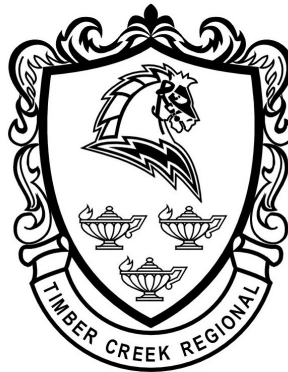
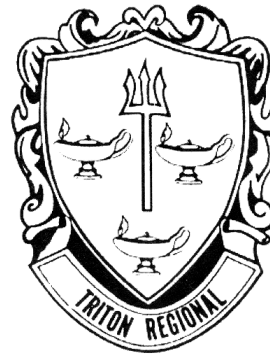
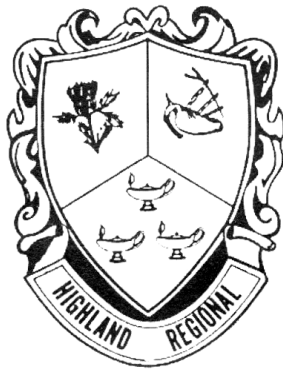


**BOARD OF EDUCATION
OF THE
BLACK HORSE PIKE REGIONAL
SCHOOL DISTRICT
BLACKWOOD, NEW JERSEY**



**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
JUNE 30, 2017**

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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INTRODUCTORY SECTION

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

580 Erial Road, Blackwood, New Jersey 08012-4550

(856) 227-4106 • Fax (856) 227-6835

www.bhprsd.org

Where inspiring excellence is our standard and student achievement is the result

Brian Repici, Ed.D.

Superintendent

Frank Rizzo

Board Secretary

Business Administrator

David C. Cappuccio, Jr.

Director of Special Services & Policy

Matthew Szuchy

Director of Curriculum & Instruction

Julie A. Scully

Director of Personnel Management

November 30, 2017

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

Dear Board Members:

The comprehensive annual financial report of the Black Horse Pike Regional School District for the fiscal year ending June 30, 2017 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District organizational chart and a list of principal officials. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis.

The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, and the U. S. Office of Management and Budget Uniform Guidance, and New Jersey OMB Circular 15-08.

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

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

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

TRITON REGIONAL HIGH SCHOOL

250 Schubert Avenue
Runnemede, NJ 08078-1796
(856) 939-4500 • Fax (856) 939-4724

Melissa Sheppard, Principal



@TritonHigh



HIGHLAND REGIONAL HIGH SCHOOL

450 Erial Road
Blackwood, NJ 08012-4599
(856) 227-4100 • Fax (856) 227-3619

Lisa Owen, Principal



@HighlandHS

TIMBER CREEK REGIONAL HIGH SCHOOL

501 Jarvis Road
Erial, NJ 08081-2169
(856) 232-9703 • Fax (856) 232-5267

Kasha Giddins, Principal



@TimberCreekHS

<https://www.facebook.com/Black-Horse-Pike-Regional-School-District>

The District completed the 2017 fiscal year with an enrollment of 3627 students, which is 115 students less than the previous year's ending enrollment. The following details the changes in the student enrollment of the District over the last ten years.

FISCAL YEAR	STUDENT ENROLLMENT	PERCENTAGE OF CHANGE
2017	3627	(3.17%)
2016	3742	(2.55%)
2015	3840	(5.88%)
2014	4080	(4.09%)
2013	4254	5.61%
2012	4028	(1.83%)
2011	4103	(.024%)
2010	4104	(1.11%)
2009	4150	.095%
2008	4146	.509%
2007	4125	(1.528%)
2006	4189	3.177%

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

Triton Regional High School, which was constructed in 1956, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Borough of Runnemede, receives students residing in the communities of Runnemede, Bellmawr and the Glendora, Timberbirch, Broadmoor, Chews Landing, Hilltop, Pine Run and Catalina Hills sections of the Township of Gloucester. The functional capacity of Triton Regional High is 1219; current enrollment is 1100.

Highland Regional High School, which was constructed in 1967, has received several additions, the latest taking place in 2000. The weight room addition was completed during the 1999-2000 school year. The school, which is located in the Township of Gloucester, receives students residing in Blenheim, Millbridge, Blackwood, and Cherrywood, Glen Oaks, Laurel Springs Gardens and Laurel Hills sections of the Township of Gloucester. The functional capacity of Highland Regional High School is 1285; current enrollment is 1223.

Timber Creek High School was constructed in 2001. The school, which is located in the Township of Gloucester, receives students residing in the Erial and Lambs Terrace sections of the Township of Gloucester. The functional capacity of Timber Creek High School is 1655; current enrollment is 1182.

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

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

The State implemented a new funding formula for the 2008-2009 school year which increased by 20%. The Board utilized \$3,000,000 to reduce the local property tax impact. During the 2009-2010 budget year, the Federal Government provided \$5,339,890 under the American Recovery and Reinvestment Act to stabilize local budgets during the economic downturn. These funds were also utilized during the 2010-2011 budget year. The State, in an effort to correct its own fiscal crisis, reduced local aid dollar for dollar of ARRA money received by the District. In 2011-2012, the District utilized federal funding from the Ed Jobs program in the amount of \$1,145,881.00 to maintain the budget. In 2012-2013, revenue was supported by a state aid increase of approximately \$1,800,000.00 and it was also the first year teachers participated in making health benefit contributions. However, the state aid increase was offset by the loss of federal Ed Jobs funding which had been provided during 2011-2012. For the 2014-2015 school year, the District was eligible to receive up to \$5,488,940.00 in SDA/ROD grant funds which were used to assist in completing planned capital projects. The district received an increase of \$ 52,590.00 for the 2017/2018 school year as result of the July revisions to the State Aid allocations. In looking forward to 2018-2019, State Aid allocations will continue to be an area of concern. The district will continue to carefully review its' expenditures while exploring additional revenue sources.

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

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

4. **BUDGETARY CONTROLS:** In addition to internal accounting controls, the District maintains budgetary controls. The object of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipalities. Annual appropriated budgets are adopted for the General Fund, Special Revenue Fund and the Debt Service Fund. Project length budgets for capital improvements are accounted for in the Capital Projects Fund. The final budget amount, as amended for the fiscal year, is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2017.
5. **ACCOUNT SYSTEM AND REPORTS:** The Districts accounting records reflect generally accepted accounting principles, as promulgated by the Government Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of fund and account groups. These funds and account groups are explained in Notes to the Financial Statements
6. **CASH MANAGEMENT:** The funds, which the Board receives, are held in deposit with Republic Bank. State Aid is wired directly into the account twice a month. Other sources of revenue are deposited by the district on a daily basis. Interest is received on the funds residing in the District Account.
7. **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance, property, and contents and fidelity bonds.

8. OTHER INFORMATION:

INDEPENDENT AUDIT: State Statutes require an annual audit by an independent, certified public accountant or registered municipal accountant. The accounting firm of Bowman & Company LLP was selected by the Board. In addition to meeting the requirements set forth in State Statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB Uniform Guidance and New Jersey OMB Circular 15-08. The auditor's report of the general-purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

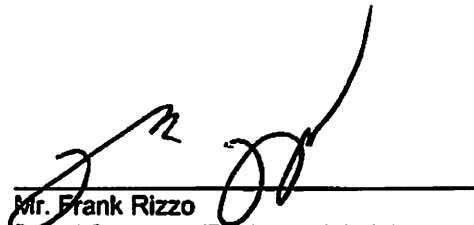
9. ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Black Horse Pike Regional School Board for their concern in providing fiscal information to the citizens and taxpayers of the school district and thereby secure their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and educational staff.

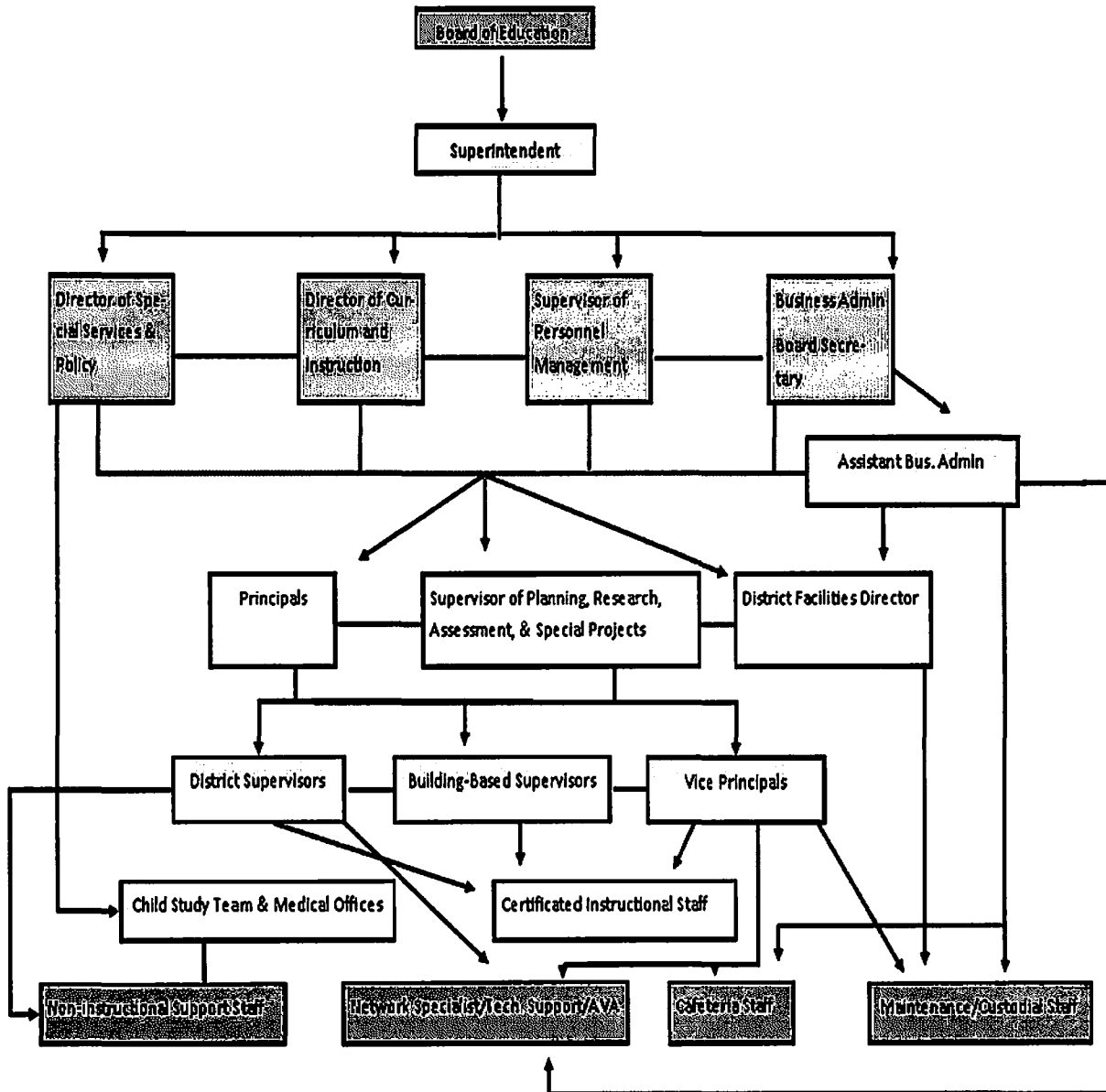
Respectfully submitted,



Dr. Brian Repici
Superintendent


Mr. Frank Rizzo
Board Secretary/Business Administrator

ORGANIZATIONAL CHART



**ROSTER OF OFFICIALS
JUNE 30, 2017**

MEMBERS OF THE BOARD OF EDUCATION

TERM EXPIRES

Mr. Jay McMullin	President	2018
Mr. Bill Murray	Vice-President	2019
Mr. Kevin Bucceroni		2017
Ms. Joyce W. Ellis		2017
Mrs. Dawn Leary		2018
Ms. Patricia Wilson		2019
Mrs. Jennifer Storer		2018
Ms. Jill Dawson		2017
Mr. Ken McElroy		2019

OTHER OFFICIALS

Dr. Brian Repici, Superintendent

Frank Rizzo, Board Secretary/Business Administrator

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

Matthew Szuchy, Director of Curriculum & Instruction

Julie Scully, Supervisor of Personnel Management

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

CONSULTANTS AND ADVISORS

Architect

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

Audit Firm

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

Attorney

Daniel Long
1250 Chews Landing Road
Laurel Springs, NJ 08021

Official Depository

Republic Bank
101 Laurel Oak Road
Voorhees, NJ 08043

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

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

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

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

20600

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of the Black Horse Pike Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Black Horse Pike Regional School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Voorhees, New Jersey
November 30, 2017

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
Black Horse Pike Regional School District
Blackwood, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, as of and for the fiscal year ended June 30, 2017, 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 30, 2017.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Voorhees, New Jersey
November 30, 2017

REQUIRED SUPPLEMENTARY INFORMATION
PART I

Black Horse Pike Regional School District

Management's Discussion and Analysis

Year Ended June 30, 2017

This section of the Black Horse Pike Regional School District's annual financial report presents our discussion and analysis of the School District's financial performance during the fiscal year that ended on June 30, 2017. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter at the front of this report and the School District's financial statements, which immediately follows this section.

The Management's Discussion and Analysis (MD&A) was a new element initiated as of June 30, 2003 as part of the Required Supplementary Information specified in the Governmental Accounting Standard Board's (GASB) Statement No. 34- Basic Financial Statements- and Management's Discussion and Analysis – for State and Local Governments issued in June 1999. Certain comparative information between the current year (2016-17) and the prior year (2015-16) is required to be presented in the MD&A.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2016-17 fiscal year include the following:

- Net Position at June 30, 2017 for Governmental and Business-Type activities were \$44,571,652 and \$128,541 respectively.
- Net Position for both activities increased by \$2,711,384 from July 1, 2016 to June 30, 2017.
- The General Fund fund balance as of June 30, 2017 was \$12,633,980, an increase of \$872,816 when compared with the beginning balance as of July 1, 2016 of \$11,761,164.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

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

Table A-1

MAJOR FEATURES OF THE GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

Government-wide Statements

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

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

Government-wide Statements (Cont'd)

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

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

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

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

Fund Financial Statements

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

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

The School District has three kinds of funds:

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

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

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

Net Position. The School District's net position for governmental and business-type activities were \$44,571,652 and \$128,541, respectively, as of June 30, 2017.
(See Table A-2).

Black Horse Pike Regional School District's Net Position						
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Current and Other Assets	\$ 15,585,815	\$ 15,112,274	\$ 191,866	\$ 71,497	\$ 15,777,681	\$ 15,183,771
Capital Assets	62,947,867	59,746,304	30,274	32,603	62,978,141	59,778,907
Total Assets	78,533,682	74,858,578	222,141	104,100	78,755,822	74,962,678
Deferred Outflow s	9,181,922	4,565,264			9,181,922	4,565,264
Long-term Liabilities	36,319,213	32,712,989	82,350	83,100	36,401,563	32,796,089
Other Liabilities	6,641,749	4,141,714	11,250	21,000	6,652,999	4,162,714
Total Liabilities	42,960,962	36,854,703	93,600	104,100	43,054,562	36,958,803
Deferred Inflow s	182,990	580,330			182,990	580,330.00
Net Position						
Net Investment in						
Capital Assets	53,849,538	47,585,603	30,274	32,603	53,879,813	47,618,206
Restricted	7,333,430	7,840,006			7,333,430	7,840,006
Unrestricted (Deficit)	(16,611,316)	(13,436,800)	98,266	(32,603)	(16,513,050)	(13,469,403)
Total Net Position	\$ 44,571,652	\$ 41,988,809	\$ 128,540.77	-	\$ 44,700,193	\$ 41,988,809

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

Change in Net Position. Net position for governmental and business-type activities increased by \$2,711,384 from July 1, 2016 to June 30, 2017. (See Table A-3).

Table A-3			
Black Horse Pike Regional School District's Changes in Net Position			
	2017	2016	Increase/ (Decrease)
Revenues			
Program Revenues:			
Charges for services	\$ 2,517,189	\$ 2,315,145	\$ 202,043
Operating grants and contributions	20,104,186	14,827,779	5,276,407
General Revenues:			
Property taxes	33,922,302	33,003,622	918,681
State and Federal Aid	35,732,537	38,866,625	(3,134,089)
Other	629,141	514,791	114,350
Total Revenues	92,905,355	89,527,962	3,377,392
Expenses			
Governmental Activities:			
Instruction:			
Regular	19,376,231	18,545,247	830,983
Special Education	4,583,960	4,186,722	397,238
Other Special Instruction	495,698	335,641	160,056
Other Instruction	2,527,368	2,349,671	177,697
Support Services:			
Tuition	5,885,492	5,905,178	(19,687)
Student & Instruction Related Services	7,211,737	7,448,133	(236,397)
School Administrative Services	2,718,380	2,639,375	79,005
General & Business Administrative Services	2,665,275	2,037,736	627,539
Plant Operations and Maintenance	6,870,632	6,374,923	495,708
Pupil Transportation	4,385,145	4,189,557	195,588
Unallocated Benefits	30,862,583	23,927,230	6,935,353
Special Schools	145,075	151,228	(6,153)
Transfer to Charter Schools	109,546	33,316	76,230
Interest on Long-term Debt	308,700	402,622	(93,922)
Unallocated Depreciation	818,255	731,812	86,443
Total Expenses - Governmental Activities	88,964,074	79,258,392	9,705,681
Business-Type Activities:			
Food Service	1,229,897	1,468,613	(238,717)
Total Expenses - Business-Type Activities	1,229,897	1,468,613	(238,717)
Total Expenses	90,193,971	80,727,006	9,466,965
Increase/(Decrease) in Net Position	2,711,384	8,800,957	(6,089,573)
Net Position, 7/1	41,988,809	33,187,853	8,800,957
Net Position, 6/30	\$ 44,700,193	\$ 41,988,809	\$ 2,711,384

Total revenues for the School District were \$92,905,355. Government funding was the source of 38.46% of the School District's revenues. This includes the State of New Jersey and Federal sources.

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

Property taxes of \$33,922,302 provided 36.51% of revenues, a decrease from 36.86% in 2016.

Other miscellaneous revenues of \$629,141 represent 0.68% of the School District revenues.

The School District's expenses for government activities are predominantly related to instruction and support services. Instruction together with tuition totaled \$32,868,747 (36.95%) of total expenditures. Student support services including transportation, exclusive of administration, totaled \$11,596,881 (13.04%) of total expenditures. (See Table A-3).

Total revenues exceeded expenditures for governmental activities, increasing net position \$2,711,384 from the beginning balance as of July 1, 2016.

The School District's net cost of services for governmental activities was \$67,572,595 for the year ended June 30, 2017. (See Table A-4).

Table A-4		
Black Horse Pike Regional School District's Net Cost of Governmental Activities For the Year Ended June 30, 2017		
	Total Cost of Services	Net Cost of Services
Governmental Activities:		
Instruction:		
Regular	\$ 19,376,231	\$ 18,373,696
Special Education	4,583,960.05	4,583,960
Other Special Instruction	495,697.62	495,698
Other Instruction	2,527,367.56	2,527,367
Support Services:		
Tuition	5,885,492	4,956,250
Student & Instruction Related Services	7,211,737	6,814,749
School Administrative Services	2,718,380	2,718,380
General & Business Administrative Services	2,665,275	2,665,275
Plant Operations and Maintenance	6,870,632	6,588,254
Pupil Transportation	4,385,145	3,814,144
Unallocated Benefits	30,862,583	12,953,881
Special Schools	145,075	145,075
Transfer to Charter Schools	109,546	109,546
Interest on Long-term Debt	308,700	134,237
Unallocated Depreciation	818,255	818,255
Total Governmental Activities	\$ 88,964,074	\$ 67,698,767

Activity Descriptions

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

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

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

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

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

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

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

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

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

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

- Program revenues were \$22,621,375:
 - ✓ Charges for Services--\$2,517,189
 - ✓ Operating Grants & Contributions--\$20,104,186
- General revenues amounted to \$70,283,978.
- Net Expenditures were \$67,572,595
- Total School District revenues & beginning assets are adjusted by net adjusted expenditures resulting in a calculation of net position of \$44,700,193 as of June 30, 2017.
- General Revenues \$70,283,978 + Beginning assets \$41,988,809 – Net expenditures (\$67,572,595) = Net Position of \$44,700,192.

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The financial performance of the Black Horse Pike Regional School District as a whole is also reflected in the governmental funds which are accounted for using the modified accrual basis of accounting. As the School District completed the year, its governmental funds reported a combined fund balance of \$13,014,584. As of June 30, 2017, the general fund balance was \$12,633,980.

All governmental funds had total revenues of \$79,996,824 and total expenditures of \$81,901,970.

GENERAL FUND BUDGETING HIGHLIGHTS

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

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

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

Table A-5				
Black Horse Pike Regional School District				
Summary of General Fund Revenues				
	Year Ended	Year Ended	Amount of	Percent
	June 30, 2017	June 30, 2016	Increase	Increase
			(Decrease)	(Decrease)
Local Sources:				
Local Tax Levy	\$ 31,986,710	\$ 31,088,590	\$ 898,121	2.9%
Tuition	929,241.49	939,868.65	(10,627)	-1.1%
Transportation	571,000	571,000		
Miscellaneous	626,772	512,437	114,335	22.3%
Total - Local Sources	34,113,723	33,111,895	1,001,828	3.03%
State Sources	40,746,599	38,830,844	1,915,755	4.9%
Federal Sources	157,263	68,355	88,908	130.1%
Total - Govt Sources	40,903,862	38,899,199	2,004,663	5.2%
Total Revenues	\$ 75,017,585	\$ 72,011,094	\$ 3,006,491	4.2%

A significant source of funding for the School District is received from local property taxes that accounted for 42.64% of total revenues. State aid is the primary source of funding for the School District and accounted for 54.32% of total revenues.

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

Total General Fund revenues increased by \$1,001,828 or 3.03% from the previous year due to an increase in state aid provided during 2016-2017, an increase in the local tax levy and an increase in other miscellaneous revenues.

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

Table A-6				
Black Horse Pike Regional School District				
Summary of General Fund Expenditures				
	Year Ended	Year Ended	Amount of	Percent
	June 30, 2017	June 30, 2016	Increase	Increase
			(Decrease)	(Decrease)
Current:				
Regular Instruction	\$ 17,305,713	\$ 16,701,541	\$ 604,172	3.6%
Special Education Instruction	4,583,960	4,186,722	397,238	9.5%
Other Special Instruction	495,698	335,641	160,056	47.7%
Other Instruction	2,423,639	2,257,629	166,010	7.4%
Support Services and Undistributed Costs:				
Tuition	5,885,492	5,905,178	(19,687)	-0.3%
Student & Instruction Related Services	6,814,749	6,915,940	(101,192)	-1.5%
School Administrative Services	2,718,380	2,639,375	79,005	3.0%
Other Administrative Services	2,348,310	1,709,657	638,653	37.4%
Plant Operations and Maintenance	6,653,695	6,350,506	303,189	4.8%
Pupil Transportation	4,385,144	4,189,557	195,587	4.7%
Unallocated Employee Benefits	17,718,697	15,658,509	2,060,188	13.2%
Special Schools	145,075	151,228	(6,153)	-4.1%
Transfer to Charter School	109,546	33,316	76,230	228.8%
Capital Outlay	2,556,672	544,802	2,011,870	369.3%
Total Expenditures	\$ 74,144,770	\$ 67,579,602	\$ 6,565,168	9.7%

Total General Fund expenditures increased \$6,565,167 or 9.7% from the previous year.

The Black Horse Pike Regional School District utilizes its fund balances as a vehicle for addressing unbudgeted and emergent needs that occur during the school year. The amounts of budgeted fund balance designated to support the subsequent year's budgets and provide tax relief were \$5,287,908 for the 2016-17 school year and \$6,489,880 for the 2017-18 school year.

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

During the course of fiscal year 2017 the School District modified the General Fund Budget as needed to ensure no line item was projected to be over-expended.

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

DEBT SERVICE FUND

The current year obligations for payment of debt service principal and interest amounted to \$3,378,498, of which \$1,442,906 in funding was provided by the local tax levy and \$1,935,592 was received as aid from the State.

FOOD SERVICE FUND

The Food Service Fund had net position of \$128,540.77 as of June 30, 2017.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

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

At the end of fiscal year 2017, the School District had capital assets with a book value of \$103,235,734. This consists of a broad range of capital assets, including land, school buildings, computer and audio-visual equipment, administrative offices, and construction in progress for renovations at various schools within the School District. (See Table A-7). Total depreciation expense for the year was \$2,334,291.

Table A-7						
Black Horse Pike Regional School District's Capital Assets						
	Governmental Activities		Business-Type Activities		Total	
	2017	2016	2017	2016	2017	2016
Land	\$ 1,253,903	\$ 1,252,903			\$ 1,253,903	\$ 1,252,903
Construction in Progress	13,759,550	11,909,986			13,759,550	11,909,986
Buildings & Improvements	71,265,580	68,868,596			71,265,580	68,868,596
Equipment	16,956,700	15,668,395	\$ 630,265	\$ 630,265	17,586,965	16,298,660
Total Capital Assets	103,235,734	97,699,880	630,265	630,265	103,865,999	98,330,145
Less: Accumulated Depreciation	(40,287,867)	(37,953,576)	(599,990)	(597,662)	(40,887,857)	(38,551,238)
Net Capital Assets	\$ 62,947,867	\$ 59,746,304	\$ 30,274	\$ 32,603	\$ 62,978,141	\$ 59,778,907

Black Horse Pike Regional School District
Blackwood, New Jersey

Management's Discussion and Analysis (continued)
Year Ended June 30, 2017

Long-term Obligations

At year-end, the School District had \$8,977,000 in net general obligation bonds outstanding, a decrease of \$2,970,000 from last year. (See Table A-8).

