

RIVERSIDE BOARD OF EDUCATION

Riverside, New Jersey
County of Burlington

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

OF THE

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

RIVERSIDE, NEW JERSEY

FOR THE FISCAL YEAR ENDED JUNE 30, 2014

Prepared by

**Riverside Township Board of Education
Finance Department**

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INTRODUCTORY SECTION

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Riverside Township School District

112 E, Washington Street
Riverside, New Jersey 08075-3899
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Fax 856-461-5168

Robin A. Ehrich
Superintendent of Schools
Ext. 1111

Jodi Lennon
Business Administrator/ Board Secretary
Ext. 1112

September 17, 2014

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

Dear Board Members:

The comprehensive annual financial report of the Riverside Township School District for the fiscal year ended June 30, 2014, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections; introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the State Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1) **REPORTING ENTITY AND ITS SERVICES**, Riverside School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Riverside Township Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for the gifted and handicapped youngsters. The District completed the 2013-2014 fiscal year with an enrollment of 1,460 students. This enrollment

reflects an increase of fifty-nine students from the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years:

Average Daily Enrollment

Fiscal Year	Student Enrollment
13-14	1,470.5
12-13	1,444.8
11-12	1,385.8
10-11	1,389.6
09-10	1,364.4

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

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2014. There were \$0 in reservations of fund balance at June 30, 2014.

4) **ACCOUNTING SYSTEM AND REPORTS:** The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board

(GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements" Note 1.

5) **FINANCIAL INFORMATION AT FISCAL YEAR-END:** As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, capital projects fund and debt service fund revenues for the fiscal year ended June 30, 2013 and the fiscal year ended June 30, 2014.

Revenue	2012-13 Amount	Percent of Total	2013-14 Amount	Percent of Total
Local Sources	\$ 9,578,988	40.25%	\$9,741,773	40.46%
State Sources	13,392,080	56.27%	13,371,948	55.54%
Federal Sources	830,342	3.49%	963,341	4.00%
Total	\$23,801,410	100.0%	\$24,077,062	100.0%

The following schedule presents a summary of general fund, special revenue fund, capital projects and debt service fund expenditures for the fiscal year ended June 30, 2013 and for the fiscal year ended June 30, 2014.

Expenditures	2012-13 Amount	Percent of Total	2013-14 Amount	Percent of Total
Current Expenses	\$21,707,449	89.63%	\$21,662,349	87.10%
Capital Outlay	163,306	.67%	829,083	3.33%
Special Revenue Fund	1,413,420	5.84%	1,552,107	6.24%
Capital Projects Fund	117,329	.48%	-0-	.00%
Debt Service	818,339	3.38%	826,998	3.33%
Total Expenditures	\$24,219,843	100.0%	\$24,870,537	100.0%

6) **DEBT ADMINISTRATION:** At June 30, 2013, the District had \$548,448 outstanding in Capital Leases and \$5,745,000 in bonds.

7) **CASH MANAGEMENT:** The investment policy of the District is guided in part by state statute as detailed in "Notes to the Financial Statement", Note 2. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act

8) **RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

9) OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P. C., was selected by the Board's audit committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's report related specifically to the single audit is included in the single audit section of this report.

10) ACKNOWLEDGMENTS: We would like to express our appreciation to the members of the Riverside Township School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,

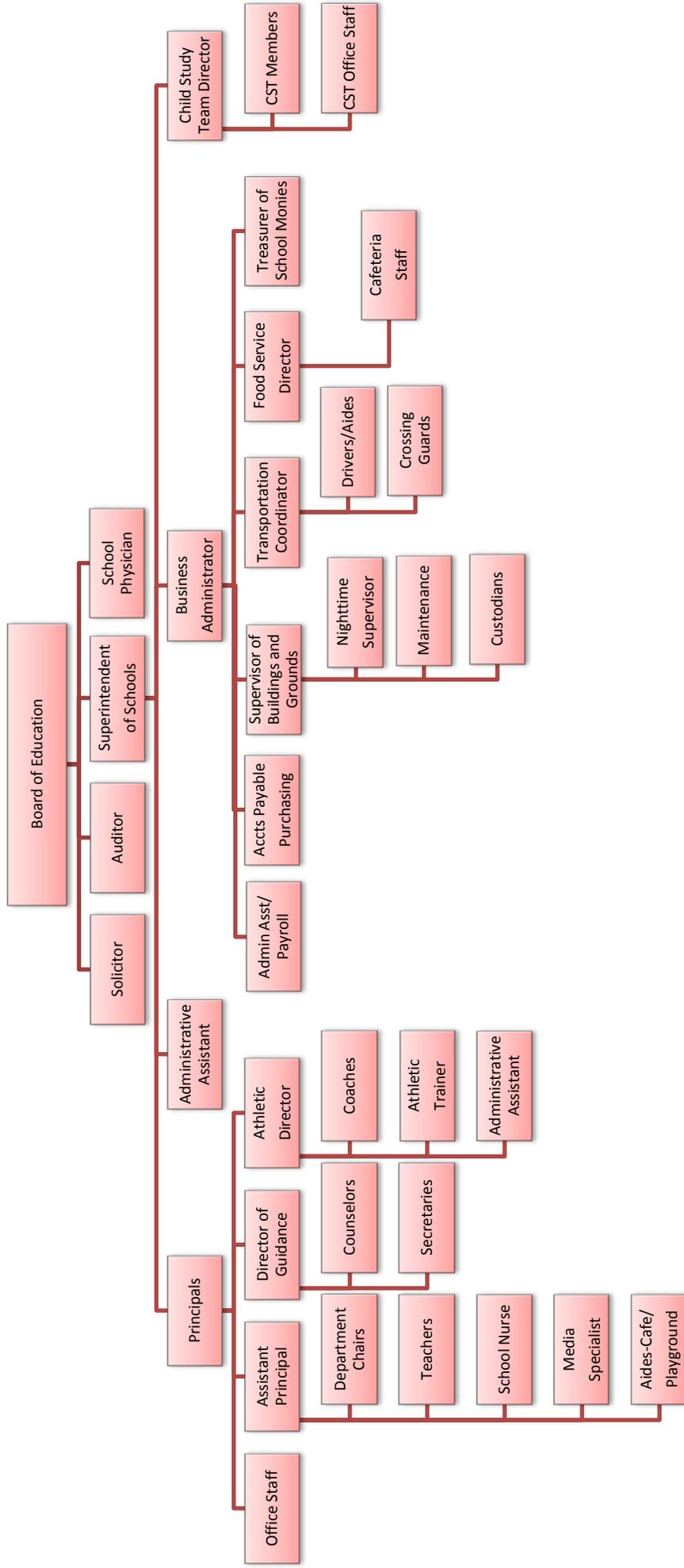


Robin A. Ehrich
Superintendent of Schools



Jodi Lennon
Business Administrator/Board Secretary

RIVERSIDE TOWNSHIP BOARD OF EDUCATION ORGANIZATIONAL CHART



RIVERSIDE TOWNSHIP BOARD OF EDUCATION

112 E. Washington Street
Riverside, New Jersey 08075

ROSTER OF OFFICIALS

JUNE 30, 2014

MEMBERS OF THE BOARD OF EDUCATION	TERM EXPIRES
Ronald Russell, President	2016
Michael DiMiero, Vice President	2014
Joseph D'Agostino	2014
James DiMiero	2014
Deborah Graf	2016
Bethann Knaub	2016
Timothy McElroy	2015
John Mongon	2015
Dean W. Potts	2014
Diane Reale	2015

OTHER OFFICIALS

- Robin A. Ehrich, Superintendent
- Jodi Lennon, Business Administrator/Board Secretary
- Eleanor Ruehmling, Treasurer of School Monies
- Capehart Scatchard, Solicitor

CONSULTANTS AND ADVISORS

AUDIT FIRM

Michael Holt, CPA, PSA
Holman Frenia Allison, P. C.
618 Stokes Road
Medford, New Jersey 08055

ATTORNEY

Joseph F. Betley
Capehart Scatchard
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Mount Laurel, New Jersey 08054

OFFICIAL DEPOSITORY

Beneficial Bank
801 Burlington Avenue
Delanco, NJ 08075

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FINANCIAL SECTION

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Riverside Board of Education
Riverside, New Jersey 08075

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 Board of Education, County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Riverside Board of Education, County of Burlington, State of New Jersey, as of June 30, 2014, 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.

Change in Accounting Principle

As discussed in Note 1 to the financial statements, during the fiscal year ended June 30, 2014 the District adopted new accounting guidance, *GASB Statement No. 65, Items Previously Reported as Assets and Liabilities*. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Riverside Board of Education's basic financial statements. The accompanying introductory section, comparative totals for June 30, 2013, and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules and statistical information are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid* respectively, and is also not a required part of the financial statements.

