

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

Riverside, New Jersey
County of Burlington

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

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

RIVERSIDE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Prepared by

**Riverside Township Public School District
Finance Department**

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INTRODUCTORY SECTION

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Riverside Township Public School District

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Riverside, New Jersey 08075-3899
Phone 856-461-1255
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Robin A. Ehrich
Superintendent of Schools
Ext. 1111

Jodi Lennon
Business Administrator/ Board Secretary
Ext. 1112

September 30, 2017

Honorable President and Members
of the Board of Education
Riverside Township Public School District
County of Burlington, New Jersey

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report (CAFR) of the Riverside Township Public School District for the fiscal year ended 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 Riverside Township Public School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly, 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 district as of June 30, 2017, and the respective changes in financial position and cash flows, where applicable, thereof, for the year then ended in conformity with accounting principles generally accepted in the United States of America. All disclosures necessary to enable the reader to gain an understanding of the district's financial activities have been included.

GAAP requires that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors.

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

Introductory Section:

Section contains a Letter of Transmittal, Roster of Officials, Consultants and Advisors, and an Organizational Chart.

Financial Section:

Section contains the Independent Auditors' Report and includes the Management's Discussion and Analysis, the Basic Financial Statements, Required Supplementary Information (RSI) and Other Supplementary Information.

Statistical Section:

Section contains selected financial trends, revenue and debt capacity, demographic, economic and other operating information, generally presented on a multi-year basis.

Single Audit Section:

The School District is required to undergo an annual Single Audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB’s Circular 15-08 OMB, “*Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*”. Information related to this Single Audit, including the independent auditor’s report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, are included in the Single Audit Section of this report.

REPORTING ENTITY AND ITS SERVICES

The Riverside Township Public School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standard Board (GASB) as established by NCGA Statement No. 3. All funds of the School District are included in this report. The School District has no component units.

The School District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular and vocational as well as special education for children with special needs. The School District’s enrollment, as of October 15th, for the current and past nine fiscal years are detailed below.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2016-2017	1,425	1.86%
2015-2016	1,399	-0.36%
2014-2015	1,404	-3.84%
2013-2014	1,460	1.53%
2012-2013	1,438	4.28%
2011-2012	1,379	-1.08%
2010-2011	1,394	1.46%
2009-2010	1,374	-1.72%
2008-2009	1,398	-2.58%
2007-2008	1,435	0.50%

ECONOMIC CONDITION AND OUTLOOK

According to the township, the ratables in Riverside Township continue to decline each year. This is due mainly to tax appeals from disabled veterans and fire damage property as well as the demolition of the old Zurbrug hospital. Revenues for tuition were short due to fewer students from Delanco attending the High School, however the district was able to utilize surplus from the BCIP JIF and Unemployment Trust fund to make up the shortfall. For the 2017-18 school year, the state aid remained flat at the time of budget development but there was an increase after the beginning of the school year which allowed to the district to allocate funds for items that were originally cut from the budget including an Elementary Playground, a

part time teacher becoming full time, budget/payroll software, a chromebook lab and a few maintenance upgrades. The board stays committed to using allowable banked tax levy to provide for the students of the district. The district continues to meet its responsibility for sound financial management.

MAJOR INITIATIVES

The school district commits resources to the social, emotional, and ethical development as well as the intellectual and physical growth of students. Our elementary school has a nurse, and full-time guidance counselor, our MS/HS hosts a full time nurse and nurse's aide as well as a full guidance team for students in grades 6 – 12. The district has a child study team (two learning disabilities consultants, two psychologists, and a social worker) to address the specialized learning needs of our students. Students with unique learning challenges receive extensive support through Basic Skills instruction, English as a Second Language, and Special Education services. The district operates several specialized programs for students: an integrated preschool program for students with disabilities; an MD program in the ES and MS; and a CBI program for students in grades 6 -12. The school district reflects a community which takes pride in its continuing tradition of academic and co-curricular achievement. The richness of the academic program and extracurricular activities expands learning beyond the classroom boundaries. Our three schools provide an educational environment that motivates students to learn and fosters a sense of responsibility and problem solving in our young people.

INTERNAL ACCOUNTING CONTROLS

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

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

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

BUDGETARY CONTROLS

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

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

ACCOUNTING SYSTEM AND REPORTS

The School District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The School District's accounting system is organized on the basis of funds. The funds are explained in "Notes to Financial Statements", Note 1.

OTHER INFORMATION

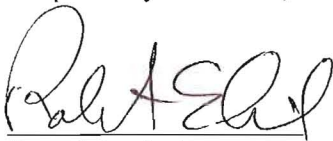
INDEPENDENT AUDIT

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

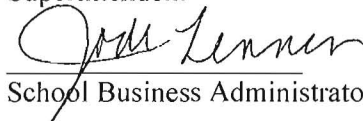
ACKNOWLEDGEMENTS

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

Respectfully submitted,

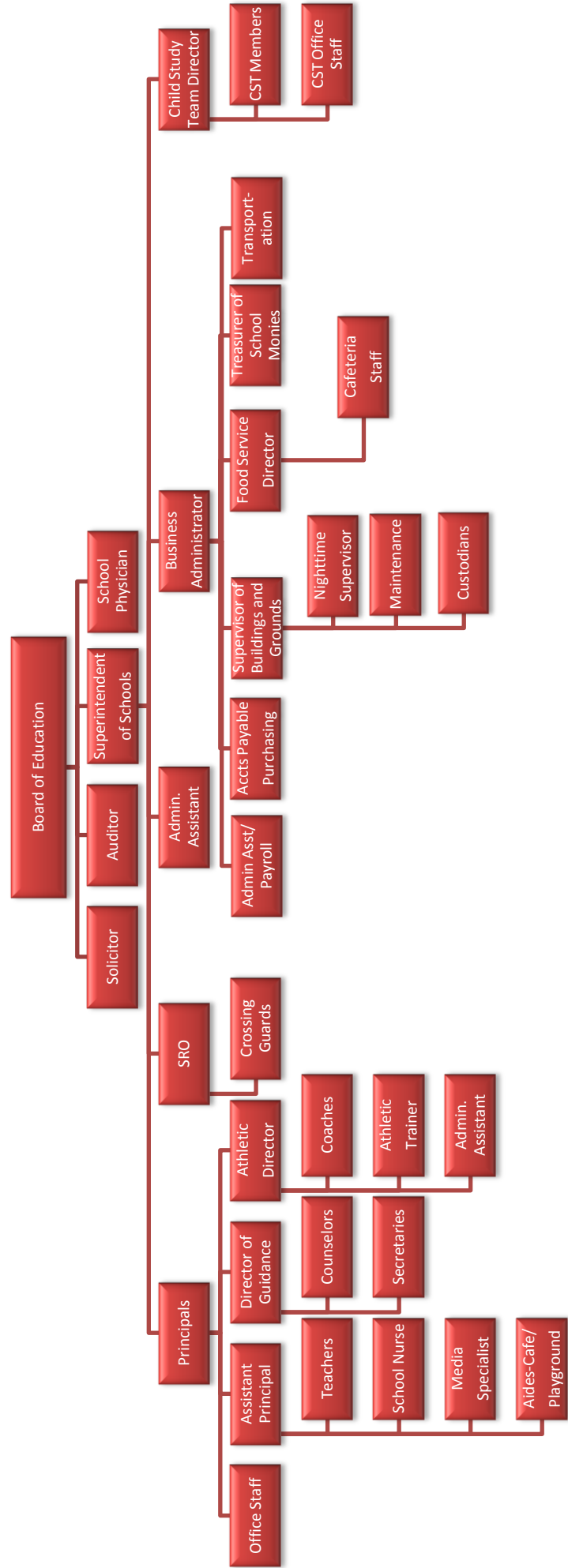


Superintendent



School Business Administrator/Board Secretary

RIVERSIDE TOWNSHIP BOARD OF EDUCATION ORGANIZATIONAL CHART



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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

112 E. Washington Street
Riverside, New Jersey 08075

ROSTER OF OFFICIALS

JUNE 30, 2017

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
John Mongon, President	2018
Deborah Graf, Vice President	2019
Ryan Bienkowski	2017
Joseph D' Agonstino	2017
Michael Holak	2019
Maria Pinho	2017
Timothy McElroy	2018
Scott T. Parker	2018
Rose Gonteski, Delanco Representative	2017
OTHER OFFICIALS	
Robin A. Ehrich, Superintendent	
Jodi Lennon, Business Administrator/Board Secretary	
Eleanor Ruehmling, Treasurer of School Monies	

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CONSULTANTS AND ADVISORS

AUDIT FIRM

Michael Holt, CPA, PSA
Holman Frenia Allison, P. C.
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ATTORNEY

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Riverside Township Public 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* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* 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 the 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 other records

used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying combining statements and related major fund supporting statements and schedules and schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September 30, 2017 on our consideration of the 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 School District's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
September 30, 2017

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2017**

UNAUDITED

This section of the Riverside Township Public School District’s Comprehensive Annual Financial Report presents our discussion and analysis of the District’s financial performance during the fiscal year that ended on June 30, 2017. Please read it in conjunction with the transmittal letter at the front of this report and the District’s financial statements, which immediately follow this section.

The Management’s Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Account Standards 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.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District’s basic financial statements. The District’s basic financial statements comprise three components: 1) Government-wide financial statements, 2) Fund financial statements, and 3) Notes to the financial statements. This report also contains required supplementary information and other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements

The government-wide financial statements are designed to provide readers with a broad overview of the District’s finances in a manner similar to a private-sector business.

The statement of net position (A-1) presents information on all of the assets and liabilities of the District, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities (A-2) presents information showing how the net position of the District changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements can be found as Exhibits A-1 and A-2 in this report.

Fund financial statements

A fund is a group of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds and fiduciary funds

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements governmental fund financial statements focus on the near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decision. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balance for the general fund, special revenue fund, capital projects fund and debt service fund.

The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary Funds

The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises where the intent of the District is that the costs of providing goods or services be financed through user charges. The food services enterprise fund provides for the operation of food services in all schools within the District. The proprietary fund has been included within business-type activities in the government-wide financial statements.

The food services fund detail financial statements can be found as Exhibits B-4 through B-6 in this report.

Fiduciary Funds

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

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

The basic fiduciary fund financial statements can be found as Exhibits B-7 and B-8 in this report.

Notes to the Financial Statements

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

Other Information

The combining and individual fund statements referred to earlier in connection with governmental and enterprise funds are presented immediately following the notes to the financial statements.

FINANCIAL HIGHLIGHT

Key financial highlights for the 2016-2017 fiscal year include the following:

- The General Fund's portion of the local tax levy increased from FY15-16 to FY16-17 by \$151,912.
- The General Fund's local tax levy was \$7,747,495.
- The Debt Service Fund's portion of the local tax levy for 2016-2017 was \$742,645.
- The General Fund's unassigned fund balance at 6/30/17 is \$(580,378).
- State aid increased by \$514,854 in 2016-2017 from 2015-2016.

	TABLE I - NET POSITION		
	Governmental Activities 2017	Business- Type Activities 2017	Total
ASSETS			
Current Assets	\$ 1,768,368	\$ 140,040	\$ 1,908,408
Capital Assets, net	9,118,519	29,752	9,148,271
Total Assets	10,886,887	169,792	11,056,679
Deferred Outflows of Resources	2,398,949	-	2,398,949
Total Assets and Deferred Outflows of Resources	\$ 13,285,836	\$ 169,792	13,455,628
LIABILITIES			
Current Liabilities	\$ 653,563	\$ 26,024	\$ 679,587
Noncurrent Liabilities	13,030,629	-	13,030,629
Total Liabilities	13,684,192	26,024	13,710,216
Deferred Inflows of Resources	115,734	-	115,734
Total Liabilities and Deferred Inflows of Resources	13,799,926	26,024	13,825,950
NET POSITION			
Net Investment in			
Capital Assets	4,787,907	29,752	4,817,659
Restricted	1,719,660	-	1,719,660
Unrestricted	(7,021,657)	114,016	(6,907,641)
Total Net Position	\$ (514,090)	\$ 143,768	\$ (370,322)

Government-wide Financial Analysis (continued):

The District's investment in capital assets within the net position above, less any related debt used to acquire those assets that is still outstanding is \$4,817,659.

The unrestricted net position may be used to meet the District's ongoing obligations to student, employees, and creditors. The unrestricted net position includes the amount of long-term obligations that are not invested in capital assets, such as compensated absences.

At the end of the current fiscal year, the District is able to report a positive balance in total net position. The same situation held true for the prior fiscal year.

The following table provides a summary of revenues and expenses for the District's governmental and business-type activities and the change in net position from the prior year:

**TABLE 2
CHANGES IN NET POSITION**

Description	Governmental Activities		Business- Type Activities		Totals
	2017		2017		
REVENUES -					
Program Revenues:					
Charges for Services	\$	-	\$	162,946	\$ 162,946
Operating Grants & Contributions		8,907,547		417,341	9,324,888
General Revenues:					
Property Taxes		8,490,140		-	8,490,140
Grants & Entitlements		11,016,740		-	11,016,740
Other		1,804,163		810	1,804,973
Total Revenues	\$	30,218,590	\$	581,097	\$ 30,799,687
EXPENSES -					
Instruction	\$	9,922,133	\$	-	9,922,133
Tuition		1,766,844		-	1,766,844
Related Services		3,040,152		-	3,040,152
General Administration		747,805		-	747,805
Operations & Maintenance		1,732,193		-	1,732,193
Transportation		446,207		-	446,207
Unallocated Employee Benefits		12,013,863		-	12,013,863
Food Service		-		627,754	627,754
Other		458,196		-	458,196
Total Expenses	\$	30,127,393	\$	627,754	\$ 30,755,147
Incr. in Net Position before Transfers	\$	91,197	\$	(46,657)	\$ 44,540
Changes in Net Position		91,197		(46,657)	44,540
Net Position - July 1		(605,287)		190,425	(414,862)
Net Position - June 30	\$	(514,090)	\$	143,768	\$ (370,322)

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements.

Financial Information at Fiscal Year-End

The following schedule presents a summary of the general fund, special revenue fund, capital projects and debt service fund revenues for the fiscal year ended June 30, 2017 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	Revenue	Percentage of Total	(Decrease)/ Increase from 2016	Percentage (Decrease)/ Increase
Local Sources	\$ 10,194,303	39.94%	\$ 287,423	2.08%
State Sources	14,317,574	56.10%	514,854	3.73%
Federal Sources	1,009,839	3.96%	(20,020)	-1.94%
Total	\$ 25,521,716	100.00%	\$ 782,257	3.87%

The following schedule presents a summary of general fund, special revenue fund, capital projects and debt service fund for the fiscal year ended June 30, 2017 and the percentage of increases and (decreases) in relation to prior year amounts.

	Expenditure	Percentage of Total	(Decrease)/ Increase from 2016	Percentage (Decrease)/ Increase
Current Expenditures:				
Instruction	\$ 8,703,925	34.13%	\$ 74,910	0.87%
Support Services & Undistributed Costs	14,181,680	55.60%	449,921	3.28%
Special Revenue:				
Instruction	1,218,208	4.78%	44,601	3.80%
Support Services & Undistributed Costs	410,145	1.61%	18,051	4.60%
Debt Service	742,645	2.91%	480	0.06%
Capital Outlay	249,355	0.98%	43,350	2.15%
Totals	\$ 25,505,958	100.00%	\$ 631,313	2.48%

General Fund Budgetary 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 modified accrual and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year 2017, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

While the District's final budget for the general fund anticipated that revenues and expenditures would be equal, the actual results for the year show a surplus.

Proprietary Funds

The Food Services Enterprise fund's operating revenue increased by \$3,678 over the operating revenue in 2015-2016, from \$160,078 to \$163,756. The net position of the food service program was \$143,768 at June 30, 2017. The food services program continues to be self-sustaining and does not require any appropriation of funds from the District's general fund budget.

Capital Assets

At June 30, 2017 the District had capital assets of \$9,148,271, net of depreciation, which includes land, land improvements, buildings/construction, machinery and equipment, and vehicles,

Additional information on the District's capital assets can be found in Note 5 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2017 the District's outstanding debt issues included \$3,695,000 in general obligation bonds.

Additional information on the District's debt administration and other obligations can be found in Note 6 to the basic financial statements.

Economic Factors and Next Year's Budget

- The District anticipates that the approved 2017-2018 budget will be adequate to satisfy all 2017-2018 financial needs, barring any significant unexpected situations or conditions unforeseen at this time.

Requests for Information

This financial report is designed to provide a general overview of the Riverside Township Public School District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business Administrator/Board Secretary's Office, Riverside Township Board of Education, 112 E, Washington Street, Riverside, New Jersey 08075.

BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2017

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTALS
Cash & Cash Equivalents	\$ 1,177,359	\$ 147,852	\$ 1,325,211
Receivables, Net (Note 4)	541,384	24,027	565,411
Inventory	-	4,559	4,559
Internal Balances	36,398	(36,398)	-
Restricted Assets:			
Capital Reserve Account - Cash	13,227	-	13,227
Capital Assets:			
Depreciable, Net (Note 5)	9,118,519	29,752	9,148,271
Total Assets	10,886,887	169,792	11,056,679
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges of Refunding of Debt (Note 7)	107,191	-	107,191
Deferred Outflows Related to Pensions (Note 8)	2,291,758	-	2,291,758
Total Deferred Outflow of Resources	2,398,949	-	2,398,949
Total Assets and Deferred Outflow of Resources	13,285,836	169,792	13,455,628
LIABILITIES			
Accounts Payable	128,782	23,901	152,683
Accrued Interest Payable	28,746	-	28,746
Unearned Revenue	496,035	2,123	498,158
Noncurrent Liabilities (Note 7):			
Due Within One Year	763,644	-	763,644
Due Beyond One Year	12,266,985	-	12,266,985
Total Liabilities	13,684,192	26,024	13,710,216
DEFERRED INFLOW OF RESOURCES			
Deferred Inflows Related to Pensions (Note 8)	115,734	-	115,734
Total Deferred Inflow of Resources	115,734	-	115,734
Total Liabilities and Deferred Inflow of Resources	13,799,926	26,024	13,825,950
NET POSITION			
Net Investment in Capital Assets	4,787,907	29,752	4,817,659
Restricted For:			
Capital Projects	13,227	-	13,227
Excess Surplus	1,706,433	-	1,706,433
Unrestricted	(7,021,657)	114,016	(6,907,641)
Total Net Position	\$ (514,090)	\$ 143,768	\$ (370,322)

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION			TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	BUSINESS-		TOTALS	
				GOVERNMENTAL ACTIVITIES	ACTIVITIES		
Governmental Activities:							
Instruction:							
Regular	\$ 5,982,996	\$ -	\$ -	\$ (5,982,996)	\$ -	\$ -	\$ (5,982,996)
Special Education	3,108,921	-	1,218,208	(1,890,713)	-	-	(1,890,713)
Other Special Instruction	780,412	-	-	(780,412)	-	-	(780,412)
Other Instruction	49,804	-	-	(49,804)	-	-	(49,804)
Support Services & Undistributed Costs:							
Tuition	1,766,844	-	-	(1,766,844)	-	-	(1,766,844)
Student & Instruction Related Services	1,653,130	-	-	(1,653,130)	-	-	(1,653,130)
School Administrative Services	1,387,022	-	410,145	(976,877)	-	-	(976,877)
General & Business Administrative Services	747,805	-	-	(747,805)	-	-	(747,805)
Plant Operations & Maintenance	1,732,193	-	-	(1,732,193)	-	-	(1,732,193)
Pupil Transportation	446,207	-	-	(446,207)	-	-	(446,207)
Unallocated Employee Benefits	12,013,863	-	7,279,194	(4,734,669)	-	-	(4,734,669)
Interest & Other Changes on Long Term Debt	121,687	-	-	(121,687)	-	-	(121,687)
Unallocated Depreciation	336,509	-	-	(336,509)	-	-	(336,509)
Total Governmental Activities	30,127,393	-	8,907,547	(21,219,846)	-	-	(21,219,846)

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Business-Type Activities:					
Food Service	627,754	162,946	417,341	-	(47,467)
Total Business-Type Activities	627,754	162,946	417,341	-	(47,467)
Total Primary Government	\$ 30,755,147	\$ 162,946	\$ 9,324,888	(21,219,846)	(21,267,313)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net				7,747,495	7,747,495
Taxes Levied for Debt Service				742,645	742,645
Federal & State Aid Not Restricted				11,016,740	11,016,740
Tuition Received				1,338,074	1,338,074
Miscellaneous Income				366,089	366,899
Transfers In				100,000	100,000
Total General Revenues, Special Items, Extraordinary Items & Transfers				21,311,043	21,311,853
Change In Net Position				91,197	44,540
Net Position - Beginning				(605,287)	(414,862)
Net Position - Ending				\$ (514,090)	\$ (370,322)

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B. Fund Financial Statements

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Governmental Funds

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2017**

ASSETS	GENERAL	SPECIAL REVENUE	TOTALS
Cash & Cash Equivalents	\$ 793,580	\$ 383,779	\$ 1,177,359
Accounts Receivable:			
Receivables - Other - Net	233,401	-	233,401
Intergovernmental - State	84,427	-	84,427
Intergovernmental - Federal	2,956	220,600	223,556
Due from Other Funds	36,398	-	36,398
Restricted Cash & Cash Equivalents	13,227	-	13,227
	<hr/>	<hr/>	<hr/>
Total Assets	<u>\$ 1,163,989</u>	<u>\$ 604,379</u>	<u>\$ 1,768,368</u>
 LIABILITIES & FUND BALANCES			
Liabilities:			
Accounts Payable	\$ 20,438	\$ 108,344	\$ 128,782
Unearned Revenue	-	496,035	496,035
	<hr/>	<hr/>	<hr/>
Total Liabilities	<u>20,438</u>	<u>604,379</u>	<u>624,817</u>
Fund Balances:			
Restricted for:			
Excess Surplus - Current Year	805,435	-	805,435
Excess Surplus - Prior Year Designated for Subsequent Year's Expenditures	280,998	-	280,998
Capital Reserve Account	13,227	-	13,227
Assigned to:			
Designated by the BOE for Subsequent Year's Expenditures	620,000	-	620,000
Designated by the BOE for Subsequent Year's Expenditures- SEMI	4,269	-	4,269
Unassigned:			
General Fund	(580,378)	-	(580,378)
	<hr/>	<hr/>	<hr/>
Total Fund Balances	<u>1,143,551</u>	<u>-</u>	<u>1,143,551</u>
Total Liabilities & Fund Balances	<u>\$ 1,163,989</u>	<u>\$ 604,379</u>	
 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 \$16,091,913 and the accumulated depreciation is \$6,973,393.			\$ 9,118,519
Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payable is not due in the current period.			(28,746)
Deferred outflows and inflows of resources related to pensions are applicable to future reporting periods and, therefore, are not reported in the funds.			2,176,024
Unamortized bond issuance loss on refunding is not recorded in the fund financials But is recorded on the government-wide financials			107,191
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 (see Illustrative Note 7)			<u>(13,030,629)</u>
Net Position of Governmental Activities			<u>\$ (514,090)</u>

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	GENERAL FUND	SPECIAL REVENUE FUND	DEBT SERVICE FUND	TOTALS
Revenues:				
Local Sources:				
Local Tax Levy	\$ 7,747,495	\$ -	\$ 742,645	\$ 8,490,140
Tuition	1,338,074	-	-	1,338,074
Miscellaneous	366,089	-	-	366,089
Total Revenues - Local Sources	9,451,658	-	742,645	10,194,303
State Sources	13,652,094	665,480	-	14,317,574
Federal Sources	46,966	962,873	-	1,009,839
Total Revenues	23,150,718	1,628,353	742,645	25,521,716
Expenditures:				
Current Expense				
Instruction - Regular Programs	5,982,996	-	-	5,982,996
Special Education	1,890,713	1,218,208	-	3,108,921
Other Special Instruction	780,412	-	-	780,412
Other Instruction	49,804	-	-	49,804
Support Services:				
Tuition	1,766,844	-	-	1,766,844
Student & Instruction Related Services	1,653,130	-	-	1,653,130
School Administrative Services	976,877	410,145	-	1,387,022
General Administrative Services	747,805	-	-	747,805
Plant Operations & Maintenance	1,716,279	-	-	1,716,279
Pupil Transportation	446,207	-	-	446,207
Employee Benefits	6,874,538	-	-	6,874,538
Debt Service:				
Principal	-	-	575,000	575,000
Interest & Other Charges	-	-	167,645	167,645
Capital Outlay	249,355	-	-	249,355
Total Expenditures	23,134,960	1,628,353	742,645	25,505,958
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	15,758	-	-	15,758
Other Financing Sources/(Uses):				
Transfers In	100,000	-	-	100,000
Total Other Financing Sources/(Uses)	100,000	-	-	100,000
Net Change in Fund Balances	115,758	-	-	115,758
Fund Balance - July 1	1,027,793	-	-	1,027,793
Fund Balance - June 30	\$ 1,143,551	\$ -	\$ -	\$ 1,143,551

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

**RIVERSIDE TOWNSHIP PUBLIC 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 (From B-2) \$ 115,758

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

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

Depreciation Expense	\$	(353,759)	
Fixed Asset Disposals - Accumulated Depreciation		17,250	
Fixed Asset Disposals & Adjustments		(41,418)	
Capital Outlays		145,382	(232,545)

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

Current Year		115,612	
Prior Year		(93,235)	22,377

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. 575,000

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

Pension Expense - PERS Contribution - 2017		248,602	
State Share of Unfunded TPAF Pension Expense		4,596,874	
Unfunded TPAF Pension Expense		(4,596,874)	
Pension Expense		(791,053)	(542,451)

Net Difference Accrued interest on bonds is not recorded in fund financial statements

Current Year		(28,746)	
Prior Year		32,190	3,444

Decrease in accrual for compensated absences 23,184

Repayment of capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. 126,430

Change in Net Position of Governmental Activities \$ 91,197

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Proprietary Funds

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EXHIBIT B-4

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF NET POSITION
 JUNE 30, 2017**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	\$ 147,852
Accounts Receivable:	
State	422
Federal	23,605
Inventories	4,559
	176,438
Total Current Assets	176,438
Noncurrent Assets:	
Furniture, Machinery & Equipment	199,052
Less: Accumulated Depreciation	(169,300)
	29,752
Total Noncurrent Assets	29,752
Total Assets	206,190
 LIABILITIES	
Interfund Payable	36,398
Accounts Payable	23,901
Unearned Revenue	2,123
	62,422
Total Liabilities	62,422
 NET POSITION	
Net Investment in Capital Assets	29,752
Unrestricted	114,016
	143,768
Total Net Position	\$ 143,768

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

EXHIBIT B-5
RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Operating Revenues:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 95,847
Daily Sales - Non-Reimbursable Programs	66,064
Special Functions	1,035
Miscellaneous	810
	163,756
Total Operating Revenue	163,756
Operating Expenses:	
Cost of Sales- Reimbursable	202,295
Cost of Sales- Non-Reimbursable	27,925
Salaries & Benefits	261,588
Employee Benefits	42,500
Other Purchased Professional Services	31,780
Cleaning, Repair & Maintenance Services	5,169
Insurance	11,454
General Supplies	23,205
Miscellaneous	15,635
Depreciation	6,203
	627,754
Total Operating Expenses	627,754
Operating Income/(Loss)	(463,998)
Nonoperating Revenues/(Expenses):	
State Sources:	
State School Lunch Program	6,802
Federal Sources:	
National School Lunch Program	320,805
Regular School Breakfast Program	46,456
Special Milk Program	892
Healthy Hunger-Free Kids Act	7,971
Food Distribution Program	33,716
Interest & Investment Revenue	699
	417,341
Total Nonoperating Revenues/(Expenses)	417,341
Net Income/(Loss)	(46,657)
Total Net Position - Beginning	190,425
Total Net Position - Ending	\$ 143,768

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR FISCAL YEAR ENDED JUNE 30, 2017**

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS</u> FOOD SERVICE
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 163,756
Payments to Employees	(261,588)
Payments for Employee Benefits	(42,500)
Payments to Suppliers	<u>(256,579)</u>
Net Cash Provided by/(Used) by Operating Activities	<u>(396,911)</u>
Cash Flows From Noncapital Financing Activities:	
State Sources	6,704
Federal Sources	<u>403,741</u>
Net Cash Provided by/(Used) by Noncapital Financing Activities	<u>410,445</u>
Cash Flows From Capital and Related Financing Activities:	
Purchases of Capital Assets	<u>(2,609)</u>
Net Cash Provided by/(Used) by Capital and Related Financing Activities	<u>(2,609)</u>
Cash Flows From Investing Activities:	
Interest & Dividends	<u>699</u>
Net Cash Provided by/(Used) by Investing Activities	<u>699</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	11,624
Balances - Beginning of Year	<u>136,228</u>
Balances - End of Year	<u>\$ 147,852</u>
 Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$ (463,998)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:	
Depreciation & Net Amortization	6,203
(Decrease)/Increase in Accounts Payable, Net	60,299
Increase/(Decrease) in Unearned Revenues	(336)
(Increase)/Decrease in Inventories	<u>921</u>
Total Adjustments	<u>67,087</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (396,911)</u>

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Fiduciary Fund

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017

ASSETS	PRIVATE PURPOSE			TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	AGENCY FUNDS	
Cash & Cash Equivalents	\$ 147,094	\$ 151,521	\$ 167,068	\$ 465,683
Interfund Receivable	18,444	-	-	18,444
Total Assets	165,538	151,521	167,068	484,127
LIABILITIES				
Due to Student Groups	-	-	112,287	112,287
Payroll Deductions & Withholdings	-	-	36,337	36,337
Interfund Payable	-	-	18,444	18,444
Total Liabilities	-	-	167,068	167,068
NET POSITION				
Restricted for Unemployment Compensation	-	151,521	-	151,521
Restricted for Scholarships	165,538	-	-	165,538
Total Net Position	\$ 165,538	\$ 151,521	\$ -	\$ 317,059

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 20,089	\$ 20,089
Other	17,255	-	17,255
Total Contributions	17,255	20,089	37,344
Investment Earnings:			
Interest	649	850	1,499
Net Investment Earnings	649	850	1,499
Total Additions	17,904	20,939	38,843
DEDUCTIONS			
Unemployment Claims	-	5,560	5,560
Transfer to General	-	100,000	100,000
Scholarships Awarded	13,787	-	13,787
Total Deductions	13,787	105,560	119,347
Change in Net Position	4,117	(84,621)	(80,504)
Net Position - Beginning of the Year	161,421	236,142	397,563
Net Position - End of the Year	\$ 165,538	\$ 151,521	\$ 317,059

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

**NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2017**

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017

Note 1. Summary of Significant Accounting Policies

Basis of Presentation

The financial statements of the Riverside Township Public School District (hereafter referred to as the “School District”) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (Statements and Interpretations).

Reporting Entity

The Riverside Township Public School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board consists of 5 members elected to three-year terms. These terms are staggered. A Superintendent is appointed by the Board and is responsible for the administrative control of the District. The District provides a full range of educational services appropriate to grade levels K through 12. The Riverside Township Public School District has an approximate enrollment at June 30, 2017 of 1,425 students.

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

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

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

Component Units

GASB Statement No.14, *The Financial Reporting Entity*, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, and GASB 61, *The Financial Reporting Entity: Omnis – an Amendment of GASB Statements No. 14 and No. 34*. The School District had no component units as of for the year ended June 30, 2017.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Basis of Accounting, Measurement Focus and Financial Statement Presentation

The accounts of the School District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

A. Government-Wide Financial Statements

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

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

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

B. Governmental Fund Financial Statements

Governmental fund financial statements include a Balance Sheet and a Statement of Revenues, Expenditures and Changes in Fund Balances for all major governmental funds and non-major funds aggregated. The School District has presented all major funds that met those qualifications.

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

and intergovernmental revenues. Expenditures are recorded in the accounting period in which the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized in the period in which the expenditures are recorded. All other revenue items are considered to be measurable and available only when cash is received by the School District. Transfers between governmental funds are recorded when the related liability is incurred. These transfers do not represent revenues (expenditures) to the School District and are, therefore, reported as other financing sources (uses) in the governmental fund financial statements.

Since the fund level statements are presented using a different measurement focus and basis of accounting than the government-wide statements, a reconciliation is presented on the page following each fund level statement that summarizes the adjustments necessary to convert the fund level statements into the government-wide presentations.

The School District funds outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. When both restricted and unrestricted resources are available for use, it is the School District's policy to use restricted resources first, then unrestricted resources as they are needed. In order to calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the School District's policy to consider restricted fund balance to have been depleted before any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

The School District reports the following major governmental funds:

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

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

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from state and federal government, other than major capital projects, debt service or proprietary funds, and local appropriations that are restricted or committed to expenditures for specified purposes.

Debt Service Fund - The debt service fund is used to account for the accumulation of financial resources that are restricted, committed, or assigned to an expenditure for the payment of general long-term debt principal, interest and related costs of governmental funds.

C. Proprietary Fund Financial Statements

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

Proprietary funds are accounted for using the “economic resources” measurement focus and the accrual basis of accounting. Accordingly, all assets, deferred outflows of resources, liabilities (whether current or noncurrent), and deferred inflows of resources are included on the Statement of Net Position. The Statement of Revenues, Expenses and Changes in Fund Net Position presents increases (revenues) and decreases (expenses) in total net position. Under the accrual basis of accounting, revenues are recognized in the period in which they are earned while expenses are recognized in the period in which the liability is incurred, regardless of the timing of related cash flows.

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

The School District reports the following major proprietary funds:

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

D. Fiduciary Fund Financial Statements

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

The School District reports the following fiduciary funds:

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

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

Scholarship Fund – Revenues consist of interest income and donations. Expenditures consist of scholarships provided to students.

Agency Funds - Agency funds (payroll and student activity funds) are assets held by a governmental entity either as trustee or as an agent for other parties and cannot be used to finance the governmental entities own operating programs.

Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office. In accordance with P.L.2011 c.202, which became effective January 17, 2012, the School District eliminated the April annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2-2(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:23-2-11.

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 payment for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

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

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounts as presented in the general fund budgetary comparison schedules and the special revenue fund budgetary comparison schedule to the GAAP basis of accounting as presented in the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payments.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Encumbrances

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

Open encumbrances in the special revenue fund for which the School District has received advances are reflected in the balance sheet as a reduction of the accounts receivables or as unearned revenue 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 include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are considered cash equivalents and stated at cost.

Investments are stated at fair value in accordance with Governmental Accounting Standards Board (GASB). New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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"). GUDPA was enacted in 1970 to protect governmental units from loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the governmental units.

For purposes of the statement of cash flows, the School District considers all highly liquid investments (including restricted assets) with a maturity when purchased of twelve months or less and all local government investment pools to be cash equivalents

Tuition Receivable

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Inventories

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

Interfund Receivables/Payables

Interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the School District and that are due within one year. As previously mentioned, these amounts are eliminated in the governmental and business-type columns of the Statement of Net Position, except for the net residual amounts due between governmental and business-type activities, which are presented as Internal Balances in the Statement of Net Position.