The School District also had a \$1,067,042 general liability for compensated absences. This liability represents the School District's contractual obligation to compensate employees for accumulated unused sick leave entitlements upon retirement. The liability for Compensated Absences was calculated utilizing an expected retirement age of 55, which is the minimum retirement age with 25 years of service. In the future, this calculation will be revised as new pension laws are enacted, effecting minimum retirement age.

During the prior fiscal year, the School District implemented GASB 68, which required the recording of the School District's net pension liability attributable to their PERS liability. The amount of the net pension liability attributed to the Black Horse Pike Regional School District was \$29,197,614.

Table A-8				
Black Horse Pike Regional School District				
Long Term Debt Schedule				
<u>Governmental Activity</u>	<u>Year Ended June 30, 2017</u>	<u>Year Ended June 30, 2016</u>	<u>Amount of Increase (Decrease)</u>	<u>Percent Increase (Decrease)</u>
General Obligation Bonds Payable	\$ 8,977,000	\$ 11,947,000	\$ (2,970,000)	-24.9%
Unamortized Premiums	437,563	635,347		
Unamortized Discounts	(9,129)	(12,172)		
Net Pension Liability	29,197,614	22,142,692	7,054,922	31.9%
Compensated Absences	973,442	1,038,062	(64,620)	-6.2%
Total	<u>\$ 39,576,490</u>	<u>\$ 35,750,929</u>	<u>\$ 4,020,302</u>	<u>10.7%</u>

THE FUTURE OUTLOOK

For the 2017-2018 budget year, the Governor has continued to implement financial measures to cope with the State of New Jersey's growing budget deficit. The result of these measures allowed State Aid for the Black Horse Pike Regional School District to increase slightly for the 2017-2018 budget year. We were able to financially stabilize the School District through the appropriation of School District reserves and a freeze in School District spending during the 2016-2017 school year.

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

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

Notwithstanding the adoption of the fiscal plan for 2017-2018, the 2018-2019 budget will require continued fiscal austerity, especially in the area of negotiations and discretionary spending. The actions required to move the School District into compliance with the new economic parameters and maintain a quality education are significant, but achievable.

CONTACTING THE SCHOOL DISTRICT'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Net Position
June 30, 2017

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
ASSETS:			
Cash and Cash Equivalents	\$ 4,144,853.78	\$ 826,796.14	\$ 4,971,649.92
Receivables, net	7,062,945.93	41,803.04	7,104,748.97
Internal Balances	688,287.31	(688,287.31)	
Inventory		11,554.50	11,554.50
Restricted Assets:			
Restricted Cash and Cash Equivalents	151,940.89		151,940.89
Capital Reserve Account - Cash	3,537,786.98		3,537,786.98
Capital Assets, net (Note 6)	62,947,866.79	30,274.40	62,978,141.19
Total Assets	78,533,681.68	222,140.77	78,755,822.45
DEFERRED OUTFLOW OF RESOURCES:			
Related to Pensions (Note 9)	8,874,817.00		8,874,817.00
Deferred Loss on Defeasance of Debt	307,105.44		307,105.44
Total Deferred Outflow of Resources	9,181,922.44	-	9,181,922.44
LIABILITIES:			
Cash and Cash Equivalents	2,476,286.23		2,476,286.23
Accounts Payable			
Related to Pensions	875,713.00		875,713.00
Other	259.95		259.95
Interfunds Payable	1,883.84		1,883.84
Accrued Interest	30,328.96		30,328.96
Noncurrent Liabilities (Note 7):			
Due within One Year	3,257,276.62	11,250.00	3,268,526.62
Due beyond One Year	36,319,213.32	82,350.00	36,401,563.32
Total Liabilities	42,960,961.92	93,600.00	43,054,561.92
DEFERRED INFLOWS OF RESOURCES:			
Related to Pensions (Note 9)	182,990.00	-	182,990.00
NET POSITION:			
Net Investment in Capital Assets	53,849,538.24	30,274.40	53,879,812.64
Restricted for:			
Debt Service	29,367.21		29,367.21
Capital Projects	3,873,874.05		3,873,874.05
Other Purposes	3,430,188.58		3,430,188.58
Unrestricted (Deficit)	(16,611,315.88)	98,266.37	(16,513,049.51)
Total Net Position	\$ 44,571,652.20	\$ 128,540.77	\$ 44,700,192.97

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2017

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	\$ 19,376,230.43		\$ 1,002,533.96		\$ (18,373,696.47)		\$ (18,373,696.47)
Special Education	4,583,960.05				(4,583,960.05)		(4,583,960.05)
Other Special Instruction	495,697.62				(495,697.62)		(495,697.62)
Other Instruction	2,527,367.16				(2,527,367.16)		(2,527,367.16)
Support Services:							
Tuition	5,885,491.67	\$ 929,241.49			(4,956,250.18)		(4,956,250.18)
Student and Instruction Related Services	7,211,736.53		396,987.71		(6,814,748.82)		(6,814,748.82)
School Administrative Services	2,718,379.85				(2,718,379.85)		(2,718,379.85)
General and Business Administrative Services	2,665,274.55				(2,665,274.55)		(2,665,274.55)
Plant Operations and Maintenance	6,870,631.51	282,377.28			(6,588,254.23)		(6,588,254.23)
Pupil Transportation	4,385,144.25	571,000.00			(3,814,144.25)		(3,814,144.25)
Unallocated Benefits	30,862,583.04		17,908,701.63		(12,953,881.41)		(12,953,881.41)
Special Schools	145,075.13				(145,075.13)		(145,075.13)
Transfer to Charter Schools	109,546.00				(109,546.00)		(109,546.00)
Interest on Long-Term Debt	308,699.85		174,463.20		(134,236.65)		(134,236.65)
Unallocated Depreciation	818,255.06				(818,255.06)		(818,255.06)
Total Governmental Activities	88,964,072.70	1,782,618.77	19,482,686.50		(67,698,767.43)		(67,698,767.43)
Business-Type Activities:							
Food Service	1,229,896.94	734,570.19	621,499.60			\$ 126,172.85	126,172.85
Total Business-Type Activities	1,229,896.94	734,570.19	621,499.60			126,172.85	126,172.85
Total Government	\$ 90,193,969.64	\$ 2,517,188.96	\$ 20,104,186.10	-	(67,698,767.43)	126,172.85	(67,572,594.58)
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, net					31,986,710.00		31,986,710.00
Taxes Levied for Debt Service					1,935,592.00		1,935,592.00
Federal and State Aid not Restricted					34,265,200.98		34,265,200.98
Federal and State Aid Restricted					1,467,335.58		1,467,335.58
Miscellaneous Income					626,771.99	2,367.92	629,139.91
Total General Revenues					70,281,610.55	2,367.92	70,283,978.47
Change in Net Position					2,582,843.12	128,540.77	2,711,383.89
Net Position -- July 1					41,988,809.08		41,988,809.08
Net Position -- June 30					\$ 44,571,652.20	\$ 128,540.77	\$ 44,700,192.97

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

FUND FINANCIAL STATEMENTS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Governmental Funds
Balance Sheet
June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS:					
Cash and Cash Equivalents	\$ 4,071,685.54	\$ 151,940.89			\$ 4,223,626.43
Capital Reserve Account - Cash	3,537,786.98				3,537,786.98
Receivables, net:					
Interfunds Receivable:					
Special Revenue Fund	493,613.79				493,613.79
Summer Payments Plan Fund	5,176.17				5,176.17
Enterprise Fund	688,287.31				688,287.31
Capital Projects Fund	11.35				11.35
Internal Services Fund	80,563.99				80,563.99
Receivables from Other Governments:					
Federal Government		356,942.90			356,942.90
State of New Jersey	696,366.08		\$ 2,712,578.99		3,408,945.07
Local Governments - Tax Levy	2,134,651.12			\$ 129,172.87	2,263,823.99
Local Governments - Tuition	191,980.04				191,980.04
Local Governments - Transportation	735,881.25				735,881.25
Total Assets	\$ 12,636,003.62	\$ 508,883.79	\$ 2,712,578.99	\$ 129,172.87	\$ 15,986,639.27
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Cash and Cash Equivalents			\$ 2,376,480.57	\$ 99,805.66	\$ 2,476,286.23
Accounts Payable	\$ 139.95	\$ 120.00			259.95
Interfunds Payable:					
General Fund		493,613.79	11.35		493,625.14
Unemployment Fund	1,883.84				1,883.84
Total Liabilities	2,023.79	493,733.79	2,376,491.92	99,805.66	2,972,055.16
Fund Balances:					
Restricted:					
Debt Service				29,367.21	29,367.21
Capital Projects			336,087.07		336,087.07
Special Revenue Fund		15,150.00			15,150.00
Capital Reserve	3,537,786.98				3,537,786.98
Excess Surplus	175,158.58				175,158.58
Excess Surplus - Designated for Subsequent Year's Expenditures	3,239,880.00				3,239,880.00
Assigned:					
For Encumbrances	855,259.10				855,259.10
Subsequent Year's Expenditure	3,250,000.00				3,250,000.00
Unassigned	1,575,895.17				1,575,895.17
Total Fund Balances	12,633,979.83	15,150.00	336,087.07	29,367.21	13,014,584.11
Total Liabilities and Fund Balances	\$ 12,636,003.62	\$ 508,883.79	\$ 2,712,578.99	\$ 129,172.87	
Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:					
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$103,235,733.90 and the accumulated depreciation is \$40,287,867.11.					
					62,947,866.79
The Internal Service Fund is used to account for service provided to other local units. These services are governmental activities. This amount is the unrestricted net position in the Internal Service Fund.					
					92,800.76
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.					
					(10,378,875.94)
Losses arising from the issuance of refunding bonds that are a result of the difference in the carrying value of the refunded bonds and the new bonds are deferred and amortized over the life of the new bonds.					
					307,105.44
Interest on long term debt is accrued on the Statement of Net Position regardless when due.					
					(30,328.96)
Net Pension Liability					
					(29,197,614.00)
Accounts Payable related to the April 1, 2018 required PERS pension contribution that is not to be liquidated with current financial resources.					
					(875,713.00)
Deferred Outflows of Resources - Related to Pensions					
					8,874,817.00
Deferred Inflows of Resources - Related to Pensions					
					(182,990.00)
Net position of governmental activities					
					<u>\$ 44,571,652.20</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2017

	<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	\$ 31,986,710.00			\$ 1,935,592.00	\$ 33,922,302.00
Tuition Charges	929,241.49				929,241.49
Transportation	571,000.00				571,000.00
Miscellaneous	626,771.99				626,771.99
State Sources	40,746,598.63		\$ 174,192.78	1,442,906.00	42,363,697.41
Federal Sources	157,262.98	\$ 1,415,221.67			1,572,484.65
Local Sources		9,000.00			9,000.00
	<u>75,017,585.09</u>	<u>1,424,221.67</u>	<u>174,192.78</u>	<u>3,378,498.00</u>	<u>79,994,497.54</u>
EXPENDITURES:					
Current:					
Regular Instruction	17,305,713.13	1,002,533.96			18,308,247.09
Special Education Instruction	4,583,960.05				4,583,960.05
Other Special Instruction	495,697.62				495,697.62
Other Instruction	2,423,638.78				2,423,638.78
Support Services and Undistributed Costs:					
Tuition	5,885,491.67				5,885,491.67
Student and Instruction Related Services	6,814,748.82	396,987.71			7,211,736.53
School Administrative Services	2,718,379.85				2,718,379.85
Other Administrative Services	2,348,310.15				2,348,310.15
Plant Operations and Maintenance	6,653,695.08				6,653,695.08
Pupil Transportation	4,385,144.25				4,385,144.25
Unallocated Benefits	11,080,035.83				11,080,035.83
Reimbursed TPAF Pension and Social Security	6,638,660.63				6,638,660.63
Special Schools	145,075.13				145,075.13
Transfer to Charter School	109,546.00				109,546.00
Debt Service:					
Principal				2,970,000.00	2,970,000.00
Interest and Other Charges				408,497.50	408,497.50
Capital Outlay	2,556,672.27	19,700.00	2,959,481.71		5,535,853.98
	<u>74,144,769.26</u>	<u>1,419,221.67</u>	<u>2,959,481.71</u>	<u>3,378,497.50</u>	<u>81,901,970.14</u>
Total Expenditures					
Excess (Deficiency) of Revenues over Expenditures	<u>872,815.83</u>	<u>5,000.00</u>	<u>(2,785,288.93)</u>	<u>0.50</u>	<u>(1,907,472.60)</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Governmental Funds
 Statement of Revenues, Expenditures and Changes in Fund Balances
 For the Fiscal Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Net Change in Fund Balances	\$ 872,815.83	\$ 5,000.00	\$ (2,785,288.93)	\$ 0.50	\$ (1,907,472.60)
Fund Balance -- July 1	<u>11,761,164.00</u>	<u>10,150.00</u>	<u>3,121,376.00</u>	<u>29,366.71</u>	<u>14,922,056.71</u>
Fund Balance -- June 30	<u><u>\$ 12,633,979.83</u></u>	<u><u>\$ 15,150.00</u></u>	<u><u>\$ 336,087.07</u></u>	<u><u>\$ 29,367.21</u></u>	<u><u>\$ 13,014,584.11</u></u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2017

Total Net Change in Fund Balances - Governmental Funds		\$ (1,907,472.60)
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>		
Depreciation Expense		\$ (2,334,291.09)
Capital Outlays		<u>5,535,853.98</u>
		3,201,562.89
<p>Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.</p>		
		2,970,000.00
<p>The Internal Service Fund is used by management to charge costs of providing services to other local units. 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>		
		92,800.76
<p>The issuance of long-term debt (bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of the governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>		
		92,372.65
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The decrease in accrued interest is an addition in the reconciliation. (+)</p>		
		7,425.00
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
		64,620.42
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>		
		<u>(1,938,466.00)</u>
Change in Net Position of Governmental Activities		<u>\$ 2,582,843.12</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Proprietary Funds
Statement of Net Position
June 30, 2017

	Business-Type Activites Enterprise Funds <u>Food Service</u>	Governmental Activites - Internal <u>Service Funds</u>
ASSETS:		
Current Assets:		
Cash and Cash Equivalents	\$ 826,796.14	\$ 73,168.24
Accounts Receivable:		
State	403.75	
Federal	26,804.49	
Local School District	14,594.80	
Other Local Governments		100,196.51
Inventories	<u>11,554.50</u>	
Total Current Assets	<u>880,153.68</u>	<u>173,364.75</u>
Noncurrent Assets:		
Equipment	630,264.74	
Less Accumulated Depreciation	<u>(599,990.34)</u>	
Total Noncurrent Assets	<u>30,274.40</u>	<u>-</u>
Total Assets	<u>910,428.08</u>	<u>173,364.75</u>
LIABILITIES:		
Current Liabilities:		
Interfund Accounts Payable:		
Due General Fund	688,287.31	80,563.99
Compensated Absences Payable	<u>11,250.00</u>	
Total Current Liabilities	<u>699,537.31</u>	<u>80,563.99</u>
Noncurrent Liabilities:		
Compensated absences	<u>82,350.00</u>	
Total Noncurrent Liabilities	<u>82,350.00</u>	<u>-</u>
Total Liabilities	<u>781,887.31</u>	<u>80,563.99</u>
NET POSITION:		
Net Investment in Capital Assets	30,274.40	
Unrestricted	<u>98,266.37</u>	<u>92,800.76</u>
Total Net Position	<u>\$ 128,540.77</u>	<u>\$ 92,800.76</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Revenues, Expenses and Changes in Fund Net Position
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Fund
	<u>Food Service</u>	<u>Fund</u>
OPERATING REVENUES:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 242,723.45	
Daily Sales - Non-Reimbursable Programs	373,705.76	
Special Functions	118,140.98	
Services Provided to Other Governments		\$ 282,377.28
	<hr/>	<hr/>
Total Operating Revenues	734,570.19	282,377.28
	<hr/>	<hr/>
OPERATING EXPENSES:		
Salaries	511,510.80	108,435.63
Employee Benefits	203,854.45	8,295.31
Cleaning, Repair and Maintenance Services		271.99
Rentals		5,196.38
General Supplies		67,377.21
Depreciation	2,328.80	
Miscellaneous	7,624.65	
Cost of Sales - Reimbursable Programs	339,073.26	
Cost of Sales - Nonreimbursable Programs	165,504.98	
	<hr/>	<hr/>
Total Operating Expenses	1,229,896.94	189,576.52
	<hr/>	<hr/>
Operating Income (Loss)	(495,326.75)	92,800.76
	<hr/>	<hr/>
NONOPERATING REVENUES:		
State Sources:		
State School Lunch Program	9,440.54	
Federal Sources:		
National School Lunch Program	435,012.52	
National School Breakfast Program	119,883.12	
Food Distribution Program	57,163.42	
Interest and Investment Revenue	2,367.92	
	<hr/>	<hr/>
Total Nonoperating Revenues	623,867.52	-
	<hr/>	<hr/>
Change in Net Position	128,540.77	92,800.76
	<hr/>	<hr/>
Total Net Position -- July 1		
	<hr/>	<hr/>
Total Net Position -- June 30	\$ 128,540.77	\$ 92,800.76
	<hr/> <hr/>	<hr/> <hr/>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Proprietary Funds
Statement of Cash Flows
For the Fiscal Year Ended June 30, 2017

	Business-Type Activities - Enterprise Funds	Governmental Activities - Internal Service Fund
	<u>Food Service</u>	<u>Fund</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from Customers	\$ 734,570.19	\$ 256,244.76
Payments to Employees	(511,510.80)	(108,435.63)
Payments for Employee Benefits	(193,354.45)	(8,295.31)
Payments to Vendors	(501,558.57)	(72,845.58)
	<u>(471,853.63)</u>	<u>66,668.24</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
State Sources	9,509.49	
Federal Sources	555,904.31	
Operating Subsidies and Transfers to other Funds	600,000.00	6,500.00
	<u>1,165,413.80</u>	<u>6,500.00</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest and Dividends	2,367.92	
	<u>2,367.92</u>	<u>-</u>
Net Cash Provided by (used for) Investing Activities		
Net Increase (Decrease) in Cash and Cash Equivalents	695,928.09	73,168.24
Balances -- July 1	130,868.05	
Balances -- June 30	<u>\$ 826,796.14</u>	<u>\$ 73,168.24</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:		
Operating Income (Loss)	\$ (495,326.75)	\$ 92,800.76
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Depreciation and Net Amortization	2,328.80	
Food Distribution Program	57,163.42	
(Increase) Decrease in Accounts Receivable, net	(11,263.62)	(26,132.52)
(Increase) Decrease in Inventories	(5,066.65)	
Increase (Decrease) in Accounts Payable	(9,188.83)	
Increase (Decrease) in Other Current Liabilities	(10,500.00)	
	<u>23,473.12</u>	<u>(26,132.52)</u>
Total Adjustments		
Net Cash Provided by (used for) Operating Activities	<u>\$ (471,853.63)</u>	<u>\$ 66,668.24</u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Fiduciary Net Position
 June 30, 2017

	Private-Purpose Trust Funds	Agency Funds		
	Unemployment Compensation Trust	Student Activity	Summer Payments Plan	Payroll
ASSETS:				
Cash and Cash Equivalents	\$ 597,315.88	\$ 607,928.79	\$ 321,343.03	\$ 30,329.70
Interfund Accounts Receivable: Due from General Fund	<u>1,883.84</u>			
Total Assets	<u>599,199.72</u>	<u>\$ 607,928.79</u>	<u>\$ 321,343.03</u>	<u>\$ 30,329.70</u>
LIABILITIES:				
Interfund Payable - General Fund			\$ 5,176.17	
Accounts Payable	936.18			
Payable to Student Groups		\$ 607,928.79	316,166.86	
Payroll Deductions and Withholdings				<u>\$ 30,329.70</u>
Total Liabilities	<u>936.18</u>	<u>\$ 607,928.79</u>	<u>\$ 321,343.03</u>	<u>\$ 30,329.70</u>
NET POSITION:				
Held in Trust for Unemployment Claims	<u>\$ 598,263.54</u>			

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Year Ended June 30, 2017

	<u>Private-Purpose Trust Fund Unemployment Compensation Trust</u>
ADDITIONS:	
Payroll Deductions	\$ 55,573.42
Total Contributions	<u>55,573.42</u>
Investment earnings: Interest	<u>2,654.19</u>
Net Investment Earnings	<u>2,654.19</u>
Total Additions	<u>58,227.61</u>
DEDUCTIONS:	
Unemployment Claims	<u>44,680.41</u>
Total Deductions	<u>44,680.41</u>
Change in Net Position	13,547.20
Net Position -- July 1	<u>584,716.34</u>
Net Position -- June 30	<u><u>\$ 598,263.54</u></u>

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Notes to Financial Statements
For the Fiscal Year Ended June 30, 2017

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Description of the Financial Reporting Entity

The School District is a Type II district located in the County of Camden, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades 9 through 12 at its three high schools. The School District has an approximate enrollment at June 30, 2017 of 3,642.

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*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. 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.

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 government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by property taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

Measurement Focus, Basis of Accounting and Financial Statement Presentation

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

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

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

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

The School District reports the following major governmental funds:

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

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

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

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

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

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

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

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

The School District reports the following major proprietary fund:

Enterprise Funds

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

Additionally, the School District reports the following fund types:

Internal Service Funds

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

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 financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

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

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

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

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

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

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

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

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

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

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

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

Encumbrances

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

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

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

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

Cash, Cash Equivalents and Investments

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

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

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

Inventories

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

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

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

Tuition Receivable

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

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

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2017. The School District has no prepaid expenses for the fiscal year ended June 30, 2017.

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

Short-Term Interfund Receivables / Payables

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

Capital Assets

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

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

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

The School District does not possess any infrastructure assets.

Deferred Outflows and Deferred Inflows of Resources

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

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

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

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

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

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

Unearned Revenue

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

Accrued Salaries and Wages

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2017, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences

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

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

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

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

Pensions

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

Bond Discounts / Premiums

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

Net Position

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Accounting Estimates

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

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

The School District implemented the following GASB Statements for the fiscal year ended June 30, 2017:

Statement No. 77, *Tax Abatement Disclosures*. This Statement provides financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The adoption of this Statement required the School District to disclose certain information related to tax abatement programs (see note 20).

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 adoption of this Statement had no 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 adoption of this Statement did not have a significant impact on the basic financial statements of the School District.

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

The GASB has issued the following Statements that will become effective for the School District for the fiscal year ending June 30, 2018:

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 adoption of this Statement had no 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, 2017, the School District's bank balances of \$9,841,759.51 were exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 731,153.58
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Note 3: CAPITAL RESERVE ACCOUNT

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

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

Note 3: CAPITAL RESERVE ACCOUNT (CONT'D)

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016	\$ 1,530,883.78
Increased by:	
Interest Earnings	\$ 6,903.20
Deposits:	
Board Resolution (6/22/2017)	<u>2,000,000.00</u>
	<u>2,006,903.20</u>
Ending Balance, June 30, 2017	<u>\$ 3,537,786.98</u>

The June 30, 2017 LRFPP balance of local support costs of uncompleted projects at June 30, 2017 is \$48,459,271.34.