The combining and individual fund financial statements, long-term debt schedules and the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing

procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements, long-term debt schedules and the accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The introductory section, comparative totals for June 30, 2013, and statistical information have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no 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 17, 2014 on our consideration of the Riverside Board of Education'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 Riverside Board of Education's internal control over financial reporting and compliance.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
September 17, 2014

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REQUIRED SUPPLEMENTARY INFORMATION - PART I

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
MANAGEMENT’S DISCUSSION AND ANALYSIS
FISCAL YEAR ENDED JUNE 30, 2014**

UNAUDITED

This section of the Riverside Township Board of Education'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, 2013. 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 (2013-14) and the prior year (2012-13) 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) District-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.

District-wide financial statements

The district-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 district-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 district-wide financial statements. However, unlike the district-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 district-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the district-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 district-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 district-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 district-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 HIGHLIGHTS

Key financial highlights for the 2013-2014 fiscal year include the following:

- The General Fund's portion of the local tax levy increased from FY12-13 to FY13-14 by \$197,269.
- The General Fund's local tax levy is \$6,954,492.
- The Debt Service Fund's portion of the local tax levy for 2013-2014 is \$782,957.
- The General Fund's unassigned fund balance at 6/30/14 is \$0.
- State aid decreased by \$20,132 in 2013-2014 from 2012-2013.

District-wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The following table provides a summary of net position:

	Governmental Activities	Business-Type Activities	Total
Current & Other Assets	\$ 1,490,814	161,944	1,652,758
Capital Assets, net	9,932,957	46,908	9,979,865
Total Assets	11,423,771	208,852	11,632,623
Long-term Liabilities Outstanding	6,716,943	-	6,716,943
Other Liabilities	754,541	-	754,541
Total Liabilities	7,471,484	-	7,471,484
Unamortized Bond Issuance Premium	197,658	-	197,658
Total Deferred Inflows of Resources	197,658	-	197,658
Net Position:			
Net Investment in Capital Assets	3,639,509	46,908	3,686,417
Restricted	736,273	-	736,273
Unrestricted	(621,153)	161,944	(459,209)
Total Net Position	\$ 3,754,629	208,852	3,963,481

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 \$3,686,417.

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:

	Governmental Activities	Business-Type Activities	Total
Revenues:			
Program Revenues:			
Charges for Services	\$ -	\$ 157,312	\$ 157,312
Operating Grants & Contributions	1,552,107	351,480	1,903,587
General Revenues:			
Property Taxes	7,737,449		7,737,449
Federal & State Aid not Restricted to Specific Purposes	12,783,182		12,783,182
Miscellaneous (Includes Interest & Tuition)	2,004,324	1,770	2,006,094
Total Revenue	24,077,062	510,562	24,587,624
Expenses:			
Instructional Services	9,666,683		9,666,683
Support Services	13,547,774		13,547,774
Food Service		507,584	507,584
Interest on Long-Term Debt	340,080		340,080
Other	196,921		196,921
Total Expenses	23,751,458	507,584	24,259,042
Change in Net Position	325,604	2,978	328,582
Net Position – Beginning	3,429,025	205,874	3,634,899
Net Position – Ending	\$ 3,754,629	\$ 208,852	\$ 3,963,481

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, 2014 and the amount and percentage of increases and (decreases) in relation to prior year revenues.

	Revenue	Percent of Total	Increase/ (Decrease) From 2013	Percent of Increase/ (Decrease)
Local Sources:				
District Taxes	\$ 7,737,449	32.14%	\$177,547	2.35%
Miscellaneous	2,004,324	8.32%	(14,762)	(0.73)%
State Sources	13,371,948	55.54%	(20,132)	(0.15)%
Federal Sources	963,341	4.00%	132,999	16.02%
Total	<u>\$24,077,062</u>	<u>100.00%</u>	<u>\$275,652</u>	<u>1.16%</u>

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, 2014 and the percentage of increases and (decreases) in relation to prior year amounts.

	Expenditures	Percent	Increase/ (Decrease) From 2013	Percent of Increase/ (Decrease)
Current Expenditures:				
Instruction	\$ 9,666,682	38.87%	\$ (63,315)	(0.65)%
Undistributed	13,547,774	54.47%	156,902	1.17%
Capital Outlay	829,083	3.33%	548,448	195.43%
Debt Service	826,998	3.33%	8,659	1.06%
Total	<u>\$24,870,537</u>	<u>100.00%</u>	<u>\$ 650,694</u>	<u>2.69%</u>

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 2014, 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 District's proprietary fund provides the same type of information found in the district-wide financial statements, but in more detail.

The Food Services Enterprise fund's operating revenue decreased by \$(26,316) over the operating revenue in 2012-13, from \$185,398 to \$159,082. The net position of the food service program was \$208,852 at June 30, 2014. 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, 2014 the District had capital assets of \$9,979,865, 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 6 to the basic financial statements.

Debt Administration and Other Obligations

At June 30, 2014 the District's outstanding debt issues included \$5,745,000 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 2014-2015 budget will be adequate to satisfy all 2014-15 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 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. District-Wide Financial Statements

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2014**

ASSETS	GOVERNMENTAL ACTIVITIES	BUSINESS - TYPE ACTIVITIES	TOTALS <u> </u> JUNE 30, 2014
Cash & Cash Equivalents	\$ 829,526	\$ 26,653	\$ 856,179
Receivables, Net	564,605	131,362	695,967
Inventory	-	3,929	3,929
Restricted Assets:			
Capital Reserve Account - Cash	13,132	-	13,132
Capital Assets:			
Depreciable, Net (Note 5)	9,932,957	46,908	9,979,865
Total Assets	<u>11,340,220</u>	<u>208,852</u>	<u>11,549,072</u>
DEFERRED OUTFLOW OF RESOURCES			
Deferred Charges of Refunding of Debt	162,318	-	162,318
Total Deferred Outflow of Resources	<u>162,318</u>	<u>-</u>	<u>162,318</u>
Total Assets and Deferred Outflow of Resources	<u>11,502,538</u>	<u>208,852</u>	<u>11,711,390</u>
LIABILITIES			
Accounts Payable	285,550	-	285,550
Accrued Interest Payable	25,494	-	25,494
Unearned Revenue	359,946	-	359,946
Noncurrent Liabilities (Note 6):			
Due Within One Year	790,935	-	790,935
Due Beyond One Year	6,285,984	-	6,285,984
Total Liabilities	<u>7,747,909</u>	<u>-</u>	<u>7,747,909</u>
NET POSITION			
Net Investment in Capital Assets	3,639,509	46,908	3,686,417
Restricted For:			
Debt Service	18,397	-	18,397
Capital Projects	-	-	-
Other Purposes	717,876	-	717,876
Unrestricted	(621,153)	161,944	(459,209)
Total Net Position	<u>\$ 3,754,629</u>	<u>\$ 208,852</u>	<u>\$ 3,963,481</u>

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

FUNCTIONS/PROGRAMS	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTALS
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS & CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	
Governmental Activities:					
Instruction:					
Regular	\$ 5,865,591	\$ -	\$ -	\$ (5,865,591)	\$ (5,865,591)
Special Education	2,917,592	-	1,107,627	(1,809,965)	(1,809,965)
Other Special Instruction	759,339	-	-	(759,339)	(759,339)
Other Instruction	124,161	-	-	(124,161)	(124,161)
Support Services & Undistributed Costs:					
Tuition	2,047,607	-	-	(2,047,607)	(2,047,607)
Student & Instruction Related Services	1,525,389	-	-	(1,525,389)	(1,525,389)
School Administrative Services	1,367,326	-	444,480	(922,846)	(922,846)
General & Business Administrative Services	694,394	-	-	(694,394)	(694,394)
Plant Operations & Maintenance	1,984,658	-	-	(1,984,658)	(1,984,658)
Pupil Transportation	434,138	-	-	(434,138)	(434,138)
Employee Benefits	5,758,178	-	-	(5,758,178)	(5,758,178)
Interest & Other Changes on Long Term Debt	208,355	-	-	(208,355)	(208,355)
Unallocated Depreciation	64,730	-	-	(64,730)	(64,730)
Total Governmental Activities	\$ 23,751,458	\$ -	\$ 1,552,107	\$ (22,199,351)	\$ (22,199,351)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

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	\$ 507,584	\$ 157,312	\$ 351,480	\$ -	\$ 1,208
Total Business-Type Activities	507,584	157,312	351,480	-	1,208
Total Primary Government	24,259,042	157,312	1,903,587	(22,199,351)	1,208 (22,198,143)
General Revenues:					
Taxes:					
Property Taxes, Levied for General Purposes, Net				6,954,492	- 6,954,492
Taxes Levied for Debt Service				782,957	- 782,957
Federal & State Aid Not Restricted				12,783,182	- 12,783,182
Tuition Received				1,777,586	- 1,777,586
Miscellaneous Income				226,738	1,770 228,508
Total General Revenues, Special Items, Extraordinary Items & Transfers				22,524,955	1,770 22,526,725
Change In Net Position				325,604	2,978 328,582
Net Position - Beginning (Restated)				3,429,025	205,874 3,634,899
Net Position - Ending				\$ 3,754,629	\$ 208,852 \$ 3,963,481

