	-	37,727,500	-	-	1,164,027,100	-	448,358	1,164,475,458	1,458,033,006	1.137	0.391
2015	9,108,000	1,470,013,900	-	-	50,248,000	-	-	1,529,369,900	-	441,313	1,529,811,213	1,458,033,006	0.932	0.320
2016	11,427,100	1,510,231,800	-	-	51,014,900	-	-	1,572,673,800	-	443,518	1,573,117,318	1,573,117,318	0.914	0.326

Source: Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment

* Revaluation effective 2004

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100

N/A At the time of CAFR completion, this data was not yet available

The district is required by the Statement to disclose sources, assumptions and methodologies. This Note is an illustration only.

The Statement requires that the information in this schedule be shown for each "period for which levied" and should be consistent with the periods shown in the schedule of direct and overlapping revenue rates and schedule of property tax levies and collections. In the case of this illustrative government, the period for which levied coincides with the fiscal year.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

Rumson-Fair Haven Regional High
 School District Direct Rate

Overlapping Rates

Fiscal Year Ended June 30,	Basic Rate ^a		General Obligation Debt Service ^b		(From J-6) Total Direct School Tax Rate		Total Regional High School Tax Rate		Municipal		Monmouth County		Total Direct and Overlapping Tax Rate	
	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair-Haven Borough	Rumson Borough	Fair- Haven Borough
2006	0.268	0.467	0.014	0.024	0.402	0.952	0.347	0.325	0.281	0.472	0.328	0.353	1.640	2.593
2007	0.347	0.310	0.018	0.016	0.410	0.991	0.366	0.324	0.281	0.491	0.332	0.362	1.754	2.494
2008	0.356	0.318	0.017	0.016	0.425	1.024	0.373	0.334	0.302	0.481	0.318	0.357	1.791	2.530
2009	-	-	0.017	0.019	0.441	1.054	0.361	0.358	0.302	0.470	0.327	0.362	1.448	2.263
2010	-	-	0.017	0.019	0.458	1.088	0.381	0.377	0.323	0.458	0.328	0.366	1.507	2.308
2011	-	-	0.017	0.019	0.468	1.102	0.379	0.387	0.332	0.457	0.329	0.375	1.525	2.340
2012	0.017	0.020	0.017	0.020	0.480	1.120	0.389	0.396	0.342	0.456	0.301	0.338	1.546	2.350
2013	0.369	0.377	0.019	0.019	0.050	1.137	0.407	0.391	0.359	0.457	0.309	0.342	1.959	2.723
2014	0.388	0.373	0.019	0.019	0.496	1.137	0.407	0.391	0.359	0.457	0.309	0.342	1.959	2.719
2015	0.355	0.304	0.016	0.015	0.446	0.932	0.374	0.320	0.322	0.404	0.315	0.312	1.828	2.287
2016	0.329	0.399	0.016	0.015	0.446	0.914	0.372	0.326	0.329	0.399	0.273	0.272	1.765	2.325

Source: Municipal Tax Collector

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calcu

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

b Rates for debt service are based on each year's requirements.

* Information used for 2008-09 budget.

**RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Ten Years Ago**

Rumson Borough

	2016			2006		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	0	1		0	1	
Taxpayer 2	0	2		0	2	
Taxpayer 3	0	3		0	3	
Taxpayer 4	0	4		0	4	
Taxpayer 5	0	5		0	5	
Taxpayer 6	0	6		0	6	
Taxpayer 7	0	7		0	7	
Taxpayer 8	0	8		0	8	
Taxpayer 9	0	9		0	9	
Taxpayer 10	0	10		0	10	
Total	\$ -			\$ -		

**RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
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 ^a		Collections in Subsequent Years
		Amount	Percentage of Levy	
2006	12,996,532	12,996,532	100.00%	-
2007	13,399,360	13,399,360	100.00%	-
2008	14,196,342	14,196,342	100.00%	-
2009	14,711,147	14,711,147	100.00%	-
2010	15,014,771	15,014,771	100.00%	-
2011	15,652,145	15,652,145	100.00%	-
2012	15,825,775	15,825,775	100.00%	-
2013	16,086,231	16,086,231	100.00%	-
2014	16,377,537	16,377,537	100.00%	-
2015	17,085,107	17,085,107	100.00%	-
2016	17,626,580	17,626,580	100.00%	-

