

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON
SCHOOL DISTRICT
GLOUCESTER COUNTY, NEW JERSEY**



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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Table of Contents

	<u>Page</u>
INTRODUCTORY SECTION	
Letter of Transmittal	2
Organizational Chart	19
Roster of Officials	20
Consultants and Advisors	21
FINANCIAL SECTION	
Independent Auditor's Report	23
Required Supplementary Information - Part I Management's Discussion and Analysis	29
Basic Financial Statements	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	38
A-2 Statement of Activities	39
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	42
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	45
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	47
Proprietary Funds:	
B-4 Statement of Net Position	48
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	50
B-6 Statement of Cash Flows	52
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	54
B-8 Statement of Changes in Fiduciary Net Position	55
Notes to the Financial Statements	56
Required Supplementary Information - Part II	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	90
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	105
C-3 Budgetary Comparison Schedule - Notes to Required Supplementary Information	107

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Required Supplementary Information - Part III	
L. Schedules Related to Accounting and Reporting for Pensions	
L-1 Schedule of the School District's Proportionate Share of the Net Pension Liability – PERS	109
L-2 Schedule of the School District's Contributions – PERS	110
L-3 Schedule of the School District's Proportionate Share of the Net Pension Liability – TPAF	111
L-4 Schedule of the School District's Contributions – TPAF	112
L-5 Notes to the Required Supplementary Information - Part III GASB 68 Pension Changes	113
Required Supplementary Information - Part IV (if applicable)	
L-6 Schedule of Funding Progress for Health Benefits Plan	N/A
L-7 Notes to the Required Supplementary Information - Part IV	N/A
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 Schedule of Revenues and Expenditures - Budgetary Basis	116
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	N/A
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	120
F-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	122
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status	124
F-2b Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status	125

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Table of Contents (Cont'd)

	Page
Other Supplementary Information (Cont'd)	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	159
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	161
G-3 Combining Statement of Cash Flows	163
Internal Service Fund:	
G-4 Combining Statement of Net Position	165
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	166
G-6 Combining Statement of Cash Flows	167
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	169
H-2 Combining Statement of Changes in Fiduciary Net Position	170
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	171
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	172
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	174
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	175

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1 Net Position by Component	178
J-2 Changes in Net Position	179
J-3 Fund Balances - Governmental Funds	181
J-4 Changes in Fund Balances - Governmental Funds	182
J-5 General Fund Other Local and Federal Miscellaneous Revenue by Source	183

Revenue Capacity

J-6 Assessed Value and Actual Value of Taxable Property	185
J-7 Direct and Overlapping Property Tax Rates	186
J-8 Principal Property Taxpayers	187
J-9 Property Tax Levies and Collections	188

Debt Capacity

J-10 Ratios of Outstanding Debt by Type	190
J-11 Ratios of General Bonded Debt Outstanding	191
J-12 Direct and Overlapping Governmental Activities Debt	192
J-13 Legal Debt Margin Information	193

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Table of Contents (Cont'd)

STATISTICAL SECTION (Unaudited) (Cont'd)	Page
Demographic and Economic Information	
J-14 Demographic and Economic Statistics	195
J-15 Principal Non-Governmental Employers	196
Operating Information	
J-16 Full-time Equivalent District Employees by Function/Program	198
J-17 Operating Statistics	199
J-18 School Building Information	200
J-19 Schedule of Required Maintenance Expenditures by School Facility	202
J-20 Insurance Schedule	203
 SINGLE AUDIT SECTION 	
K-1 Report on Internal Control Over Financial Reporting and on Compliance And Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	26
K-2 Report on Compliance for Each Major Program and Report on Internal Control Over Compliance Required By the Uniform Guidance and State of New Jersey Circular 15-08-OMB	205
K-3 Schedule of Expenditures of Federal Awards, Schedule A	207
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	209
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	213
K-6 Schedule of Findings and Questioned Costs	215
K-7 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	220

INTRODUCTORY SECTION



November 21, 2016

Honorable President Murphy and
Members of the Board of Education
Washington Township School District
County of Gloucester, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Washington Township 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 of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report and the required supplementary information in compliance with the Governmental Accounting Standards Board Statement. 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 Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. 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: Washington Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds of the District are included in this report. The Washington Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These services include regular and vocational, as well as special education for gifted and handicapped youngsters. The following details the changes in the student enrollment within the District over the last five years.

AVERAGE DAILY ENROLLMENT

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-2016	7,224	(1.55%)
2014-2015	7,338	(2.89%)
2013-2014	7,550	(3.17%)
2012-2013	7,797	(3.64%)
2011-2012	8,081	(2.20%)

2) ECONOMIC CONDITION AND OUTLOOK:

Washington Township, Gloucester County, New Jersey, is a community comprised of predominately single-family residences (80% of the tax base). Our community, like most communities across the nation, is feeling the effects of the current economic climate. The community is extremely supportive of the educational system as evident in its active participation in the educational process. The District has been fiscally responsible in light of the economic hardships endured by the community and continues to bring their budget in under the mandated tax levy cap.

Enrollments for regular education students for the Washington Township School District have been declining since the 2001-2002 school year; however, enrollments for special needs students have been increasing. This has resulted in a reduction in staff along with a change in the classification of staff from regular education to special education. The District implemented a redistricting plan in September 2016 so that it could maximize the utilization of their resources.

Although the economic times have been challenging, the Washington Township School District has maintained its high standards and rigorous curriculum, continuing its tradition of being an award-winning school district which is the foremost reason why most residents have chosen to reside here.

3) MAJOR INITIATIVES

A. Accomplishments during the 2015-2016 school year were as follows:

- Creating a partnership with Rowan University and other professional development providers to integrate our middle level English Language Arts instruction and align with the New Jersey Student Learning Standards.
- Revising our mathematics curriculum and benchmark assessments to meet the demands of the New Jersey Student Learning Standards, providing for personalized learning through a robust digital curriculum.
- Implementation of revised K-12 Art Education curriculum/courses including the purchase of new related instructional materials and technology resources.
- Implementing a more student-friendly middle school schedule that lengthens instructional time and reduces student passing time.
- Extensive work to increase AP enrollment and test taking continued with the advent of academic incentives. In addition, our guidance staff utilized statistics from the College Board that predicted success in specific AP programs based on an analysis of PSAT results in both 10th and 11th grade.
- Washington Township School District was named to the 6th Annual Advanced Placement (AP) Honor Roll, one of 425 school districts in the United States and Canada so honored. The award is presented each year to districts that are able to expand access to AP courses to a more diverse group of learners while simultaneously improving performance.
- Our social studies teachers retooled much of their courses by developing Blackboard courses for face-to-face, blended, and online learning. Lessons focused on using common language and revisiting themes across grade levels to lead to deeper comprehension and assist students in applying content knowledge across civilizations and eras. The Social Studies teachers used resources to support SLS-aligned lessons including access to the Gilder Lehrman Institute of American History online resources, the Cicero Database online resources, and the DBQ Project's Document Based Questions and Mini-Q's for American History and World History.
- High school math, art, and technology education implemented new curricula, following an exhaustive curriculum adoption process the previous year to provide our students will effective learning resources.
- Advanced Placement Course enrollment increased in 2015-16. Our high school offered twenty-two (23) Advanced Placement courses. There were 687 exams given, an increase over last year. Fifty-seven (57) of our students were named AP Scholars, fifteen (15) were named AP Scholars with Honors, nineteen (19) were named AP Scholars with Distinction, and four (4) were named National AP Scholars. Seventy-three (73%) of the AP exams taken had scores of three (3) or above.

- The District Instructional Technology Committee was convened to create a strategic plan for the implementation and assessment of technology for teaching and learning. The committee crafted a mission and vision statement and identified five related goals. Specific objectives and action steps were also written with the persons responsible to carry out the steps in a specific time frame. In addition, the Steering Committee worked fervently to create a strategic plan for the 1:1 high school laptop initiative, including policies, usage guidelines, insurance, and distribution practices.
- Continued refinement of our K-12 continuum of instructional activities designed to ensure student acquisition of the knowledge and skills specified in Standards 9.1 and 9.2 as they relate to personal financial literacy.
- Ongoing alignment of our district-wide benchmark assessments so they are aligned with state standards in Math and ELA and the Spring 2015 state testing process.
- A review of our annual school-level progress targets state testing results so as established a planned curricular path towards attainment of state-established benchmarks relating to student achievement progress.
- A review and analysis of our PSAT, SAT and Advanced Placement testing results and then adjusting our curricula and benchmark assessments accordingly.
- Evening programs including: Parents as Partners, Stepping to the Next Grade, PARCC Parent Nights, Family Literacy, Family Math, Parenting Young Children Course and ESL Parent Workshops, as well as Literacy and Mathematics workshops at the Early Childhood Center for parents.
- Implementation of additional time programs including: Get SET, Homework Club, Good Morning Math, Working Writers, 5th to 6th Grade Summer Transition Program, Middle School Prep Club, Middle School After-School Digits Club and Freshman Transition Programs.
- Ongoing investigation, development, and implementation of a continuum of in-district instructional programs and student support initiatives to meet the unique needs of our special population students so as to reduce the number of students and costs associated with out-of-district placements. This included the implementation of a preschool and an elementary-level intermediate autism program.
- Ongoing implementation of an Anti-Bullying Bill of Rights/Harassment, Intimidation, and Bullying (HIB) program, based on mandated legislation, at all K-12 schools.

- Purchased a significant number of additional Dell laptop computers to provide increased student access at the middle to technology integration in the classroom.
- Purchase of a number of additional short-throw projectors at all levels to provide teachers with enhanced instructional tools.
- A continued focus on implementation of Professional Learning Communities (PLCs) so as the meeting student needs.
- Ongoing implementation of a mentoring plan for novice teachers.
- Ongoing professional development opportunities to meet state standards, fulfill the annual 20-hour mandate, enhance the quality of pedagogy, and increase student achievement (K-12).
- Implementation of a revised high school level mathematics curriculum to optimize student achievement and promote alignment with state standards. This new adoption included the implementation of new textbooks, new materials/resources and additional student laptop technology/software components.
- Implementation of a revised Technology Education curriculum (Grades 9-12) including the acquisition/purchase of new instructional materials, resources, test and software.
- Implementation of a revised K-12 Art Education curricula/courses of study for grades K-12 including the purchase of new related instructional materials, software, and technology resources.
- The Washington Township High School Air Force Junior ROTC unit earned the 2015-16 Distinguished Unit Award from the Department of the Air Force.
- Ongoing refinement of curriculum and instruction to optimize student preparation for, and achievement on, the high school Biology Competency Test based on our prior years assessment results/analysis.
- Ongoing professional development to increase staff and student use of, and familiarity with, open-ended questions and various essay types in English Language Arts.
- Professional development to enhance and support the integration of professional learning communities (PLCs) throughout all district schools as an essential aspect of professional growth and as integral foundations for optimizing student achievement and quality instruction.
- Professional development to ensure the ongoing successful implementation of the Marzano Casual Teacher, Non-Classroom, Principal/Assistant Principal and District Leader evaluation systems (ACHIEVE NJ).

- Exploration of full-day kindergarten programming in preparation for a full-day kindergarten model. Site visitations, attendance at conferences, regular kindergarten committee meetings, and a summer Kindergarten Kickoff professional development module to develop a rich curriculum and to prepare teachers for a full-day schedule in three locations.
- Full implementation of the new Everyday Math Program in first through fifth grade. The curriculum and program are aligned with the Common Core State Standards, as well as, the New Jersey Student Learning Standards.
- Development and the selection of new curricula for our K-2 ELA Program. This included ongoing professional development in all aspects of balanced literacy with special emphasis on standards-based lessons, close reading, complex text, reading stamina, reader's workshop, writer's workshop, and ongoing alignment of curriculum with the Common Core State Standards.
- Pre-implementation of Lucy Calkins' Units of Study in Writing in several Grade K-2 classrooms in consultation with JAFO consultants. The pre-implementation was supported through professional development, lesson study sessions, and grade level articulation meetings.
- Pre-implementation of Foreign Language for Kids by Kids in six elementary classrooms to improve our delivery of Spanish instruction by the general education classroom teacher. The online resources, streamed video content, and online quizzes proved to be engaging.
- Continued expansion of an intervention period at the elementary level in order to meet the diverse and specific needs of students as determined by data analysis conducted during site-based data meetings and the creation of data walls/boards to track student progress and adjust interventions for struggling and gifted learners.
- Expanded implementation of the READ 180/System 44 program to Bells Elementary School, so as to meet the needs of our struggling special education and at-risk regular education student populations.
- Implementation of additional time programs including: Reading Club, Get SET, Homework Club, Math Marvels, Good Morning Math, Write to Learn, Working Writers.
- Implementation of the OLWEUS Anti-Bullying Program and the launch of Township Tuesdays.
- Ongoing implementation of instructional software and/or web-based programs designed to improve and/or remediate reading deficiencies at the K-5 level including, for example, Waterford Early Literacy Program, Fast ForWord, RAZ-Kids, Scholastic Read 180, System 44, Earobics, and Success Maker.

- Professional development relating to the dyslexia mandate to ensure a broader knowledge base of the definition of dyslexia, identification indicators, the district screening process, and the district interventions and efforts to ensure students receive appropriate services.
- Professional development and implementation of Goals and Scales as to refine the Marzano Casual Model for Teaching and Learning.
- Continued alternative professional development for elementary teachers through Credly digital badges, Teacher to Teacher Professional Development Tech Nights, Curriculum Newsletters, Screencast Tutorials, and site-based professional development to enhance technology, data driven instruction, ELA, math, and science initiatives.
- Ongoing professional development opportunities to meet state standards, fulfill the annual 20-hour mandate, enhance the quality of pedagogy, and increase student achievement (K-12).
- Refinement of the new curricula for our K-5 Gifted and Talented Program including the STEM partnership with the EIRC for our ELEMEnTS (Elementary Learners Engaged in Math, Engineering, new Technologies, and Science) Program. The students were engaged in problem-based learning competition which took place at each elementary school.
- Participated in a Stream Sampling Project led by the Washington Township Environmental Commission. Grade 5 students enrolled in the ELEMEnTS Program sampled water from various streams throughout our town. After returning with their water samples, the students tested the water while conducting several experiments to learn more about water sampling and drinking water.
- Continued implementation of our online K-5 and 6-8 STAR Computerized Testing System/Accelerated Reader program in all middle schools so as to determine/support student needs, recommend specific targeted interventions, and assess and monitor student progress in reading and mathematics.
- Ongoing refinement of our district-wide courses of study with the Common Core State Standards for Mathematics and English Language Arts, new PARCC testing specifications, and instructional/ programmatic needs as indicated through analysis of assessment results.
- Ongoing refinement and implementation of regular end of marking period, mid-term, and end-of-year benchmark assessments in all content areas specific to the ELA/Math Common Core State Standards and the new PARCC assessments.

- Professional development, Grades PSD through 12, in which special education teachers and child study team members participated in trainings on IDEA, College and Career Readiness, Common Core, and connecting IEPs to the standards.
- Professional development, Grades PSD through 12, in which special education teachers and child study team members worked collaboratively to prepare for annual reviews that included data- based Present Levels of Academic and Functional Performance, analysis of data and listing strengths and needs, and writing measurable goals related to the area of disability.
- Child Study Team work groups were formed in the following areas: Transition to Adult Life, Revising the Realtime Program, Improving Autism Programs, and Improving Programs for the Multiply Disabled, Policies and Procedures in Special Education, and Present Educational Levels. Groups conducted research, site visits, attended trainings, and presented an end product specific to the focus of each respective work group.
- Held Vertical articulation meetings, Grades PSD through 12, with teachers within the Autism and Multiply Disabled Programs.
- Programs for the Behaviorally Disordered were evaluated and revised at the middle and high school levels.
- Identified areas in need of improvement for the 2016-2017 school year in an effort to increase inclusion opportunities for special education students.
- Selected aimswebPlus as the district-wide progress monitoring tool in special education for reading, writing, and mathematics.
- Continued the use of IXL internet-based assessment tool for performance tracking to allow for goal setting and student monitoring of special education students in Grades 9 through 12.
- Teachers participated in training on The Dynamic Learning Maps and this alternate proficiency assessment was implemented for low-incidence populations in lieu of the PARCC.
- Special education teachers in Grades 4, 8, and 11 participated in professional development on Alternate Proficiency Assessment Science.
- Special Education administration worked closely with teachers and child study team members to revise IEPs selecting PARCC as the assessment tool to include appropriate accommodations for each subject area being tested.
- Special Education administration worked collaboratively with the district data coordinator to complete the PNP file for the PARCC assessment.
- Implemented the Practical Assessment Exploration System (PAES) at the high school for special education students.

- Conducted vertical articulation meetings with school nurses regarding state mandates and consistency in standard operating procedures in the health care arena.
- Conducted vertical articulation meetings with speech language specialists and developed a draft manual for speech languages services within the district.
- Utilized the professional development account with the American Speech Language Hearing Association (ASHA) for all speech language specialists within the district to enable all therapists engage in internet-based professional development while maintaining their CEUs.
- Refined the standardized summer case management flow chart to ensure compliance with the required timelines under Child Find.
- Revised the ESY forms and referral requirements to include data-based decision making. Standardized the practice of progress reporting for ESY students.
- Developed and implemented a strategic plan to include site visits and an analysis of the special education programs as per the Least Restrictive Environment (LRE) Settlement activities.
- Enlisted the services of a Board Certified Behavior Analyst (BCBA) in grades 6-12 through DiNovi & associates. The BCBA works with administration, teachers, classroom assistants and Child Study Team members to support students with behavior plans and students who may need behavioral support through a referral process.

B. Ongoing and Future Projects:

- The district is committed to the implementation of the New Jersey Student Learning Standards, all requirements associated with the ACHIEVENJ mandates and all aspects of preparations needed for district personnel and students to meet the demands of the state assessments.
- Implementing a more student-friendly middle school schedule that lengthens instructional time and reduces student passing time.
- Improving communications with the school community through the use of mass messaging services, periodic electronic newsletter, social media, and cyber parent events.
- Bolstering positive school climate through the continued implementation of the Olweus program.
- Improving the quality of technology infusion through the application of the SAMR Model.

- Refining our mathematics curriculum and benchmark assessments to meet the demands of the New Jersey Student Learning Standards, providing for personalized learning through a robust digital curriculum.
- Increasing student exposure to informational and technical text across all content areas, requiring well-reasoned responses that cite textual evidence.
- Implementing a new electronic data collection walk-through template to assess levels of student engagement, technology infusion, and the integration of English Language Arts standards in all content areas.
- Math and English Language Arts curricula will reflect the rigor expected in the newly rebranded New Jersey Student Learning Standards (SLS) in preparation for the State assessments.
- Secondary level Science Department making major strides in implementing the Next Generation Science Standards (NGSS) as it continues to explore up-to-date resources.
- Implementation of a revised high school level Family and Consumer Science curricula including the acquisition/ purchase of new instructional materials and technology components.
- Expanded implementation of the READ 180/System 44 program to a fourth elementary school so as to meet the needs of our struggling special education and at-risk regular education student populations.
- All Washington Township High School students have been issued a laptop computer as a part of an ongoing 1:1 initiative.
- The District's kindergarten program was expanded to a robust, full-day platform.
- During the 2016-17 academic year, the District Instructional Technology Committee will focus on staff training in the SAMR Model, a framework by which to evaluate the effectiveness of technologies to enhance student learning. The Strategic Instructional Technology Plan will also be revisited to ensure proper alignment with the 1:1 initiative in its first year of implementation. Finally, the committee will make recommendations for the expansion of the 1:1 initiative to other levels and for future hardware and software acquisition.
- The purchase of additional significant inventory of effective technology hardware and software tools and resources (i.e. Laptop Carts/Laptops and IPAD Carts/IPADS,) for all levels (elementary, middle and high school) to differentiate instruction to support student achievement and to ensure that all students can demonstrate the skills, comfort levels, and adaptability essential for the successful use of technology in the classroom, local benchmark assessments and state assessments. These essential technology tools and related components serve as well, when integrated into instruction, to prepare our students to meet the demands for college/career readiness and future success.

- Ongoing professional development related to the integration of technology and web-based tools/assessments to promote student achievement along with state testing readiness at all levels.
- There is ongoing implementation and integration of instructional technologies and web-based applications to provide a more personalized approach to learning for the district's 7400 students. More technologies are being leveraged to diagnose students' skills levels in reading and mathematics, monitor their progress, and provide an adaptive learning path based on their individual needs. Professional development experiences have been crafted to support the effective implementation of personalization learning and student monitoring systems, including learning management systems (Blackboard), classroom response systems, the creation of wikis, webpages and blogs, and other production media. With an eye to future workplace and postsecondary challenges, productivity software, such as Office 365, supports students' needs to word process, create spreadsheets, manage databases, and design graphic representations in an environment where peer editing and collaborate with others. Specific student experiences include the creation of podcasts, video, online assessments, gamification, and audio/video editing. Finally, the use of technology should result in extending learning beyond the barriers of time and space as students learn in microbursts through tablets, laptops, smart phones, and other mobile devices in the style of flipped learning.
- Professional development to ensure the successful fourth-year implementation of our new Marzano Casual Teacher and Principal evaluation systems (ACHIEVE NJ) that included training related to the software and hardware essential to meeting state guidelines and requirements as part of this initiative and the expanded development and implementation of leaning goals and scales within K-12 content area curricula and lessons.
- Parent workshops designed to inform parents about the ELA and Mathematics performance expectations of the state assessments, how the shifts in the New Jersey State Standards are being incorporated into daily instruction.
- Professional development through a *Rowan University/EIRC ELA Literacy Academy Partnership Grant*, under the leadership of Dr. Valarie Lee and Marjorie Madden and other university professionals, in which cohorts of middle school and high school teachers of Regular and Special Education ELA teachers will enhance their content knowledge of these standards while also supporting the work of secondary principals' ability to lead this New Jersey State Standard implementation in these two content areas. Teachers will translate their learning to work in the classroom that has students building their knowledge through content-rich nonfiction; reading, writing and speaking grounded in evidence from text both literary, and informational and regular practice with complex text and its academic vocabulary.

- Investigation, development, and implementation of a continuum of in-district instructional programs and student support initiatives to meet the unique needs of our special population students so as to reduce the number of students and costs associated with out-of-district placements.
- Focus on ensuring optimal student growth for all students while giving special attention to the needs of at-risk learners along with appropriate investigation into instructional methodologies and programmatic enhancements to meet their needs. This includes ongoing emphasis and refinement of our K-12 *Intervention and Referral Services (I&RS)*.
- Ongoing development and implementation of a continuum of instructional programs and student support initiatives to meet the unique needs of our special population students and to support the implementation of in-district specialized program(s) for certain students currently placed in out-of-district settings.
- Implementation of benchmark assessments in all K-12 content areas – in many areas specific to the ELA/Math New Jersey Student Learning Standards and the state assessments.
- Ongoing alignment of all courses of study, as needed, with the New Jersey Student Learning Standards, our NJDOE 2015-2016 state testing results, the NJDOE Grade 4 and 8 Science assessments, and the high school Biology Competency test results.
- Support for the implementation of our K-2 ELA programs in reader’s and writer’s workshop. Professional development, grade level meetings, articulation meetings, and online resources will be offered.
- Support for the implementation of the SAMR model, along with, ongoing professional development through a variety of formats and provided by two, new technology integration specialists.
- Continued support for the implementation of the READ 180/System 44 Program so as to meet the needs of our struggling special education and at-risk regular education student populations.
- Development of K-5 science curriculum. This includes ongoing professional development in all aspects of the Next Generation Science Standards with special emphasis on standards-based lessons, the five E’s of science instruction, problem-based learning and/or teaching from a “phenomenon”, hands-on, student-centered discovery labs, and differentiated learning opportunities.
- Continued professional development as it pertains to the implementation of a full-day kindergarten program. Attendance at conferences, grade level meetings, and articulation among the three sites will be supported.

- Continued analysis of the state assessments results in ELA and Mathematics. An extensive analysis of the district and school evidence tables will occur, and teachers will be provided time and resources to review the standards and questions in which their students may need additional support.
- The purchase and implementation of Headsprout for our identified basic skills students in first and second grade.
- Parent workshops at the middle school level designed to inform parents about the ELA and Mathematics performance expectations of the state assessments for all grade levels, how the State Standards are being incorporated into daily instruction, and to inform and train parents on the features of our online Digits Math program.
- Provided Professional Development to support the *Aimsweb Plus* progress monitoring tool for special education students. This updated internet based version allows for diagnostic prescriptive teaching through the use of quick, sensitive probes that are administered weekly in reading and mathematics so to ensure that the interventions in place are appropriate.
- Expanded the *Aimsweb Plus* progress monitoring tool for at-risk general education students as a pre-referral intervention strategy. BSI teachers, Reading Specialists, and Interventionists were trained in the use of the tool this year.
- *Apple* Consultants provided professional development for special education teachers in grades K through 2 on the integration of the iPad into the classroom as a learning tool. All special education classes, grades K through 2 were provided with iPads for the 2016-2017 school year.
- *Dynamic Learning Maps* and *APA* training will be held for special education teachers who will administer these assessments in lieu of the ELA/Math state assessments and NJASK Science Assessments.
- An Autism Bootcamp was held during the summer months for all teachers assigned to Multiple Disabilities and Autism Classrooms within the district.
- Full-time assistants replaced part-time assistants in all autism classes in the district to develop a consistency.
- Vertical Articulation meetings were held with teachers and speech language specialists serving students in Autism and Multiple Disabilities classrooms. Teachers worked with administration to develop a vision for Community Based Instruction and a Life Skills Curriculum. Teachers were also provided with an overview of *Understanding by Design* to ensure a solid understanding of curriculum/program development.
- Special Education teachers at the middle school level were provided with professional development on best practices relative to the co-teaching model.

- Health teachers at the middle school level worked with special education colleagues to create differentiated lessons and units of study with the expressed purpose of including special education students in health classes with typically developing peers as part of the LRE Settlement initiative.
- Administration, teachers, and Child Study Team members participated in workshops provided by the NJDOE as part of the LRE Settlement activities. Workshops included: Improving the Preschool Classroom Environment for Young Children with Disabilities, Effective Instructional Strategies: Achieving Academic Success through the Universal Design for Learning (UDL) Approach, Effective IEP Development: LRE Decision Making/NJ Tiered System of Support (NJTSS).
- Speech Language Specialists, Child Study Team members, and special education teachers serving low-incidence populations participated in a *PECS* certification 2 day training that was held in-district. *Boardmaker* was added to all schools to provide a consistent approach of communication for non-verbal students.
- A portion of IDEA CEIS funding was used to send a cohort of administrators to The NJ Network to Close the Achievement Gaps-South in an effort to address the district's identification of significant disproportionality in special education. The cohort of administrators participated in the following workshops: Creating Pathways to Potential Working with "at-risk" students, Designing Engaging work: Understanding the Keys to Staff and Student Engagement, Reading and Engaging Students in Poverty: An Equity Literacy Approach, Brain Based Strategies to Promote Engagement in the Classroom, Multi-Tiered Systems of Support for Future Ready Students, Family and Community Engagement, Engaging Diverse Learnings and School Culture, and the School Counselor's Role in Preparing First Generation College Students for their Future.
- A two day training was held on the first two days of school for specialized assistants on data management, discrete trial, and prompting.
- Special Education assistants participated in a training provided by special education supervisors on the role of the special education assistant, data collection and management, prompting, and fading.
- The Section 504 Manual was revised and training was provided as per the yearly mandate.
- School Nurses participated in vertical articulation. As part of Achieve NJ, nurses created work plans that require action research to support: Nutrition, Health Policies and Regulations, and the Nursing Guidelines Manual.
- Selected special education staff members participated in a two-day training on the Wilson Just Words Program.

- Special Education administration worked collaboratively to improve the middle school supplemental program.
- The team of special education administrative team will attend a legal training on IDEA and IEP development and implementation in December 2016.
- Homebound Instruction Services training will be provided to school counselors and administration during the 2016-2017 school year.
- Information relative to FERPA will continue to be shared at Administrative Council meetings.
- Selected Speech Therapists and MD teachers were trained using the VB MAPP.
- Exploration of Community Based Instruction for all MD and Autism programs.

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 is compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognized that: (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

5) BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget 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 cancelled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2016.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally-accepted accounting principles, as promulgated by the Governmental Account Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds 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. Please see Management's Discussion and Analysis for summary schedules.

8) DEBT ADMINISTRATION: At June 30, 2016, the District's outstanding debt issues included \$13,870,000 of general obligation bonds.

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 2. 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 carried various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

11) OTHER INFORMATION:

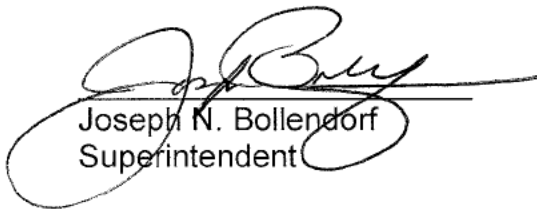
Independent Audit – State statutes require an annual audit by independent certified public accountants. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related Uniform Guidance and State Treasury Circular Letter 15-08-OMB. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Honorable President Murphy and
Members of the Board of Education
November 21, 2016
Page 17 of 17

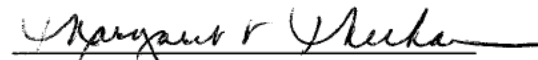
12) ACKNOWLEDGMENTS:

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


Respectfully submitted:



Joseph N. Bollendorf
Superintendent

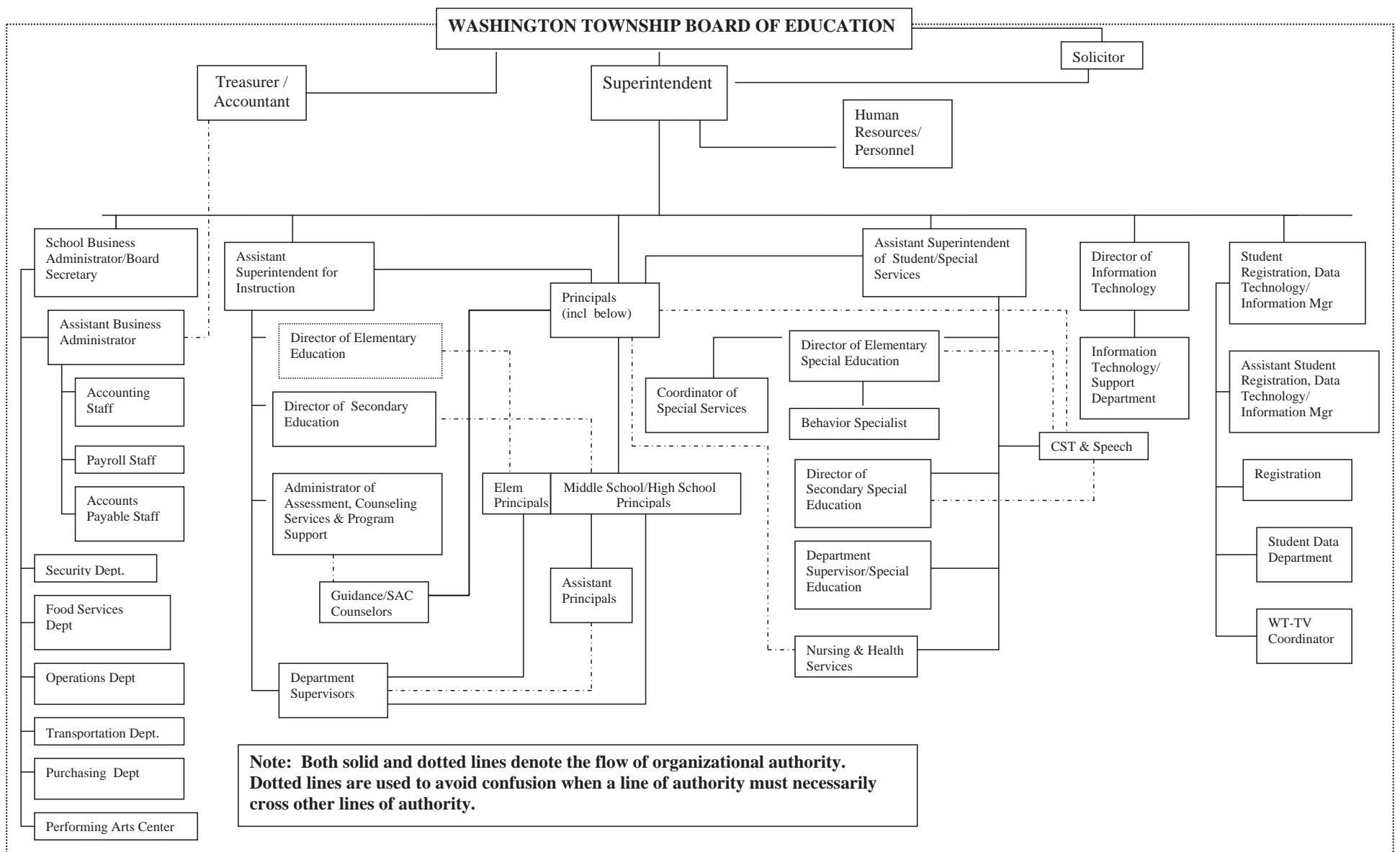


Margaret F. Meehan, CPA
School Business Administrator/
Board Secretary



Harold J. Finkle, CPA
Assistant School Business Administrator

ORGANIZATIONAL CHART



Note: Both solid and dotted lines denote the flow of organizational authority. Dotted lines are used to avoid confusion when a line of authority must necessarily cross other lines of authority.