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

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B. Fund Financial Statements

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Governmental Funds

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION BOARD OF EDUCATION
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2014**

(With Comparative Totals for June 30, 2013)

ASSETS	GENERAL	SPECIAL REVENUE	DEBT SERVICE	TOTALS	
				JUNE 30, 2014	JUNE 30, 2013
Cash & Cash Equivalents	\$ 604,518	\$ 181,117	\$ 43,891	\$ 829,526	\$ 768,783
Accounts Receivable:					
Receivables - Other - Net	225,202	-	-	225,202	203,210
Intergovernmental - State	85,843	-	-	85,843	84,649
Intergovernmental - Federal	6,197	247,363	-	253,560	210,953
Restricted Cash & Cash Equivalents	13,132	-	-	13,132	13,119
Total Assets	934,892	428,480	43,891	1,407,263	1,280,714
LIABILITIES & FUND BALANCES					
Liabilities:					
Accounts Payable	106,348	68,534	-	174,882	160,024
Interfund Payables	110,668	-	-	110,668	37,754
Unearned Revenue	-	359,946	-	359,946	152,694
Total Liabilities	217,016	428,480	-	645,496	350,472
Fund Balances:					
Restricted for:					
Excess Surplus - Current Year	241,338	-	-	241,338	399,497
Excess Surplus - Prior Year					
Designated for Subsequent					
Year's Expenditures	399,497	-	-	399,497	335,454
Capital Reserve Account	13,132	-	-	13,132	13,119
Assigned to:					
Designated by the BOE					
for Subsequent Year's					
Expenditures	63,909	-	-	63,909	139,202
Capital Projects Fund	-	-	-	-	339
Debt Service fund	-	-	43,891	43,891	42,631
Total Fund Balances	717,876	-	43,891	761,767	930,242
Total Liabilities & Fund Balances	\$ 934,892	\$ 428,480	\$ 43,891		

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$16,051,291 and the accumulated depreciation is \$6,118,334	\$ 9,932,957	\$ 9,583,580
Accrued interest payable is not recorded in the fund financial due to the fact that payable is not due in the current period.	(25,494)	(28,889)
Unamortized bond issuance loss on refunding net of Bond Premium is not recorded in the fund financials But is recorded on the district wide financials	(197,658)	(220,035)
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 6)	(6,716,943)	(6,835,873)
Net Position of Governmental Activities	\$ 3,754,629	\$ 3,429,025

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
FOR FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTALS	
					(MEMORANDUM ONLY)	
					JUNE 30, 2014	JUNE 30, 2013
Revenues:						
Local Sources:						
Local Tax Levy	\$ 6,954,492	\$ -	\$ -	\$ 782,957	\$ 7,737,449	\$ 7,559,902
Tuition	1,777,586	-	-	-	1,777,586	1,794,965
Transportation Fees - Other LEA's	-	-	-	-	-	28,180
Miscellaneous	226,738	-	-	-	226,738	195,941
Total Revenues - Local Sources	8,958,816	-	-	782,957	9,741,773	9,578,988
State Sources	12,708,275	618,711	-	44,962	13,371,948	13,392,080
Federal Sources	29,945	933,396	-	-	963,341	830,342
Total Revenues	21,697,036	1,552,107	-	827,919	24,077,062	23,801,410
Expenditures:						
Current Expense						
Instruction - Regular Programs	5,865,590	-	-	-	5,865,590	6,024,334
Special Education	1,809,965	1,107,627	-	-	2,917,592	2,827,776
Other Special Instruction	759,339	-	-	-	759,339	696,434
Other Instruction	124,161	-	-	-	124,161	181,453
Support Services:						
Tuition	2,047,607	-	-	-	2,047,607	1,913,565
Student & Instruction Related Services	1,525,389	-	-	-	1,525,389	1,564,442
School Administrative Services	922,846	444,480	-	-	1,367,326	1,216,575
General Administrative Services	694,394	-	-	-	694,394	753,134
Plant Operations & Maintenance	1,720,742	-	-	-	1,720,742	1,652,629
Pupil Transportation	434,138	-	-	-	434,138	464,998
Employee Benefits	5,758,178	-	-	-	5,758,178	5,825,529
Debt Service:						
Principal	-	-	-	613,000	613,000	570,000
Interest & Other Charges	-	-	-	213,998	213,998	248,339
Capital Outlay	829,083	-	-	-	829,083	280,635
Total Expenditures	22,491,432	1,552,107	-	826,998	24,870,537	24,219,843
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(794,396)	-	-	921	(793,475)	(418,433)
Other Financing Sources/(Uses):						
Capital Lease	625,000	-	-	-	625,000	-
Transfers In	-	-	-	339	339	6,964
Transfers Out	-	-	(339)	-	(339)	(6,964)
Total Other Financing Sources/(Uses)	625,000	-	(339)	339	625,000	-
Net Change in Fund Balances	(169,396)	-	(339)	1,260	(168,475)	(418,433)
Fund Balance - July 1	887,272	-	339	42,631	930,242	1,348,675
Fund Balance - June 30	\$ 717,876	\$ -	\$ -	\$ 43,891	\$ 761,767	\$ 930,242

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Total Net Change in Fund Balances - Governmental Funds (From B-2) \$ (168,475)

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:

Adjustment Due to Appraisal	\$	24,904	
Depreciation Expense		(64,730)	
Fixed Asset Disposals		(288,820)	
Capital Outlays		<u>678,023</u>	349,377

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		48,483	
Prior Year		<u>(26,106)</u>	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. 613,000

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

Current Year		(25,494)	
Prior Year		<u>28,889</u>	3,395

Increase in accrual for compensated absences (12,793)

Increase in obligations under capital lease (625,000)

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. 143,723

Change in Net Position of Governmental Activities \$ 325,604

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

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Proprietary Funds

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
PROPRIETARY FUNDS
STATEMENT OF NET POSITION
AS OF JUNE 30, 2014
(With Comparative Totals for June 30, 2013)

ASSETS	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2014	JUNE 30, 2013	
Current Assets:				
Cash & Cash Equivalents	\$ 26,653	\$ 26,653	\$ 107,680	
Accounts Receivable:				
State	774	774	334	
Federal	19,920	19,920	16,139	
Interfund Receivables	110,668	110,668	37,754	
Inventories	3,929	3,929	6,014	
Total Current Assets	161,944	161,944	167,921	
Noncurrent Assets:				
Furniture, Machinery & Equipment	191,043	191,043	170,400	
Less: Accumulated Depreciation	(144,135)	(144,135)	(132,447)	
Total Noncurrent Assets	46,908	46,908	37,953	
Total Assets	208,852	208,852	205,874	
NET POSITION				
Net Investment in Capital Assets	46,908	46,908	37,953	
Unrestricted	161,944	161,944	167,921	
Total Net Position	\$ 208,852	\$ 208,852	\$ 205,874	

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND NET POSITION
 FOR FISCAL YEAR ENDED JUNE 30, 2014
 (With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	ENTERPRISE FUNDS		(MEMORANDUM ONLY)	
	FOOD SERVICE	JUNE 30, 2014	JUNE 30, 2013	
Operating Revenues:				
Local Sources:				
Daily Sales - Reimbursable Programs	\$ 85,565	\$ 85,565	\$ 100,316	
Daily Sales - Nonreimbursable Programs	70,988	70,988	75,651	
Special Functions	759	759	450	
Miscellaneous	1,770	1,770	8,981	
	<hr/>			
Total Operating Revenue	159,082	159,082	185,398	
	<hr/>			
Operating Expenses:				
Cost of Sales	238,080	238,080	236,596	
Salaries & Benefits	159,217	159,217	153,652	
Employee Benefits	41,597	41,597	42,433	
Other Purchased Professional Services	23,320	23,320	22,990	
Cleaning, Repair & Maintenance Services	2,029	2,029	1,000	
Insurance	7,559	7,559	7,144	
General Supplies	20,534	20,534	17,114	
Miscellaneous	3,560	3,560	1,037	
Depreciation	11,688	11,688	11,000	
	<hr/>			
Total Operating Expenses	507,584	507,584	492,966	
	<hr/>			
Operating Income/(Loss)	(348,502)	(348,502)	(307,568)	
	<hr/>			
Nonoperating Revenues/(Expenses):				
State Sources:				
State School Lunch Program	6,685	6,685	6,380	
Federal Sources:				
National School Lunch Program	268,978	268,978	257,558	
Regular School Breakfast Program	38,567	38,567	36,426	
Special Milk Program	1,266	1,266	941	
Healthy Hunger-Free Kids Act	7,437	7,437	-	
Food Distribution Program	28,456	28,456	25,898	
Interest & Investment Revenue	91	91	92	
	<hr/>			
Total Nonoperating Revenues/(Expenses)	351,480	351,480	327,295	
	<hr/>			
Net Income/(Loss)	2,978	2,978	19,727	
Total Net Position - Beginning	205,874	205,874	186,147	
	<hr/>			
Total Net Position - Ending	<u>\$ 208,852</u>	<u>\$ 208,852</u>	<u>\$ 205,874</u>	