Source: Municipal Chief Financial Officer

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

RUMSON BOROUGH

Fiscal Year Ended June 30,	Governmental Activities				Business- Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipa- tion Notes (BANs)	Capital Leases				
2006	5,702,722.700	-	-	-	-	5,702,723	N/A	778.53	
2007	5,478,230.960	-	-	-	-	5,478,231	N/A	753.02	
2008	5,174,732.860	-	-	-	-	5,174,733	N/A	716.92	
2009	4,778,977.040	-	-	-	-	4,778,977	N/A	657.90	
2010	4,245,038.010	-	-	-	-	4,245,038	N/A	594.79	
2011	3,908,174.000	-	-	-	-	3,908,174	N/A	548.75	
2012	3,512,054.703	-	-	-	-	3,512,055	N/A	492.57	
2013	2,966,766.000	-	-	-	-	2,966,766	N/A	N/A	
2014	2,576,000.000	-	-	-	-	2,576,000	N/A	N/A	
2015	2,252,165.000	-	-	-	-	2,252,165	N/A	N/A	
2016	2,113,259.896	-	-	-	-	2,113,260	N/A	N/A	

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

FAIR HAVEN

Fiscal Year Ended June 30,	Governmental Activities				Business- Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipa- tion Notes (BANs)	Capital Leases				
2006	2,235,277.300	-	-	-	-	2,235,277	N/A	379.83	
2007	1,999,769.040	-	-	-	-	1,999,769	N/A	337.80	
2008	1,823,267.140	-	-	-	-	1,823,267	N/A	308.30	
2009	1,714,022.960	-	-	-	-	1,714,023	N/A	290.02	
2010	1,722,961.990	-	-	-	-	1,722,962	N/A	290.21	
2011	1,509,826.000	-	-	-	-	1,509,826	N/A	246.66	
2012	1,447,945.297	-	-	-	-	1,447,945	N/A	236.28	
2013	1,378,234.000	-	-	-	-	1,378,234	N/A	N/A	
2014	1,104,000.000	-	-	-	-	1,104,000	N/A	N/A	
2015	884,375.000	-	-	-	-	884,375	N/A	N/A	
2016	871,740.104	-	-	-	-	871,740	N/A	N/A	

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

General Bonded Debt Outstanding

RUMSON BOROUGH

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2006	None	-	5,702,723	0.21%	778.53
2007	None	-	5,478,231	0.19%	753.02
2008	None	-	5,174,733	0.18%	716.82
2009	None	-	4,778,977	0.18%	657.90
2010	None	-	4,245,038	0.14%	594.79
2011	None	-	3,908,175	0.13%	548.75
2012	None	-	3,512,055	0.13%	492.57
2013	None	-	2,966,766		-
2014	None	-	2,576,000		-
2015	None	-	2,252,165		
2016	None	-	2,113,260		

FAIR HAVEN BOROUGH

Fiscal Year Ended June 30,	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2006	None	-	2,235,277	0.24%	379.83
2007	None	-	1,999,769	0.18%	337.80
2008	None	-	1,823,267	0.20%	308.30
2009	None	-	1,714,023	0.20%	290.02
2010	None	-	1,722,962	0.15%	290.21
2011	None	-	1,509,825	0.13%	246.66
2012	None	-	1,447,945	0.12%	236.28
2013	None	-	1,378,234		-
2014	None	-	1,104,000		-
2015	None	-	884,375		-
2016	None	-	871,740		-

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

a Use Estimated County equalized value from J-6

b Population data can be found in Exhibit NJ J-14.

**RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2016**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Rumson Borough	\$ 2,113,259.90		
Fair Haven Borough	884,375.00	0.00%	\$ 884,375
Monmouth County General Obligation Debt:			
Rumson Borough	-	0.00%	\$ -
Fair Haven Borough	-	0.00%	-
Subtotal, overlapping debt			884,375
Rumson-Fair Haven Regional High School District Direct Debt			<u>2,270,000</u>
Total direct and overlapping debt			<u>\$ 3,154,375</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
Debt outstanding data provided by each governmental unit.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years

Equalized valuation basis			
	Total	Rumson Borough	Fair Haven Borough
2016	5,019,956,600	3,447,282,800	1,572,673,800
2015	4,888,105,500	3,358,735,600	1,529,369,900
2014	4,076,443,600	2,912,416,500	1,164,027,100
[A]	\$ 13,984,505,700	9,718,434,900	4,266,070,800