Capital Assets

Capital assets are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Purchased or constructed assets are recorded at actual cost or estimated historical cost if actual cost is unavailable. Donated capital assets are recorded at estimated fair market value at the date of donation. All reported capital assets except land and construction in progress are depreciated. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. The School District does not possess any infrastructure. The School District has established a threshold of \$2,000 for capitalization of depreciable assets.

Capital assets of the School District are depreciated or amortized 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
Furniture and Equipment	5-20 Years	5-12 Years
Vehicles	5-10 Years	4-6 Years

Compensated Absences

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave and sabbatical leave. A liability for compensated absences that are attributable to services already rendered, and that are not contingent on a specific event that is outside the control of the 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 entire compensated absences liability is reported on the government-wide financial statements and proprietary fund financial statements. Compensated absences liability is not recorded in the governmental funds. Instead expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of resignations or retirements.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Unearned Revenue

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

Accrued Liabilities and Long-Term Obligations

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

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 assumption that affect certain reported amounts reported in the financial statements and accompanying note disclosures. Actual results could differ from those estimates.

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

Deferred Outflows and Deferred Inflows of Resources

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

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 1. Summary of Significant Accounting Policies (continued)

Deferred Loss on Refunding Debt

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

Bond Premiums, Discounts and Issuance Costs

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

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

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 pension plan's fiduciary net position of the Public Employees' Retirement System (PERS) and Teacher's Pension and Annuity Fund (TPAF) and additions to/deductions from the PERS's and TPAF'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.

Fund Balance

In accordance with Government Accounting Standards Board 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balances in the governmental funds financial statements are classified into the following five categories, as defined below:

- **Non-spendable** – This classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Non-spendable items are not expected to be converted to cash or are not expected to be converted to cash within the next year.
- **Restricted** – This classification includes amounts for which constraints have been placed on the use of the resources either externally imposed by creditors (such as through a debt covenant), grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- **Committed** – This classification includes amounts that can be used only for specific purposes pursuant to constraints imposed by formal action of the Board of Education. These amounts cannot be used for any other purpose unless the Board of Education removes or changes the specified use by taking the same type of action (resolution) that was employed when the funds

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

were initially committed. This classification also includes contractual obligations to the extent that existing resources have been specifically committed for use in satisfying those contractual requirements.

- Assigned – This classification includes amounts that are constrained by the School District's intent to be used for a specific purpose but are neither restricted nor committed. This intent can be expressed by the Board of Education or through the Board of Education delegating this responsibility to the business administrator through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.
- Unassigned – This classification includes the residual fund balance for the General Fund. The Unassigned classification also includes negative residual fund balance of any other governmental fund that cannot be eliminated by offsetting of Assigned fund balance amounts.

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

Net Position

Net position, represents the difference between summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified 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 acquisition, construction, or improvement of those assets.
- Restricted – This component of 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 – This component of net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

Impact of Recently Issued Accounting Principles

Adopted Accounting Pronouncements

The following GASB Statements became effective for the fiscal year ended June 30, 2017:

Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The objective of this Statement is to improve the usefulness of information about postemployment

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The adoption of this Statement had no impact on the School District's financial statements

Statement No. 77, *Tax Abatement Disclosures*. This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. The adoption of this Statement had no impact on the School District's financial statements.

Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The adoption of this Statement had no impact on the School District's financial statements.

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

Recently Issued Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

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

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

Statement No. 81, *Irrevocable Split-Interest Agreements*. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 1. Summary of Significant Accounting Policies (continued)

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

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

Statement No. 83, *Certain Asset Retirement Obligations*. An asset retirement obligation is a legally enforceable liability associated with the retirement of a tangible capital asset. Statement No. 83 establishes guidance for determining the timing and pattern of recognition for liabilities and corresponding deferred outflow of resources related to such obligations. The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 84, *Fiduciary Activities*. The Statement intends to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. To that end, Statement No. 84 establishes criteria for identifying fiduciary activities of all state and local governments and clarifies whether and how business-type activities should report their fiduciary activities. Statement No. 84 is effective for reporting periods beginning after December 15, 2018. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 85, *Omnibus 2017*. This Statement provides guidance that addresses several different accounting and financial reporting issues identified during the implementation and application of other GASB pronouncements. The guidance in Statement No. 85 is effective for periods beginning after June 15, 2017. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 86, *Accounting for Certain Debt Extinguishment*. Statement No. 86 provides guidance for transactions in which cash and other monetary assets acquired with only existing resources, that is, resources other than the proceeds of refunding debt, are placed in an irrevocable trust for the sole purpose of extinguishing debt. Statement No. 86 is effective for reporting periods beginning after June 15, 2017. Management does not expect this Statement to have a material impact on the School District's financial statements.

Statement No. 87, *Leases*. Statement No. 87 establishes a single approach to accounting for and reporting leases by state and local governments. The GASB based the new standard on the principle that leases are financing of the right to use an underlying asset. Statement No. 87 is effective for reporting periods beginning after December 15, 2019. Management does not expect this Statement to have a material impact on the School District's financial statements.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 2. Deposits and Investments

Deposits

Custodial Credit Risk – Custodial credit risk is the risk that, in the event of a bank failure, the Board’s deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity fund or other funds that may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2017, the School District’s bank balance of \$2,529,808 was exposed to custodial credit risk as follows:

Insured under FDIC and GUDPA	\$ 1,449,371
Uninsured and Uncollateralized	<u>1,080,437</u>
	<u>\$ 2,529,808</u>

Investments

The School District had no investments at June 30, 2017.

Note 3. Reserve Accounts

Capital Reserve

A capital reserve account was established by the School District by inclusion of \$220,000 in the 2000-2001 budget 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 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 either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant *N.J.S.A.19:60-2*. Pursuant to *N.J.A.C.6:23A-14.1(g)*, the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 3. Reserve Accounts (continued):

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	\$	13,169
Increased by:		
Interest Earnings		<u>58</u>
Ending Balance, June 30, 2017	\$	<u>13,227</u>

The June 30, 2017 LRFP balance of local support costs of uncompleted capital projects at June 30, 2017 is \$9,879,000. The withdrawals from the capital reserve were for use in a DOE approved facilities project, consistent with the School District’s Long Rang Facilities Plan.

Note 4. Accounts Receivable

Accounts receivable at June 30, 2017 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state and federal programs, the current fiscal year guarantee of federal funds and the budgetary control of New Jersey governmental entities. Accounts receivable in the School District’s governmental and business-type activities as of June 30, 2017, consisted of the following:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>	<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Business-Type Activities</u>
Federal Awards	\$ 2,956	\$ 220,600	\$ 223,556	\$ 23,605	\$ 23,605
State Awards	84,427	-	84,427	422	422
Tuition	233,401	-	233,401	-	-
Total	<u>\$ 320,784</u>	<u>\$ 220,600</u>	<u>\$ 541,384</u>	<u>\$ 24,027</u>	<u>\$ 24,027</u>

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 5. Capital Assets

Capital assets activity for the year ended June 30, 2017 was as follows:

	Balance July 1, 2016	Additions	Retirements and Transfers	Balance June 30, 2017
Governmental Activities:				
Capital Assets being depreciated:				
Land Improvements	\$ 584,451	\$ -	\$ -	\$ 584,451
Buildings and Improvements	14,614,411	51,776	(10,000)	14,656,187
Equipment	789,087	93,606	(31,418)	851,275
Total Capital Assets being depreciated	<u>15,987,949</u>	<u>145,382</u>	<u>(41,418)</u>	<u>16,091,913</u>
Less: Accumulated Depreciation:				
Land Improvements	(493,091)	(11,150)	-	(504,241)
Buildings and Improvements	(5,545,827)	(294,062)	-	(5,839,889)
Equipment	(597,967)	(48,547)	17,250	(629,264)
Total Accumulated Depreciation	<u>(6,636,885)</u>	<u>(353,759)</u>	<u>17,250</u>	<u>(6,973,394)</u>
Total Capital Assets being depreciated, net	<u>9,351,064</u>	<u>(208,377)</u>	<u>(24,168)</u>	<u>9,118,519</u>
Total Governmental Activities Capital Assets, net	<u>\$ 9,351,064</u>	<u>\$ (208,377)</u>	<u>\$ (24,168)</u>	<u>\$ 9,118,519</u>

	Balance July 1, 2016	Additions	Retirements and Transfers	Balance June 30, 2017
Business-Type Activities:				
Equipment	\$ 196,443	\$ 2,609	\$ -	\$ 199,052
	<u>196,443</u>	<u>2,609</u>	<u>-</u>	<u>199,052</u>
Less: Accumulated Depreciation:				
Equipment	(163,097)	(6,203)	-	(169,300)
	<u>(163,097)</u>	<u>(6,203)</u>	<u>-</u>	<u>(169,300)</u>
Total Business-Type Activities Capital Assets, net	<u>\$ 33,346</u>	<u>\$ (3,594)</u>	<u>\$ -</u>	<u>\$ 29,752</u>

Depreciation expense was not allocated among the various functions/programs of the School District.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 6. Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2017 are as follows:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 36,398	\$ -
Food Service Fund	-	36,398
Scholarship Fund	18,444	-
Student Activity Fund	-	18,444
	<u>\$ 54,842</u>	<u>\$ 54,842</u>

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

A summary of interfund transfers is as follows:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 76,022	\$ 112,420
Food Service Fund	112,420	76,022
Scholarship Fund	2,580	-
Student Activity Fund	-	2,580
	<u>\$ 191,022</u>	<u>\$ 191,022</u>

Note 7. Long-Term Obligations

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

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance June 30, 2017</u>	<u>Balance Due Within One Year</u>
Governmental Activities:					
General Obligation Bonds	\$ 4,540,000	\$ -	\$ 575,000	\$ 3,965,000	\$ 595,000
Capital Leases	254,322	-	126,430	127,892	127,892
Unamortized Bond Premiums	278,472	-	40,752	237,720	40,752
Compensated Absences	435,272	-	23,184	412,088	-
Net Pension Liability	6,324,033	1,963,896	-	8,287,929	-
	<u>\$ 11,832,099</u>	<u>\$ 1,963,896</u>	<u>\$ 765,366</u>	<u>\$ 13,030,629</u>	<u>\$ 763,644</u>

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 7. Long-Term Obligations (continued):

For governmental activities, the bonds payable are liquidated from the School District's debt service fund. Compensated absences and net pension liability are liquidated by the general fund.

Bonds Payable

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

In July 2011, the School District issued \$750,000 of General Obligation Bonds. The General Obligation Bonds were issued at an interest rate of 3.30% and matures on February 1, 2023.

In May 2012, the School District issued \$5,465,000 of Refunding Bonds to refund the callable portion of the outstanding 2011 Bond Issue. The Refunding Bonds generated \$290,244 in gross debt service savings and an economic gain (difference between the present value of the debt service payments of the refunded and refunding bonds) of \$254,283, or a net annual present value savings of 4.51%. The Refunding Bonds were issued at interest rates varying from 3% to 4% and mature on May 1, 2023.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 595,000	\$ 167,645	\$ 762,645
2019	615,000	150,200	765,200
2020	650,000	132,140	782,140
2021	670,000	108,030	778,030
2022	705,000	56,280	761,280
2023	730,000	28,640	758,640
	<hr/>		
	\$ 3,965,000	\$ 642,935	\$ 4,607,935
	<hr/>		

Capital Lease Payable

On 2013-2014, the School District entered into a lease purchase agreement for \$625,000. The lease obligation was issued at an interest rate of 1.57% and mature in 2018.

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

Fiscal Year Ending <u>June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 127,892	\$ 1,480	\$ 129,372
	<hr/>		
	\$ 127,892	\$ 1,480	\$ 129,372
	<hr/>		

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 7. Long-Term Obligations (continued):

Bonds Authorized but not Issued

As of June 30, 2017, the School District had no bonds authorized but not issued.

Note 8. Pension Plans

A. Public Employees' Retirement System (PERS)

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

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

The following represents the membership tiers for PERS:

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

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

Contributions - The contribution policy for PERS is set by *N.J.S.A. 15A* and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

The local employers' contribution amounts are based on an actuarially determined rate which includes the normal cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute 50% of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30, 2012 and will be adjusted by the rate of return on the actuarial value of assets.

Pension Liability, Pension Expense and Deferred Outflows/Inflows of Resources - At June 30, 2017, the School District reported a liability of \$8,287,929 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2016. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2015, to the measurement date of June 30, 2016. The School District's proportion of the net pension liability was based on the School District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2016. The School District's proportion measured as of June 30, 2016, was .027983%, which was a decrease of .00018% from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the School District recognized full accrual pension expense of \$791,053 in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2016 measurement date. 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	\$ 154,130	\$ -
Changes of Assumptions	1,716,816	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	316,026	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	104,786	115,734
School District contributions subsequent to measurement date	-	
	<u>\$ 2,291,758</u>	<u>\$ 115,734</u>

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

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

Year Ending June 30,		
2018	\$	494,030
2019		494,029
2020		574,509
2021		471,645
2022		<u>141,811</u>
	\$	<u>2,176,024</u>

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

	<u>Deferred Outflow of Resources</u>	<u>Deferred Inflow 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	-

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

The previous amounts do not include employer specific deferred outflows of resources and deferred inflows of resources related to changes in proportion. These amounts should be recognized (amortized) by each employer over the average of the expected remaining service lives of all plan members, which is 5.57, 5.72 and 6.44 years for the 2016, 2015, and 2014 amounts, respectively.

Actuarial Assumptions – The collective total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following assumptions:

Inflation Rate	3.08%
Salary Increases:	
Through 2026	1.65% - 4.15% Based on Age
Thereafter	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%

Pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, 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 rate were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on the 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 scales. 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).

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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 PERS’s target asset allocation as of June 30, 2016 are summarized in the following table:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High Yield Bonds	2.00%	4.56%
Inflation-Indexed Bonds	1.50%	3.44%
Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	6.83%
Emerging Market Equities	6.50%	9.95%
Private Equity	9.00%	12.40%
Hedge Funds/Absolute Return	12.50%	4.68%
Real Estate (Property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%

Discount Rate - The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the School District's proportionate share of the net pension liability as of June 30, 2016, calculated using the 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-percentage point lower or 1-percentage point higher than the current rate:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

	At 1% Decrease <u>(2.98%)</u>	At Current Discount Rate <u>(3.98%)</u>	At 1% Increase <u>(4.98%)</u>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 10,155,890</u>	<u>\$ 8,287,929</u>	<u>\$ 6,745,766</u>

Additional Information - The following is a summary of the collective balances of the local group at June 30, 2017 and 2016:

	<u>6/30/2017</u>	<u>6/30/2016</u>
Collective Deferred Outflows of Resources	\$ 7,815,204,785	\$ 2,946,265,815
Collective Deferred Inflows of Resources	\$ -	\$ 360,920,604
Collective Net Pension Liability	\$ 29,617,131,759	\$ 22,447,996,119
 School District's portion	 0.02798%	 0.02817%

B. Teachers' Pension and Annuity Fund (TPAF)

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

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

The following represents the membership tiers for TPAF:

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

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 8. Pension Plans (continued):

Service retirement benefits of 1/55th of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Contributions - The contribution policy for TPAF 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 7.2% in State fiscal year 2017. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount.

As mentioned previously, the employer contributions for local participating employers are legally required to be funded by the State in accordance with *N.J.S.A 18:66-33*. Therefore, the School District is considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the School District does not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers.

Pension Liability and Pension Expense - The State's proportionate share of the TPAF net pension liability, attributable to the School District as of June 30, 2016 was \$75,427,453. The School District's proportionate share was \$0.

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, which was rolled forward to June 30, 2016. The State's proportionate share of the net pension liability associated with the District was based on projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2016, the State proportionate share of the TPAF net pension liability attributable to the School District was .09588%, which an increase of .000049% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized \$5,667,324 in on-behalf 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.

Actuarial Assumptions - The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.65%

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

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long-Term Expected Rate of Return - 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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2016 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.39%
U.S. Government Bonds	1.50%	1.28%
U.S. Credit Bonds	13.00%	2.76%
U.S. Mortgages	2.00%	2.38%
U.S. Inflation-Indexed Bonds	1.50%	1.41%
U.S. High Yield Bonds	2.00%	4.70%
U.S. Equity Market	26.00%	5.14%
Foreign Developed Equity	13.25%	5.91%
Emerging Market Equities	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - MultiStrategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

Discount Rate - The discount rate used to measure the total pension liability was 3.22% as of June 30, 2016. The single blended discount rate was based on 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 municipals bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan’s fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the School District’s proportionate share of the Net Pension Liability to Changes in the Discount Rate – As previously mentioned, TPAF has a special funding situation where the State pays 100% of the School District’s annual required contribution. The following represents the State’s proportionate share of the net pension liability, attributable to the School District calculated using the discount rate of 3.22% as well as what the State’s proportionate share of the net pension liability, attributable to the School District’s would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	At 1% Decrease <u>(2.22%)</u>	At Current Discount Rate <u>(3.22%)</u>	At 1% Increase <u>(4.22%)</u>
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	\$ 90,077,235	\$ 75,427,453	\$ 63,464,015
	<u>\$ 90,077,235</u>	<u>\$ 75,427,453</u>	<u>\$ 63,464,015</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 fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF’s fiduciary net position have been determined on the same basis as they are reported by the TPAF. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

C. Defined Contribution Plan (DCRP)

Plan Description - The Defined Contribution Retirement Program (DCRP) was established July 1, 2007, under the provisions of N.J.S.A. 43:15C-1 et seq. The DCRP provides eligible members with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 8. Pension Plans (continued):

C. Defined Contribution Plan (DCRP) (continued):

Individuals eligible for membership in the DCRP include:

- State or local officials who are elected or appointed on or after July 1, 2007;
- Employees enrolled in the Public Employees' Retirement System (PERS) or Teachers' Pension and Annuity Fund (TPAF) on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits;
- Employees enrolled in the Police and Firemen's Retirement System (PFRS) or State Police Retirement System (SPRS) after May 21, 2010, who earn salary in excess of established "maximum compensation" limits;
- Employees otherwise eligible to enroll in the PERS or TPAF on or after November 2, 2008, who do not earn the minimum annual salary for PERS or TPAF Tier 3 enrollment but who earn salary of at least \$5,000 annually. The minimum salary in 2017 is \$8,300 and is subject to adjustment in future years.
- Employees otherwise eligible to enroll in the PERS or TPAF after May 21, 2010, who do not work the minimum number of hours per week required for PERS or TPAF Tier 4 or Tier 5 enrollment but who earn salary of at least \$5,000 annually. The minimum number is 35 hours per week for State employees, or 32 hours per week for local government or local education employees

Contributions - The contribution policy is set by N.J.S.A. 43:15C-3 and requires active members and contribution employers. When enrolled in the DCRP, members are required to contribute 5.5% of their base salary to a tax-deferred investment account established with Prudential Financial, which jointly administers the DCRP investments with the Division of Pension and Benefits. Member contributions are matched by a 3% contribution from the School District.