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
 PROPRIETARY FUNDS
 STATEMENT OF CASH FLOWS
 FOR FISCAL YEAR ENDED JUNE 30, 2014
 (With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES -		TOTALS	
	<u>ENTERPRISE FUNDS</u> FOOD SERVICE	JUNE 30, 2014	(MEMORANDUM ONLY) JUNE 30, 2013	
Cash Flows From Operating Activities:				
Receipts from Customers	\$ 86,168	\$ 86,168	\$	174,748
Payments to Employees	(159,217)	(159,217)	\$	(153,652)
Payments for Employee Benefits	(41,597)	(41,597)		(42,433)
Payments to Suppliers	(292,997)	(292,997)		(287,225)
Net Cash Provided by/(Used) by Operating Activities	<u>(407,643)</u>	<u>(407,643)</u>		<u>(308,562)</u>
Cash Flows From Noncapital Financing Activities:				
State Sources	6,245	6,245		6,310
Federal Sources	340,923	340,923		315,656
Net Cash Provided by/(Used) by Noncapital Financing Activities	<u>347,168</u>	<u>347,168</u>		<u>321,966</u>
Cash Flows From Capital and Related Financing Activities:				
Purchases of Capital Assets	(20,643)	(20,643)		-
Net Cash Provided by/(Used) by Capital and Related Financing Activities	<u>(20,643)</u>	<u>(20,643)</u>		<u>-</u>
Cash Flows From Investing Activities:				
Interest & Dividends	91	91		92
Net Cash Provided by/(Used) by Investing Activities	<u>91</u>	<u>91</u>		<u>92</u>
Net Increase/(Decrease) in Cash & Cash Equivalents	(81,027)	(81,027)		13,496
Balances - Beginning of Year	107,680	107,680		94,184
Balances - End of Year	<u>\$ 26,653</u>	<u>\$ 26,653</u>	<u>\$</u>	<u>107,680</u>

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (348,502)	\$ (348,502)	\$	(307,568)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:				
Depreciation & Net Amortization	11,688	11,688		11,000
(Increase)/Decrease in Accounts Receivable, Net	(72,914)	(72,914)		(10,650)
(Increase)/Decrease in Inventories	2,085	2,085		(1,344)
Total Adjustments	<u>(59,141)</u>	<u>(59,141)</u>		<u>(994)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (407,643)</u>	<u>\$ (407,643)</u>	<u>\$</u>	<u>(308,562)</u>

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

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Fiduciary Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

ASSETS	PRIVATE PUPOSE			TOTALS	
	UNEMPLOYMENT			(MEMORANDUM ONLY)	
	SCHOLARSHIP FUND	COMPENSATION TRUST	AGENCY FUNDS	JUNE 30, 2014	JUNE 30, 2013
Cash & Cash Equivalents	\$ 139,989	\$ 214,132	\$ 151,433	\$ 505,554	\$ 474,038
Interfund Receivable	2,375	-	-	2,375	810
Total Assets	142,364	214,132	151,433	507,929	474,848
LIABILITIES					
Due to Student Groups	-	-	101,186	101,186	98,381
Payroll Deductions & Withholdings	-	-	47,872	47,872	21,395
Accounts Payable	-	1,638	-	1,638	-
Interfund Payable	-	-	2,375	2,375	810
Total Liabilities	-	1,638	151,433	153,071	120,586
NET POSITION					
Reserve for Unemployment Compensation	-	212,494	-	212,494	211,756
Reserved for Scholarships	142,364	-	-	142,364	142,506
Total Net Position	\$ 142,364	\$ 212,494	\$ -	\$ 354,858	\$ 354,262

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

ADDITIONS	PRIVATE PUPOSE		TOTALS	
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	JUNE 30, 2014	(MEMORANDUM ONLY) JUNE 30, 2013
Contributions:				
Plan Members	\$ -	\$ 19,378	\$ 19,378	\$ 25,138
Other	8,515	-	8,515	27,765
Total Contributions	8,515	19,378	27,893	52,903
Investment Earnings:				
Interest	743	213	956	2,302
Net Investment Earnings	743	213	956	2,302
Total Additions	9,258	19,591	28,849	55,205
DEDUCTIONS				
Unemployment Claims	-	18,853	18,853	7,650
Scholarships Awarded	9,400	-	9,400	2,600
Total Deductions	9,400	18,853	28,253	10,250
Change in Net Position	(142)	738	596	44,955
Net Position - Beginning of the Year	142,506	211,756	354,262	309,307
Net Position - End of the Year	\$ 142,364	\$ 212,494	\$ 354,858	\$ 354,262

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2014

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2014

Note 1. Summary of Significant Accounting Policies

The financial statements of the Riverside Board of Education District (the ‘District’) have been prepared in conformity with generally accepted accounting principles (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of more significant accounting policies.

A. Reporting Entity

The Riverside Board of Education 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 Board of Education has an approximate enrollment at June 30, 2014 of 1,460 students.

B. Component Units

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

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

Based on the aforementioned criteria, the District has no component units.

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation

District-Wide Financial Statements – The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental Fund Financial Statements – The Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, interest on investments, tuition and

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (continued):

transportation. Other revenues are considered to be measurable and available only when cash is received by the state.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

D. District-Wide and Fund Financial Statements

The district-wide financial statements (the statement of net assets and the statement of activities) report information of all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these district-wide statements. District activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function, segment or component unit are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function, segment, or component unit. Program revenues include charges to customers who purchase, use or directly benefit from goods or services provided by a given function, segment or component unit. Program revenues also include grants and contributions that are restricted to meeting the operational or capital requirements of a particular function, segment, or component unit. Taxes and other items not properly included among program revenues are reported instead as general revenues. The District does not allocate general government (indirect) expenses to other functions.

Net position is restricted when constraints placed on them are either externally imposed or are imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds. However, the fiduciary funds are not included in the district-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

E. Fund Accounting

The accounts of the Riverside Board of Education District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government 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. An account group, on the other hand, is a financial reporting device designed to provide accountability for

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

E. Fund Accounting (continued):

certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into seven fund types within three broad fund categories and two account groups as follows:

Governmental Funds

General Fund - The general fund is the general operating fund of Riverside Board of Education 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 non-instructional equipment which are classified in the Capital Outlay sub-fund.

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

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

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

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

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

Proprietary Funds

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

E. Fund Accounting (continued):

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

All Proprietary funds are accounted for on a cost of services or “capital maintenance” measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total position) is segregated into contributed capital and unreserved net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Depreciation of all exhaustive capital assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

Buildings & Improvements	10-50 years
Equipment	12 years
Light Trucks & Vehicles	4 years
Heavy Trucks & Vehicles	6 years

The District’s enterprise fund is comprised of the following:

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

Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity’s own operating programs which includes private purpose trust funds and agency funds.

Private Purpose Trust Funds - used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The District currently maintains an Unemployment Trust Fund and Scholarship Fund private purpose trusts.

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

F. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and retained earnings components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Riverside Board of Education follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Riverside Board of Education's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

G. Budgets/Budgetary Control

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are approved by the County Superintendent. 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.6:20-2A(m)1*. All budget amendments must be approved by School Board resolution.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

G. Budgets/Budgetary Control (continued):

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

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

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

H. 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 reservations of fund balances at fiscal year-end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue fund for which the Riverside Board of Education has received advances are reflected in the balance sheet as deferred revenues at fiscal year-end. The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year-end.

I. Cash

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

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

I. Cash (continued):

N.J.S.A.17:9-41 et. Seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include Savings and Loan institutions, banks (both state and national banks) and savings banks the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of Governmental 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.

J. Tuition Receivable/Payable

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

These adjustments are recorded upon certification by the State Board of Education, which is normally two years following the contract year. The cumulative adjustments through June 30, 2014, which have not been recorded, are not determinable.

The tuition rate adjustments for the years 2012-2013 have been established. According to the School District's records, these amounts of adjustments are immaterial to the financial statements.