Average equalized valuation	[A/3]	\$ 4,661,501,900
Debt limit (3 % of average)	[B]	139,845,057 ^a
	[C]	\$ 2,270,000
	[B-C]	\$ 137,575,057

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	132,127,605	145,329,653	154,387,411	156,240,792	155,171,363	151,653,264	147,548,236	145,035,739	130,409,927	139,845,057
Total net debt applicable to limit	<u>7,478,000</u>	<u>6,998,000</u>	<u>6,493,000</u>	<u>5,968,000</u>	<u>5,418,000</u>	<u>4,960,000</u>	<u>4,345,000</u>	<u>3,680,000</u>	<u>2,985,000</u>	<u>2,270,000</u>
Legal debt margin	<u>\$ 124,649,605</u>	<u>\$ 138,331,653</u>	<u>\$ 147,894,411</u>	<u>\$ 150,272,792</u>	<u>\$ 149,753,363</u>	<u>\$ 146,693,264</u>	<u>\$ 143,203,236</u>	<u>\$ 141,355,739</u>	<u>\$ 127,424,927</u>	<u>\$ 137,575,057</u>
Total net debt applicable to the limit as a percentage of debt limit	5.66%	4.82%	4.21%	3.82%	3.49%	3.27%	2.94%	2.54%	2.29%	1.62%

Source:

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

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
RUMSON BOROUGH				
2006	7,275	N/A	51,437	2.60%
2007	7,218	N/A	54,801	2.40%
2008	7,264	N/A	N/A	3.10%
2009	7,394	N/A	N/A	N/A
2010	7,137	N/A	N/A	N/A
2011	7,122	N/A	71,253	N/A
2012	7,130	N/A	79,388	N/A
2013	7,044	N/A	N/A	N/A
2014	7,066	N/A	N/A	N/A
2015	7,104	N/A	N/A	N/A
2016	7,006	N/A	N/A	N/A
FAIR HAVEN BOROUGH				
2006	5,956	N/A	47,694	3.00%
2007	5,914	N/A	51,437	2.70%
2008	5,910	N/A	54,801	3.50%
2009	6,021	N/A	N/A	N/A
2010	5,937	N/A	N/A	N/A
2011	6,121	N/A	50,215	N/A
2012	6,128	N/A	54,244	N/A
2013	6,108	N/A	N/A	N/A
2014	6,081	N/A	N/A	N/A
2015	5,995	N/A	N/A	N/A
2016	6,081	N/A	N/A	N/A

Source:

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

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

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

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Principal Employers,
 Current Year and Ten Years Ago

Employer	2016			2006		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0%	-		0.00%
	-		0.00%	-		0.00%

Source: Municipal Tax Collector

Municipality didn't have the information available a time to publication of this report.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

Function/Program	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction											
Regular	69.0	71.0	72.0	71.8	71.8	79.0	75.8	75.8	75.8	75.8	76.8
Special education	12.6	13.6	13.6	14.0	14.0	14.0	14.0	14.0	14.0	14.0	14.0
Other special education	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Vocational	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other instruction	4.0	4.0	5.6	5.5	0.0	5.0	4.0	4.0	4.0	4.0	4.0
Nonpublic school programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Adult/continuing education programs	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Support Services:											
Student & instruction related services	23.4	23.4	21.4	21.6	23.0	21.0	21.5	21.5	21.5	21.5	21.5
General administration	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0	2.0
School administrative services	8.5	8.5	4.5	4.7	5.7	6.0	6.0	6.0	6.0	6.0	6.0
Other administrative services	2.0	2.2	2.1	2.1	2.5	3.0	3.0	3.0	3.0	3.0	3.0
Central services	0.0	0.0	0.0	0.0	1.1	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Information Technology	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.0	1.0	1.0	1.0
Plant operations and maintenance	8.5	6.0	7.0	7.0	7.0	4.0	4.0	4.0	4.0	4.0	4.0
Pupil transportation	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other support services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Special Schools	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Food Service	2.0	1.0	1.0	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Child Care											
Total	<u>135.0</u>	<u>134.7</u>	<u>132.3</u>	<u>131.8</u>	<u>129.1</u>	<u>136.0</u>	<u>132.3</u>	<u>133.3</u>	<u>133.3</u>	<u>133.3</u>	<u>134.3</u>