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON
SEWELL, NEW JERSEY**

**ROSTER OF OFFICIALS
June 30, 2016**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Virginia Murphy, President	2017
Robert Abbott, Vice President	2018
Carol Chila	2016
Roy J. Dawson III	2017
Karen Garrison	2018
James F. Murphy	2016
Megan Watson	2016
Julie Yankanich	2017
Candice Zachowski	2018

Other Officials

Joseph N. Bollendorf, Superintendent

Margaret F. Meehan, CPA, School Business
Administrator/Board Secretary

Joseph F. Betley, Esq., Solicitor

**BOARD OF EDUCATION
OF THE
TOWNSHIP OF WASHINGTON**

Consultants and Advisors

Engineer

Remington and Vernick
232 Kings Highway East
Haddonfield, NJ 08033

Audit Firm

Bowman & Company LLP
601 White Horse Road
Voorhees, NJ 08043-2492

Attorney

Capehart Scatchard
Laurel Corporate Center
8000 Midlantic Drive, Suite 300 South
Mount Laurel, NJ 08054

Official Depository

Investors Bank
301 Greentree Road
Sewell, NJ 08080

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Washington School District
County of Gloucester, New Jersey 08080

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Washington School District, in the County of Gloucester, State of New Jersey, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

Other Reporting Required by Government Auditing Standards

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

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Public School Accountant No. CS 00219700

Voorhees, New Jersey
November 21, 2016

Exhibit K-1

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Washington School District
County of Gloucester, New Jersey 08080

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Public School Accountant No. CS 00219700

Voorhees, New Jersey
November 21, 2016

REQUIRED SUPPLEMENTARY INFORMATION
PART I
MANAGEMENT'S DISCUSSION AND ANALYSIS

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited)

The discussion and analysis of WASHINGTON TOWNSHIP School District's (the School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- In total, Net Position increased \$2,429,656 primarily due to the net changes in deferred inflows and outflows of resources as related to pension.
- General revenues accounted for \$138,963,734 in revenue or 79% of all revenues. Program-specific revenues in the form of charges for services and operating grants and contributions accounted for \$36,321,561 or 21% of total revenues of \$175,285,295.
- Total assets of governmental activities increased by \$5,132,811 primarily due from the increase in payables at year end.
- The School District had \$172,855,639 in expenses; \$36,321,561 of these expenses were offset by program-specific charges for services, grants or contributions.
- Among major funds, the General Fund had \$148,691,127 in revenues, \$148,551,545 in expenditures, and \$3,501,315 in other financing sources (uses). The General Fund's balance increased \$3,640,896 from 2015. This increase was anticipated by the Board of Education. The School District appropriated \$9.7 million into the original General Fund budget as tax relief for 2016-2017.

Overview of the Financial Statements

The financial section of this annual report consists of two parts: Part I, management's discussion and analysis (this section), the basic financial statements with the accompanying note disclosures; and Part II, budgetary comparison schedules, notes to the required supplementary information, and other supplementary information. The basic financial statements include two kinds of statements that present different views of the School District:

- The first two statements, Exhibits A-1 and A-2, are government-wide financial statements that provide both long-term and short-term information about the School District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the School District's operations in more detail than the government-wide statements.

The governmental fund statements tell how general government services were financed in the short-term as well as what remains for future spending.

Proprietary fund statements offer short-term and long-term financial information about those types of activities that operate like a business.

Fiduciary fund statements provide information about the financial relationships in which the School District acts as a trustee or agent for the benefit of others to whom the resources belong.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

The statements are followed by another section, Part II, which contains required supplementary information that further explains and supports the information in the financial statements including budget schedules, reconciliations, and individual fund statements.

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

The Statement of Net Position and the Statement of Activities include all assets and liabilities of the School District using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors--some financial and some not. Non-financial factors include the School District's facility condition, required educational programs, and other factors.

In the Statement of Net Position and the Statement of Activities, the School District reports governmental and business-type activities. Governmental activities are the activities where most of the School District's programs and services are reported, including but not limited to instruction, support services, operation and maintenance of plant, pupil transportation, and special schools.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The Fund financial reports provide detailed information about the School District's major funds. The School District uses several funds to account for a variety of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, the Special Revenue Fund, Debt Service, and the Capital Projects Fund; the School District has no Permanent Fund.

Governmental Funds

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

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

The School District as a Whole

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

Table 1 provides a summary of the School District's Net Position for 2016 and 2015.

TABLE 1				
Net Position				
	<u>2015-2016</u>	<u>2014-2015</u>	<u>Increase/ (Decrease)</u>	<u>Increase/ (Decrease)</u>
Assets				
Current and Other Assets	\$ 29,780,128	\$ 23,975,800	\$ 5,804,328	24.2%
Capital Assets	<u>87,598,306</u>	<u>88,269,824</u>	<u>(671,518)</u>	<u>-0.8%</u>
Total Assets	<u>117,378,434</u>	<u>112,245,624</u>	<u>5,132,810</u>	<u>4.6%</u>
Deferred Outflow of Resources				
	<u>8,566,243</u>	<u>3,805,427</u>	<u>4,760,816</u>	<u>125.1%</u>
Current Liabilities	8,585,797	7,292,038	1,293,759	17.7%
Non-Current Liabilities	<u>78,024,215</u>	<u>65,919,304</u>	<u>12,104,911</u>	<u>18.4%</u>
Total Liabilities	<u>86,610,012</u>	<u>73,211,341</u>	<u>13,398,671</u>	<u>18.3%</u>
Deferred Inflow of Resources				
	<u>1,210,356</u>	<u>3,151,926</u>	<u>(1,941,570)</u>	<u>100.0%</u>
Net Position				
Net Investment in Capital Assets	74,264,504	69,168,716	5,095,788	7.4%
Restricted for:				
Capital Projects	4,340,242	4,347,998	(7,756)	-0.2%
Other Purposes	5,160,798	6,190,944	(1,030,146)	-16.6%
Unrestricted	<u>(45,641,235)</u>	<u>(40,019,874)</u>	<u>(5,621,361)</u>	<u>14.0%</u>
Total Net Position	<u>38,124,309</u>	<u>39,687,783</u>	<u>(1,563,474)</u>	<u>-3.9%</u>
Restatement				
Recognition of Purchase Agreements Payable	<u>-</u>	<u>(3,993,130)</u>	<u>3,993,130</u>	<u>-100.0%</u>
Total Net Position	<u>\$ 38,124,309</u>	<u>\$ 35,694,653</u>	<u>\$ 2,429,656</u>	<u>6.8%</u>
Effect of Pension Related Items for Implementation of GASB 68:				
Deferred Outflows Related to Pensions	\$ 7,879,071	\$ 2,978,589	\$ 4,900,482	100.0%
Less: Net Pension Liability	(46,300,302)	(38,331,292)	(7,969,010)	20.8%
Less: Deferred Inflows Related to Pensions	<u>(1,210,356)</u>	<u>(3,151,926)</u>	<u>1,941,570</u>	<u>-100.0%</u>
	<u>\$ (39,631,587)</u>	<u>\$ (38,504,629)</u>	<u>(1,126,958)</u>	<u>2.9%</u>

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

Table 2 shows a summary of changes in net position for Fiscal Year 2016.

TABLE 2
Changes in Net Position

	<u>2015-2016</u>	<u>2014-2015</u>	<u>Increase/ (Decrease)</u>
Revenues			
Program revenues:			
Charges for services	\$ 2,211,115	\$ 2,277,477	\$ (66,362)
Operating Grants and Contributions	34,110,446	28,545,082	5,565,364
General revenues			
Property Taxes, Levied for General Purpose, Net	81,413,515	79,319,457	2,094,058
Property Taxes Levied for Debt Service	2,885,059	2,892,116	(7,057)
Federal and State Aid, Not Restricted	53,333,738	55,018,060	(1,684,322)
Other	1,331,422	999,281	332,141
Total revenues	<u>175,285,295</u>	<u>169,051,473</u>	<u>6,233,822</u>
Program Expenses			
Governmental Activities:			
Instruction	62,223,037	60,090,747	2,132,290
Support Services:			
Tuition	7,338,019	7,245,844	92,175
Student Administrative Services	14,622,128	14,586,188	35,940
School Administrative Services	6,451,866	6,365,036	86,830
General and Business Administrative Services	3,005,365	5,147,396	(2,142,031)
Plant Operation and Maintenance	10,573,490	10,114,755	458,735
Pupil Transportation	6,266,829	5,949,505	317,324
Unallocated Benefits	57,475,982	50,186,820	7,289,162
Transfer to Charter School	253,853	262,155	(8,302)
Interest on Long-term Debt	574,693	850,571	(275,878)
Total Expenses--Governmental Activities	<u>168,785,262</u>	<u>160,799,017</u>	<u>7,986,245</u>
Business-Type Activities Net Expenses (Income):			
Food Service	3,253,463	3,228,536	24,927
Child Care Program	125,538	113,325	12,213
Telecommunications	12,758	12,735	23.36
Drivers' Education	76,224	63,358	12,866.05
Center for the Performing Arts	602,394	546,549	55,845.16
Total Expenses, Business-Type Activities	<u>4,070,377</u>	<u>3,964,502</u>	<u>105,875</u>
Increase (Decrease) in Net Position	<u>\$ 2,429,656</u>	<u>\$ 4,287,954</u>	<u>\$ (1,858,298)</u>
Net Position July 1	<u>35,694,653</u>	<u>35,399,829</u>	<u>294,824</u>
Restatements:			
Recognition of Purchase Agreements Payable	-	(3,993,130)	3,993,130
Net Position July 1 (Restated)	<u>35,694,653</u>	<u>31,406,699</u>	<u>4,287,954</u>
Net Position June 30	<u>\$ 38,124,309</u>	<u>\$ 35,694,653</u>	<u>\$ 2,429,656</u>

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

Governmental Activities

Municipal appropriations and state aid made up 99% of revenues for governmental activities for the School District for Fiscal Year 2016.

Instruction comprises 37% of District governmental expenses. Support services expenses make up 63% of the governmental expenses.

The Statement of Activities shows the cost of the governmental activities' program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services for Fiscal Year 2016. That is, it identifies the cost of these services supported by general revenues.

TABLE 3

	Total Cost of Services	Net Cost of Services
Instruction	\$ 62,223,037	\$ 59,998,575
Support Services:		
Tuition	7,338,019	7,338,019
Student and Instruction-Related Services	14,622,128	13,979,727
School Administrative Services	6,451,866	6,451,866
General and Business Administrative Services	3,005,365	2,850,311
Plant Operation and Maintenance	10,573,490	10,573,490
Pupil Transportation	6,266,829	6,266,829
Unallocated Benefits	57,475,982	27,237,034
Transfer to Charter Schools	253,853	253,853
Interest on Long-term Debt	574,693	411,040
Total Expenses	\$ 168,785,262	\$ 135,360,744

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

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

Administrative services include expenses associated with establishing and administering policy for the School District and include board of education services and executive administration services.

Operation and maintenance of plant 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 activities.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

Governmental Activities (Cont'd)

Business and other support services include activities for support not classified elsewhere, including support services for business activities and support services for central activities.

Employee benefits includes the cost of benefits for the School District staff for social security, retirement contributions, workers' compensation, health benefits and other employee benefits.

The dependence upon municipal appropriations and state aid is apparent. The local communities and the state are the primary support for the Washington Township School District.

The School District's Funds

The School District's major funds are accounted for using the modified accrual basis of accounting. All Governmental funds had total revenues of \$156,107,435, expenditures of \$157,667,718, and other financing sources (uses) of \$5,238,510. The net change in fund balance for the year in the General Fund had an increase of \$3,640,896.

General Fund Budgeting Highlights

The School District's budget is prepared in accordance with New Jersey law. The most significant budgeted fund is the General Fund.

During the course of the 2016 fiscal year, the School District modified its General Fund budget numerous times.

For the General Fund, the final budget basis revenue estimate was \$132,826,587 which is equal to the original estimate.

During Fiscal Year 2016, the School District budgeted \$81,413,515 and \$50,944,915 for municipal appropriations and state aid revenues, respectively. The School District also received \$4,061,469 in reimbursed TPAF Social Security aid, and \$10,084,159 in reimbursed TPAF and post-retirement health benefits. This has resulted in a favorable revenue variance.

The final budget basis expenditure appropriation estimate was \$142,015,890 which is \$368,399 lower than the original estimate. This decrease resulted from the transfer to other funds.

WASHINGTON TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
(Unaudited-Cont'd)

Capital Assets

At the end of Fiscal Year 2016, the School District had \$87,461,838 invested in land, buildings, furniture and equipment for its governmental activities.

Table 4 shows a summary of the fiscal 2016 balances.

TABLE 4

Capital Assets (Net of Depreciation)

	<u>2015-2016</u>	<u>2014-2015</u>
Land	\$ 5,590,700	\$ 5,590,700
Land Improvements	1,992,662	2,069,355
Construction in Progress	5,365,515	4,616,632
Buildings and Improvements	68,793,320	70,817,278
Furniture and Equipment	<u>5,719,641</u>	<u>5,032,485</u>
Totals	<u>\$ 87,461,838</u>	<u>\$ 88,126,450</u>

Overall capital assets decreased \$664,612 from Fiscal Year 2015 to Fiscal Year 2016.

Debt Administration

The School District receives state aid and municipal tax levy funds for the payment of debt.

Current Financial Issues and Concerns

The School District has a long record of financial stability. Despite unpredictable funding from the State of New Jersey, the district manages to provide an excellent educational opportunity for all the School District students. This has been accomplished through increases in the local tax levy. The School District's General Fund budget has grown steadily over the past five years. This has resulted primarily from the increase in fixed costs such as labor, employee benefits, utilities, diesel fuel, and out-of-district tuition.

Contacting the School District's Financial Management

These financial reports are designed to provide our citizens, taxpayers, and creditors with a general overview of the School District's finances and to show the accountability for money received from the state and local government. If you have questions about this report or need additional information, contact Margaret F. Meehan, Secretary to the Board of Education and School Business Administrator at: WASHINGTON TOWNSHIP BOARD OF EDUCATION, 206 East Holly Avenue, Sewell, New Jersey 08080.

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS:			
Cash and Cash Equivalents	\$ 14,078,821.58	\$ 1,717,382.84	\$ 15,796,204.42
Cash and Cash Equivalents - Held in Trust	3,331,084.04		3,331,084.04
Accounts Receivable, net	6,219,175.09	189,056.21	6,408,231.30
Inventory		47,699.12	47,699.12
Prepaid Expenses		8,924.16	8,924.16
Restricted Assets:			
Cash and Cash Equivalents	1,020,158.07		1,020,158.07
Cash - Capital Reserve Account	3,167,826.88		3,167,826.88
Capital Assets, net	<u>87,461,837.67</u>	<u>136,468.48</u>	<u>87,598,306.15</u>
Total Assets	<u>115,278,903.33</u>	<u>2,099,530.81</u>	<u>117,378,434.14</u>
DEFERRED OUTFLOW OF RESOURCES:			
Loss on Refunding of Debt Related to Pensions	687,171.71		687,171.71
	<u>7,879,071.00</u>		<u>7,879,071.00</u>
Total Deferred Outflows of Resources	<u>8,566,242.71</u>	<u>-</u>	<u>8,566,242.71</u>
LIABILITIES:			
Accounts Payable	5,361,674.86	28,542.12	5,390,216.98
Internal Balances	(1,273,033.88)	1,273,033.88	
Accrued Salaries and Benefits	1,494,445.23	52,932.25	1,547,377.48
Deposits Payable		12,625.00	12,625.00
Other Current Liabilities	54,212.23		54,212.23
Payable to State Government	32,576.46		32,576.46
Unearned Revenue	1,314,105.44	67,724.51	1,381,829.95
Accrued Interest on Bonds	166,958.92		166,958.92
Noncurrent Liabilities:			
Due within One Year	4,425,759.28	28,748.38	4,454,507.66
Due beyond One Year	<u>73,439,526.82</u>	<u>130,180.32</u>	<u>73,569,707.14</u>
Total Liabilities	<u>85,016,225.36</u>	<u>1,593,786.46</u>	<u>86,610,011.82</u>
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions	<u>1,210,356.00</u>	<u>-</u>	<u>1,210,356.00</u>
NET POSITION:			
Net Investment in Capital Assets	74,128,035.23	136,468.48	74,264,503.71
Restricted for:			
Capital Projects	4,340,242.12		4,340,242.12
Other Purposes	5,160,797.71		5,160,797.71
Unrestricted (Deficit)	<u>(46,010,510.38)</u>	<u>369,275.87</u>	<u>(45,641,234.51)</u>
Total Net Position	<u>\$ 37,618,564.68</u>	<u>\$ 505,744.35</u>	<u>\$ 38,124,309.03</u>

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

TOWNSHIP OF WASHINGTON 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:							
Instruction:							
Regular	\$ 45,681,658.48		\$ 2,224,462.68		\$ (43,457,195.80)		\$ (43,457,195.80)
Special Education	11,407,742.78				(11,407,742.78)		(11,407,742.78)
Other Special Instruction	3,289,831.56				(3,289,831.56)		(3,289,831.56)
Other Instruction	1,843,804.83				(1,843,804.83)		(1,843,804.83)
Support Services:							
Tuition	7,338,018.71				(7,338,018.71)		(7,338,018.71)
Student and Instruction Related Services	14,622,128.37		642,401.06		(13,979,727.31)		(13,979,727.31)
School Administrative Services	6,451,866.09				(6,451,866.09)		(6,451,866.09)
General and Business Administrative Services	3,005,364.77	\$ 155,053.75			(2,850,311.02)		(2,850,311.02)
Plant Operations and Maintenance	10,573,489.78				(10,573,489.78)		(10,573,489.78)
Pupil Transportation	6,266,828.88				(6,266,828.88)		(6,266,828.88)
Unallocated Benefits	57,475,981.57		30,238,947.44		(27,237,034.13)		(27,237,034.13)
Transfer to Charter School	253,853.00				(253,853.00)		(253,853.00)
Interest on Long-Term Debt	574,693.25		163,653.42		(411,039.83)		(411,039.83)
Total Governmental Activities	168,785,262.07	155,053.75	33,269,464.60	-	(135,360,743.72)	-	(135,360,743.72)
Business-Type Activities:							
Food Service	3,253,463.19	1,233,533.68	840,980.56			\$ (1,178,948.95)	(1,178,948.95)
Child Care Program	125,537.61	141,414.00				15,876.39	15,876.39
TeleCommunications	12,758.06	13,375.00				616.94	616.94
Center for the Performing Arts	602,394.27	592,139.03				(10,255.24)	(10,255.24)
Drivers Education	76,223.57	75,600.00				(623.57)	(623.57)
Total Business-Type Activities	4,070,376.70	2,056,061.71	840,980.56	-	-	(1,173,334.43)	(1,173,334.43)
Total Government	\$ 172,855,638.77	\$ 2,211,115.46	\$ 34,110,445.16	\$ -	(135,360,743.72)	(1,173,334.43)	(136,534,078.15)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					81,413,515.00		81,413,515.00
Property Taxes, Levied for Debt Service					2,885,059.00		2,885,059.00
Federal and State Aid not Restricted					53,333,737.74		53,333,737.74
Investment Earnings					103,867.77	5,877.23	109,745.00
Miscellaneous					1,195,110.16		1,195,110.16
Donation of Capital Assets					34,316.24		34,316.24

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2016

<u>Functions / Programs</u>	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
Loss on Disposal of Capital Assets	\$ (7,749.28)		\$ (7,749.28)
Transfers	(929,489.91)	\$ 929,489.91	
Total General Revenues, Loss on Disposal of Capital Assets, and Transfers	138,028,366.72	935,367.14	138,963,733.86
Change in Net Position	2,667,623.00	(237,967.29)	2,429,655.71
Net Position -- July 1 (Restated)	34,950,941.68	743,711.64	35,694,653.32
Net Position -- June 30	\$ 37,618,564.68	\$ 505,744.35	\$ 38,124,309.03

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

FUND FINANCIAL STATEMENTS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2016

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
ASSETS:					
Cash and Cash Equivalents	\$ 14,052,525.35		\$ 1,020,157.98	\$ 0.09	\$ 15,072,683.42
Cash and Cash Equivalents - Held in Trust	3,331,084.04				3,331,084.04
Interfund Accounts Receivable	4,273,948.53				4,273,948.53
Receivables from Other Governments	2,213,685.60	\$ 1,248,741.00	1,007,818.55		4,470,245.15
Other Accounts Receivable	32,660.63	5,619.56			38,280.19
Cash and Cash Equivalents - Restricted	3,167,826.88				3,167,826.88
	<u>3,167,826.88</u>	<u>1,254,360.56</u>	<u>2,027,976.53</u>	<u>0.09</u>	<u>30,354,068.21</u>
Total Assets	<u>\$ 27,071,731.03</u>	<u>\$ 1,254,360.56</u>	<u>\$ 2,027,976.53</u>	<u>\$ 0.09</u>	<u>\$ 30,354,068.21</u>
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts Payable	\$ 2,893,119.16	\$ 311,323.78	\$ 329,658.44		\$ 3,534,101.38
Accrued Salaries and Benefits	1,482,514.77	9,969.00			1,492,483.77
Interfund Accounts Payable	2,151.71	901,485.09	388,779.72	\$ 0.09	1,292,416.61
Other Current Liabilities	54,212.23				54,212.23
Payable to State Government		13,633.00	18,943.46		32,576.46
Unearned Revenue	1,296,155.75	17,949.69			1,314,105.44
	<u>5,728,153.62</u>	<u>1,254,360.56</u>	<u>737,381.62</u>	<u>0.09</u>	<u>7,719,895.89</u>
Total Liabilities	<u>5,728,153.62</u>	<u>1,254,360.56</u>	<u>737,381.62</u>	<u>0.09</u>	<u>7,719,895.89</u>
Fund Balances:					
Restricted:					
Capital Projects			1,172,415.24		1,172,415.24
Debt Service			118,179.67		118,179.67
Capital Reserve Account	3,167,826.88				3,167,826.88

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2016

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
LIABILITIES AND FUND BALANCES (CONT'D):					
Fund Balances (Cont'd):					
Restricted (Cont'd):					
Excess Surplus - Current Year	\$ 653,087.96				\$ 653,087.96
Excess Surplus - Designated for Subsequent Year's Expenditures	4,500,582.00				4,500,582.00
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Current Year	2,739.75				2,739.75
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Prior Year	4,388.00				4,388.00
Committed	3,271,515.20				3,271,515.20
Assigned:					
Other Purposes	1,382,393.44				1,382,393.44
Designated for Subsequent Year's Expenditures	5,209,926.44				5,209,926.44
Unassigned	3,151,117.74				3,151,117.74
Total Fund Balances	21,343,577.41	-	\$ 1,290,594.91	-	22,634,172.32
Total Liabilities and Fund Balances	\$ 27,071,731.03	\$ 1,254,360.56	\$ 2,027,976.53	\$ 0.09	

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

Accrued interest payable on long-term debt is not due and payable in the current period and therefore is not reported in the funds.

(166,958.92)

The internal service funds are used by management to charge the costs of paper, printing and engraving to individual funds. These activities are governmental activities. This amount is the unrestricted net position in the internal service fund.

1,138.00
(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Governmental Funds
 Balance Sheet
 June 30, 2016

	<u>Total Governmental Funds</u>
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because (cont'd):</p>	
The loss on the refunding of debt is a consumption of net position that is applicable to a future reporting period and therefore is not reported in the funds.	\$ 687,171.71
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$165,260,887.93 and the accumulated depreciation is \$77,799,050.26.	87,461,837.67
Long-term liabilities, including bonds, purchase agreements and compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(31,564,984.10)
Net Pension Liability	(46,300,302.00)
Accounts payable related to pensions are not liquidated with current financial resources; therefore, such amounts are not recorded in the fund financial statements.	(1,802,225.00)
Deferred outflows and deferred inflows related to pensions represent the consumption and acquisition, respectively, of resources that relate to future periods; therefore, such amounts are not reported in the fund financial statements.	<u>6,668,715.00</u>
Net position of governmental activities	<u>\$ 37,618,564.68</u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2016

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES:					
Local Tax Levy	\$ 81,413,515.00			\$ 2,885,059.00	\$ 84,298,574.00
Tuition	713,888.46				713,888.46
Miscellaneous	522,132.16	\$ 58,021.47	\$ 4,935.82		585,089.45
State Sources	65,776,716.94	32,800.12	456,032.56	1,142,001.00	67,407,550.62
Federal Sources	264,874.32	2,837,458.40			3,102,332.72
Total Revenues	<u>148,691,126.88</u>	<u>2,928,279.99</u>	<u>460,968.38</u>	<u>4,027,060.00</u>	<u>156,107,435.25</u>
EXPENDITURES:					
Current:					
Regular Instruction	41,278,341.82	2,224,462.68			43,502,804.50
Special Education Instruction	11,268,895.26				11,268,895.26
Other Special Instruction	3,289,831.56				3,289,831.56
Other Instruction	1,843,804.83				1,843,804.83
Support Services and Undistributed Costs:					
Tuition	7,338,018.71				7,338,018.71
Student and Instruction Related Services	13,945,939.09	642,401.06			14,588,340.15
School Administrative Services	6,451,866.09				6,451,866.09
Other Administrative Services	4,633,591.26				4,633,591.26
Plant Operations and Maintenance	9,669,756.60				9,669,756.60
Pupil Transportation	5,905,058.25				5,905,058.25
Unallocated Benefits	40,467,495.28				40,467,495.28
Transfer to Charter Schools	253,853.00				253,853.00
Debt Service:					
Principal				3,450,000.00	3,450,000.00
Interest and Other Charges				577,099.91	577,099.91
Capital Outlay	<u>2,205,093.55</u>	<u>61,416.25</u>	<u>2,160,793.13</u>		<u>4,427,302.93</u>
Total Expenditures	<u>148,551,545.30</u>	<u>2,928,279.99</u>	<u>2,160,793.13</u>	<u>4,027,099.91</u>	<u>157,667,718.33</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Excess (Deficiency) of Revenues over Expenditures	\$ 139,581.58	-	\$ (1,699,824.75)	\$ (39.91)	\$ (1,560,283.08)
OTHER FINANCING SOURCES (USES):					
Proceeds from Purchasing Agreements	6,168,000.00				6,168,000.00
Equity Transfer - Preliminary Engineering Expenses	170,162.83		(170,162.83)		
Operating Transfers	(2,836,848.09)		1,907,358.18		(929,489.91)
Total Other Financing Sources and Uses	3,501,314.74	-	1,737,195.35	-	5,238,510.09
Net Change in Fund Balances	3,640,896.32	-	37,370.60	(39.91)	3,678,227.01
Fund Balance -- July 1 (Restated)	17,702,681.09				18,955,945.31
Fund Balance -- June 30	\$ 21,343,577.41	\$ -	\$ 1,290,594.91	\$ -	\$ 22,634,172.32

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

TOWNSHIP OF WASHINGTON 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	\$ 3,678,227.01
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	
Depreciation Expense	\$ (5,118,482.41)
Capital Outlays	<u>4,461,619.19</u>
	(656,863.22)
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>	3,450,000.00
<p>Repayment of other long term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>	3,284,396.77
<p>Proceeds from purchasing agreements are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing such debt increases long-term liabilities in the statement of net position.</p>	(6,168,000.00)
<p>The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	(37,881.50)
<p>The net effect of various miscellaneous transactions involving capital assets (i.e., disposals, donations and capital grants) is to decrease net position.</p>	(7,749.28)
<p>Interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This amount is the net effect of the difference in the treatment of interest on long-term debt.</p>	40,288.16
<p>In the statement of activities, certain operating expenses, (e.g., compensated absences) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). This amount is the net effect of the difference in treatment of compensated absences.</p>	240,768.71
<p>The internal service fund is used by management to charge the costs of paper, printing and engraving to individual funds. This amount is the change in net position for the Internal Service Fund, exclusive of any gain/(loss) on disposal of internal service fund capital assets.</p>	372.35
<p>Governmental funds report pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>	<u>(1,155,936.00)</u>
Change in Net Position of Governmental Activities	<u>\$ 2,667,623.00</u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2016

	Business-Type Activities - Enterprise Funds						Governmental Activities
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total Enterprise</u>	<u>Internal Service Funds</u>
ASSETS:							
Current Assets:							
Cash and Cash Equivalents	\$ 725,341.09	\$ 358,120.77	\$ 12,310.48	\$ 440,159.83	\$ 181,450.67	\$ 1,717,382.84	\$ 26,296.23
Intergovernmental Accounts Receivable:							
State	2,429.70					2,429.70	
Federal	103,508.36					103,508.36	
Other Accounts Receivable	15,299.64		650.00	67,168.51		83,118.15	
Interfund Accounts Receivable			9,735.00			9,735.00	2,151.71
Prepaid Expenses	8,924.16					8,924.16	
Inventories	47,699.12					47,699.12	
Total Current Assets	903,202.07	358,120.77	22,695.48	507,328.34	181,450.67	1,972,797.33	28,447.94
Noncurrent Assets:							
Equipment	1,213,756.79	37,999.90		143,086.63	43,752.00	1,438,595.32	
Less Accumulated Depreciation	(1,194,415.89)	(9,245.59)		(64,557.56)	(33,907.80)	(1,302,126.84)	
Total Noncurrent Assets	19,340.90	28,754.31	-	78,529.07	9,844.20	136,468.48	-
Total Assets	922,542.97	386,875.08	22,695.48	585,857.41	191,294.87	2,109,265.81	28,447.94

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Net Position
June 30, 2016

	Business-Type Activities - Enterprise Funds						Governmental Activities
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total Enterprise</u>	<u>Internal Service Funds</u>
LIABILITIES:							
Current Liabilities:							
Compensated Absences Payable	\$ 28,748.38					\$ 28,748.38	
Accounts Payable	24,494.36	\$ 185.28		\$ 3,726.00	\$ 136.48	28,542.12	\$ 25,348.48
Interfund Accounts Payable	636,655.79	153,127.01		492,986.08		1,282,768.88	
Accrued Salaries and Benefits	26,353.00	6,534.53	\$ 2,028.27	11,856.45	6,160.00	52,932.25	1,961.46
Deposits Payable				12,400.00	225.00	12,625.00	
Unearned Revenue	67,724.51					67,724.51	
Total Current Liabilities	783,976.04	159,846.82	2,028.27	520,968.53	6,521.48	1,473,341.14	27,309.94
Noncurrent Liabilities:							
Compensated Absences Payable	123,678.17	-	-	6,502.15	-	130,180.32	-
Total Liabilities	907,654.21	159,846.82	2,028.27	527,470.68	6,521.48	1,603,521.46	27,309.94
NET POSITION:							
Net Investment in Capital Assets	19,340.90	28,754.31		78,529.07	9,844.20	136,468.48	
Unrestricted (Deficit)	(4,452.14)	198,273.95	20,667.21	(20,142.34)	174,929.19	369,275.87	1,138.00
Total Net Position	\$ 14,888.76	\$ 227,028.26	\$ 20,667.21	\$ 58,386.73	\$ 184,773.39	\$ 505,744.35	\$ 1,138.00

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds						Governmental Activities
	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	Internal Service Funds
OPERATING REVENUES:							
Charges for Services:							
Daily Sales - Reimbursable Programs	\$ 726,558.75					\$ 726,558.75	
Daily Sales - Non-Reimbursable Programs	454,932.35					454,932.35	
Other Activity Income			\$ 13,375.00			13,375.00	
Admissions				\$ 384,038.57		384,038.57	
Special Functions	46,626.89					46,626.89	
Tuition		\$ 141,414.00				141,414.00	
Rentals				175,625.00		175,625.00	
Registration					\$ 75,600.00	75,600.00	
Miscellaneous	5,415.69			32,475.46		37,891.15	
Services Provided to Other Funds							\$ 155,053.75
Total Operating Revenues	1,233,533.68	141,414.00	13,375.00	592,139.03	75,600.00	2,056,061.71	155,053.75
OPERATING EXPENSES:							
Salaries	1,251,797.35	86,327.30	12,758.06	102,420.36	63,485.00	1,516,788.07	9,364.54
Employee Benefits	1,061,829.19			55.81		1,061,885.00	
Repairs and Maintenance	27,018.09			20,198.73	7,092.92	54,309.74	
Other Purchased Services	8,580.00	263.56		420,620.21	1,090.45	430,554.22	
Communications/Telephone				39,740.59		39,740.59	
Rental of Buildings		30,148.39				30,148.39	
Travel	144.46					144.46	
General Supplies	51,189.37	5,838.68		6,752.08	180.00	63,960.13	145,316.86
Depreciation	14,840.72	2,332.70		9,011.60	4,375.20	30,560.22	
Cost of sales - reimbursable programs	653,023.08					653,023.08	
Cost of sales - non-reimbursable programs	184,107.48					184,107.48	
Miscellaneous	933.45	626.98		3,594.89		5,155.32	
Total Operating Expenses	3,253,463.19	125,537.61	12,758.06	602,394.27	76,223.57	4,070,376.70	154,681.40
Operating Income (Loss)	(2,019,929.51)	15,876.39	616.94	(10,255.24)	(623.57)	(2,014,314.99)	372.35

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total Enterprise</u>	<u>Internal Service Funds</u>
NONOPERATING REVENUES (EXPENSES):							
State Sources:							
State School Lunch Program	\$ 17,115.37					\$ 17,115.37	
Federal Sources:							
National School Lunch Program	592,965.13					592,965.13	
National School Breakfast Program	93,783.92					93,783.92	
Special Milk Program	8,872.36					8,872.36	
Food Distribution Program	128,243.78					128,243.78	
Interest and Investment Revenue	3,520.64			\$ 2,356.59		5,877.23	
Total Nonoperating Revenues (Expenses)	844,501.20	-	-	2,356.59	-	846,857.79	-
Income (Loss) before Transfers	(1,175,428.31)	\$ 15,876.39	\$ 616.94	(7,898.65)	\$ (623.57)	(1,167,457.20)	\$ 372.35
Transfer In - General Fund	929,489.91					929,489.91	
Total Transfers	929,489.91	-	-	-	-	929,489.91	-
Change in Net Position	(245,938.40)	15,876.39	616.94	(7,898.65)	(623.57)	(237,967.29)	372.35
Net Position -- July 1	260,827.16	211,151.87	20,050.27	66,285.38	185,396.96	743,711.64	765.65
Net Position -- June 30	\$ 14,888.76	\$ 227,028.26	\$ 20,667.21	\$ 58,386.73	\$ 184,773.39	\$ 505,744.35	\$ 1,138.00

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds					Governmental Activities	
	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education	Total Enterprise	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:							
Receipts from Customers	\$ 1,239,322.19	\$ 154,991.97	\$ 16,255.00	\$ 595,079.74	\$ 75,825.00	\$ 2,081,473.90	\$ 157,568.75
Payments to Employees	(1,252,679.40)	(83,454.72)	(13,899.92)	(99,126.96)	(63,525.00)	(1,512,686.00)	(9,009.24)
Payments for Employee Benefits	(1,060,187.12)					(1,060,187.12)	
Payments to Suppliers	(899,962.76)	(36,788.83)		(490,906.50)	(8,422.07)	(1,436,080.16)	(126,579.24)
Net Cash Provided by (used for) Operating Activities	(1,973,507.09)	34,748.42	2,355.08	5,046.28	3,877.93	(1,927,479.38)	21,980.27
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:							
State Sources	17,910.77					17,910.77	
Federal Sources	863,710.60					863,710.60	
Operating Subsidies and Transfers to Other Funds	1,003,375.44	51,534.39		184,818.05		1,239,727.88	(11,630.46)
Net Cash Provided by (used for) Non-Capital Financing Activities	1,884,996.81	51,534.39	-	184,818.05	-	2,121,349.25	(11,630.46)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:							
Purchases of Capital Assets				(23,655.03)		(23,655.03)	
Net Cash Used for Capital and Related Financing Activities	-	-	-	(23,655.03)	-	(23,655.03)	-
CASH FLOWS FROM INVESTING ACTIVITIES:							
Interest and Dividends	3,520.64			2,356.59		5,877.23	
Net Cash Provided by (used for) Investing Activities	3,520.64	-	-	2,356.59	-	5,877.23	-
Net Increase (Decrease) in Cash and Cash Equivalents	(84,989.64)	86,282.81	2,355.08	168,565.89	3,877.93	176,092.07	10,349.81
Balances -- July 1	810,330.73	271,837.96	9,955.40	271,593.94	177,572.74	1,541,290.77	15,946.42
Balances -- June 30	<u>\$ 725,341.09</u>	<u>\$ 358,120.77</u>	<u>\$ 12,310.48</u>	<u>\$ 440,159.83</u>	<u>\$ 181,450.67</u>	<u>\$ 1,717,382.84</u>	<u>\$ 26,296.23</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2016

	Business-Type Activities - Enterprise Funds					Total Enterprise	Governmental Activities
	Food Service	Child Care Program	Tele- Comm	Center for the Performing Arts	Drivers Education		Internal Service Funds
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:							
Operating Income (Loss)	\$ (2,019,929.51)	\$ 15,876.39	\$ 616.94	\$ (10,255.24)	\$ (623.57)	\$ (2,014,314.99)	\$ 372.35
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:							
Depreciation and Net Amortization	14,840.72	2,332.70		9,011.60	4,375.20	30,560.22	
(Increase) Decrease in Inventories	882.97					882.97	
(Increase) Decrease in Accounts Receivable	4,130.39	218.40	10,855.00	(7,316.79)		7,887.00	2,515.00
(Increase) Decrease in Prepaid Expenses	(344.16)					(344.16)	
Increase (Decrease) in Accounts Payable	24,494.36	88.78		3,726.00	(58.70)	28,250.44	18,737.62
Increase (Decrease) in Accrued Salaries and Benefits	(882.05)	2,872.58	(1,141.86)	3,293.40	(40.00)	4,102.07	355.30
Increase (Decrease) in Deposits Payable				6,531.50	225.00	6,756.50	
Increase (Decrease) in Unearned Revenue	1,658.12					1,658.12	
Increase (Decrease) in Compensated Absences Payable	1,642.07			55.81		1,697.88	
Total Adjustments	<u>46,422.42</u>	<u>18,872.03</u>	<u>1,738.14</u>	<u>15,301.52</u>	<u>4,501.50</u>	<u>86,835.61</u>	<u>21,607.92</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,973,507.09)</u>	<u>\$ 34,748.42</u>	<u>\$ 2,355.08</u>	<u>\$ 5,046.28</u>	<u>\$ 3,877.93</u>	<u>\$ (1,927,479.38)</u>	<u>\$ 21,980.27</u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2016

	Private-Purpose Trust Funds		Agency Funds		
	Unemployment Compensation	Scholarship Fund	Student Activity	Vendors/ Bidders	Payroll
ASSETS:					
Cash and Cash Equivalents	\$ 1,066,609.43	\$ 22,816.18	\$ 391,611.83	\$ 23,772.30	\$ 1,884,324.57
Total Assets	<u>1,066,609.43</u>	<u>22,816.18</u>	<u>\$ 391,611.83</u>	<u>\$ 23,772.30</u>	<u>\$ 1,884,324.57</u>
LIABILITIES:					
Accounts Payable	23,909.33				
Deposits Payable				\$ 23,772.30	
Interfund Accounts Payable					\$ 1,710,649.75
Payable to Student Groups			\$ 391,611.83		
Payroll Deductions and Withholdings					<u>173,674.82</u>
Total Liabilities	<u>23,909.33</u>	<u>-</u>	<u>\$ 391,611.83</u>	<u>\$ 23,772.30</u>	<u>\$ 1,884,324.57</u>
NET POSITION:					
Held in Trust for:					
Unemployment Claims and Other Purposes	1,042,700.10				
Scholarships		<u>22,816.18</u>			
Total Net Position	<u>\$ 1,042,700.10</u>	<u>\$ 22,816.18</u>			

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2016

	<u>Private-Purpose Trust Funds</u>	
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>
ADDITIONS:		
Contributions:		
Employee Salary Deductions	\$ 127,230.44	
Investment Earnings:		
Interest	<u>3,576.06</u>	<u>\$ 147.32</u>
Total Additions	<u>130,806.50</u>	<u>147.32</u>
DEDUCTIONS:		
Scholarships		500.00
Unemployment Claims	<u>97,796.54</u>	
Total Deductions	<u>97,796.54</u>	<u>500.00</u>
Change in Net Position	33,009.96	(352.68)
Net Position -- July 1	<u>1,009,690.14</u>	<u>23,168.86</u>
Net Position -- June 30	<u><u>\$ 1,042,700.10</u></u>	<u><u>\$ 22,816.18</u></u>

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2016

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Gloucester, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K-12 at the School District's eleven schools. The School District has an approximate enrollment at June 30, 2016 of 7,325.