For the year ended June 30, 2017, employee contributions totaled \$13,590, and the School District recognized an expense for payments made to the Defined Contribution Retirement program in the amount of \$11,156.

Note 9. State Post-Retirement Medical Benefits

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post-retirement 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 9. State Post-Retirement Medical Benefits (continued):

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired 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.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SEHBP. That report may be obtained from the Treasury website at: <http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>

Note 10. On-Behalf Payments for Fringe Benefits and Salaries

As previously mentioned, the School District receives on-behalf payments from the State of New Jersey for normal costs and post-retirement medical costs related to the Teachers’ Pension and Annuity Fund (TPAF) pension plan. The School District is not legally responsible for these contributions. The on-behalf payments are recorded as revenues and expenditures in the government-wide and general fund financial statements. For the fiscal year ended June 30, 2017, the on-behalf payments for normal costs, post-retirement medical costs, and long-term disability were \$1,070,450, \$891,928 and \$1,811, respectively.

Note 11. Risk Management

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

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

<u>Fiscal Year</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Transfer to General</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2016-2017	\$ 850	\$ 20,089	\$ 100,000	\$ 5,560	\$ 151,521
2015-2016	396	19,844	-	7,310	236,142
2014-2015	215	18,933	-	8,430	223,212

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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 11. Risk Management (continued):

Joint Insurance Pool – The School District also participates in the Burlington County Joint Insurance Fund and, public entity risk pool. The Pool provides its members with the following coverage:

Property – Blanket Building & Grounds	General & Automobile Liability
Environmental Impairment Liability	Workers’ Compensation
School Board Legal Liability	Excess Liability
Employers Liability	Comprehensive Crime Coverage

Note 12. Contingencies

State and Federal Grantor Agencies - The School District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the School District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2017 may be impaired. In the opinion of the School District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Litigation – The School District is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the School Districts’ attorney that resolution of these matters will not have a material adverse effect on the financial condition of the School District.

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

Note 13. Deferred Compensation

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

Lincoln Investment Planning
Prudential
AFLAC

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.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED JUNE 30, 2017 (continued)

Note 14. Compensated Absences (continued):

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

The liability for vested compensated absences of the governmental fund types is recorded in the Statement of Net Position. At June 30, 2017, the liability for compensated absences reported on the government-wide Statement of Net Position was \$412,088.

Note 15. Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB) Statement No. 77, 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 a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provisions at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

Note 16. Commitments

The School District has no contractual commitments at June 30, 2017.

Note 17. Calculation of Excess Surplus

The designation for Restricted Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A.18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2017 was \$805,483.

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT

**NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017 (continued)**

Note 18. Fund Balances

General Fund – Of the \$1,143,551 General Fund fund balance at June 30, 2017, \$13,227 has been restricted for the Capital Reserve Account; \$805,435 has been restricted for current year excess surplus; \$280,998 is restricted for prior year excess surplus – designated for subsequent year’s expenditures; \$4,269 has been restricted for designated for subsequent year’s expenditures- SEMI; \$620,000 has been assigned and included as anticipated revenue for the year ending June 30, 2018; and \$(580,378) has been unassigned.

Note 19. Deficit Fund Balances

The School District has a deficit fund balance of \$580,378 in the General Fund as of June 30, 2017 as reported in the fund statements (modified accrual basis). 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, 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. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payment(s) in the subsequent fiscal year, the school district cannot recognize the June state aid payment(s) (on the GAAP financial statements) until the year the State records the payable. Due to the timing difference of recording the June state aid payment(s), the General Fund balance deficit does not alone indicate that the district is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unreserved, undesignated general fund balance that is reported as a direct result from a delay in the June payment(s) of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$580,378 which is less than the last state aid payment.

Note 20. Deficit in Net Position

Unrestricted Net Position – The School District had a deficit in unrestricted net position in the amount of \$7,021,657 at June 30, 2017. The deficit is caused by the implementation of GASB 68 which requires the School District to report their proportionate share of the net pension liability for the Public Employee’s Retirement System (PERS) as of June 30, 2017.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017				POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:						
Local Sources:						
Local Tax Levy	10-1210	\$ 7,747,495	\$ -	\$ 7,747,495	\$ 7,747,495	\$ -
Tuition	10-1320	1,296,279	-	1,296,279	1,338,074	41,795
Interest on Capital Reserve Funds	10-1511	10	-	10	58	48
Miscellaneous	10-1990	446,187	-	446,187	366,031	(80,156)
Total Local Sources		9,489,971	-	9,489,971	9,451,658	(38,313)
State Sources:						
Categorical Special Education Aid	10-3132	702,734	-	702,734	702,734	-
Equalization Aid	10-3176	10,044,390	-	10,044,390	10,044,390	-
Categorical Security Aid	10-3177	85,315	-	85,315	85,315	-
Categorical Transportation Aid	10-3121	50,406	-	50,406	50,406	-
Extraordinary Aid	10-3131	49,422	-	49,422	49,628	206
Under Adequacy Aid	10-3180	19,179	-	19,179	19,179	-
PARCC Readiness Aid	10-3181	12,640	-	12,640	12,640	-
Per Pupil Growth Aid	10-3182	12,640	-	12,640	12,640	-
Professional Learning Community Aid	10-3183	12,630	-	12,630	12,630	-
Nonbudgeted:						
On-Behalf TPAF Pension Contributions		-	-	-	1,070,450	1,070,450
On-Behalf TPAF Medical Contributions		-	-	-	891,928	891,928
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,811	1,811
Reimbursed TPAF Social Security Contributions		-	-	-	718,131	718,131
Total State Sources		10,989,356	-	10,989,356	13,671,882	2,682,526
Federal Sources:						
Medicaid Aid Reimbursement	10-4200	29,508	-	29,508	42,697	13,189
Medicaid Aid Reimbursement - ARRA Funds	10-4210	-	-	-	4,269	4,269
Total Federal Sources		29,508	-	29,508	46,966	17,458
Total Revenues		20,508,835	-	20,508,835	23,170,506	2,661,671
Expenditures:						
Current Expense:						
Instruction - Regular Programs:						
Salaries of Teachers:						
Kindergarten	11-110-100-101	318,462	-	318,462	315,280	3,182
Grades 1 - 5	11-120-100-101	1,787,531	-	1,787,531	1,735,081	52,450
Grades 6 - 8	11-130-100-101	1,448,355	(5,036)	1,443,319	1,359,976	83,343
Grades 9-12	11-140-100-101	2,297,571	(33,034)	2,264,537	2,197,465	67,072
Regular Programs - Home Instruction:						
Salaries of Teachers	11-150-100-101	7,980	(426)	7,554	7,553	1
Regular Programs - Undistributed Instruction:						
Purchased Professional/Educational Services						
	11-150-100-320	1,500	791	2,291	2,291	-
Purchased Technical Services						
	11-190-100-320	199,000	(14)	198,986	182,876	16,110
	11-190-100-340	10,625	-	10,625	7,632	2,993
Other Purchased Services						
	11-190-100-500	4,290	-	4,290	4,290	-
General Supplies						
	11-190-100-610	190,978	(4,462)	186,516	157,628	28,888
Textbooks						
	11-190-100-640	14,875	4,462	19,337	12,144	7,193
Other Objects						
	11-190-100-800	2,900	-	2,900	780	2,120
Total Regular Programs		6,284,067	(37,719)	6,246,348	5,982,996	263,352
Special Education:						
Multiple Disabilities:						
Salaries of Teachers	11-212-100-101	-	63,128	63,128	63,128	-
Other Salaries for Instruction	11-212-100-106	-	31,085	31,085	31,085	-
General Supplies	11-212-100-610	-	58	58	31	27
Total Multiple Disabilities		-	94,271	94,271	94,244	27

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Resource Room/ Resource Center:						
Salaries of Teachers	11-213-100-101	1,573,197	(2,699)	1,570,498	1,491,011	79,487
Other Salaries for Instruction	11-213-100-106	344,454	-	344,454	282,663	61,791
General Supplies	11-213-100-610	10,200	(1,198)	9,002	8,993	9
Textbooks	11-213-100-640	2,500	(2,500)	-	-	-
Other Objects	11-213-100-800	100	-	100	98	2
Total Resource Room/Resource Center		1,930,451	(6,397)	1,924,054	1,782,765	141,289
Preschool Disabilities - Part-Time:						
Salaries of Teachers	11-215-100-101	87,140	(61,385)	25,755	2,373	23,382
Other Salaries for Instruction	11-215-100-106	32,496	(30,129)	2,367	1,091	1,276
General Supplies	11-215-100-610	800	-	800	-	800
Total Preschool Disabilities - Part-Time		120,436	(91,514)	28,922	3,464	25,458
Home Instruction:						
Salaries of Teachers	11-219-100-101	22,764	-	22,764	7,587	15,177
Purchased Professional/ Educational Services	11-219-100-320	8,715	-	8,715	2,653	6,062
Total Home Instruction		31,479	-	31,479	10,240	21,239
Total Special Education		2,082,366	(3,640)	2,078,726	1,890,713	188,013
Basic Skills/Remedial:						
Salaries of Teachers	11-230-100-101	127,110	-	127,110	116,998	10,112
General Supplies	11-230-100-610	7,200	-	7,200	2,301	4,899
Total Basic Skills/Remedial		134,310	-	134,310	119,299	15,011
Bilingual Education - Instruction:						
Salaries of Teachers	11-240-100-101	148,823	-	148,823	147,712	1,111
General Supplies	11-240-100-610	450	-	450	394	56
Total Bilingual Education - Instruction		149,273	-	149,273	148,106	1,167
School Sponsored Cocurricular Activities:						
Salaries	11-401-100-100	98,239	-	98,239	70,217	28,022
Purchased Services	11-401-100-500	1,590	-	1,590	1,500	90
Supplies & Materials	11-401-100-600	1,875	-	1,875	1,227	648
Other Objects	11-401-100-800	12,370	-	12,370	8,817	3,553
Total School Sponsored Cocurricular Activities		114,074	-	114,074	81,761	32,313
School Sponsored Athletics:						
Salaries	11-402-100-100	330,601	-	330,601	314,893	15,708
Purchased Services	11-402-100-500	89,600	(10,214)	79,386	72,403	6,983
Supplies & Materials	11-402-100-600	38,071	-	38,071	34,808	3,263
Other Objects	11-402-100-800	10,950	-	10,950	9,142	1,808
Total School Sponsored Athletics		469,222	(10,214)	459,008	431,246	27,762
Other Instructional Programs:						
Salaries	11-403-100-100	36,115	-	36,115	30,166	5,949
Supplies & Materials	11-403-100-600	100	-	100	74	26
Total Other Instructional Programs		36,215	-	36,215	30,240	5,975
Before/After School Programs - Instruction:						
Salaries of Teachers	11-421-100-101	3,224	-	3,224	2,953	271
Total Before/After School Programs - Instruction		3,224	-	3,224	2,953	271

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Summer School - Instruction:						
Salaries of Teachers	11-422-100-101	17,112	-	17,112	16,611	501
General Supplies	11-422-100-610	300	-	300	-	300
Total Summer School - Instruction		17,412	-	17,412	16,611	801
Community Services Programs/Operations:						
Purchased Services	11-800-330-500	50	-	50	-	50
Total Community Services Programs/Operations		50	-	50	-	50
Total - Instruction		9,290,213	(51,573)	9,238,640	8,703,925	534,715
Undistributed Expenditures:						
Instruction:						
Tuition to Other LEAs Within State - Regular	11-000-100-561	50,000	-	50,000	23,193	26,807
Tuition to Other LEAs Within State - Special	11-000-100-562	285,782	27,202	312,984	298,656	14,328
Tuition to County Vocational School District - Regular	11-000-100-563	155,904	-	155,904	155,904	-
Tuition to CSSD & Regional Day Schools	11-000-100-565	937,080	(7,462)	929,618	763,907	165,711
Tuition to Private Schools for the Handicapped Within the State	11-000-100-566	572,605	(19,740)	552,865	492,878	59,987
Tuition - State Facilities	11-000-100-568	32,306	-	32,306	32,306	-
Total Instruction		2,033,677	-	2,033,677	1,766,844	266,833
Health Services:						
Salaries	11-000-213-100	183,689	-	183,689	181,366	2,323
Purchased Professional & Technical Services	11-000-213-300	12,800	-	12,800	9,433	3,367
Other Purchased Services	11-000-213-500	120	-	120	-	120
Supplies and Materials	11-000-213-600	9,265	-	9,265	4,972	4,293
Total Health Services		205,874	-	205,874	195,771	10,103
Speech, OT, PT & Related Services:						
Salaries	11-000-216-100	149,973	-	149,973	146,400	3,573
Purchased Professional/Educational Services	11-000-216-320	152,066	(1,332)	150,734	150,289	445
Supplies & Materials	11-000-216-600	1,600	-	1,600	899	701
Other Objects	11-000-216-800	300	-	300	-	300
Total Speech, OT, PT & Related Services		303,939	(1,332)	302,607	297,588	5,019
Guidance:						
Salaries of Other Professional Staff	11-000-218-104	297,020	(1,200)	295,820	293,892	1,928
Salaries of Secretarial & Clerical Assistants	11-000-218-105	99,729	(4,638)	95,091	94,861	230
Purchased Professional/Educational Services	11-000-218-320	995	-	995	895	100
Purchased Professional & Technical Services	11-000-218-390	3,400	-	3,400	3,368	32
Other Purchased Services	11-000-218-500	200	-	200	9	191
Supplies & Materials	11-000-218-600	13,035	-	13,035	9,748	3,287
Other Objects	11-000-218-800	605	-	605	527	78
Total Guidance		414,984	(5,838)	409,146	403,300	5,846
Child Study Team:						
Salaries of Other Professional Staff	11-000-219-104	477,979	(45,780)	432,199	418,990	13,209
Salaries of Secretarial & Clerical						

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Assistants	11-000-219-105	87,319	280	87,599	87,599	-
Purchased Professional/Educational Services	11-000-219-320	-	45,500	45,500	19,347	26,153
Miscellaneous Purchased Services	11-000-219-592	27,485	-	27,485	27,469	16
Supplies & Materials	11-000-219-600	3,797	(28)	3,769	1,662	2,107
Other Objects	11-000-219-800	1,087	-	1,087	1,043	44
Total Child Study Team		597,667	(28)	597,639	556,110	41,529
Improvement of Instruction:						
Salaries of Other Professional Staff	11-000-221-104	68,038	(3,000)	65,038	65,000	38
Supplies & Materials	11-000-221-600	300	-	300	16	284
Total Improvement of Instruction		68,338	(3,000)	65,338	65,016	322
Educational Media Services/School Library:						
Salaries	11-000-222-100	119,142	-	119,142	118,637	505
Purchased Professional & Technical Services	11-000-222-300	345	14	359	359	-
Supplies & Materials	11-000-222-600	13,190	-	13,190	11,723	1,467
Other Objects	11-000-222-800	250	-	250	134	116
Total Educational Media Services/School Library		132,927	14	132,941	130,853	2,088
Instructional Staff Training:						
Purchased Professional Educational Services	11-000-223-320	4,500	3,000	7,500	4,151	3,349
Other Purchased Services	11-000-223-500	230	200	430	341	89
Supplies	11-000-223-600	1,000	(200)	800	-	800
Total Instructional Staff Training		5,730	3,000	8,730	4,492	4,238
Support Services - General Administration:						
Salaries	11-000-230-100	194,316	-	194,316	194,316	-
Legal Services	11-000-230-331	25,000	23,700	48,700	47,744	956
Audit Fees	11-000-230-332	21,000	115	21,115	17,615	3,500
Architectural/Engineering Services	11-000-230-334	14,400	(8,115)	6,285	4,800	1,485
Other Purchased Professional Services	11-000-230-339	12,365	-	12,365	8,642	3,723
Communications/Telephone	11-000-230-530	58,600	(15,700)	42,900	26,815	16,085
BOE Other Purchased Services	11-000-230-585	6,000	-	6,000	2,370	3,630
Miscellaneous Purchased Services	11-000-230-590	62,233	-	62,233	52,896	9,337
General Supplies	11-000-230-610	22,180	(310)	21,870	11,302	10,568
Miscellaneous Expenditures	11-000-230-890	7,235	(100)	7,135	3,841	3,294
BOE Membership Dues & Fees	11-000-230-895	10,247	100	10,347	10,346	1
Total Support Services General Administration		433,576	(310)	433,266	380,687	52,579
Support Services - School Administration:						
Salaries of Principals & Assistant Principal	11-000-240-103	656,480	-	656,480	644,064	12,416
Salaries of Secretarial & Clerical Assistants	11-000-240-105	300,135	-	300,135	299,033	1,102
Purchased Professional & Technical Services	11-000-240-300	19,592	-	19,592	16,937	2,655
Other Purchased Services	11-000-240-500	850	-	850	375	475
Supplies and Materials	11-000-240-600	9,547	(995)	8,552	7,186	1,366
Other Objects	11-000-240-800	10,605	-	10,605	9,282	1,323
Total Support Services School Administration		997,209	(995)	996,214	976,877	19,337
Support Services - Central Services:						
Salaries	11-000-251-100	233,640	528	234,168	233,192	976
Purchased Professional Services	11-000-251-330	1,000	-	1,000	950	50
Purchased Technical Services	11-000-251-340	17,403	-	17,403	17,300	103
Miscellaneous Purchased Services	11-000-251-592	5,700	-	5,700	5,018	682