Source: District Personnel Records

RUMSON-FAIR HAVEN REGIONAL HIGH 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 (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						High School					
2006	942.5	13,080,426	13,878	3.66%	88.9	10.6:1		942.5	878.5	3.90%	93.21%
2007	996.5	13,488,974	13,536	-2.46%	90.6	11.0:1		1009.0	942.8	7.06%	93.44%
2008	993.0	14,439,873	14,542	7.43%	91.0	10.9:1		989.6	908.9	-1.92%	91.85%
2009	966.0	14,857,324	15,380	5.77%	85.8	11.3:1		967.7	896.8	-2.21%	92.67%
2010	972.0	16,154,024	16,619	8.06%	87.8	11:01		978.1	925.3	1.07%	94.60%
2011	965.0	15,986,090	16,566	-0.32%	79.0	12.2:1		952.4	898.0	-2.63%	94.29%
2012	934.0	16,389,411	17,548	5.93%	75.8	12.3:1		908.9	856.7	-4.57%	94.26%
2013	897.0	14,889,330	16,599	-5.41%	75.8	11.8:1		895.0	845.3	-1.53%	94.45%
2014	929.0	16,892,299	18,183	9.54%	75.8	12.3:1		917.0	867.0	2.46%	94.55%
2015	942.0	17,592,721	18,676	2.71%	75.8	11.22:1		935.7	889.2	2.04%	95.03%
2016	998.0	18,033,086	18,069	-3.25%	76.8	12.99:1		986.5	941.7	5.43%	95.46%

Sources: District records

Note: Enrollment based on annual October district count ASSA 10/14/11 count for FYE 2014.

- a Operating expenditures equal total expenditures less debt service, on behalf and capital outlay per schedule c -1
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS). From Gvancardo

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

District Building	2006	2007	2008	2009	2010	2011	2012	2013	2014
<u>High School</u>									
Rumson-Fair Haven Regional High School (1935,1957,1963,1971 sections)									
Square Feet	148,000	148,000	148,000	148,000	148,000	148,000	148,000	148,000	148,000
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	932.5	996.5	1,000.0	966.0	972.0	965.0	934.0	895	929.0

Number of Schools at June 30, 2016
 Senior High School = 1

Note: Rumson-Fair Haven Regional High School is a one district school. The buildings are 148,000 square feet. Capacity is 1,200 students.

Source: District Facilities Office

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

UNDISTRIBUTED EXPENDITURES - REQUIRED
 MAINTENANCE FOR SCHOOL FACILITIES
 11-000-261-xxx

		Rumson-Fair Haven Regional High School	Total
* School Facilities			
Project # (s)			
2006	N/A	275,339	275,339
2007	N/A	269,537	269,537
2008	N/A	755,503	755,503
2009	N/A	274,521	274,521
2010	N/A	448,243	942,677
2011	N/A	235,509	919,057
2012	N/A	264,654	264,654
2013	N/A	225,640	225,640
2014	N/A	271,400	271,400
2015	N/A	256,400	256,400
2016	N/A	224,161	224,161
Total School Facilities		<u>\$ 3,756,577</u>	<u>\$ 3,756,577</u>

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

Source: District records

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2016

	<u>Coverage</u>	<u>Deductible</u>
School Package Policy - MOCSSIF/NJSBAIG		
Blanket Buildings and Contents (Special		
Form Coverage/Replacement Cost)	\$ 350,000,000	
Extra Expense	50,000,000	5,000
Comprehensive General Liability	16,000,000	
Money and Securities	50,000	500
Data Processing Equipment	600,000	1,000
Automobile Policy - MOCSSIF/NJSBAIG	16,000,000	1,000
Workers Compensation - MOCSSIF/NJSBAIG	9,494,384	
School Board Legal Liability - New Jersey	16,000,000	5,000
School Boards Association Insurance Group		
Student Accident and Athletic Account - Bollinger	Variable	
Fidelity Bond Insurance:		
Selective Insurance Company:		
Board Secretary	225,000	
Treasurer of School Moneys	225,000	
Crime - Employee Dishonesty - NJSBAIG	225,000	1,000
Excess Workers Compensation - Life		
Insurance Co. of NA	2,000	