Note 4: ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2017 consisted of accounts (fees for services), intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

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

Description	Governmental Funds				Total Governmental Activities	Proprietary Funds			Total
	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund		Food Service Fund	Internal Service Fund	Total Business-Type Activities	
Federal Awards		\$ 356,942.90			\$ 356,942.90	\$ 26,804.49		\$ 26,804.49	\$ 383,747.39
State Awards	\$ 696,366.08		\$ 2,712,578.99	\$ 129,172.87	3,408,945.07	403.75		403.75	3,409,348.82
Tuition Charges	191,980.04				191,980.04				191,980.04
Taxes Levy	2,134,651.12				2,134,651.12	14,594.80		14,594.80	2,149,245.92
Provided Services	735,881.25				735,881.25		\$ 100,196.51	100,196.51	836,077.76
	<u>\$ 3,758,878.49</u>	<u>\$ 356,942.90</u>	<u>\$ 2,712,578.99</u>	<u>\$ 129,172.87</u>	<u>\$ 6,828,400.38</u>	<u>\$ 41,803.04</u>	<u>\$ 100,196.51</u>	<u>\$ 141,999.55</u>	<u>\$ 6,970,399.93</u>

Note 5: INVENTORY

Inventory recorded at June 30, 2017 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	\$ 9,625.42
Supplies	<u>1,929.08</u>
	<u>\$ 11,554.50</u>

Note 6: CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2017 is as follows:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
Governmental Activities:				
Capital Assets, not being Depreciated:				
Land	\$ 1,252,903.00	\$ 1,000.00		\$ 1,253,903.00
Construction in Progress	11,909,985.96	1,849,564.17		13,759,550.13
Total Capital Assets, not being Depreciated	13,162,888.96	1,850,564.17	-	15,013,453.13
Capital Assets, being Depreciated:				
Equipment	5,841,958.00	1,870,787.26		7,712,745.26
Buildings and Improvements	63,026,638.03	526,197.15		63,552,835.18
Land Improvements	15,668,394.93	1,288,305.40		16,956,700.33
Total Capital Assets, being Depreciated	84,536,990.96	3,685,289.81	-	88,222,280.77
Total Capital Assets, Cost	97,699,879.92	5,535,853.98	-	103,235,733.90
Less Accumulated Depreciation for:				
Equipment	(4,309,255.00)	(244,901.00)		(4,554,156.00)
Buildings and Improvements	(21,915,180.99)	(1,425,843.61)		(23,341,024.60)
Land Improvements	(11,729,140.03)	(663,546.48)		(12,392,686.51)
Total Accumulated Depreciation	(37,953,576.02)	(2,334,291.09) *	-	(40,287,867.11)
Total Capital Assets, being Depreciated, Net	46,583,414.94	1,350,998.72	-	47,934,413.66
Governmental Activities Capital Assets, Net	\$ 59,746,303.90	\$ 3,201,562.89	-	\$ 62,947,866.79
Business-Type Activities:				
Capital Assets, being Depreciated:				
Equipment	\$ 630,264.74			\$ 630,264.74
Less Accumulated Depreciation for:	(597,661.54)	\$ (2,328.80)		(599,990.34)
Business-Type Activities Capital Assets, Net	\$ 32,603.20	\$ (2,328.80)	-	\$ 30,274.40

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

Governmental Activities:	
Instructional	\$ 1,067,983.34
Other Instructional	103,728.38
General and Business Administrative Services	316,964.40
Plant Operations and Maintenance	27,359.91
Unallocated	818,255.06
Total Depreciation Expense - Governmental Activities	\$ 2,334,291.09
Business-Type Activities:	
Food Service	\$ 2,328.80

Note 7: LONG-TERM LIABILITIES

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Due within One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Bonds	\$ 11,947,000.00		\$ (2,970,000.00)	\$ 8,977,000.00	\$ 3,025,000.00
Unamortized Premiums	635,346.74		(197,784.02)	437,562.72	
Less Amounts:					
Unamortized Discounts	(12,171.62)		3,042.89	(9,128.73)	
Total Bonds Payable	<u>12,570,175.12</u>	<u>-</u>	<u>(3,164,741.13)</u>	<u>9,405,433.99</u>	<u>3,025,000.00</u>
Other Liabilities:					
Net Pension Liability	22,142,692.00	\$ 11,393,702.00	(4,338,780.00)	29,197,614.00	
Compensated Absences	1,038,062.37	70,257.50	(134,877.92)	973,441.95	232,276.62
Governmental Activity Long-Term Liabilities	<u>\$ 35,750,929.49</u>	<u>\$ 11,463,959.50</u>	<u>\$ (7,638,399.05)</u>	<u>\$ 39,576,489.94</u>	<u>\$ 3,257,276.62</u>

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

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations for business-type activities:

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Due within One Year</u>
Business-Type Activities:					
Other Liabilities:					
Compensated Absences Payable	\$ 83,100.00	\$ 10,875.00	\$ (375.00)	\$ 93,600.00	\$ 11,250.00
Business-Type Activity Long-Term Liabilities	<u>\$ 83,100.00</u>	<u>\$ 10,875.00</u>	<u>\$ (375.00)</u>	<u>\$ 93,600.00</u>	<u>\$ 11,250.00</u>

Compensated absences are liquidated by the food service enterprise fund.

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

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

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 3,025,000.00	\$ 303,447.50	\$ 3,328,447.50
2019	3,095,000.00	181,047.50	3,276,047.50
2020	2,857,000.00	59,573.75	2,916,573.75
Total	8,977,000.00	<u>\$ 544,068.75</u>	<u>\$ 9,521,068.75</u>
Unamortized Discounts	(9,128.73)		
Unamortized Premiums	437,562.72		
	<u>\$ 9,405,433.99</u>		

Bonds Authorized but not Issued - As of June 30, 2017, the School District had no authorizations to issue additional bonded debt.

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

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

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

Note 8: OPERATING LEASES

At June 30, 2017, the School District had operating lease agreements in effect for copy machines. The present value of the future minimum rental payments under the operating lease agreements are as follows:

Fiscal Year Ending June 30,	Amount
2018	\$ 91,236.12
2019	91,236.12
2020	91,236.12
2021	91,236.12
2022	15,206.02
	\$ 380,150.50

Rental payments under operating leases for the fiscal year ended June 30, 2017 were \$276,851.82, which included a lease buyout payment.

Note 9: PENSION PLANS

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

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

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

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

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

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

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

Vesting and Benefit Provisions

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

The following represents the membership tiers for TPAF:

Tier Definition

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

Service retirement benefits of 1/55th 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.

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

Teachers' Pension and Annuity Fund (Cont'd) - Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Public Employees' Retirement System - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The PERS provides retirement, death and disability benefits. All benefits vest after ten 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.

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 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount.

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

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

Teachers' Pension and Annuity Fund (Cont'd) - The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 7.40% 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, 2017 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, 2016, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2017 was \$1,871,321.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$1,845,544.89.

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 seven years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. 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 amount, which includes the normal cost and unfunded accrued liability.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 13.33% 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, 2016, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2017 was \$875,713.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$490,854.16.

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, 2017, employee contributions totaled \$10,676.80, and the School District recognized pension expense, which equaled the required contributions, of \$5,823.45. There were no forfeitures during the fiscal year.

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

Teachers' Pension and Annuity Fund - At June 30, 2017, 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	184,844,606.00
	<u>\$184,844,606.00</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. For the June 30, 2016 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, 2016, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2016 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was 0.2349728521%, which was an increase of 0.0057538170% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized \$13,888,500.00 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, 2016 measurement date.

Public Employees' Retirement System - At June 30, 2017, the School District reported a liability of \$29,197,614.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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, 2016 measurement date, the School District's proportion was 0.0985835300%, which was a decrease of 0.0000564175% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized pension expense of \$2,814,218.00, in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2016 measurement date.

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

Public Employees' Retirement System (Cont'd) - At June 30, 2017, 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	\$ 542,987.00	\$ -
Changes of Assumptions	6,048,186.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	1,113,332.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	294,599.00	182,990.00
School District Contributions Subsequent to the Measurement Date	875,713.00	-
	<u>\$ 8,874,817.00</u>	<u>\$ 182,990.00</u>

\$875,713.00, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Year Ending June 30,</u>	
2018	\$ 1,761,257
2019	1,761,257
2020	2,036,250
2021	1,721,134
2022	536,216
	<u>\$ 7,816,114.00</u>

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

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

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
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
June 30, 2016	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
June 30, 2016	5.57	5.57

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

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. 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, 2016. 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%	3.08%
Salary Increases:		
2012-2021	Varies Based on Experience	
Through 2026		1.65% - 4.15% Based on Age
Thereafter	Varies Based on Experience	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%	7.65%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial		
Assumptions were Based	July 1, 2012 - June 30, 2015	July 1, 2011 - June 30, 2014

For TPAF, pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2016 are summarized in the following tables:

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

<u>Asset Class</u>	<u>TPAF</u>		<u>Asset Class</u>	<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>		<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.39%	Cash	5.00%	0.87%
U.S. Government Bonds	1.50%	1.28%	U.S. Treasuries	1.50%	1.74%
U.S. Credit Bonds	13.00%	2.76%	Investment Grade Credit	8.00%	1.79%
U.S. Mortgages	2.00%	2.38%	Mortgages	2.00%	1.67%
U.S. Inflation-Indexed Bonds	1.50%	1.41%	High Yield Bonds	2.00%	4.56%
U.S. High Yield Bonds	2.00%	4.70%	Inflation-Indexed Bonds	1.50%	3.44%
U.S. Equity Market	26.00%	5.14%	Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	5.91%	Developed Foreign Equities	13.25%	6.83%
Emerging Markets Equity	6.50%	8.16%	Emerging Market Equities	6.50%	9.95%
Private Real Estate Property	5.25%	3.64%	Private Equity	9.00%	12.40%
Timber	1.00%	3.86%	Hedge Funds / Absolute Return	12.50%	4.68%
Farmland	1.00%	4.39%	Real Estate (Property)	2.00%	6.91%
Private Equity	9.00%	8.97%	Commodities	0.50%	5.45%
Commodities	0.50%	2.87%	Global Debt ex U.S.	5.00%	-0.25%
Hedge Funds - MultiStrategy	5.00%	3.70%	REIT	5.25%	5.63%
Hedge Funds - Equity Hedge	3.75%	4.72%			
Hedge Funds - Distressed	3.75%	3.49%			
	<u>100.00%</u>			<u>100.00%</u>	

Discount Rate - The discount rates used to measure the total pension liability at June 30, 2016 were 3.22% and 3.98% for TPAF and PERS, 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 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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 contribution rate in the most recent fiscal year. 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 2029 for TPAF and 2034 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029 for TPAF and 2034 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

Teachers' Pension and Annuity Fund (TPAF) - As previously mentioned, TPAF, has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2016, 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 3.22%, 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 (2.22%)	Current Discount Rate (3.22%)	1% Increase (4.22%)
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>220,745,768.00</u>	<u>184,844,606.00</u>	<u>155,526,674.00</u>
	<u>\$220,745,768.00</u>	<u>\$184,844,606.00</u>	<u>\$155,526,674.00</u>

Public Employees' Retirement System (PERS) - The following presents the School District's proportionate share of the net pension liability at June 30, 2016, the plans measurement date, calculated using a discount rate of 3.98%, 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 (2.98%)	Current Discount Rate (3.98%)	1% Increase (4.98%)
School District's Proportionate Share of the Net Pension Liability	<u>\$ 35,778,268.00</u>	<u>\$ 29,197,614.00</u>	<u>\$ 23,764,714.00</u>

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS's 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.

Note 10: SCHOOL EMPLOYEES HEALTH BENEFITS PROGRAM

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, 2016, there were 110,512 retirees receiving postemployment medical benefits, and the State contributed \$1.37 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 \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in fiscal year 2016.

Note 11: ON-BEHALF PAYMENTS

For the fiscal year ended June 30, 2017, 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 long-term disability insurance were \$2,618,459.00, \$2,181,772.00 and \$5,532.00, respectively.

Note 12: RISK MANAGEMENT

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

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

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

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

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2017	\$ 55,573.42	\$ 2,654.19	\$ 44,680.41	\$ 598,263.54
2016	53,773.48	2,789.90	112,003.58	584,716.34
2015	51,729.79	2,713.11	89,360.43	640,156.54

Note 13: DEFERRED COMPENSATION

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

*AXA Equitable
Lincoln Investments
Foresters Financial Services, Inc.
Met Life
Syracusa Benefits*

Note 14: COMPENSATED ABSENCES

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

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2017, the liability for compensated absences reported on the government-wide statement of net position and on the proprietary fund statement of net position was \$973,441.95 and \$93,600.00, respectively.

Note 15: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2017 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 1,267,652.61	\$ 1,883.84
Special Revenue		493,613.79
Capital Projects		11.35
Proprietary		768,851.30
Fiduciary	1,883.84	5,176.17
	<u>\$ 1,269,536.45</u>	<u>\$ 1,269,536.45</u>

The interfund receivables and payables on the previous page predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2018, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

Note 16: CONTINGENCIES

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

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

Note 17: CONCENTRATIONS

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

Note 18: DEFICIT NET POSITION BALANCE

The School District has a deficit unrestricted net position balance of \$16,611,315.88 due to the application of GASB 68 and the recording of the School District's proportionate share of net pension liability (Note 9).

Note 19: FUND BALANCES**RESTRICTED**

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

General Fund

For Excess Surplus - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2017 is \$175,158.58. Additionally, \$3,239,880.00 of excess fund balance generated during 2015-2016 has been restricted and designated for utilization in the 2017-2018 budget.

For Capital Reserve Account - As of June 30, 2017, the balance in the capital reserve account is \$3,537,786.98. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

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

Special Revenue Fund – As of June 30, 2017, the balance in the special revenue fund was \$15,150.00.

Capital Projects Fund - As of June 30, 2017, the restricted fund balance amount was \$336,087.07.

Debt Service Fund - In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. As of June 30, 2017, the balance in the debt service fund was \$29,367.21.

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, 2018 \$3,250,000.00 of general fund balance at June 30, 2017.

Other Purposes - As of June 30, 2017, the School District had \$855,259.10 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, 2017, \$1,575,895.17 of general fund balance was unassigned.

Note 20: TAX ABATEMENTS

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

For fiscal year 2017, the total assessed value abated by Bellmawr Borough, Runnemede Borough and Gloucester Township was \$95,487,300.00. The regional school district receives 100% of its tax levy from each of the municipalities and does not have any reduction in revenue as a result of these tax abatement programs.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULES

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 31,986,710.00		\$ 31,986,710.00	\$ 31,986,710.00	
Tuition	400,000.00		400,000.00	929,241.49	\$ 529,241.49
Transportation	571,000.00		571,000.00	571,000.00	
Unrestricted Miscellaneous Revenues	164,000.00		164,000.00	626,771.99	462,771.99
Total - Local Sources	33,121,710.00	-	33,121,710.00	34,113,723.48	992,013.48
State Sources:					
Extraordinary Aid	380,404.00		380,404.00	567,309.00	186,905.00
Categorical Special Education Aid	2,425,197.00		2,425,197.00	2,425,197.00	
Equalization Aid	30,606,941.00		30,606,941.00	30,606,941.00	
Categorical Security Aid	163,463.00		163,463.00	163,463.00	
Categorical Transportation Aid	226,607.00		226,607.00	226,607.00	
Per Pupil Growth Aid	38,720.00		38,720.00	38,720.00	
PARCC Readiness	38,720.00		38,720.00	38,720.00	
Professional Learning Community Aid	36,820.00		36,820.00	36,820.00	
Other State Aid - Nonpublic Transportation Aid				38,868.00	38,868.00
On-Behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				2,181,772.00	2,181,772.00
On-Behalf T.P.A.F. Pension Contributions (non-budgeted)				2,618,459.00	2,618,459.00
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability Insurance Premium				5,532.00	5,532.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,832,897.63	1,832,897.63
Total - State Sources	33,916,872.00	-	33,916,872.00	40,781,305.63	6,864,433.63
Federal Sources:					
SEMI -- Medicaid Initiative	46,881.00		46,881.00	157,262.98	110,381.98
Total - Federal Sources	46,881.00	-	46,881.00	157,262.98	110,381.98
Total Revenues	67,085,463.00	-	67,085,463.00	75,052,292.09	7,966,829.09
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Grades 9-12	15,626,612.00	87,061.42	15,713,673.42	15,123,498.70	590,174.72

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Regular Programs - Home Instruction:					
Salaries of Teachers	\$ 275,000.00	\$ 50,828.59	\$ 325,828.59	\$ 188,710.40	\$ 137,118.19
Purchased Professional - Educational Services	140,000.00	10,000.00	150,000.00	55,948.64	94,051.36
Regular Programs - Undistributed Instruction:					
Purchased Professional - Educational Services	700,000.00	149,394.60	849,394.60	849,394.52	0.08
Purchased Technical Services	25,000.00	10,080.00	35,080.00	35,080.00	
Other Purchased Services (400-500 Series)	133,750.00		133,750.00	100,912.58	32,837.42
General Supplies	943,027.00	4,481.70	947,508.70	763,987.81	183,520.89
Textbooks	291,939.00	4,900.00	296,839.00	188,180.48	108,658.52
Total Regular Programs	18,135,328.00	316,746.31	18,452,074.31	17,305,713.13	1,146,361.18
Behavioral Disabilities:					
Salaries of Teachers	341,688.00	16,371.18	358,059.18	281,520.75	76,538.43
Other Salaries for Instruction	115,237.00		115,237.00	106,603.34	8,633.66
General Supplies	32,128.00		32,128.00	28,484.72	3,643.28
Textbooks	6,500.00		6,500.00		6,500.00
Total Behavioral Disabilities	495,553.00	16,371.18	511,924.18	416,608.81	95,315.37
Multiple Disabilities:					
Salaries of Teachers	510,327.00	81,946.61	592,273.61	590,087.36	2,186.25
Other Salaries for Instruction	116,519.00	118,408.49	234,927.49	230,035.65	4,891.84
General Supplies	53,685.00	(5,911.15)	47,773.85	33,071.72	14,702.13
Total Multiple Disabilities	680,531.00	194,443.95	874,974.95	853,194.73	21,780.22

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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	<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):					
Current Expense (Cont'd):					
Special Education - Instruction (Cont'd):					
Resource Room / Resource Center:					
Salaries of Teachers	\$ 2,915,358.00	\$ (59,000.00)	\$ 2,856,358.00	\$ 2,819,483.03	\$ 36,874.97
Other Salaries for Instruction	431,304.00	40,542.74	471,846.74	471,846.74	
General Supplies	13,687.00	10,000.00	23,687.00	22,826.74	860.26
Textbooks	35,000.00	(10,000.00)	25,000.00		25,000.00
Total Resource Room / Resource Center	<u>3,395,349.00</u>	<u>(18,457.26)</u>	<u>3,376,891.74</u>	<u>3,314,156.51</u>	<u>62,735.23</u>
Total Special Education - Instruction	<u>4,571,433.00</u>	<u>192,357.87</u>	<u>4,763,790.87</u>	<u>4,583,960.05</u>	<u>179,830.82</u>
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	419,661.00		419,661.00	411,665.00	7,996.00
General Supplies	19,530.00	(900.00)	18,630.00	14,911.39	3,718.61
Textbooks	7,125.00	(2,000.00)	5,125.00	4,526.13	598.87
Total Basic Skills / Remedial - Instruction	<u>446,316.00</u>	<u>(2,900.00)</u>	<u>443,416.00</u>	<u>431,102.52</u>	<u>12,313.48</u>
Bilingual Education - Instruction:					
Salaries of Teachers	113,836.00		113,836.00	63,410.10	50,425.90
General Supplies	2,500.00		2,500.00	1,185.00	1,315.00
Total Bilingual Education - Instruction	<u>116,336.00</u>	<u>-</u>	<u>116,336.00</u>	<u>64,595.10</u>	<u>51,740.90</u>
School Sponsored Cocurricular Activities - Instruction:					
Salaries	336,000.00	71,994.66	407,994.66	407,994.66	
Purchased Services	74,220.00	6,355.98	80,575.98	60,308.65	20,267.33
Supplies and Materials	124,226.00	8,745.90	132,971.90	93,890.43	39,081.47
Other Objects	31,879.00	(425.00)	31,454.00	21,123.44	10,330.56
Total School Sponsored Cocurricular Activities - Instruction	<u>566,325.00</u>	<u>86,671.54</u>	<u>652,996.54</u>	<u>583,317.18</u>	<u>69,679.36</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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	<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):					
Current Expense (Cont'd):					
School Sponsored Athletics - Instruction:					
Salaries	\$ 1,103,083.00	\$ 55,517.21	\$ 1,158,600.21	\$ 1,141,070.65	\$ 17,529.56
Purchased Services	220,600.00	15,766.00	236,366.00	215,027.78	21,338.22
Supplies and Materials	347,498.00	(48,751.47)	298,746.53	252,745.39	46,001.14
Other Objects	71,550.00	11,199.00	82,749.00	79,212.45	3,536.55
Total School Sponsored Athletics - Instruction	<u>1,742,731.00</u>	<u>33,730.74</u>	<u>1,776,461.74</u>	<u>1,688,056.27</u>	<u>88,405.47</u>
Other Instructional Programs - Instruction:					
Salaries	202,228.00	(65,734.66)	136,493.34	135,206.50	1,286.84
Purchased Services	26,505.00	2,744.00	29,249.00	12,517.10	16,731.90
Supplies and Materials	6,369.00	2,523.95	8,892.95	4,541.73	4,351.22
Total Other Instructional Programs - Instruction	<u>235,102.00</u>	<u>(60,466.71)</u>	<u>174,635.29</u>	<u>152,265.33</u>	<u>22,369.96</u>
Total Instruction	<u>25,813,571.00</u>	<u>566,139.75</u>	<u>26,379,710.75</u>	<u>24,809,009.58</u>	<u>1,570,701.17</u>
Undistributed Expenditures - Instruction:					
Tuition to Other LEA's Within State - Regular	144,500.00		144,500.00	118,235.77	26,264.23
Tuition to Other LEA's Within State - Special	67,000.00		67,000.00	41,136.23	25,863.77
Tuition to County Voc. School District - Regular	637,326.00	(21,061.00)	616,265.00	594,569.25	21,695.75
Tuition to County Voc. School District - Special	213,384.00	3,425.00	216,809.00	216,809.00	
Tuition to CSSD and Regional Day Schools	1,877,000.00	(177,185.02)	1,699,814.98	1,445,147.77	254,667.21
Tuition to Private Schools for the Disabled - Within State	3,318,000.00	131,394.68	3,449,394.68	3,220,583.21	228,811.47
Tuition - State Facilities	128,830.00		128,830.00	128,830.00	
Tuition - Other	100,000.00	20,180.44	120,180.44	120,180.44	
Total Undistributed Expenditures - Instruction	<u>6,486,040.00</u>	<u>(43,245.90)</u>	<u>6,442,794.10</u>	<u>5,885,491.67</u>	<u>557,302.43</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
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 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work:					
Salaries	\$ 15,000.00		\$ 15,000.00	\$ 15,000.00	
Other Purchased Services (400-500 series)	500.00		500.00	331.08	\$ 168.92
Supplies and Materials	195.00		195.00		195.00
Total Undistributed Expenditures - Attendance and Social Work	15,695.00	-	15,695.00	15,331.08	363.92
Undistributed Expenditures - Health Services:					
Salaries	226,902.00		226,902.00	204,202.96	22,699.04
Purchased Professional and Technical Services	66,000.00	\$ 18,100.00	84,100.00	71,955.44	12,144.56
Other Purchased Services (400-500 series)	300.00		300.00		300.00
Supplies and Materials	9,725.00	(2,600.00)	7,125.00	5,013.52	2,111.48
Other Objects	12,200.00	(5,500.00)	6,700.00	774.00	5,926.00
Total Undistributed Expenditures - Health Services	315,127.00	10,000.00	325,127.00	281,945.92	43,181.08
Undistributed Expenditures - Other Support Services - Students - Related Services:					
Purchased Professional - Educational Services	500,000.00	(7,599.00)	492,401.00	385,910.44	106,490.56
Undistributed Expenditures - Other Support Services - Students - Extra Services:					
Salaries	842,327.00	(119,000.00)	723,327.00	624,261.43	99,065.57
Undistributed Expenditures - Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	1,610,610.00	56,765.39	1,667,375.39	1,580,897.62	86,477.77
Salaries of Secretarial and Clerical Assistants	283,908.00		283,908.00	247,902.66	36,005.34
Other Salaries	44,854.00		44,854.00	44,853.12	0.88
Purchased Professional and Technical Services	192,525.00	1,850.00	194,375.00	140,718.47	53,656.53
Supplies and Materials	14,650.00	110.52	14,760.52	12,753.34	2,007.18
Total Undistributed Expenditures - Other Support Services - Students - Regular	2,146,547.00	58,725.91	2,205,272.91	2,027,125.21	178,147.70

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Undistributed Expenditures - Other Support Services -					
Students - Special:					
Salaries of Other Professional Staff	\$ 824,096.00	\$ 25,000.00	\$ 849,096.00	\$ 848,676.12	\$ 419.88
Salaries of Secretarial and Clerical Assistants	157,835.00	0.28	157,835.28	157,835.28	
Purchased Professional - Educational Services	13,000.00		13,000.00	10,498.50	2,501.50
Misc Purchased Services	16,200.00		16,200.00	8,210.36	7,989.64
Supplies and Materials	4,000.00	2,181.33	6,181.33	2,496.75	3,684.58
	<u>1,015,131.00</u>	<u>27,181.61</u>	<u>1,042,312.61</u>	<u>1,027,717.01</u>	<u>14,595.60</u>
Total Undistributed Expenditures - Other Support Services - Students - Special:					
Undistributed Expenditures - Improvement of Instruction Services:					
Salaries of Supervisors of Instruction	1,162,505.00	7,504.36	1,170,009.36	1,170,009.36	
Salaries of Secretarial and Clerical Assistants	55,335.00	1,427.56	56,762.56	56,762.56	
Other Purchased Services (400-500 series)	46,000.00	155.00	46,155.00	25,278.32	20,876.68
Supplies and Materials	7,600.00	(194.00)	7,406.00	1,262.94	6,143.06
Other Objects	12,500.00	194.00	12,694.00	12,694.00	
	<u>1,283,940.00</u>	<u>9,086.92</u>	<u>1,293,026.92</u>	<u>1,266,007.18</u>	<u>27,019.74</u>
Total Undistributed Expenditures - Improvement of Instruction Services					
Undistributed Expenditures - Educational Media Services / School Library:					
Salaries	486,476.00	4,800.00	491,276.00	435,828.60	55,447.40
Purchased Professional and Technical Services	450,950.00		450,950.00	417,787.66	33,162.34
Other Purchased Services (400-500 series)	170,888.00	(26,000.00)	144,888.00	135,035.54	9,852.46
Supplies and Materials	162,245.00	24,800.00	187,045.00	118,151.91	68,893.09
	<u>1,270,559.00</u>	<u>3,600.00</u>	<u>1,274,159.00</u>	<u>1,106,803.71</u>	<u>167,355.29</u>
Total Undistributed Expenditures - Educational Media Services / School Library					
Undistributed Expenditures - Instructional Staff Training Services:					
Salaries of Other Professional Staff	61,750.00	102,108.22	163,858.22	52,676.60	111,181.62
Purchased Professional - Educational Services	46,000.00		46,000.00	26,970.24	19,029.76
Supplies and Materials	3,800.00		3,800.00		3,800.00
	<u>111,550.00</u>	<u>102,108.22</u>	<u>213,658.22</u>	<u>79,646.84</u>	<u>134,011.38</u>
Total Undistributed Expenditures - Instructional Staff Training Services					