K. Inventories

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

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

L. Prepaid Expenses

Prepaid expenses, which benefit future periods, are only recorded in the government-wide financial statements and in the proprietary fund statements. Prepaid expenses in the proprietary fund represent payments made to vendors for services that will benefit periods beyond June 30, 2014. They are recorded as expenditure during the year of purchase.

M. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Riverside Board of Education and that are due within one year.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

N. Capital Assets

General capital assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the district-wide financial statements. Capital assets are defined by the District as assets, which have a cost in excess of \$2,000 at the date of acquisition and a useful life of one year or more. Donated capital assets are valued at their estimated fair market value on the date received. The general capital assets acquired or constructed were valued by an independent appraisal company. General capital assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General capital assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the district-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

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

O. Deferred Outflow of Resources

In addition to assets, the statement of financial 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. The District has only one item that qualifies for reporting in this category which is the deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunded debt results from the difference in the carrying value of the refunded debt and its acquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

P. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2014 for such salaries.

Q. Compensated Absences

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

Q. Compensated Absences (continued):

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

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

R. Unearned Revenue

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

S. Long-Term Obligations

In district-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

T. Fund Balance

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

- Non-spendable – includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- Restricted – includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- Committed – includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- Assigned – includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- Unassigned – includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2014

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

U. Net Position

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

- Net Investment in Capital Assets – This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for acquisition, construction, or improvement of those assets.
- Restricted – Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted – Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

V. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements

In March 2012, the GASB issued Statement 66, *Technical Corrections—2012*—an amendment of GASB Statements No. 10 and No. 62. GASB 66 improves accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*,

and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*. This Statement is effective for periods beginning after December 15, 2012 although the District elected to early implement Statement 62 in fiscal year 2012. The adoption of GASB 66 does not have any impact on the District's financial statements.

In March 2012, the GASB issued Statement 65, *Items Previously Reported as Assets and Liabilities*. GASB 65 establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities. This Statement is effective for periods beginning after December 15, 2012. Management has implemented this Statement in the District's financial statements for the year ended June 30, 2014 with a prior period restatement to beginning net position. See Note 19 for more information.

Recently Issued Accounting Pronouncements

In June 2012, the GASB issued Statement 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement 27*. GASB 68 improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

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

V. Impact of Recently Issued Accounting Principles (continued):

accountability and inter-period equity, and creating additional transparency. This Statement is effective for fiscal years beginning after June 15, 2014. Management is currently evaluating the impact of the adoption of this statement on the District’s financial statements.

W. Subsequent Events

The Riverside Board of Education has evaluated subsequent events occurring after June 30, 2014 through the date of September 17, 2014, which is the date the financial statements were available to be issued.

Note 2. Cash

The District is governed by the deposit and investment limitations of New Jersey state law. The cash held at June 30, 2014, are reported at carrying value as follows:

Type	Carrying Value
Deposits	
Demand Deposits	\$ 1,374,865
Total Deposits	<u>\$ 1,374,865</u>
The District's Cash is Reported as Follows:	
Government Activities	\$ 842,658
Business-Type Activities	26,653
Fiduciary Funds	<u>505,554</u>
Total Cash	<u>\$ 1,374,865</u>

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 the Governmental Unit Deposit Protection Act (GUDPA). GUDPA is a supplemental insurance program set forth by the New Jersey Legislature to protect the deposits of local governmental agencies. The program is administered by the Commissioner of the New Jersey Department of Banking and Insurance. Under the Act, the first \$250,000 of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA.

However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity funds or funds that may pass to the Board relative to the happening of a future condition. Such funds are

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 2. Cash (continued):

shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2014, the District's bank balance of \$1,957,010 was exposed to custodial credit risk as follows:

Insured Under FDIC	\$ 401,939
Uninsured and uncollateralized	627,661
Collateralized in the District's Name Under GUDPA	<u>927,410</u>
 Total	 <u><u>\$1,957,010</u></u>

Note 3. Capital Reserve Account

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

The activity of the capital reserve for the July 1, 2013 to June 30, 2014 fiscal year is as follows:

Beginning Balance, July 1, 2013	\$ 13,119
Interest Earnings	<u>13</u>
Ending Balance, June 30, 2014	<u><u>\$ 13,132</u></u>

The June 30, 2014 LRFP balance of local support costs of uncompleted capital projects at June 30, 2014 is \$10,154,000. The withdrawals from the capital reserve were used in a DOE approved facilities project, consistent with the district's Long Range Facilities Plan.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 4. Accounts Receivable

Accounts receivable at June 30, 2014 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major funds, in the aggregate, are as follows:

	General Fund	Special Revenue Fund	Proprietary Funds	Total
State Aid	\$ 85,843	\$ -	\$ 774	\$ 86,617
Federal Aid	6,197	247,363	19,920	273,480
Other	225,202	-	-	225,202
Total	\$ 317,242	\$ 247,363	\$ 20,694	\$ 585,299

Note 5. Capital Assets

The following schedules are a summarization of the capital assets by source for the fiscal year ended June 30, 2014:

	June 30, 2013	Additions	Deletions	Transfers/ Adjustments	June 30, 2014
Governmental Activities:					
Buildings and improvements	\$ 14,445,895	\$ 653,396	\$ -	\$ 22,826	\$ 15,122,117
Machinery and equipment	1,191,290	24,626	(288,820)	2,078	929,174
Subtotal	15,637,185	678,022	(288,820)	24,904	16,051,291
Less: accumulated depreciation:					
Buildings and improvements	(5,111,725)	(299,230)	-	13,482	(5,397,473)
Machinery and equipment	(941,880)	(65,956)	288,820	(1,845)	(720,861)
Total accumulated depreciation	(6,053,605)	(365,186)	288,820	11,637	(6,118,334)
Total capital assets being depreciated, net	9,583,580	312,836	-	36,541	9,932,957
Governmental activities capital assets, net	\$ 9,583,580	\$ 312,836	\$ -	\$ 36,541	\$ 9,932,957

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 5. Capital Assets (continued):

	June 30, 2013	Additions	June 30, 2014
Business-Type Activities:			
Machinery and equipment	\$ 170,400	\$ 20,643	\$ 191,043
	<hr/>		<hr/>
Subtotal	170,400	20,643	191,043
	<hr/>		<hr/>
Less: accumulated depreciation:			
Machinery and equipment	(132,447)	(11,688)	(144,135)
	<hr/>		<hr/>
Total accumulated depreciation	(132,447)	(11,688)	(144,135)
	<hr/>		<hr/>
Total capital assets being depreciated, net	37,953	8,955	46,908
	<hr/>		<hr/>
Business-type activities capital assets, net	\$ 37,953	\$ 8,955	\$ 46,908
	<hr/>		<hr/>

Note 6. Long-Term Obligations

During the fiscal year ended June 30, 2014 the following changes occurred in liabilities reported in the long-term obligations:

	June 30, 2013	Accrued/ Increases	Retired/ Decreases	June 30, 2014	Due Within One Year
Governmental Activities:					
General Obligation Bonds	\$ 6,358,000	\$ -	\$ (613,000)	\$ 5,745,000	\$ 645,000
Add: Premium*	-	359,976	-	359,976	-
Obligations Under Capital					
Leases	67,171	625,000	(143,723)	548,448	145,935
Compensated Absences	410,702	12,793	-	423,495	-
	<hr/>			<hr/>	
Total	\$ 6,835,873	\$ 997,769	\$ (756,723)	\$ 7,076,919	\$ 790,935
	<hr/>			<hr/>	

*Bond premiums, previously shown separately on the Statement of Net Position, are now part of General Obligation 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.

B. Bonds Payable

In July 2007, the Riverside Township Board of Education issued \$513,000 of General Obligation School Bonds for a new roof on the middle school and high school buildings. Payments are due each January 15th and July 15th commencing July 15, 2007.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 6. Long-Term Obligations (continued):

B. Bonds Payable (continued):

In July 2011, the Riverside Township Board of Education issued \$750,000 of General Obligation School Bonds. Payments are due each February 1st and August 1st commencing August 1, 2012 at an interest rate of 3.30%.

In May 2012, the Riverside Township Board of Education refunded \$5,635,000 for the 2003 General Obligation School Bonds. Payments are due each May 1st and November 1st commencing November 1, 2012 at an interest rate of 2.00% to 4.00%.

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

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014/15	\$ 645,000	\$ 198,535	\$ 843,535
2015/16	\$ 560,000	\$ 182,165	\$ 742,165
2016/17	\$ 575,000	\$ 167,645	\$ 742,645
2017/18	\$ 595,000	\$ 150,200	\$ 745,200
2018/19	\$ 615,000	\$ 132,140	\$ 747,140
2019/20 - 2022/23	<u>\$ 2,755,000</u>	<u>\$ 275,505</u>	<u>\$ 3,030,505</u>
	<u>\$ 5,745,000</u>	<u>\$ 1,106,190</u>	<u>\$ 6,851,190</u>

C. Bonds Authorized But Not Issued

As of June 30, 2014, the District had no authorized but not issued bonds.