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017			ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Supplies and Materials	11-000-251-600	5,841	(528)	5,313	3,618	1,695
Miscellaneous Expenditures	11-000-240-890	2,345	-	2,345	1,970	375
Total Support Services Central Services		265,929	-	265,929	262,048	3,881
Administrative Information Technology:						
Salaries	11-000-252-100	81,752	-	81,752	81,752	-
Purchased Professional Services	11-000-252-330	12,400	-	12,400	10,400	2,000
Purchased Technical Services	11-000-252-340	8,700	-	8,700	5,078	3,622
Supplies and Materials	11-000-252-600	12,700	-	12,700	7,840	4,860
Total Administrative Information Technology		115,552	-	115,552	105,070	10,482
Required Maintenance for School Facilities:						
Cleaning, Repair & Maintenance Services	11-000-261-420	148,793	-	148,793	139,422	9,371
General Supplies	11-000-261-610	41,100	-	41,100	25,150	15,950
Total Required Maintenance for School Facilities		189,893	-	189,893	164,572	25,321
Custodial Services:						
Salaries	11-000-262-100	902,068	-	902,068	865,941	36,127
Salaries of Noninstructional Aides	11-000-262-107	64,885	-	64,885	4,146	60,739
Cleaning, Repair & Maintenance Services	11-000-262-420	107,565	1,305	108,870	92,646	16,224
Other Purchased Property Services	11-000-262-490	37,000	1,011	38,011	36,525	1,486
Insurance	11-000-262-520	78,546	-	78,546	78,546	-
General Supplies	11-000-262-610	81,845	(150)	81,695	73,065	8,630
Energy (Natural Gas)	11-000-262-621	130,000	(1,011)	128,989	60,344	68,645
Energy (Electricity)	11-000-262-622	370,000	-	370,000	282,963	87,037
Other Objects	11-000-262-800	370	150	520	495	25
Total Custodial Services		1,772,279	1,305	1,773,584	1,494,671	278,913
Care & Upkeep of Grounds:						
Cleaning, Repair & Maintenance Services	11-000-263-420	18,900	(8,800)	10,100	8,513	1,587
General Supplies	11-000-263-610	13,000	-	13,000	10,648	2,352
Total Care & Upkeep of Grounds		31,900	(8,800)	23,100	19,161	3,939
Security:						
Purchased Professional & Technical Services	11-000-266-300	38,000	-	38,000	37,875	125
Total Security		38,000	-	38,000	37,875	125
Student Transportation Services:						
Other Purchased Professional & Technical Services	11-000-270-390	461,160	-	461,160	431,518	29,642
Miscellaneous Purchased Services - Transportation	11-000-270-593	12,819	-	12,819	12,819	-
Transportation Supplies	11-000-270-615	5,000	-	5,000	1,585	3,415
Other Objects	11-000-270-800	1,700	-	1,700	285	1,415
Total Student Transportation Services		480,679	-	480,679	446,207	34,472
Unallocated Benefits - Employee Benefits:						
Social Security Contributions	11-000-291-220	224,000	5,623	229,623	223,587	6,036
Other Retirement Contributions PERS	11-000-291-241	250,716	139	250,855	242,529	8,326
Other Retirement Contributions Regular	11-000-291-249	10,000	1,157	11,157	10,947	210
Unemployment Compensation	11-000-291-250	10	-	10	-	10
Workmen's Compensation	11-000-291-260	105,207	-	105,207	105,207	-
Health Benefits	11-000-291-270	3,541,000	32,669	3,573,669	3,573,669	-
Tuition Reimbursements	11-000-291-280	19,600	(13,189)	6,411	4,590	1,821
Other Employee Benefits	11-000-291-290	500	31,306	31,806	31,689	117

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	ACCOUNT NUMBERS	JUNE 30, 2017			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
		ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
Unused Sick Payment to Terminated/Retired Staff	11-000-291-299	20,000	(20,000)	-	-
Total Unallocated Benefits - Employee Benefits		4,171,033	37,705	4,208,738	4,192,218
Nonbudgeted:					
On-Behalf TPAF Pension Contributions		-	-	-	1,070,450
On-Behalf TPAF Medical Contributions		-	-	-	891,928
On-Behalf TPAF Long-Term Disability Contributions		-	-	-	1,811
Reimbursed TPAF Social Security Contributions		-	-	-	718,131
Total Undistributed Expenditures		12,259,186	21,721	12,280,907	14,181,680
Total Expenditures - Current Expense		21,549,399	(29,852)	21,519,547	22,885,605
Capital Outlay:					
Undistributed Expenditures:					
Instruction	12-000-100-730	13,500	-	13,500	13,212
Support Services -Students- Regular	12-000-210-730	-	10,838	10,838	10,838
Support Services -Instructional Staff	12-000-220-730	2,172	-	2,172	2,172
Administration Information Technology	12-000-252-730	22,900	-	22,900	19,580
Required Maintenance for School Facilities	12-000-261-730	70,250	8,800	79,050	63,862
Other Instructional Programs	12-4xx-100-730	-	10,214	10,214	10,214
Interest Deposit to Capital Reserve	10-604	10	-	10	-
Total Equipment		108,832	29,852	138,684	119,878
Facilities Acquisition & Construction Services:					
Assessment for Debt Service on SDA Funding	12-000-400-896	129,477	-	129,477	129,477
Total Facilities Acquisition & Construction Services		129,477	-	129,477	129,477
Total Capital Outlay		238,309	29,852	268,161	249,355
Total Expenditures		21,787,708	-	21,787,708	23,134,960
Excess/(Deficiency) of Revenues Over Expenditures Before Other Financing Sources/(Uses)		(1,278,873)	-	(1,278,873)	35,546
Other Financing Sources/(Uses):					
Transfer from Unemployment Fund (Nonbudgeted)		-	-	-	100,000
Total Other Financing Sources/(Uses)		-	-	-	100,000
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/Uses		(1,278,873)	-	(1,278,873)	135,546
Fund Balances, July 1		1,997,642	-	1,997,642	1,997,642
Fund Balances, June 30		\$ 718,769	\$ -	\$ 718,769	\$ 2,133,188

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve	\$ 13,227
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	280,998
Excess Surplus	805,435
Assigned Fund Balance:	
ARRA - Special Education - Medicaid Initiative	4,269
Designated for Subsequent Year's Expenditures	620,000
Unassigned Fund Balance	409,259
Subtotal	2,133,188
Reconciliation to Governmental Funds Statements (GAAP):	
Reconciliation of State Aid Payments For GAAP to Budgetary Basis & Other Adjustments	(989,637)
Fund Balance Per Governmental Funds (GAAP)	\$ 1,143,551

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	JUNE 30, 2017				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
REVENUES					
State Sources	\$ 654,415	\$ 11,065	\$ 665,480	\$ 665,480	\$ -
Federal Sources	830,469	132,404	962,873	962,873	-
Total Revenues	1,484,884	143,469	1,628,353	1,628,353	-
EXPENDITURES:					
Instruction:					
Salaries of Teachers	772,430	(141,699)	630,731	630,731	-
Other Salaries for Instruction	197,046	-	197,046	197,046	-
General Supplies	18,868	23,795	42,663	42,663	-
Purchased Professional & Educational Services	10,035	-	10,035	10,035	-
Tuition to Other LEA's Within State - Regular	337,733	-	337,733	337,733	-
Total Instruction	1,336,112	(117,904)	1,218,208	1,218,208	-
Support Services:					
Salaries of Other Professional Staff	30,464	172	30,636	30,636	-
Personal Services - Employee Benefits	109,158	131,829	240,987	240,987	-
Purchased Professional & Educational Services	5,000	-	5,000	5,000	-
Rentals	-	129,372	129,372	129,372	-
Supplies & Materials	4,150	-	4,150	4,150	-
Total Support Services	148,772	261,373	410,145	410,145	-
Total Expenditures	1,484,884	143,469	1,628,353	1,628,353	-
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART II

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2017**

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

	GENERAL FUND	SPECIAL REVENUE FUND
Sources/Inflows of Resources:		
Actual Amounts (Budgetary Basis) "Revenue"		
From the Budgetary Comparison Schedule (C-Series)	\$ 23,170,506	\$ 1,628,353
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	969,849	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(989,637)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>\$ 23,150,718</u>	<u>\$ 1,628,353</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>\$ 23,134,960</u>	<u>\$ 1,628,353</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 23,134,960</u>	<u>\$ 1,628,353</u>

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REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
District's proportion of the net pension liability (asset)	0.0279836%	0.0281719%	0.0288512%	0.0278248%
District's proportionate share of the net pension liability (asset)	\$ 8,287,929	\$ 6,324,033	\$ 5,401,731	\$ 5,317,867
District's covered-employee payroll	1,951,460	1,961,747	1,923,104	1,904,049
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	424.70%	322.37%	280.89%	279.29%
Plan fiduciary net position as a percentage of the total pension liability	40.14%	47.93%	52.08%	48.72%

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
LAST TEN FISCAL YEARS**

	2017	2016	2015	2014
Contractually required contribution	\$ 248,602	\$ 242,203	\$ 237,845	\$ 209,654
Contributions in relation to the contractually required contribution	(248,602)	(242,203)	(237,845)	(209,654)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,951,460	\$ 1,961,747	\$ 1,923,104	\$ 1,904,049
Contributions as a percentage of covered-employee payroll	12.74%	12.35%	12.37%	11.01%

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
 SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
 TEACHERS' PENSION AND ANNUITY FUND
 LAST TEN FISCAL YEARS**

	2017	2016	2015	2014
District's proportion of the net pension liability (asset)	0.095883%	0.095834%	0.099631%	0.097043%
State's proportionate share of the net pension liability (asset) associated with the District	\$ 75,427,453	\$ 60,570,984	\$ 53,249,503	\$ 49,044,915
District's covered-employee payroll	10,074,075	9,782,672	9,760,858	9,602,393
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	22.33%	28.71%	33.64%	33.76%

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

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION - PART III

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**RIVERSIDE TOWNSHIP PUBLIC 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 - The discount rate changed from 4.13% as of June 30, 2015, to 3.22% as of June 30, 2016.

Public Employees' Retirement System (PERS)

Changes in Benefit Terms - None.

Changes in Assumptions - The discount rate changed from 4.90 % as of June 30, 2015, to 3.98% as of June 30, 2016.

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OTHER SUPPLEMENTARY INFORMATION

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	NO CHILD LEFT BEHIND			
	TITLE I PART-A	TITLE II PART-A	TITLE III	TITLE III IMMIGRANT
Revenues:				
Federal Sources	\$ 533,878	\$ 33,693	\$ 25,412	\$ 6,122
Total Revenues	<u>\$ 533,878</u>	<u>\$ 33,693</u>	<u>\$ 25,412</u>	<u>\$ 6,122</u>
Expenditures:				
Instruction:				
Salaries of Teachers	\$ 327,819	\$ 26,411	\$ 9,049	\$ -
Other Salaries for Instruction	63,474	-	12,421	3,293
General Supplies	8,771	-	348	2,577
Total Instruction	<u>400,064</u>	<u>26,411</u>	<u>21,818</u>	<u>5,870</u>
Support Services:				
Salaries of Other Professional Staff	30,636	-	-	-
Personal Services - Employee Benefits	103,178	7,282	3,444	252
Supplies & Materials	-	-	150	-
Total Support Services	<u>133,814</u>	<u>7,282</u>	<u>3,594</u>	<u>252</u>
Total Expenditures	<u>\$ 533,878</u>	<u>\$ 33,693</u>	<u>\$ 25,412</u>	<u>\$ 6,122</u>

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	I.D.E.A. PART B			TOTALS
	BASIC REGULAR PROGRAM	PRESCHOOL	PRESCHOOL EDUCATION AID	
Revenues:				
State Sources	\$ -	\$ -	\$ 665,480	\$ 665,480
Federal Sources	353,733	10,035	-	962,873
Total Revenues	\$ 353,733	\$ 10,035	\$ 665,480	\$ 1,628,353
Expenditures:				
Instruction:				
Salaries of Teachers	\$ -	\$ -	\$ 267,452	\$ 630,731
Other Salaries for Instruction	-	-	117,858	197,046
General Supplies	7,000	-	23,967	42,663
Purchased Professional & Educational Services	-	10,035	-	10,035
Tuition to Other LEA's Within State-Regular	337,733	-	-	337,733
Total Instruction	344,733	10,035	409,277	1,218,208
Support Services:				
Salaries of Other Professional Staff	-	-	-	30,636
Personal Services - Employee Benefits	-	-	126,831	240,987
Purchased Professional Educational Services	5,000	-	-	5,000
Rentals	-	-	129,372	129,372
Supplies & Materials	4,000	-	-	4,150
Total Support Services	9,000	-	256,203	410,145
Total Expenditures	\$ 353,733	\$ 10,035	\$ 665,480	\$ 1,628,353

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID OF EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 274,540	\$ 267,452	\$ 7,088
Other Salaries for Instruction	118,372	117,858	514
General Supplies	250,371	23,967	226,404
	<hr/>	<hr/>	<hr/>
Total Instruction	643,283	409,277	234,006
	<hr/>	<hr/>	<hr/>
Support Services:			
Personal Services - Employee Benefits	126,831	126,831	-
Rentals	484,942	129,372	355,570
Other Purchased Services	7,000	-	7,000
	<hr/>	<hr/>	<hr/>
Total Support Services	618,773	256,203	362,570
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 1,262,056</u>	<u>\$ 665,480</u>	<u>\$ 596,576</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2016-2017 Preschool Education Aid Allocation	\$ 607,640
Add: Actual Preschool Education Aid Carryover (June 30, 2016)	<u>654,416</u>
Total Preschool Education Aid Funds Available for 2016-2017 Budget	1,262,056
Less: 2016-2017 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(1,262,056)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2016	-
Add: June 30, 2016 Unexpended Preschool Education Aid Funds	<u>596,576</u>
2016-2017 Carryover - Preschool Education Aid Funds	<u>\$ 596,576</u>
2016-2017 Preschool Education Aid Funds Carryover Budgeted in 2017-2018	<u>\$ 596,576</u>

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F. Capital Projects Fund

Not Applicable

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G. Proprietary Funds

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Enterprise Funds

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EXHIBIT G-1
RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
ENTERPRISE FUND
STATEMENT OF NET POSITION
AS OF JUNE 30, 2017

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Current Assets:	
Cash & Cash Equivalents	\$ 147,852
Accounts Receivable:	
State	422
Federal	23,605
Inventories	4,559
Total Current Assets	176,438
Noncurrent Assets:	
Furniture, Machinery & Equipment	199,052
Less: Accumulated Depreciation	(169,300)
Total Noncurrent Assets	29,752
Total Assets	206,190
 LIABILITIES	
Interfund Payable	36,398
Accounts Payable	23,901
Unearned Revenue	2,123
Total Liabilities	62,422
 NET POSITION	
Net Investment in Capital Assets	29,752
Unrestricted	114,016
Total Net Position	\$ 143,768

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2017

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS
	FOOD SERVICE
Operating Revenues:	
Local Sources:	
Daily Sales - Reimbursable Programs	\$ 95,847
Daily Sales - Nonreimbursable Programs	66,064
Special Functions	1,035
Miscellaneous	810
	163,756
Total Operating Revenue	163,756
Operating Expenses:	
Cost of Sales- Reimbursable	202,295
Cost of Sales- Non-Reimbursable	27,925
Salaries	261,588
Employee Benefits	42,500
Other Purchased Professional Services	31,780
Cleaning, Repair & Maintenance Services	5,169
Insurance	11,454
General Supplies	23,205
Miscellaneous	15,635
Depreciation	6,203
	627,754
Total Operating Expenses	627,754
Operating Income/(Loss)	(463,998)
Nonoperating Revenues/(Expenses):	
State Sources:	
State School Lunch Program	6,802
Federal Sources:	
National School Lunch Program	320,805
Regular School Breakfast Program	46,456
Special Milk Program	892
Healthy Hunger-Free Kids Act	7,971
Food Distribution Program	33,716
Interest & Investment Revenue	699
	417,341
Total Nonoperating Revenues/(Expenses)	417,341
Net Income/(Loss)	(46,657)
Total Net Position - Beginning	190,425
Total Net Position - Ending	\$ 143,768