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

Component Units

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

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

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

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

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

Government-wide and Fund Financial Statements

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

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

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Gloucester County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

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

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

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

The School District reports the following major governmental funds:

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

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

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

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

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

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

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

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

The School District reports the following major proprietary funds:

Enterprise Funds

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

Center for Performing Arts Fund - This fund accounts for the financial activity related to performances at the School District's Center for the Performing Arts.

Child Care Program Fund - This fund accounts for financial activity related to providing day care services for School District employee's children during school.

Drivers Education - This fund accounts for financial activities related to providing driver's education for students.

Telecommunications Fund - This fund accounts for a student run enterprise.

Internal Service Funds

Internal service funds are used to account for the financing of goods and services provided by one department to another on a cost reimbursement basis. The School District maintains two internal service funds, one for paper, and another for printing.

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

The School District maintains the following fiduciary funds:

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

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

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

Scholarship Fund - Revenues consist of donations and interest income. Expenditures represent scholarships to students.

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

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

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

Budgets / Budgetary Control

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

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

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

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

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

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

Encumbrances

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

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

Cash, Cash Equivalents and Investments

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

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

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

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

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

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

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

Tuition Receivable

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

Prepaid Expenses

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

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

Short-Term Interfund Receivables / Payables

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

Capital Assets

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

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	15 Years
Buildings and Improvements	3 - 15 Years
Equipment	3 - 15 Years

The School District does not possess any infrastructure assets.

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

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

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

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

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

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

Tuition Payable

Tuition charges for the fiscal years ended June 30, 2016 and 2015 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

Unearned Revenue

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

Compensated Absences

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

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

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

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

Pensions

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

Bond Discounts / Premiums

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

Net Position

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

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

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

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

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

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

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

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

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

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

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

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

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

Interfund Activity

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**Accounting Estimates**

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

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

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

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

Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. The objective of this Statement is to improve the usefulness of information about pensions included in the general purpose external financial reports of state and local governments for making decisions and assessing accountability. The adoption of this Statement had no impact on the basic financial statements of the School District.

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

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

Recently Issued Accounting Pronouncements

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

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

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

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

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

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

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

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

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

Note 2: CASH AND CASH EQUIVALENTS

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

As of June 30, 2016, the School District's bank balances of \$28,396,732.20 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 27,754,751.19
Uninsured and Uncollateralized	<u>641,981.01</u>
Total	<u>\$ 28,396,732.20</u>

New Jersey Cash Management Fund - During the fiscal year, the School District participated in the New Jersey Cash Management Fund. The Fund is governed by regulations of the State Investment Council, who prescribe standards designed to insure the quality of investments in order to minimize risk to the Funds participants. Deposits with the New Jersey Cash Management Fund are not subject to custodial credit risk as defined above. At June 30, 2016, the School District's deposits with the New Jersey Cash Management Fund were \$116.59.

Held in Trust - The School District has entered into purchase agreements with several banking institutions for the acquisition of equipment and supplies. In accordance with the requirements of the purchase agreements, the acquisition amount of the equipment and supplies is to be deposited into an escrow account under terms satisfactory to the lending bank. These escrow accounts are opened for the purpose of fully funding the purchase agreement and providing a mechanism for the application of such amounts to the purchase of and payment for the equipment and supplies. Deposits held in trust of the School District are not subject to custodial credit risk as defined above. At June 30, 2016, the School District's deposits held in trust were \$3,331,084.04.

Note 3: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the School District by inclusion of \$1.00 on November 20, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

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

Beginning Balance, July 1, 2015		\$ 3,212,953.20
Increased by:		
Interest Earnings	\$ 5,167.68	
Deposits:		
Board Resolution (June 25, 2016)	<u>1,500,000.00</u>	
		<u>1,505,167.68</u>
		4,718,120.88
Decreased by:		
Withdrawals:		
Budgeted Transfer to Capital Projects Fund	<u>1,550,294.00</u>	
Total Withdrawals		<u>1,550,294.00</u>
Ending Balance, June 30, 2016		<u><u>\$ 3,167,826.88</u></u>

The June 30, 2016 capital reserve balance does not exceed the LRFPP balance of local support costs of uncompleted projects. The withdrawals from the capital reserve were for use in Department of Education approved facilities projects, consistent with the School District's LRFPP.

Note 4: ACCOUNTS RECEIVABLE

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

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

Fund	Accounts Receivable Type							Total Government-Wide
	Federal Awards	State Awards	Local Awards	Tuition	Special Events	Total Funds	Fiduciary Fund	
Governmental Activities:								
General	\$ 51,916.47	\$ 1,803,383.92		\$ 358,385.21	\$ 32,660.63	\$ 2,246,346.23	\$ 1,710,649.75	\$ 3,956,995.98
Special Revenue	1,248,741.00		\$ 5,619.56			1,254,360.56		1,254,360.56
Capital Projects		1,007,818.55				1,007,818.55		1,007,818.55
Total Governmental Activities	<u>1,300,657.47</u>	<u>2,811,202.47</u>	<u>5,619.56</u>	<u>358,385.21</u>	<u>32,660.63</u>	<u>4,508,525.34</u>	<u>1,710,649.75</u>	<u>6,219,175.09</u>
Business-Type Activities:								
Food Service	103,508.36	2,429.70			15,299.64	121,237.70		121,237.70
Telecommunications					650.00	650.00		650.00
Center for Performing Arts					67,168.51	67,168.51		67,168.51
Total Business-Type Activities	<u>103,508.36</u>	<u>2,429.70</u>	<u>-</u>	<u>-</u>	<u>83,118.15</u>	<u>189,056.21</u>	<u>-</u>	<u>189,056.21</u>
Total Accounts Receivable	<u>\$ 1,404,165.83</u>	<u>\$ 2,813,632.17</u>	<u>\$ 5,619.56</u>	<u>\$ 358,385.21</u>	<u>\$ 115,778.78</u>	<u>\$ 4,697,581.55</u>	<u>\$ 1,710,649.75</u>	<u>\$ 6,408,231.30</u>

Note 5: INVENTORY

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

Food	\$ 31,098.62
Supplies	<u>16,600.50</u>
	<u>\$ 47,699.12</u>

Note 6: CAPITAL ASSETS

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

	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Governmental Activities:				
Land	\$ 5,590,700.00			\$ 5,590,700.00
Construction in Progress	<u>4,616,631.85</u>	<u>\$ 2,139,229.28</u>	<u>\$ (1,390,345.91)</u>	<u>5,365,515.22</u>
Total Capital Assets not being Depreciated	10,207,331.85	2,139,229.28	(1,390,345.91)	10,956,215.22
Land Improvements	3,829,536.80		114,992.25	3,944,529.05
Buildings and Improvements	135,137,954.49	1,771,169.66	100,938.14	137,010,062.29
Equipment	<u>12,614,177.92</u>	<u>551,220.25</u>	<u>184,683.20</u>	<u>13,350,081.37</u>
Totals at Historical Cost	<u>161,789,001.06</u>	<u>4,461,619.19</u>	<u>(989,732.32)</u>	<u>165,260,887.93</u>
Less Accumulated Depreciation:				
Land Improvements	(1,760,181.49)	(191,685.96)		(1,951,867.45)
Buildings and Improvements	(64,320,676.58)	(3,902,004.24)	5,938.18	(68,216,742.64)
Equipment	<u>(7,581,692.82)</u>	<u>(1,024,792.21)</u>	<u>976,044.86</u>	<u>(7,630,440.17)</u>
Total Accumulated Depreciation	<u>(73,662,550.89)</u>	<u>(5,118,482.41) *</u>	<u>981,983.04</u>	<u>(77,799,050.26)</u>
Governmental Activities Capital Assets, Net	<u>\$ 88,126,450.17</u>	<u>\$ (656,863.22)</u>	<u>\$ (7,749.28)</u>	<u>\$ 87,461,837.67</u>
	<u>Balance</u> <u>June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
Business-Type Activities:				
Equipment	\$ 1,376,704.24	\$ 23,655.03	\$ 38,236.05	\$ 1,438,595.32
Less Accumulated Depreciation	<u>(1,233,330.57)</u>	<u>(30,560.22)</u>	<u>(38,236.05)</u>	<u>(1,302,126.84)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 143,373.67</u>	<u>\$ (6,905.19)</u>	<u>\$ -</u>	<u>\$ 136,468.48</u>

Note 6: CAPITAL ASSETS (CONT'D)

* Depreciation expense was charged to governmental functions as follows:

Instruction Regular Programs	\$2,178,853.98
Instruction Special Programs	138,847.52
Support Services Students	33,788.22
Support Services General Administration	1,501,488.88
Support Services Plant Operations and Maintenance	903,733.18
Support Services Pupil Transportation	361,770.63
	<hr/>
Total Depreciation Expense	<u>\$ 5,118,482.41</u>

Note 7: LONG-TERM LIABILITIES

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

	(Restated) Balance July 1, 2015	Additions	Deductions	Balance June 30, 2016	Due within One Year
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 17,320,000.00		\$ (3,450,000.00)	\$ 13,870,000.00	\$ 820,000.00
Unamortized Premium	252,759.27		(101,785.12)	150,974.15	-
	<hr/>		<hr/>	<hr/>	<hr/>
Total Bonds Payable	17,572,759.27	-	(3,551,785.12)	14,020,974.15	820,000.00
Other Liabilities:					
Purchase Agreements Payable	7,398,341.18	\$ 6,168,000.00	(3,284,396.77)	10,281,944.41	3,071,879.63
Compensated Absences	7,502,834.25		(240,768.71)	7,262,065.54	533,879.65
Net Pension Liability	38,331,292.00	7,969,010.00		46,300,302.00	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Other Liabilities	53,232,467.43	14,137,010.00	(3,525,165.48)	63,844,311.95	3,605,759.28
Governmental Activity Long-Term Liabilities	<u>\$ 70,805,226.70</u>	<u>\$ 14,137,010.00</u>	<u>\$ (7,076,950.60)</u>	<u>\$ 77,865,286.10</u>	<u>\$ 4,425,759.28</u>
	Balance			Balance	Due within
	July 1, 2015	Additions	Deductions	June 30, 2016	One Year
Business-Type Activities:					
Other Liabilities:					
Compensated Absences Payable	\$ 157,230.82	\$ 1,697.88		\$ 158,928.70	\$ 28,748.38
	<hr/>	<hr/>		<hr/>	<hr/>
Business-Type Activity Long-Term Liabilities	<u>\$ 157,230.82</u>	<u>\$ 1,697.88</u>	<u>\$ -</u>	<u>\$ 158,928.70</u>	<u>\$ 28,748.38</u>

Bonds payable are generally liquidated by the debt service fund, while obligations under purchase agreements payable and net pension liability are liquidated by the general fund. Compensated absences will be paid from the fund from which the employees' salaries are paid.

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

On March 13, 2007, the School District issued \$8,040,000.00 of School Refunding Bonds, Series 2007, to advance refund a portion of the School District's outstanding callable School Bonds, Series 2005 maturing in the years 2024 through and including 2030. The bonds originally carried a rate of 4.00% with a final maturity in 2030.

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

Bonds Payable (Cont'd) - On April 3, 2012, the School District issued \$7,205,000.00 of School Refunding Bonds, Series 2012, to advance refund and redeem all of the School District's outstanding callable School Bonds, Series 2005, maturing in the years 2015 through and including 2023. The bonds originally carried rates ranging between 2.00% to 4.00% with a final maturity in 2023.

On November 15, 2012, the School District issued \$9,095,000.00 in general obligation refunding bonds with a variable interest rate of 1.5% to 3.0% to currently refund \$9,210,000.00 of outstanding callable School Refunding Bonds, Series 2004 with an interest rate of 5.0%.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 820,000.00	\$ 473,400.00	\$ 1,293,400.00
2018	840,000.00	456,500.00	1,296,500.00
2019	870,000.00	422,900.00	1,292,900.00
2020	890,000.00	405,000.00	1,295,000.00
2021	905,000.00	1,289,537.50	2,194,537.50
2022-2026	5,110,000.00	6,602,937.50	11,712,937.50
2027-2030	4,435,000.00	4,876,800.00	9,311,800.00
Total	13,870,000.00	\$ 14,527,075.00	\$ 28,397,075.00
Unamortized Premium	150,974.15		
	<u>\$ 14,020,974.15</u>		

Purchase Agreements Payable - The School District has entered into eight purchase agreements with several banking institutions for the purchase of textbooks, buses, and energy efficiency upgrades. These agreements are for terms from three to fifteen years, and range in interest rates from .94% to 2.55%. The following is a schedule of the future minimum payments under these eight agreements at June 30, 2016:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 3,071,879.63	\$ 167,468.37	\$ 3,239,348.00
2018	2,560,023.72	105,614.43	2,665,638.15
2019	2,001,530.15	72,815.08	2,074,345.23
2020	908,043.09	50,603.65	958,646.74
2021	291,494.28	39,606.65	331,100.93
2022-2026	685,663.41	143,246.39	828,909.80
2027-2031	763,310.13	51,260.85	814,570.98
Total	\$ 10,281,944.41	\$ 630,615.42	\$ 10,912,559.83

Compensated Absences - As previously stated, compensated absences are paid from the fund from which the employees' salaries are paid. Refer to note 10 for a description of the School District's policy.

Net Pension Liability - For details on the net pension liability, refer to note 11. The School District's annual required contribution to the Public Employees' Retirement System are budgeted and paid from the general fund on an annual basis.

Note 8: OPERATING LEASES

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Amount</u>
2017	\$ 138,720.00
2018	138,720.00
2019	<u>57,800.00</u>
	<u>\$ 335,240.00</u>

Rental payments under operating leases for the fiscal year ended June 30, 2016 were \$140,368.64.

Note 9: DEFERRED COMPENSATION

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

Ameriprise
AXA Equitable
Hartford
Lincoln Investment Planning, Inc.
ASpire Financial Services, LLC
MetLife Resources
Symetra Life Insurance Company
Syracusa Benefits program
AIG Variable Annuity Life Insurance (VALIC)
VOYA

Note 10: COMPENSATED ABSENCES

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

School District employees who are employed for ten months are entitled to ten paid sick leave days per fiscal school year. School District employees who are employed for twelve months are entitled to twelve paid sick leave days per fiscal school year. Unused sick leave may be accumulated and carried forward to the subsequent years. School District employees are entitled to two personal days which may not be carried forward to subsequent years. Vacation days not used during the year may not be accumulated and carried forward without supervisor approval. Benefits paid in any future year will be calculated according to formulas outlined in the School District's agreements with the various employee unions and included in the current years' budget.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2016, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$7,262,065.54 and \$158,928.70, respectively.

Note 11: PENSION PLANS

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

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

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

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

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

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

Note 11: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

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

The following represents the membership tiers for TPAF:

Tier Definition

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

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

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

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

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

Note 11: PENSION PLANS (CONT'D)**General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

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

Contributions

Teachers' Pension and Annuity Fund - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.06% in State fiscal year 2016. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount.

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

The School District's contractually required contribution rate for the fiscal year ended June 30, 2016 was 5.01% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2016 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2015, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2016 was \$2,851,748.00, and was paid by April 1, 2016. School District employee contributions to the pension plan during the fiscal year ended June 30, 2016 were \$4,051,927.41.

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

Note 11: PENSION PLANS (CONT'D)**General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

Public Employees' Retirement System (Cont'd) - The School District's contractually required contribution rate for the fiscal year ended June 30, 2016 was 13.30% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2015, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2016 was \$1,773,247.00, and was paid by April 1, 2016. School District employee contributions to the pension plan during the fiscal year ended June 30, 2016 were \$965,583.97.

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

For the fiscal year ended June 30, 2016, employee contributions totaled \$165,599.15, and the School District recognized pension expense of \$89,533.78. There were no forfeitures during the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

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

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

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	335,380,820.00
	<u>\$335,380,820.00</u>

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. For the June 30, 2015 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2015, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2015 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was .5306300008%, which was a decrease of .0277208284% from its proportion measured as of June 30, 2014.

Note 11: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Teachers' Pension and Annuity Fund (Cont'd) - For the fiscal year ended June 30, 2016, the School District recognized \$20,478,019.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2015 measurement date.

Public Employees' Retirement System - At June 30, 2016, the School District reported a liability of \$46,300,302.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2015. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2015 measurement date, the School District's proportion was .2062558337%, which was an increase of .0015245712% from its proportion measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the School District recognized pension expense of \$2,984,104.00, in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2015 measurement date.

At June 30, 2016, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience	\$ 1,104,563.00	\$ -
Changes of Assumptions	4,972,283.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	744,420.00
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	242,169.00	708,105.00
School District Contributions Subsequent to the Measurement Date	1,802,225.00	-
	<u>\$ 8,121,240.00</u>	<u>\$ 1,452,525.00</u>

Note 11: PENSION PLANS (CONT'D)**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

Public Employees' Retirement System (Cont'd) - \$1,802,225.00 included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30,			
2017	\$	862,006.00	
2018		862,006.00	
2019		862,005.00	
2020		1,433,091.00	
2021		847,382.00	
		<u>4,866,490.00</u>	
	\$	<u>4,866,490.00</u>	

The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

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

Note 11: PENSION PLANS (CONT'D)**Actuarial Assumptions**

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

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

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

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

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

Note 11: PENSION PLANS (CONT'D)**Actuarial Assumptions (Cont'd)**

Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2015 are summarized in the following tables:

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

Discount Rate - The discount rates used to measure the total pension liability were 4.13% and 4.68% for TPAF as of June 30, 2015 and 2014, respectively, and 4.90% and 5.39% for PERS as of June 30, 2015 and 2014, respectively. For TPAF and PERS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rates for TPAF and PERS assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027 for TPAF and 2033 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027 for TPAF and 2033 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Note 11: PENSION PLANS (CONT'D)**Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

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

	TPAF		
	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	398,587,569.00	335,380,820.00	280,924,424.00
	<u>\$398,587,569.00</u>	<u>\$335,380,820.00</u>	<u>\$280,924,424.00</u>

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

	PERS		
	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
School District's Proportionate Share of the Net Pension Liability	\$ 57,545,610.00	\$ 46,300,302.00	\$ 36,872,316.00

Pension Plan Fiduciary Net Position

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

Note 12: STATE POST-RETIREMENT MEDICAL BENEFITS

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

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

Note 13: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2016, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs, and non-contributory insurance were \$4,384,700.00, \$5,481,041.00 and \$218,418.00, respectively.

Note 14: RISK MANAGEMENT

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

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

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2016	\$ 127,230.44	\$ 3,576.06	\$ 97,796.54	\$ 1,042,700.10
2015	127,670.30	3,786.73	35,470.33	1,009,690.14
2014	124,379.83	5,191.34	61,645.77	913,703.44

Joint Insurance Pool - The School District is a member of the Gloucester, Cumberland, Salem School Districts Joint Insurance Fund (GCSSD JIF).

Note 14: RISK MANAGEMENT (CONT'D)

Joint Insurance Pool (Cont'd) - The Fund provides the School District with the following coverage, whereby a complete schedule of insurance coverage can be found in the statistical section of this Comprehensive Annual Financial Report:

Property (Including earthquake and flood coverage)
 General Liability
 Commercial Crime
 Automobile Liability
 Workers' Compensation
 Boiler and Machinery
 Commercial Umbrella
 Educator's Legal Liability

Annual contributions to the Fund, including a reserve for contingencies, are based on actuarial assumptions determined by the Fund's actuary. The Commissioner of Banking and Insurance may order additional assessments to supplement the Fund's claim, loss retention or administrative accounts to assure the payment of the Fund's obligations.

Additional information regarding the Fund can be found at http://spelljif.com/new_about_gcspd.html.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 4,273,948.53	\$ 2,151.71
Special Revenue		901,485.09
Capital Projects		388,779.72
Debt Service		0.09
Proprietary	9,735.00	1,282,768.88
Internal Service	2,151.71	
Fiduciary		1,710,649.75
	<u>\$ 4,285,835.24</u>	<u>\$ 4,285,835.24</u>

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

Transfers

	<u>Transfer In:</u>		
	<u>General Fund</u>	<u>Capital Projects Fund</u>	<u>Food Service Fund</u>
<u>Transfer Out:</u>			
General Fund	\$ (1,737,195.35)	\$ (170,162.83)	
Capital Projects Fund		1,907,358.18	
Food Service Fund	(929,489.91)		\$ 929,489.91
Total Transfers	<u>\$ (2,666,685.26)</u>	<u>\$ 1,737,195.35</u>	<u>\$ 929,489.91</u>

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

Transfers (Cont'd) - Transfers were made during the fiscal year ended June 30, 2016 for the following purposes:

- the general fund budgeted and transferred \$929,489.91 to subsidize the operations of the food service enterprise fund;
- the general fund budgeted and transferred \$1,550,294.00 and \$362,000.00 of capital reserve funds and capital outlay, respectively, to the capital projects fund for approved capital projects;
- the capital projects fund transferred \$4,935.82 of interest earned on deposits to the general fund; and
- the capital projects fund transferred \$170,162.83 to the general fund for reimbursement of preliminary engineering expenditures incurred in prior fiscal year for current capital projects.

Note 16: CONTINGENCIES

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

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

Note 17: CONCENTRATIONS

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

Note 18: COMMITMENTS

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2016 that are to continue into the subsequent fiscal year(s). These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Hogan Security	06/30/15	\$ 63,164.00
South Jersey Technology Partnership	06/29/16	63,210.00
CM3 Building Solutions, Inc.	06/29/16	214,171.00
Tortorice Contractors, Inc.	02/19/16	152,363.43
Arch Concept Construction, Inc.	03/03/16	271,242.27
		<u>764,150.70</u>
		<u>\$ 764,150.70</u>

Note 19: FUND BALANCES**RESTRICTED**

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

General Fund -

For Legally Restricted Appropriations - In accordance with N.J.S.A. 18A:39-31, the School District has restricted \$4,388.00 and \$2,739.75 of school bus advertising revenue to be designated for utilization in the 2016-17 budget and the 2017-18 budget, respectively, to offset fuel costs.

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$5,153,669.96. Of this amount, \$4,500,582.00 of excess fund balance generated during 2014-15 has been restricted and designated for utilization in the 2016-17 budget and \$653,087.96 generated during fiscal year 2015-2016 has been restricted for utilization in the 2017-18 budget.

For Capital Reserve Account - As of June 30, 2016, the balance in the capital reserve account is \$3,167,826.88. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

Capital Projects Fund - As of June 30, 2016, \$1,172,415.24 of capital projects fund balance is restricted for future capital expenditures and \$118,179.67 is restricted for future debt service expenditures.

COMMITTED

As stated in note 1, the committed fund balance classification includes amounts that can *only* be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Specific commitments of the School District's fund balance are summarized as follows:

General Fund - As of June 30, 2016, the School District has committed \$3,271,515.20 of general fund balance for the acquisition of equipment and supplies. This fund balance represents the proceeds received from the various purchase agreements that the School District has entered (see note 7), net of expenditures.

ASSIGNED

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

General Fund -

For Subsequent Year's Expenditures - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2017 \$5,199,418.00 of general fund balance at June 30, 2016.

Note 19: FUND BALANCES (CONT'D)**ASSIGNED (CONT'D)****General Fund (Cont'd) -**

For Subsequent Year's Expenditures (Cont'd) - In addition to the \$5,199,418.00, the School District has also appropriated and included as anticipated revenue for the fiscal year ending June 30, 2017 \$10,508.44 of general fund balance at June 30, 2016, resulting from the Special Education Medicaid Initiative (SEMI) reimbursement received during the current fiscal year for reimbursement of previous fiscal year expenditures.

Other Purposes - As of June 30, 2016, the School District had \$1,382,393.44 of encumbrances outstanding for purchase orders and contracts signed by the School District, but not completed, as of the close of the fiscal year.

UNASSIGNED

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

General Fund - As of June 30, 2016, \$3,151,117.74 of general fund balance was unassigned.

Note 20: RESTATEMENT OF PRIOR PERIOD NET POSITION AND FUND BALANCE

During the fiscal year ended June 30, 2016, the School District reviewed the accounting treatment of the various purchase agreements payable that have been executed for the purchase of equipment and supplies (see note 7). These purchase agreements were previously presented following the accounting principles applicable to operating leases and capital leases. Upon review of the purchase agreements, the School District has determined that such agreements are to be presented following the accounting principles applicable to other long-term debt.

The following is a recapitulation of the restatement of the net position of the governmental activities and the fund balance of the general fund (governmental fund type):

	Governmental Activities
Beginning Net Position as Previously Reported at June 30, 2015	\$ 38,944,071.74
Prior Period Adjustment - Recognition of Purchase Agreements Payable:	
Purchase Agreements Payable (Principal Only)	\$ (5,043,154.00)
Cancellation of Related Liability Previously Recorded	<u>1,050,023.94</u>
Total Prior Period Adjustment	<u>(3,993,130.06)</u>
Net Position as Restated, July 1, 2015	<u>\$ 34,950,941.68</u>
	General Fund
Beginning Fund Balance as Previously Reported at June 30, 2015	\$ 16,652,657.15
Prior Period Adjustment - Recognition of Purchase Agreements Payable:	
Cancellation of Related Liability Previously Recorded	<u>1,050,023.94</u>
Fund Balance as Restated, July 1, 2015	<u>\$ 17,702,681.09</u>

Note 21: SUBSEQUENT EVENTS

Capital Debt Refunding - On September 27, 2016, the Board of Education of the School District adopted a bond ordinance providing for the refunding of \$7,840,000.00 of its outstanding callable School Refunding Bonds, Series 2007. In order to effectuate the refunding of the callable bonds, the bond ordinance authorized negotiable refunding bonds to be issued in an amount not to exceed \$8,125,000.00. As of the date of this report, the refunding bonds have yet to be issued due to interest rate market conditions.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II
BUDGETARY COMPARISON SCHEDULES**

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 81,413,515.00		\$ 81,413,515.00	\$ 81,413,515.00	
Tuition				713,888.46	\$ 713,888.46
Unrestricted Miscellaneous Revenue	241,041.00		241,041.00	521,491.88	280,450.88
Total - Local Sources	81,654,556.00	-	81,654,556.00	82,648,895.34	994,339.34
State Sources:					
Categorical Special Education Aid	4,519,182.00		4,519,182.00	4,519,182.00	
Equalization Aid	38,162,410.00		38,162,410.00	38,162,410.00	
Adjustment Aid	3,559,441.00		3,559,441.00	3,559,441.00	
Categorical Security Aid	747,449.00		747,449.00	747,449.00	
Categorical Transportation Aid	2,909,313.00		2,909,313.00	2,909,313.00	
PARCC Readiness Aid	73,560.00		73,560.00	73,560.00	
Per Pupil Aid	73,560.00		73,560.00	73,560.00	
Nonpublic School Transportation Aid				76,401.00	76,401.00
Tuition Reimbursements for Homeless Students				189,477.50	189,477.50
Extraordinary Special Education Costs Aid	900,000.00		900,000.00	1,321,816.00	421,816.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				4,061,469.44	4,061,469.44
On-behalf TPAF Pension Contributions (non-budgeted)				10,084,159.00	10,084,159.00
Total - State Sources	50,944,915.00	-	50,944,915.00	65,778,237.94	14,833,322.94
Federal Sources:					
Other Restricted Miscellaneous Revenues	94,999.00		94,999.00	98,182.13	3,183.13
Special Education Medicaid Initiative--Settlement				10,508.34	10,508.34
Special Education Medicaid Initiative	132,117.00		132,117.00	156,183.85	24,066.85
Total - Federal Sources	227,116.00	-	227,116.00	264,874.32	37,758.32
Total Revenues	132,826,587.00	-	132,826,587.00	148,692,007.60	15,865,420.60