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 338,658.00	\$ 5,000.08	\$ 343,658.08	\$ 334,158.00	\$ 9,500.08
Legal Services	175,000.00	285,180.00	460,180.00	261,104.16	199,075.84
Audit Fees	100,000.00		100,000.00	91,500.00	8,500.00
Architectural/Engineering Services	125,000.00	(99,312.54)	25,687.46	5,383.50	20,303.96
Other Purchased Professional Services	60,000.00	(24,636.07)	35,363.93	12,873.38	22,490.55
Purchased Technical Services	58,000.00	(17,872.60)	40,127.40	24,277.40	15,850.00
Communications / Telephone	133,975.00	3,372.81	137,347.81	81,040.60	56,307.21
BOE Other Purchased Services	2,000.00	(500.00)	1,500.00		1,500.00
Miscellaneous Purchased Services	161,310.00	(2,142.00)	159,168.00	150,982.15	8,185.85
General Supplies	10,000.00		10,000.00	8,182.41	1,817.59
Judgments Against School District	500,000.00	35,000.00	535,000.00	535,000.00	
Miscellaneous Expenditures	20,600.00		20,600.00	14,760.69	5,839.31
BOE Membership Dues and Fees	34,000.00		34,000.00	29,385.98	4,614.02
Total Undistributed Expenditures - Support Services - General Administration	1,718,543.00	184,089.68	1,902,632.68	1,548,648.27	353,984.41
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	1,681,075.00	97,841.48	1,778,916.48	1,663,257.00	115,659.48
Salaries of Secretarial and Clerical Assistants	923,475.00	44,694.55	968,169.55	895,654.86	72,514.69
Other Purchased Services	17,339.00	2,347.45	19,686.45	14,208.46	5,477.99
Supplies and Materials	130,473.00	7,043.12	137,516.12	114,639.44	22,876.68
Other Objects	29,138.00	5,936.22	35,074.22	30,620.09	4,454.13
Total Undistributed Expenditures - Support Services - School Administration	2,781,500.00	157,862.82	2,939,362.82	2,718,379.85	220,982.97

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - Central Services:					
Salaries	\$ 567,034.00	\$ 24,798.40	\$ 591,832.40	\$ 479,128.43	\$ 112,703.97
Purchased Technical Services	52,500.00	(50.00)	52,450.00	15,710.66	36,739.34
Miscellaneous Purchased Services	2,500.00	3,675.00	6,175.00	6,166.72	8.28
Supplies and Materials	23,000.00	(6,865.01)	16,134.99	9,421.37	6,713.62
Miscellaneous Expenditures	3,500.00	29,000.00	32,500.00	2,406.00	30,094.00
Total Undistributed Expenditures - Support Services - Central Services	648,534.00	50,558.39	699,092.39	512,833.18	186,259.21
Undistributed Expenditures - Support Services - Administrative Information Technology:					
Salaries	232,824.00	53,377.68	286,201.68	257,170.73	29,030.95
Other Purchased Services (400-500 series)	1,000.00	1,000.00	2,000.00	1,149.00	851.00
Supplies and Materials	3,140.00		3,140.00		3,140.00
Other Objects	13,059.00		13,059.00	11,061.97	1,997.03
Total Undistributed Expenditures - Support Services - Administrative Information Technology	250,023.00	54,377.68	304,400.68	269,381.70	35,018.98
Undistributed Expenditures - Required Maintenance for School Facilities:					
Salaries	1,064,356.00	(368,641.33)	695,714.67	571,961.53	123,753.14
Cleaning, Repair and Maintenance Services	160,800.00	201,132.03	361,932.03	269,921.00	92,011.03
General Supplies	648,250.00	(193,808.74)	454,441.26	258,909.49	195,531.77
Total Undistributed Expenditures - Required Maintenance for School Facilities	1,873,406.00	(361,318.04)	1,512,087.96	1,100,792.02	411,295.94

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
Current Expense (Cont'd):					
Undistributed Expenditures - Custodial Services					
Salaries	\$ 1,667,219.00	\$ 453,413.16	\$ 2,120,632.16	1,871,917.08	\$ 248,715.08
Unused Vacation Payment to Terminated Employees	5,000.00		5,000.00		5,000.00
Purchased Professional and Technical Services	156,900.00	99,674.00	256,574.00	241,189.06	15,384.94
Cleaning, Repair and Maintenance Services	152,025.00	(5,309.00)	146,716.00	117,968.82	28,747.18
Lease purchase payments - Energy Savings Impr Program	115,984.00		115,984.00	115,262.50	721.50
Other Purchased Property Services	247,500.00	(61,200.00)	186,300.00	127,288.75	59,011.25
Insurance	606,990.00	(60,109.96)	546,880.04	391,451.00	155,429.04
Miscellaneous Purchased Services	17,400.00	(237.69)	17,162.31	15,446.38	1,715.93
General Supplies	166,000.00	49,078.52	215,078.52	206,417.48	8,661.04
Energy (Electricity)	1,191,250.00	34,480.97	1,225,730.97	979,308.70	246,422.27
Energy (Natural Gas)	385,800.00	180,018.88	565,818.88	255,045.25	310,773.63
Energy (Oil)	10,500.00	(5,500.00)	5,000.00	1,864.72	3,135.28
Total Undistributed Expenditures - Custodial Services	<u>4,722,568.00</u>	<u>684,308.88</u>	<u>5,406,876.88</u>	<u>4,323,159.74</u>	<u>1,083,717.14</u>
Undistributed Expenditures - Care & Upkeep of Grounds					
Salaries	583,810.00	84,442.33	668,252.33	468,304.34	199,947.99
Cleaning, Repair and Maintenance Services	68,300.00	80,988.56	149,288.56	148,960.96	327.60
General Supplies	115,950.00	20,714.00	136,664.00	130,388.33	6,275.67
Total Undistributed Expenditures - Care & Upkeep of Grounds	<u>768,060.00</u>	<u>186,144.89</u>	<u>954,204.89</u>	<u>747,653.63</u>	<u>206,551.26</u>
Undistributed Expenditures - Security					
Salaries	54,300.00		54,300.00	11,143.75	43,156.25
Purchased Professional and Technical Services	429,000.00	38,000.00	467,000.00	455,897.88	11,102.12
Cleaning, Repair and Maintenance Services	26,000.00	(12,625.00)	13,375.00	11,759.00	1,616.00
General Supplies	11,000.00	(6,000.00)	5,000.00	3,289.06	1,710.94
Total Undistributed Expenditures - Security	<u>520,300.00</u>	<u>19,375.00</u>	<u>539,675.00</u>	<u>482,089.69</u>	<u>57,585.31</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Current Expense (Cont'd):					
Undistributed Expenditures - Student Transportation Services:					
Salaries of Non-Instructional Aides	\$ 32,621.00	\$ (6,500.00)	\$ 26,121.00	\$ 11,739.70	\$ 14,381.30
Salaries for Pupil Transportation (Bet. Home & Sch) - Spec. Ed.	74,297.00	16,898.65	91,195.65	91,195.65	
Contracted Services (Between Home & School) - Vendors	642,567.00	(635,000.00)	7,567.00		7,567.00
Contracted Services - (Other than Between Home and School) - Vendors	319,019.00	8,366.50	327,385.5	309,556.33	17,829.17
Contracted Services (Bet.Home & School)-Joint Agreements	1,600,000.00	176,919.16	1,776,919.16	1,567,554.78	209,364.38
Contracted Services (Special Education Students) - Vendors	10,000.00		10,000.00		10,000.00
Contracted Services (Special Education Students) - Jt. Agrmnts	1,115,000.00	452,580.84	1,567,580.84	1,566,825.67	755.17
Contracted Services (Reg. Students) ESC's & CTSA's	565,925.00		565,925.00	565,925.00	
Contracted Services - Aid in Lieu of Payments	210,230.00	3,210.00	213,440.00	174,793.77	38,646.23
Contracted Services - Choice - Aid in Lieu of Payments	35,360.00	31,123.51	66,483.51	58,009.85	8,473.66
Misc Purchased Services - Transportation	40,000.00	(3,741.79)	36,258.21	36,258.21	
Other Objects	1,000.00	3,241.79	4,241.79	3,285.29	956.50
Total Undistributed Expenditures - Student Transportation Services	4,646,019.00	47,098.66	4,693,117.66	4,385,144.25	307,973.41
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	875,135.00	53,229.85	928,364.85	761,761.61	166,603.24
Other Retirement Contributions - PERS	940,610.00		940,610.00	881,653.00	58,957.00
Workers Compensation	447,700.00	(5,000.00)	442,700.00	394,602.47	48,097.53
Health Benefits	9,850,537.00	(192,794.60)	9,657,742.40	8,712,200.90	945,541.50
Tuition Reimbursement	128,000.00		128,000.00	88,539.00	39,461.00
Other Employee Benefits	189,650.00	372,663.27	562,313.27	241,278.85	321,034.42
Unused Sick Payment to Terminated/Retired Staff	170,658.00		170,658.00		170,658.00
Total Unallocated Benefits	12,602,290.00	228,098.52	12,830,388.52	11,080,035.83	1,750,352.69

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
EXPENDITURES (CONT'D):					
On-behalf T.P.A.F. Pension Contributions - Post-Retirement Medical (non-budgeted)				\$ 2,181,772.00	\$ (2,181,772.00)
On-behalf T.P.A.F. Pension Contributions (non-budgeted)				2,618,459.00	(2,618,459.00)
On-Behalf T.P.A.F. Pension Contributions - Long Term Disability Insurance Premium				5,532.00	(5,532.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)				1,832,897.63	(1,832,897.63)
Total Undistributed Expenditures-On-behalf TPAF Pension Contributions	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,638,660.63</u>	<u>(6,638,660.63)</u>
Total Undistributed Expenditures	<u>\$ 44,518,159.00</u>	<u>\$ 1,291,454.24</u>	<u>\$ 45,809,613.24</u>	<u>46,507,019.28</u>	<u>(697,406.04)</u>
Total Current Expense	<u>70,331,730.00</u>	<u>1,857,593.99</u>	<u>72,189,323.99</u>	<u>71,316,028.86</u>	<u>873,295.13</u>
Capital Outlay:					
Equipment:					
Grades 9-12	765,200.00	(5,351.32)	759,848.68	746,824.30	13,024.38
Special Education - Multiple Disabilities		4,450.00	4,450.00	4,450.00	
School Sponsored Athletic Programs		35,150.00	35,150.00	35,105.36	44.64
Undistributed Expenditures:					
Required Maintenance	85,500.00	43,794.43	129,294.43	127,467.43	1,827.00
Admin Information Technology	371,000.00	(25,788.00)	345,212.00	344,403.67	808.33
Non-instructional Equipment		212,574.22	212,574.22	181,346.50	31,227.72
Security		25,000.00	25,000.00	25,000.00	
Care and Upkeep of Grounds	22,000.00	7,785.42	29,785.42	24,359.00	5,426.42
Total Equipment	<u>1,243,700.00</u>	<u>297,614.75</u>	<u>1,541,314.75</u>	<u>1,488,956.26</u>	<u>52,358.49</u>
Facilities Acquisition and Construction Services:					
Non-instructional Equipment		1,038,536.40	1,038,536.40	993,047.42	45,488.98
Construction Services	16,000.00		16,000.00		16,000.00
Capital Outlay - Capital Projects	346,000.00	95,785.58	441,785.58	74,668.59	367,116.99
Assessment for Debt Service on SDA Funding	17,447.00		17,447.00	17,447.00	
Total Facilities Acquisition and Construction Services	<u>379,447.00</u>	<u>1,134,321.98</u>	<u>1,513,768.98</u>	<u>1,085,163.01</u>	<u>428,605.97</u>
Total Capital Outlay	<u>1,623,147.00</u>	<u>1,431,936.73</u>	<u>3,055,083.73</u>	<u>2,574,119.27</u>	<u>480,964.46</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<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):					
Special Schools:					
Special Education - Behavioral Disabilities					
Salaries of Teachers	\$ 101,892.00	\$ (326.94)	\$ 101,565.06	\$ 89,565.00	\$ 12,000.06
Salaries of Other Professional Staff	56,285.00	326.94	56,611.94	54,861.94	1,750.00
General Supplies	6,000.00		6,000.00	648.19	5,351.81
Total Special Education - Behavioral Disabilities	<u>164,177.00</u>	<u>-</u>	<u>164,177.00</u>	<u>145,075.13</u>	<u>19,101.87</u>
Total Special Schools	<u>164,177.00</u>	<u>-</u>	<u>164,177.00</u>	<u>145,075.13</u>	<u>19,101.87</u>
Transfer of Funds to Charter Schools	<u>54,317.00</u>	<u>55,233.00</u>	<u>109,550.00</u>	<u>109,546.00</u>	<u>4.00</u>
Total Expenditures	<u>72,173,371.00</u>	<u>3,344,763.72</u>	<u>75,518,134.72</u>	<u>74,144,769.26</u>	<u>1,373,365.46</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(5,087,908.00)</u>	<u>(3,344,763.72)</u>	<u>(8,432,671.72)</u>	<u>907,522.83</u>	<u>9,340,194.55</u>
Other Financing Sources (Uses):					
Operating Transfers:					
Transfer to Food Service Fund - Board Contribution	<u>(200,000.00)</u>		<u>(200,000.00)</u>		<u>200,000.00</u>
Total Other Financing Sources (Uses)	<u>(200,000.00)</u>	<u>-</u>	<u>(200,000.00)</u>	<u>-</u>	<u>200,000.00</u>

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Required Supplementary Information
 General Fund
 Budgetary Comparison Schedule
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	\$ (5,287,908.00)	\$ (3,344,763.72)	\$ (8,632,671.72)	\$ 907,522.83	\$ 9,540,194.55
Fund Balances, July 1	<u>14,960,185.00</u>		<u>14,960,185.00</u>	<u>14,960,185.00</u>	
Fund Balances, June 30	<u>\$ 9,672,277.00</u>	<u>\$ (3,344,763.72)</u>	<u>\$ 6,327,513.28</u>	<u>\$ 15,867,707.83</u>	<u>\$ 9,540,194.55</u>
Recapitulation:					
Restricted Fund Balances:					
Capital Reserve				\$ 3,537,786.98	
Excess Surplus - Current Year				3,408,886.58	
Excess Surplus - Designated for Subsequent Year's Expenditures				3,239,880.00	
Assigned Fund Balance:					
Year-End Encumbrances				855,259.10	
Designated for Subsequent Year's Expenditures				3,250,000.00	
Unassigned Fund Balance				<u>1,575,895.17</u>	
				15,867,707.83	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not Recognized on GAAP Basis				<u>(3,233,728.00)</u>	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 12,633,979.83</u>	

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

	Original <u>Budget</u>	Budget <u>Transfers</u>	Final <u>Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
REVENUES:					
Local Sources:					
Revenue from Local Sources	\$ 4,000.00	-	\$ 4,000.00	\$ 4,000.00	-
Federal Sources:					
No Child Left Behind					
Title I	560,620.00		560,620.00	480,861.58	\$ (79,758.42)
Title II - Part A	45,878.00		45,878.00	36,603.29	(9,274.71)
Title III	9,184.00		9,184.00	2,520.00	(6,664.00)
I.D.E.I.A., Part B	926,886.00		926,886.00	818,793.66	(108,092.34)
Carl D. Perkins Vocational and Technical Education Act	28,858.00		28,858.00	28,774.13	(83.87)
Total - Federal Sources	1,571,426.00	-	1,571,426.00	1,367,552.66	(203,873.34)
Total Revenues	1,575,426.00	-	1,575,426.00	1,371,552.66	(203,873.34)
EXPENDITURES:					
Instruction:					
Salaries	458,996.00	\$ (4,751.00)	454,245.00	412,127.00	42,118.00
Purchased Professional and Technical Services	3,680.00	(0.13)	3,679.87	2,937.00	742.87
Other Purchased Services	565,241.00	(24,661.97)	540,579.03	448,962.25	91,616.78
General Supplies	75,845.00	(15,296.45)	60,548.55	54,678.51	5,870.04
Other Objects	1,057.00	14,238.45	15,295.45	12,793.73	2,501.72
Total Instruction	1,104,819.00	(30,471.10)	1,074,347.90	931,498.49	142,849.41

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
EXPENDITURES:					
Support Services:					
Salaries	\$ 187,031.00	\$ 15,675.00	\$ 202,706.00	\$ 197,444.00	\$ 5,262.00
Benefits	179,449.00	18,880.16	198,329.16	169,192.95	29,136.21
Purchased Professional and Technical Services	49,850.00	(5,628.75)	44,221.25	34,981.50	9,239.75
Supplies and Materials	34,393.00	487.69	34,880.69	17,753.13	17,127.56
Other Objects	184.00	1,057.00	1,241.00	982.59	258.41
Total Support Services	<u>450,907.00</u>	<u>30,471.10</u>	<u>481,378.10</u>	<u>420,354.17</u>	<u>61,023.93</u>
Facilities Acquisition and Construction Services:					
Instructional Equipment	<u>19,700.00</u>		<u>19,700.00</u>	<u>19,700.00</u>	
Total Expenditures	<u>1,575,426.00</u>	<u>-</u>	<u>1,575,426.00</u>	<u>1,371,552.66</u>	<u>203,873.34</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Required Supplementary Information

Budgetary Comparison Schedule

Note to RSI

For the Fiscal Year Ended June 30, 2017

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	\$ 75,052,292.09	\$ 1,371,552.66
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		47,669.01
Difference between the local grant award amounts and the amounts realized as revenue on a budgetary basis		5,000.00
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes	3,199,021.00	
The last State aid payment is recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	<u>(3,233,728.00)</u>	
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 75,017,585.09</u>	<u>\$ 1,424,221.67</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 74,144,769.26	\$ 1,371,552.66
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		<u>47,669.01</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 74,144,769.26</u>	<u>\$ 1,419,221.67</u>

REQUIRED SUPPLEMENTARY INFORMATION
PART III

ACCOUNTING AND REPORTING FOR
PENSIONS SCHEDULES

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

	Measurement Date Ending June 30,			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0985835300%	0.9863994750%	0.0962867403%	0.9799891190%
School District's Proportionate Share of the Net Pension Liability	\$ 29,197,614.00	\$ 22,142,692.00	\$ 18,027,511.00	\$ 18,727,668.00
School District's Covered - Payroll (Plan Measurement Period)	\$ 7,247,832.00	\$ 7,176,324.00	\$ 6,889,320.00	\$ 7,168,632.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	402.85%	308.55%	261.67%	261.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

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

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

	Fiscal Year Ended June 30,			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 875,713.00	\$ 875,802.00	\$ 848,039.00	\$ 793,774.00
Contributions in Relation to the Contractually Required Contribution	<u>(875,713.00)</u>	<u>(875,802.00)</u>	<u>(848,039.00)</u>	<u>(793,774.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered - Payroll (Fiscal Year)	\$ 6,571,071.00	\$ 6,698,820.00	\$ 6,839,103.00	\$ 6,594,044.00
Contributions as a Percentage of School District's Covered - Payroll	13.33%	13.07%	12.40%	12.04%

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

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

	Measurement Date Ending June 30,			
	<u>2016</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%	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>	<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>184,844,606.00</u>	<u>144,876,219.00</u>	<u>125,514,880.00</u>	<u>116,359,229.00</u>
	<u>\$ 184,844,606.00</u>	<u>\$ 144,876,219.00</u>	<u>\$ 125,514,880.00</u>	<u>\$ 116,359,229.00</u>
School District's Covered - Payroll (Measurement Period)	\$ 27,886,764.00	\$ 27,997,456.00	\$ 26,434,616.00	\$ 26,871,064.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of its Covered - Payroll	662.84%	517.46%	474.81%	433.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%

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

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2017

Teachers' Pension and Annuity Fund (TPAF)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.22% and the long-term expected rate of return changed to 7.65%. Further, the demographic assumptions were revised to reflect those recommended on the basis of the July 1, 2012 - June 30, 2015 experience study. For 2015, the discount rate changed to 4.13%. For 2014, the discount rate was at 4.68%.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None

Changes in Assumptions - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	<u>Total</u>	<u>No Child Left Behind</u>			<u>Total Brought Forward</u>
		<u>Title I</u>	<u>Title II Part A</u>	<u>Title III</u>	
REVENUES:					
Federal Sources	\$ 1,367,552.66	\$ 480,861.58	\$ 36,603.29	\$ 2,520.00	\$ 847,567.79
Local Sources	4,000.00				4,000.00
Total Revenues	\$ 1,371,552.66	\$ 480,861.58	\$ 36,603.29	\$ 2,520.00	\$ 851,567.79
EXPENDITURES:					
Instruction:					
Salaries	\$ 412,127.00	\$ 331,588.00		\$ 2,520.00	\$ 78,019.00
Purchased Professional and Technical Services	2,937.00				2,937.00
Other Purchased Services	448,962.25				448,962.25
General Supplies	54,678.51				54,678.51
Other Objects	12,793.73	12,793.73			
Total Instruction	931,498.49	344,381.73		2,520.00	584,596.76
Support Services:					
Salaries	197,444.00	39,448.00	\$ 2,520.00		155,476.00
Benefits	169,192.95	97,031.85	193.00		71,968.10
Purchased Professional and Technical Services	34,981.50		30,981.50		4,000.00
Supplies and Materials	17,753.13		2,908.79		14,844.34
Other Objects	982.59				982.59
Total Support Services	420,354.17	136,479.85	36,603.29	-	247,271.03
Facilities Acquisition and Construction Services:					
Instructional Equipment	19,700.00	-	-	-	19,700.00
Total Expenditures	\$ 1,371,552.66	\$ 480,861.58	\$ 36,603.29	\$ 2,520.00	\$ 851,567.79

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2017

	Total Carried Forward	C.D. Perkins Vocational & Applied Technology	IDEA Part B Basic	Local Public Safety Award
REVENUES:				
Federal Sources	\$ 847,567.79	\$ 28,774.13	\$ 818,793.66	
Local Sources	4,000.00			\$ 4,000.00
Total Revenues	\$ 851,567.79	\$ 28,774.13	\$ 818,793.66	\$ 4,000.00
EXPENDITURES:				
Instruction:				
Salaries	\$ 78,019.00		\$ 78,019.00	
Purchased Professional and Technical Services	2,937.00	\$ 2,937.00		
Other Purchased Services	448,962.25		448,962.25	
General Supplies	54,678.51		54,678.51	
Other Objects				
Total Instruction	584,596.76	2,937.00	581,659.76	-
Support Services:				
Salaries	155,476.00	5,701.00	149,775.00	
Benefits	71,968.10	436.13	71,531.97	
Purchased Professional and Technical Services	4,000.00			\$ 4,000.00
Supplies and Materials	14,844.34		14,844.34	
Other Objects	982.59		982.59	
Total Support Services	247,271.03	6,137.13	237,133.90	4,000.00
Facilities Acquisition and Construction Services:				
Instructional Equipment	19,700.00	19,700.00	-	-
Total Expenditures	\$ 851,567.79	\$ 28,774.13	\$ 818,793.66	\$ 4,000.00

CAPITAL PROJECTS FUND

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Summary Statement of Project Expenditures
 For the Fiscal Year Ended June 30, 2017

<u>Project Title / Issue</u>	<u>Original Date</u>	<u>Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2017</u>
			<u>Prior Years</u>	<u>Current Year</u>	
Timber Creek - Security Upgrades	2/10/14	\$ 507,651.00	\$ 496,288.80		\$ 11,362.20
Triton High School - Unbundled Project - Exterior closure, HVAC, communications, life safety	7/10/14	4,331,336.00	3,018,402.20		1,312,933.80
Highland High School - Unbundled Project - Exterior closure, HVAC, communications, life safety	7/10/14	4,753,138.00	4,390,286.11	\$ 174,192.78	188,659.11
Central Office - Rain Garden & Storm Water Improvement	10/1/15	198,500.00	188,454.00	9,997.70	48.30
Triton - Band Room & Backstage Ramps	2/1/16	90,000.00			90,000.00
Triton High School - Unbundled Project - Various Walkway Improvements, Gym Doors/Enclosures	2/1/16	866,550.00		861,787.06	4,762.94
Highland High School - Unbundled Project - 2nd Floor Rehabilitation, Painting of Garage and Various Interior and Exterior Improvements	6/15/16	2,260,311.00	105,531.00	1,913,504.17	241,275.83
Total		<u>\$ 13,007,486.00</u>	<u>\$ 8,198,962.11</u>	<u>\$ 2,959,481.71</u>	<u>\$ 1,849,042.18</u>
Reconciliation to Governmental Funds Statements (GAAP):					
Unexpended Balance as of June 30, 2017					\$ 1,849,042.18
SDA Grant Revenue Not Recognized on GAAP Basis					<u>(1,512,955.11)</u>
Fund Balance per Governmental Funds (GAAP)					<u>\$ 336,087.07</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
Summary Statement of Revenues, Expenditures, and Changes in Fund Balance -- Budgetary Basis
For the Fiscal Year Ended June 30, 2017