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
ENTERPRISE FUND
SCHEDULE OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS <u>FOOD SERVICE</u>
Cash Flows From Operating Activities:	
Receipts from Customers	\$ 163,756
Payments to Employees	(261,588)
Payments for Employee Benefits	(42,500)
Payments to Suppliers	<u>(256,579)</u>
Net Cash Provided by/(Used) by Operating Activities	<u>(396,911)</u>
Cash Flows From Noncapital Financing Activities:	
State Sources	6,704
Federal Sources	<u>403,741</u>
Net Cash Provided by/(Used) by Noncapital Financing Activities	<u>410,445</u>
Cash Flows From Capital and Related Financing Activities:	
Purchases of Capital Assets	<u>(2,609)</u>
Net Cash Provided by/(Used) by Capital and Related Financing Activities	<u>(2,609)</u>
Cash Flows From Investing Activities:	
Interest & Dividends	<u>699</u>
Net Cash Provided by/(Used) by Investing Activities	<u>699</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	11,624
Balances - Beginning of Year	<u>136,228</u>
Balances - End of Year	<u>\$ 147,852</u>
Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:	
Operating Income/(Loss)	\$ (463,998)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:	
Depreciation & Net Amortization	6,203
(Decrease)/Increase in Accounts Payables, Net	60,299
Increase/(Decrease) in Unearned Revenue	(336)
(Increase)/Decrease in Inventories	<u>921</u>
Total Adjustments	<u>67,087</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (396,911)</u>

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2017**

ASSETS	PRIVATE PUPOSE		AGENCY		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL FUND	
Cash & Cash Equivalents	\$ 147,094	\$ 151,521	\$ 130,731	\$ 36,337	\$ 465,683
Interfund Receivable	18,444	-	-	-	18,444
Total Assets	165,538	151,521	130,731	36,337	484,127
LIABILITIES					
Due to Student Groups	-	-	112,287	-	112,287
Due to Employees	-	-	-	12,425	12,425
Payroll Deductions & Withholdings	-	-	-	23,912	23,912
Interfund Payable	-	-	18,444	-	18,444
Total Liabilities	-	-	130,731	36,337	167,068
NET POSITION					
Restricted for Unemployment Compensation	-	151,521	-	-	151,521
Restricted for Scholarships	165,538	-	-	-	165,538
Total Net Position	\$ 165,538	\$ 151,521	\$ -	\$ -	\$ 317,059

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2017**

ADDITIONS	PRIVATE PUPOSE		TOTALS
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	
Contributions:			
Plan Members	\$ -	\$ 20,089	\$ 20,089
Other	17,255	-	17,255
Total Contributions	17,255	20,089	37,344
Investment Earnings:			
Interest	649	850	1,499
Net Investment Earnings	649	850	1,499
Total Additions	17,904	20,939	38,843
DEDUCTIONS			
Unemployment Claims	-	5,560	5,560
Transfer to General	-	100,000	100,000
Scholarships Awarded	13,787	-	13,787
Total Deductions	13,787	105,560	119,347
Change in Net Position	4,117	(84,621)	(80,504)
Net Position - Beginning of the Year	161,421	236,142	397,563
Net Position - End of the Year	\$ 165,538	\$ 151,521	\$ 317,059

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FIDUCIARY FUNDS
SCHEDULE OF STUDENT ACTIVITY RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

ASSETS	BALANCE JULY 1, 2016	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2017
Cash & Cash Equivalents	\$ 115,688	\$ 353,085	\$ 338,042	\$ 130,731
Total Assets	<u>\$ 115,688</u>	<u>\$ 353,085</u>	<u>\$ 338,042</u>	<u>\$ 130,731</u>
LIABILITIES				
Due to Student Groups	\$ 99,824	\$ 335,830	\$ 323,367	\$ 112,287
Due to Scholarship Fund	15,864	17,255	14,675	18,444
Total Liabilities	<u>\$ 115,688</u>	<u>\$ 353,085</u>	<u>\$ 338,042</u>	<u>\$ 130,731</u>

**SCHEDULE OF CHANGES IN PAYROLL AGENCY ASSETS AND LIABILITIES
FOR FISCAL YEAR ENDED JUNE 30, 2017**

ASSETS	BALANCE JULY 1, 2016	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2017
Cash & Cash Equivalents	\$ 53,489	\$ 17,980,534	\$ 17,997,686	\$ 36,337
Total Assets	<u>\$ 53,489</u>	<u>\$ 17,980,534</u>	<u>\$ 17,997,686</u>	<u>\$ 36,337</u>
LIABILITIES				
Due to Employees	\$ 7,099	\$ 42,275	\$ 36,949	\$ 12,425
Payroll Deductions & Withholdings	46,390	17,938,259	17,960,737	23,912
Total Liabilities	<u>\$ 53,489</u>	<u>\$ 17,980,534</u>	<u>\$ 17,997,686</u>	<u>\$ 36,337</u>

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I. Long-Term Debt

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2017**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING JUNE 30, 2016	ISSUED	RETIRED	AMOUNT OUTSTANDING JUNE 30, 2017
			DATE	AMOUNT					
Bleacher Project at High School	07/14/2011	\$ 750,000	02/01/2018	\$ 70,000	3.300%	\$ 515,000	\$ -	\$ 65,000	\$ 450,000
			02/01/2019	70,000	3.300%				
			02/01/2020	75,000	3.300%				
			02/01/2021	75,000	3.300%				
			02/01/2022	80,000	3.300%				
			02/01/2023	80,000	3.300%				
Refunding Bond Issue 2012	05/01/2012	5,465,000	05/01/2018	525,000	3.000%	4,025,000	-	510,000	3,515,000
			05/01/2019	545,000	4.000%				
			05/01/2020	575,000	4.000%				
			05/01/2021	595,000	4.000%				
			05/01/2022	625,000	4.000%				
			05/01/2023	650,000	4.000%				
Total						\$ 4,540,000	\$ -	\$ 575,000	\$ 3,965,000

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2017**

DESCRIPTION	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2016	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2017
Modular Buildings	1.157%	\$ 625,000	\$ 254,322	\$ -	\$ 126,430	\$ 127,892
Total			<u>\$ 254,322</u>	<u>\$ -</u>	<u>\$ 126,430</u>	<u>\$ 127,892</u>

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2017**

	JUNE 30, 2017				VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 742,645	-	\$ 742,645	\$ 742,645	\$ -
Total Revenues	742,645	-	742,645	742,645	-
Expenditures:					
Regular Debt Service:					
Redemption of Principal	575,000	-	575,000	575,000	-
Interest on Bonds	167,645	-	167,645	167,645	-
Total Regular Debt Service	742,645	-	742,645	742,645	-
Excess/(Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance, July 1,	-	-	-	-	-
Fund Balance, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LONG-TERM DEBT
SCHEDULE OF COMPENSATED ABSENCES
JUNE 30, 2017**

	BALANCE JUNE 30, 2016	DECREASED	BALANCE JUNE 30, 2017
Compensated Absences	435,272	(23,184)	412,088

STATISTICAL SECTION (Unaudited)

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RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 4,787,907	\$ 4,556,742	\$ 4,100,520	\$ 3,639,509	\$ 3,158,409	\$ 2,816,383	\$ 2,776,267	\$ 1,935,974	\$ 1,887,326	\$ 2,025,466
Restricted	1,719,660	1,561,992	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282
Unrestricted	(7,021,657)	(6,724,021)	(6,001,695)	(621,153)	(562,672)	(575,876)	(940,361)	(1,045,406)	(1,210,495)	(290,514)
Total Governmental Activities	\$ (514,090)	\$ (605,287)	\$ (758,829)	\$ 3,754,629	\$ 3,497,090	\$ 3,545,459	\$ 3,389,611	\$ 2,056,877	\$ 2,998,357	\$ 2,913,234
Business-Type Activities:										
Net Investment in										
Capital Assets	\$ 29,752	\$ 33,346	\$ 39,462	\$ 46,908	\$ 37,953	\$ 48,953	\$ 33,961	\$ 39,904	\$ 22,442	\$ 14,061
Unrestricted	114,016	157,079	131,361	161,944	167,921	137,194	134,491	106,308	109,424	101,473
Total Business-Type Activities	\$ 143,768	\$ 190,425	\$ 170,823	\$ 208,852	\$ 205,874	\$ 186,147	\$ 168,452	\$ 146,212	\$ 131,866	\$ 115,534
Government-Wide:										
Net Investment in										
Capital Assets	\$ 4,817,659	\$ 4,590,088	\$ 4,139,982	\$ 3,686,417	\$ 3,196,362	\$ 2,865,336	\$ 2,810,228	\$ 1,975,878	\$ 1,909,768	\$ 2,039,527
Restricted	1,719,660	1,561,992	1,142,346	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282
Unrestricted	(6,907,641)	(6,566,942)	(5,870,334)	(459,209)	(394,751)	(438,682)	(805,870)	(939,098)	(1,101,071)	(189,041)
Total District Net Position	\$ (370,322)	\$ (414,862)	\$ (588,006)	\$ 3,963,481	\$ 3,702,964	\$ 3,731,606	\$ 3,558,063	\$ 2,203,089	\$ 3,130,223	\$ 3,028,768

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

	FISCAL YEAR ENDING JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 5,982,996	\$ 5,996,924	\$ 5,867,204	\$ 5,865,591	\$ 6,003,997	\$ 5,950,519	\$ 6,924,562	\$ 7,167,885	\$ 6,590,020	\$ 6,532,978
Special Education	3,108,921	3,016,477	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747
Other Special Education	780,412	731,983	740,084	759,339	696,434	695,768	662,739	702,155	235,547	249,088
Other Instruction	49,804	57,238	96,864	124,161	181,453	212,669	147,203	214,471	657,437	580,387
Support Services:										
Tuition	1,766,844	1,868,906	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293
Student & Instruction Related Services	1,653,130	1,555,676	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678
School Administrative Services	1,387,022	1,347,570	1,353,201	1,367,326	1,216,575	1,151,590	364,787	411,669	879,466	705,304
General & Business Administrative Services	747,805	704,236	696,462	694,394	753,134	770,291	885,517	850,567	394,632	394,849
Administrative Information Technology	-	-	-	-	-	-	36,167	10,745	18,805	17,680
Plant Operations & Maintenance	1,732,193	1,750,674	1,836,549	1,720,742	1,652,629	1,470,943	241,985	234,657	228,159	218,853
Pupil Transportation	446,207	468,566	476,761	434,138	464,998	415,270	333,049	331,728	325,348	309,040
Employee Benefits	12,013,863	9,508,686	8,092,582	5,758,178	5,825,529	4,946,063	1,643,389	1,775,031	1,733,912	1,632,892
Other Support Services	-	-	-	-	-	-	4,548,293	4,941,479	4,336,615	4,619,445
Interest on Long-Term Debt	121,687	172,779	192,059	340,080	314,769	357,500	274,843	288,052	336,822	320,334
Reduction of Capital Leases	-	-	-	(122,141)	-	(22,016)	-	-	-	-
Amortization of Debt Issuance Costs	-	-	-	(22,377)	(15,454)	(2,576)	-	-	-	-
Unallocated Compensated Absences	-	-	-	12,793	2,250	(2,243)	-	-	-	-
Unallocated Depreciation	336,509	336,932	181,869	64,730	321,453	304,487	738,921	809,470	852,379	1,821,080
Fixed Asset Disposals	-	-	-	288,820	8,900	225,790	-	-	-	-
Loss on Adjustment to Fixed Asset Appraisal	-	-	-	(24,904)	117,329	258,483	-	-	-	-
Total Governmental Activities Expenses	30,127,393	27,516,647	26,114,471	23,751,458	23,849,779	22,864,865	21,632,095	22,910,026	21,183,507	21,602,648
Business-Type Activities:										
Food Service	627,754	543,200	557,431	507,584	492,966	492,882	456,567	454,876	435,918	428,229

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Total Business-Type Activities Expense	627,754	543,200	557,431	557,431	507,584	492,966	492,882	456,567	454,876	435,918
Total District Expenses	\$ 30,755,147	\$ 28,059,847	\$ 26,671,902	\$ 24,308,889	\$ 24,357,363	\$ 23,357,831	\$ 22,124,977	\$ 23,366,593	\$ 21,638,383	\$ 22,038,566
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	\$ 8,907,547	\$ 6,890,195	\$ 5,987,808	\$ 1,552,107	\$ 1,413,420	\$ 1,231,133	\$ 1,570,644	\$ 1,111,328	\$ 988,684	\$ 1,841,088
Total Governmental Activities Program Revenues	8,907,547	6,890,195	5,987,808	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328	988,684	1,841,088
Business-Type Activities:										
Charges for Services:										
Food Service	162,946	159,399	157,092	157,312	176,417	189,184	204,711	202,455	224,301	204,420
Operating Grants & Contributions	417,341	402,724	361,723	351,480	327,295	319,159	273,323	265,703	226,424	213,746
Total Business Type Activities Program Revenues	580,287	562,123	518,815	508,792	503,712	508,343	478,034	468,158	450,725	418,166
Total District Program Revenues	\$ 9,487,834	\$ 7,452,318	\$ 6,506,623	\$ 2,060,899	\$ 1,917,132	\$ 1,739,476	\$ 2,048,678	\$ 1,579,486	\$ 1,439,409	\$ 2,259,254
Net (Expense)/Revenue:										
Governmental Activities	\$ (21,219,846)	\$ (20,626,452)	\$ (20,126,663)	\$ (22,199,351)	\$ (22,436,359)	\$ (21,633,732)	\$ (20,061,451)	\$ (21,798,698)	\$ (20,194,823)	\$ (19,761,560)
Business-Type Activities	(47,467)	18,923	(38,616)	(48,639)	(3,872)	15,377	(14,848)	11,591	(4,151)	(17,752)
Total Government-Wide Net Expense	\$ (21,267,313)	\$ (20,607,529)	\$ (20,165,279)	\$ (22,247,990)	\$ (22,440,231)	\$ (21,618,355)	\$ (20,076,299)	\$ (21,787,107)	\$ (20,198,974)	\$ (19,779,312)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes, Levied for General Purposes, Net	\$ 7,747,495	\$ 7,595,583	\$ 7,321,322	\$ 6,954,492	\$ 6,757,223	\$ 6,624,728	\$ 6,494,831	\$ 6,542,351	\$ 6,734,700	\$ 6,720,955
Taxes Levied for Debt Service	742,645	739,826	753,298	782,957	802,679	710,279	713,831	647,465	565,145	518,526
Federal & State Aid Not Restricted	11,016,740	10,873,114	11,034,555	12,783,182	12,809,002	12,438,046	12,054,194	11,646,039	11,186,373	9,643,411
Transportation Fees from Other LEA's	-	-	-	-	28,180	43,095	43,318	49,696	61,622	49,418
Tuition Received	1,338,074	1,326,805	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225
Investment Earnings	-	-	-	-	-	-	19,474	38,456	41,577	71,516
Miscellaneous Income	366,089	244,666	277,080	226,738	195,941	221,597	259,795	233,981	224,648	216,197
Transfers In	100,000	-	-	-	-	-	-	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	-	-	-	-	63,484
Total Governmental Activities	21,311,043	20,779,994	20,931,072	22,524,955	22,387,990	21,789,580	21,394,185	20,857,218	20,279,946	18,591,248
Business-Type Activities:										
Miscellaneous Income	810	679	587	1,770	8,981	2,234	773	1,064	1,525	2,752
Investment Earnings	-	-	-	-	-	-	-	-	-	-
Total Business-Type Activities	810	679	587	1,770	8,981	2,234	773	1,064	1,525	2,752
Total Government-Wide	\$ 21,311,853	\$ 20,780,673	\$ 20,931,659	\$ 22,526,725	\$ 22,396,971	\$ 21,791,814	\$ 21,394,958	\$ 20,858,282	\$ 20,281,471	\$ 18,594,000
Change in Net Position:										
Governmental Activities	\$ 91,197	\$ 153,542	\$ 804,409	\$ 325,604	\$ (48,369)	\$ 155,848	\$ 1,332,734	\$ (941,480)	\$ 85,123	\$ (1,170,312)
Business-Type Activities	(46,657)	19,602	2,978	(46,869)	5,109	17,611	(14,075)	12,655	(2,626)	(15,000)
Total District	\$ 44,540	\$ 173,144	\$ 807,387	\$ 278,735	\$ (43,260)	\$ 173,459	\$ 1,318,659	\$ (928,825)	\$ 82,497	\$ (1,185,312)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
General Fund:										
Restricted	\$ 1,099,660	\$ 1,214,836	\$ 1,175,153	\$ 653,967	\$ 748,070	\$ 1,087,016	\$ 1,074,844	\$ 972,701	\$ 1,958,413	\$ 1,085,311
Committed	-	-	-	-	-	-	10,595	-	-	-
Assigned	624,269	379,346	-	63,909	139,202	135,702	460,125	-	-	-
Unassigned	(580,378)	(566,389)	(14,513)	-	-	-	(491,896)	(574,257)	(571,196)	163,173
Total General Fund	\$ 1,143,551	\$ 1,027,793	\$ 1,160,640	\$ 717,876	\$ 887,272	\$ 1,222,718	\$ 1,053,668	\$ 398,444	\$ 1,387,217	\$ 1,248,484
All Other Governmental Funds:										
Unassigned, Reported in:										
Special Revenue Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (37,770)	\$ (29,054)	\$ (28,817)	\$ (60,459)
Committed, Reported in:										
Capital Projects Fund	-	-	-	-	-	117,575	-	-	-	-
Assigned, Reported in:										
Capital Projects Fund	-	-	-	-	339	6,956	6,955	141,543	138,642	75,158
Debt Service Fund	-	-	2,339	43,891	42,631	1,426	1,186	10,987	10,987	17,813
Total All Other Governmental Funds	\$ -	\$ -	\$ 2,339	\$ 43,891	\$ 42,970	\$ 125,957	\$ (29,629)	\$ 112,489	\$ 120,812	\$ 32,512