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES:					
GENERAL CURRENT EXPENSE:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Kindergarten	\$ 800,102.00	\$ 10,586.86	\$ 810,688.86	\$ 810,688.26	\$ 0.60
Grades 1 - 5	11,002,871.00	(212,846.78)	10,790,024.22	10,759,056.39	30,967.83
Grades 6 - 8	10,142,091.00	(631,073.07)	9,511,017.93	9,511,015.38	2.55
Grades 9 - 12	11,559,553.00	(133,693.86)	11,425,859.14	11,213,747.71	212,111.43
Regular Programs - Home Instruction:					
Salaries of Teachers	125,000.00		125,000.00	97,199.00	27,801.00
Purchased Professional - Educational Services	196,590.00	7,500.00	204,090.00	169,571.02	34,518.98
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	768,568.00	(86,988.18)	681,579.82	518,642.62	162,937.20
Purchased Professional - Educational Services	2,449,400.00		2,449,400.00	2,031,442.50	417,957.50
Purchased Technical Services	425,390.00	(6,060.67)	419,329.33	355,993.64	63,335.69
Other Purchased Services (400-500 Series)	2,677,581.89	15,000.05	2,692,581.94	2,603,830.11	88,751.83
General Supplies	984,389.66	(11,882.14)	972,507.52	810,155.18	162,352.34
Textbooks	27,984.04	(2,500.00)	25,484.04	22,779.92	2,704.12
Other Objects	27,750.00	4574	32,324.00	29,294.00	3,030.00
Total Regular Programs	<u>41,187,270.59</u>	<u>(1,047,383.79)</u>	<u>40,139,886.80</u>	<u>38,933,415.73</u>	<u>1,206,471.07</u>
Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	1,338,421.00	(362,982.32)	975,438.68	824,353.75	151,084.93
Other Salaries for Instruction	163,417.00		163,417.00	42,382.20	121,034.80
General Supplies	14,075.00	(997.06)	13,077.94	12,262.50	815.44
Textbooks	2,415.00		2,415.00	2,415.00	2,415.00
Total - Learning and/or Language Disabilities	<u>1,518,328.00</u>	<u>(363,979.38)</u>	<u>1,154,348.62</u>	<u>878,998.45</u>	<u>275,350.17</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Special Education (Cont'd):					
Visual Impairments:					
Salaries	\$ 52,470.00		\$ 52,470.00	\$ 52,470.00	
Total - Visual Impairments	52,470.00	-	52,470.00	52,470.00	-
Behavioral Disabilities:					
Salaries of Teachers	424,940.00	\$ (83,451.00)	341,489.00	227,158.12	\$ 114,330.88
Other Salaries for Instruction	36,457.00		36,457.00	34,389.50	2,067.50
General Supplies	5,040.00		5,040.00	4,981.26	58.74
Textbooks	784.00		784.00	499.38	284.62
Total - Behavioral Disabilities	467,221.00	(83,451.00)	383,770.00	267,028.26	116,741.74
Multiple Disabilities:					
Salaries of Teachers	573,331.00		573,331.00	411,964.44	161,366.56
Other Salaries for Instruction	92,677.00		92,677.00	28,655.09	64,021.91
General Supplies	10,620.00	(450.00)	10,170.00	9,449.84	720.16
Total - Multiple Disabilities	676,628.00	(450.00)	676,178.00	450,069.37	226,108.63
Resource Room/Center:					
Salaries of Teachers	7,659,409.00	397,496.32	8,056,905.32	8,056,805.54	99.78
Other Salaries for Instruction	248,377.00	(3,873.16)	244,503.84	210,465.68	34,038.16
Purchased Professional - Educational Services	309,300.00	(29,514.00)	279,786.00	173,341.89	106,444.11
Other Purchased Services (400-500 Series)	20,444.00		20,444.00	20,443.20	0.80
General Supplies	66,620.00	325,406.02	392,026.02	354,014.26	38,011.76
Textbooks	3,285.00		3,285.00	784.50	2,500.50
Total - Resource Room/Center	8,307,435.00	689,515.18	8,996,950.18	8,815,855.07	181,095.11 (Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Special Education (Cont'd):					
Autism:					
Salaries of Teachers	\$ 210,050.00	\$ 49,250.00	\$ 259,300.00	\$ 256,155.00	\$ 3,145.00
Total - Autism	210,050.00	49,250.00	259,300.00	256,155.00	3,145.00
Preschool Disabilities - Part-time:					
Salaries of Teachers	394,758.00		394,758.00	363,388.74	31,369.26
Other Salaries for Instruction	100,557.00		100,557.00	89,215.86	11,341.14
General Supplies	2,970.00		2,970.00	2,359.76	610.24
Total - Preschool Disabilities - Part-Time	498,285.00	-	498,285.00	454,964.36	43,320.64
Total - Special Education	11,730,417.00	290,884.80	12,021,301.80	11,175,540.51	845,761.29
Basic Skills/Remedial:					
Salaries of Teachers	2,544,617.00	252,293.48	2,796,910.48	2,789,762.07	7,148.41
Other Salaries for Instruction	256,520.00	(7,628.14)	248,891.86	248,889.96	1.90
General Supplies	18,689.00	4,501.99	23,190.99	23,190.99	
Other Objects	300.00		300.00	243.00	57.00
Total - Basic Skills/Remedial	2,820,126.00	249,167.33	3,069,293.33	3,062,086.02	7,207.31
Bilingual Education:					
Salaries of Teachers	223,388.00		223,388.00	203,741.14	19,646.86
Purchased Professional - Educational Services	3,500.00		3,500.00	3,450.00	50.00
Other Purchased Services (400-500 Series)	18,462.00		18,462.00	18,461.90	0.10
General Supplies	4,700.00		4,700.00	2,092.50	2,607.50
Total - Bilingual Education	250,050.00	-	250,050.00	227,745.54	22,304.46

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
School Sponsored Cocurricular Activities - Instruction:					
Salaries	\$ 574,441.00		\$ 574,441.00	\$ 526,551.28	\$ 47,889.72
Purchased Services (300-500 Series)	3,750.00		3,750.00	725.29	3,024.71
Supplies and Materials	53,462.92	\$ 1,473.59	54,936.51	42,922.54	12,013.97
Other Objects	33,440.00	402.00	33,842.00	27,228.00	6,614.00
Total - School-Sponsored Activities - Instruction	665,093.92	1,875.59	666,969.51	597,427.11	69,542.40
School Sponsored Athletics - Instruction:					
Salaries	824,897.00	7,607.00	832,504.00	827,950.18	4,553.82
Purchased Services (300-500 Series)	158,458.00	(3,807.00)	154,651.00	117,144.18	37,506.82
Supplies and Materials	100,019.29	15,009.61	115,028.90	86,785.39	28,243.51
Other Objects	35,765.00		35,765.00	32,586.50	3,178.50
Total - School-Sponsored Athletics - Instruction	1,119,139.29	18,809.61	1,137,948.90	1,064,466.25	73,482.65
Other Instructional Programs - Instruction:					
Salaries	55,635.00		55,635.00	43,907.72	11,727.28
Total - Other Instructional Programs - Instruction	55,635.00	-	55,635.00	43,907.72	11,727.28
Summer School - Instruction:					
Salaries	112,572.00		112,572.00	65,548.50	47,023.50
Other Salaries of Instruction	89,917.00		89,917.00	72,455.25	17,461.75
Total - Summer School - Instruction	202,489.00	-	202,489.00	138,003.75	64,485.25
Total - Instruction	58,030,220.80	(486,646.46)	57,543,574.34	55,242,592.63	2,300,981.71

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State-Regular	\$ 462,237.60	\$ 230,000.00	\$ 692,237.60	\$ 590,740.89	\$ 101,496.71
Tuition to Other LEAs Within the State-Special	201,472.00		201,472.00	91,100.00	110,372.00
Tuition to County Voc. School District - Regular	284,571.00		284,571.00	268,072.87	16,498.13
Tuition to CSSD & Regional Day Schools	2,679,496.00		2,679,496.00	2,007,114.00	672,382.00
Tuition to Private School for the Disabled - W/I State	5,267,546.00	(646,597.80)	4,620,948.20	4,319,409.95	301,538.25
Tuition - State Facilities	61,581.00		61,581.00	61,581.00	
Total Undistributed Expenditures - Instruction	8,956,903.60	(416,597.80)	8,540,305.80	7,338,018.71	1,202,287.09
Undistributed Expenditures - Attendance and Social Work Services:					
Salaries	449,169.00	(36,955.00)	412,214.00	374,630.07	37,583.93
Purchased Professional - Technical Services	74,025.00		74,025.00	68,720.70	5,304.30
Other Purchased Services (400-500 Series)	3,932.00		3,932.00	2,017.79	1,914.21
Supplies and Materials	5,860.00		5,860.00	345.13	5,514.87
Other Objects	500.00		500.00		500.00
Total Undistributed Expenditures - Attendance and Social Work	533,486.00	(36,955.00)	496,531.00	445,713.69	50,817.31
Total Undistributed Expenditures - Health Services:					
Salaries	1,073,852.00		1,073,852.00	1,070,365.00	3,487.00
Purchased Professional - Technical Services	99,021.00		99,021.00	92,307.00	6,714.00
Other Purchased Services (400-500 Series)	48,753.00		48,753.00	43,247.30	5,505.70
Supplies and Materials	22,125.80	18,906.94	41,032.74	40,667.20	365.54
Other Objects	1,200.00		1,200.00	1,020.00	180.00
Total Undistributed Expenditures - Health Services	1,244,951.80	18,906.94	1,263,858.74	1,247,606.50	16,252.24

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Speech, OT, PT & Related Services:					
Salaries	\$ 1,586,353.00		\$ 1,586,353.00	\$ 1,478,346.48	\$ 108,006.52
Supplies and Materials	20,474.00	\$ 25.30	20,499.30	19,988.91	510.39
Total Undistributed Expenditures - Speech, OT, PT & Related Services	1,606,827.00	25.30	1,606,852.30	1,498,335.39	108,516.91
Undistributed Expenditures - Other Support Students - Extra Services					
Salaries	1,786,115.00	38,783.74	1,824,898.74	1,764,942.39	59,956.35
Total Undistributed Expenditures - Other Support Students - Extra Services	1,786,115.00	38,783.74	1,824,898.74	1,764,942.39	59,956.35
Undistributed Expenses - Guidance:					
Salaries of Other Professional Staff	2,483,365.00	98,500.00	2,581,865.00	2,451,436.72	130,428.28
Salaries of Secretarial and Clerical Assistants	113,880.00		113,880.00	113,339.65	540.35
Other Salaries	706.00	36,955.00	37,661.00	37,381.36	279.64
Purchased Professional - Educational Services	47,919.00	2,180.00	50,099.00	39,630.33	10,468.67
Other Purchased Professional and Technical Services	93,000.00	(2,180.00)	90,820.00	69,767.79	21,052.21
Other Purchased Services (400-500 Series)	9,095.00	(631.00)	8,464.00	1,132.46	7,331.54
Supplies and Materials	47,584.00	(4,146.16)	43,437.84	39,441.35	3,996.49
Other Objects	140.00		140.00	129.00	11.00
Total Undistributed Expenditures - Guidance	2,795,689.00	130,677.84	2,926,366.84	2,752,258.66	174,108.18
Undistributed Expenses - Child Study Teams:					
Salaries of Other Professional Staff	2,597,784.00	(282,365.25)	2,315,418.75	2,305,452.42	9,966.33
Salaries of Secretarial and Clerical Assistants	398,126.00	(13,675.00)	384,451.00	369,969.01	14,481.99
Other Salaries	64,290.00		64,290.00	64,068.96	221.04
Purchased Professional - Educational Services	1,072,322.00	(32,500.00)	1,039,822.00	779,785.59	260,036.41
Other Purchased Professional and Technical Services	29,800.00		29,800.00	24,564.15	5,235.85

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenses - Child Study Teams (Cont'd):					
Other Purchased Services	\$ 18,735.00	\$ (0.46)	\$ 18,734.54	\$ 18,734.54	
Miscellaneous Purchased Services	32,590.00		32,590.00	21,419.30	\$ 11,170.70
Supplies and Materials	15,610.00		15,610.00	14,750.67	859.33
Other Objects	14,535.00	(265.91)	14,269.09	4,788.00	9,481.09
Total Undistributed Expenditures - Child Study Teams	4,243,792.00	(328,806.62)	3,914,985.38	3,603,532.64	311,452.74
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	547,909.00		547,909.00	491,157.97	56,751.03
Salaries of Other Professional Staff	196,298.00		196,298.00	189,092.30	7,205.70
Salaries of Secretarial and Clerical Assistants	252,435.00		252,435.00	230,915.60	21,519.40
Purchased Professional - Educational Services	850.00		850.00		850.00
Other Purchased Professional and Technical Services	250.00		250.00		250.00
Other Purchased Services	16,776.00		16,776.00	13,409.92	3,366.08
Supplies and Materials	60,257.25		60,257.25	15,325.59	44,931.66
Other Objects	28,035.00		28,035.00	15,197.00	12,838.00
Total Undistributed Expenditures - Improvement Instructional Services	1,102,810.25	-	1,102,810.25	955,098.38	147,711.87
Undistributed Expenditures - Educational Media/Library:					
Salaries	1,212,033.00	(1,020.96)	1,211,012.04	1,070,225.74	140,786.30
Salaries of Technology Coordinators	53,742.00	1,020.96	54,762.96	54,762.96	
Purchased Professional - Technical Services	96,807.68	212.00	97,019.68	93,962.38	3,057.30
Other Purchased Services (400-500 Series)	69,968.00		69,968.00	68,416.28	1,551.72
Supplies and Materials	142,312.55	279.00	142,591.55	135,174.00	7,417.55
Other Objects	905.00	45.00	950.00	750.00	200.00
Total Undistributed Expenditures - Educational Media/L brary	1,575,768.23	536.00	1,576,304.23	1,423,291.36	153,012.87

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistr buted Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	\$ 203,813.00	\$ (4,574.00)	\$ 199,239.00	\$ 85,293.02	\$ 113,945.98
Purchased Professional - Educational Services	187,918.00	(3,056.13)	184,861.87	108,141.40	76,720.47
Other Purchased Services (400-500 Series)	49,747.00	1,088.41	50,835.41	39,850.82	10,984.59
Supplies and Materials	10,555.00	(165.00)	10,390.00	4,091.08	6,298.92
	<u>452,033.00</u>	<u>(6,706.72)</u>	<u>445,326.28</u>	<u>237,376.32</u>	<u>207,949.96</u>
Total Undistributed Expenditures - Instructional Staff Training Services					
Undistr buted Expenditures - Support Services General Administration:					
Salaries	377,975.00	(8,888.16)	369,086.84	369,077.38	9.46
Legal Services	250,000.00	97,909.10	347,909.10	345,299.45	2,609.65
Audit Fees	83,500.00	(7,500.00)	76,000.00	76,000.00	
Architect and Engineering Services	75,000.00	151,303.31	226,303.31	222,582.26	3,721.05
Other Purchased Professional Services	25,000.00	18,424.64	43,424.64	33,717.00	9,707.64
Purchased Technical Services	3,300.00	(3,300.00)			
Communications/Telephone	271,977.00	(80,770.39)	191,206.61	152,506.82	38,699.79
Miscellaneous Purchased Services	28,985.33	(10,204.10)	18,781.23	18,780.87	0.36
General Supplies	20,083.55	(7,200.82)	12,882.73	12,615.87	266.86
BOE In-House Training/Meeting Supplies	2,800.00	453.72	3,253.72	3,253.72	
Judgments Against the School District	25,000.00	(25,000.00)			
Miscellaneous Expenditures	7,610.00	(3,860.00)	3,750.00	3,750.00	
BOE Membership Dues and Fees	29,000.00	(2,337.30)	26,662.70	26,662.70	
	<u>1,200,230.88</u>	<u>119,030.00</u>	<u>1,319,260.88</u>	<u>1,264,246.07</u>	<u>55,014.81</u>
Total Undistributed Expenditures - Support Services General Administration					
Undistr buted Expenditures - Support Services School Administration:					
Salaries of Principals/Assist. Principals/Program Directors	2,743,207.00		2,743,207.00	2,739,368.00	3,839.00
Salaries of Other Professional Staff	1,401,082.00	22,537.00	1,423,619.00	1,423,618.80	0.20
Salaries of Secretarial and Clerical Assistants	2,093,120.00	(22,537.00)	2,070,583.00	2,052,399.34	18,183.66

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Support Services School Administration (Cont'd):					
Purchased Professional - Technical Services	\$ 142,975.00		\$ 142,975.00	\$ 136,520.65	\$ 6,454.35
Other Purchased Services (400-500 Series)	71,101.00	\$ (88.41)	71,012.59	58,393.94	12,618.65
Supplies and Materials	23,750.00	649,063.48	672,813.48	18,642.29	654,171.19
Other Objects	31,800.00		31,800.00	22,923.07	8,876.93
Total Undistributed Expenditures - Support Services School Administration	6,507,035.00	648,975.07	7,156,010.07	6,451,866.09	704,143.98
Undistributed Expenditures - Central Services:					
Salaries	1,602,218.00	14,555.68	1,616,773.68	1,616,705.56	68.12
Purchased Professional Services	36,425.00	(3,800.00)	32,625.00	10,983.00	21,642.00
Purchased Technical Services	145,700.00	(1,272.00)	144,428.00	136,369.45	8,058.55
Miscellaneous Purchased Services	129,649.00		129,649.00	51,510.21	78,138.79
Supplies and Materials	56,589.66	138,478.14	195,067.80	36,529.29	158,538.51
Miscellaneous Expenditures	18,160.00	(7,572.00)	10,588.00	6,683.47	3,904.53
Total Undistributed Expenditures - Central Services	1,988,741.66	140,389.82	2,129,131.48	1,858,780.98	270,350.50
Undistributed Expenditures - Admin. Info. Technology:					
Salaries	670,308.00	108,739.18	779,047.18	779,041.94	5.24
Purchased Technical Services	224,528.00	77,266.00	301,794.00	293,589.34	8,204.66
Other Purchased Services (400-500 Series)	217,248.00	(16,999.52)	200,248.48	200,202.66	45.82
Supplies and Materials	50,731.62	(1,514.00)	49,217.62	46,278.78	2,938.84
Other Objects	835.00	(585.00)	250.00	250.00	
Total Undistributed Expenditures - Admin. Info. Technology	1,163,650.62	166,906.66	1,330,557.28	1,319,362.72	11,194.56

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Required Maint. for School Facilities:					
Salaries	\$ 905,966.00		\$ 905,966.00	\$ 898,151.76	\$ 7,814.24
Cleaning, Repair & Maintenance Services	601,388.39	\$ (40,860.48)	560,527.91	161,734.21	398,793.70
General Supplies	246,085.69	99,761.27	345,846.96	79,931.00	265,915.96
Total Undistributed Expenditures - Required Maint. for School Facilities	1,753,440.08	58,900.79	1,812,340.87	1,139,816.97	672,523.90
Undistributed Expenditures - Custodial Services:					
Salaries	2,987,119.00	(100,000.00)	2,887,119.00	2,766,245.37	120,873.63
Salaries of Non-Instructional Aides	405,737.00		405,737.00	373,480.90	32,256.10
Purchased Professional - Technical Services	126,635.00	39,035.00	165,670.00	105,220.70	60,449.30
Cleaning, Repair & Maintenance Services	817,607.98	(87,271.61)	730,336.37	572,611.68	157,724.69
Other Purchased Property Services	257,760.00	(0.05)	257,759.95	218,456.05	39,303.90
Insurance	426,933.00		426,933.00	426,791.00	142.00
Miscellaneous Purchased Services	11,000.00	(4,000.00)	7,000.00		7,000.00
General Supplies	584,303.44	(1,786.79)	582,516.65	533,956.87	48,559.78
Energy (Natural Gas)	436,805.00		436,805.00	252,000.31	184,804.69
Energy (Electricity)	2,775,621.00		2,775,621.00	2,340,422.74	435,198.26
Other Objects	22,000.00		22,000.00	17,710.00	4,290.00
Total - Custodial Services	8,851,521.42	(154,023.45)	8,697,497.97	7,606,895.62	1,090,602.35
Undistributed Expenditures - Care and Upkeep of Grounds:					
Salaries	322,043.00	48,807.00	370,850.00	352,433.73	18,416.27
Cleaning, Repair & Maintenance Services	147,000.00	51,193.00	198,193.00	197,340.31	852.69
General Supplies	86,649.82	707.00	87,356.82	69,608.60	17,748.22
Other Objects	700.00		700.00	640.00	60.00
Total Undistributed Expenditures - Care and Upkeep of Grounds	556,392.82	100,707.00	657,099.82	620,022.64	37,077.18

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Undistributed Expenditures - Security:					
Salaries	\$ 231,103.00	\$ 35.00	\$ 231,138.00	\$ 231,131.65	\$ 6.35
Purchased Professional - Technical Services	1,000.00		1,000.00	240.00	760.00
Cleaning, Repair & Maintenance Services	7,590.00		7,590.00	4,673.51	2,916.49
General Supplies	16,240.20	(35.00)	16,205.20	9,871.28	6,333.92
Other Objects		5,000.00	5,000.00	5,000.00	
Total Undistributed Expenditures - Security	255,933.20	5,000.00	260,933.20	250,916.44	10,016.76
Undistributed Expenditures - Student Transportation Services:					
Salaries for Pupil Transportation (Between Home & School) - Regular	1,910,434.00	(70,469.54)	1,839,964.46	1,806,965.49	32,998.97
Salaries for Pupil Transportation (Between Home & School) - Special	105,287.00		105,287.00	100,651.96	4,635.04
Salaries for Pupil Transportation (Other Than Between Home & School)		49,030.68	49,030.68	33,675.70	15,354.98
Management Fee - ESC Transportation Program	180,311.00		180,311.00	148,232.70	32,078.30
Other Purchased Professional and Technical Services	14,661.00		14,661.00	10,243.45	4,417.55
Cleaning, Repair & Maintenance Services	39,023.00		39,023.00	18,988.23	20,034.77
Lease Purchase Payments - School Buses	516,489.00	(0.02)	516,488.98	516,488.07	0.91
Contracted Services - Aid in Lieu of Payments - Non Public Schools	237,082.88	(35,000.00)	202,082.88	199,461.54	2,621.34
Contracted Services (Between Home & School) - Vendor	326,209.00	(195,000.00)	131,209.00	125,040.90	6,168.10
Contracted Services (Other than Between Home & School) - Vendor	286,850.00	(57,101.29)	229,748.71	191,883.74	37,864.97
Contracted Services (Special Ed Students) - Vendors	1,866,180.00	375,000.00	2,241,180.00	2,239,438.50	1,741.50
Miscellaneous Purchased Services - Transportation	64,162.00		64,162.00	64,141.00	21.00
General Supplies	7,050.00		7,050.00	48.91	7,001.09
Transportation Supplies	544,160.77	(67,800.31)	476,360.46	445,313.06	31,047.40
Other Objects	5,720.00	2,237.37	7,957.37	4,485.00	3,472.37
Total Undistributed Expenditures - Student Transportation Services	6,103,619.65	896.89	6,104,516.54	5,905,058.25	199,458.29

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
GENERAL CURRENT EXPENSE (CONT'D):					
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 1,934,322.00		\$ 1,934,322.00	\$ 1,748,728.29	\$ 185,593.71
Other Retirement Contributions - PERS	1,961,737.00		1,961,737.00	1,884,069.91	77,667.09
Workmen's Compensation	1,050,037.00		1,050,037.00	1,050,037.00	
Health Benefits	20,819,266.00	\$ (331,364.76)	20,487,901.24	18,016,145.61	2,471,755.63
Tuition Reimbursement	365,000.00		365,000.00	287,297.03	77,702.97
Other Employee Benefits	2,531,572.00	73,540.76	2,605,112.76	2,584,912.76	20,200.00
Unused Sick Payment to Terminated/Retired Staff	500,000.00	251,425.00	751,425.00	750,676.24	748.76
Total Unallocated Benefits - Employee Benefits	<u>29,161,934.00</u>	<u>(6,399.00)</u>	<u>29,155,535.00</u>	<u>26,321,866.84</u>	<u>2,833,668.16</u>
Undistributed Expenditures - Transfer to Charter Schools	287,589.00		287,589.00	253,853.00	33,736.00
Undistributed Expenditures- Non-budgeted:					
On-behalf TPAF Pension Contributions	-	-	-	10,084,159.00	(10,084,159.00)
Undistributed Expenditures - Non-budgeted					
Reimbursed TPAF Social Security Contributions	-	-	-	4,061,469.44	(4,061,469.44)
Total Undistributed Expenses	<u>82,128,464.21</u>	<u>480,247.46</u>	<u>82,608,711.67</u>	<u>88,404,488.10</u>	<u>(5,795,776.43)</u>
Total Current Expense	<u>140,158,685.01</u>	<u>(6,399.00)</u>	<u>140,152,286.01</u>	<u>143,647,080.73</u>	<u>(3,494,794.72)</u>
CAPITAL OUTLAY:					
Equipment:					
Regular Programs - Undistributed Instruction	11,556.04		11,556.04	11,556.04	
Undistributed Expenditures:					
Required Maintenance for School Facilities	3,480.00		3,480.00	3,480.00	
Custodial Services	19,882.59		19,882.59	19,882.59	
Admin. Info. Technology	12,000.00	-	12,000.00	10,573.70	1,426.30
Total - Equipment	<u>46,918.63</u>	<u>-</u>	<u>46,918.63</u>	<u>45,492.33</u>	<u>1,426.30</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
CAPITAL OUTLAY (CONT'D):					
Facilities Acquisition and Construction Services:					
Construction Services	\$ 1,995,729.00	\$ (362,000.00)	\$ 1,633,729.00	\$ 728,867.22	\$ 904,861.78
Assessment for Debt Service on SDA Funding	182,956.00		182,956.00	182,956.00	
Total - Facilities Acquisition and Construction Services	<u>2,178,685.00</u>	<u>(362,000.00)</u>	<u>1,816,685.00</u>	<u>911,823.22</u>	<u>904,861.78</u>
Total Capital Outlay	<u>2,225,603.63</u>	<u>(362,000.00)</u>	<u>1,863,603.63</u>	<u>957,315.55</u>	<u>906,288.08</u>
Total Expenditures	<u>142,384,288.64</u>	<u>(368,399.00)</u>	<u>142,015,889.64</u>	<u>144,604,396.28</u>	<u>(2,588,506.64)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(9,557,701.64)</u>	<u>368,399.00</u>	<u>(9,189,302.64)</u>	<u>4,087,611.32</u>	<u>13,276,913.96</u>
Other Financing Sources (Uses):					
Transfer Out - Enterprise Funds	(923,091.00)	(6,399.00)	(929,490.00)	(929,489.91)	0.09
Transfer Out - Capital Reserve to Capital Projects Fund	(1,550,294.00)		(1,550,294.00)	(1,550,294.00)	
Transfer In - Capital Projects Fund (Interest Earned on Capital Projects Fund)				4,935.82	4,935.82
Transfer Out - Capital Outlay to Capital Projects Fund		(362,000.00)	(362,000.00)	(362,000.00)	
Equity Transfer to Capital Projects Fund - Preliminary Engineering Expenses				170,162.83	170,162.83
Total - Other Financing Sources (Uses)	<u>(2,473,385.00)</u>	<u>(368,399.00)</u>	<u>(2,841,784.00)</u>	<u>(2,666,685.26)</u>	<u>175,098.74</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
GENERAL FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (12,031,086.64)	-	\$ (12,031,086.64)	\$ 1,420,926.06	\$ 13,452,012.70
Fund Balances, July 1	21,455,501.15	-	21,455,501.15	21,455,501.15	-
Fund Balances, June 30	\$ 9,424,414.51	\$ -	\$ 9,424,414.51	\$ 22,876,427.21	\$ 13,452,012.70
Recapitulation:					
Restricted:					
Capital Reserve				\$ 3,167,826.88	
Excess Surplus - Current Year				5,457,452.96	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				4,500,582.00	
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Current Year				2,739.75	
Legal Reserve - 50% School Bus Advertising Revenue; Offset to Fuel Costs - Prior Year				4,388.00	
Assigned:					
Year-End Encumbrances				1,382,393.44	
Designated for Subsequent Year's Expenditures:					
2017-18 SEMI--Settlement				10,508.44	
2016-2017 Budget				5,199,418.00	
Unassigned				3,151,117.74	
				22,876,427.21	
Reconciliation to Governmental Funds Statements (GAAP):					
Proceeds from Purchasing Agreements (Net of Expenditures)				3,271,515.20	
Last State Aid Payments Not Recognized on GAAP Basis				(4,804,365.00)	
Fund Balance per Governmental Funds (GAAP)				\$ 21,343,577.41	

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

REVENUES:	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenue from Local Sources	-	\$ 84,784.85	\$ 84,784.85	\$ 56,624.54	\$ (28,160.31)
State Sources:					
Nonpublic Aid	\$ 123,423.00	(61,060.00)	62,363.00	32,800.12	(29,562.88)
Total - State Sources	123,423.00	(61,060.00)	62,363.00	32,800.12	(29,562.88)
Federal Sources:					
N.C.L.B.:					
Title I	398,418.00	224,346.00	622,764.00	545,526.66	(77,237.34)
Title II - Part A	138,993.00	28,858.00	167,851.00	151,217.96	(16,633.04)
Title III	15,245.00	6,841.00	22,086.00	18,776.83	(3,309.17)
I.D.E.A. Part B:					
Basic	1,655,005.00	636,150.00	2,291,155.00	1,953,882.66	(337,272.34)
Preschool	81,692.00	18,527.00	100,219.00	98,172.44	(2,046.56)
Carl D. Perkins Vocational and Technical Education Act of 1998 - Secondary	34,087.00	10,919.00	45,006.00	45,004.86	(1.14)
Total - Federal Sources	2,323,440.00	925,641.00	3,249,081.00	2,812,581.41	(436,499.59)
Total Revenues	2,446,863.00	949,365.85	3,396,228.85	2,902,006.07	(494,222.78)

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
 Required Supplementary Information - Part II
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
EXPENDITURES:					
Instruction:					
Salaries of Teachers	\$ 272,733.00	\$ 55,194.00	\$ 327,927.00	\$ 301,581.32	\$ 26,345.68
Other Salaries for Instruction	362,744.00	(39,595.00)	323,149.00	306,686.29	16,462.71
Purchased Professional Technical Services	225,204.00	(191,262.00)	33,942.00	235,149.84	(201,207.84)
Purchased Professional Educational Services	89,477.00	150,320.84	239,797.84	22,235.06	217,562.78
Tuition	581,205.70	310,890.30	892,096.00	864,722.23	27,373.77
General Supplies	292,045.30	224,972.52	517,017.82	462,005.36	55,012.46
Textbooks	9,235.00		9,235.00	2,594.70	6,640.30
Other Objects	1,000.00	1,700.00	2,700.00	1,300.00	1,400.00
Total Instruction	1,833,644.00	512,220.66	2,345,864.66	2,196,274.80	149,589.86
Support Services:					
Salaries	197,818.00	20,693.00	218,511.00	195,914.50	22,596.50
Other Salaries for Instruction	28,000.00	(28,000.00)			
Personal Services--Employee Benefits	95,077.00	17,578.00	112,655.00	103,704.89	8,950.11
Purchased Professional Technical Services	149,500.00	342,011.00	491,511.00	230,412.92	261,098.08
Purchased Professional Educational Services	14,701.00		14,701.00	5,850.00	8,851.00
Miscellaneous Purchased Services	1,000.00	32,114.19	33,114.19	21,405.48	11,708.71
Travel	6,763.00	(5,150.00)	1,613.00	1,244.85	368.15
General Supplies	84,360.00	16,224.00	100,584.00	85,782.38	14,801.62
Total Support Services	577,219.00	395,470.19	972,689.19	644,315.02	328,374.17
Facilities Acquisition and Construction Services:					
Instructional Equipment	36,000.00	29,511.00	65,511.00	61,416.25	4,094.75
Non-Instructional Equipment		12,164.00	12,164.00		12,164.00
Total Facilities Acquisition and Construction Services	36,000.00	41,675.00	77,675.00	61,416.25	16,258.75
Total Expenditures	2,446,863.00	949,365.85	3,396,228.85	2,902,006.07	494,222.78
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information - Part II
 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.

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 148,692,007.60	\$ 2,902,006.07
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		26,273.92
Interest Earned on Purchasing Agreement Bank Accounts - Cash Held in Trust	640.28	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	4,802,844.00	
State aid payments recognized as revenue for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(4,804,365.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 148,691,126.88</u>	<u>\$ 2,928,279.99</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 144,604,396.28	\$ 2,902,006.07
Differences - Budget to GAAP:		
Financing Agreement Expenditures	3,947,149.02	
Encumbrances for goods or services ordered but not received are reported in the year the orders are placed for budgetary purposes, but in the year the goods or services are received for financial reporting purposes.		<u>26,273.92</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 148,551,545.30</u>	<u>\$ 2,928,279.99</u>

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

**SCHEDULES RELATED TO ACCOUNTING
AND REPORTING FOR PENSIONS**

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System (PERS)
 Last Three Fiscal Years

	<u>Measurement Date Ending June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.2062558337%	0.2047312625%	0.2101052308%
School District's Proportionate Share of the Net Pension Liability	\$ 46,300,302.00	\$ 38,331,292.00	\$ 40,155,284.00
School District's Covered Payroll (Plan Measurement Period)	\$ 15,187,024.00	\$ 15,117,748.00	\$ 15,563,348.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	304.87%	253.55%	258.01%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	47.93%	52.08%	48.72%

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Contributions
 Public Employees' Retirement System (PERS)
 Last Three Fiscal Years

	Fiscal Year Ended June 30,		
	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 1,802,225.00	1,773,247.00	\$ 1,687,775.00
Contributions in Relation to the Contractually Required Contribution	<u>(1,802,225.00)</u>	<u>(1,773,247.00)</u>	<u>(1,687,775.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 13,549,985.00	\$ 13,915,294.00	\$ 14,025,261.00
Contributions as a Percentage of School District's Covered Payroll	13.30%	12.74%	12.03%

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Required Supplementary Information - Part III
 Schedule of the School District's Proportionate Share of the Net Pension Liability
 Teachers' Pension and Annuity Fund (TPAF)
 Last Three Fiscal Years

	<u>Measurement Date Ending June 30,</u>		
	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>335,380,820.00</u>	<u>298,420,346.00</u>	<u>291,372,670.00</u>
	<u>\$ 335,380,820.00</u>	<u>\$ 298,420,346.00</u>	<u>\$ 291,372,670.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 68,546,704.00	\$ 62,681,564.00	\$ 64,809,200.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of it's Covered Payroll	489.27%	476.09%	449.59%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	28.71%	33.64%	33.76%

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Required Supplementary Information - Part III
Schedule of School District's Contributions
Teachers' Pension and Annuity Fund (TPAF)
Last Ten Fiscal Years

This schedule is not applicable.