Expenditures and Other Financing Uses

Expenditures:	
Construction Services	<u>\$ 2,959,481.71</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,959,481.71)
Fund Balance -- July 1	<u>4,808,523.89</u>
Fund Balance -- June 30	<u><u>\$ 1,849,042.18</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Timber Creek Security Upgrades
 From Inception and for the Fiscal Year Ended June 30, 2017

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Triton High School - Unbundled Project - Exterior closure, HVAC, communications, life safety
 From Inception and for the Fiscal Year Ended June 30, 2017

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Highland High School - Unbundled Project - Exterior closure, HVAC, communications, life safety
 From Inception and for the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing Sources				
State Sources--SDA Grant	\$ 2,719,907.00		\$ 2,719,907.00	\$ 2,719,907.00
Transfer from Capital Reserve	2,033,231.00		2,033,231.00	2,033,231.00
Total Revenues	<u>4,753,138.00</u>	<u>-</u>	<u>4,753,138.00</u>	<u>4,753,138.00</u>
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services	250,117.00		250,117.00	250,117.00
Construction Services	4,140,169.11	\$ 174,192.78	4,314,361.89	4,314,361.89
Total Expenditures	<u>4,390,286.11</u>	<u>174,192.78</u>	<u>4,564,478.89</u>	<u>4,564,478.89</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 362,851.89</u>	<u>\$ (174,192.78)</u>	<u>\$ 188,659.11</u>	<u>\$ 188,659.11</u>
Additional Project Information:				
Project Number	0390-020-14-G3EE			
Grant Date	July 20, 2014			
Bond Authorization Date	N/A			
Bonds Authorized	N/A			
Bonds Issued	N/A			
Original Authorized Cost	\$ 6,231,250.00			
Additional Authorized Cost	-			
Revised Authorized Cost	6,231,250.00			
Percentage Increase over Original Authorized Cost				
Percentage Completion	96.03%			
Original Target Completion Date	10/15/2015			
Revised Target Completion Date	N/A			

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Central Office - Rain Garden & Storm Water Improvement
 From Inception and for the Fiscal Year Ended June 30, 2017

	<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	\$ 198,500.00		\$ 198,500.00	\$ 198,500.00
Total Revenues	198,500.00	-	198,500.00	198,500.00
Expenditures and Other Financing Uses				
Construction Services	188,454.00	\$ 9,997.70	198,451.70	198,451.70
Total Expenditures	188,454.00	9,997.70	198,451.70	198,451.70
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 10,046.00</u>	<u>\$ (9,997.70)</u>	<u>\$ 48.30</u>	<u>\$ 48.30</u>

Additional Project Information:

Project Number	BHPR-C-001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 198,500.00
Additional Authorized Cost	-
Revised Authorized Cost	198,500.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	99.98%
Original Target Completion Date	10/15/2016
Revised Target Completion Date	N/A

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
 Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Triton - Band Room & Backstage Ramps
 From Inception and for the Fiscal Year Ended June 30, 2017

	<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	\$ 90,000.00		\$ 90,000.00	\$ 90,000.00
Total Revenues	90,000.00	-	90,000.00	90,000.00
Expenditures and Other Financing Uses				
Other Purchased Professional and Technical Services			-	
Construction Services			-	
Total Expenditures	-	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ 90,000.00	-	\$ 90,000.00	\$ 90,000.00

Additional Project Information:

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Triton High School - Unbundled Project - Various Walkway Improvements, Baseball Backstops and Gym Doors/Enclosures
 From Inception and for the Fiscal Year Ended June 30, 2017

	<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	\$ 866,550.00		\$ 866,550.00	\$ 866,550.00
Total Revenues	<u>866,550.00</u>	<u>-</u>	<u>866,550.00</u>	<u>866,550.00</u>
Expenditures and Other Financing Uses				
Construction Services		\$ 861,787.06	861,787.06	861,787.06
Total Expenditures	<u>-</u>	<u>861,787.06</u>	<u>861,787.06</u>	<u>861,787.06</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 866,550.00</u>	<u>\$ (861,787.06)</u>	<u>\$ 4,762.94</u>	<u>\$ 4,762.94</u>

Additional Project Information:

Project Number	BHPR-TR-002
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 866,550.00
Additional Authorized Cost	-
Revised Authorized Cost	866,550.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	99.45%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	N/A

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND

Statement of Project Revenues, Expenditures, Project Balance and Project Status--Budgetary Basis
 Highland High School - Unbundled Project - 2nd Floor Rehabilitation, Painting of Garage and Various Interior and Exterior Improvements
 From Inception and for the Fiscal Year Ended June 30, 2017

	<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	\$ 1,272,547.00		\$ 1,272,547.00	\$ 1,272,547.00
Transfer from Capital Outlay	987,764.00		987,764.00	987,764.00
Total Revenues	<u>2,260,311.00</u>	<u>-</u>	<u>2,260,311.00</u>	<u>2,260,311.00</u>
Expenditures and Other Financing Uses				
Construction Services	105,531.00	\$ 1,913,504.17	2,019,035.17	2,019,035.17
Total Expenditures	<u>105,531.00</u>	<u>1,913,504.17</u>	<u>2,019,035.17</u>	<u>2,019,035.17</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 2,154,780.00</u>	<u>\$ (1,913,504.17)</u>	<u>\$ 241,275.83</u>	<u>\$ 241,275.83</u>

Additional Project Information:

Project Number	BHPR-HH-001
Grant Date	N/A
Bond Authorization Date	N/A
Bonds Authorized	N/A
Bonds Issued	N/A
Original Authorized Cost	\$ 2,260,311.00
Additional Authorized Cost	-
Revised Authorized Cost	2,260,311.00
Percentage Increase over Original Authorized Cost	
Percentage Completion	89.33%
Original Target Completion Date	12/31/2016
Revised Target Completion Date	N/A

PROPRIETARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Statement of Net Position
 June 30, 2017

	<u>Food Service</u>
ASSETS:	
Current Assets:	
Cash and Cash Equivalents	\$ 826,796.14
Accounts Receivable:	
State	403.75
Federal	26,804.49
Local School District	14,594.80
Inventories	11,554.50
	880,153.68
Total Current Assets	880,153.68
Noncurrent Assets:	
Equipment	630,264.74
Less Accumulated Depreciation	(599,990.34)
	30,274.40
Total Noncurrent Assets	30,274.40
Total Assets	910,428.08
LIABILITIES:	
Current Liabilities:	
Interfund Accounts Payable:	
Due General Fund	688,287.31
Compensated Absences Payable	11,250.00
	699,537.31
Total Current Liabilities	699,537.31
Noncurrent Liabilities:	
Compensated Absences Payable	82,350.00
	82,350.00
Total Liabilities	781,887.31
NET POSITION:	
Net Investment in Capital Assets	30,274.40
Unrestricted	98,266.37
	128,540.77
Total Net Position	\$ 128,540.77

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>
OPERATING REVENUES:	
Charges for Services:	
Daily Sales - Reimbursable Programs	\$ 242,723.45
Daily Sales - Non-Reimbursable Programs	373,705.76
Special Functions	118,140.98
	118,140.98
Total Operating Revenues	734,570.19
OPERATING EXPENSES:	
Salaries	511,510.80
Employee Benefits	203,854.45
Depreciation	2,328.80
Miscellaneous	7,624.65
Cost of Sales - Reimbursable Programs	339,073.26
Cost of Sales - Nonreimbursable Programs	165,504.98
	165,504.98
Total Operating Expenses	1,229,896.94
Operating Income / (Loss)	(495,326.75)
NONOPERATING REVENUES:	
State Sources:	
State School Lunch Program	9,440.54
Federal Sources:	
National School Lunch Program	435,012.52
National School Breakfast Program	119,883.12
Food Distribution Program	57,163.42
Interest and Investment Revenue	2,367.92
	2,367.92
Total Nonoperating Revenues	623,867.52
Change in Net Position	128,540.77
Net Position -- July 1	-
Net Position -- June 30	\$ 128,540.77

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Business-Type Activities - Enterprise Funds
 Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Receipts from Customers	\$ 734,570.19
Payments to Employees	(511,510.80)
Payments for Employee Benefits	(193,354.45)
Payments to Vendors	<u>(501,558.57)</u>
Net Cash Provided by (used for) Operating Activities	<u>(471,853.63)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:	
State Sources	9,509.49
Federal Sources	555,904.31
Operating Subsidies and Transfers to Other Funds	<u>600,000.00</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>1,165,413.80</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest Revenue	<u>2,367.92</u>
Net Cash Provided by (used for) Investing Activities	<u>2,367.92</u>
Net Increase (Decrease) in Cash and Cash Equivalents	695,928.09
Cash and Cash Equivalents -- July 1	<u>130,868.05</u>
Cash and Equivalents -- June 30	<u><u>\$ 826,796.14</u></u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Operating Income (Loss)	\$ (495,326.75)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:	
Depreciation and Net Amortization	2,328.80
Food Distribution Program	57,163.42
(Increase) Decrease in Accounts Receivable, net	(11,263.62)
(Increase) Decrease in Inventories	(5,066.65)
Increase (Decrease) in Accounts Payable	(9,188.83)
Increase (Decrease) in Other Liabilities	<u>(10,500.00)</u>
Total Adjustments	<u>23,473.12</u>
Net Cash Provided by (used for) Operating Activities	<u><u>\$ (471,853.63)</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Governmental Activities - Internal Service Funds
 Combining Statement of Net Position
 June 30, 2017

	<u>Gloucester Township Housing Authority</u>	<u>Runnemede Board of Education</u>	<u>Total</u>
ASSETS:			
Current Assets:			
Cash and Cash Equivalents	\$ 72,848.29	\$ 319.95	\$ 73,168.24
Accounts Receivable:			
Other Local Governments	100,196.51	<u> </u>	<u>100,196.51</u>
Total Current Assets	<u>173,044.80</u>	<u>319.95</u>	<u>173,364.75</u>
LIABILITIES:			
Current Liabilities:			
Interfund Accounts Payable:			
Due General Fund	<u>80,244.04</u>	<u>319.95</u>	<u>80,563.99</u>
NET POSITION:			
Unrestricted	<u>92,800.76</u>	<u>-</u>	<u>92,800.76</u>
Total Net Position	<u><u>\$ 92,800.76</u></u>	<u><u>-</u></u>	<u><u>\$ 92,800.76</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Governmental Activities - Internal Service Funds
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position
 For the Fiscal Year Ended June 30, 2017

	Gloucester Township Housing Authority	Runnemede Board of Education	Bellmawr Borough	Total
OPERATING REVENUES:				
Charges for Services:				
Services Provided to Other Governments	\$ 280,482.43	\$ 659.85	\$ 1,235.00	\$ 282,377.28
OPERATING EXPENSES:				
Salaries	107,328.50	345.46	761.67	108,435.63
Employee Benefits	8,210.61	26.43	58.27	8,295.31
Cleaning, repair and maintenance services	271.99			271.99
Rentals	5,196.38			5,196.38
General Supplies	66,674.19	287.96	415.06	67,377.21
Total Operating Expenses	187,681.67	659.85	1,235.00	189,576.52
Operating Income / (Loss)	92,800.76	-	-	92,800.76
Net Position -- July 1	-	-	-	-
Net Position -- June 30	\$ 92,800.76	-	-	\$ 92,800.76

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Proprietary Funds
 Governmental Activities - Internal Service Funds
 Combining Statement of Cash Flows
 For the Fiscal Year Ended June 30, 2017

	Gloucester Township Housing Authority	Runnemede Board of Education	Bellmawr Borough	Totals
CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from Customers	\$ 254,029.96	\$ 979.80	\$ 1,235.00	\$ 256,244.76
Payments to Employees	(107,328.50)	(345.46)	(761.67)	(108,435.63)
Payments for Employee Benefits	(8,210.61)	(26.43)	(58.27)	(8,295.31)
Payments to Vendors	(72,142.56)	(287.96)	(415.06)	(72,845.58)
Net Cash Provided by (used for) Operating Activities	<u>66,348.29</u>	<u>319.95</u>	<u>-</u>	<u>66,668.24</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Operating Subsidies and Transfers to Other Funds	<u>6,500.00</u>	<u>-</u>	<u>-</u>	<u>6,500.00</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>6,500.00</u>	<u>-</u>	<u>-</u>	<u>6,500.00</u>
Net Increase (Decrease) in Cash and Cash Equivalents	72,848.29	319.95	-	73,168.24
Cash and Cash Equivalents -- July 1	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cash and Equivalents -- June 30	<u>\$ 72,848.29</u>	<u>\$ 319.95</u>	<u>-</u>	<u>\$ 73,168.24</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used)				
by Operating Activities:				
Operating Income (Loss)	\$ 92,800.76			\$ 92,800.76
Adjustments to Reconcile Operating Income (Loss) to Net Cash				
Provided by (used for) Operating Activities:				
(Increase) Decrease in Accounts Receivable, net	<u>(26,452.47)</u>	<u>\$ 319.95</u>	<u>-</u>	<u>(26,132.52)</u>
Total Adjustments	<u>(26,452.47)</u>	<u>319.95</u>	<u>-</u>	<u>(26,132.52)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ 66,348.29</u>	<u>\$ 319.95</u>	<u>-</u>	<u>\$ 66,668.24</u>

FIDUCIARY FUNDS

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Combining Statement of Fiduciary Net Position
 June 30, 2017

	Private-Purpose Trust Fund	Agency Funds			Total
	Unemployment Compensation Trust	Student Activity	Summer Payments Plan	Payroll	
ASSETS:					
Cash and Cash Equivalents	\$ 597,315.88	\$ 607,928.79	\$ 321,343.03	\$ 30,329.70	\$ 1,556,917.40
Interfund Accounts Receivable: Due from General Fund	1,883.84				1,883.84
Total Assets	<u>599,199.72</u>	<u>\$ 607,928.79</u>	<u>\$ 321,343.03</u>	<u>\$ 30,329.70</u>	<u>\$ 1,558,801.24</u>
LIABILITIES:					
Interfund Payable - General Fund			\$ 5,176.17		5,176.17
Accounts Payable	936.18				936.18
Payable to Student Groups		\$ 607,928.79	316,166.86		924,095.65
Payroll Deductions and Withholdings				\$ 30,329.70	30,329.70
Total Liabilities	<u>936.18</u>	<u>\$ 607,928.79</u>	<u>\$ 321,343.03</u>	<u>\$ 30,329.70</u>	<u>960,537.70</u>
NET POSITION:					
Held in Trust for Unemployment Claims	<u>598,263.54</u>				<u>598,263.54</u>
Total Net Position	<u>\$ 598,263.54</u>				<u>\$ 598,263.54</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Statement of Changes in Fiduciary Net Position
 For the Fiscal Year Ended June 30, 2017

	Private-Purpose Trust Fund Unemployment Compensation <u>Trust</u>
ADDITIONS:	
Payroll Deductions	\$ <u>55,573.42</u>
Total Contributions	<u>55,573.42</u>
Investment Earnings: Interest	<u>2,654.19</u>
Net Investment Earnings	<u>2,654.19</u>
Total Additions	<u>58,227.61</u>
DEDUCTIONS:	
Unemployment Claims	<u>44,680.41</u>
Total Deductions	<u>44,680.41</u>
Change in Net Position	13,547.20
Net Position -- July 1	<u>584,716.34</u>
Net Position -- June 30	<u><u>\$ 598,263.54</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Student Activity Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2017</u>
SENIOR HIGH SCHOOLS:				
Highland	\$ 179,328.90	\$ 437,590.41	\$ 481,978.69	\$ 134,940.62
Timber Creek	249,039.01	458,747.36	445,577.96	262,208.41
Triton	<u>192,511.53</u>	<u>390,868.40</u>	<u>372,600.17</u>	<u>210,779.76</u>
Total Senior High Schools	<u>620,879.44</u>	<u>1,287,206.17</u>	<u>1,300,156.82</u>	<u>607,928.79</u>
Total All Schools	<u><u>\$ 620,879.44</u></u>	<u><u>\$ 1,287,206.17</u></u>	<u><u>\$ 1,300,156.82</u></u>	<u><u>\$ 607,928.79</u></u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Fiduciary Funds
Summer Payments Plan Agency Fund Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2017

	<u>Balance June 30, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2017</u>
Summer Payment Plan	<u>-</u>	<u>\$ 321,343.03</u>	<u>\$ 5,176.17</u>	<u>\$ 316,166.86</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Fiduciary Funds
 Payroll Agency Fund Schedule of Receipts and Disbursements
 For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>June 30, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2017</u>
ASSETS:				
Cash and Cash Equivalents	\$ 28,929.90	\$ 39,705,281.02	\$ 39,703,881.22	\$ 30,329.70
Total Assets	\$ 28,929.90	\$ 39,705,281.02	\$ 39,703,881.22	\$ 30,329.70
LIABILITIES:				
Payroll Deductions and Withholdings	\$ 28,929.90	\$ 18,464,367.30	\$ 18,462,967.50	\$ 30,329.70
Net Payroll		21,185,340.30	21,185,340.30	
Interfund Accounts Payable:				
Due Unemployment Fund		<u>55,573.42</u>	<u>55,573.42</u>	
Total Liabilities	\$ 28,929.90	\$ 39,705,281.02	\$ 39,703,881.22	\$ 30,329.70

LONG-TERM DEBT

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Statement of Serial Bonds
For the Fiscal Year Ended June 30, 2017

	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance June 30, 2016	Issued	Retired	Balance June 30, 2017
			Date	Amount					
Refunding Bonds, Series 2008	01/16/08	\$ 1,947,000.00	12/01/19	\$ 1,947,000.00	4.250%	\$ 1,947,000.00			\$ 1,947,000.00
Refunding Bonds, Series 2014	09/19/14	13,055,000.00	12/01/17	3,025,000.00	4.000%	10,000,000.00		\$ 2,970,000.00	7,030,000.00
			12/01/18	3,095,000.00	4.000%				
			12/01/19	910,000.00	4.000%				
						<u>\$ 11,947,000.00</u>	<u>-</u>	<u>\$ 2,970,000.00</u>	<u>8,977,000.00</u>
									(9,128.73)
									<u>437,562.72</u>
									<u>\$ 9,405,433.99</u>
									Total General Obligation Bonds Payable

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,935,592.00		\$ 1,935,592.00	\$ 1,935,592.00	
State Sources:					
Debt Service Aid Type II	<u>1,442,906.00</u>		<u>1,442,906.00</u>	<u>1,442,906.00</u>	
Total Revenues	<u>3,378,498.00</u>	<u>-</u>	<u>3,378,498.00</u>	<u>3,378,498.00</u>	<u>-</u>
EXPENDITURES:					
Regular Debt Service:					
Interest	408,498.00		408,498.00	408,497.50	\$ 0.50
Redemption of Principal	<u>2,970,000.00</u>		<u>2,970,000.00</u>	<u>2,970,000.00</u>	
Total Regular Debt Service	<u>3,378,498.00</u>	<u>-</u>	<u>3,378,498.00</u>	<u>3,378,497.50</u>	<u>0.50</u>
Total Expenditures	<u>3,378,498.00</u>	<u>-</u>	<u>3,378,498.00</u>	<u>3,378,497.50</u>	<u>0.50</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures				0.50	0.50
Fund Balance, July 1	<u>29,366.71</u>	<u>-</u>	<u>29,366.71</u>	<u>29,366.71</u>	<u>-</u>
Fund Balance, June 30	<u>\$ 29,366.71</u>	<u>-</u>	<u>\$ 29,366.71</u>	<u>\$ 29,367.21</u>	<u>\$ 0.50</u>

STATISTICAL SECTION

Financial Trends Information

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

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

	Fiscal Year Ended June 30,									
	2017	2016	2015 (2)	2014	2013 (1)	2012	2011	2010	2009	2008
Governmental Activities:										
Net Investment in Capital Assets	\$ 53,849,538.24	\$ 47,585,602.70	\$ 41,085,084.58	\$ 35,998,325.72	\$ 32,340,756.81	\$ 26,946,444.28	\$ 23,872,226.95	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,831,425.59
Restricted	7,333,429.84	7,840,006.15	10,555,899.94	10,703,242.03	9,661,778.39	8,035,900.05	4,322,150.95	6,279,909.52	5,065,491.31	4,160,761.79
Unrestricted	<u>(16,611,315.88)</u>	<u>(13,436,799.77)</u>	<u>(18,453,132.04)</u>	<u>138,912.01</u>	<u>70,554.99</u>	<u>410,979.84</u>	<u>197,350.21</u>	<u>(2,758,019.82)</u>	<u>(2,965,962.07)</u>	<u>(660,547.21)</u>
Total Governmental Activities Net Position	<u>\$ 44,571,652.20</u>	<u>\$ 41,988,809.08</u>	<u>\$ 33,187,852.48</u>	<u>\$ 46,840,479.76</u>	<u>\$ 42,073,090.19</u>	<u>\$ 35,393,324.17</u>	<u>\$ 28,391,728.11</u>	<u>\$ 23,760,408.99</u>	<u>\$ 19,786,880.97</u>	<u>\$ 19,331,640.17</u>
Business-type Activities:										
Net Investment in Capital Assets	\$ 30,274.40	\$ 32,603.20	\$ 34,932.00							\$ 45,049.63
Unrestricted	<u>98,266.37</u>	<u>(32,603.20)</u>	<u>(34,932.00)</u>		<u>\$ 11,399.37</u>	<u>\$ 8,188.58</u>	<u>\$ 14,765.84</u>	<u>\$ 104,114.59</u>	<u>\$ 89,306.95</u>	<u>122,997.40</u>
Total Business-type Activities Net Position	<u>\$ 128,540.77</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>\$ 11,399.37</u>	<u>\$ 8,188.58</u>	<u>\$ 14,765.84</u>	<u>\$ 104,114.59</u>	<u>\$ 89,306.95</u>	<u>\$ 168,047.03</u>
Government-wide:										
Net Investment in Capital Assets	\$ 53,879,812.64	\$ 47,618,205.90	\$ 41,120,016.58	\$ 35,998,325.72	\$ 32,340,756.81	\$ 26,946,444.28	\$ 23,872,226.95	\$ 20,238,519.29	\$ 17,687,351.73	\$ 15,876,475.22
Restricted	7,333,429.84	7,840,006.15	10,555,899.94	10,703,242.03	9,661,778.39	8,035,900.05	4,322,150.95	6,279,909.52	5,065,491.31	4,160,761.79
Unrestricted	<u>(16,513,049.51)</u>	<u>(13,469,402.97)</u>	<u>(18,488,064.04)</u>	<u>138,912.01</u>	<u>81,954.36</u>	<u>419,168.42</u>	<u>212,116.05</u>	<u>(2,653,905.23)</u>	<u>(2,876,655.12)</u>	<u>(537,549.81)</u>
Total Government-wide Net Position	<u>\$ 44,700,192.97</u>	<u>\$ 41,988,809.08</u>	<u>\$ 33,187,852.48</u>	<u>\$ 46,840,479.76</u>	<u>\$ 42,084,489.56</u>	<u>\$ 35,401,512.75</u>	<u>\$ 28,406,493.95</u>	<u>\$ 23,864,523.58</u>	<u>\$ 19,876,187.92</u>	<u>\$ 19,499,687.20</u>