D. Capital Leases

During 2013, the District issued an additional capital lease in the amount of \$625,000 for modular buildings which are used as classrooms.

The District issued \$110,000 for replacement, upgrades & repairs to the High School. All capital leases are for terms of five to seven year, with the exception of COP's which are for 10 years. The following is a schedule of the remaining future minimum lease payments at June 30, 2014:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014/15	\$ 145,935	\$ 7,504	\$ 153,439
2015/16	\$ 148,191	\$ 5,247	\$ 153,438
2016/17	\$ 126,430	\$ 2,942	\$ 129,372
2017/18	<u>\$ 127,892</u>	<u>\$ 1,480</u>	<u>\$ 129,372</u>
	<u>\$ 548,448</u>	<u>\$ 17,173</u>	<u>\$ 565,621</u>

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 7. Interfund Receivables and Payables

The following interfund balances remained on the balance sheet at June 30, 2014:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ -	\$ 110,668
Food Service Fund	110,668	-
Scholarship Trust	2,375	-
Student Activities	-	2,375
	<hr/>	<hr/>
Total	<u>\$ 113,043</u>	<u>\$ 113,043</u>

The purpose of interfunds are short-term borrowings.

Note 8. Inventory

Inventory recorded at June 30, 2014 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 3,112
Supplies	<u>817</u>
Total	<u>\$ 3,929</u>

Note 9. Pension Plans

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

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

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED JUNE 30, 2014

Note 9. Pension Plans (continued):

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

Vesting and Benefit Provisions - The vesting and benefit provisions of PERS are set by *N.J.S.A.43:15A* and *43.3B* and *N.J.S.A.18A:6C* for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 55 and are generally determined to be 1/55 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Chapter 78, P.L. 2011 changed this for employees enrolled after June 28, 2011. See Significant Legislation below.

Significant Legislation – During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the District's normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits; accordingly, the pension costs for TPAF and PERS were reduced.

New Legislation signed by the Acting Governor (Chapter 133, Public Laws 2001) changed the formula for calculating retirement benefits for all current and future non-veteran retirees from N/60 to N/55 (a 9.09% increase). This legislation, signed June 29, 2001, provides that all members of the TPAF and the PERS will have their pensions calculated on the basis of years of credit divided by 55. It also provides that all current retirees will have their original pension recalculated under the N/55 formula. Starting February 1, 2002, pension cost of living adjustments will be based on the new original pension.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 9. Pension Plans (continued):

Effective June 28, 2011, Chapter 78, P.L. 2011 reformed various pension and health benefits provisions. Employees hired after June 28, 2011 and enrolled in PERS will be enrolled in a new tier, Tier 5. Full retirement for Tier 5 PERS members will be age 65 and 30 years of service.

All cost of living adjustments are frozen until the pension fund reaches a “target funded ratio”.

Chapter 78 also requires all covered employees to contribute a prescribed percentage towards their health costs.

Contribution Requirements – The contribution policy is set by *N.J.S.A.43:15A*, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and *N.J.S.A.18:66*, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5%, effective October 1, 2011, of employees’ annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits and post-retirement medical premiums. Under current statute the District is a noncontributing employer of the TPAF.

Three-Year Trend Information for PERS

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2014	\$ 210,767	100%	-
6/30/2013	210,612	100%	-
6/30/2012	231,827	100%	-

**Three-Year Trend Information for TPAF & Post Retirement Medical Contributions
(Paid on behalf of the District)**

Year Funded	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2014	\$ 1,112,549	100%	-
6/30/2013	1,336,086	100%	-
6/30/2012	927,944	100%	-

During the year ended June 30, 2014 the State of New Jersey contributed \$1,112,549 to the TPAF for normal post-retirement benefits on behalf of the District. Also in accordance with *N.J.S.A.18A:66-66* the State of New Jersey reimbursed the District \$736,230 for the year ended June 30, 2014 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 9. Pension Plans (continued):

amount has been included in the basic financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

Note 10. Post-Retirement Benefits

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers’ Pensions and Annuity Fund (TPAF) and the Public Employees’ Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State Employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 100,134 retirees receiving post-retirement medical benefits, and the state contributed \$1.07 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$173.8 million toward Chapter 126 benefits for 17,356 eligible retired members in Fiscal Year 2014.

Note 11. Risk Management

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

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

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

Fiscal Year	District Contributions	Employee Contributions	Amount Reimbursed	Ending Balance
2013-2014	\$ 213	\$ 19,378	\$ 18,853	\$ 212,494
2012-2013	203	25,138	7,650	211,756
2011-2012	283	17,823	4,616	194,065

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 12. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2014 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

Note 13. Economic Dependency

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

Note 14. Compensated Absences

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

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

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net position under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2014 is \$423,495.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2014 no liability existed for compensated absences in the proprietary fund types.

Note 15. Fund Balance Disclosure

General Fund (Exhibit B-1) – Of the \$717,876 General Fund fund balance at June 30, 2014, \$13,132 has been restricted for the capital reserve account; \$399,497 has been restricted for excess surplus designated for subsequent year's expenditures; \$241,338 has been restricted for the excess surplus; \$63,909 has been assigned to be designated for subsequent year expenditures; \$0 has been assigned for other purposes and \$0 is unassigned.

RIVERSIDE TOWNSHIP BOARD OF EDUCATION

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2014**

Note 15. Fund Balance Disclosure (continued):

Debt Service Fund – At June 30, 2014, the Debt Service Fund had a fund balance of \$43,891.

Note 16. Calculation of Excess Surplus

The designation for Restricted for: Excess Surplus – Current Year is a required calculation pursuant to *N.J.S.A. 18A:7F-7*, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year-end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years’ budget. The excess fund balance at June 30, 2014 is \$241,338.

Note 17. Transfers to Capital Outlay

During the year ending June 30, 2014, the district did not transfer funds to the capital outlay accounts.

Note 18. Prior Period Restatement

As discussed in Note 1, the District has implemented GASB Statement 65, *Items Previously Reported as Assets and Liabilities* in the District’s financial statements for the year ended June 30, 2014. As a result, net position as of July 1, 2013 has been restated as follows:

	<u>Original Balance</u>	<u>Net Adjustment</u>	<u>Restated Balance</u>
Unamortized Bond Issuance Costs (1)	\$ 68,065	\$ (68,065)	\$ -0-
Net Position, July 1, 2013	\$(3,497,090)	\$ 68,065	\$(3,429,025)

(1) Previously reported as an asset on the Statement of Net Position and amortized over the life of related debt.

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REQUIRED SUPPLEMENTARY INFORMATION - PART II

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C. Budgetary Comparison Schedules

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Revenues:								
Local Sources:								
Local Tax Levy	\$ 6,954,492	\$ -	\$ 6,954,492	\$ 6,757,223	\$ -	\$ 6,757,223	\$ 6,757,223	\$ -
Tuition	1,759,773	-	1,759,773	1,751,130	-	1,751,130	1,794,965	43,835
Transportation Fees - Other LEA's	-	-	-	35,000	-	35,000	28,180	(6,820)
Interest on Capital Reserve Funds	10	-	13	10	-	10	13	3
Miscellaneous	344,097	-	344,097	235,000	-	235,000	188,859	(46,141)
Total Local Sources	9,058,372	-	9,058,372	8,778,363	-	8,778,363	8,769,240	(9,123)
State Sources:								
Categorical Special Education Aid	690,094	-	690,094	677,486	-	677,486	677,486	-
Equalization Aid	9,997,701	-	9,997,701	9,863,678	-	9,863,678	9,863,678	-
Categorical Security Aid	72,973	-	72,973	60,288	-	60,288	60,288	-
Categorical Transportation Aid	44,573	-	44,573	42,388	-	42,388	42,388	-
Extraordinary Aid	19,179	-	19,179	49,832	-	49,832	49,548	284
Other State Aid	-	-	-	-	-	-	-	-
Nonbudgeted:	-	-	-	-	-	-	-	-
On-Behalf TPAF Pension Contributions	-	-	421,480	-	-	-	627,050	627,050
On-Behalf TPAF Medical Contributions	-	-	691,069	-	-	-	709,036	709,036
Reimbursed TPAF Social Security Contributions	-	-	736,230	-	-	-	729,228	729,228
Total State Sources	10,824,520	-	12,723,131	10,643,840	-	10,643,840	12,758,702	2,114,862
Federal Sources:								
Medicaid Aid Reimbursement	34,153	-	34,153	34,153	-	34,153	41,512	7,359
Education Jobs Fund	-	-	-	-	-	-	927	927
Total Federal Sources	34,153	-	34,153	34,153	-	34,153	42,439	7,359
Total Revenues	19,917,045	-	21,711,892	19,456,356	927	19,457,283	21,570,381	2,113,098
Expenditures:								
Current Expense:								
Instruction - Regular Programs:								
Salaries of Teachers:								
Kindergarten	314,196	-	314,196	308,948	5,248	308,036	307,667	369
Grades 1 - 5	1,813,046	(28,562)	1,784,484	1,707,596	76,888	1,825,921	1,725,661	43,760
Grades 6 - 8	1,357,778	(15,000)	1,342,778	1,311,768	31,010	1,343,957	1,327,732	10,851
Grades 9-12	2,157,211	(27,950)	2,129,261	2,060,550	68,711	2,183,106	2,154,287	21,069
Regular Programs - Home Instruction:								
Salaries of Teachers	14,028	(5,749)	8,279	7,849	430	13,754	7,621	4,159
Purchased Professional/								
Educational Services	1,500	7,832	9,332	9,331	1	1,500	8,848	2,571
Regular Programs - Undistributed Instruction:								
Purchased Professional/								
Educational Services	198,180	(432)	197,748	189,194	8,554	197,400	173,166	24,234
Other Purchased Services	11,025	-	11,025	5,494	5,531	12,025	5,651	6,374
General Supplies	7,155	(8,407)	257,737	231,179	26,558	259,576	235,853	21,809
Textbooks	41,909	2,753	44,662	27,997	16,665	87,486	79,191	8,295
Other Objects	3,020	-	3,020	1,292	1,728	4,000	1,228	2,772
Total Regular Programs	6,185,192	(75,515)	6,109,677	5,865,590	244,087	6,236,761	6,024,334	146,263