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

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2016

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

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

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

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

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016

	Total	N.C.L.B.			NJ Non-Public Textbook Aid	NJ Non-Public Nursing Services Aid	Total Brought Forward
		Title I	Title II Part A	Title III			
REVENUES:							
Federal Sources	\$ 2,812,581.41	\$ 545,526.66	\$ 151,217.96	\$ 18,776.83			\$ 2,097,059.96
State Sources	32,800.12				\$ 2,594.70	\$ 5,850.00	24,355.42
Local Sources	56,624.54						56,624.54
Total Revenues	\$ 2,902,006.07	\$ 545,526.66	\$ 151,217.96	\$ 18,776.83	\$ 2,594.70	\$ 5,850.00	\$ 2,178,039.92
EXPENDITURES:							
Instruction:							
Salaries of Teachers	\$ 301,581.32	\$ 197,889.50	\$ 76,981.00	\$ 1,702.00			\$ 25,008.82
Other Salaries for Instruction	306,686.29	99,401.34		7,369.00			199,915.95
Purchased Professional Technical Services	235,149.84			925.00			234,224.84
Purchased Professional Educational Services	22,235.06						22,235.06
Tuition	864,722.23						864,722.23
General Supplies	462,005.36	149,702.07		4,744.00			307,559.29
Textbooks	2,594.70				\$ 2,594.70		
Other Objects	1,300.00						1,300.00
Total Instruction	2,196,274.80	446,992.91	76,981.00	14,740.00	2,594.70	-	1,654,966.19
Support Services:							
Salaries	195,914.50	11,552.50					184,362.00
Personal Services--Employee Benefits	103,704.89	53,320.70	19,199.06	693.93			30,491.20
Purchased Professional Technical Services	230,412.92	10,602.00	27,280.20	2,500.00			190,030.72
Purchased Professional Educational Services	5,850.00					\$ 5,850.00	
Miscellaneous Purchased Services	21,405.48	4,113.00	13,495.99	842.90			2,953.59
Travel	1,244.85						1,244.85
General Supplies	85,782.38	4,146.30	14,261.71				67,374.37
Total Support Services	644,315.02	83,734.50	74,236.96	4,036.83	-	5,850.00	476,456.73
Facilities Acquisition and Construction Services:							
Instructional Equipment	61,416.25	14,799.25					46,617.00
Total Facilities Acquisition and Construction Services	61,416.25	14,799.25	-	-	-	-	46,617.00
Total Expenditures	\$ 2,902,006.07	\$ 545,526.66	\$ 151,217.96	\$ 18,776.83	\$ 2,594.70	\$ 5,850.00	\$ 2,178,039.92

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016

	Total Carried Forward	I. D. E. A. Part B			Carl D. Perkins Vocational and Technical Education Act of 1988-Secondary	Total Brought Forward
		Basic	Preschool	NJ Non-Public Security Aid		
REVENUES:						
Federal Sources	\$ 2,097,059.96	\$ 1,953,882.66	\$ 98,172.44		\$ 45,004.86	
State Sources	24,355.42			\$ 1,544.41		\$ 22,811.01
Local Sources	56,624.54					56,624.54
Total Revenues	\$ 2,178,039.92	\$ 1,953,882.66	\$ 98,172.44	\$ 1,544.41	\$ 45,004.86	\$ 79,435.55
EXPENDITURES:						
Instruction:						
Salaries of Teachers	\$ 25,008.82	\$ 25,008.82				
Other Salaries for Instruction	199,915.95	197,621.95				\$ 2,294.00
Purchased Professional Technical Services	234,224.84	221,786.00			\$ 4,693.84	7,745.00
Purchased Professional Educational Services	22,235.06					22,235.06
Tuition	864,722.23	789,690.23	\$ 75,032.00			
General Supplies	307,559.29	249,077.37	453.44		14,303.02	43,725.46
Textbooks						
Other Objects	1,300.00					1,300.00
Total Instruction	1,654,966.19	1,483,184.37	75,485.44	-	18,996.86	77,299.52
Support Services:						
Salaries	184,362.00	184,362.00				
Personal Services--Employee Benefits	30,491.20	30,491.20				
Purchased Professional Technical Services	190,030.72	167,343.72	22,687.00			
Purchased Professional Educational Services						
Miscellaneous Purchased Services	2,953.59	419.00		\$ 1,544.41	99.00	891.18
Travel	1,244.85					1,244.85
General Supplies	67,374.37	67,374.37				
Total Support Services	476,456.73	449,990.29	22,687.00	1,544.41	99.00	2,136.03
Facilities Acquisition and Construction Services:						
Instructional Equipment	46,617.00	20,708.00			25,909.00	
Total Facilities Acquisition and Construction Services	46,617.00	20,708.00	-	-	25,909.00	-
Total Expenditures	\$ 2,178,039.92	\$ 1,953,882.66	\$ 98,172.44	\$ 1,544.41	\$ 45,004.86	\$ 79,435.55

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
SPECIAL REVENUE FUND
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016

	Total Carried Forward	N.J. Nonpublic Auxiliary Services, Ch. 192, L. 1977		N.J. Nonpublic Handicapped Services, Ch. 193, L. 1977			NJ Non-Public Technology Aid	Miscellaneous Local Grants
		Compensatory Education	Transportation and Maintenance	Examination and Classification	Corrective Speech	Supplementary Instruction		
REVENUES:								
Federal Sources								
State Sources	\$ 22,811.01	\$ 9,644.40	\$ 1,244.85	\$ 2,384.46	\$ 8,109.20	\$ 297.00	\$ 1,131.10	
Local Sources	56,624.54							\$ 56,624.54
Total Revenues	\$ 79,435.55	\$ 9,644.40	\$ 1,244.85	\$ 2,384.46	\$ 8,109.20	\$ 297.00	\$ 1,131.10	\$ 56,624.54
EXPENDITURES:								
Instruction:								
Salaries of Teachers								
Other Salaries for Instruction	\$ 2,294.00							\$ 2,294.00
Purchased Professional Technical Services	7,745.00							7,745.00
Purchased Professional Educational Services	22,235.06	\$ 9,644.40		\$ 2,384.46	\$ 8,109.20	\$ 297.00		1,800.00
Tuition								
General Supplies	43,725.46						\$ 1,131.10	42,594.36
Tex books								
Other Objects	1,300.00							1,300.00
Total Instruction	77,299.52	9,644.40	-	2,384.46	8,109.20	297.00	1,131.10	55,733.36
Support Services:								
Salaries								
Personal Services--Employee Benefits								
Purchased Professional Technical Services								
Purchased Professional Educational Services								
Miscellaneous Purchased Services	891.18							891.18
Travel	1,244.85		\$ 1,244.85					
General Supplies								
Total Support Services	2,136.03	-	1,244.85	-	-	-	-	891.18
Facilities Acquisition and Construction Services:								
Instructional Equipment								
Total Facilities Acquisition and Construction Services	-	-	-	-	-	-	-	-
Total Expenditures	\$ 79,435.55	\$ 9,644.40	\$ 1,244.85	\$ 2,384.46	\$ 8,109.20	\$ 297.00	\$ 1,131.10	\$ 56,624.54

CAPITAL PROJECTS FUND

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Schedule of Project Expenditures
 For the Fiscal Year Ended June 30, 2016

Project Title/Issue	Appropriations	Expenditures to Date		Other Financing Uses	Unexpended Balance June 30, 2016
		Prior Years	Current Year		
(a) Washington Township High School - Air Conditioning / Security / Athletics / Storage	\$ 9,613,622.49	\$ 9,495,442.82			\$ 118,179.67
(b) Washington Township High School - Science Labs	828,853.00	750,099.69			78,753.31
(c) Whitman Roof	999,770.00	851,360.32	\$ 5,640.00	\$ 31,341.59	111,428.09
(d) Grenloch Elementary School Roof Replacement	671,947.00	637,968.01		26,942.09	7,036.90
(e) Washington Township High School - Cooling Tower Replacement	236,600.00	221,760.00	2,240.00	12,600.00	
(f) Bells Elementary School - Boiler Replacement	581,500.00	465,993.42	54,596.83		60,909.75
(g) Birches Elementary School - Boiler Replacement	585,500.00	454,858.24	65,044.37		65,597.39
(h) Washington Township High School - Boiler Replacement	1,490,547.00	1,242,664.32	72,500.72	45,358.15	130,023.81
(i) Wedgwood Elementary School - Boiler Replacement	674,800.00	547,161.50	48,139.27	26,975.50	52,523.73
(j) Whitman Elementary School - Boiler Replacement	679,800.00	523,562.55	50,159.89	26,945.50	79,132.06
(k) Bells Elementary School - Security Improvements	75,024.00	4,542.50	53,882.50		16,599.00
(l) Bunker Hill Middle School - Security Improvements	127,995.00	6,672.00	96,830.00		24,493.00
(m) Birches Elementary School - Security Improvements	75,000.00	3,795.00	54,385.00		16,820.00
(n) Chestnut Ridge Middle School - Security Improvements	124,877.00	4,689.00	98,019.00		22,169.00
(o) Grenloch Elementary School - Security Improvements	70,094.00	3,700.00	52,794.00		13,600.00
(p) Hurffville Elementary School - Security Improvements	75,290.00	3,864.00	54,433.00		16,993.00
(q) Orchard Valley Middle School - Security Improvements	123,777.00	4,776.00	98,269.00		20,732.00
(r) Thomas Jefferson Elementary School - Security Improvements	75,507.00	3,877.00	54,447.00		17,183.00
(s) Wedgwood Elementary School - Security Improvements	75,000.00	4,117.00	54,113.00		16,770.00
(t) Whitman Elementary School - Security Improvements	74,841.00	3,835.00	54,425.00		16,581.00
(u) Thomas Jefferson Elementary School - HVAC	382,000.00		378,600.00		3,400.00
(v) Washington Township High School 9/10 - Upgrade Art Kiln Exhaust	20,000.00		20,000.00		
(w) Washington Township High School 11/12 - Dust Collection System	100,000.00		100,000.00		
(x) Bells Elementary School - Interior Doors	32,500.00				32,500.00
(y) Birches Elementary School - Interior Doors	32,500.00				32,500.00
(z) Chestnut Ridge Middle School - Interior Doors	37,750.00				37,750.00
(aa) Grenloch Elementary School - Interior Doors	17,500.00				17,500.00
(ab) Hurffville Elementary School - Interior Doors	32,000.00				32,000.00
(ac) Orchard Valley Middle School - Interior Doors	37,750.00				37,750.00
(ad) Thomas Jefferson Elementary School - Interior Doors	25,000.00				25,000.00
(ae) Wedgwood Elementary School - Interior Doors	32,500.00				32,500.00
(af) Whitman Elementary School - Interior Doors	32,500.00				32,500.00
(ag) Washington Township High School - Roof	1,070,294.00		634,814.30		435,479.70
(ah) Eileen Abbot Central Administration - Upgrade Electrical Service	60,000.00		57,460.25		2,539.75
	<u>\$ 19,172,638.49</u>	<u>\$ 15,234,738.37</u>	<u>\$ 2,160,793.13</u>	<u>\$ 170,162.83</u>	<u>\$ 1,606,944.16</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2016

<u>Project Title/Issue</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Other Financing Uses</u>	<u>Unexpended Balance June 30, 2016</u>
		<u>Prior Years</u>	<u>Current Year</u>		
Recapitulation:					
Restricted for Debt Service					\$ 118,179.67
Restricted for Capital Projects:					
Year-End Encumbrances					764,150.70
Designated for Subsequent Year's Expenditures					<u>724,613.79</u>
					<u>\$ 1,606,944.16</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Restricted for Capital Projects					\$ 1,488,764.49
NJ Schools Development Authority Projects Revenue Not Recognized on GAAP Basis					<u>(316,349.25)</u>
Fund Balance per Governmental Funds (GAAP)					<u>\$ 1,172,415.24</u>
Unexpended Balances Canceled:					
Equity Transfer--Preliminary Engineering Expenses				<u>\$ 170,162.83</u>	

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Statement of Revenues, Expenditures and Changes in Fund Balances
For the Fiscal Year Ended June 30, 2016

Revenues:	
Interest Earned on Deposits	<u>\$ 4,935.82</u>
Total Revenues	<u>4,935.82</u>
Expenditures:	
Other Purchased Professional and Technical Services	55,290.21
Construction Services	<u>2,105,502.92</u>
Total Expenditures	<u>2,160,793.13</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,155,857.31)</u>
Other Financing Sources and (Uses):	
Transfer from Capital Outlay	362,000.00
Transfer from Capital Reserve	1,550,294.00
Equity Transfer--Preliminary Engineering Expenses	(170,162.83)
Transfers to General Fund:	
Interest Earned on Deposits	<u>(4,935.82)</u>
Total Other Financing Sources and Uses	<u>1,737,195.35</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	<u>(418,661.96)</u>
Fund Balance -- July 1	<u>2,025,606.12</u>
Fund Balance -- June 30	<u><u>\$ 1,606,944.16</u></u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2016

Recapitulation:

Restricted for Debt Service		\$ 118,179.67
Restricted for Capital Projects:		
Year-End Encumbrances	\$ 764,150.70	
Designated for Subsequent Year's Expenditures	<u>724,613.79</u>	
		<u>1,488,764.49</u>
		<u><u>\$ 1,606,944.16</u></u>

Reconciliation to Governmental Funds Statements (GAAP):

Restricted for Debt Service		\$ 118,179.67
Restricted for Capital Projects		1,488,764.49
NJ Schools Development Authority Projects Revenue not Recognized on GAAP Basis		<u>(316,349.25)</u>
Fund Balance per Governmental Funds (GAAP)		<u><u>\$ 1,290,594.91</u></u>

Note: For F-2 Exhibits, SDA Grant awards are recognized as revenue and encumbrances are not included in expenditures

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School - Air Conditioning / Security / Athletics / Storage
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 3,344,513.49		\$ 3,344,513.49	\$ 3,344,513.49
Bond Proceeds and Transfers	<u>6,269,109.00</u>		<u>6,269,109.00</u>	<u>6,269,109.00</u>
Total Revenues	<u>9,613,622.49</u>	<u>-</u>	<u>9,613,622.49</u>	<u>9,613,622.49</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	590,637.64		590,637.64	699,822.60
Construction Services	<u>8,904,805.18</u>		<u>8,904,805.18</u>	<u>8,913,799.89</u>
Total Expenditures	<u>9,495,442.82</u>	<u>-</u>	<u>9,495,442.82</u>	<u>9,613,622.49</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 118,179.67</u>	<u>\$ -</u>	<u>\$ 118,179.67</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-010-05-0AIE
Grant Date	10-26-2004
Bond Authorization Date	3-16-2005
Bonds Authorized	\$ 16,271,000.00
Bonds Issued	\$ 16,271,000.00
Original Authorized Cost	\$ 9,615,076.00
Additional Authorized Cost	(1,453.51)
Revised Authorized Cost	\$ 9,613,622.49
Percentage Increase over Original Authorized Cost	-
Percentage Completion	98.77%
Original Target Completion Date	8-31-2006
Revised Target Completion Date	12-31-2013

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School - Science Labs
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 430,963.00		\$ 430,963.00	\$ 430,963.00
Transfer from Capital Reserve	397,890.00		397,890.00	397,890.00
Total Revenues	<u>828,853.00</u>	<u>-</u>	<u>828,853.00</u>	<u>828,853.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	83,053.26		83,053.26	83,053.26
Construction Services	667,046.43		667,046.43	745,799.74
Total Expenditures	<u>750,099.69</u>	<u>-</u>	<u>750,099.69</u>	<u>828,853.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 78,753.31</u>	<u>\$ -</u>	<u>\$ 78,753.31</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-010-05-0ARU			
Grant Date	12-22-2005			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 1,002,706.00			
Additional Authorized Cost	(173,853.00)			
Revised Authorized Cost	\$ 828,853.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	90.50%			
Original Target Completion Date	8-25-2006			
Revised Target Completion Date	9-30-2017			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Whitman Roof
From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 399,908.00			\$ 399,908.00	\$ 399,908.00
Transfer from Capital Reserve	<u>599,862.00</u>			<u>599,862.00</u>	<u>599,862.00</u>
Total Revenues	<u>999,770.00</u>	<u>-</u>	<u>-</u>	<u>999,770.00</u>	<u>999,770.00</u>
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services	58,093.08	\$ 1,140.00	\$ 31,341.59	90,574.67	90,574.67
Construction Services	<u>793,267.24</u>	<u>4,500.00</u>		<u>797,767.24</u>	<u>909,195.33</u>
Total Expenditures	<u>851,360.32</u>	<u>5,640.00</u>	<u>31,341.59</u>	<u>888,341.91</u>	<u>999,770.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 148,409.68</u>	<u>\$ (5,640.00)</u>	<u>\$ (31,341.59)</u>	<u>\$ 111,428.09</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5500-070-14-1018				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 915,000.00				
Additional Authorized Cost	84,770.00				
Revised Authorized Cost	\$ 999,770.00				
Percentage Increase over Original Authorized Cost	9.26%				
Percentage Completion	88.85%				
Original Target Completion Date	12-31-2014				
Revised Target Completion Date	9-30-2015				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Grenloch Elementary School Roof Replacement
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 268,779.00			\$ 268,779.00	\$ 268,779.00
Transfer from Capital Reserve	300,894.00			300,894.00	300,894.00
Transfer from Capital Outlay	102,274.00			102,274.00	102,274.00
Total Revenues	671,947.00	-	-	671,947.00	671,947.00
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services	25,124.01		\$ 26,942.09	52,066.10	55,904.28
Construction Services	612,844.00			612,844.00	616,042.72
Total Expenditures	637,968.01	-	26,942.09	664,910.10	671,947.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 33,978.99</u>	<u>\$ -</u>	<u>\$ (26,942.09)</u>	<u>\$ 7,036.90</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5500-030-14-1011				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 671,947.00				
Additional Authorized Cost	-				
Revised Authorized Cost	\$ 671,947.00				
Percentage Increase over Original Authorized Cost	-				
Percentage Completion	98.95%				
Original Target Completion Date	9-30-2015				
Revised Target Completion Date	N/A				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School - Cooling Tower Replacement
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 94,640.00			\$ 94,640.00	\$ 94,640.00
Transfer from Capital Outlay	141,960.00			141,960.00	141,960.00
Total Revenues	236,600.00	-	-	236,600.00	236,600.00
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services			\$ 12,600.00	12,600.00	12,600.00
Construction Services	221,760.00	\$ 2,240.00		224,000.00	224,000.00
Total Expenditures	221,760.00	2,240.00	12,600.00	236,600.00	236,600.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 14,840.00	\$ (2,240.00)	\$ (12,600.00)	\$ -	\$ -
Additional Project Information:					
Project Number	5500-010-14-1001				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 236,600.00				
Additional Authorized Cost	-				
Revised Authorized Cost	\$ 236,600.00				
Percentage Increase over Original Authorized Cost	-				
Percentage Completion	100.00%				
Original Target Completion Date	12-31-2014				
Revised Target Completion Date	9-30-2015				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Bells Elementary School - Boiler Replacement
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 232,600.00		\$ 232,600.00	\$ 232,600.00
Transfer from Capital Reserve	348,900.00		348,900.00	348,900.00
Total Revenues	581,500.00	-	581,500.00	581,500.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	52,193.29	\$ 5,306.43	57,499.72	57,598.28
Construction Services	413,800.13	49,290.40	463,090.53	523,901.72
Total Expenditures	465,993.42	54,596.83	520,590.25	581,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 115,506.58</u>	<u>\$ (54,596.83)</u>	<u>\$ 60,909.75</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-025-14-1005			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 581,500.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 581,500.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	89.53%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	N/A			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Birches Elementary School - Boiler Replacement
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 232,600.00		\$ 232,600.00	\$ 232,600.00
Transfer from Capital Reserve	348,900.00	\$ 4,000.00	352,900.00	352,900.00
Total Revenues	581,500.00	4,000.00	585,500.00	585,500.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	48,338.26	7,273.81	55,612.07	56,425.24
Construction Services	406,519.98	57,770.56	464,290.54	529,074.76
Total Expenditures	454,858.24	65,044.37	519,902.61	585,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 126,641.76</u>	<u>\$ (61,044.37)</u>	<u>\$ 65,597.39</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-027-14-1009			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 581,500.00			
Additional Authorized Cost	\$ 4,000.00			
Revised Authorized Cost	\$ 585,500.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	88.80%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	N/A			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Washington Township High School - Boiler Replacement
From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 596,219.00			\$ 596,219.00	\$ 596,219.00
Transfer from Capital Outlay	894,328.00			894,328.00	894,328.00
Total Revenues	1,490,547.00	-	-	1,490,547.00	1,490,547.00
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services	57,745.55	\$ 5,518.85	\$ 45,358.15	108,622.55	135,049.69
Construction Services	1,184,918.77	66,981.87		1,251,900.64	1,355,497.31
Total Expenditures	1,242,664.32	72,500.72	45,358.15	1,360,523.19	1,490,547.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 247,882.68	\$ (72,500.72)	\$ (45,358.15)	\$ 130,023.81	\$ -
Additional Project Information:					
Project Number	5500-010-14-1002				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 1,490,547.00				
Additional Authorized Cost	-				
Revised Authorized Cost	\$ 1,490,547.00				
Percentage Increase over Original Authorized Cost	-				
Percentage Completion	91.28%				
Original Target Completion Date	9-30-2015				
Revised Target Completion Date	N/A				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Wedgwood Elementary School - Boiler Replacement
From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 271,520.00			\$ 271,520.00	\$ 271,520.00
Transfer from Capital Outlay	407,280.00	\$ (4,000.00)		403,280.00	403,280.00
Total Revenues	678,800.00	(4,000.00)	-	674,800.00	674,800.00
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services	23,978.35	4,960.81	\$ 26,975.50	55,914.66	57,383.42
Construction Services	523,183.15	43,178.46		566,361.61	617,416.58
Total Expenditures	547,161.50	48,139.27	26,975.50	622,276.27	674,800.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 131,638.50	\$ (52,139.27)	\$ (26,975.50)	\$ 52,523.73	\$ -
Additional Project Information:					
Project Number	5500-060-14-1016				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 678,800.00				
Additional Authorized Cost	(4,000.00)				
Revised Authorized Cost	\$ 674,800.00				
Percentage Increase over Original Authorized Cost	-				
Percentage Completion	92.22%				
Original Target Completion Date	9-30-2015				
Revised Target Completion Date	N/A				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Whitman Elementary School - Boiler Replacement
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Other Financing Uses</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources					
State Sources--SCC/SDA Grant	\$ 271,920.00			\$ 271,920.00	\$ 271,920.00
Transfer from Capital Reserve	332,200.00			332,200.00	332,200.00
Transfer from Capital Outlay	75,680.00			75,680.00	75,680.00
Total Revenues	679,800.00	-	-	679,800.00	679,800.00
Expenditures and Other Financing Uses					
Other Purchased Professional and Technical Services	26,256.02	\$ 4,528.81	\$ 26,945.50	57,730.33	61,583.60
Construction Services	497,306.53	45,631.08		542,937.61	618,216.40
Total Expenditures	523,562.55	50,159.89	26,945.50	600,667.94	679,800.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 156,237.45</u>	<u>\$ (50,159.89)</u>	<u>\$ (26,945.50)</u>	<u>\$ 79,132.06</u>	<u>\$ -</u>
Additional Project Information:					
Project Number	5500-070-14-1017				
Grant Date	9-11-2014				
Bond Authorization Date	N/A				
Bonds Authorized	N/A				
Bonds Issued	N/A				
Original Authorized Cost	\$ 679,800.00				
Additional Authorized Cost	-				
Revised Authorized Cost	\$ 679,800.00				
Percentage Increase over Original Authorized Cost	-				
Percentage Completion	88.36%				
Original Target Completion Date	9-30-2015				
Revised Target Completion Date	N/A				

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Bells Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 30,010.00		\$ 30,010.00	\$ 30,010.00
Transfer from Capital Outlay	45,014.00		45,014.00	45,014.00
Total Revenues	75,024.00	-	75,024.00	75,024.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	4,542.50	\$ 1,452.50	5,995.00	6,638.57
Construction Services		52,430.00	52,430.00	68,385.43
Total Expenditures	4,542.50	53,882.50	58,425.00	75,024.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 70,481.50</u>	<u>\$ (53,882.50)</u>	<u>\$ 16,599.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-025-14-1006			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 75,024.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 75,024.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	77.88%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Bunker Hill Middle School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 51,198.00		\$ 51,198.00	\$ 51,198.00
Transfer from Capital Outlay	76,797.00		76,797.00	76,797.00
Total Revenues	127,995.00	-	127,995.00	127,995.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	6,672.00	\$ 3,730.00	10,402.00	11,445.00
Construction Services		93,100.00	93,100.00	116,550.00
Total Expenditures	6,672.00	96,830.00	103,502.00	127,995.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 121,323.00</u>	<u>\$ (96,830.00)</u>	<u>\$ 24,493.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-020-14-1004			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 127,995.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 127,995.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	80.86%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Birches Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 30,000.00		\$ 30,000.00	\$ 30,000.00
Transfer from Capital Outlay	45,000.00		45,000.00	45,000.00
Total Revenues	75,000.00	-	75,000.00	75,000.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	3,795.00	\$ 1,955.00	5,750.00	6,737.84
Construction Services		52,430.00	52,430.00	68,262.16
Total Expenditures	3,795.00	54,385.00	58,180.00	75,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 71,205.00	\$ (54,385.00)	\$ 16,820.00	\$ -

Additional Project Information:

Project Number	5500-027-14-1008
Grant Date	9-11-2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 75,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 75,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	77.57%
Original Target Completion Date	9-30-2015
Revised Target Completion Date	12-31-2016

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Chestnut Ridge Middle School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 49,951.00		\$ 49,951.00	\$ 49,951.00
Transfer from Capital Outlay	74,926.00		74,926.00	74,926.00
Total Revenues	124,877.00	-	124,877.00	124,877.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	4,689.00	\$ 4,919.00	9,608.00	11,161.50
Construction Services		93,100.00	93,100.00	113,715.50
Total Expenditures	4,689.00	98,019.00	102,708.00	124,877.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 120,188.00</u>	<u>\$ (98,019.00)</u>	<u>\$ 22,169.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-026-14-1007			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 124,877.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 124,877.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	82.25%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Grenloch Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 28,038.00		\$ 28,038.00	\$ 28,038.00
Transfer from Capital Outlay	42,056.00		42,056.00	42,056.00
Total Revenues	70,094.00	-	70,094.00	70,094.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	3,700.00	\$ 1,638.00	5,338.00	6,281.35
Construction Services		51,156.00	51,156.00	63,812.65
Total Expenditures	3,700.00	52,794.00	56,494.00	70,094.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 66,394.00</u>	<u>\$ (52,794.00)</u>	<u>\$ 13,600.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-030-14-1012			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 70,094.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 70,094.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	80.60%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Hurffville Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 30,116.00		\$ 30,116.00	\$ 30,116.00
Transfer from Capital Outlay	45,174.00		45,174.00	45,174.00
Total Revenues	75,290.00	-	75,290.00	75,290.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	3,864.00	\$ 2,003.00	5,867.00	6,753.57
Construction Services		52,430.00	52,430.00	68,536.43
Total Expenditures	3,864.00	54,433.00	58,297.00	75,290.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 71,426.00</u>	<u>\$ (54,433.00)</u>	<u>\$ 16,993.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-040-14-1013			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 75,290.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 75,290.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	77.43%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Orchard Valley Middle School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 49,511.00		\$ 49,511.00	\$ 49,511.00
Transfer from Capital Outlay	74,266.00		74,266.00	74,266.00
Total Revenues	123,777.00	-	123,777.00	123,777.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	4,776.00	\$ 5,169.00	9,945.00	11,161.50
Construction Services		93,100.00	93,100.00	112,615.50
Total Expenditures	4,776.00	98,269.00	103,045.00	123,777.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 119,001.00</u>	<u>\$ (98,269.00)</u>	<u>\$ 20,732.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-050-14-1014			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 123,777.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 123,777.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	83.25%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Thomas Jefferson Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 30,203.00		\$ 30,203.00	\$ 30,203.00
Transfer from Capital Outlay	45,304.00		45,304.00	45,304.00
Total Revenues	75,507.00	-	75,507.00	75,507.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	3,877.00	\$ 2,017.00	5,894.00	6,773.36
Construction Services		52,430.00	52,430.00	68,733.64
Total Expenditures	3,877.00	54,447.00	58,324.00	75,507.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 71,630.00</u>	<u>\$ (54,447.00)</u>	<u>\$ 17,183.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-028-14-1010
Grant Date	9-11-2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 75,507.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 75,507.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	77.24%
Original Target Completion Date	9-30-2015
Revised Target Completion Date	12-31-2016

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Wedgwood Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 30,000.00		\$ 30,000.00	\$ 30,000.00
Transfer from Capital Outlay	45,000.00		45,000.00	45,000.00
Total Revenues	75,000.00	-	75,000.00	75,000.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	4,117.00	\$ 1,683.00	5,800.00	6,710.92
Construction Services		52,430.00	52,430.00	68,289.08
Total Expenditures	4,117.00	54,113.00	58,230.00	75,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 70,883.00</u>	<u>\$ (54,113.00)</u>	<u>\$ 16,770.00</u>	<u>\$ -</u>

Additional Project Information:

Project Number	5500-060-14-1015
Grant Date	9-11-2014
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 75,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 75,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	77.64%
Original Target Completion Date	9-30-2015
Revised Target Completion Date	12-31-2016

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Whitman Elementary School - Security Improvements
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SCC/SDA Grant	\$ 29,936.00		\$ 29,936.00	\$ 29,936.00
Transfer from Capital Outlay	44,905.00		44,905.00	44,905.00
Total Revenues	74,841.00	-	74,841.00	74,841.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	3,835.00	\$ 1,995.00	5,830.00	6,712.86
Construction Services		52,430.00	52,430.00	68,128.14
Total Expenditures	3,835.00	54,425.00	58,260.00	74,841.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 71,006.00</u>	<u>\$ (54,425.00)</u>	<u>\$ 16,581.00</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5500-070-14-1019			
Grant Date	9-11-2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 74,841.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 74,841.00			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	77.85%			
Original Target Completion Date	9-30-2015			
Revised Target Completion Date	12-31-2016			

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Thomas Jefferson Elementary School - HVAC
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve		\$ 150,000.00	\$ 150,000.00	\$ 150,000.00
Transfer from Capital Outlay		232,000.00	232,000.00	232,000.00
Total Revenues	-	382,000.00	382,000.00	382,000.00
Expenditures and Other Financing Uses				
Construction Services		378,600.00	378,600.00	382,000.00
Total Expenditures	-	378,600.00	378,600.00	382,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 3,400.00	\$ 3,400.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 382,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 382,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	99.11%
Original Target Completion Date	6-30-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School 9/10 - Upgrade Art Kiln Exhaust
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Outlay	_____	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00
Total Revenues	_____ -	_____ 20,000.00	_____ 20,000.00	_____ 20,000.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____ 20,000.00	_____ 20,000.00	_____ 20,000.00
Total Expenditures	_____ -	_____ 20,000.00	_____ 20,000.00	_____ 20,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 20,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 20,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	6-30-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School 11/12 - Dust Collection System
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Outlay	_____	\$ 100,000.00	\$ 100,000.00	\$ 100,000.00
Total Revenues	_____ -	_____ 100,000.00	_____ 100,000.00	_____ 100,000.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____ 100,000.00	_____ 100,000.00	_____ 100,000.00
Total Expenditures	_____ -	_____ 100,000.00	_____ 100,000.00	_____ 100,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 100,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 100,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	100.00%
Original Target Completion Date	6-30-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Schedule of Project Revenues, Expenditures, Project Balance and Project Status
Bells Elementary School - Interior Doors
From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 32,500.00	\$ 32,500.00	\$ 32,500.00
Total Revenues	_____ -	_____ 32,500.00	_____ 32,500.00	_____ 32,500.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 32,500.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 32,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 32,500.00	\$ 32,500.00	\$ -
Additional Project Information:				
Project Number				N/A
Grant Date				N/A
Bond Authorization Date				N/A
Bonds Authorized				N/A
Bonds Issued				N/A
Original Authorized Cost	\$ 32,500.00			
Additional Authorized Cost		-		
Revised Authorized Cost	\$ 32,500.00			
Percentage Increase over Original Authorized Cost		-		
Percentage Completion		0.00%		
Original Target Completion Date		12-31-2016		
Revised Target Completion Date		N/A		

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Birches Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 32,500.00	\$ 32,500.00	\$ 32,500.00
Total Revenues	_____ -	_____ 32,500.00	_____ 32,500.00	_____ 32,500.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 32,500.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 32,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 32,500.00	\$ 32,500.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 32,500.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 32,500.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Chestnut Ridge Middle School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 37,750.00	\$ 37,750.00	\$ 37,750.00
Total Revenues	_____ -	_____ 37,750.00	_____ 37,750.00	_____ 37,750.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 37,750.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 37,750.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 37,750.00	\$ 37,750.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 37,750.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 37,750.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Grenloch Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 17,500.00	\$ 17,500.00	\$ 17,500.00
Total Revenues	_____ -	_____ 17,500.00	_____ 17,500.00	_____ 17,500.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 17,500.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 17,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 17,500.00	\$ 17,500.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 17,500.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 17,500.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Hurffville Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 32,000.00	\$ 32,000.00	\$ 32,000.00
Total Revenues	_____ -	_____ 32,000.00	_____ 32,000.00	_____ 32,000.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 32,000.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 32,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 32,000.00	\$ 32,000.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 32,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 32,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Orchard Valley Middle School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 37,750.00	\$ 37,750.00	\$ 37,750.00
Total Revenues	_____ -	_____ 37,750.00	_____ 37,750.00	_____ 37,750.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 37,750.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 37,750.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 37,750.00	\$ 37,750.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 37,750.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 37,750.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Thomas Jefferson Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Total Revenues	_____ -	_____ 25,000.00	_____ 25,000.00	_____ 25,000.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 25,000.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 25,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 25,000.00	\$ 25,000.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 25,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 25,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Wedgwood Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 32,500.00	\$ 32,500.00	\$ 32,500.00
Total Revenues	_____ -	_____ 32,500.00	_____ 32,500.00	_____ 32,500.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 32,500.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 32,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 32,500.00	\$ 32,500.00	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 32,500.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 32,500.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	0.00%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Whitman Elementary School - Interior Doors
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 32,500.00	\$ 32,500.00	\$ 32,500.00
Total Revenues	_____ -	_____ 32,500.00	_____ 32,500.00	_____ 32,500.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____	_____	_____ 32,500.00
Total Expenditures	_____ -	_____ -	_____ -	_____ 32,500.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 32,500.00	\$ 32,500.00	\$ -
Additional Project Information:				
Project Number				N/A
Grant Date				N/A
Bond Authorization Date				N/A
Bonds Authorized				N/A
Bonds Issued				N/A
Original Authorized Cost	\$ 32,500.00			
Additional Authorized Cost		-		
Revised Authorized Cost	\$ 32,500.00			
Percentage Increase over Original Authorized Cost		-		
Percentage Completion		0.00%		
Original Target Completion Date		12-31-2016		
Revised Target Completion Date		N/A		

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Washington Township High School - Roof
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve	_____	\$ 1,070,294.00	\$ 1,070,294.00	\$ 1,070,294.00
Total Revenues	_____ -	_____ 1,070,294.00	_____ 1,070,294.00	_____ 1,070,294.00
Expenditures and Other Financing Uses				
Construction Services	_____	_____ 634,814.30	_____ 634,814.30	_____ 1,070,294.00
Total Expenditures	_____ -	_____ 634,814.30	_____ 634,814.30	_____ 1,070,294.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 435,479.70	\$ 435,479.70	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 1,070,294.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 1,070,294.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	59.31%
Original Target Completion Date	12-31-2016
Revised Target Completion Date	N/A

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status
 Eileen Abbot Central Administration - Upgrade Electrical Service
 From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
Transfer from Capital Reserve		\$ 50,000.00	\$ 50,000.00	\$ 50,000.00
Transfer from Capital Outlay		10,000.00	10,000.00	10,000.00
Total Revenues	-	60,000.00	60,000.00	60,000.00
Expenditures and Other Financing Uses				
Construction Services		57,460.25	57,460.25	60,000.00
Total Expenditures	-	57,460.25	57,460.25	60,000.00
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ 2,539.75	\$ 2,539.75	\$ -