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

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

Source: District Records

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

	Fiscal Year Ended June 30,									
	2017	2016	2015 (2)	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental Activities:										
Instruction:										
Regular	\$ 19,376,230.43	\$ 18,545,247.12	\$ 18,059,823.13	\$ 18,142,019.60	\$ 17,872,091.73	\$ 17,270,112.94	\$ 17,785,243.91	\$ 18,698,619.61	\$ 18,143,529.50	\$ 17,890,088.31
Special Education	4,583,960.05	4,186,721.85	4,143,173.45	3,955,429.96	3,935,878.26	4,210,011.05	4,006,438.97	4,242,244.95	3,951,571.40	3,573,737.31
Other Special Education	495,697.62	335,641.49	401,140.74	521,282.20	519,389.96	490,867.53	92,654.32	129,099.74	427,046.45	344,615.29
Other Instruction	2,527,367.16	2,349,671.04	2,303,653.15	2,195,081.63	2,152,190.75	1,907,903.02	1,946,365.91	2,279,740.76	2,218,313.52	2,179,084.80
Support Services:										
Tuition	5,885,491.67	5,905,178.35	5,944,585.54	5,038,400.82	4,125,976.02	3,962,762.13	4,060,956.40	5,005,769.18	5,372,217.67	4,669,037.78
Student and Instruction Related Services	7,211,736.53	7,448,133.08	7,326,904.35	7,039,832.26	6,771,600.52	6,597,712.79	6,685,172.11	7,184,973.51	6,577,503.83	6,352,081.34
School Administrative Services	2,718,379.85	2,639,374.69	2,530,083.11	2,436,107.91	2,532,236.45	2,446,231.09	2,444,145.58	2,560,210.88	2,485,190.42	2,392,834.31
General and Business Administrative Services	2,665,274.55	2,037,735.96	2,010,445.11	1,898,855.18	1,898,880.64	1,711,804.95	1,975,796.10	2,017,965.70	1,940,263.62	2,108,447.49
Plant Operations and Maintenance	6,870,631.51	6,374,923.27	6,173,078.41	6,162,533.40	5,627,922.11	5,732,929.60	5,610,405.98	5,588,556.48	5,655,562.77	5,863,444.48
Pupil Transportation	4,385,144.25	4,189,557.04	4,046,571.68	3,473,165.02	3,376,355.77	3,182,706.95	3,407,993.57	3,785,124.00	4,048,797.72	3,697,447.01
Unallocated Benefits	30,862,583.04	10,706,067.16	10,452,249.22	10,988,682.32	9,989,584.25	11,002,796.12	11,219,262.63	9,632,880.17	9,091,218.91	8,812,871.11
Reimbursed TPAF and Social Security	145,075.13	151,228.41	146,590.15	160,592.55	155,695.84	160,143.58	121,380.07	147,911.57	151,911.29	139,628.69
Special Schools	109,546.00	33,316.00	10,373.00	56,277.00	47,865.00					
Transfer to Charter Schools	308,699.85	402,621.85	765,037.64	893,815.31	994,208.31	1,085,725.98	1,191,256.28	1,273,800.99	1,362,678.76	1,472,892.21
Interest on Long-term Debt						21,375.84	21,375.84	21,375.83	21,375.83	21,902.08
Amortization of Debt Issuance Costs						611,736.62	633,789.00	679,176.65	671,730.10	672,939.93
Unallocated Depreciation	818,255.06	731,812.18	716,613.56	678,192.96	652,428.06					
Total Governmental Activities Expenses	<u>88,964,072.70</u>	<u>79,341,566.42</u>	<u>75,586,064.97</u>	<u>68,074,123.35</u>	<u>65,525,865.20</u>	<u>64,468,893.77</u>	<u>64,556,678.51</u>	<u>66,619,938.92</u>	<u>65,326,124.84</u>	<u>65,082,786.78</u>
Business-type Activities:										
Food Service	1,229,896.94	1,468,613.45	1,453,856.38	1,366,032.11	1,388,584.43	1,429,537.89	1,618,959.23	1,826,244.03	2,048,298.57	1,891,877.72
Total Business-type Activities Expense	<u>1,229,896.94</u>	<u>1,468,613.45</u>	<u>1,453,856.38</u>	<u>1,366,032.11</u>	<u>1,388,584.43</u>	<u>1,429,537.89</u>	<u>1,618,959.23</u>	<u>1,826,244.03</u>	<u>2,048,298.57</u>	<u>1,891,877.72</u>
Total District Expenses	<u>\$ 90,193,969.64</u>	<u>\$ 80,810,179.87</u>	<u>\$ 77,039,921.35</u>	<u>\$ 69,440,155.46</u>	<u>\$ 66,914,449.63</u>	<u>\$ 65,898,431.66</u>	<u>\$ 66,175,637.74</u>	<u>\$ 68,446,182.95</u>	<u>\$ 67,374,423.41</u>	<u>\$ 66,974,664.50</u>

(continued)

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

	Fiscal Year Ended June 30,									
	2017	2016	2015 (2)	2014	2013	2012	2011	2010	2009	2008
Program Revenues:										
Governmental Activities:										
Charges for Services	\$ 1,782,618.77	\$ 1,510,868.65	\$ 1,271,148.35							
Operating Grants and Contributions	19,482,686.50	14,309,703.84	12,345,708.85	\$ 6,043,888.72	\$ 6,615,484.77	\$ 5,835,273.04	\$ 5,934,157.77	\$ 5,803,114.27	\$ 5,228,721.42	\$ 6,735,198.43
Total Governmental Activities Program Revenues	<u>21,265,305.27</u>	<u>15,820,572.49</u>	<u>13,616,857.20</u>	<u>6,043,888.72</u>	<u>6,615,484.77</u>	<u>5,835,273.04</u>	<u>5,934,157.77</u>	<u>5,803,114.27</u>	<u>5,228,721.42</u>	<u>6,735,198.43</u>
Business-type activities:										
Charges for services										
Food service	734,570.19	804,276.84	833,548.89	772,038.57	812,213.43	870,226.05	917,170.52	1,017,458.19	1,204,657.87	1,222,540.53
Operating Grants and Contributions	621,499.60	601,249.14	590,309.21	564,666.72	578,166.19	550,007.37	504,967.18	522,992.47	431,378.21	379,297.46
Total Business-type Activities Program Revenues	<u>1,356,069.79</u>	<u>1,405,525.98</u>	<u>1,423,858.10</u>	<u>1,336,705.29</u>	<u>1,390,379.62</u>	<u>1,420,233.42</u>	<u>1,422,137.70</u>	<u>1,540,450.66</u>	<u>1,636,036.08</u>	<u>1,601,837.99</u>
Total District Program Revenues	<u>\$ 22,621,375.06</u>	<u>\$ 17,226,098.47</u>	<u>\$ 15,040,715.30</u>	<u>\$ 7,380,594.01</u>	<u>\$ 8,005,864.39</u>	<u>\$ 7,255,506.46</u>	<u>\$ 7,356,295.47</u>	<u>\$ 7,343,564.93</u>	<u>\$ 6,864,757.50</u>	<u>\$ 8,337,036.42</u>
Net (Expense)/Revenue:										
Governmental Activities	\$ (67,698,767.43)	\$ (63,520,993.93)	\$ (61,969,207.77)	\$ (62,030,234.63)	\$ (58,910,380.43)	\$ (58,633,620.73)	\$ (58,622,520.74)	\$ (60,816,824.65)	\$ (60,097,403.42)	\$ (58,347,588.35)
Business-type Activities	126,172.85	(63,087.47)	(29,998.28)	(29,326.82)	1,795.19	(9,304.47)	(196,821.53)	(285,793.37)	(412,262.49)	(290,039.73)
Total District-wide Net Expense	<u>\$ (67,572,594.58)</u>	<u>\$ (63,584,081.40)</u>	<u>\$ (61,999,206.05)</u>	<u>\$ (62,059,561.45)</u>	<u>\$ (58,908,585.24)</u>	<u>\$ (58,642,925.20)</u>	<u>\$ (58,819,342.27)</u>	<u>\$ (61,102,618.02)</u>	<u>\$ (60,509,665.91)</u>	<u>\$ (58,637,628.08)</u>
General Revenues and Other Changes in Net Position:										
Governmental Activities:										
Property Taxes Levied for General Purposes, Net	\$ 31,986,710.00	\$ 31,088,589.50	\$ 29,116,325.00	\$ 28,545,418.00	\$ 27,985,704.00	\$ 27,985,704.00	\$ 27,867,689.00	\$ 26,795,855.00	\$ 25,861,401.00	\$ 29,655,998.00
Taxes Levied for Debt Service	1,935,592.00	1,915,032.00	2,079,659.00	2,100,446.00	2,146,368.00	2,161,893.00	2,174,868.00	1,879,116.00	1,916,716.00	1,915,304.00
Federal and State Aid not Restricted	34,265,200.98	33,918,017.64	34,034,563.11	33,689,168.28	33,031,659.91	33,188,508.97	31,197,401.23	33,120,045.29	30,468,456.66	26,152,323.00
Federal and State Aid Restricted	1,467,335.58	4,948,607.57	1,448,959.95	1,227,869.60	1,217,192.57	1,023,642.58	1,177,886.12	2,384,163.80	1,724,035.03	1,663,972.49
Tuition Received				239,416.69	314,309.77	167,376.00				
Transportation				571,000.00	571,000.00	571,000.00	550,507.25	596,433.25	501,232.66	782,000.00
Miscellaneous	626,771.99	512,437.22	392,098.23	441,299.82	494,918.92	537,092.24	385,488.26	352,799.20	407,874.87	669,195.48
Special Items								(44,635.00)		(0.01)
Transfers		(60,733.40)	(27,356.80)	(16,994.19)			(100,000.00)	(293,424.87)	(327,072.00)	(258,625.00)
Total Governmental Activities	<u>70,281,610.55</u>	<u>72,321,950.53</u>	<u>67,044,248.49</u>	<u>66,797,624.20</u>	<u>65,761,153.17</u>	<u>65,635,216.79</u>	<u>63,253,839.86</u>	<u>64,790,352.67</u>	<u>60,552,644.22</u>	<u>60,580,167.96</u>
Business-type Activities:										
Miscellaneous Income	2,367.92	2,354.07	2,641.48	933.26	1,415.60	2,727.21	7,472.78	7,176.14	6,450.41	16,934.33
Transfers		60,733.40	27,356.80	16,994.19			100,000.00	293,424.87	327,072.00	258,625.00
Total Business-type Activities	<u>2,367.92</u>	<u>63,087.47</u>	<u>29,998.28</u>	<u>17,927.45</u>	<u>1,415.60</u>	<u>2,727.21</u>	<u>107,472.78</u>	<u>300,601.01</u>	<u>333,522.41</u>	<u>275,559.33</u>
Total District-wide	<u>\$ 70,283,978.47</u>	<u>\$ 72,385,038.00</u>	<u>\$ 67,074,246.77</u>	<u>\$ 66,815,551.65</u>	<u>\$ 65,762,568.77</u>	<u>\$ 65,637,944.00</u>	<u>\$ 63,361,312.64</u>	<u>\$ 65,090,953.68</u>	<u>\$ 60,886,166.63</u>	<u>\$ 60,855,727.29</u>
Change in Net Position:										
Governmental Activities	\$ 2,582,843.12	\$ 8,800,956.60	\$ 5,075,040.72	\$ 4,767,389.57	\$ 6,850,772.74	\$ 7,001,596.06	\$ 4,631,319.12	\$ 3,973,528.02	\$ 455,240.80	\$ 2,232,579.61
Business-type Activities	128,540.77	-	-	(11,399.37)	3,210.79	(6,577.26)	(89,348.75)	14,807.64	(78,740.08)	(14,480.40)
Total District	<u>\$ 2,711,383.89</u>	<u>\$ 8,800,956.60</u>	<u>\$ 5,075,040.72</u>	<u>\$ 4,755,990.20</u>	<u>\$ 6,853,983.53</u>	<u>\$ 6,995,018.80</u>	<u>\$ 4,541,970.37</u>	<u>\$ 3,988,335.66</u>	<u>\$ 376,500.72</u>	<u>\$ 2,218,099.21</u>

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

Source: District Records

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

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011 (1)	2010	2009	2008
General Fund:										
Restricted	\$ 6,952,825.56	\$ 4,677,113.44	\$ 5,151,780.20	\$ 8,120,486.03	\$ 7,394,016.60	\$ 4,251,147.45	\$ 1,928,033.56			
Assigned	4,105,259.10	5,527,300.92	4,245,333.63	2,575,603.39	2,260,189.42	3,606,176.75	1,758,373.79			
Unassigned	1,575,895.17	1,556,749.64	1,408,652.69	1,112,022.94	952,630.84	1,539,744.83	1,368,633.82			
Reserved								\$ 1,455,735.78	\$ 2,039,622.40	\$ 3,303,588.37
Unreserved								933,675.73	230,897.09	1,881,192.90
Total General Fund	\$ 12,633,979.83	\$ 11,761,164.00	\$ 10,805,766.52	\$ 11,808,112.36	\$ 10,606,836.86	\$ 9,397,069.03	\$ 5,055,041.17	\$ 2,389,411.51	\$ 2,270,519.49	\$ 5,184,781.27
All Other Governmental Funds:										
Restricted	\$ 380,604.28	\$ 3,160,892.71	\$ 1,158,786.11	\$ 7,152.61	\$ 7,572.37	\$ 7,569.13	\$ 443,361.04			
Reserved								\$ 2,457,057.72	\$ 1,175,966.14	
Unassigned, Reported in:										
Special Revenue Fund										\$ (4,407.00)
Debt Service Fund								0.62	18,786.38	18,785.89
Total All Other Governmental Funds	\$ 380,604.28	\$ 3,160,892.71	\$ 1,158,786.11	\$ 7,152.61	\$ 7,572.37	\$ 7,569.13	\$ 443,361.04	\$ 2,457,058.34	\$ 1,194,752.52	\$ 14,378.89

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

Source: District Records

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

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Tax Levy	\$ 33,922,302.00	\$ 33,003,621.50	\$ 31,195,984.00	\$ 30,645,864.00	\$ 30,132,072.00	\$ 30,147,597.00	\$ 30,042,557.00	\$ 28,674,971.00	\$ 27,778,117.00	\$ 31,571,302.00
Other Local Revenue	2,136,013.48	2,037,464.87	1,684,371.01	1,253,983.46	1,387,471.74	1,286,196.24	954,899.51	968,239.45	1,006,501.13	1,451,195.48
State Sources	42,363,697.41	43,977,207.80	40,368,258.97	39,645,459.23	39,455,494.09	37,486,712.91	36,128,902.24	33,976,107.90	35,882,381.05	33,500,882.64
Federal Sources	1,572,484.65	1,495,032.25	1,925,211.51	1,313,200.42	1,401,600.11	2,549,983.68	2,161,638.88	7,312,208.46	1,441,438.46	1,050,611.28
Total Revenue	79,994,497.54	80,513,326.42	75,173,825.49	72,858,507.11	72,376,637.94	71,470,489.83	69,287,997.63	70,931,526.81	66,108,437.64	67,573,991.40
Expenditures:										
Instruction										
Regular Instruction	18,308,247.09	17,609,544.15	17,144,417.47	17,280,485.27	17,057,056.73	16,534,746.32	17,030,552.14	17,868,804.04	17,330,213.48	17,099,221.14
Special Education Instruction	4,583,960.05	4,186,721.85	4,143,173.45	3,955,429.96	3,935,878.26	4,210,011.05	4,006,438.97	4,242,244.95	3,951,571.40	3,573,737.31
Other Special Instruction	495,697.62	335,641.49	401,140.74	521,282.20	519,389.96	490,867.53	92,654.32	129,099.74	427,046.45	344,615.29
Other Instruction	2,423,638.78	2,257,628.95	2,213,252.90	2,109,833.99	2,070,433.25	1,832,016.85	1,868,047.63	2,195,171.74	2,135,057.15	2,096,230.64
Support Services:										
Tuition	5,885,491.67	5,905,178.35	5,944,585.54	5,038,400.82	4,125,976.02	3,962,762.13	4,060,956.40	5,005,769.18	5,372,217.67	4,669,037.78
Student and Instruction Related Services	7,211,736.53	7,448,133.08	7,326,904.35	7,039,832.26	6,771,600.52	6,597,712.79	6,685,172.11	7,184,973.51	6,577,503.83	6,352,081.34
School Administrative Services	2,718,379.85	2,639,374.69	2,530,083.11	2,436,107.91	2,532,236.45	2,446,231.09	2,444,145.58	2,485,190.42	2,392,834.31	2,392,834.31
Other Administrative Services	2,348,310.15	1,709,657.29	1,695,355.70	1,472,411.27	1,541,061.13	1,420,256.12	1,702,966.90	1,979,322.59	2,144,719.68	2,258,501.16
Plant Operations and Maintenance	6,653,695.08	6,350,505.84	6,149,128.45	6,139,897.90	5,606,146.80	5,712,547.02	5,589,312.68	5,565,916.54	5,633,205.92	5,841,063.82
Pupil Transportation	4,385,144.25	4,189,557.04	4,046,571.68	3,473,165.02	3,376,355.77	3,182,706.95	3,407,993.57	3,785,124.00	4,048,797.72	3,697,447.01
Unallocated Benefits	11,080,035.83	10,677,327.56	10,354,825.39	10,888,197.24	10,228,198.39	11,037,206.41	11,577,317.57	9,550,232.10	9,051,331.63	13,757,293.54
Reimbursed TPAF Pension and Social Security	6,638,660.63	4,981,180.93	4,958,965.73	4,433,855.23	4,873,561.53	4,074,073.58	3,354,441.84	3,372,488.90	3,207,213.05	
Special Schools	145,075.13	151,228.41	146,590.15	160,592.55	155,695.84	160,143.58	121,380.07	147,911.57	151,911.29	139,628.69
Transfer to Charter School	109,546.00	33,316.00	10,373.00	56,277.00	47,865.00					
Debt Service:										
Principal	2,970,000.00	2,940,000.00	3,065,000.00	2,875,000.00	2,850,000.00	2,780,000.00	2,700,000.00	2,625,000.00	2,545,000.00	2,435,000.00
Interest and Other Charges	408,497.50	482,447.50	437,627.45	791,243.76	896,393.76	993,493.76	1,096,143.73	1,189,518.76	1,288,362.51	1,395,706.11
Capital Outlay	5,535,853.98	5,597,645.81	4,548,153.62	2,968,644.80	4,579,017.46	2,129,478.70	2,798,541.76	1,810,480.60	1,165,911.59	1,737,848.39
Total Expenditures	81,901,970.14	77,495,088.94	75,116,148.73	71,640,657.18	71,166,866.87	67,564,253.88	68,536,065.27	69,212,269.10	67,515,253.79	67,790,246.53
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,907,472.60)	3,018,237.48	57,676.76	1,217,849.93	1,209,771.07	3,906,235.95	751,932.36	1,719,257.71	(1,406,816.15)	(216,255.13)
Other Financing Sources (Uses):										
Proceeds of Bonds			13,055,000.00							
Payment to Refunded Debt Escrow Agent			(13,870,768.30)							
Premium/(Discount) on Bonds			934,736.00							
Enterprise Fund		(60,733.40)	(27,356.80)	(16,994.19)						
Accounts Receivable/Payable Canceled	-							(44,635.00)		
Refunds of Prior Year Funds Ineligible Costs								(293,424.87)	(327,072.00)	(258,625.00)
Transfers Out							(100,000.00)			
Total Other Financing Sources (Uses)	-	(60,733.40)	91,610.90	(16,994.19)	-	-	(100,000.00)	(338,059.87)	(327,072.00)	(258,625.00)
Net Change in Fund Balances	\$ (1,907,472.60)	\$ 2,957,504.08	\$ 149,287.66	\$ 1,200,855.74	\$ 1,209,771.07	\$ 3,906,235.95	\$ 651,932.36	\$ 1,381,197.84	\$ (1,733,888.15)	\$ (474,880.13)
Debt Service as a Percentage of Noncapital Expenditures	4.4%	4.8%	5.0%	5.3%	5.6%	5.8%	5.8%	5.7%	5.8%	5.8%
Source: District Records										

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

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Interest	\$ 46,437.09	\$ 51,428.59	\$ 44,201.31	\$ 20,530.07	\$ 25,842.38	\$ 25,951.60	\$ 46,754.69	\$ 27,290.44	\$ 33,784.79	\$ 192,648.11
Gate Receipts	35,972.00	47,361.00	42,324.00	36,574.50	50,631.00	34,393.00	37,215.00	28,946.00	37,437.00	39,306.00
Tuition Students/Other LEAs			15,136.28	41,907.03	33,439.50		124,293.53	31,246.24	2,212.00	
Fines							8,304.16	11,495.54	12,132.87	10,107.72
Refunds	209,346.87	127,243.85	102,951.31	104,624.90	64,274.84	96,139.76	12,869.01	31,549.77	35,177.95	
Federal/State Refunds	31,592.44	40,000.00						13,010.22		
SAT Prep Fees	14,245.00	16,444.00								
Use of Facilities Fees	142,155.00	107,075.00	61,800.00	89,370.00	67,450.00	76,810.00	61,100.25	39,780.00	38,270.00	24,090.97
Miscellaneous	70,508.04	70,509.48	69,968.49	75,363.73	135,094.96	117,553.29	15,229.83	14,443.91	11,716.64	24,929.81
E-Rate Refunds	46,100.83	40,650.76	31,447.80	44,575.71	20,698.80	36,025.60	21,748.21	28,546.59		17,660.53
Insurance Reimbursements	30,414.72	11,724.54	19,278.32	27,628.24	96,405.99	56,392.65	35,821.92	45,591.97	39,897.64	120,316.65
Insurance Dividends			4,990.72				5,242.29	44,109.88	76,289.00	34,317.58
Health Benefit Contributions						92,561.01	12,158.48	20,914.19	23,312.53	26,161.10
Copier Lease Buyout - Prior Year										161,440.41
Copier Lease Buyout - Current Year									91,995.35	15,000.00
Copier Fees										1,176.60
Mentoring Fees									1,000.00	
GED Course Fees										2,040.00
Total Miscellaneous Revenues	\$ 626,771.99	\$ 512,437.22	\$ 392,098.23	\$ 440,574.18	\$ 493,837.47	\$ 535,826.91	\$ 380,737.37	\$ 336,924.75	\$ 403,225.77	\$ 669,195.48

Source: District Records

Revenue Capacity Information

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

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

Year Ended Dec. 31	Vacant Land	Residential	Farm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities (1)	Net Valuation Taxable	Tax-Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate (2)
Bellmawr Borough:												
2017	\$ 8,209,000.00	\$ 568,500,400.00	None	\$ 68,039,100.00	\$ 87,147,200.00	\$ 56,493,700.00	\$ 788,389,400.00	-	\$ 788,389,400.00	\$ 128,162,700.00	\$ 759,430,145.00	\$ 0.501
2016	7,661,500.00	572,510,500.00	None	69,317,400.00	87,610,000.00	56,573,700.00	793,673,100.00	-	793,673,100.00	126,893,100.00	739,893,605.00	0.500
2015	8,480,800.00	573,700,600.00	None	66,805,300.00	88,400,500.00	57,573,700.00	794,960,900.00	\$ 990,835.00	795,951,735.00	127,501,500.00	732,648,341.00	0.499
2014	8,431,200.00	575,853,700.00	None	71,734,800.00	92,182,900.00	58,073,700.00	806,276,300.00	1,148,357.00	807,424,657.00	127,172,200.00	769,783,984.00	0.517
2013	8,622,900.00	577,200,200.00	None	74,789,900.00	94,217,500.00	58,655,700.00	813,486,200.00	983,907.00	814,470,107.00	126,992,600.00	795,123,885.00	0.529
2012	8,623,100.00	578,828,500.00	None	78,980,400.00	91,645,100.00	65,648,200.00	823,725,300.00	1,068,074.00	824,793,374.00	126,622,600.00	859,545,615.00	0.509
2011	8,763,100.00	578,671,900.00	None	80,294,900.00	99,163,600.00	65,702,600.00	832,596,100.00	1,147,259.00	833,743,359.00	126,285,800.00	858,904,057.00	0.491
2010	8,439,300.00	577,285,300.00	None	83,073,000.00	99,602,300.00	65,702,600.00	834,102,500.00	1,337,997.00	835,440,497.00	126,273,500.00	855,123,775.00	0.464
2009 - R	8,672,800.00	576,086,300.00	None	84,801,500.00	106,056,000.00	66,014,700.00	841,631,300.00	1,380,914.00	843,012,214.00	123,595,800.00	848,773,063.00	0.433
2008	4,030,800.00	297,552,200.00	None	40,861,800.00	58,522,900.00	28,582,600.00	429,550,300.00	659,045.00	430,209,345.00	53,829,800.00	865,270,803.00	0.877
Gloucester Township:												
2017	\$ 55,792,000.00	\$ 3,748,429,200.00	\$ 6,677,000.00	\$ 371,648,000.00	\$ 47,998,900.00	\$ 159,657,900.00	\$ 4,390,203,000.00	\$ 6,367,200.00	\$ 4,396,570,200.00	\$ 709,695,000.00	\$ 4,287,400,401.00	\$ 0.626
2016	55,182,400.00	3,762,790,300.00	6,675,400.00	373,582,200.00	47,981,100.00	159,262,700.00	4,405,474,100.00	6,402,300.00	4,411,876,400.00	696,449,100.00	4,242,534,898.00	0.576
2015	54,885,800.00	3,792,784,400.00	6,870,600.00	375,824,800.00	49,999,300.00	160,526,700.00	4,440,891,600.00	6,549,400.00	4,447,441,000.00	634,921,000.00	4,120,583,955.00	0.566
2014	43,112,300.00	3,798,043,600.00	6,969,100.00	337,565,300.00	53,742,100.00	160,579,500.00	4,400,011,900.00	6,371,300.00	4,406,383,200.00	703,718,500.00	4,120,767,301.00	0.542
2013	43,644,900.00	3,860,376,200.00	7,165,800.00	340,996,300.00	58,290,800.00	161,685,100.00	4,472,159,100.00	8,504,800.00	4,480,663,900.00	740,427,900.00	4,256,390,391.00	0.518
2012	42,470,400.00	3,912,957,500.00	7,189,600.00	333,418,200.00	57,339,900.00	160,651,000.00	4,514,026,600.00	10,169,900.00	4,524,196,500.00	754,018,000.00	4,530,225,550.00	0.509
2011	44,506,600.00	3,926,504,450.00	6,791,800.00	320,755,000.00	58,630,600.00	164,046,800.00	4,521,235,250.00	10,362,210.00	4,531,597,460.00	768,960,600.00	4,679,086,681.00	0.511
2010 - R	48,611,000.00	3,922,641,150.00	7,735,800.00	317,979,100.00	60,852,900.00	166,205,500.00	4,524,025,450.00	11,677,300.00	4,535,702,750.00	777,355,900.00	4,740,264,761.00	0.499
2009	25,485,900.00	2,145,192,600.00	4,312,600.00	153,492,500.00	32,643,200.00	85,262,700.00	2,446,389,500.00	5,923,640.00	2,452,313,140.00	418,139,400.00	4,902,197,036.00	0.888
2008	25,716,200.00	2,140,088,300.00	4,313,700.00	151,720,300.00	32,694,200.00	85,262,700.00	2,439,795,400.00	5,520,631.00	2,445,316,031.00	410,586,000.00	4,820,589,508.00	0.939
Runnemedede Borough:												
2017	\$ 3,765,000.00	\$ 380,802,400.00	None	\$ 75,358,500.00	\$ 16,397,100.00	\$ 26,719,000.00	\$ 503,042,000.00	\$ 1,061,965.00	\$ 504,103,965.00	\$ 75,639,200.00	\$ 506,449,375.00	\$ 0.549
2016	3,884,400.00	380,679,000.00	None	75,988,800.00	16,597,100.00	26,719,000.00	503,868,300.00	1,053,284.00	504,921,584.00	74,304,100.00	505,337,538.00	0.583
2015	3,876,000.00	381,090,800.00	None	75,373,700.00	16,597,100.00	26,843,000.00	504,080,600.00	1,048,625.00	505,129,225.00	75,021,800.00	515,584,720.00	0.587
2014	4,354,200.00	380,658,400.00	None	74,854,600.00	18,574,500.00	27,118,900.00	505,560,600.00	1,021,763.00	506,582,363.00	74,712,900.00	530,362,958.00	0.568
2013 - R	4,788,500.00	381,511,400.00	None	73,710,800.00	19,241,100.00	27,118,900.00	506,370,700.00	1,242,127.00	507,612,827.00	74,040,800.00	518,884,724.00	0.566
2012	3,097,500.00	257,928,600.00	None	45,472,800.00	12,060,100.00	14,752,700.00	333,311,700.00	943,609.00	334,255,309.00	44,526,200.00	552,310,184.00	0.869
2011	2,856,100.00	257,348,900.00	None	45,272,700.00	12,060,100.00	17,052,700.00	334,590,500.00	933,735.00	335,524,235.00	44,621,800.00	579,912,820.00	0.835
2010	2,897,400.00	257,268,300.00	None	45,786,500.00	12,300,100.00	18,027,700.00	336,280,000.00	970,055.00	337,250,055.00	44,295,000.00	591,488,840.00	0.835
2009	2,979,200.00	257,477,700.00	None	45,139,100.00	12,300,100.00	18,297,700.00	336,193,800.00	945,824.00	337,139,624.00	43,772,300.00	612,997,837.00	0.838
2008	2,952,100.00	257,174,700.00	None	45,644,500.00	12,749,700.00	18,297,700.00	336,818,700.00	1,048,363.00	337,867,063.00	43,690,400.00	591,141,251.00	0.866