Source: District records

SINGLE AUDIT SECTION

**INDEPENDENT AUDITORS' 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
Rumson-Fair Haven Regional High School District
County of Monmouth
Rumson, New Jersey 07760

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 activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Board of Education of the Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Board of Education of the Rumson-Fair Haven Regional High School District basic financial statements, and have issued our report thereon dated November 11, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Board of Education of the Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey'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 Board of Education of the Rumson-Fair Haven Regional High School District in the County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of Board of Education of the Rumson-Fair Haven Regional High School District 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 School 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 the Board of Education of Rumson-Fair Haven Regional High School District financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of 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 School 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 in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,

Jump, Perry and Company, LLP
Toms River, NJ



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

Toms River, NJ
November 11, 2016

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND 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
Rumson-Fair Haven Regional High School District
County of Monmouth
Rumson, New Jersey 07760

Report on Compliance for Each Major Federal and State Program

We have audited Rumson-Fair Haven Regional High School District's compliance with the types of compliance requirements described in the OMB Compliance Supplement and the New Jersey OMB Circular 15-08 that could have a direct and material effect on each of Rumson-Fair Haven Regional High School District's major federal programs for the year ended June 30, 2016. Rumson-Fair Haven Regional High School District's major federal 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 Rumson-Fair Haven Regional High 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; and 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*, 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 the New Jersey OMB 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 and state program occurred. An audit includes examining, on a test basis, evidence about Rumson-Fair Haven Regional High 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 Rumson-Fair Haven Regional High School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Rumson-Fair Haven Regional High 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 Rumson-Fair Haven Regional High 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 Rumson-Fair Haven Regional High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state programs to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and the New Jersey OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Rumson-Fair Haven Regional High 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 and 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 and 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 and 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 State OMB Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

Jump, Perry and Company, L.L.P.
Toms River, New Jersey



Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 11, 2016

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 for the Fiscal Year ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance at June 30, 2015	Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Deferred Revenue at June 30, 2016	Accounts Receivable at June 30, 2016	Due to Grantor at June 30, 2016
U.S. Department of Education											
Passed-through State Department of Education:											
Title I, Basic Allocation	84.010	7/1/15-6/30/16	53,426	-	-	47,821	(47,762)	-	59	-	-
Title II - Part A	84.340	7/1/15-6/30/16	11,130	-	-	11,130	(11,130)	-	-	-	-
I.D.E.A. Part B Basic	84.027	7/1/15-6/30/16	162,470	-	-	162,470	(162,470)	-	-	-	-
Total Special Revenue Fund				-	-	221,421	(221,362)	-	59	-	-
Total Expenditures of Federal Awards				-	-	221,421	(221,362)	-	59	-	-

See accompanying notes to schedules of expenditures.

RUMSON-FAIR HAVEN REGIONAL HIGH SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 for the Fiscal Year ended June 30, 2016

MEMO

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2015	Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2016	(Accounts Receivable) at June 30, 2016	Due to Grantor at June 30, 2016	Budgetary Receivable	Cumulative Total Expenditures
New Jersey Department of Education													
General Fund:													
Extraordinary Aid	15-100-034-5120-044	7/1/14-6/30/15	39,708	(39,708)	-	39,708	-	-	-	-	-	-	-
Extraordinary Aid	16-100-034-5120-044	7/1/15-6/30/16	49,305	-	-	-	(49,305)	-	-	(49,305)	-	-	(49,305)
Special Education Categorical Aid	15-495-034-5120-089	7/1/14-6/30/15	372,879	(38,321)	-	38,321	-	-	-	-	-	-	-
Special Education Categorical Aid	16-495-034-5120-089	7/1/15-6/30/16	372,879	-	-	334,558	(372,879)	-	-	-	-	(38,321)	(372,879)
Categorical Transportation Aid	16-495-034-5120-084	7/1/15-6/30/16	34,287	-	-	34,287	-	-	-	-	-	-	(34,287)
Nonpublic Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	13,367	-	-	-	(13,367)	-	-	(13,367)	-	-	(13,367)
Nonpublic Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	8,605	(8,605)	-	8,605	-	-	-	-	-	-	-
Parcc Readiness Aid	16-495-034-5120-098	7/1/15-6/30/16	8,920	-	-	8,920	(8,920)	-	-	-	-	-	(8,920)
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	8,920	-	-	8,920	(8,920)	-	-	-	-	-	(8,920)
Categorical Security Aid	16-495-034-5120-084	7/1/15-6/30/16	12,840	-	-	12,840	(12,840)	-	-	-	-	-	(12,840)
On-Behalf TPAF NCGI Premiums Contribution	16-495-034-5095-001	7/1/15-6/30/16	1,345,974	-	-	1,345,974	(1,345,974)	-	-	-	-	-	(1,345,974)
Reimbursed TPAF Social Security Tax Contribution	15-495-034-5094-003	7/1/14-6/30/15	567,242	(28,563)	-	28,563	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Tax Contribution	16-495-034-5094-003	7/1/15-6/30/16	572,912	-	-	544,823	(572,912)	-	-	(28,089)	-	-	(572,912)
Total General Fund				<u>(115,197)</u>	<u>-</u>	<u>2,405,519</u>	<u>(2,419,404)</u>	<u>-</u>	<u>-</u>	<u>(90,761)</u>	<u>-</u>	<u>(38,321)</u>	<u>(2,419,404)</u>
Total Expenditures of State Awards				<u>(115,197)</u>	<u>-</u>	<u>2,405,519</u>	<u>(2,419,404)</u>	<u>-</u>	<u>-</u>	<u>(90,761)</u>	<u>-</u>	<u>(38,321)</u>	<u>(2,419,404)</u>
Less: On-Behalf TPAF Pension System Contributions							1,345,974						
Total for State Financial Assistance - Major Program Determination							<u>(1,073,430)</u>						