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 60,000.00
Additional Authorized Cost	-
Revised Authorized Cost	\$ 60,000.00
Percentage Increase over Original Authorized Cost	-
Percentage Completion	95.77%
Original Target Completion Date	6-30-2016
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
ASSETS:						
Current Assets:						
Cash and Cash Equivalents	\$ 725,341.09	\$ 358,120.77	\$ 12,310.48	\$ 440,159.83	\$ 181,450.67	\$ 1,717,382.84
Intergovernmental Accounts Receivable:						
State	2,429.70					2,429.70
Federal	103,508.36					103,508.36
Other Accounts Receivable	15,299.64		650.00	67,168.51		83,118.15
Interfund Accounts Receivable			9,735.00			9,735.00
Prepaid Expenses	8,924.16					8,924.16
Inventories	47,699.12					47,699.12
Total Current Assets	<u>903,202.07</u>	<u>358,120.77</u>	<u>22,695.48</u>	<u>507,328.34</u>	<u>181,450.67</u>	<u>1,972,797.33</u>
Noncurrent Assets:						
Equipment	1,213,756.79	37,999.90		143,086.63	43,752.00	1,438,595.32
Less Accumulated Depreciation	<u>(1,194,415.89)</u>	<u>(9,245.59)</u>		<u>(64,557.56)</u>	<u>(33,907.80)</u>	<u>(1,302,126.84)</u>
Total Noncurrent Assets	<u>19,340.90</u>	<u>28,754.31</u>	<u>-</u>	<u>78,529.07</u>	<u>9,844.20</u>	<u>136,468.48</u>
Total Assets	<u>922,542.97</u>	<u>386,875.08</u>	<u>22,695.48</u>	<u>585,857.41</u>	<u>191,294.87</u>	<u>2,109,265.81</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Net Position
 June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
LIABILITIES:						
Current Liabilities:						
Compensated Absences Payable	\$ 28,748.38					\$ 28,748.38
Accounts Payable	24,494.36	\$ 185.28		\$ 3,726.00	\$ 136.48	28,542.12
Interfund Accounts Payable	636,655.79	153,127.01		492,986.08		1,282,768.88
Accrued Salaries and Benefits	26,353.00	6,534.53	\$ 2,028.27	11,856.45	6,160.00	52,932.25
Deposits Payable				12,400.00	225.00	12,625.00
Unearned Revenue	67,724.51					67,724.51
Total Current Liabilities	<u>783,976.04</u>	<u>159,846.82</u>	<u>2,028.27</u>	<u>520,968.53</u>	<u>6,521.48</u>	<u>1,473,341.14</u>
Noncurrent Liabilities:						
Compensated Absences Payable	<u>123,678.17</u>			<u>6,502.15</u>		<u>130,180.32</u>
Total Liabilities	<u>907,654.21</u>	<u>159,846.82</u>	<u>2,028.27</u>	<u>527,470.68</u>	<u>6,521.48</u>	<u>1,603,521.46</u>
NET POSITION:						
Net Investment in Capital Assets	19,340.90	28,754.31		78,529.07	9,844.20	136,468.48
Unrestricted (Deficit)	<u>(4,452.14)</u>	<u>198,273.95</u>	<u>20,667.21</u>	<u>(20,142.34)</u>	<u>174,929.19</u>	<u>369,275.87</u>
Total Net Position	<u>\$ 14,888.76</u>	<u>\$ 227,028.26</u>	<u>\$ 20,667.21</u>	<u>\$ 58,386.73</u>	<u>\$ 184,773.39</u>	<u>\$ 505,744.35</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
OPERATING REVENUES:						
Charges for Services:						
Daily Sales - Reimbursable Programs	\$ 726,558.75					\$ 726,558.75
Daily Sales - Non-Reimbursable Programs	454,932.35					454,932.35
Other Activity Income			\$ 13,375.00			13,375.00
Admissions				\$ 384,038.57		384,038.57
Special Functions	46,626.89					46,626.89
Tuition		\$ 141,414.00				141,414.00
Rentals				175,625.00		175,625.00
Registration					\$ 75,600.00	75,600.00
Miscellaneous	5,415.69			32,475.46		37,891.15
Total Operating Revenues	1,233,533.68	141,414.00	13,375.00	592,139.03	75,600.00	2,056,061.71
OPERATING EXPENSES:						
Salaries	1,251,797.35	86,327.30	12,758.06	102,420.36	63,485.00	1,516,788.07
Employee Benefits	1,061,829.19			55.81		1,061,885.00
Repairs and Maintenance	27,018.09			20,198.73	7,092.92	54,309.74
Other Purchased Services	8,580.00	263.56		420,620.21	1,090.45	430,554.22
Communications/Telephone/Electric				39,740.59		39,740.59
Rental of Buildings		30,148.39				30,148.39
Travel	144.46					144.46
General Supplies	51,189.37	5,838.68		6,752.08	180.00	63,960.13
Depreciation	14,840.72	2,332.70		9,011.60	4,375.20	30,560.22
Cost of sales - reimbursable programs	653,023.08					653,023.08
Cost of sales - non-reimbursable programs	184,107.48					184,107.48
Miscellaneous	933.45	626.98		3,594.89		5,155.32
Total Operating Expenses	3,253,463.19	125,537.61	12,758.06	602,394.27	76,223.57	4,070,376.70
Operating Income (Loss)	(2,019,929.51)	15,876.39	616.94	(10,255.24)	(623.57)	(2,014,314.99)

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Total</u>
NONOPERATING REVENUES (EXPENSES):						
State Sources:						
State School Lunch Program	\$ 17,115.37					\$ 17,115.37
Federal Sources:						
National School Lunch Program	592,965.13					592,965.13
National School Breakfast Program	93,783.92					93,783.92
Special Milk Program	8,872.36					8,872.36
Food Distribution Program	128,243.78					128,243.78
Interest and Investment Revenue	3,520.64			\$ 2,356.59		5,877.23
Total Nonoperating Revenues (Expenses)	844,501.20	-	-	2,356.59	-	846,857.79
Income (Loss) before Transfers	(1,175,428.31)	\$ 15,876.39	\$ 616.94	(7,898.65)	\$ (623.57)	(1,167,457.20)
Transfer In - General Fund	929,489.91	-	-	-	-	929,489.91
Change in Net Position	(245,938.40)	15,876.39	616.94	(7,898.65)	(623.57)	(237,967.29)
Net Position -- July 1	260,827.16	211,151.87	20,050.27	66,285.38	185,396.96	743,711.64
Net Position -- June 30	<u>\$ 14,888.76</u>	<u>\$ 227,028.26</u>	<u>\$ 20,667.21</u>	<u>\$ 58,386.73</u>	<u>\$ 184,773.39</u>	<u>\$ 505,744.35</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:						
Receipts from Customers	\$ 1,239,322.19	\$ 154,991.97	\$ 16,255.00	\$ 595,079.74	\$ 75,825.00	\$ 2,081,473.90
Payments to Employees	(1,252,679.40)	(83,454.72)	(13,899.92)	(99,126.96)	(63,525.00)	(1,512,686.00)
Payments for Employee Benefits	(1,060,187.12)					(1,060,187.12)
Payments to Suppliers	(899,962.76)	(36,788.83)		(490,906.50)	(8,422.07)	(1,436,080.16)
Net Cash Provided by (used for) Operating Activities	(1,973,507.09)	34,748.42	2,355.08	5,046.28	3,877.93	(1,927,479.38)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:						
State Sources	17,910.77					17,910.77
Federal Sources	863,710.60					863,710.60
Operating Subsidies and Transfers to Other Funds	1,003,375.44	51,534.39		184,818.05		1,239,727.88
Net Cash Provided by (used for) Non-Capital Financing Activities	1,884,996.81	51,534.39	-	184,818.05	-	2,121,349.25
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:						
Purchases of Capital Assets	-	-	-	(23,655.03)	-	(23,655.03)
Net Cash Used for Capital and Related Financing Activities	-	-	-	(23,655.03)	-	(23,655.03)
CASH FLOWS FROM INVESTING ACTIVITIES:						
Interest and Dividends	3,520.64	-	-	2,356.59	-	5,877.23
Net Cash Provided by (used for) Investing Activities	3,520.64	-	-	2,356.59	-	5,877.23
Net Increase (Decrease) in Cash and Cash Equivalents	(84,989.64)	86,282.81	2,355.08	168,565.89	3,877.93	176,092.07
Cash and Cash Equivalents -- July 1	810,330.73	271,837.96	9,955.40	271,593.94	177,572.74	1,541,290.77
Cash and Equivalents -- June 30	<u>\$ 725,341.09</u>	<u>\$ 358,120.77</u>	<u>\$ 12,310.48</u>	<u>\$ 440,159.83</u>	<u>\$ 181,450.67</u>	<u>\$ 1,717,382.84</u>

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Business-Type Activities - Enterprise Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2016

	<u>Food Service</u>	<u>Child Care Program</u>	<u>Tele- Comm</u>	<u>Center for the Performing Arts</u>	<u>Drivers Education</u>	<u>Totals</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:						
Operating Income (Loss)	\$ (2,019,929.51)	\$ 15,876.39	\$ 616.94	\$ (10,255.24)	\$ (623.57)	\$ (2,014,314.99)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:						
Depreciation and Net Amortization	14,840.72	2,332.70		9,011.60	4,375.20	30,560.22
(Increase) Decrease in Inventories	882.97					882.97
(Increase) Decrease in Accounts Receivable	4,130.39	218.40	10,855.00	(7,316.79)		7,887.00
(Increase) Decrease in Interfund Accounts Receivable		13,359.57	(7,975.00)			5,384.57
(Increase) Decrease in Prepaid Expenses	(344.16)					(344.16)
Increase (Decrease) in Accounts Payable	24,494.36	88.78		3,726.00	(58.70)	28,250.44
Increase (Decrease) in Accrued Salaries and Benefits	(882.05)	2,872.58	(1,141.86)	3,293.40	(40.00)	4,102.07
Increase (Decrease) in Deposits Payable				6,531.50	225.00	6,756.50
Increase (Decrease) in Unearned Revenue	1,658.12					1,658.12
Increase (Decrease) in Compensated Absences Payable	1,642.07			55.81		1,697.88
Total Adjustments	<u>46,422.42</u>	<u>18,872.03</u>	<u>1,738.14</u>	<u>15,301.52</u>	<u>4,501.50</u>	<u>86,835.61</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (1,973,507.09)</u>	<u>\$ 34,748.42</u>	<u>\$ 2,355.08</u>	<u>\$ 5,046.28</u>	<u>\$ 3,877.93</u>	<u>\$ (1,927,479.38)</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Governmental Activities - Internal Service Funds
 Combining Statement of Net Position
 June 30, 2016

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 21,970.00	\$ 4,326.23	\$ 26,296.23
Interfund Accounts Receivable		<u>2,151.71</u>	<u>2,151.71</u>
Total Current Assets	<u>21,970.00</u>	<u>6,477.94</u>	<u>28,447.94</u>
Total Assets	<u>21,970.00</u>	<u>6,477.94</u>	<u>28,447.94</u>
LIABILITIES:			
Current Liabilities:			
Accounts Payable	21,970.00	3,378.48	25,348.48
Accrued Salaries and Benefits		<u>1,961.46</u>	<u>1,961.46</u>
Total Current Liabilities	<u>21,970.00</u>	<u>5,339.94</u>	<u>27,309.94</u>
Total Liabilities	<u>21,970.00</u>	<u>5,339.94</u>	<u>27,309.94</u>
NET POSITION:			
Unrestricted	<u>-</u>	<u>1,138.00</u>	<u>1,138.00</u>
Total Net Position	<u>\$ -</u>	<u>\$ 1,138.00</u>	<u>\$ 1,138.00</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Governmental Activities - Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2016

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Total</u>
OPERATING REVENUES:			
Charges for Services:			
Services Provided to Other Funds	\$ 137,237.50	\$ 17,816.25	\$ 155,053.75
Total Operating Revenues	<u>137,237.50</u>	<u>17,816.25</u>	<u>155,053.75</u>
OPERATING EXPENSES:			
Salaries		9,364.54	9,364.54
General Supplies	137,237.50	8,079.36	145,316.86
Total Operating Expenses	<u>137,237.50</u>	<u>17,443.90</u>	<u>154,681.40</u>
Operating Income (Loss)	<u>-</u>	<u>372.35</u>	<u>372.35</u>
Change in Net Position	-	372.35	372.35
Net Position -- July 1	<u>-</u>	<u>765.65</u>	<u>765.65</u>
Net Position -- June 30	<u>\$ -</u>	<u>\$ 1,138.00</u>	<u>\$ 1,138.00</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
PROPRIETARY FUNDS
 Governmental Activities - Internal Service Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2016

	<u>Paper Supplies</u>	<u>District Printing</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from Customers	\$ 137,237.50	\$ 20,331.25	\$ 157,568.75
Payments to Employees		(9,009.24)	(9,009.24)
Payments to Suppliers	<u>(115,267.50)</u>	<u>(11,311.74)</u>	<u>(126,579.24)</u>
Net Cash Provided by (used for) Operating Activities	<u>21,970.00</u>	<u>10.27</u>	<u>21,980.27</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Transfers to Other Funds	<u>(15,946.42)</u>	<u>4,315.96</u>	<u>(11,630.46)</u>
Net Cash Provided by Non-Capital Financing Activities	<u>(15,946.42)</u>	<u>4,315.96</u>	<u>(11,630.46)</u>
Net Increase in Cash and Cash Equivalents	6,023.58	4,326.23	10,349.81
Cash and Cash Equivalents -- July 1	<u>15,946.42</u>	<u>-</u>	<u>15,946.42</u>
Cash and Equivalents -- June 30	<u>\$ 21,970.00</u>	<u>\$ 4,326.23</u>	<u>\$ 26,296.23</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)		\$ 372.35	\$ 372.35
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
(Increase) Decrease in Accounts Receivable		2,515.00	2,515.00
Increase (Decrease) in Accounts Payable	\$ 21,970.00	(3,232.38)	18,737.62
Increase (Decrease) in Accrued Salaries and Benefits		<u>355.30</u>	<u>355.30</u>
Total Adjustments	<u>21,970.00</u>	<u>(362.08)</u>	<u>21,607.92</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ 21,970.00</u>	<u>\$ 10.27</u>	<u>\$ 21,980.27</u>

FIDUCIARY FUNDS

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
Combining Statement of Fiduciary Net Position
June 30, 2016

	<u>Private-Purpose Trust Funds</u>		<u>Agency Funds</u>			
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>	<u>Student Activity</u>	<u>Vendors/ Bidders</u>	<u>Payroll</u>	<u>Total</u>
ASSETS:						
Cash and Cash Equivalents	\$ 1,066,609.43	\$ 22,816.18	\$ 391,611.83	\$ 23,772.30	\$ 1,884,324.57	\$ 3,389,134.31
Total Assets	<u>1,066,609.43</u>	<u>22,816.18</u>	<u>\$ 391,611.83</u>	<u>\$ 23,772.30</u>	<u>\$ 1,884,324.57</u>	<u>3,389,134.31</u>
LIABILITIES:						
Accounts Payable	23,909.33					23,909.33
Deposits Payable				\$ 23,772.30		23,772.30
Interfund Accounts Payable					\$ 1,710,649.75	1,710,649.75
Payable to Student Groups			\$ 391,611.83			391,611.83
Payroll Deductions and Withholdings					173,674.82	173,674.82
Total Liabilities	<u>23,909.33</u>	<u>-</u>	<u>\$ 391,611.83</u>	<u>\$ 23,772.30</u>	<u>\$ 1,884,324.57</u>	<u>2,323,618.03</u>
NET POSITION:						
Held in Trust for:						
Unemployment Claims and Other Purposes	1,042,700.10					1,042,700.10
Scholarships		22,816.18				22,816.18
Total Net Position	<u>\$ 1,042,700.10</u>	<u>\$ 22,816.18</u>				<u>\$ 1,065,516.28</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2016

	<u>Private-Purpose Trust Funds</u>		<u>Total</u>
	<u>Unemployment Compensation Trust</u>	<u>Scholarship Fund</u>	
ADDITIONS:			
Contributions:			
Employee Salary Deductions	\$ 127,230.44		\$ 127,230.44
Investment Earnings:			
Interest	<u>3,576.06</u>	<u>\$ 147.32</u>	<u>3,723.38</u>
Total Additions	<u>130,806.50</u>	<u>147.32</u>	<u>130,953.82</u>
DEDUCTIONS:			
Scholarships		500.00	500.00
Unemployment Claims	<u>97,796.54</u>		<u>97,796.54</u>
Total Deductions	<u>97,796.54</u>	<u>500.00</u>	<u>98,296.54</u>
Change in Net Position	33,009.96	(352.68)	32,657.28
Net Position -- July 1	<u>1,009,690.14</u>	<u>23,168.86</u>	<u>1,032,859.00</u>
Net Position -- June 30	<u>\$ 1,042,700.10</u>	<u>\$ 22,816.18</u>	<u>\$ 1,065,516.28</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
FIDUCIARY FUNDS
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2016

	<u>Balance</u> <u>June 30, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2016</u>
ELEMENTARY SCHOOLS:				
Bells Elementary School	\$ 3,534.62	\$ 11,414.97	\$ 12,445.28	\$ 2,504.31
Birches Elementary School	3,005.05	10,397.60	11,624.75	1,777.90
Grenloch Elementary School	0.76	2,942.09	2,932.00	10.85
Hurffville Elementary School	1,386.31	9,354.39	9,469.69	1,271.01
Thomas Jefferson Elementary School	1,897.14	8,978.34	10,536.50	338.98
Wedgwood Elementary School	661.53	11,986.17	11,229.70	1,418.00
Whitman Elementary School	2,487.73	9,575.51	7,666.36	4,396.88
	<u>12,973.14</u>	<u>64,649.07</u>	<u>65,904.28</u>	<u>11,717.93</u>
Total Elementary Schools				
MIDDLE SCHOOLS:				
Bunker Hill School	29,643.54	54,007.36	54,384.16	29,266.74
Chestnut Ridge School	27,720.70	73,882.34	63,930.46	37,672.58
Orchard Valley School	42,880.05	79,066.62	78,138.97	43,807.70
	<u>100,244.29</u>	<u>206,956.32</u>	<u>196,453.59</u>	<u>110,747.02</u>
Total Middle Schools				
HIGH SCHOOLS:				
Washington Township High School	290,787.17	1,384,128.07	1,405,768.36	269,146.88
	<u>290,787.17</u>	<u>1,384,128.07</u>	<u>1,405,768.36</u>	<u>269,146.88</u>
Total All Schools	<u>\$ 404,004.60</u>	<u>\$ 1,655,733.46</u>	<u>\$ 1,668,126.23</u>	<u>\$ 391,611.83</u>

LONG-TERM DEBT

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Serial Bonds
 For the Fiscal Year Ended June 30, 2016

	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2015</u>	<u>Paid by Budget Appropriation</u>	<u>Balance June 30, 2016</u>
Refunding Bonds, Series 2007	3/13/2007	\$ 8,040,000.00	3/1/2017	\$ 25,000.00	4.00%			
			3/1/2018	25,000.00	4.00%			
			3/1/2019	25,000.00	4.00%			
			3/1/2020	25,000.00	4.00%			
			3/1/2021	25,000.00	4.00%			
			3/1/2022	30,000.00	4.00%			
			3/1/2023	30,000.00	4.00%			
			3/1/2024	1,030,000.00	4.00%			
			3/1/2025	1,095,000.00	4.00%			
			3/1/2026	1,120,000.00	4.00%			
			3/1/2027	1,120,000.00	4.00%			
			3/1/2028	1,115,000.00	4.00%			
			3/1/2029	1,105,000.00	4.00%			
			3/1/2030	1,095,000.00	4.00%		\$ 7,885,000.00	\$ 20,000.00
Refunding Bonds, Series 2012	4/3/2012	7,205,000.00	3/1/2017	795,000.00	2.00%			
			3/1/2018	815,000.00	4.00%			
			3/1/2019	845,000.00	2.00%			
			3/1/2020	865,000.00	2.25%			
			3/1/2021	880,000.00	2.50%			
			3/1/2022	885,000.00	2.75%			
			3/1/2023	920,000.00	3.00%		6,550,000.00	545,000.00
Refunding Bonds, Series 2012	11/15/2012	9,095,000.00				<u>2,885,000.00</u>	<u>2,885,000.00</u>	
						<u>\$ 17,320,000.00</u>	<u>\$ 3,450,000.00</u>	<u>13,870,000.00</u>
Unamortized Premium								<u>150,974.15</u>
Total Serial Bonds Payable								<u>\$ 14,020,974.15</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
DEBT SERVICE FUND
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 2,885,059.00		\$ 2,885,059.00	\$ 2,885,059.00	
Debt Service Aid Type II	1,142,001.00		1,142,001.00	1,142,001.00	
Total Revenues	<u>4,027,060.00</u>	<u>-</u>	<u>4,027,060.00</u>	<u>4,027,060.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest on Bonds	577,100.00		577,100.00	577,099.91	\$ 0.09
Redemption of Principal	3,450,000.00		3,450,000.00	3,450,000.00	
Total Regular Debt Service	<u>4,027,100.00</u>	<u>-</u>	<u>4,027,100.00</u>	<u>4,027,099.91</u>	<u>0.09</u>
Total Expenditures	<u>4,027,100.00</u>	<u>-</u>	<u>4,027,100.00</u>	<u>4,027,099.91</u>	<u>0.09</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(40.00)	-	(40.00)	(39.91)	0.09
Fund Balance, July 1	<u>39.91</u>	<u>-</u>	<u>39.91</u>	<u>39.91</u>	<u>-</u>
Fund Balance, June 30	<u>\$ (0.09)</u>	<u>\$ -</u>	<u>\$ (0.09)</u>	<u>\$ -</u>	<u>\$ 0.09</u>

STATISTICAL SECTION

FINANCIAL TRENDS INFORMATION

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Net Position by Component
 Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015 *</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Governmental Activities:										
Net Investment in Capital Assets	\$ 74,128,035.23	\$ 69,025,342.04	\$ 64,446,940.48	\$ 62,323,437.51	\$ 60,435,247.21	\$ 60,453,733.87	\$ 60,552,158.75	\$ 60,507,772.60	\$ 60,880,373.73	\$ 60,618,272.02
Restricted	9,501,039.83	10,538,941.84	11,927,692.82	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,753.75	5,041,089.74	5,927,598.88
Unrestricted	<u>(46,010,510.38)</u>	<u>(40,620,212.15)</u>	<u>(1,607,179.70)</u>	<u>(920,295.05)</u>	<u>(2,178,649.98)</u>	<u>(858,737.91)</u>	<u>(7,074,050.38)</u>	<u>(8,404,148.63)</u>	<u>(8,119,096.17)</u>	<u>(7,849,549.39)</u>
Total Governmental Activities Net Position	<u>\$ 37,618,564.68</u>	<u>\$ 38,944,071.74</u>	<u>\$ 74,767,453.60</u>	<u>\$ 71,930,170.75</u>	<u>\$ 66,279,356.30</u>	<u>\$ 64,133,512.52</u>	<u>\$ 58,888,998.05</u>	<u>\$ 58,848,377.72</u>	<u>\$ 57,802,367.30</u>	<u>\$ 58,696,321.51</u>
Business-type Activities:										
Net Investment in Capital Assets	\$ 136,468.48	\$ 143,373.67	\$ 136,136.00	\$ 133,639.63	\$ 176,297.66	\$ 393,503.49	\$ 446,394.05	\$ 511,764.69	\$ 515,057.35	\$ 578,259.79
Unrestricted	<u>369,275.87</u>	<u>600,337.97</u>	<u>651,523.70</u>	<u>752,496.69</u>	<u>618,592.96</u>	<u>561,098.68</u>	<u>321,412.22</u>	<u>190,133.23</u>	<u>355,938.37</u>	<u>489,837.57</u>
Total Business-type Activities Net Position	<u>\$ 505,744.35</u>	<u>\$ 743,711.64</u>	<u>\$ 787,659.70</u>	<u>\$ 886,136.32</u>	<u>\$ 794,890.62</u>	<u>\$ 954,602.17</u>	<u>\$ 767,806.27</u>	<u>\$ 701,897.92</u>	<u>\$ 870,995.72</u>	<u>\$ 1,068,097.36</u>
Government-wide:										
Net Investment in Capital Assets	\$ 74,264,503.71	\$ 69,168,715.71	\$ 64,583,076.48	\$ 62,457,077.14	\$ 60,611,544.87	\$ 60,847,237.36	\$ 60,998,552.80	\$ 61,019,537.29	\$ 61,395,431.08	\$ 61,196,531.81
Restricted	9,501,039.83	10,538,941.84	11,927,692.82	10,527,028.29	8,022,759.07	4,538,516.56	5,410,889.68	6,744,753.75	5,041,089.74	5,927,598.88
Unrestricted	<u>(45,641,234.51)</u>	<u>(40,019,874.18)</u>	<u>(955,656.00)</u>	<u>(167,798.36)</u>	<u>(1,560,057.02)</u>	<u>(297,639.23)</u>	<u>(6,752,638.16)</u>	<u>(8,214,015.40)</u>	<u>(7,763,157.80)</u>	<u>(7,359,711.82)</u>
Total Government-wide Net Position	<u>\$ 38,124,309.03</u>	<u>\$ 39,687,783.38</u>	<u>\$ 75,555,113.30</u>	<u>\$ 72,816,307.07</u>	<u>\$ 67,074,246.92</u>	<u>\$ 65,088,114.69</u>	<u>\$ 59,656,804.32</u>	<u>\$ 59,550,275.64</u>	<u>\$ 58,673,363.02</u>	<u>\$ 59,764,418.87</u>

* Amounts for the fiscal year 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*.

Source: CAFR Exhibit A-1

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Changes in Net Position
 Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2016	2015 *	2014	2013	2012	2011	2010	2009	2008	2007
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 45,681,658.48	\$ 43,722,021.40	\$ 44,004,430.84	\$ 42,050,376.89	\$ 42,162,714.72	\$ 43,695,768.41	\$ 44,919,944.73	\$ 44,488,426.05	\$ 43,433,114.39	\$ 42,551,906.73
Special Education	11,407,742.78	11,564,327.49	11,141,900.52	10,493,192.58	10,060,166.77	9,724,995.77	9,787,644.22	9,329,619.75	9,199,871.40	9,178,162.35
Other Special Instruction	3,289,831.56	3,030,140.96	2,858,018.85	2,547,793.39	2,365,553.51	2,789,408.78	2,813,260.84	2,502,741.39	2,268,416.29	2,180,218.12
Other Instruction	1,843,804.83	1,774,257.44	1,735,106.22	1,692,158.85	1,637,331.97	1,485,034.34	1,665,929.36	1,544,359.78	1,510,131.99	1,471,769.51
Support Services:										
Tuition	7,338,018.71	7,245,843.72	7,028,827.24	7,238,858.59	7,004,602.42	7,025,817.29	7,036,003.77	6,023,732.04	5,066,776.45	4,474,338.74
Student and Instruction Related Services	14,622,128.37	14,586,188.19	14,697,982.66	14,698,725.64	13,962,117.38	13,486,238.14	14,680,979.36	13,186,655.14	13,327,449.12	12,900,988.56
Other Administrative Services	3,005,364.77	5,147,395.51	4,500,227.61	4,821,196.56	4,582,911.55	4,156,721.95	4,039,994.29	2,835,734.67	3,404,823.13	3,455,713.51
School Administrative Services	6,451,866.09	6,365,036.00	6,262,257.63	6,227,860.46	6,040,439.21	5,764,203.91	6,240,889.02	8,001,997.69	7,652,388.42	7,081,357.13
Plant Operations and Maintenance	10,573,489.78	10,114,755.15	10,534,499.72	10,541,146.01	10,561,820.62	9,962,421.94	9,814,795.92	9,907,778.47	10,323,803.31	10,246,349.56
Pupil Transportation	6,266,828.88	5,949,505.35	5,594,500.64	5,447,768.18	5,567,099.85	6,587,498.66	6,549,564.49	6,295,368.90	6,714,924.51	7,224,223.99
Unallocated Benefits	57,475,981.57	50,186,819.88	35,398,679.41	33,208,489.44	33,431,965.86	31,288,247.93	31,689,757.82	29,629,953.84	32,395,466.03	29,848,914.87
Transfer to Charter Schools	253,853.00	262,155.00	186,230.33	162,550.00	74,113.00	69,307.81	34,044.00			
Special Schools								64,844.70	78,519.96	69,392.57
Capital Outlay Items									15,405.23	
Interest on Long-term Debt	574,693.25	850,570.58	953,351.89	959,295.12	1,377,367.54	1,590,547.50	1,629,558.52	1,753,383.03	1,890,304.69	2,047,103.64
Other Administrative Services				320,612.43						
Amortization of Bond Issuance Costs					40,871.32	37,681.06	37,681.06	55,032.23	67,048.49	41,166.84
Total Governmental Activities Expenses	168,785,262.07	160,799,016.67	144,896,013.56	140,410,024.14	138,869,075.72	137,663,893.49	140,940,047.40	135,619,627.68	137,348,443.41	132,771,606.12
Business-Type Activities:										
Food Service	3,253,463.19	3,228,535.95	3,350,498.35	3,184,209.69	3,371,602.00	3,461,415.69	3,973,127.99	3,894,990.21	4,075,430.79	3,863,391.66
Child Care Program	125,537.61	113,324.52	133,750.22	128,462.66	96,330.50	81,667.59	89,063.15	95,543.03	83,810.22	86,561.60
TeleCommunications	12,758.06	12,734.64	13,033.88	14,357.32	13,426.27	14,226.46	16,023.98	15,122.98	15,222.90	13,877.77
Music Technology										5,676.61
Center for the Performing Arts	602,394.27	546,548.84	541,744.37	588,632.41	437,446.61	371,797.71	137,882.85	175,282.98	191,613.65	190,074.03
Drivers Education	76,223.57	63,357.95	60,689.90	59,382.63	58,205.04	64,368.40	79,195.30	88,900.90	87,412.74	92,864.25
Tech Crew								4,192.54	6,382.05	2,584.77
Total Business-Type Activities Expense	4,070,376.70	3,964,501.90	4,099,716.72	3,975,044.71	3,977,010.42	3,990,275.85	4,293,896.22	4,274,933.64	4,459,772.35	4,255,030.69
Total District Expenses	\$ 172,855,638.77	\$ 164,763,518.57	\$ 148,995,730.28	\$ 144,385,068.85	\$ 142,846,086.14	\$ 141,654,169.34	\$ 145,233,943.62	\$ 139,894,561.32	\$ 141,808,215.76	\$ 137,026,636.81
Component Unit Expenses:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,528.00	\$ 170,607.03	\$ 50,394.54	\$ 566,881.48
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 155,053.75	\$ 192,321.20	\$ 163,207.95	\$ 192,050.20	\$ 191,032.91	\$ 232,720.14	\$ 227,647.85	\$ 212,974.59	\$ 140,367.11	\$ 82,105.00
Operating Grants and Contributions	33,269,464.60	27,658,156.59	13,995,741.00	15,039,055.87	13,385,439.79	12,886,398.30	13,112,739.47	11,964,334.46	15,021,684.20	15,269,522.34
Capital Grants and Contributions								10,560.00	35,650.69	
Total Governmental Activities Program Revenues	33,424,518.35	27,850,477.79	14,158,948.95	15,231,106.07	13,576,472.70	13,119,118.44	13,340,387.32	12,187,869.05	15,197,702.00	15,351,627.34
Business-Type Activities:										
Charges for services:										
Food Service	1,233,533.68	1,279,490.82	1,433,997.37	1,625,864.21	1,848,745.20	2,026,790.51	2,147,889.92	2,329,771.26	2,396,407.24	2,466,472.06
Child Care Program	141,414.00	143,066.00	170,387.77	163,562.08	153,650.18	148,200.16	170,549.28	111,772.96	94,938.87	107,078.59
TeleCommunications	13,375.00	18,130.00	16,605.00	16,950.00	16,993.00	14,270.00	13,560.00	16,040.00	15,596.00	15,679.00
Music Technology										1,872.50
Center for the Performing Arts	592,139.03	574,494.04	546,878.07	641,805.17	387,992.23	379,909.65	138,993.50	104,223.88	175,024.38	175,484.48
Drivers Education	75,600.00	69,975.00	66,750.00	68,988.00	66,825.00	69,985.00	86,850.00	94,950.00	120,150.00	113,175.00
Tech Crew							2,966.34	4,192.54	5,521.87	2,649.85
Operating Grants and Contributions	840,980.56	886,925.12	820,318.58	800,580.21	815,177.50	755,096.48	790,312.21	669,190.37	665,092.36	596,982.71
Total Business-Type Activities Program Revenues	2,897,042.27	2,972,080.98	3,054,936.79	3,317,749.67	3,289,383.11	3,394,251.80	3,351,121.25	3,330,141.01	3,472,730.72	3,479,394.19
Total District Program Revenues	\$ 36,321,560.62	\$ 30,822,558.77	\$ 17,213,885.74	\$ 18,548,855.74	\$ 16,865,855.81	\$ 16,513,370.24	\$ 16,691,508.57	\$ 15,518,010.06	\$ 18,670,432.72	\$ 18,831,021.53
Component Unit Program Revenues:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 48,291.49	\$ 63,029.00	\$ 77,917.97	\$ 526,470.09

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Changes in Net Position
Last Ten Fiscal Years (Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2016	2015 *	2014	2013	2012	2011	2010	2009	2008	2007
Net (Expense) / Revenue:										
Governmental Activities	\$ (135,360,743.72)	\$ (132,948,538.87)	\$ (130,737,064.61)	\$ (125,178,918.07)	\$ (125,292,603.02)	\$ (124,544,775.04)	\$ (127,599,660.08)	\$ (123,431,758.63)	\$ (122,150,741.41)	\$ (117,419,978.78)
Business-Type Activities	(1,173,334.43)	(992,420.92)	(1,044,779.93)	(657,295.04)	(687,627.31)	(596,024.05)	(942,774.97)	(944,792.63)	(987,041.63)	(775,636.50)
Total Government-wide Net Expense	\$ (136,534,078.15)	\$ (133,940,959.79)	\$ (131,781,844.54)	\$ (125,836,213.11)	\$ (125,980,230.33)	\$ (125,140,799.09)	\$ (128,542,435.05)	\$ (124,376,551.26)	\$ (123,137,783.04)	\$ (118,195,615.28)
Component Unit Net Expense										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,763.49	\$ (107,578.03)	\$ 27,523.43	\$ (40,411.39)
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes	\$ 81,413,515.00	\$ 79,319,457.00	\$ 76,572,161.00	\$ 74,973,363.00	\$ 70,578,295.00	\$ 74,938,763.00	\$ 68,819,137.00	\$ 68,532,821.00	\$ 62,809,163.00	\$ 59,324,899.00
Property Taxes Levied for Debt Service	2,885,059.00	2,892,116.00	3,062,028.00	3,314,529.00	3,408,971.00	3,504,520.00	3,244,078.00	3,354,805.00	3,311,010.00	3,302,043.00
Federal and State Aid	53,333,737.74	55,018,059.95	52,494,962.97	52,220,072.16	54,633,003.06	51,292,616.88	55,869,670.95	53,065,224.16	54,559,925.54	62,336,000.25
Unrestricted Interest Earnings	103,867.77	87,490.12	105,291.43	254,184.63	108,823.74	42,214.27	97,811.12	287,728.58	380,139.53	579,344.25
Miscellaneous Income	1,195,110.16	902,184.52	1,934,751.85	880,533.89	840,494.87	918,563.29	595,508.71	338,138.69	969,488.29	625,803.69
Refund of Prior Year Revenue		(22,447.00)	(344.00)	(971.69)						
Cancellation of Prior Year Accounts Payable			344.00							
Cancellation of Prior Year Accounts Receivable		(1,453.51)	(25,000.89)	(26,790.69)	(34,751.00)	(98,051.63)				
Donation of Assets	34,316.24		18,410.00							
Gain/(Loss) on Disposal of Capital Assets	(7,749.28)	9,058.97	341,434.91	(47,038.39)	(2,695.00)	(8,205.28)	(1,196.76)	(289,977.22)	(13,759.83)	(4,773.86)
Change in Accounting Principal										773,391.85
Litigation Settlement										(300,000.00)
Transfers	(929,489.91)	(924,025.03)	(929,691.81)	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(797,711.55)
Total Governmental Activities	138,028,366.72	137,280,441.02	133,574,347.46	130,829,732.52	128,808,290.53	129,789,289.52	127,640,280.41	124,477,769.05	121,256,787.20	125,838,996.63
Business-Type Activities:										
Unrestricted Interest Earnings	5,877.23	5,452.62	5,486.20	10,391.35	3,547.63	1,916.43	5,488.65	8,981.67	30,760.66	46,230.22
Miscellaneous Income			11,125.30							
Gain on Sale of Capital Assets					(758.06)					
Donation of Assets		19,327.50								
Accounts Receivable Canceled		(332.29)			(2,713.93)	(20,227.49)	(1,761.43)			
Transfers	929,489.91	924,025.03	929,691.81	738,149.39	723,851.14	801,131.01	1,004,956.10	766,713.16	759,179.33	797,711.55
Total Business-Type Activities	935,367.14	948,472.86	946,303.31	748,540.74	723,926.78	782,819.95	1,008,683.32	775,694.83	789,939.99	843,941.77
Total Government-wide	\$ 138,963,733.86	\$ 138,228,913.88	\$ 134,520,650.77	\$ 131,578,273.26	\$ 129,532,217.31	\$ 130,572,109.47	\$ 128,648,963.73	\$ 125,253,463.88	\$ 122,046,727.19	\$ 126,682,938
Component Unit:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84,892.51	\$ -	\$ -	\$ -
Change in Net Position:										
Governmental Activities	\$ 2,667,623.00	\$ 4,331,902.14	\$ 2,837,282.85	\$ 5,650,814.45	\$ 3,515,687.51	\$ 5,244,514.47	\$ 40,620.33	\$ 1,046,010.42	\$ (893,954.21)	\$ 8,419,017.85
Business-Type Activities	(237,967.29)	(43,948.06)	(98,476.62)	91,245.70	36,299.47	186,795.90	65,908.35	(169,097.80)	(197,101.64)	68,305.27
Total District	\$ 2,429,655.71	\$ 4,287,954.08	\$ 2,738,806.23	\$ 5,742,060.15	\$ 3,551,986.98	\$ 5,431,310.37	\$ 106,528.68	\$ 876,912.62	\$ (1,091,055.85)	\$ 8,487,323.12
Component Unit:										
Washington Township Live Arts (1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 123,656.00	\$ (107,578.03)	\$ 27,523.43	\$ (40,411.39)

(1) On June 28, 2010, the component unit was dissolved and absorbed by the School District as part of the District's Center for Performing Arts Enterprise Fund.