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues:										
Tax Levy	\$ 8,490,140	\$ 8,335,409	\$ 8,074,620	\$ 7,737,449	\$ 7,559,902	\$ 7,335,007	\$ 7,208,662	\$ 7,189,816	\$ 7,299,845	\$ 7,239,481
Tuition Charges	1,338,074	1,326,805	1,544,817	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225
Transportation Fees from Other LEA's	-	-	-	-	28,180	43,095	43,318	49,696	61,622	49,418
Miscellaneous	366,089	244,666	277,080	226,738	195,941	221,597	279,269	272,437	266,225	287,713
State Sources	14,317,574	13,802,720	13,674,531	13,371,948	13,392,080	12,482,497	12,460,999	10,117,235	11,438,750	10,807,947
Federal Sources	1,009,839	1,029,859	1,000,621	963,341	830,342	1,186,682	1,146,407	2,640,132	736,307	676,552
Total Revenue	25,521,716	24,739,459	24,571,669	24,077,062	23,801,410	23,020,713	22,947,397	21,968,546	21,205,146	20,432,336
Expenditures:										
Instruction:										
Regular Instruction	5,982,996	5,996,924	5,867,204	5,865,590	6,024,334	5,950,519	6,924,562	7,167,885	6,590,020	6,532,978
Special Education Instruction	3,108,921	3,016,477	2,970,421	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747
Other Special Instruction	780,412	731,983	740,084	759,339	696,434	695,768	662,739	702,155	235,547	249,088
Other Instruction	49,804	57,238	96,864	124,161	181,453	212,669	147,203	214,471	657,437	580,387
Support Services:										
Tuition	1,766,844	1,868,906	2,068,705	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293
Student & Instruction Related Services	1,653,130	1,555,676	1,541,710	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678
General & Business Administration Services	747,805	704,236	696,462	694,394	753,134	770,291	642,939	657,071	1,126,430	941,837
School Administrative Services	1,387,022	1,347,570	1,353,201	1,367,326	1,216,575	1,151,590	885,517	850,567	394,632	394,849
Plant Operations & Maintenance	1,716,279	1,782,317	1,657,994	1,720,742	1,652,629	1,643,393	1,643,389	1,775,031	1,733,912	1,632,892
Pupil Transportation	446,207	468,566	476,761	434,138	464,998	415,270	333,049	331,728	325,348	309,040
Employee Benefits	6,874,538	6,396,582	5,675,158	5,758,178	5,825,529	4,946,063	4,548,293	4,941,479	4,336,615	4,619,445
Capital Outlay	249,355	206,005	182,358	829,083	280,635	777,309	921,118	320,087	295,469	514,770
Debt Service:										
Principal	575,000	560,000	645,000	613,000	570,000	495,000	730,000	545,000	415,000	340,000
Interest & Other Charges	167,645	182,165	198,535	213,998	248,339	255,878	274,843	288,052	336,822	320,334
Total Expenditures	25,505,958	24,874,645	24,170,457	24,870,537	24,219,843	23,446,077	22,544,292	22,965,643	21,041,597	20,636,338
Excess (Deficiency) of Revenues Over/(Under) Expenditures	15,758	(135,186)	401,212	(793,475)	(418,433)	(425,364)	403,105	(997,097)	163,549	(204,002)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Other Financing Sources/(Uses):										
Proceeds from Borrowing	-	-	-	-	-	750,000	-	-	-	513,000
Capital Lease (Nond budgeted)	-	-	-	625,000	-	-	110,000	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	-	-	-	63,484	-
Transfers in	100,000	-	-	339	6,964	15,393	150,368	139,479	2,061	8,924
Transfers Out	-	-	-	(339)	(6,964)	(15,393)	(150,368)	(139,479)	(2,061)	(8,924)
Total Other Financing Sources/(Uses)	100,000	-	-	625,000	-	750,000	110,000	-	63,484	513,000
Net Change in Fund Balances	\$ 115,758	\$ (135,186)	\$ 401,212	\$ (168,475)	\$ (418,433)	\$ 324,636	\$ 513,105	\$ (997,097)	\$ 227,033	\$ 308,998
Debt Service as a Percentage of Noncapital Expenditures	3.0%	3.1%	3.6%	3.6%	3.5%	3.4%	4.9%	3.8%	3.8%	3.4%

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

FISCAL YEAR ENDING JUNE 30,	DELANCO CST	PRIOR YEAR A/P CANCELLED	PRIOR YEAR REFUNDS	INTEREST	FINES	MISCELLANEOUS	TOTAL
2017	\$ 181,824	483	591	\$ 12,201	\$ 733	\$ 170,257	\$ 366,089
2016	226,103	-	-	23	-	18,540	244,666
2015	231,352	-	37,725	2,395	524	5,071	277,067
2014	201,210	9,314	8,927	2,357	2,128	2,789	226,725
2013	184,115	-	-	2,185	279	2,280	188,859
2012	189,242	3,260	7,018	3,308	1,842	15,812	220,482
2011	185,131	44,389	14,027	19,129	483	15,765	278,924
2010	221,519	-	9,688	37,619	2,774	-	271,600
2009	212,824	-	6,215	39,516	1,624	3,985	264,164
2008	179,489	-	11,757	71,516	2,666	13,361	278,789

Source: District records

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY,
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	VACANT LAND	RESIDENTIAL	FARM REG.	QFARM	COMMERCIAL	INDUSTRIAL	TOTAL ASSESSED VALUE	LESS: TAX EXEMPT PROPERTY	PUBLIC UTILITIES	NET VALUATION TAXABLE	TOTAL DIRECT SCHOOL TAX RATE	ESTIMATED ACTUAL (COUNTY EQUALIZED) VALUE
2017	N/A	N/A	N/A	N/A	N/A	N/A	438,314,450	N/A	N/A	433,942,950	1.937	433,942,850
2016	N/A	N/A	N/A	N/A	N/A	N/A	438,314,450	N/A	N/A	438,314,450	1.937	438,314,350
2015	N/A	N/A	N/A	N/A	N/A	N/A	439,090,250	N/A	N/A	439,090,250	1.815	423,780,750
2014	N/A	N/A	N/A	N/A	N/A	N/A	444,648,262	N/A	N/A	444,648,262	1.733	433,814,119
2013	N/A	N/A	N/A	N/A	N/A	N/A	446,303,109	N/A	N/A	446,303,109	1.687	460,260,350
2012	N/A	N/A	N/A	N/A	N/A	N/A	448,022,696	N/A	N/A	448,022,696	1.638	506,734,402
2011	N/A	N/A	N/A	N/A	N/A	N/A	447,840,953	N/A	N/A	447,840,953	1.602	519,819,340
2010	N/A	N/A	N/A	N/A	N/A	N/A	449,856,565	N/A	N/A	449,856,565	1.588	544,202,736
2009	N/A	N/A	N/A	N/A	N/A	N/A	452,645,250	N/A	N/A	452,645,250	1.610	563,110,539
2008	N/A	N/A	N/A	N/A	N/A	N/A	452,645,250	N/A	N/A	452,645,250	1.600	530,120,118

Source: Abstract of Rates Burlington County, Burlington County Abstract of Rates:

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation. Reassessment occurs when ordered by the County Board of Taxation

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Company;
- b. Tax rates are per \$100
- N/A - Not Available

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS
(Rate per \$100 of Assessed Value)**

FISCAL YEAR ENDED JUNE 30,	SCHOOL DISTRICT DIRECT RATE		OVERLAPPING RATES		TOTAL DIRECT AND OVERLAPPING TAX RATE
	BASIC RATE ^a	TOTAL DIRECT	TOWNSHIP OF RIVERSIDE	BURLINGTON COUNTY	
2016	1.937	1.937	1.053	0.395	3.385
2015	1.898	1.898	1.022	0.329	3.249
2014	1.815	1.815	0.981	0.327	3.123
2013	1.687	1.687	0.919	0.350	2.956
2012	1.638	1.638	0.860	0.358	2.856
2011	1.602	1.602	0.812	0.458	2.872
2010	1.588	1.588	0.893	0.472	2.953
2009	1.610	1.610	0.845	0.455	2.910
2008	1.600	1.600	0.808	0.410	2.818

Source: Burlington County Board of Taxation

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

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2017		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
River Terrace Associates	\$ 3,500,000		0.799%
Remy Investments	2,550,000		0.582%
Riverside Garden Apartments	2,000,000		0.456%
Riverside Norse LLC	1,500,000		0.342%
Watchcase Joint Venture Assoc.	1,545,000		0.352%
Monroe Premier Properties	1,420,000		0.324%
Keymar Inc	1,200,000		0.274%
PSEG	1,131,200		0.258%
Teacher Org at Riverside LLC	1,000,000		0.228%
Verizon	950,000		0.217%
Total	\$ 16,796,200		3.832%

Teicher Org. at Riverside, LLC

2008		
TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
TOTAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	TAXES LEVIED FOR THE FISCAL YEAR	COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY ^a		COLLECTIONS IN SUBSEQUENT YEARS
		AMOUNT	PERCENTAGE OF LEVY	
2017	\$ 15,297,184	\$ 14,855,750	97.11%	-
2016	15,217,559	15,217,559	100.00%	-
2015	15,009,151	14,484,000	96.50%	-
2014	14,550,840	13,843,998	95.14%	-
2013	14,250,161	13,793,192	96.79%	-
2012	13,924,082	13,496,563	96.93%	-
2011	13,611,587	13,132,866	96.48%	-
2010	13,253,136	13,250,069	99.98%	-
2009	13,363,723	12,930,871	96.76%	-
2008	13,206,099	12,720,521	96.32%	-

Source: District records including the Certificate and Report of School Taxes (A4F Form)

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

Source: Municipal Financial Statements

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(Dollars in Thousands, Except per Capita)

FISCAL YEAR ENDED JUNE 30,	GOVERNMENTAL ACTIVITIES			CAPITAL LEASES	TOTAL DISTRICT	PERCENTAGE OF PERSONAL INCOME	PER CAPITA
	GENERAL OBLIGATION BONDS	CERTIFICATES OF PARTICIPATION					
2017	\$ 3,965,000	\$ -	\$ -	\$ 127,892	\$ 4,092,892	N/A	N/A
2016	4,540,000	-	-	254,322	4,794,322	N/A	N/A
2015	5,100,000	-	-	402,513	5,502,513	N/A	N/A
2014	5,745,000	-	-	548,448	6,293,448	N/A	783.84
2013	6,358,000	-	-	67,171	6,425,171	1.55%	799.05
2012	6,928,000	-	-	87,984	7,015,984	1.70%	869.07
2011	6,843,000	-	-	110,000	6,953,000	1.74%	861.16
2010	7,318,000		265,000	-	7,583,000	1.97%	938.03
2009	7,738,000		380,000	-	8,118,000	2.23%	1,057.44
2008	7,918,000		615,000	-	8,533,000	2.32%	1,106.74

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.
a. See Exhibit J-14 for personal income and population data.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS**

FISCAL YEAR ENDED JUNE 30,	GENERAL BONDED DEBT OUTSTANDING			PERCENTAGE OF ACTUAL TAXABLE VALUE OF PROPERTY	PER CAPITA
	GENERAL OBLIGATION BONDS	DEDUCTIONS	NET GENERAL BONDED DEBT OUTSTANDING		
2017	\$ 3,965,000	\$ -	\$ 3,965,000	0.90%	N/A
2016	4,540,000	-	4,540,000	1.04%	573.16
2015	4,455,000	-	4,455,000	1.01%	557.08
2014	5,100,000	-	5,100,000	1.15%	635.20
2013	6,358,000	-	6,358,000	1.43%	790.70
2012	6,928,000	-	6,928,000	1.55%	858.17
2011	6,843,000	-	6,843,000	1.53%	847.54
2010	7,318,000	-	7,318,000	1.63%	905.24
2009	7,738,000	-	7,738,000	1.72%	1,007.95
2008	7,918,000	-	7,918,000	1.75%	1,026.98

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2017**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Riverside Township	\$ 6,536,550	100.00%	\$ 6,536,550
Burlington County General Obligation Debt	314,942,084	0.912%	2,871,733
Riverside Sewerage Authority	446,563	100.00%	446,563
Subtotal, Overlapping Debt			9,854,846
Riverside Township District Direct Debt			3,965,000
Total Direct & Overlapping Debt			<u>\$ 13,819,846</u>

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debt Limit	\$ 12,716,542	\$ 12,701,174	\$ 13,118,496	\$ 13,735,603	\$ 14,076,947	\$ 15,487,413	\$ 21,410,464	\$ 21,504,367	\$ 20,726,272	\$ 18,923,339
Total Net Debt Applicable to Limit	3,965,000	4,540,000	4,455,000	5,745,000	6,358,000	6,928,000	6,843,000	7,318,000	7,738,000	7,918,000
Legal Debt Margin	<u>\$ 8,751,542</u>	<u>\$ 8,161,174</u>	<u>\$ 8,663,496</u>	<u>\$ 7,990,603</u>	<u>\$ 7,718,947</u>	<u>\$ 8,559,413</u>	<u>\$ 14,567,464</u>	<u>\$ 14,186,367</u>	<u>\$ 12,988,272</u>	<u>\$ 11,005,339</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	31.18%	35.74%	33.96%	41.83%	45.17%	44.73%	31.96%	34.03%	37.33%	41.84%

Legal Debt Margin Calculation for Fiscal Year 2016

Equalized Valuation Basis	
2016	\$ 429,383,180
2015	\$ 419,981,014
2014	<u>422,289,995</u>
	<u>\$ 1,271,654,189</u>
	<u>\$ 423,884,730</u>
Average Equalized Valuation of Taxable Property	
Debt Limit (3 % of Average Equalization Value)	\$ 12,716,542
Net Bonded School Debt	<u>3,965,000</u>
Legal Debt Margin	<u>\$ 8,751,542</u>

Source:
Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation. Limit set by N.J.S.A.18A:24-19 for K through 12 district; other % limits would be applicable for other districts.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2016	7,921	N/A	N/A	4.50%
2015	7,997	N/A	55,227	5.50%
2014	8,029	N/A	53,747	7.20%
2013	8,041	415,169,520	51,785	7.60%
2012	8,073	413,079,324	51,390	10.10%
2011	8,074	399,478,325	49,955	9.70%
2010	8,084	384,209,364	48,047	10.00%
2009	7,677	363,766,968	47,649	5.40%
2008	7,710	368,214,180	47,816	4.00%
2007	7,768	359,619,560	46,188	5.80%

Source:

- (a) Population information provided by US Bureau of the Census; Population Division
 - (b) Personal income calculated using population and per capita personal income
 - (c) Per Capita personal income provided by the NJ Dept of Labor and Workforce Development
 - (d) Unemployment data provided by the NJ Dept of Labor and Workforce Development
- N/A - Information not available.

**PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

NOT AVAILABLE

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST EIGHT FISCAL YEARS**

Function/Program	2017	2016	2015	2014	2013	2012	2011	2010
Instruction:								
Regular	92	92	95	95	94	91	92	112
Special Education	52	54	50	51	36	42	41	28
Support Services:								
Student & Instruction Related								
Services	21	22	20	20	21	14	14	14
General Administrative	2	2	2	2	2	2	2	2
School Administrative Services	13	13	12	12	14	13	13	13
Central Services	3	3	3	3	3	3	3	3
Administrative Information Technology	1	1	1	1	1	1	1	1
Plant Operations & Maintenance	23	19	21	21	21	21	20	25
Pupil Transportation	-	-	4	-	7	7	7	8
Other Support Services	1	3	-	3	3	8	8	8
Total	208	209	208	208	202	202	201	214

Source: District Annual Budget Statement Supporting Documentation

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
OPERATING STATISTICS
LAST TEN FISCAL YEARS**

FISCAL YEAR	ENROLLMENT	OPERATING EXPENDITURES (a)	COST PER PUPIL	PERCENTAGE CHANGE	TEACHING STAFF (b)	PUPIL/TEACHER RATIO			AVERAGE DAILY ENROLLMENT (ADE) (c)	AVERAGE DAILY ATTENDANCE (ADA) (c)	% CHANGE IN AVERAGE DAILY ENROLLMENT	STUDENT ATTENDANCE PERCENTAGE
						ELEMENTARY	MIDDLE SCHOOL	SENIOR HIGH SCHOOL				
2017	1,425	\$23,134,960	16,235	0.65%	121	13:6	9:5	10:8	1,415.4	1,326.9	0.82%	93.75%
2016	1,399	22,566,779	16,131	4.13%	120	12:8	9:4	10:8	1,403.9	1,317.2	0.76%	93.82%
2015	1,404	21,748,311	15,490	0.55%	122	12:8	9:4	11:3	1,393.3	1,302.6	-5.25%	93.49%
2014	1,460	22,491,432	15,405	1.29%	120	14:6	9:5	11:2	1,470.5	1,348.2	1.78%	91.68%
2013	1,438	21,870,755	15,209	0.75%	129	13:3	9:9	9:5	1,444.8	1,348.2	4.26%	93.31%
2012	1,379	20,817,327	15,096	10.09%	127	12:4	9:2	9:5	1,385.8	1,296.2	-0.27%	93.53%
2011	1,394	19,114,880	13,712	-8.33%	132	12:4	10:0	9:9	1,389.6	1,297.1	1.85%	93.34%
2010	1,374	20,553,788	14,959	7.04%	132	11:1	9:1	10:1	1,364.4	1,274.0	-0.75%	93.37%
2009	1,398	19,537,668	13,975	19.71%	135	11:1	9:1	10:1	1,374.7	1,290.7	-4.10%	93.89%
2008	1,435	16,752,779	11,674	N/A	135	12:1	10:1	13:1	1,433.4	1,339.5	0.50%	93.45%

Sources: District records

Note: Enrollment based on annual October District count.

a. Operating expenditures equal total general fund expenditures.