See accompanying notes to schedules of expenditures.

Rumson-Fair Haven Regional High School District

Notes to Schedules of Awards and Financial Assistance

June 30, 2016

1. General

The accompanying schedules of expenditures of award present the activity of all federal and state awards of the Board of Education, Rumson-Fair Haven Regional High School District. The Board of Education is defined in Note 1(A) to the Board's general purpose financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards 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 bases of accounting are described in Note 1 to the Board's basic financial statements.

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). 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.

Rumson-Fair Haven Regional High School District

Notes to Schedules of Awards and Financial Assistance (continued)

June 30, 2016

3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$614,397) for the general fund and \$0 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ -	\$ 1,805,007	\$ 1,805,007
Special Revenue Fund	221,362	-	221,362
Capital Projects Fund	-	-	-
Debt Service Fund	-	-	-
Food Service Fund	<u>-</u>	<u>-</u>	<u>-</u>
Total awards and financial assistance	\$ <u>221,362</u>	\$ <u>1,805,007</u>	\$ <u>2,026,369</u>

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.

5. Other

TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer's share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2016.

The TPAF post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 15-08.

Rumson-Fair Haven Regional High School District

Schedule of Findings and Questioned Costs

June 30, 2016

Section I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to general-purpose financial statements noted? _____ yes X no

Federal Awards Section - N/A

Internal Control over major programs: N/A

- 1) Material weakness(es) identified? _____ yes _____no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes _____none reported

Type of auditor's report issued on compliance for major programs: N/A

Any audit findings disclosed that are required to be reported in accordance with 2 CFR section .516(a) of the Uniform Guidance? _____ yes _____no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A	

Dollar threshold used to distinguish between type A and type B programs: N/A

Auditee qualified as low-risk auditee? _____yes _____ no

Rumson-Fair Haven Regional High School District
 Schedule of Findings and Questioned Costs (continued)

June 30, 2016

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

State Awards Section

Dollar threshold used to distinguish between type A and type B programs:
 \$750,000

Auditee qualified as low-risk auditee? X yes none reported

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

Internal Control over major programs:

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

2) Significant deficiencies identified that
 are not considered to be material
 weaknesses? yes X none reported

Any audit findings disclosed that are required
 to be reported in accordance with NJOMB
 Circular Letter 15-08? yes X no

Identification of major programs:

GMIS Number(s)	Name of State Program
State Aid-Public (Cluster)	
495-034-5120-089	Special Education Categorical Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness
495-034-5120-084	Security Aid

Section II – Financial Statement Findings

No matters were reported for the period ended June 30, 2016.

Section III – State Award Findings and Questioned Costs

No matters were reported for the period ended June 30, 2016.

Rumson-Fair Haven Regional High School District

Summary Schedule of Prior Audit Findings

June 30, 2016

There were no prior year findings for the period ended June 30, 2015.