* Amounts for the fiscal year 2015 include the implementation of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*.

Source: CAFR Exhibit A-2

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Fund Balances, Governmental Funds
Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	2016	2015	2014	2013	2012	2011 (1)	2010	2009	2008	2007
General Fund:										
Reserved							\$ 5,392,092.95	\$ 3,725,229.60	\$ 828,148.53	\$ 1,309,850.67
Unreserved							354,621.92	2,078,606.92	3,836,880.82	3,401,422.67
Restricted	\$ 8,328,624.59	\$ 9,403,897.20	\$ 10,804,064.18	\$ 9,949,186.54	\$ 7,107,643.24	\$ 3,191,428.69				
Committed	3,271,515.20									
Assigned	6,592,319.88	4,393,655.42	3,527,314.29	4,266,115.78	4,668,322.92	4,587,078.88				
Unassigned	3,151,117.74	2,855,104.53	2,997,811.41	2,879,337.90	3,048,560.87	2,931,115.55				
Total General Fund	<u>\$ 21,343,577.41</u>	<u>\$ 16,652,657.15</u>	<u>\$ 17,329,189.88</u>	<u>\$ 17,094,640.22</u>	<u>\$ 14,824,527.03</u>	<u>\$ 10,709,623.12</u>	<u>\$ 5,746,714.87</u>	<u>\$ 5,803,836.52</u>	<u>\$ 4,665,029.35</u>	<u>\$ 4,711,273.34</u>
All Other Governmental Funds:										
Reserved								\$ 87,096.00	\$ 43,280.67	\$ 470,265.71
Unreserved, Reported in:										
Special Revenue Fund								21,200.29	30,782.73	33,287.35
Capital Projects Fund							\$ 347,629.76	325,387.00	422,190.87	527,565.12
Debt Service Fund							0.67	16,687.17	16,686.94	0.59
Restricted, Reported in:										
Capital Projects Fund	\$ 1,172,415.24	\$ 1,135,044.64	\$ 1,123,628.64	\$ 577,841.74	\$ 621,220.31	\$ 1,023,965.82				
Debt Service Fund	118,179.67	118,219.58	93,210.91	101,223.91	8,053.48	1.17				
Total All Other Governmental Funds	<u>\$ 1,290,594.91</u>	<u>\$ 1,253,264.22</u>	<u>\$ 1,216,839.55</u>	<u>\$ 679,065.65</u>	<u>\$ 629,273.79</u>	<u>\$ 1,023,966.99</u>	<u>\$ 347,630.43</u>	<u>\$ 450,370.46</u>	<u>\$ 512,941.21</u>	<u>\$ 1,031,118.77</u>

(1) GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, was implemented for the fiscal year ended June 30, 2011.

Source: CAFR Exhibit B-1

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Changes in Fund Balances, Governmental Funds
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30.									
	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Revenues										
Local Tax Levy	\$ 84,298,574.00	\$ 82,211,573.00	\$ 79,634,189.00	\$ 78,287,892.00	\$ 73,987,266.00	\$ 78,443,283.00	\$ 72,063,215.00	\$ 71,887,626.00	\$ 66,120,173.00	\$ 62,664,525.99
Tuition Charges	713,888.46	493,668.86	485,863.34	467,357.94	301,908.22	357,644.07	252,111.65	212,974.59	140,367.11	82,105.36
Miscellaneous Revenues	585,089.45	464,764.00	1,553,743.63	667,359.13	647,409.58	603,134.02	441,208.18	665,000.89	1,403,836.28	1,205,147.94
Federal Sources	3,102,332.72	3,088,982.11	2,981,360.17	3,092,404.70	5,083,007.86	4,304,305.60	10,679,835.87	2,869,571.91	2,518,873.36	3,023,579.37
State Sources	67,407,550.62	66,398,198.43	63,509,343.80	64,166,723.33	62,935,434.99	59,874,709.58	58,302,574.55	62,131,413.09	67,044,178.61	74,544,358.83
Total Revenue	156,107,435.25	152,657,186.40	148,164,499.94	146,681,737.10	142,955,026.65	143,583,076.27	141,738,945.25	137,766,586.48	137,227,428.36	141,409,739.99
Expenditures:										
Current:										
Instruction:										
Regular Instruction	43,502,804.50	41,477,267.50	41,586,757.08	41,029,832.78	41,128,268.03	41,269,223.25	42,609,720.45	42,563,393.53	41,367,386.63	40,684,061.35
Special Education Instruction	11,268,895.26	11,401,974.00	11,032,084.53	10,265,063.86	10,046,255.17	9,676,982.42	9,752,137.67	9,413,320.00	9,159,367.21	9,150,570.40
Other Special Instruction	3,289,831.56	3,030,140.96	2,858,018.85	2,547,793.39	2,365,553.51	2,789,408.78	2,813,260.84	2,557,792.66	2,268,416.29	2,180,218.12
Other Instruction	1,843,804.83	1,774,257.44	1,735,106.22	1,692,158.85	1,637,331.97	1,485,034.34	1,665,929.36	1,567,953.19	1,510,131.99	1,471,769.51
Support Services and Undistributed Costs:										
Tuition	7,338,018.71	7,245,843.72	7,028,827.24	7,238,858.59	7,004,602.42	7,025,817.29	7,036,003.77	6,023,732.04	5,066,776.45	4,474,338.74
Student and Instruction Related Services	14,588,340.15	14,550,703.43	14,661,286.22	14,647,269.23	13,921,953.19	13,427,204.87	14,617,753.71	13,474,646.69	13,242,625.40	12,811,507.15
Other Administrative Services	4,633,591.26	4,340,810.44	3,961,739.40	3,754,890.66	3,775,706.10	3,938,340.71	3,936,232.74	1,921,408.00	2,274,993.61	2,349,687.67
School Administrative Services	6,451,866.09	6,365,036.00	6,262,257.63	6,227,860.46	6,040,439.21	5,764,203.91	6,240,889.02	8,001,997.69	7,958,973.35	7,362,507.06
Plant Operations and Maintenance	9,669,756.60	9,301,939.78	9,630,638.36	9,251,479.89	9,011,523.94	9,480,172.89	9,410,527.43	9,551,466.26	9,926,259.45	9,904,213.99
Pupil Transportation	5,905,058.25	5,665,124.70	5,347,321.44	5,171,664.45	5,291,148.28	5,194,439.89	5,345,570.31	5,442,376.57	5,697,972.81	6,399,689.75
Unallocated Benefits	40,467,495.28	37,355,574.99	35,290,605.36	34,824,514.02	31,792,616.94	30,990,118.56	31,412,671.58	29,439,055.40	32,242,427.88	29,206,286.95
Capital Outlay	4,427,302.93	6,964,090.96	3,154,921.02	2,941,696.85	2,158,905.54	1,369,744.60	1,572,575.31	2,524,346.05	1,501,326.20	10,421,752.66
Special Schools								64,844.70	78,519.96	69,392.57
Charter Schools	253,853.00	262,155.00	186,230.33	162,550.00	74,113.00	69,307.81	34,044.00			9,220.00
Debt Service:										
Principal	3,450,000.00	3,525,000.00	3,545,000.00	3,720,000.00	3,520,000.00	3,560,000.00	3,455,000.00	3,539,281.17	3,462,263.18	3,380,522.30
Interest and Other Charges	577,099.91	683,050.00	793,650.00	937,737.25	1,381,137.50	1,500,087.50	1,662,587.50	1,824,968.60	1,913,396.47	2,123,032.60
Total Expenditures	157,667,718.33	153,942,968.92	147,074,443.68	144,413,370.28	139,149,554.80	137,540,086.82	141,564,903.69	137,910,582.55	137,670,836.88	141,998,770.82
Excess (Deficiency) of Revenues										
Over (Under) Expenditures	(1,560,283.08)	(1,285,782.52)	1,090,056.26	2,268,366.82	3,805,471.85	6,042,989.45	174,041.56	(143,996.07)	(443,408.52)	(589,030.83)
Other Financing Sources (Uses):										
Capital Leases (Non-budgeted)		1,593,600.00	636,960.00	817,450.00	673,341.00	495,438.00	650,825.37	2,031,203.65	638,166.30	349,961.40
Cancellation of Accounts Receivable		(1,453.51)	(25,000.89)	(26,790.69)	(34,751.00)	(98,051.63)				
Cancellation of Accounts Payable			344.00							
Refund of Prior Year Revenue		(22,447.00)	(344.00)							
Refund of Prior Year Revenue				(971.69)						
Proceeds from Financing Agreements	6,168,000.00									
Proceeds from Sale of Bonds				9,095,000.00	7,205,000.00					
Premium on Bonds Issued and Accrued Interest				435,264.50	249,107.35					
Payment to Refunding Bond Escrow Agent				(9,438,031.42)	(7,348,828.64)					
Costs of Issuance - Refunding Bonds				(92,233.08)	(105,278.71)					
Litigation Settlement										(300,000.00)
Operating Transfers	(929,489.91)	(924,025.03)	(929,691.81)	(738,149.39)	(723,851.14)	(801,131.01)	(984,728.61)	(810,971.16)	(759,179.33)	(795,036.52)
Total Other Financing Sources (Uses)	5,238,510.09	645,674.46	(317,732.70)	51,538.23	(85,261.14)	(403,744.64)	(333,903.24)	1,220,232.49	(121,013.03)	(635,097.62)
Net Change in Fund Balances	\$ 3,678,227.01	\$ (640,108.06)	\$ 772,323.56	\$ 2,319,905.05	\$ 3,720,210.71	\$ 5,639,244.81	\$ (159,861.68)	\$ 1,076,236.42	\$ (564,421.55)	\$ (1,224,128.45)
Debt Service as a Percentage of Noncapital Expenditures	2.6%	2.9%	3.0%	3.3%	3.6%	3.7%	3.7%	4.0%	3.9%	4.2%

Source: CAFR Exhibit B-2

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 General Fund - Other Local and Federal Miscellaneous Revenue by Source
 Last Ten Fiscal Years (Modified Accrual Basis of Accounting)
Unaudited

	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Gate Receipts	\$ 21,954.00	\$ 17,387.00	\$ 18,687.00	\$ 21,711.00	\$ 18,901.00	\$ 22,021.00	\$ 23,511.00	\$ 23,933.00	\$ 27,552.00	\$ 26,304.00
Interest on Investments	98,931.95	85,314.55	94,170.10	235,812.79	100,583.63	41,127.00	95,121.98	287,728.58	380,139.53	579,344.25
Legal Settlement						38,500.00		43,633.31	227,000.00	
Miscellaneous	7,970.37	527.57	23,745.48	11,854.16	89,315.56	153,390.42	30,455.85	159,004.03	221,380.51	124,300.89
Tuition	713,888.46	493,668.86	485,863.34	467,357.94	301,908.22	357,644.07	252,111.65	140,367.11	82,105.36	168,261.46
Accounts Payable Canceled	35,727.99	55,023.92	922,437.13							
Summer Programs				15,838.42						
FEMA	53,171.73						47,566.46			
Refund of Prior Year Expenditures	165,432.60	140,145.28	344,259.26	228,925.53	253,021.90	129,981.25	120,515.94	27,601.46	40,448.02	34,191.24
Rentals	126,135.59	109,400.39	98,632.23	67,241.38	47,263.43	26,151.00	29,142.85	33,984.60	29,333.00	29,531.00
ROTC Reimbursements	98,182.13	98,961.09	109,170.27	108,840.94	78,328.57	67,526.74	65,218.86	98,159.83	94,980.43	87,521.43
Sale of Equipment	6,688.15	2,790.51	745.25	4,460.00	2,516.60	7,003.00	2,440.00	1,175.00	800.00	
School Bus Advertising	5,479.50	8,775.00	5,267.92	3,201.32						
Total Miscellaneous Revenues	\$ 1,333,562.47	\$ 1,011,994.17	\$ 2,102,977.98	\$ 1,165,243.48	\$ 891,838.91	\$ 843,344.48	\$ 666,084.59	\$ 815,586.92	\$ 1,103,738.85	\$ 1,049,454.27

Source: District Records

REVENUE CAPACITY INFORMATION

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property
 Last Ten Fiscal Years
 Unaudited

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Real Property Exempt from Taxation	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
2016	\$ 38,031,000.00	\$ 3,384,306,100.00	\$ 5,021,900.00	\$ 727,653,800.00	\$ 9,203,400.00	\$ 68,105,000.00	\$ 4,232,321,200.00	\$ 5,208,364.00	\$ 4,237,529,564.00	\$ 468,561,800.00	\$ 4,464,944,825.00	\$ 1.989
2015	38,422,900.00	3,382,794,000.00	4,610,000.00	742,553,500.00	9,757,900.00	68,308,600.00	4,246,446,900.00	5,529,904.00	4,251,976,804.00	465,556,900.00	4,452,135,563.00	1.912
2014	37,005,500.00	3,385,410,500.00	5,561,200.00	722,086,100.00	10,194,500.00	68,658,600.00	4,228,916,400.00	5,424,948.00	4,234,341,348.00	494,659,200.00	4,457,590,808.00	1.912
2013 (3)	37,156,900.00	3,389,076,100.00	6,145,900.00	733,075,800.00	10,445,300.00	69,942,000.00	4,245,842,000.00	7,355,354.00	4,253,197,354.00	496,223,700.00	4,517,814,429.00	1.857
2012	27,303,200.00	2,074,323,500.00	4,242,700.00	407,604,400.00	6,167,100.00	38,745,500.00	2,558,386,400.00	4,108,807.00	2,562,495,207.00	210,317,700.00	4,839,013,429.00	2.972
2011	29,217,300.00	2,077,552,800.00	4,517,700.00	401,196,200.00	6,167,100.00	38,745,500.00	2,557,396,600.00	3,687,083.00	2,561,083,683.00	205,110,900.00	5,146,702,757.00	2.976
2010	29,861,400.00	2,078,568,200.00	4,517,700.00	409,036,800.00	6,167,100.00	39,304,000.00	2,567,455,200.00	5,192,362.00	2,572,647,562.00	206,521,900.00	5,261,178,689.00	2.925
2009	31,578,200.00	2,092,663,100.00	5,223,900.00	403,761,300.00	6,167,100.00	39,674,000.00	2,579,067,600.00	4,206,655.00	2,583,274,255.00	193,936,900.00	5,324,251,858.00	2.790
2008	33,660,800.00	2,093,518,500.00	5,214,800.00	392,870,100.00	6,167,100.00	38,105,200.00	2,569,536,500.00	4,017,465.00	2,573,553,965.00	192,940,900.00	5,137,731,975.00	2.680
2007	34,918,100.00	2,089,670,700.00	5,343,700.00	389,647,400.00	5,945,200.00	37,917,000.00	2,563,442,100.00	4,117,383.00	2,567,559,483.00	189,650,900.00	4,840,866,053.00	2.507

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

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

(3) Revaluation

Source: Camden County Board of Taxation

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(Rate per \$100 of Assessed Value)

Unaudited

Year Ended Dec. 31	District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Township of Washington	Township of Washington Fire District	Gloucester County	
2016	\$ 1.941	\$ 0.048	\$ 1.989	\$ 0.703	\$ 0.140	\$ 0.706	\$ 3.538
2015	1.891	0.068	1.959	0.702	0.139	0.688	3.488
2014	1.842	0.070	1.912	0.681	0.131	0.654	3.378
2013 (1)	1.782	0.075	1.857	0.673	0.129	0.644	3.303
2012	2.841	0.131	2.972	1.080	0.207	1.041	5.300
2011	2.841	0.135	2.976	1.052	0.192	1.092	5.312
2010	2.794	0.131	2.925	1.041	0.196	1.129	5.291
2009	2.658	0.128	2.786	0.961	0.195	1.136	5.078
2008	2.552	0.129	2.680	0.926	0.196	1.119	4.922
2007	2.378	0.129	2.507	0.836	0.182	1.039	4.564
2006	2.222	0.135	2.356	0.836	0.165	0.994	4.351

(1) Revaluation

Source: Municipal Tax Collector

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Turnersville Auto Mall	\$ 43,618,600.00	1	1.03%	\$ 24,845,900.00	1	0.97%
Virtua	32,812,900.00	2	0.77%			
Society Hill Apt. Assoc., LP	28,469,200.00	3	0.67%	15,000,000.00	3	0.58%
CSC Cross Keys LP	23,801,500.00	4	0.56%			
Centro Bradley Crosskeys Commons	20,140,000.00	5	0.48%			
Wal-Mart	20,076,800.00	6	0.47%	12,727,100.00	4	0.50%
Turnersville Interstate, LLC	19,583,000.00	7	0.46%			
Washington Center LLC	14,866,300.00	8	0.35%	9,000,000.00	6	0.35%
WP Plaza	14,586,000.00	9	0.34%	9,000,000.00	6	0.35%
Lowes	14,200,000.00	10	0.34%	7,500,000.00	7	0.29%
Birches Reality				7,500,000.00	7	0.29%
Turnersville Plaza				7,500,000.00	7	0.29%
Bradley Operating L.P.				15,622,200.00	2	0.61%
Home Depot				9,288,200.00	5	0.36%
Target				7,200,000.00	8	0.28%
Egg Harbor Road Ltd.				6,785,800.00	9	0.26%
Plaza 42				6,479,500.00	10	0.25%
Total	<u>\$ 232,154,300.00</u>		<u>5.48%</u>	<u>\$ 138,448,700.00</u>		<u>5.39%</u>

Source: Municipal Tax Assessor

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Property Tax Levies and Collections
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended June 30,	School District Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2016	\$ 84,298,574.00	\$ 84,298,574.00	100.00%	-
2015	82,211,573.00	82,211,573.00	100.00%	-
2014	79,634,189.00	79,634,189.00	100.00%	-
2013	78,287,892.00	78,287,892.00	100.00%	-
2012	73,987,266.00	68,108,094.03	92.05%	\$ 5,879,171.97
2011	78,443,283.00	75,700,884.04	96.50%	2,742,398.96
2010	72,063,215.00	72,063,215.00	100.00%	-
2009	71,887,626.00	71,887,626.00	100.00%	-
2008	66,120,173.00	66,120,173.00	100.00%	-
2007	62,626,942.00	62,626,942.00	100.00%	-

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

Source: District Records

DEBT CAPACITY INFORMATION

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Ratios of Outstanding Debt by Type
 Last Ten Fiscal Years
 Unaudited

Fiscal Year Ended <u>June 30.</u>	<u>Governmental Activities</u>		<u>Total District</u>	Percentage of Personal <u>Income (2)</u>	<u>Per Capita (3)</u>
	<u>General Obligation Bonds (1)</u>	<u>Purchasing Agreements</u>			
2016	\$ 13,870,000.00	\$ 10,281,944.41	\$ 24,151,944.41	Unavailable	\$ 504.62
2015	17,320,000.00	2,355,187.18	19,675,187.18	Unavailable	410.50
2014	20,845,000.00	1,519,824.07	22,364,824.07	1.00%	465.65
2013	24,390,000.00	1,514,203.81	25,904,203.81	1.20%	537.02
2012	28,225,000.00	1,433,947.55	29,658,947.55	1.39%	612.38
2011	31,325,000.00	1,605,970.25	32,930,970.25	1.57%	678.35
2010	34,885,000.00	1,909,166.23	36,794,166.23	1.83%	706.29
2009	38,340,000.00	2,088,309.60	40,428,309.60	1.89%	776.08
2008	41,879,281.17	1,220,293.17	43,099,574.34	2.00%	828.03
2007	44,867,544.36	1,238,932.51	46,106,476.87	2.26%	891.05

Sources:

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Net Assessed Valuation Taxable (2)	Per Capita (4)
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding (1)		
2016	\$ 13,870,000.00	-	\$ 13,870,000.00	0.33%	\$ 289.79
2015	17,320,000.00	-	17,320,000.00	0.41%	361.36
2014	20,845,000.00	-	20,845,000.00	0.49%	434.01
2013	24,390,000.00	-	24,390,000.00	0.57% (3)	505.63
2012	28,225,000.00	-	28,225,000.00	1.10%	582.78
2011	31,325,000.00	-	31,325,000.00	1.22%	645.26
2010	34,885,000.00	-	34,885,000.00	1.36%	669.64
2009	38,340,000.00	-	38,340,000.00	1.48%	735.99
2008	41,879,281.17	-	41,879,281.17	1.63%	804.58
2007	44,867,544.36	-	44,867,544.36	1.75%	867.11

Sources:

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2015
Unaudited

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Washington Township</u>	<u>Debt Authorized but not Issued</u>
Municipal Debt: (1)					
Washington Township School District	\$ 17,320,000.00	\$ 17,320,000.00			
Washington Township	<u>24,671,046.00</u>		<u>\$ 24,671,046.00</u>	<u>\$ 24,671,046.00</u>	
	<u>41,991,046.00</u>	<u>17,320,000.00</u>	<u>24,671,046.00</u>	<u>24,671,046.00</u>	<u>-</u>
Overlapping Debt Apportioned to the Municipality:					
County of Gloucester: (2)					
General:					
Bonds	250,426,000.00	7,866,500.00 (4)	242,559,500.00	42,493,568.18 (6)	\$ 29,032.00
Bonds Issued by Other Public Bodies Guaranteed by the County	202,586,429.00	202,586,429.00 (5)			
Washington Township Municipal Utilities Authority (3)	12,367,775.16		12,367,775.16	12,367,775.16	
Washington Township Fire District (3)	<u>2,155,000.00</u>		<u>2,155,000.00</u>	<u>2,155,000.00</u>	
	<u>467,535,204.16</u>	<u>210,452,929.00</u>	<u>257,082,275.16</u>	<u>57,016,343.34</u>	<u>29,032.00</u>
	<u>\$ 509,526,250.16</u>	<u>\$ 227,772,929.00</u>	<u>\$ 281,753,321.16</u>	<u>\$ 81,687,389.34</u>	<u>\$ 29,032.00</u>

Sources:

- (1) 2015 Annual Debt Statement
- (2) County's 2015 Annual Debt Statement
- (3) Entity's Audit Report
- (4) Includes County College Bonds
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2015 Net Valuation on which County taxes are apportioned, which is 17.52%.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Legal Debt Margin Information
 Last Ten Fiscal Years
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2016

	Equalized Valuation Basis (1)
2015	\$ 4,479,846,925
2014	4,433,755,924
2013	<u>4,475,431,643</u>
	<u>\$ 13,389,034,492</u>
Average equalized valuation of taxable property	<u>\$ 4,463,011,497</u>
Debt limit (3% of average equalization value) (2)	\$ 133,890,345
Total Net Debt Applicable to Limit	<u>13,870,000</u>
Legal Debt Margin	<u>\$ 120,020,345</u>

	<u>Fiscal Year Ended June 30</u>									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Debt limit	\$ 133,890,344.92	\$ 134,437,256.74	\$ 138,471,110.40	\$ 145,386,248.59	\$ 152,890,613.42	\$ 157,564,958.16	\$ 156,980,439.77	\$ 202,590,330.80	\$ 188,086,039.32	\$ 162,080,181.12
Total net debt applicable to limit (3)	<u>13,870,000.00</u>	<u>17,320,000.00</u>	<u>20,845,000.00</u>	<u>24,390,000.00</u>	<u>28,225,000.00</u>	<u>31,325,000.00</u>	<u>34,885,000.00</u>	<u>38,340,000.00</u>	<u>41,879,281.17</u>	<u>44,867,544.36</u>
Legal debt margin	<u>\$ 120,020,344.92</u>	<u>\$ 117,626,110.40</u>	<u>\$ 117,626,110.40</u>	<u>\$ 120,996,248.59</u>	<u>\$ 124,665,613.42</u>	<u>\$ 126,239,958.16</u>	<u>\$ 122,095,439.77</u>	<u>\$ 164,250,330.80</u>	<u>\$ 229,965,320.49</u>	<u>\$ 117,212,636.76</u>
Total net debt applicable to the limit as a percentage of debt limit	10.36%	12.88%	15.05%	16.78%	18.46%	19.88%	22.22%	18.92%	22.27%	27.68%

Sources:

- (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.
- (2) Limit set by NJSA 18A 24-19 for a K through 12 district.
- (3) District Records

DEMOGRAPHIC AND ECONOMIC INFORMATION

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Demographic and Economic Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	County of Gloucester Per Capita Personal Income (3)	<u>Unemployment Rate (4)</u>
2015	47,862	Unavailable	Unavailable	5.0%
2014	47,930	\$ 2,233,681,790.00	\$ 46,603.00	6.1%
2013	48,029	2,161,833,319.00	45,011.00	7.1%
2012	48,237	2,141,336,904.00	44,392.00	8.1%
2011	48,432	2,093,957,520.00	43,235.00	8.2%
2010	48,546	2,015,241,552.00	41,512.00	7.7%
2009	52,095	2,135,426,145.00	40,991.00	7.2%
2008	52,093	2,151,753,458.00	41,306.00	1.9%
2007	52,051	2,035,714,610.00	39,110.00	4.3%
2006	51,744	1,967,876,064.00	38,031.00	4.3%

Sources:

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Principal Non-Governmental Employers
 Current Year and Nine Years Ago
 Unaudited

<u>Employer</u>	<u>2016</u>			<u>2007 (1)</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment (1)</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Kennedy Memorial Hospital	700	1				
Walmart	385	2				
Virtua Health Care	250	3				
Bottino's Shoprite	240	4				
Health Care Center at Washington Twp.	180	5				
Home Depot	169	6				
Kohl's	154	7				
Lowe's	150	8				
Target	140	9				
Acme Markets	105	10				
	<u>2,473</u>		<u>-</u>	<u>-</u>		<u>-</u>

(1) Information not available

Source: Township of Washington Officials

OPERATING INFORMATION

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program
 Last Ten Fiscal Years
 Unaudited

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Instruction	769.52	803.50	740.47	862.60	692.90	781.10	861.00	780.50	807.30	837.30
Support Services:										
Student and Instruction Related Services	302.02	273.60	270.14	269.70	243.80	239.90	248.00	243.60	243.90	225.50
Other Administrative Services	40.00	40.00	45.00	40.50	43.50	39.50	41.00	40.00	42.80	43.00
School Administrative Services	76.70	76.70	85.10	85.30	84.80	74.50	75.00	81.40	84.00	85.70
Plant Operations and Maintenance	115.08	125.90	81.44	116.10	117.50	116.90	114.00	115.50	116.50	113.20
Pupil Transportation	80.87	80.90	75.87	81.90	81.90	81.90	83.00	57.00	63.20	64.40
Special Schools	-	-	-	-	-	-	57.00	-	-	-
Food Service	55.00	55.00	51.00	55.00	55.00	57.00	57.00	62.00	62.00	62.00
Child Care Program	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	4.00	4.00
Center for the Performing Arts	2.50	2.50	2.50	2.50	1.00	1.00	1.00	2.00	2.00	2.00
Total	<u>1,445.49</u>	<u>1,461.90</u>	<u>1,355.32</u>	<u>1,517.40</u>	<u>1,324.20</u>	<u>1,395.60</u>	<u>1,540.80</u>	<u>1,385.80</u>	<u>1,425.70</u>	<u>1,437.10</u>

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

<u>Fiscal Year Ended June 30,</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio</u>			<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
						<u>Elementary</u>	<u>Middle School</u>	<u>High</u>				
2016	7,325	\$ 149,213,315.49	\$ 20,370.42	11.29%	776	1:24	1:26	1:24	7,224	6,901	-1.56%	95.53%
2015	7,429	142,770,827.96	19,218.04	5.00%	690	1:24	1:26	1:24	7,338	7,032	-2.80%	95.83%
2014	7,626	139,580,872.66	18,303.29	7.63%	741	1:24	1:26	1:24	7,550	7,207	-3.17%	95.45%
2013	8,045	136,813,936.18	17,006.08	10.87%	769	1:24	1:26	1:24	7,797	7,417	-3.51%	95.13%
2012	8,347	132,089,511.76	15,824.79	3.17%	794	1:24	1:26	1:24	8,081	7,696	-2.21%	95.20%
2011	8,548	131,110,254.72	15,338.12	-0.30%	825	1:24	1:26	1:24	8,263	7,886	-2.81%	95.40%
2010	8,767	134,874,740.88	15,384.37	3.20%	923	1:24	1:26	1:24	8,502	8,140	-1.49%	95.80%
2009	8,722	130,021,986.73	14,907.36	3.55%	924	1:20	1:22	1:20	8,631	8,251	-2.47%	95.60%
2008	9,085	130,793,851.03	14,396.68	6.15%	924	1:18	1:16	1:19	8,849	8,441	-1.93%	95.38%
2007	9,296	126,073,463.26	13,562.12	10.13%	933	1:21	1:18	1:20	9,024	8,623	-1.53%	95.56%

Sources: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
School District Building:										
Elementary:										
Bells Elementary School (1967)										
Square Feet	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617	62,617
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	476	499	526	557	563	573	567	566		603
Birches Elementary School (1968)										
Square Feet	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411	62,411
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	455	466	467	497	497	512	528	514	551	569
Grenloch Terrace Early Childhood Center (1936)										
Square Feet	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139	31,139
Capacity (students)	600	600	600	600	600	600	600	600	600	600
Enrollment	529	494	515	487	557	529	564	585	604	577
Hurffville Elementary School (1957)										
Square Feet	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082	65,082
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	443	451	460	485	496	524	533	500	507	486
Thomas Jefferson Elementary School (1980)										
Square Feet	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896	81,896
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	386	422	438	436	471	456	459	459	472	491
Wedgwood Elementary School (1970)										
Square Feet	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956	64,956
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	412	404	416	443	447	460	509	523	517	573
Whitman Elementary School (1965)										
Square Feet	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415	67,415
Capacity (students)	675	675	675	675	675	675	675	675	675	675
Enrollment	460	495	518	550	551	560	576	592	615	623

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 School Building Information
 Last Ten Fiscal Years
 Unaudited

	Fiscal Year Ended June 30,									
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
School District Building:										
Middle School:										
Bunker Hill Middle School (1997)										
Square Feet	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056	125,056
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	682	671	690	723	734	759	775	750	767	837
Chestnut Ridge Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	578	561	569	613	651	671	660	697	720	735
School District Building (Cont'd):										
Middle School (Cont'd):										
Orchard Valley Middle School (1989)										
Square Feet	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000
Capacity (students)	900	900	900	900	900	900	900	900	900	900
Enrollment	583	591	603	610	605	605	671	689	734	725
High School:										
Washington Township High School (1962)										
Square Feet	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011	427,011
Capacity (students)	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment	2,321	2,375	2,425	2,512	2,620	2,614	2,646	2,757	2,866	3,045
Number of Schools at June 30, 2016										
Elementary =	7									
Middle School =	3									
High School =	1									