b. Teaching staff includes only full-time equivalents of certificated staff

c. Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS)

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHOOL BUILDING INFORMATION
LAST TEN FISCAL YEARS**

NOT AVAILABLE

**SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS**

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

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
School Facilities										
Riverside Township School	\$164,572	\$174,381	\$128,247	128,378	141,394	155,884	59,085	59,085	59,085	59,085
Total School Facilities	\$164,572	\$174,381	\$128,247	128,378	141,394	155,884	59,085	59,085	59,085	59,085

Source: District Records

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
INSURANCE SCHEDULE
JUNE 30, 2017**

Burlington County Insurance Pool Joint Insurance Fund (BCIPJIF)	COVERAGE	RETENTION	DEDUCTIBLE
I. Property, Inland Marine & Automobile Physical Damages:			
A. Limit of Liability Per Occurrence			
Perils Included "All Risk"	\$ 175,000,000	\$ 250,000	\$ 500
B. Property Valuation:			
1. Buildings & Contents	Replacement Cost		
2. Contractors Equipment	Actual Cash Value		
3. Automobiles	Actual Cash Value		
II. Boiler & Machinery	125,000,000	None	1,000
III. Crime	500,000	250,000	500
IV. General & Automobile Liability	20,000,000	250,000	None
V. Workers' Compensation	Statutory	250,000	None
VI. Educator's Legal Liability	20,000,000	175,000	None
Excess & Reinsurance Carriers Involved:			
Property & Crime:			
SPELLJIF, Selective Ins. Co. of America			
Axis Surplus Insurance Company			
Westchester Surplus Lines Ins. Co			
Alterra Excess & Surplus Ins. Co			
Alliance Global Coporate & Specialty Marine Ins. Co			
RSUI Indemnity Company			
General Liability & Automobile Liability:			
SPELLJIF, Selective Ins. Co. of America			
Workers' Compansation:			
SPELLJIF, Selective Ins. Co. of America			
Educattors' Legal Liability:			
SPELLJIF, Selective Ins. Co. of America			
Group Purchase of Primary Insurance Coverage Carrier Array:			
Travelers Insurance Company:			
Boiler & Machinery			
ACE American Insurance Company:			
Pollution Legal Liability			
VII. Polution Legal Liability	3,000,000	None	25,000 - 100,000
VIII. Cyber Liability	1,000,000	None	25,000
IX. Violent Malicious Acts	1,000,000	None	15,000
X. Disaster Management Services	2,000,000	None	15,000

Source: District records

SINGLE AUDIT SECTION

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HOLMAN | FRENIA
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EXHIBIT K-1

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

Honorable President and Members
of the Board of Education
Riverside Township Public School District
County of Burlington
Riverside, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Township Public School District, as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the Riverside Township Public School District’s basic financial statements, and have issued our report thereon dated September 30, 2017.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Riverside Township Public 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 Riverside Township Public School District’s internal control.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, 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,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
September 30, 2017



EXHIBIT K-2

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

Honorable President and Members
of the Board of Education
Riverside Township Public School District
County of Burlington
Riverside, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Riverside Township Public School District’s compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the School District’s major federal and state programs for the fiscal year ended June 30, 2017. The Riverside Township Public 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 Riverside Township Public 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; Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); New Jersey OMB’s Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*; and the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards, the Uniform Guidance and New Jersey OMB’s Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the School District’s compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

In our opinion, the Riverside Township Public School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2017.

Report on Internal Control Over Compliance

Management of the Riverside Township Public School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered 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 New Jersey OMB's Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of 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 New Jersey OMB's Circular 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Certified Public Accountant
Public School Accountant, No. 1148

Medford, New Jersey
September 30, 2017

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**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2017**

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM/TITLE OR CLUSTER	CFDA NUMBER	FEDERAL AWARD IDENTIFICATION NUMBER	PASS THROUGH ENTITY NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2016	CASH RECEIVED	BUDGETARY EXPENDITURES	PASSED THROUGH TO SUBRECIPIENTS	UNEARNED REVENUE	JUNE 30, 2017 (ACCOUNTS RECEIVABLE)
U.S. Department of Agriculture											
Passed through New Jersey Department of Agriculture:											
Child Nutrition Cluster:											
Food Distribution Program (Noncash Assistance)	10.555	1717NJ304N1099	Unavailable	\$ 35,839	7/1/16-6/30/17	\$ -	\$ 35,839	(33,716)	-	\$ 2,123	-
Food Distribution Program (Noncash Assistance)	10.555	1616NJ304N1099	Unavailable	49,241	7/1/15-6/30/16	2,459	-	(2,459)	-	-	-
Healthy Hunger-Free Kids Act	10.555	1717NJ304N1099	100-010-3350-026	7,971	7/1/16-6/30/17	-	7,481	(7,971)	-	-	(490)
Healthy Hunger-Free Kids Act	10.555	1616NJ304N1099	100-010-3350-026	7,807	7/1/15-6/30/16	(379)	379	-	-	-	-
National School Lunch Program	10.555	1717NJ304N1099	100-010-3350-026	320,805	7/1/16-6/30/17	-	300,462	(320,805)	-	-	(20,343)
National School Lunch Program	10.555	1616NJ304N1099	100-010-3350-026	297,276	7/1/15-6/30/16	(14,929)	14,929	-	-	-	-
Subtotal						(12,849)	359,090	(364,951)	-	2,123	(20,833)
School Breakfast Program	10.553	1717NJ304N1099	100-010-3350-028	46,456	7/1/16-6/30/17	-	43,750	(46,456)	-	-	(2,706)
School Breakfast Program	10.553	1616NJ304N1099	100-010-3350-028	43,293	7/1/15-6/30/16	(2,162)	2,162	-	-	-	-
Subtotal						(2,162)	45,912	(46,456)	-	-	(2,706)
Special Milk Program	10.556	1717NJ304N1099	100-010-3350-027	892	7/1/16-6/30/17	-	826	(892)	-	-	(66)
Special Milk Program	10.556	1616NJ304N1099	100-010-3350-027	689	7/1/15-6/30/16	(36)	36	-	-	-	-
Subtotal						(36)	862	(892)	-	-	(66)
Total Child Nutrition Cluster						(15,047)	405,864	(412,299)	-	2,123	(23,605)
Total U.S. Department of Agriculture						(15,047)	405,864	(412,299)	-	2,123	(23,605)
U.S. Department of Health and Human Services											
Passed through New Jersey Department of Human Services:											
Medical Assistance Program (SEMI)	93.778	1705NJMAP	100-054-7540-211	42,697	7/1/16-6/30/17	-	42,697	(42,697)	-	-	-
Medical Assistance Program (SEMI)	93.778	1605NJMAP	100-054-7540-211	35,619	7/1/15-6/30/16	(18,881)	18,881	-	-	-	-
Medical Assistance Program (SEMI)- ARRA	93.778	1705NJMAP	100-054-7540-211	4,269	7/1/16-6/30/17	-	4,269	(4,269)	-	-	-
Total U.S. Department of Health and Human Services						(18,881)	65,847	(46,966)	-	-	-
U.S. Department of Education											
Passed through New Jersey Department of Education:											
No Child Left Behind (N.C.L.B.):											
Title I - Part A	84.010	S010A150030	100-034-5064-194	533,878	7/1/16-6/30/17	-	390,399	(533,878)	-	-	(143,479)
Title I - Part A	84.010	S010A150030	100-034-5064-194	544,054	7/1/15-6/30/16	(151,560)	151,560	-	-	-	-
Subtotal						(151,560)	541,959	(533,878)	-	-	(143,479)
Title IIA - Part A	84.367	S367A160029	100-034-5063-290	33,693	7/1/16-6/30/17	-	24,066	(33,693)	-	-	(9,627)
Title IIA - Part A	84.367	S367A150029	100-034-5063-290	36,448	7/1/15-6/30/16	(10,414)	10,414	-	-	-	-
Subtotal						(10,414)	34,480	(33,693)	-	-	(9,627)
Title III - English Language Acquisition	84.365	S365A160009	100-034-5064-187	25,413	7/1/16-6/30/17	-	18,379	(25,412)	-	-	(7,033)
Title III - English Language Acquisition	84.365	S365A150009	100-034-5064-187	15,062	7/1/15-6/30/16	(6,688)	6,688	-	-	-	-
Title III - Immigrant	84.365	S365A160009	100-034-5064-187	6,122	7/1/16-6/30/17	-	6,122	(6,122)	-	-	-
Subtotal						(6,688)	31,189	(31,534)	-	-	(7,033)
I.D.E.A. - Part B (Special Education Cluster)											
Basic	84.027	H027A160100	100-034-5065-016	353,733	7/1/16-6/30/17	-	302,169	(353,733)	-	-	(51,564)
Basic	84.027	H027A150100	100-034-5065-016	368,703	7/1/15-6/30/16	(30,714)	30,714	-	-	-	-
Subtotal						(30,714)	332,883	(353,733)	-	-	(51,564)
Preschool	84.173	H173A160114	100-034-5065-020	9,741	7/1/16-6/30/17	-	1,138	(9,741)	-	-	(8,603)
Preschool	84.173	H173A150114	100-034-5065-020	9,597	7/1/16-6/30/17	(9,303)	9,303	(294)	-	-	(294)
Subtotal						(9,303)	10,441	(10,035)	-	-	(8,897)
Total Special Education Cluster						(40,017)	343,324	(363,768)	-	-	(60,461)
Total U.S. Department of Education						(208,679)	950,952	(962,873)	-	-	(220,600)
Total Expenditures of Federal Awards						(242,607)	1,422,663	(1,422,138)	-	\$ 2,123	(244,205)

RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2017

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2016	CASH RECEIVED	BUDGETARY EXPENDITURES	SUB RECIPIENT EXPENDITURES	(ACCOUNTS RECEIVABLE) JUNE 30, 2017	UNEARNED REVENUE JUNE 30, 2017	MEMO		
										BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES	
State Department of Education:												
General Fund:												
Equalization Aid	495-034-5120-078	\$10,044,390	7/1/16-6/30/17	\$ -	\$ 10,044,390	\$ (10,044,390)	\$ -	\$ -	\$ -	\$ 908,625	\$ 10,044,390	
Special Education Categorical Aid	495-034-5120-089	702,734	7/1/16-6/30/17	-	702,734	(702,734)	-	-	-	63,570	702,734	
Security Aid	495-034-5120-084	85,315	7/1/16-6/30/17	-	85,315	(85,315)	-	-	-	7,718	85,315	
Under Adequacy Aid	495-034-5120-096	19,179	7/1/16-6/30/17	-	19,179	(19,179)	-	-	-	1,735	19,179	
Per Pupil Growth Aid	495-034-5120-097	12,640	7/1/16-6/30/17	-	12,640	(12,640)	-	-	-	1,143	12,640	
PARCC Readiness Aid	495-034-5120-098	12,640	7/1/16-6/30/17	-	12,640	(12,640)	-	-	-	1,143	12,640	
Professional Learning Community Aid	495-034-5120-101	12,630	7/1/16-6/30/17	-	12,630	(12,630)	-	-	-	1,143	12,630	
Transportation Aid	495-034-5120-014	50,406	7/1/16-6/30/17	-	50,406	(50,406)	-	-	-	4,560	50,406	
Extraordinary Aid - Current Year	495-034-5120-044	49,628	7/1/16-6/30/17	-	49,628	(49,628)	-	-	-	-	49,628	
Extraordinary Aid - Prior Year	100-010-3350-473	33,494	7/1/15-6/30/16	(33,494)	33,494	-	-	-	-	-	-	
Reimbursed TPAF Social Security	495-034-5094-003	718,131	7/1/16-6/30/17	-	683,332	(718,131)	-	-	-	-	718,131	
Reimbursed TPAF Social Security	495-034-5094-003	721,372	7/1/15-6/30/16	(34,922)	34,922	-	-	(34,799)	-	-	-	
Noncash Assistance:												
On Behalf TPAF Pension Contribution	495-034-5094-001	1,070,450	7/1/16-6/30/17	-	1,070,450	(1,070,450)	-	-	-	-	1,070,450	
On Behalf TPAF Medical Contribution	495-034-5094-001	891,928	7/1/16-6/30/17	-	891,928	(891,928)	-	-	-	-	891,928	
On Behalf TPAF Long Term Disability Insurance Contribution	495-034-5094-004	1,811	7/1/16-6/30/17	-	1,811	(1,811)	-	-	-	-	1,811	
Total General Fund Assistance												
				(68,416)	13,655,871	(13,671,882)	-	(84,427)	-	989,637	13,671,882	
Special Revenue Fund:												
Preschool Education Aid	100-034-5120-086	551,685	7/1/16-6/30/17	561,470	600,046	(665,480)	-	-	496,036	-	665,480	
Total Special Revenue Fund Assistance												
				561,470	600,046	(665,480)	-	-	496,036	-	665,480	
Enterprise Fund:												
National School Lunch Program (State Share)	100-010-3350-023	6,802	7/1/16-6/30/17	-	6,380	(6,802)	-	(422)	-	-	6,802	
National School Lunch Program (State Share)	100-010-3350-023	6,618	7/1/15-6/30/16	(324)	324	-	-	-	-	-	-	
Total Enterprise Fund Assistance												
				(324)	6,704	(6,802)	-	(422)	-	-	6,802	
Total State Financial Assistance												
				492,730	14,262,621	(14,344,164)	\$ -	\$ (84,849)	\$ 496,036	\$ 989,637	\$ 14,344,164	
State Financial Assistance Programs not subject to Calculation for Major Program Determination:												
On Behalf TPAF Pension Contribution	495-034-5094-001	1,070,450	7/1/16-6/30/17	-	1,070,450	(1,070,450)	-	-	-	-	1,070,450	
On Behalf TPAF Medical Contribution	495-034-5094-001	891,928	7/1/16-6/30/17	-	891,928	(891,928)	-	-	-	-	891,928	
On Behalf TPAF Long Term Disability Insurance Contribution	495-034-5094-004	1,811	7/1/16-6/30/17	-	1,811	(1,811)	-	-	-	-	1,811	
Total State Financial Assistance subject to Calculation for Major Program Determination												
				-	-	-	-	-	-	-	-	
The accompanying Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.												

**RIVERSIDE TOWNSHIP PUBLIC 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 present the activity of all federal awards and state financial assistance programs of the Riverside Township School District. The School District is defined in Note 1 of the 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 New Jersey OMB's Circular 15-08, *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 is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Summary of Significant Accounting Policies

The accompanying schedules of expenditures of federal awards and state financial assistance are presented using the budgetary basis of accounting with the following exception: programs recorded in the enterprise fund are presented using the accrual basis of accounting and programs recorded in the capital projects fund are presented using the modified accrual basis of accounting. These bases of accounting are described in Note 1 to the School District's basic financial statements. The information in this schedule 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* and New Jersey OMB's Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

The School District did not elect the 10-percent de minimis indirect cost rate as discussed in 2 CFR 200.414.

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the School District for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

Note 3. Relationship to Basic Financial Statements

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

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE
FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Note 3. Relationship to Basic Financial Statements (continued)

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the 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 grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(16,661) for the general fund and \$0 for the special revenue fund. See Exhibit C-3 Note A of the basic financial statements, 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 Fund	\$ 46,966	\$ 13,652,094	\$ 13,699,060
Special Revenue Fund	962,873	665,480	1,628,353
Food Service Fund	<u>409,840</u>	<u>6,802</u>	<u>416,642</u>
Total Awards & Financial Assistance	<u>\$ 1,419,679</u>	<u>\$ 14,324,376</u>	<u>\$ 15,744,055</u>

Note 4. Relationship to Federal and State Financial Reports

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

Note 5. Federal and State Loans Outstanding

The Riverside Township Public School District had no loan balances outstanding at June 30, 2017.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued Unmodified

Internal control over financial reporting:

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

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

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal control over major programs:

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

2) 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 2 CFR 200 section .516(a) of 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>
<u>84.027</u>	<u>H027A160100</u>	<u>Special Education Cluster (I.D.E.A. Basic & Preschool)</u>
<u>84.173</u>	<u>H173A160114</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>

Dollar threshold used to determine Type A programs \$750,000

Auditee qualified as low-risk auditee? X yes no

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section I - Summary of Auditor's Results (continued)

State Financial Assistance

Dollar threshold used to determine Type A programs _____ \$750,000 _____

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

Internal control over major programs:

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

 2) Significant deficiency(ies) identified? _____ yes _____ X _____ no

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 OMB's Circular 15-08? _____ yes _____ X _____ no

Identification of major programs:

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
_____ 495-034-5120-078 _____	_____ Equalization Aid _____
_____ 495-034-5120-085 _____	_____ Adjustment Aid _____
_____ 495-034-5120-084 _____	_____ Categorical Security Aid _____
_____ 495-034-5120-089 _____	_____ Categorical Special Education Aid _____
_____ 495-034-5120-098 _____	_____ PARCC Readiness Aid _____
_____ 495-034-5120-097 _____	_____ Per Pupil Growth Aid _____
_____ 495-034-5120-101 _____	_____ Professional Learning Community Aid _____
_____ _____	_____ _____

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section II – Financial Statement Findings

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

None.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SCHEDULE OF FINDINGS & QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section III – Federal Awards & State Financial Assistance Findings & Questioned Costs

This section identifies the significant deficiencies, material weaknesses and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB's Circular 15-08.

FEDERAL AWARDS

None.

STATE FINANCIAL ASSISTANCE

None.

**RIVERSIDE TOWNSHIP PUBLIC SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

This section identifies the status of prior year findings related to the financial statements, 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 (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and New Jersey OMB's Circular 15-08.

Financial Statement Findings

No Prior Year Findings.

Federal Awards

No Prior Year Findings.

State Financial Assistance

No Prior Year Findings.