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Special Education:								
Resource Room/ Resource Center:								
11-213-100-101	1,375,794	-	1,375,794	1,375,300	494	1,331,833	1,288,149	34,434
11-213-100-106	326,059	-	326,059	297,653	28,406	268,999	326,165	24,165
11-213-100-610	20,100	(2,205)	17,895	14,434	3,461	20,400	20,400	18,064
11-213-100-640	3,000	-	3,000	368	2,632	3,000	3,000	1,846
11-213-100-800	50	-	50	-	50	500	-	500
Total Resource Room/Resource Center	1,725,003	(2,205)	1,722,798	1,687,755	35,043	1,624,732	1,609,367	63,281
Preschool Disabilities - Part-Time:								
11-215-100-101	72,269	2,556	74,825	74,825	-	70,852	70,852	-
11-215-100-106	30,468	262	30,730	30,730	-	29,857	30,052	-
11-215-100-610	1,240	-	1,240	1,004	236	1,205	1,198	7
Total Preschool Disabilities - Part-Time	103,977	2,818	106,795	106,559	236	101,914	102,109	7
Home Instruction:								
11-219-100-101	20,936	(10,733)	10,203	3,739	6,464	20,525	19,309	1,216
11-219-100-320	7,875	4,038	11,913	11,912	1	7,875	7,875	4,180
Total Home Instruction	28,811	(6,695)	22,116	15,651	6,465	28,400	23,489	4,911
Total Special Education	1,857,791	(6,082)	1,851,709	1,809,965	41,744	1,755,046	1,734,958	68,199
Basic Skills/Remedial:								
11-230-100-101	142,364	30,176	172,540	172,208	332	138,312	121,509	16,803
11-230-100-610	7,685	-	7,685	6,531	1,154	10,535	7,573	2,962
Total Basic Skills/Remedial	150,049	30,176	180,225	178,739	1,486	148,847	129,082	19,765
Bilingual Education - Instruction:								
11-240-100-101	60,455	-	60,455	60,200	255	59,270	59,270	-
11-240-100-610	300	-	300	286	14	300	300	37
11-240-100-640	500	-	500	354	146	500	491	9
Total Bilingual Education - Instruction	61,255	-	61,255	60,840	415	60,070	60,024	46
School Sponsored Occurricular Activities:								
11-401-100-100	98,600	-	98,600	95,020	3,580	96,361	93,670	2,691
11-401-100-500	3,090	-	3,090	2,926	164	3,160	2,875	285
11-401-100-600	1,900	-	1,900	300	1,600	1,900	577	1,323
11-401-100-800	11,905	-	11,905	7,321	4,584	11,460	7,741	3,719
Total School Sponsored Occurricular Activities	115,495	-	115,495	105,567	9,928	112,881	104,863	8,018
School Sponsored Athletics:								
11-402-100-100	304,141	-	304,141	300,656	3,485	298,102	294,663	3,439
11-402-100-500	77,745	-	77,745	70,844	6,901	79,645	66,814	12,831
11-402-100-600	38,041	-	38,041	33,249	4,792	38,041	33,947	4,094
11-402-100-800	9,650	-	9,650	9,444	206	9,650	7,041	2,609
Total School Sponsored Athletics	429,577	-	429,577	414,193	15,384	425,438	402,465	22,973

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Other Instructional Programs:								
Salaries	167,500	-	167,500	94,910	-	94,910	72,590	153,186
Supplies & Materials	500	-	500	300	-	300	200	499
Total Other Instructional Programs	168,000	-	168,000	95,210	-	95,210	72,790	153,685
Before/After School Programs - Instruction:								
Salaries of Teachers	6,577	-	6,577	5,225	-	5,225	1,352	4,626
Total Before/After School Programs - Instruction	6,577	-	6,577	5,225	-	5,225	1,352	4,626
Summer School - Instruction:								
Salaries of Teachers	23,605	121	23,726	23,726	-	23,726	-	23,142
General Supplies	300	(121)	179	-	-	179	179	300
Total Summer School - Instruction	23,905	-	23,905	23,726	-	23,442	179	23,142
Community Services Programs/Operations:								
Purchased Services	50	-	50	-	-	50	50	-
Total Community Services Programs/Operations	50	-	50	-	-	50	50	-
Total - Instruction	8,997,891	(51,421)	8,946,470	8,559,055	-	8,559,055	387,415	8,637,179
Undistributed Expenditures:								
Instruction:								
Tuition to Other LEAs Within State - Regular	35,000	1,440	36,440	36,367	-	36,367	73	3,656
Tuition to Other LEAs Within State - Special	151,316	170,914	322,230	298,501	-	298,501	23,729	121,213
Tuition to County Vocational School District - Regular	149,940	(1,440)	148,500	146,880	-	146,880	1,620	126,000
Tuition to CSSD & Regional Day Schools	1,219,884	(247,320)	972,564	966,080	-	966,080	6,484	1,230,578
Tuition to Private Schools for the Handicapped Within the State	492,008	76,406	568,414	568,414	-	568,414	-	414,419
Tuition - State Facilities	31,365	-	31,365	31,365	-	31,365	-	17,699
Total Instruction	2,079,513	-	2,079,513	2,047,607	-	2,047,607	31,906	1,913,565
Health Services:								
Salaries	162,668	-	162,668	161,528	-	161,528	1,140	157,740
Purchased Professional & Technical Services	12,800	-	12,800	9,699	-	9,699	3,101	10,911
Other Purchased Services	117	-	117	-	-	117	117	-
Supplies and Materials	5,143	55	5,198	5,005	-	5,005	193	4,645
Total Health Services	180,728	55	180,783	176,232	-	176,232	4,551	173,296
Speech, OT, PT & Related Services:								
Salaries	164,734	-	164,734	163,054	-	163,054	1,680	164,039
Purchased Professional/Educational Services	175,012	(5,295)	169,717	71,686	-	71,686	98,031	111,792
Supplies & Materials	450	-	450	200	-	200	250	450
Total Speech, OT, PT & Related Services	340,206	(5,295)	334,911	235,940	-	235,940	246,311	276,281