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

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

R - Revaluation

Source: Camden County Board of Taxation

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

Year Ended Dec. 31	District Direct Rate			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Local School District	Local Municipality	Other Entities	Camden County	
Bellmawr Borough:								
2017	\$ 0.482	\$ 0.019	\$ 0.501	\$ 1.199	\$ 1.146		\$ 0.855	\$ 3.701
2016	0.463	0.037	0.500	1.173	1.147		0.809	3.629
2015	0.475	0.024	0.499	1.140	1.117		0.803	3.559
2014	0.496	0.021	0.517	1.059	1.087		0.792	3.455
2013	0.494	0.035	0.529	0.992	1.039		0.810	3.370
2012	0.458	0.051	0.509	0.954	0.990		0.799	3.252
2011	0.457	0.034	0.491	0.932	0.938		0.734	3.095
2010	0.409	0.055	0.464	0.920	0.934		0.665	2.983
2009	0.402	0.031	0.433	0.879	0.858		0.563	2.733
2008	0.854	0.023	0.877	1.651	1.608		1.280	5.416
Gloucester Township:								
2017	\$ 0.583	\$ 0.043	\$ 0.626	\$ 1.141	\$ 1.032	\$ 0.885	\$ 0.868	\$ 4.552
2016	0.559	0.017	0.576	1.113	1.038	0.874	0.856	4.457
2015	0.507	0.059	0.566	1.026	0.918	0.835	0.812	4.157
2014	0.499	0.043	0.542	1.039	0.927	0.828	0.796	4.132
2013	0.473	0.045	0.518	0.973	0.854	0.778	0.790	3.913
2012	0.477	0.032	0.509	0.956	0.845	0.764	0.772	3.846
2011	0.474	0.037	0.511	0.947	0.843	0.734	0.736	3.771
2010	0.457	0.042	0.499	0.922	0.887	0.708	0.682	3.698
2009	0.810	0.078	0.888	1.667	1.448	1.294	1.239	6.536
2008	0.945	(0.006)	0.939	1.692	1.116	1.259	1.257	6.263
Runnemede Borough:								
2017	\$ 0.510	\$ 0.039	\$ 0.549	\$ 1.410	\$ 1.035		\$ 0.842	\$ 3.836
2016	0.546	0.037	0.583	1.370	1.006		0.829	3.788
2015	0.555	0.032	0.587	1.352	1.015		0.845	3.799
2014	0.505	0.063	0.568	1.322	1.020		0.840	3.750
2013	0.548	0.018	0.566	1.294	0.998		0.802	3.660
2012	0.783	0.086	0.869	1.953	1.481		1.199	5.502
2011	0.770	0.065	0.835	1.895	1.462		1.159	5.351
2010	0.791	0.044	0.835	1.817	1.379		1.073	5.104
2009	0.770	0.068	0.838	1.808	1.347		1.017	5.010
2008	0.850	0.016	0.866	1.823	1.248		1.041	4.978

Source: Municipal Tax Collectors

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Bellmawr Borough:	2017			2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Mutual Housing Corp.	\$ 27,639,100.00	1	3.47%	\$ 13,242,300.00	2	3.08%
East Coast Hyde Park Apts. LLC (1)	11,500,000.00	2	1.44%	5,929,900.00	5	1.38%
South Penn Associates	7,500,000.00	3	0.94%	4,225,700.00	7	0.98%
International Paper Company (2)	5,500,000.00	4	0.69%	6,972,800.00	4	1.62%
151 Partners LLC	4,969,000.00	5	0.62%			
J&J Snack Foods Corp. of N.J.	4,873,700.00	6	0.61%	2,748,200.00	8	0.64%
Spruce Manor Enterprises LLC	4,687,500.00	7	0.59%			
Heller Road Partners LLC	4,378,300.00	8	0.55%			
Browning Square Inc	4,215,000.00	9	0.53%			
45 Heller Road LLC	4,195,700.00	10	0.53%	2,350,000.00	9	0.55%
The Korman Co				16,627,300.00	1	3.86%
Interstate Holding				7,574,000.00	3	1.76%
Willamette Industries				4,679,000.00	6	1.09%
JRCB Ellis Investors LLC				2,260,500.00	10	0.53%
Total	\$ 79,458,300.00		9.98%	\$ 66,609,700.00		15.49%

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

(2) Nine years ago, this property was owned by Houghton Mifflin Harcourt Publishing.

Source: Municipal Tax Assessor

(continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Principal Property Tax Payers
Current Year and Nine Years Ago
Unaudited

Gloucester Township:	2017			2008		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
HP Altman Autumn Ridge LLC	\$ 34,982,900.00	1	0.79%			
SDK Millbridge Gardens LLC	33,388,000.00	2	0.75%	\$ 15,480,300.00	3	0.63%
Camden County Reality LLC	28,090,300.00	3	0.63%			
Lakeview Reality Investment Assoc.	22,360,500.00	4	0.50%	17,402,000.00	2	0.71%
Korman Residential Prop Inc C/O T S	18,773,500.00	5	0.42%			
East Coast Fairways Apartments LLC	16,145,500.00	6	0.36%	7,800,000.00	7	0.32%
Jemstone Cross Keys LLC	13,644,700.00	7	0.31%			
Paramount Realty Svcs, LLC	12,159,800.00	8	0.27%			
Target Corporation	10,913,800.00	9	0.25%			
Lowe's Home Centers Inc	9,975,200.00	10	0.22%			
Fountainview Village Apartments				18,476,800.00	1	0.76%
Cherrywood Apartments				10,914,600.00	4	0.45%
Group IV Equities				10,547,600.00	5	0.43%
Chews Landing Investors (Market Place)				9,810,800.00	6	0.40%
Pine Run Commerce Center				6,602,900.00	8	0.27%
A.C. Moore Warehouse				6,472,600.00	9	0.26%
Zallies Supermarket (Shop Rite)				4,350,600.00	10	0.18%
Total	\$ 200,434,200.00		4.51%	\$ 107,858,200.00		4.41%

Source: Municipal Tax Assessor

(Continued)

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

Runnemede Borough: <u>Taxpayer</u>	2017			2008		
	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>	<u>Taxable Assessed Value</u>	Rank	<u>% of Total District Net Assessed Value</u>
TNJ Properties LLC (1)	\$ 10,205,100.00	1	2.02%	\$ 6,000,000.00	2	1.78%
The Meadows At Runnemede Investors	10,028,000.00	2	1.99%	4,424,500.00	4	1.31%
Hartford Plaza LTD LP	6,596,300.00	3	1.31%	5,238,700.00	3	1.55%
HC Runnemede LLC	4,338,800.00	4	0.86%			
Sintara Corp	3,830,600.00	5	0.76%	2,450,000.00	6	0.73%
DPE 165 Runnemede Associates LLP	3,319,200.00	6	0.66%			
East Coast Enterprises INC	3,273,600.00	7	0.65%	2,125,100.00	7	0.63%
Hartford Plaza LTD LP	3,259,000.00	8	0.65%			
Runnemede Associates	2,966,500.00	9	0.59%			
D&P 155 Runnemede Assoc LP	2,394,200.00	10	0.47%			
D&P Industrial				11,016,300.00	1	3.26%
Runnemede Lodging Investors				3,250,000.00	5	0.96%
CVS Pharmacy				1,578,700.00	8	0.47%
United Softee Reality Co.				1,250,000.00	9	0.37%
Oak Ridge Apartments				1,090,000.00	10	0.32%
Total	\$ 50,211,300.00		9.94%	\$ 38,423,300.00		11.38%

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

Source: Municipal Tax Office

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

<u>Fiscal Year Ended June 30,</u>	<u>School District Taxes Levied for the Fiscal Year</u>	<u>Collected within the Fiscal Year of the Levy (1)</u>		<u>Collections in Subsequent Years</u>
		<u>Amount</u>	<u>Percentage of Levy</u>	
2017	\$ 33,922,302.00	\$ 31,658,478.01	93.33%	\$ 2,263,823.99
2016	33,003,622.00	33,003,621.50	100.00%	0.50
2015	31,195,984.00	31,195,983.96	100.00%	0.04
2014	30,645,864.00	28,092,042.00	91.67%	2,553,822.00
2013	30,132,072.00	27,870,543.00	92.49%	2,261,529.00
2012	30,147,597.00	27,870,117.02	92.45%	2,277,479.98
2011	30,042,557.00	29,700,103.37	98.86%	342,453.63
2010	28,674,971.00	28,370,367.13	98.94%	304,603.87
2009	27,778,117.00	27,778,117.00	100.00%	N/A
2008	31,571,302.00	29,339,274.72	92.93%	1,925,883.67

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

Source: District Records

Debt Capacity Information

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

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

Fiscal Year Ended <u>June 30,</u>	Governmental Activities		Business-Type Activities		Total District	Percentage of Personal Income (2)	Per Capita (3)
	General Obligation Bonds (1)	Textbook Leases	Capital Leases				
Bellmawr Borough:							
2017	\$ 1,229,111.98	-	-		\$ 1,229,111.98	Unavailable	Unavailable
2016	1,651,225.05	-	-		1,651,225.05	Unavailable	\$ 143.86
2015	2,104,564.22	-	-		2,104,564.22	0.38%	183.61
2014	2,662,967.25	-	-		2,662,967.25	0.50%	232.49
2013	3,074,726.45	-	-		3,074,726.45	0.59%	266.88
2012	3,454,120.49	-	-		3,454,120.49	0.67%	298.98
2011	3,739,571.90	-	-		3,739,571.90	0.73%	323.10
2010	4,086,045.37	-	-		4,086,045.37	0.84%	352.88
2009	4,423,229.97	\$ 18,457.27	-		4,441,687.24	0.95%	396.23
2008	4,762,823.02	69,533.20	-		4,832,356.22	1.04%	431.92
Gloucester Township:							
2017	\$ 6,913,021.67	-	-		\$ 6,913,021.67	Unavailable	Unavailable
2016	9,161,835.64	-	-		9,161,835.64	Unavailable	\$ 143.29
2015	11,355,911.28	-	-		11,355,911.28	0.37%	177.61
2014	14,081,064.87	-	-		14,081,064.87	0.47%	219.92
2013	16,277,135.52	-	-		16,277,135.52	0.56%	253.57
2012	18,463,387.67	-	-		18,463,387.67	0.64%	286.51
2011	20,658,382.30	-	-		20,658,382.30	0.73%	320.13
2010	22,766,546.49	-	-		22,766,546.49	0.84%	352.44
2009	24,827,794.26	\$ 103,601.49	-		24,931,395.75	0.93%	385.34
2008	26,839,805.36	391,838.55	-		27,231,643.91	1.02%	420.23
Runnemede Borough:							
2017	\$ 834,866.34	-	-		\$ 834,866.34	Unavailable	Unavailable
2016	1,133,939.31	-	-		1,133,939.31	Unavailable	\$ 135.28
2015	1,426,524.50	-	-		1,426,524.50	0.35%	170.21
2014	1,752,967.88	-	-		1,752,967.88	0.45%	209.28
2013	2,020,138.03	-	-		2,020,138.03	0.53%	239.86
2012	2,304,491.84	-	-		2,304,491.84	0.61%	272.53
2011	2,604,045.80	-	-		2,604,045.80	0.70%	307.70
2010	2,849,408.14	-	-		2,849,408.14	0.80%	336.61
2009	3,075,975.77	\$ 12,835.44	-		3,088,811.21	0.88%	367.37
2008	3,269,371.62	47,730.07	-		3,317,101.69	0.95%	393.91

Sources:

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

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding (1)	Percentage of Net Assessed Valuation Taxable (2)	Per Capita (3)
	General Obligation Bonds	Deductions			
Bellmawr Borough:					
2017	\$ 1,229,111.98	-	\$ 1,229,111.98	0.16%	Unavailable
2016	1,651,225.05	-	1,651,225.05	0.21%	\$ 143.86
2015	2,104,564.22	-	2,104,564.22	0.26%	183.61
2014	2,662,967.25	-	2,662,967.25	0.33%	232.49
2013	3,074,726.45	-	3,074,726.45	0.38%	266.88
2012	3,454,120.49	-	3,454,120.49	0.42%	298.98
2011	3,739,571.90	-	3,739,571.90	0.45%	323.10
2010	4,086,045.37	-	4,086,045.37	0.49%	352.88
2009	4,423,229.97	-	4,423,229.97	0.52%	394.58
2008	4,762,823.02	-	4,762,823.02	1.11%	425.71
Gloucester Township:					
2017	6,913,021.67	-	6,913,021.67	0.16%	Unavailable
2016	9,161,835.64	-	9,161,835.64	0.21%	\$ 143.29
2015	11,355,911.28	-	11,355,911.28	0.26%	177.61
2014	14,081,064.87	-	14,081,064.87	0.32%	219.92
2013	16,277,135.52	-	16,277,135.52	0.36%	253.57
2012	18,463,387.67	-	18,463,387.67	0.41%	286.51
2011	20,658,382.30	-	20,658,382.30	0.46%	320.13
2010	22,766,546.49	-	22,766,546.49	0.50%	352.44
2009	24,827,794.26	-	24,827,794.26	1.01%	383.74
2008	26,839,805.36	-	26,839,805.36	1.10%	414.19
Runnemede Borough:					
2017	834,866.34	-	834,866.34	0.17%	Unavailable
2016	1,133,939.31	-	1,133,939.31	0.22%	\$ 135.28
2015	1,426,524.50	-	1,426,524.50	0.28%	170.21
2014	1,752,967.88	-	1,752,967.88	0.35%	209.28
2013	2,020,138.03	-	2,020,138.03	0.40%	239.86
2012	2,304,491.84	-	2,304,491.84	0.69%	272.53
2011	2,604,045.80	-	2,604,045.80	0.78%	307.70
2010	2,849,408.14	-	2,849,408.14	0.84%	336.61
2009	3,075,975.77	-	3,075,975.77	0.91%	365.84
2008	3,269,371.62	-	3,269,371.62	0.97%	388.24

Sources:

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
Unaudited

Bellmawr Borough:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Bellmawr Borough</u>
Municipal Debt: (1)				
Bellmawr Borough School District	\$ 2,853,000.00	\$ 2,853,000.00		
Black Horse Pike Regional School District	9,970,000.00	9,970,000.00		
Bellmawr Borough Water & Sewer Utility	3,875,663.79	3,875,663.79		
Bellmawr Borough	<u>12,321,174.94</u>	<u>154,591.30</u>	<u>\$ 12,166,583.64</u>	<u>\$ 12,166,583.64</u>
	<u>29,019,838.73</u>	<u>16,853,255.09</u>	<u>12,166,583.64</u>	<u>12,166,583.64</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (2)				
General:				
Bonds	38,850,000.00	9,347,201.00 (3)	29,502,799.00	587,058.91 (5)
Loan Agreement	310,969,957.00		310,969,957.00	6,187,808.94 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>288,955,187.00</u>	<u>288,955,187.00 (4)</u>		
	<u>638,775,144.00</u>	<u>298,302,388.00</u>	<u>340,472,756.00</u>	<u>6,774,867.85</u>
	<u>\$ 667,794,982.73</u>	<u>\$ 315,155,643.09</u>	<u>\$ 352,639,339.64</u>	<u>\$ 18,941,451.49</u>

Sources:

- (1) 2016 Annual Debt Statement as revised
 - (2) County's 2016 Audit Report
 - (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
 - (4) Deductible in accordance with N.J.S. 40:37A-80.
 - (6) Such debt is allocated as a proportion of the Borough's share of the total 2016 Equalized Value, which is 1.99%.
- The source for this computation was the 2015 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
Unaudited

Gloucester Township:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Gloucester Township</u>
Municipal Debt: (1)				
Gloucester Township School District (1)	\$ 7,765,000.00	\$ 7,765,000.00		
Black Horse Pike Regional School District (1) (2)	6,913,021.67	6,913,021.67		
Gloucester Township (3)	<u>63,812,549.94</u>	<u>691,960.15</u>	<u>\$ 63,120,589.79</u>	<u>\$ 63,120,589.79</u>
	<u>78,490,571.61</u>	<u>15,369,981.82</u>	<u>63,120,589.79</u>	<u>63,120,589.79</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	38,850,000.00	9,347,201.00 (4)	29,502,799.00	3,357,418.53 (6)
Loan Agreements	310,969,957.00		310,969,957.00	35,388,381.11 (6)
Bonds Issued by Other Public Bodies				
Guaranteed by the County	288,955,187.00	288,955,187.00 (5)		
Gloucester Township Municipal Utilities Authority(1)	8,287,491.25		8,287,491.25	8,287,491.25
Gloucester Township Fire Districts (1)	<u>570,000.00</u>		<u>570,000.00</u>	<u>570,000.00</u>
	<u>647,632,635.25</u>	<u>298,302,388.00</u>	<u>349,330,247.25</u>	<u>47,603,290.88</u>
	<u>\$ 726,123,206.86</u>	<u>\$ 313,672,369.82</u>	<u>\$ 412,450,837.04</u>	<u>\$ 110,723,880.67</u>

Sources:

- (1) Entity's Audit Report
- (2) Allocated based on percentage of average equalized valuations
- (3) Township Audit Report
- (4) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (5) Deductible in accordance with N.J.S. 40:37A-80.
- (6) Such debt is allocated as a proportion of the Issuer's share of the total 2016 Net Valuation on which County taxes are apportioned, which is 11.38%.
The source for this computation was the County of Camden 2016 Abstract of Ratables.

(continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of December 31, 2016
Unaudited

Runnemede Borough:

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Statutory Net Debt Outstanding</u>	<u>Net Debt Outstanding Allocated to Runnemede Borough</u>
Municipal Debt: (1)				
Black Horse Pike Regional School District (2)	\$ 834,866.34	\$ 834,866.34		
Runnemede Borough	7,029,429.82	99,785.50	\$ 6,929,644.32	\$ 6,929,644.32
Runnemede Borough Sewer Utility	<u>3,607,001.66</u>	<u>3,607,001.66</u>		
	<u>11,471,297.82</u>	<u>4,541,653.50</u>	<u>6,929,644.32</u>	<u>6,929,644.32</u>
Overlapping Debt Apportioned to the Municipality:				
County of Camden: (1)				
General:				
Bonds	38,850,000.00	9,347,201.00 (3)	29,502,799.00	397,095.81 (5)
Loan Agreement	310,969,957.00		310,969,957.00	4,185,530.56 (5)
Bonds Issued by Other Public Bodies Guaranteed by the County	<u>288,955,187.00</u>	<u>288,955,187.00 (4)</u>		
	<u>638,775,144.00</u>	<u>298,302,388.00</u>	<u>340,472,756.00</u>	<u>4,582,626.37</u>
	<u>\$ 650,246,441.82</u>	<u>\$ 302,844,041.50</u>	<u>\$ 347,402,400.32</u>	<u>\$ 11,512,270.69</u>

Sources:

- (1) Borough of Runnemede
- (2) Allocated based on percentage of average equalized valuations
- (3) Includes Reserve for Payment of Bonds, Other Accounts Receivable and General Obligation Pension Refunding Bonds.
- (4) Deductible in accordance with N.J.S. 40:37A-80.
- (5) Such debt is allocated as a proportion of the Borough's share of the total 2016 Equalized Value, which is 1.35%.

The source for this computation was the 2016 Table of Equalized Valuations, which is supplied by the New Jersey Division of Taxation.

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

Legal Debt Margin Calculation for Fiscal Year 2017

Average Equalized valuation basis (1)		
Bellmawr Borough	\$	746,462,895
Gloucester Township		4,198,408,474
Runnemede Borough		507,030,079
		<u>5,451,901,447</u>
	[A]	\$ 5,451,901,447
Debt limit (3% of average equalization value) (2)		[B] \$ 163,557,043.41
Total Net Debt Applicable to Limit		[C] <u>8,977,000.00</u>
Legal Debt Margin		[B-C] <u>\$ 154,580,043.41</u>

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt limit	\$ 163,557,043.41	\$ 162,774,196.41	\$ 163,571,569.30	\$ 173,833,263.47	\$ 175,172,726.02	\$ 180,634,795.71	\$ 184,373,499.51	\$ 185,993,239.21	\$ 181,275,939.52	\$ 168,898,022.58
Total net debt applicable to limit (3)	<u>8,977,000.00</u>	<u>11,947,000.00</u>	<u>14,887,000.00</u>	<u>18,497,000.00</u>	<u>21,372,000.00</u>	<u>24,222,000.00</u>	<u>27,002,000.00</u>	<u>29,702,000.00</u>	<u>32,327,000.00</u>	<u>34,872,000.00</u>
Legal debt margin	<u>\$ 154,580,043.41</u>	<u>\$ 150,827,196.41</u>	<u>\$ 148,684,569.30</u>	<u>\$ 155,336,263.47</u>	<u>\$ 153,800,726.02</u>	<u>\$ 156,412,795.71</u>	<u>\$ 157,371,499.51</u>	<u>\$ 148,948,939.52</u>	<u>\$ 148,948,939.52</u>	<u>\$ 134,026,022.58</u>
Total net debt applicable to the limit as a percentage of debt limit	5.49%	7.34%	9.10%	10.64%	12.20%	13.41%	14.65%	17.83%	17.83%	20.65%

Sources:

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

Demographic and Economic Information

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
Unaudited

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
Bellmawr Borough:				
2017	Unavailable	Unavailable	Unavailable	Unavailable
2016	11,478	Unavailable	Unavailable	5.30%
2015	11,462	\$ 551,138,808.00	\$ 48,084.00	6.50%
2014	11,454	537,032,244.00	46,886.00	7.60%
2013	11,521	519,332,117.00	45,077.00 R	9.00%
2012	11,553	516,904,326.00	44,742.00 R	9.10%
2011	11,574	510,587,010.00	44,115.00 R	9.00%
2010	11,579	486,236,947.00	41,993.00 R	9.10%
2009	11,210	466,795,610.00	41,641.00 R	8.70%
2008	11,188	462,881,124.00	41,373.00 R	5.50%
Gloucester Township:				
2017	Unavailable	Unavailable	Unavailable	Unavailable
2016	63,941	Unavailable	Unavailable	5.00%
2015	63,939	\$ 3,074,442,876.00	\$ 48,084.00	5.70%
2014	64,029	3,002,063,694.00	46,886.00	7.10%
2013	64,191	2,893,537,707.00	45,077.00 R	8.10%
2012	64,443	2,883,308,706.00	44,742.00 R	9.40%
2011	64,531	2,846,785,065.00	44,115.00 R	9.30%
2010	64,597	2,712,621,821.00	41,993.00 R	9.60%
2009	64,700	2,694,172,700.00	41,641.00 R	8.70%
2008	64,801	2,681,011,773.00	41,373.00 R	3.20%
Runnemede Borough:				
2017	Unavailable	Unavailable	Unavailable	Unavailable
2016	8,382	Unavailable	Unavailable	5.70%
2015	8,381	\$ 402,992,004.00	\$ 48,084.00	6.20%
2014	8,376	392,717,136.00	46,886.00	8.20%
2013	8,422	379,638,494.00	45,077.00 R	7.60%
2012	8,456	378,338,352.00	44,742.00 R	12.80%
2011	8,463	373,345,245.00	44,115.00 R	12.60%
2010	8,465	355,470,745.00	41,993.00 R	12.80%
2009	8,408	350,117,528.00	41,641.00 R	12.20%
2008	8,421	348,402,033.00	41,373.00 R	7.90%

Sources:

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

R- Revised

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

	<u>2017</u>			<u>2008</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>
Bellmawr Borough:						
<u>Employer</u>						
J&J Snack Foods Corp.	200	1	3.37%	150	4	2.41%
US Logistics Inc	150	2	2.53%			
Ginsberg Bakery	150	3	2.53%			
Holcomb Bus Service Inc - Garage	100	4				
General Floor Industries	100	5	1.69%			
International Paper Co. (1)	70	6	1.18%	137	5	2.20%
Underwood Engineering Inc	50	7	0.84%			
D'Orazio Foods Inc.	50	8	0.84%			
St Joachim Religious Education	35	9	0.59%			
Rite-Air	35	10	0.59%			
Country Home Bakers Inc				250	1	4.01%
Evergreen Printing and Publishing Co. Inc.				200	2	3.21%
Veritis Mailings, LLC				165	3	2.65%
Ginsey Industries Inc				135	6	2.17%
Mae Holding Company				130	7	2.09%
Harcourt Inc				125	8	2.01%
Red Line Officials				124	9	1.99%
Ace Glass Inc.				100	10	1.60%
	<u>940</u>		<u>14.17%</u>	<u>1,516</u>		<u>24.34%</u>

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

Source: ReferenceUSA

(Continued)

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT

Principal Non-Governmental Employers

Current Year and Nine Years Ago

Unaudited

Gloucester Township:	2017			2008			
	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment (1)</u>
Walmart Supercenter	800	1	2.27%				
Hyundai of Turnersville	499	2	1.42%				
NJ Transit	350	3	0.99%				
AP Construction Inc	300	4	0.85%				
Pizza Hut Express	250	5	0.71%				
Pinnacle Building Svc	210	6	0.60%				
Turnersville Assembly Hall	200	7	0.57%				
Reliable Tire Distributors	200	8	0.57%	77	10	N/A	
Kohl's	150	9	0.43%				
BHHS Fox & Roach Realtors	138	10	0.39%				
Metrologic Corp				500	1	N/A	
US Vision				350	2	N/A	
Zallie Supermarket				300	3	N/A	
Freeland Associates				255	4	N/A	
Super G				225	5	N/A	
Blackwell North America				180	6	N/A	
Wastequip/Accurate Industries				150	7	N/A	
K-Mart				100	8	N/A	
A.L Hyde Company				95	9	N/A	
	<u>3,097</u>		<u>8.79%</u>	<u>2,232</u>			

(1) Information not available.