Source: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Required Maintenance
 Last Ten Fiscal Years
Unaudited

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

School Facilities	Project Number	Fiscal Year Ended June 30,									
		2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Bells Elementary School	N/A	\$ 58,911.54	\$ 50,438.00	\$ 51,138.00	\$ 54,523.00	\$ 48,008.00	\$ 56,072.46	\$ 55,744.00	\$ 51,350.79	\$ 73,114.68	\$ 81,647.00
Birches Elementary School	N/A	58,717.73	50,272.00	55,413.00	54,343.00	47,850.00	55,887.99	55,560.00	51,181.86	72,874.15	81,380.00
Bunker Hill Middle School	N/A	117,655.61	101,111.00	104,422.00	109,277.00	96,570.00	111,985.51	111,329.00	102,555.61	150,586.52	164,399.00
Chestnut Ridge Middle School	N/A	104,300.95	86,189.00	92,384.00	93,311.00	82,609.00	95,816.67	95,255.00	87,748.29	124,938.45	141,790.00
Grenloch Terrace Early Childhood Center	N/A	29,296.30	25,083.00	25,430.00	27,114.00	23,874.00	27,884.44	27,956.00	25,536.39	36,359.42	41,534.00
Hurffville Elementary School	N/A	61,230.67	52,424.00	53,151.00	56,669.00	49,897.00	58,279.82	57,938.00	53,372.28	75,992.94	88,864.00
Orchard Valley Middle School	N/A	100,668.11	86,189.00	87,384.00	98,168.00	82,035.00	95,816.67	95,255.00	87,748.29	124,938.45	140,007.00
Thomas Jefferson Elementary School	N/A	77,049.68	65,968.00	66,882.00	71,309.00	62,788.00	73,336.47	72,906.00	67,161.07	95,625.79	108,277.00
Washington Township High School	N/A	406,730.95	347,933.13	360,434.82	379,706.69	334,431.25	390,481.07	384,616.59	361,272.23	506,331.36	562,142.00
Wedgwood Elementary School	N/A	61,112.13	52,322.00	53,510.00	56,559.00	49,801.00	58,166.99	57,826.00	53,268.96	75,845.81	83,846.00
Whitman Elementary School	N/A	64,143.30	54,303.00	55,056.00	58,700.00	51,686.00	60,278.99	60,015.00	55,285.53	78,717.06	88,595.00
Total School Facilities		1,139,816.97	972,232.13	1,005,204.82	1,059,679.69	929,549.25	1,084,007.08	1,074,400.59	996,481.30	1,415,324.63	1,582,481.00
Other Facilities	N/A	-	-	-	-	-	-	-	-	-	-
Total		\$ 1,139,816.97	\$ 972,232.13	\$ 1,005,204.82	\$ 1,059,679.69	\$ 929,549.25	\$ 1,084,007.08	\$ 1,074,400.59	\$ 996,481.30	\$ 1,415,324.63	\$ 1,582,481.00

Source: District Records

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2016
Unaudited

<u>Type of Coverage</u>	<u>Insurance Company</u>	<u>Coverage</u>	<u>Deductible</u>
Property / Inland Marine / Automobile Physical Damage	GCSSD-JIF Self Insured Retention	\$ 250,000	\$ 500
Crime - JIF Self Insured Retention	GCSSD-JIF Self Insured Retention	250,000	500
General Liability / Auto Liability - JIF Self Insured Retention	GCSSD-JIF Self Insured Retention	250,000	
Educators Legal Liability - JIF Self Insured Retention	GCSSD-JIF Self Insured Retention	250,000	
Workers Compensation - JIF Self Insured Retention	GCSSD-JIF Self Insured Retention	250,000	
Property / Inland Marine / Automobile Physical Damage	School Pool for Excess Liability Limits JIF**	150,000,000	
Crime	School Pool for Excess Liability Limits JIF**	500,000	
Workers Compensation	School Pool for Excess Liability Limits JIF**	Statutory	
Employers Liability	School Pool for Excess Liability Limits JIF**	10,000,000	
General Liability / Auto Liability	School Pool for Excess Liability Limits JIF**	20,000,000	
Educators' Legal Liability	School Pool for Excess Liability Limits JIF**	20,000,000	
Boiler and Machinery	Travelers Insurance Company	125,000,000	1,000
Pollution Legal Liability	AIG / Commerce and Industry Insurance Company	3,000,000	25,000
Cyber Liability	AIG / Lexington Insurance Company, Inc.	1,000,000	25,000
Violent Malicious Acts	Lloyd's of London	1,000,000	15,000
Board Secretary's Bond	Western Surety Company	532,000.00	None
Driving School Bond	Western Surety Company	10,000.00	None
Student Accident Policy	Zurich American Insurance Company	2,000,000.00	None
<u>Excess and Reinsurance Carriers Involved **</u>			
Property and Crime	SPELL JIF, Great American Insurance Company Great American Insurance Company Axis Surplus Insurance Company Westchester Fire Insurance Company Alterra Excess & Surplus Insurance Company Ironshore Specialty Insurance Company Steadfast Insurance Company RSUI Indemnity Company James River Insurance Company BRIT / Lloyd's of London Arch Specialty Insurance Company		
General Liability and Automobile Liability	SPELL JIF, Great American Insurance Company		
Workers Compensation	SPELL JIF, Great American Insurance Company, Safety National Casualty Company		
Educators Legal Liability	SPELL JIF, Great American Insurance Company		

Source: School District Records

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT

The Honorable President and
Members of the Board of Education
Township of Washington School District
County of Gloucester, New Jersey 08080

Report on Compliance for Each Major Federal and State Program

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

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

BOWMAN & COMPANY LLP

BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants

L. Jarred Corn

L. Jarred Corn
Certified Public Accountant
Public School Accountant No. CS 00219700

Voorhees, New Jersey
November 21, 2016

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 For the Fiscal Year Ended June 30, 2016

<u>Pass-through</u> <u>Grantor/Program Title</u>	<u>CFDA</u> <u>Number</u>	<u>Federal</u> <u>FAIN</u> <u>Number</u>	<u>Pass-Through Entity</u> <u>Identifying Number</u>	<u>Award</u> <u>Amount</u>	<u>Grant Period</u>		<u>Balance</u> <u>June 30 2015</u>	<u>Carry-Over</u> <u>Amount</u>
					<u>From</u>	<u>To</u>		
General Fund:								
United States Air Force:								
Air Force Junior ROTC	99.XXX	Unavailable	NJ080932	\$ 98,182.13	7-1-15	6-30-16		
Air Force Junior ROTC	99.XXX	Unavailable	NJ080932	98,960.09	7-1-14	6-30-15	\$ (9,918.99)	
Total Air Force Junior ROTC							(9,918.99)	-
U.S. Department of Health and Human Services:								
Passed-through the State Department of Education:								
Special Education--Medicaid Initiative--Settlement	93.778	1605NJ5MAP	N/A	10,508.34	7-1-13	6-30-14		
Special Education--Medicaid Initiative	93.778	1605NJ5MAP	N/A	156,183.85	7-1-15	6-30-16		
Special Education--Medicaid Initiative	93.778	1605NJ5MAP	N/A	256,630.51	7-1-14	6-30-15	(102,518.93)	
Total Special Education--Medicaid Initiative							(102,518.93)	-
Total General Fund							(112,437.92)	-
Special Revenue Fund:								
U.S. Department of Education:								
Passed-through State Department of Education:								
N.C.L.B.:								
Title I	84.010	S010A150030	NCLB552016	622,764.00	7-1-15	6-30-16		\$ 61,281 00
Title I	84.010	S010A150030	NCLB552015	571,327.00	7-1-14	6-30-15	(148,416.00)	(61,281 00)
Total Title I							(148,416.00)	-
Title II - Part A	84.367	S367A150029	NCLB552016	167,851.00	7-1-15	6-30-16		4,230 00
Title II - Part A	84.367	S367A150029	NCLB552015	180,361.00	7-1-14	6-30-15	(72,878.00)	(4,230 00)
Total Title II - Part A							(72,878.00)	-
Title III	84.365	S365A150030	NCLB552016	22,086.00	7-1-15	6-30-16		2,526 00
Title III	84.365	S365A150030	NCLB552015	17,935.00	7-1-14	6-30-15	(7,762.00)	(2,526 00)
Total Title III							(7,762.00)	-
I.D.E.A. Part B:								
Special Education Cluster:								
Basic	84.027	H027A150100	IDEA552016	2,291,155.00	7-1-15	6-30-16		320,483 00
Basic	84.027	H027A150100	IDEA552015	2,200,040.00	7-1-14	6-30-15	(673,912.00)	(320,483 00)
Pre-School	84.173	H173A150114	IDEA552016	100,219.00	7-1-15	6-30-16		3,341 00
Pre-School	84.173	H173A150114	IDEA552015	111,151.00	7-1-14	6-30-15	(18,830.00)	(3,341 00)
Total I.D.E.A. Part B Special Education Cluster							(692,742.00)	-
Carl D. Perkins Vocational and Technical:								
Education Act of 1998 - Secondary								
Education Act of 1998 - Secondary	84.048A	V048A140030	PERK552016	45,006.00	7-1-15	6-30-16		
Education Act of 1998 - Secondary	84.048A	V048A140030	PERK552015	40,744.00	7-1-14	6-30-15	(4,416.00)	
Total Education Act of 1998 - Secondary							(4,416.00)	-
Total Special Revenue Fund							(926,214.00)	-
Enterprise Fund:								
U.S. Department of Agriculture:								
Passed-through State Department of Education:								
Child Nutrition Cluster:								
Non-Cash Assistance (Food Distribution):								
National School Lunch Program	10.555	16161NJ304N1099	N/A	139,987.84	7-1-14	6-30-15	15,763.80	
National School Lunch Program	10.555	16161NJ304N1099	N/A	130,978.34	7-1-15	6-30-16		
Cash Assistance:								
National School Lunch Program	10.555	16161NJ304N1099	N/A	616,232.16	7-1-14	6-30-15	(112,499.42)	
National School Lunch Program	10.555	16161NJ304N1099	N/A	592,965.13	7-1-15	6-30-16		
National School Breakfast Program	10.553	16161NJ304N1099	N/A	103,425.01	7-1-14	6-30-15	(22,313.29)	
National School Breakfast Program	10.553	16161NJ304N1099	N/A	93,783.92	7-1-15	6-30-16		
Special Milk Program	10.556	16161NJ304N1099	N/A	9,633.77	7-1-14	6-30-15	(1,884.33)	
Special Milk Program	10.556	16161NJ304N1099	N/A	8,872.36	7-1-15	6-30-16		
Total Child Nutrition Cluster							(120,933.24)	-
Total Enterprise Fund							(120,933.24)	-
Total Federal Financial Assistance							\$ (1,159,585.16)	\$ -

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Cash Received	Adjustments (A)	Budgetary Expenditures			Passed-Through to Subrecipients	Repayment of Prior Years' Balances	Balance at June 30 2016		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures			Accounts Receivable	Unearned Revenue	Due to Grantor
\$ 88,227.09			\$ 98,182.13	\$ 98,182.13			\$ (9,955.04)		
9,918.99									
98,146.08	-	-	98,182.13	98,182.13	-	-	(9,955.04)	-	-
124,730.76		\$ 10,508.34		10,508.34			(10,508.34)		
102,518.93		156,183.85		156,183.85			(31,453.09)		
227,249.69	-	166,692.19	-	166,692.19	-	-	(41,961.43)	-	-
325,395.77	-	166,692.19	98,182.13	264,874.32	-	-	(51,916.47)	-	-
217,556.00	\$ 0.66	545,526.66		545,526.66			(266,689.00)		
209,699.00	(2.00)								
427,255.00	(1.34)	545,526.66	-	545,526.66	-	-	(266,689.00)	-	-
97,267.00	(0.04)	151,217.96		151,217.96			(49,721.00)		
77,109.00	(1.00)								
174,376.00	(1.04)	151,217.96	-	151,217.96	-	-	(49,721.00)	-	-
5,897.00	(0.17)	18,776.83		18,776.83			(10,354.00)		
10,289.00	(1.00)								
16,186.00	(1.17)	18,776.83	-	18,776.83	-	-	(10,354.00)	-	-
737,846.00	0.66	1,953,882.66		1,953,882.66			(895,553.00)		
994,396.00	(1.00)								
83,069.00	0.44	98,172.44		98,172.44			(11,762.00)		
22,171.00									
1,837,482.00	0.10	2,052,055.10	-	2,052,055.10	-	-	(907,315.00)	-	-
30,343.00	(0.14)	45,004.86		45,004.86			(14,662.00)		
4,416.00									
34,759.00	(0.14)	45,004.86	-	45,004.86	-	-	(14,662.00)	-	-
2,490,058.00	(3.59)	2,812,581.41	-	2,812,581.41	-	-	(1,248,741.00)	-	-
		15,763.80		15,763.80					
134,900.51		112,479.98		112,479.98				\$ 22,420.53	
112,499.42		592,965.13		592,965.13			(87,702.60)		
505,262.53									
22,313.29		93,783.92		93,783.92			(14,332.41)		
79,451.51									
1,884.33		8,872.36		8,872.36			(1,473.35)		
7,399.01									
863,710.60	-	823,865.19	-	823,865.19	-	-	(103,508.36)	22,420.53	-
863,710.60	-	823,865.19	-	823,865.19	-	-	(103,508.36)	22,420.53	-
\$ 3,679,164.37	\$ (3.59)	\$ 3,803,138.79	\$ 98,182.13	\$ 3,901,320.92	\$ -	\$ -	\$ (1,404,165.83)	\$ 22,420.53	\$ -

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2016

State Grantor/ Program Title	State Project Number	Award Amount	Matching	Grant Period		Balance at June 30, 2015	
				From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor
General Fund:							
New Jersey Department of Education:							
Current Expense:							
State Aid - Public Cluster:							
Equalization Aid	16-495-034-5120-078	\$ 38,162,410.00	N/A	7-1-15	6-30-16		
Equalization Aid	15-495-034-5120-078	38,162,410.00	N/A	7-1-14	6-30-15	\$ (3,662,471.00)	
Adjustment Aid	16-495-034-5120-085	3,559,441.00	N/A	7-1-15	6-30-16		
Adjustment Aid	15-495-034-5120-085	3,559,441.00	N/A	7-1-14	6-30-15	(341,602.00)	
Special Education Categorical Aid	16-495-034-5120-089	4,519,182.00	N/A	7-1-15	6-30-16		
Special Education Categorical Aid	15-495-034-5120-089	4,519,182.00	N/A	7-1-14	6-30-15	(433,709.00)	
PARCC Readiness Aid	16-495-034-5120-098	73,560.00	N/A	7-1-15	6-30-16		
PARCC Readiness Aid	15-495-034-5120-098	73,560.00	N/A	7-1-14	6-30-15	(7,060.00)	
Per Pupil Aid	16-495-034-5120-097	73,560.00	N/A	7-1-15	6-30-16		
Per Pupil Aid	15-495-034-5120-097	73,560.00	N/A	7-1-14	6-30-15	(7,060.00)	
Security Aid	16-495-034-5120-084	747,449.00	N/A	7-1-15	6-30-16		
Security Aid	15-495-034-5120-084	747,449.00	N/A	7-1-14	6-30-15	(71,733.00)	
Total State Aid - Public Cluster						(4,523,635.00)	-
Transportation Aid:							
Transportation Aid	16-495-034-5120-014	2,909,313.00	N/A	7-1-15	6-30-16		
Transportation Aid	15-495-034-5120-014	2,909,313.00	N/A	7-1-14	6-30-15	(279,209.00)	
Nonpublic School Transportation Aid	16-495-034-5120-014	76,401.00	N/A	7-1-15	6-30-16		
Nonpublic School Transportation Aid	15-495-034-5120-014	70,324.00	N/A	7-1-14	6-30-15	(70,324.00)	
Total Transportation Aid						(349,533.00)	-
Extraordinary Special Education Costs Aid							
Extraordinary Special Education Costs Aid	16-495-034-5120-044	1,222,304.00	N/A	7-1-15	6-30-16		
Extraordinary Special Education Costs Aid	15-100-034-5120-473	1,192,826.00	N/A	7-1-14	6-30-15	(1,341,380.00)	
Total Extraordinary Special Education Costs Aid						(1,341,380.00)	-
Payment for Institutionalized Children - Unknown District of Residence							
Payment for Institutionalized Children - Unknown District of Residence	16-495-034-5120-005	108,216.53	N/A	7-1-15	6-30-16		
Payment for Institutionalized Children - Unknown District of Residence	15-495-034-5120-005	182,192.94	N/A	7-1-14	6-30-15	(152,534.70)	
Total Payment for Institutionalized Children - Unknown District of Residence						(152,534.70)	-
Reimbursed TPAF Social Security Contributions							
Reimbursed TPAF Social Security Contributions	16-495-034-5094-003	4,691,866.95	N/A	7-1-15	6-30-16		
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	4,121,960.36	N/A	7-1-14	6-30-15	(411,636.49)	
Total Reimbursed TPAF Social Security Contributions						(411,636.49)	-
Total General Fund						(6,778,719.19)	-
Special Revenue Fund:							
New Jersey Department of Education:							
Nonpublic Aid:							
Nursing Services	16-100-034-5120-070	5,850.00	N/A	7-1-15	6-30-16		
Nursing Services	15-100-034-5120-070	14,701.00	N/A	7-1-14	6-30-15		\$ 8,631.00
Total Nursing Aid						-	8,631.00
Textbook Aid (Ch. 194, L. 1977)							
Textbook Aid (Ch. 194, L. 1977)	16-100-034-5120-064	3,712.00	N/A	7-1-15	6-30-16		
Textbook Aid (Ch. 194, L. 1977)	15-100-034-5120-064	9,235.00	N/A	7-1-14	6-30-15		6,222.00
Total Textbook Aid (Ch. 194, L. 1977)						-	6,222.00
Technology Aid							
Technology Aid	16-100-034-5120-373	1,690.00	N/A	7-1-15	6-30-16		
Technology Aid	15-100-034-5120-373	4,960.00	N/A	7-1-14	6-30-15		3,288.00
Total Technology Aid						-	3,288.00
Nonpublic Aid:							
Security Aid							
Security Aid	16-100-034-5120-509	1,625.00	N/A	7-1-15	6-30-16		
Auxiliary Services (Ch. 192, L. 1977)							
Compensatory Education							
Transportation and Maintenance	16-100-034-5120-067	9,813.00	N/A	7-1-15	6-30-16		
Transportation and Maintenance	15-100-034-5120-067	1,613.00	N/A	7-1-15	6-30-16		
Auxiliary Services (Ch. 192, L. 1977)							
Compensatory Education							
Transportation and Maintenance	16-100-034-5120-067	30,457.00	N/A	7-1-14	6-30-15		27,411.00
Transportation and Maintenance	15-100-034-5120-067	6,763.00	N/A	7-1-14	6-30-15		5,197.00
Total Auxiliary Services (Ch. 192, L. 1977)						-	32,608.00
Handicapped Services (Ch. 193, L. 1977)							
Corrective Speech							
Examination and Classification	16-100-034-5120-066	16,721.00	N/A	7-1-15	6-30-16		
Examination and Classification	15-100-034-5120-066	5,111.00	N/A	7-1-15	6-30-16		
Supplementary Instruction	15-100-034-5120-066	297.00	N/A	7-1-15	6-30-16		
Handicapped Services (Ch. 193, L. 1977)							
Corrective Speech							
Examination and Classification	16-100-034-5120-066	30,039.00	N/A	7-1-14	6-30-15		18,200.00
Examination and Classification	15-100-034-5120-066	20,349.00	N/A	7-1-14	6-30-15		18,728.00
Supplementary Instruction	15-100-034-5120-066	8,632.00	N/A	7-1-14	6-30-15		7,926.00
Total Handicapped Services (Ch. 193, L. 1977)						-	44,854.00
Total Special Revenue Fund						-	95,603.00

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Total Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance at June 30, 2016			(Memo Only)	
						Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2016	Cumulative Total Expenditures
	\$ 34,498,778.00		\$ 38,162,410.00			\$ (3,663,632.00)			\$ (3,663,632.00)	\$ 38,162,410.00
	3,662,471.00									
	3,217,731.00		3,559,441.00			(341,710.00)			(341,710.00)	3,559,441.00
	341,602.00									
	4,085,336.00		4,519,182.00			(433,846.00)			(433,846.00)	4,519,182.00
	433,709.00									
	66,498.00		73,560.00			(7,062.00)			(7,062.00)	73,560.00
	7,060.00									
	66,498.00		73,560.00			(7,062.00)			(7,062.00)	73,560.00
	7,060.00									
	675,693.00		747,449.00			(71,756.00)			(71,756.00)	747,449.00
	71,733.00									
-	47,134,169.00	-	47,135,602.00	-	-	(4,525,068.00)	-	-	(4,525,068.00)	47,135,602.00
	2,630,016.00		2,909,313.00			(279,297.00)			(279,297.00)	2,909,313.00
	279,209.00									
			76,401.00			(76,401.00)				76,401.00
	70,324.00									
-	2,979,549.00	-	2,985,714.00	-	-	(355,698.00)	-	-	(279,297.00)	2,985,714.00
	1,341,380.00		1,321,816.00			(1,321,816.00)				1,321,816.00
-	1,341,380.00	-	1,321,816.00	-	-	(1,321,816.00)	-	-	-	1,321,816.00
	125,113.36	\$ 27,421.34	204,579.33			(204,579.33)				204,579.33
-	125,113.36	27,421.34	204,579.33	-	-	(204,579.33)	-	-	-	204,579.33
	3,860,881.85		4,061,469.44			(200,587.59)				4,061,469.44
	411,636.49									
-	4,272,518.34	-	4,061,469.44	-	-	(200,587.59)	-	-	-	4,061,469.44
-	55,852,729.70	27,421.34	55,709,180.77	-	-	(6,607,748.92)	-	-	(4,804,365.00)	55,709,180.77
	5,850.00		5,850.00		\$ 8,631.00					5,850.00
-	5,850.00	-	5,850.00	-	8,631.00	-	-	-	-	5,850.00
	3,712.00	(0.30)	2,594.70					\$ 1,117.00		2,594.70
						6,222.00				
-	3,712.00	(0.30)	2,594.70	-	6,222.00	-	-	1,117.00	-	2,594.70
	1,690.00	0.10	1,131.10					559.00		1,131.10
						3,288.00				
-	1,690.00	0.10	1,131.10	-	3,288.00	-	-	559.00	-	1,131.10
-	1,625.00	0.41	1,544.41	-	-	-	-	81.00	-	1,544.41
	9,813.00	0.40	9,644.40					169.00		9,644.40
	1,613.00	(0.15)	1,244.85					368.00		1,244.85
					27,411.00					
					5,197.00					
-	11,426.00	0.25	10,889.25	-	32,608.00	-	-	537.00	-	10,889.25
	16,721.00	0.20	8,109.20					8,612.00		8,109.20
	5,111.00	0.46	2,384.46					2,727.00		2,384.46
	297.00		297.00							297.00
					18,200.00					
					18,728.00					
					7,926.00					
-	22,129.00	0.66	10,790.66	-	44,854.00	-	-	11,339.00	-	10,790.66
-	46,432.00	1.12	32,800.12	-	95,603.00	-	-	13,633.00	-	32,800.12

(Continued)

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 For the Fiscal Year Ended June 30, 2016

State Grantor/ Program Title	State Project Number	Award Amount	Matching	Grant Period		Balance at June 30, 2015	
				From	To	Unearned Revenue/ Accounts Receivable	Due to Grantor
Capital Projects Fund:							
New Jersey Economic Development Authority:							
Additional State School Building Aid--							
High School Air Conditioning/Security	5500-010-05-1000	\$ 3,345,967.00	\$ 6,269,109.00	10-26-04	Project End		
Bells Elementary Air Conditioning/Security	5500-025-05-1000	965,244.00	960,282.00	10-26-04	Project End		\$ 219.37
Birches Elementary Air Conditioning/Security	5500-027-05-1000	965,244.00	960,282.00	10-26-04	Project End		6,911.82
Wedgwood Elementary Air Conditioning/Security	5500-060-05-1000	859,321.00	866,280.00	10-26-04	Project End		3,564.68
Whitman Elementary Air Conditioning/Security	5500-070-05-1000	965,244.00	960,282.00	10-24-04	Project End		8,247.59
High School Science Labs	5500-010-05-3000	430,963.00	397,890.00	12-22-05	Project End	\$ (335,309.25)	
Whitman Elementary Roof	5500-070-14-1018	399,908.00	599,862.00	9-11-14	Project End	(340,544.13)	
Grenloch Elementary Roof	5500-030-14-1011	268,779.00	403,168.00	9-11-14	Project End	(255,187.20)	
High School Cooling Tower	5500-010-14-1001	94,640.00	141,960.00	9-11-14	Project End	(88,704.00)	
Bells Elementary Boiler Replacement	5500-025-14-1005	232,600.00	348,900.00	9-11-14	Project End	(186,397.37)	
Birches Elementary Boiler Replacement	5500-027-14-1009	232,600.00	348,900.00	9-11-14	Project End	(181,943.30)	
High School Boiler Replacement	5500-010-14-1002	596,219.00	894,328.00	9-11-14	Project End	(497,065.73)	
Wedgwood Elementary Boiler Replacement	5500-060-14-1016	271,520.00	407,280.00	9-11-14	Project End	(218,864.60)	
Whitman Elementary Boiler Replacement	5500-070-14-1017	271,920.00	407,880.00	9-11-14	Project End	(209,425.02)	
Bells Elementary Security Improvements	5500-025-14-1006	30,010.00	45,014.00	9-11-14	Project End	(1,817.00)	
Bunker Hill Middle School Security Improvements	5500-020-14-1004	51,198.00	76,797.00	9-11-14	Project End	(2,668.80)	
Birches Elementary Security Improvements	5500-027-14-1008	30,000.00	45,000.00	9-11-14	Project End	(1,518.00)	
Chestnut Ridge Middle School Security Improvements	5500-026-14-1007	49,951.00	74,926.00	9-11-14	Project End	(1,875.60)	
Grenloch Elementary Security Improvements	5500-030-14-1012	28,038.00	42,056.00	9-11-14	Project End	(1,480.00)	
Hurffville Elementary Security Improvements	5500-040-14-1013	30,116.00	45,174.00	9-11-14	Project End	(1,545.60)	
Orchard Valley Middle School Security Improvements	5500-050-14-1014	49,511.00	74,266.00	9-11-14	Project End	(1,910.40)	
Thomas Jefferson Elementary Security Improvements	5500-028-14-1010	30,203.00	45,304.00	9-11-14	Project End	(1,550.80)	
Wedgwood Elementary Security Improvements	5500-060-14-1015	30,000.00	45,000.00	9-11-14	Project End	(1,646.80)	
Whitman Elementary Security Improvements	5500-070-14-1019	29,936.00	44,905.00	9-11-14	Project End	(1,534.00)	
Total Additional State School Building Aid						(2,330,987.60)	18,943.46
Total Capital Projects Fund						(2,330,987.60)	18,943.46
Debt Service Fund:							
State Department of Education:							
State Support							
	16-495-034-5120-075	1,142,001.00	N/A	7-1-15	6-30-16	-	-
Enterprise Fund:							
State School Lunch Aid							
	16-100-010-3350-023	17,115.37	N/A	7-1-15	6-30-16		
	15-100-010-3350-023	17,646.34	N/A	7-1-14	6-30-15	(3,225.10)	
Total State School Lunch Aid						(3,225.10)	-
Total Enterprise Fund						(3,225.10)	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit						(9,112,931.89)	114,546.46
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of Treasury:							
On-behalf T.P.A.F. Pension Contributions - Normal Cost							
	16-495-034-5094-002	4,384,700.00	N/A	7-1-15	6-30-16		
On-behalf T.P.A.F. Pension Contributions - Non-contributory Insurance							
	16-495-034-5094-004	218,418.00	N/A	7-1-15	6-30-16		
On-behalf T.P.A.F. Pension Contributions - Post Retirement Medical							
	16-495-034-5094-001	5,481,041.00	N/A	7-1-15	6-30-16		
Total General Fund (Non-Cash Assistance)						-	-
Total State Financial Assistance						\$ (9,112,931.89)	\$ 114,546.46

(A) See Note 5 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Carryover/ Walkover Amount	Cash Received	Adjustments (A)	Total Budgetary Expenditures	Passed- Through to Subrecipients	Repayment of Prior Years' Balances	Balance at June 30, 2016			(Memo Only)	
						Accounts Receivable	Unearned Revenue	Due to Grantor	Budgetary Receivable June 30, 2016	Cumulative Total Expenditures
										\$ 9,495,442.82
								\$ 219.37		1,925,231.62
								6,911.82		1,918,539.17
								3,564.68		1,721,941.69
								8,247.59		1,917,203.40
	\$ 301,999.31	\$ (12,536.64)	\$ 2,255.99			\$ (335,309.25)				750,099.69
	265,964.04	(10,776.84)				(53,337.45)				866,152.95
	90,381.20	(5,040.00)	896.00			(4,258.80)				648,744.85
	152,607.45		21,838.73			(55,628.65)				487,832.15
	152,552.08		26,017.74			(55,408.96)				480,875.98
	415,924.99	(18,143.26)	29,000.29			(128,284.29)				1,289,807.87
	220,806.32	(10,790.20)	19,255.71			(28,104.19)				577,207.41
	178,966.22	(10,778.20)	20,063.96			(61,300.96)				554,404.71
			21,553.00			(23,370.00)				26,095.50
			38,732.00			(41,400.80)				45,404.00
			21,754.00			(23,272.00)				25,549.00
			39,207.60			(41,083.20)				43,896.60
			21,117.60			(22,597.60)				24,817.60
			21,773.20			(23,318.80)				25,637.20
			39,307.60			(41,218.00)				44,083.60
			21,778.80			(23,329.60)				25,655.80
			21,645.20			(23,292.00)				25,762.20
			21,770.00			(23,304.00)				25,605.00
-	1,779,201.61	(68,065.14)	387,967.41	-	-	(1,007,818.54)	-	18,943.46	-	23,173,686.81
-	1,779,201.61	(68,065.14)	387,967.41	-	-	(1,007,818.54)	-	18,943.46	-	23,173,686.81
-	1,142,001.00		1,142,001.00	-	-	-	-	-	-	1,142,001.00
	14,685.67		17,115.37			(2,429.70)				17,115.37
	3,225.10									-
-	17,910.77	-	17,115.37	-	-	(2,429.70)	-	-	-	17,115.37
-	17,910.77	-	17,115.37	-	-	(2,429.70)	-	-	-	17,115.37
-	58,838,275.08	(40,642.68)	57,289,064.67	-	\$ 95,603.00	(7,617,997.16)		32,576.46	\$ (4,804,365.00)	80,074,784.07
	4,384,700.00		4,384,700.00							4,384,700.00
	218,418.00		218,418.00							218,418.00
	5,481,041.00		5,481,041.00							5,481,041.00
-	10,084,159.00	-	10,084,159.00	-	-	-	-	-	-	10,084,159.00
\$ -	\$ 68,922,434.08	\$ (40,642.68)	\$ 67,373,223.67	\$ -	\$ 95,603.00	\$ (7,617,997.16)	\$ -	\$ 32,576.46	\$ (4,804,365.00)	\$ 90,158,943.07

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2016

Note 1: BASIS OF PRESENTATION

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

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Note 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

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

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$0.00 for the general fund and \$24,876.99 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

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

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 264,874.32	\$ 65,776,716.94	\$ 66,041,591.26
Special Revenue	2,837,458.40	32,800.12	2,870,258.52
Capital Projects		456,032.56	456,032.56
Debt Service		1,142,001.00	1,142,001.00
Food Service	823,865.19	17,115.37	840,980.56
Total Awards and Financial Assistance	<u>\$ 3,926,197.91</u>	<u>\$ 67,424,665.99</u>	<u>\$ 71,350,863.90</u>

Note 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

Note 5: ADJUSTMENTS

Amounts reported in the column entitled "Adjustments" represent the following:

<u>Adjustment</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
Rounding Adjustments	\$ (3.59)	\$ 1.12	\$ (2.47)
Prior Year Expenditures		(68,065.14)	(68,065.14)
Prior Year Grants Receivable Canceled		27,421.34	27,421.34
Total Adjustments	<u>\$ (3.59)</u>	<u>\$ (40,642.68)</u>	<u>\$ (40,646.27)</u>

Note 6: REIMBURSED AND ON-BEHALF PAYMENTS

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

Note 7: MAJOR PROGRAMS

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

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2016

Section 1- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
		Child Nutrition Cluster:
<u>10.555</u>	<u>16161NJ304N1099</u>	<u>National School Lunch Program</u>
<u>10.555</u>	<u>16161NJ304N1099</u>	<u>National School Lunch Program - Food Distribution</u>
<u>10.553</u>	<u>16161NJ304N1099</u>	<u>National School Breakfast Program</u>
<u>10.556</u>	<u>16161NJ304N1099</u>	<u>Special Milk Program</u>

Dollar threshold used to determine Type A programs \$ 750,000.00

Auditee qualified as low-risk auditee? X yes no

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2016

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

State Financial Assistance

Internal control over major programs:

Material weakness(es) identified? ___ yes X no

Significant deficiency(ies) identified? ___ yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? ___ yes X no

Identification of major programs:

GMIS Number(s)

Name of State Program

	State Aid - Public Cluster:
16-495-034-5120-078	Equalization Aid
16-495-034-5120-089	Special Education Categorical Aid
16-495-034-5120-085	Adjustment Aid
16-495-034-5120-084	Security Aid
16-495-034-5095-098	PARCC Readiness Aid
16-495-034-5095-097	Per Pupil Growth Aid

Dollar threshold used to determine Type A programs \$ 1,718,672.00

Auditee qualified as low-risk auditee? X yes ___ no

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section 2- Schedule of Financial Statement Findings

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

None.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

None.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

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

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

None.

TOWNSHIP OF WASHINGTON SCHOOL DISTRICT
Summary Schedule of Prior Year Audit Findings
and Questioned Costs as Prepared by Management

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

FINANCIAL STATEMENT FINDINGS

Finding No. 2015-001

Condition

In certain instances regarding food service purchases, evidence of the verification of invoices was lacking and supporting documentation was not available for our examination.

Current Status

This condition has been resolved.

FEDERAL AWARDS

Finding No. 2015-001

Program

National School Lunch Program, Federal CFDA No. 10.555
National School Breakfast Program, Federal CFDA No. 10.553
Special Milk Program, Federal CFDA No. 10.556

Condition

In certain instances regarding food service purchases, evidence of the verification of invoices was lacking and supporting documentation was not available for our examination.

Current Status

This condition has been resolved.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