Source: ReferenceUSA

(Continued)

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

	2017			2008		
	<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank</u>
Holy Redeemer Home Care	1,000	1	23.64%	128	1	N/A
East Coast Salon Svc	170	2	4.02%			
Scotts Lawn Svc	100	3	2.36%	40	10	N/A
Toyota of Runnemede	80	4	1.89%	56	5	N/A
Deluxe Italian Bakery Inc.	80	5	1.89%			
Team Health Care Clinic	70	6	1.65%			
Philly Sports Bar	70	7	1.65%	53	7	N/A
Roto-Rooter Services Company	60	8	1.42%			
Tru Green	50	9	1.18%			
Quality Discount Furniture Inc	50	10	1.18%			
DHL				84	2	N/A
Swets Blackwell				77	3	N/A
ACME Market				70	4	N/A
COPD Services				54	6	N/A
Holiday Inn				45	8	N/A
Wawa				43	9	N/A
	<u>1,730</u>		<u>40.90%</u>	<u>650</u>		<u>N/A</u>

(1) Information not provided by Municipal entity.

Source: ReferenceUSA

Operating Information

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

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

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<u>2017</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>
Instruction										
Regular	269	259	241	248	235	223	232	262	240	238
Special education	55	67	72	57	98	77	59	49	53	47
Other special education	-	-	-	-	-	1	32	45	44	42
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	105	79	70	68	72	43	55	54	58	55.5
General administrative services	10	10	5	9	23	-	13	10	13	13
School administrative services	15	15	65	53	48	54	54	51	52	51
Business administrative services	7.5	7	6	6	6	9	9	6	6	6.5
Plant operations and maintenance	50	81	51	75	51	55	57	50	50	49
Pupil transportation	3	6	5	7	9	-	-	-	-	-
Total	<u>514.5</u>	<u>524</u>	<u>515</u>	<u>523</u>	<u>542</u>	<u>462</u>	<u>511</u>	<u>527</u>	<u>516</u>	<u>502</u>

N/A - Not available

Source: District Records

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

<u>Fiscal Year Ended June 30.</u>	<u>Enrollment</u>	<u>Operating Expenditures</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff</u>	<u>Pupil/Teacher Ratio District</u>	<u>Average Daily Enrollment (ADE)</u>	<u>Average Daily Attendance (ADA)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2017	3,627	\$ 72,987,618.66	\$ 20,123.41	9.97%	324	1:11	3,640.99	3,410.20	-1.72%	93.66%
2016	3,742	68,474,995.63	18,299.04	4.78%	326	1:11	3,704.68	3,455.41	-1.26%	93.27%
2015	3,840	67,065,367.66	17,464.94	9.62%	313	1:12	3,751.97	3,513.71	-2.68%	93.65%
2014	4,080	65,005,768.62	15,932.79	7.86%	305	1:13	3,855.30	3,610.39	-2.18%	93.65%
2013	4,254	62,841,455.65	14,772.32	-3.50%	333	1:13	3,941.15	3,671.93	-1.66%	93.17%
2012	4,028	61,661,281.42	15,308.16	1.40%	301	1:13	4,007.67	3,749.02	-3.30%	93.55%
2011	4,103	61,941,379.78	15,096.61	-2.56%	323	1:13	4,144.27	3,876.80	-0.95%	93.55%
2010	4,104	63,587,269.74	15,493.97	2.85%	326	1:13	4,184.10	3,915.80	0.44%	93.59%
2009	4,150	62,515,979.69	15,064.09	0.38%	333	1:13	4,165.80	3,896.30	-3.08%	93.53%
2008	4,146	62,221,692.03	15,007.64	6.35%	331	1:13	4,298.30	4,015.90	3.57%	93.43%

Sources: District Records

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

	<u>2017</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>District Building</u>										
<u>High School</u>										
Triton High School (1956)										
Square Feet	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124	217,124
Capacity (students)	1,219	1,219	1,219	1,219	1,219	1,219	1,219	1,219	1,219	1,657
Enrollment	1,191	1,191	1,191	1,357	1,495	1,557	1,557	1,557	1,557	1,525
Highland High School (1967)										
Square Feet	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079	150,079
Capacity (students)	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,285	1,416
Enrollment	1,220	1,220	1,220	1,276	1,264	1,179	1,179	1,179	1,179	1,193
Timber Creek High School (2001)										
Square Feet	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614	264,614
Capacity (students)	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,655	1,442
Enrollment	1,316	1,316	1,316	1,447	1,495	1,414	1,414	1,414	1,414	1,428
<u>Other</u>										
Central Administration (1990)										
Square Feet	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880	4,880
Number of Schools at June 30, 2017										
High School = 3										
Other = 1										

Source: District Records

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

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

* School Facilities	Project # (s)	Fiscal Year Ended June 30,									
		2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Triton High School		\$ 350,357.85	\$ 319,296.93	\$ 452,823.96	\$ 448,364.29	\$ 446,089.78	\$ 449,281.06	\$ 380,623.83	\$ 396,868.83	\$ 462,083.37	\$ 297,266.25
Highland High School		436,711.17	353,313.53	600,548.12	484,103.30	409,699.57	456,973.00	362,842.17	449,874.95	460,692.79	320,744.84
Timber Creek High School		306,389.90	292,182.41	359,545.45	386,909.42	434,876.09	386,596.18	386,433.45	400,435.66	402,486.42	206,697.93
Total School Facilities		<u>1,093,458.92</u>	<u>964,792.87</u>	<u>1,412,917.53</u>	<u>1,319,377.01</u>	<u>1,290,665.44</u>	<u>1,292,850.24</u>	<u>1,129,899.45</u>	<u>1,247,179.44</u>	<u>1,325,262.58</u>	<u>824,709.02</u>
Other Facilities		<u>7,333.10</u>	<u>1,970.92</u>	-	-	-	-	-	-	-	-
Grand Total		<u>\$ 1,100,792.02</u>	<u>\$ 966,763.79</u>	<u>\$ 1,412,917.53</u>	<u>\$ 1,319,377.01</u>	<u>\$ 1,290,665.44</u>	<u>\$ 1,292,850.24</u>	<u>\$ 1,129,899.45</u>	<u>\$ 1,247,179.44</u>	<u>\$ 1,325,262.58</u>	<u>\$ 824,709.02</u>

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

Source: District Records

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Insurance Schedule
June 30, 2017
Unaudited

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

(a) Pool limit

Source: District Records

SINGLE AUDIT SECTION

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

INDEPENDENT AUDITOR'S REPORT

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

Report on Compliance for Each Major Federal and State Program

We have audited the Black Horse Pike Regional School District's, in the County of Camden, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2017. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the Black Horse Pike Regional School District, in the County of Camden, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2017.

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP
Certified Public Accountants
& Consultants



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

Voorhees, New Jersey
November 30, 2017

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards, Schedule A
For the Fiscal Year Ended June 30, 2017

Federal Grantor/ Pass-through Grantor/Program Title	Federal CFDA Number	Federal FAIN Number	Pass-Through Entity Identifying Number	Program or Award Amount	Grant Period		Balance June 30, 2016	Carryover/ (Walkover) Amount
					From	To		
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	17161NJ304N1099	None	\$ 57,163.42	7-1-15	6-30-16	\$ 1,042.03	
Cash Assistance:								
School Breakfast Program	10.553	16161NJ304N1099	None	110,953.42	7-1-15	6-30-16	(6,506.15)	
School Breakfast Program	10.553	17161NJ304N1099	None	119,883.12	7-1-16	6-30-17		
National School Lunch Program	10.555	16161NJ304N1099	None	425,552.19	7-1-15	6-30-16	(21,307.01)	
National School Lunch Program	10.555	17161NJ304N1099	None	435,012.52	7-1-16	6-30-17		
Total Enterprise Fund (Total Child Nutrition Cluster)							(26,771.13)	-
U.S. Department of Education								
Passed-through State Department of Education:								
N.C.L.B.:								
Title I								
Title I	84.010	S010A150030	NCLB039016	554,164.00	7-1-15	6-30-16	(174,992.94)	
Title I	84.010	S010A150030	NCLB039017	535,584.00	7-1-16	6-30-17		
Total Title I							(174,992.94)	-
Title II								
Title II Part A	84.367	S367A150029	NCLB039016	55,266.00	7-1-15	6-30-16	(18,216.00)	
Title II Part A	84.367	S367A150029	NCLB039017	45,878.00	7-1-16	6-30-17		
Total Title II							(18,216.00)	-
Title III, Part A								
Title III, Part A	84.365		NCLB039017	9,184.00	7-1-16	6-30-17	-	-
I.D.E.A., Part B Programs:								
Basic Regular	84.027	H027A150100	FT039016	883,389.00	7-1-15	6-30-16	(254,913.59)	
Basic Regular	84.027	H027A150100	FT039017	844,723.00	7-1-16	6-30-17		
Total I.D.E.A. Part B Cluster							(254,913.59)	-
Vocational Education								
Perkins Vocational and Applied Technology Education								
Prior Year								
Prior Year	84.048	S048A150030	PERK039016	26,282.00	7-1-15	6-30-16	(21,198.92)	
Current Year	84.048	S048A150030	PERK039017	28,858.00	7-1-16	6-30-17		
Total Perkins Vocational & Applied Technology Education							(21,198.92)	-
Math-in-CTE								
Prior Year								
Prior Year	84.048	S048A150030	None	12,000.00	9-1-08	8-31-09	(2,326.22)	
Total Special Revenue Fund							(471,647.67)	-
U.S. Department of Health and Human Services:								
Passed-through the State Department of Education:								
Special Education -- Medicaid Initiative ARRA								
Special Education -- Medicaid Initiative ARRA	93.778	0905NJ5MAP	None	7,497.49	4-1-09	12-31-09		
Special Education -- Medicaid Initiative	93.778	1705NJ5MAP	None	149,765.49	7-1-16	6-30-17		
Total General Fund							-	-
Total Federal Financial Assistance							\$ (498,418.80)	-

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

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

Cash Received	Adjustments (A)	Budgetary Expenditures				Passed- Through to Subrecipients	Repayment of Prior Years' Balance	Balance at June 30, 2017		
		Pass-Through Funds	Direct Funds	Total Budgetary Expenditures	(Accounts Receivable)			Unearned Revenue	Due to Grantor	
\$ 57,163.42		\$ (54,090.28)		\$ (54,090.28)				\$ 4,115.17		
6,506.15										
112,404.13		(119,883.12)		(119,883.12)			\$ (7,478.99)			
21,307.01										
415,687.02		(435,012.52)		(435,012.52)			(19,325.50)			
613,067.73	-	(608,985.92)	-	(608,985.92)	-	-	(26,804.49)	4,115.17	-	-
174,992.00	\$ 0.94									
304,026.00	(0.42)	(480,861.58)		(480,861.58)			(176,836.00)			
479,018.00	0.52	(480,861.58)	-	(480,861.58)	-	-	(176,836.00)	-	-	-
18,216.00										
1,260.00	0.29	(36,603.29)		(36,603.29)			(35,343.00)			
19,476.00	0.29	(36,603.29)	-	(36,603.29)	-	-	(35,343.00)	-	-	-
	-	(2,520.00)	-	(2,520.00)	-	-	(2,520.00)	-	-	-
219,413.00							(35,500.59)			
627,654.00		(818,793.66)		(818,793.66)			(191,139.66)			
847,067.00	-	(818,793.66)	-	(818,793.66)	-	-	(226,640.25)	-	-	-
21,199.00	(0.08)									
21,652.00		(28,774.13)		(28,774.13)			(7,122.13)			
42,851.00	(0.08)	(28,774.13)	-	(28,774.13)	-	-	(7,122.13)	-	-	-
	2,326.22									
1,388,412.00	2,326.95	(1,367,552.66)	-	(1,367,552.66)	-	-	(448,461.38)	-	-	-
7,497.49		(7,497.49)		(7,497.49)						
149,765.49		(149,765.49)		(149,765.49)						
157,262.98	-	(157,262.98)	-	(157,262.98)	-	-	-	-	-	-
\$ 2,158,742.71	\$ 2,326.95	\$ (2,133,801.56)	-	\$ (2,133,801.56)	-	-	\$ (475,265.87)	\$ 4,115.17	-	-

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance, Schedule B
 For the Fiscal Year Ended June 30, 2017

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Required Match</u>	<u>Grant Period</u>		<u>Balance at June 30, 2016</u>	
				<u>From</u>	<u>To</u>	<u>Unearned Revenue/ Accounts Receivable</u>	<u>Due to Grantor</u>
State Department of Education (State Aid):							
General Fund:							
Equalization Aid	16-495-034-5120-078	\$ 30,562,927.00		7-1-15	6-30-16	\$ (2,929,033.00)	
Equalization Aid	17-495-034-5120-078	30,606,941.00		7-1-16	6-30-17		
Special Education Categorical Aid	16-495-034-5120-089	2,402,732.00		7-1-15	6-30-16	(230,269.00)	
Special Education Categorical Aid	17-495-034-5120-089	2,425,197.00		7-1-16	6-30-17		
Security Aid	16-495-034-5120-084	139,073.00		7-1-15	6-30-16	(13,328.00)	
Security Aid	17-495-034-5120-084	163,463.00		7-1-16	6-30-17		
Per Pupil Growth Aid	16-495-034-5120-097	38,720.00		7-1-15	6-30-16	(3,711.00)	
Per Pupil Growth Aid	17-495-034-5120-097	38,720.00		7-1-16	6-30-17		
PARCC Readiness	16-495-034-5120-098	38,720.00		7-1-15	6-30-16	(3,711.00)	
PARCC Readiness	17-495-034-5120-098	38,720.00		7-1-16	6-30-17		
Professional Learning Community Aid	17-495-034-5120-101	36,820.00		7-1-16	6-30-17		
Total State Aid Public						(3,180,052.00)	-
Transportation Aid	16-495-034-5120-014	197,935.00		7-1-15	6-30-16	(18,969.00)	
Transportation Aid	17-495-034-5120-014	226,607.00		7-1-16	6-30-17		
Other State Aid - Extraordinary Aid	16-100-034-5120-473	458,286.00		7-1-15	6-30-16	(458,286.00)	
Other State Aid - Extraordinary Aid	17-100-034-5120-473	567,309.00		7-1-16	6-30-17		
Other State Aid - Non-Public Transportation Aid	16-495-034-5120-014	28,188.00		7-1-15	6-30-16	(28,188.00)	
Non-Public Transportation Aid	17-495-034-5120-014	38,868.00		7-1-16	6-30-17		
Reimbursed T.P.A.F. Social Security Tax	16-495-034-5094-003	1,774,641.93		7-1-15	6-30-16	(86,404.85)	
Reimbursed T.P.A.F. Social Security Tax	17-495-034-5094-003	1,832,897.63		7-1-16	6-30-17		
Total General Fund						(3,771,899.85)	-
Capital Projects Fund:							
New Jersey Schools Development Authority	SP#0390-020-14-G3EE	2,719,907.00	\$ 2,033,231.00	7-10-14	Proj. End	(2,085,064.41)	
New Jersey Schools Development Authority	SP#0390-050-14-G3EF	2,478,538.00	1,852,798.00	7-10-14	Proj. End	(174,189.00)	
New Jersey Schools Development Authority	SP#0390-030-14-G2VE	290,495.00	217,156.00	7-10-14	Proj. End	(279,132.80)	
Total Capital Projects Fund						(2,538,386.21)	-
Debt Service Fund							
Debt Service Aid	17-495-034-5120-125	1,442,906.00		7-1-16	6-30-17		
Total Debt Service Fund						-	-
Enterprise Fund:							
State School Lunch Program	16-100-010-3350-023	9,842.52		7-1-15	6-30-16	(472.70)	
State School Lunch Program	17-100-010-3350-023	9,440.54		7-1-16	6-30-17		
Total Enterprise Fund						(472.70)	-
Total State Financial Assistance subject to Major Program Determination for State Single Audit						(6,310,758.76)	-
State Financial Assistance not subject to Calculation for Major Program Determination for State Single Audit:							
General Fund (Non-Cash Assistance):							
New Jersey Department of the Treasury:							
On-behalf Contributions:							
T.P.A.F. Post-Retirement Medical	17-495-034-5094-001	2,181,772.00		7-1-16	6-30-17		
Teacher's Pension and Annuity Fund	17-495-034-5094-002	2,618,459.00		7-1-16	6-30-17		
T.P.A.F. Long Term Disability Insurance	17-495-034-5094-004	5,532.00		7-1-16	6-30-17		
Total General Fund (Non-Cash Assistance)						-	-
Total State Financial Assistance						\$ (6,310,758.76)	-

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

Cash Received	Adjustments	Total Budgetary Expenditures	Passed- Through to Subrecipients	Balance at June 30, 2017			Memo	
				Accounts Receivable	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable June 30, 2017	Cumulative Total Expenditures
\$ 2,929,033.00								\$ (30,562,927.00)
27,655,691.00		\$ (30,606,941.00)		\$ (2,951,250.00)			\$ (2,951,250.00)	(30,606,941.00)
230,269.00								(2,402,732.00)
2,191,349.00		(2,425,197.00)		(233,848.00)			(233,848.00)	(2,425,197.00)
13,328.00								(139,073.00)
147,701.00		(163,463.00)		(15,762.00)			(15,762.00)	(163,463.00)
3,711.00								(38,720.00)
34,986.00		(38,720.00)		(3,734.00)			(3,734.00)	(38,720.00)
3,711.00								(38,720.00)
34,986.00		(38,720.00)		(3,734.00)			(3,734.00)	(38,720.00)
33,270.00		(36,820.00)		(3,550.00)			(3,550.00)	(36,820.00)
<u>33,278,035.00</u>	<u>-</u>	<u>(33,309,861.00)</u>	<u>-</u>	<u>(3,211,878.00)</u>	<u>-</u>	<u>-</u>	<u>(3,211,878.00)</u>	<u>(66,492,033.00)</u>
18,969.00								(197,935.00)
204,757.00		(226,607.00)		(21,850.00)			(21,850.00)	(226,607.00)
458,286.00								(458,286.00)
		(567,309.00)		(567,309.00)				(567,309.00)
28,188.00								(28,188.00)
		(38,868.00)		(38,868.00)				(38,868.00)
86,404.85								(1,774,641.93)
<u>1,742,708.55</u>	<u>-</u>	<u>(1,832,897.63)</u>	<u>-</u>	<u>(90,189.08)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,832,897.63)</u>
<u>35,817,348.40</u>	<u>-</u>	<u>(35,975,542.63)</u>	<u>-</u>	<u>(3,930,094.08)</u>	<u>-</u>	<u>-</u>	<u>(3,233,728.00)</u>	<u>(71,616,765.56)</u>
		(174,192.78)		(2,447,916.30)	\$ 188,659.11			(4,564,478.89)
				(1,487,122.80)	1,312,933.80			(3,018,402.20)
				(290,495.00)	11,362.20			(496,288.80)
<u>-</u>	<u>-</u>	<u>(174,192.78)</u>	<u>-</u>	<u>(4,225,534.10)</u>	<u>1,512,955.11</u>	<u>-</u>	<u>-</u>	<u>(8,079,169.89)</u>
1,442,906.00		(1,442,906.00)						(1,442,906.00)
<u>1,442,906.00</u>	<u>-</u>	<u>(1,442,906.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,442,906.00)</u>
472.70								(9,842.52)
9,036.79		(9,440.54)		(403.75)				(9,440.54)
9,509.49	-	(9,440.54)	-	(403.75)	-	-	-	(19,283.06)
<u>37,269,763.89</u>	<u>-</u>	<u>(37,602,081.95)</u>	<u>-</u>	<u>(8,156,031.93)</u>	<u>1,512,955.11</u>	<u>-</u>	<u>(3,233,728.00)</u>	<u>(81,158,124.51)</u>
2,181,772.00		(2,181,772.00)						(2,181,772.00)
2,618,459.00		(2,618,459.00)						(2,618,459.00)
5,532.00		(5,532.00)						(5,532.00)
<u>4,805,763.00</u>	<u>-</u>	<u>(4,805,763.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,805,763.00)</u>
<u>\$ 42,075,526.89</u>	<u>-</u>	<u>\$ (42,407,844.95)</u>	<u>-</u>	<u>\$ (8,156,031.93)</u>	<u>\$ 1,512,955.11</u>	<u>-</u>	<u>\$ (3,233,728.00)</u>	<u>\$ (85,963,887.51)</u>

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
For the Fiscal Year Ended June 30, 2017

Note 1: BASIS OF PRESENTATION

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Black Horse Pike Regional School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. 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 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 funds is presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following 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*, and 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.

Note 3: INDIRECT COST RATE

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

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

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

Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$47,669.01 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	\$ 157,262.98	\$ 40,746,598.63	\$ 40,903,861.61
Special Revenue	1,415,221.67		1,415,221.67
Capital Projects		174,192.78	174,192.78
Debt Service		1,442,906.00	1,442,906.00
Food Service	612,059.06	9,440.54	621,499.60
Total Awards and Financial Assistance	<u>\$ 2,184,543.71</u>	<u>\$ 42,373,137.95</u>	<u>\$ 44,557,681.66</u>

Note 5: 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 6: ADJUSTMENTS

Amounts reported in the column entitled "adjustments" represent the cancellation of prior year receivable no longer deemed collectible and also rounding differences between amounts reported for reimbursement and actual reimbursements.

Note 7: REIMBURSED AND ON-BEHALF PAYMENTS

During the fiscal year ended June 30, 2017, 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, and long-term disability insurance related to TPAF members.

Note 8: MAJOR PROGRAMS

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2017

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>
84.010	S010A150030	Title I

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

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
 Schedule of Findings and Questioned Costs
 For the Fiscal Year Ended June 30, 2017

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:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
_____	State Aid Public: _____
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-1520-098	PARCC Readiness
495-034-5120-101	Professional Learning Community Aid

Dollar threshold used to determine Type A programs \$ 1,272,235.00

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

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section 2- Schedule of Financial Statement Findings

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

None.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

Section 3- Schedule of Federal Award Findings and Questioned Costs

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

None.

BLACK HORSE PIKE REGIONAL SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2017

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

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

None.

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

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

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE PROGRAMS

None.