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL		
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET				
Total Speech, OT, PT & Related Services	340,196	(5,295)	334,901	234,940	99,961	290,032	10,575	300,607	276,031	24,576
Guidance:										
Salaries of Other Professional Staff	265,018	4,806	269,824	269,822	2	285,254	-	285,254	259,821	25,433
Salaries of Secretarial & Clerical Assistants	90,951	1,074	92,025	90,915	1,110	88,068	1,259	89,327	89,122	205
Purchased Professional/Educational Services	29,700	-	29,700	19,063	10,637	29,700	-	29,700	23,195	6,505
Purchased Professional & Technical Services	1,600	-	1,600	1,509	91	4,600	-	4,600	2,725	1,875
Other Purchased Services	200	-	200	84	116	100	-	100	25	75
Supplies & Materials	7,737	(88)	7,649	5,992	1,657	10,709	1	10,710	10,138	572
Other Objects	70	-	70	60	10	70	-	70	60	10
Total Guidance	395,276	5,792	401,068	387,445	13,623	418,501	1,260	419,761	385,086	34,675
Child Study Team:										
Salaries of Other Professional Staff	502,001	1,970	503,971	500,103	3,868	549,446	(10,575)	538,871	510,150	28,721
Salaries of Secretarial & Clerical Assistants	79,536	1,173	80,709	80,708	1	82,455	(3,259)	79,196	77,976	1,220
Miscellaneous Purchased Services	5,995	-	5,995	5,840	155	6,000	-	6,000	4,490	1,510
Supplies & Materials	1,297	7,205	8,502	7,011	1,491	1,297	-	1,297	1,297	-
Other Objects	850	-	850	820	30	850	-	850	400	450
Total Child Study Team	589,679	10,348	600,027	594,482	5,545	640,048	(13,834)	626,214	594,313	31,901
Improvement of Instruction:										
Salaries of Other Professional Staff	2,705	-	2,705	435	2,270	2,705	-	2,705	2,705	2,705
Supplies & Materials	385	-	385	15	370	385	-	385	13	372
Total Improvement of Instruction	3,090	-	3,090	450	2,640	3,090	-	3,090	13	3,077
Educational Media Services/School Library:										
Salaries	114,009	-	114,009	113,334	675	111,774	-	111,774	111,774	-
Purchased Professional & Technical Services	300	-	300	284	16	300	-	300	274	26
Supplies & Materials	7,420	7,235	14,655	13,757	898	7,420	12,093	19,513	18,189	1,324
Other Objects	7,485	(7,235)	250	18	232	12,343	(12,093)	250	92	158
Total Educational Media Services/School Library	129,214	-	129,214	127,393	1,821	131,837	-	131,837	130,329	1,508
Instructional Staff Training:										
Salaries of Other Professional Staff	-	-	-	-	-	11,000	(2,905)	8,095	119	7,976
Purchased Professional/Educational Services	4,100	(69)	4,031	2,003	2,028	3,600	-	3,600	2,235	1,365
Other Purchased Services	4,487	69	4,556	2,444	2,112	225	200	425	317	108
Supplies	-	-	-	-	-	-	2,705	2,705	2,703	2
Total Instructional Staff Training	8,587	-	8,587	4,447	4,140	14,825	-	14,825	5,374	9,451
Support Services - General Administration:										
Salaries	180,221	1	180,222	180,221	1	189,334	(14,999)	174,335	174,334	1
Legal Services	25,000	-	25,000	10,685	14,315	25,000	7,499	32,499	13,361	19,138
Audit Fees	15,000	-	15,000	15,000	-	15,500	(750)	14,750	14,750	-

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	
	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
11-000-230-334	14,400	-	14,400	14,400	1,000	15,400	13,860
11-000-230-339	12,365	(1)	12,364	8,435	-	11,575	10,216
11-000-230-530	65,700	295	65,995	27,934	-	66,700	29,589
11-000-230-585	5,000	(250)	4,750	2,860	-	6,500	5,269
11-000-230-590	61,651	-	61,651	52,919	-	65,338	56,965
11-000-230-610	16,204	-	16,204	8,388	(690)	18,710	12,137
11-000-230-820	-	(110)	7,115	-	-	50,295	50,295
11-000-230-890	9,447	360	9,807	9,806	690	8,055	8,029
11-000-230-895	-	-	-	1	-	9,500	9,396
Total Support Services General Administration	412,103	295	412,398	329,675	43,045	473,657	394,163
11-000-240-103	599,623	14,408	614,031	602,426	2,880	606,935	587,403
11-000-240-105	288,698	592	289,290	286,459	-	283,098	277,617
11-000-240-300	16,655	-	16,655	15,130	-	17,770	12,144
11-000-240-500	650	-	650	-	-	640	640
11-000-240-600	11,155	-	11,155	9,453	1,213	15,268	9,819
11-000-240-800	10,570	-	10,570	9,378	-	10,570	8,990
Total Support Services School Administration	927,351	15,000	942,351	922,846	4,093	934,281	895,973
11-000-251-100	222,457	33	222,490	222,489	1	218,097	218,096
11-000-251-330	1,000	(80)	920	900	20	850	875
11-000-251-340	16,990	80	17,070	17,070	316	16,671	16,671
11-000-251-592	8,738	-	8,738	5,976	(2)	9,660	5,923
11-000-251-600	5,841	(33)	5,808	3,031	(341)	5,474	4,377
11-000-251-832	2,484	-	2,484	2,484	-	3,254	3,254
11-000-240-890	2,345	-	2,345	1,916	429	2,330	1,966
Total Support Services Central Services	259,855	-	259,855	253,866	5,989	256,361	251,162
11-000-252-100	75,547	-	75,547	75,547	-	74,066	74,066
11-000-252-330	12,400	-	12,400	10,630	-	12,400	10,600
11-000-252-340	5,000	-	5,000	4,891	109	5,800	3,089
11-000-252-600	23,499	-	23,499	19,785	-	28,737	20,054
Total Administrative Information Technology	116,446	-	116,446	110,853	-	121,003	107,809
11-000-261-420	117,310	(4,610)	112,700	83,892	-	112,400	111,099
11-000-261-610	45,200	209	45,409	44,486	923	40,900	30,295
Total Required Maintenance for School Facilities	162,510	(4,401)	158,109	128,378	-	153,300	141,394
11-000-262-100	850,817	(2,150)	848,667	818,695	-	834,668	810,794
11-000-262-107	64,071	(6,400)	57,671	51,039	(7,348)	62,771	52,554
Total Required Maintenance for School Facilities	914,888	(8,550)	906,116	870,394	(7,348)	901,439	863,348
11-000-262-100	850,817	(2,150)	848,667	818,695	-	834,668	810,794
11-000-262-107	64,071	(6,400)	57,671	51,039	(7,348)	62,771	52,554
Total Required Maintenance for School Facilities	914,888	(8,550)	906,116	870,394	(7,348)	901,439	863,348

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
Services	79,325	9,191	88,516	76,338	12,178	88,525	65,896	19,329
Other Purchased Property Services	34,000	-	34,000	30,074	3,926	31,200	28,349	2,851
Insurance	74,405	-	74,405	74,399	6	79,300	78,314	986
General Supplies	73,877	-	73,877	51,997	21,880	60,943	54,351	6,592
Energy (Natural Gas)	130,000	-	130,000	104,877	25,123	130,000	84,080	45,920
Energy (Electricity)	370,000	-	370,000	333,377	36,623	370,000	282,266	87,734
Other Objects	370	-	370	45	325	470	310	160
Total Custodial Services	1,676,865	641	1,677,506	1,540,841	136,665	1,667,419	1,456,914	190,315
Care & Upkeep of Grounds: Cleaning, Repair & Maintenance Services	7,500	-	7,500	6,700	800	7,500	10,665	835
General Supplies	13,400	(2,800)	10,600	8,823	1,777	13,400	9,400	1,744
Total Care & Upkeep of Grounds	20,900	(2,800)	18,100	15,523	2,577	20,900	18,321	2,579
Security: Purchased Professional & Technical Services	36,000	-	36,000	36,000	-	36,000	36,000	-
Total Security	36,000	-	36,000	36,000	-	36,000	36,000	-
Student Transportation Services: Salaries of Noninstructional Aides Salaries for Pupil Transportation - (Between Home & School) Regular	32,648	(32,648)	-	-	-	31,764	29,635	1,049
Salaries for Pupil Transportation - (Between Home & School) Special Education	14,000	(14,000)	-	-	-	13,500	14,580	1
Salaries for Pupil Transportation - (Other Than Between Home & School)	64,800	(64,800)	-	-	-	63,132	70,479	1
Other Purchased Professional & Technical Services	37,271	(37,271)	-	-	-	36,540	34,688	1,852
Cleaning, Repair & Maintenance Services	3,600	391,400	395,000	395,000	-	3,600	784	2,816
Contracted Services - (Other Than Between Home & School) Vendors	27,200	18,025	45,225	22,891	22,334	27,200	23,570	710
Contracted Services - (Between Home & School) Joint Agreements	50,000	(50,000)	-	-	-	50,000	49,275	1,935
Contracted Services (Special Education Students) - Joint Agreements	7,000	(7,000)	-	-	-	3,000	6,336	1,764
Contracted Services (Special Education Students) - ESCs & CTAs	85,000	(85,000)	-	-	-	40,000	98,905	2,009
Miscellaneous Purchased Services - Transportation	60,000	(60,000)	-	-	-	60,000	59,935	65
Transportation Supplies	12,145	-	12,145	12,142	3	13,100	12,781	319
Other Objects	63,100	(58,706)	4,394	3,688	706	63,100	64,810	-
Total Student Transportation Services	458,429	-	458,429	434,138	24,291	406,601	464,998	13,136
Unallocated Benefits - Employee Benefits: Social Security Contributions	210,000	(1,122)	208,878	208,663	215	200,000	220,616	66
Other Retirement Contributions PERS	230,000	(19,233)	210,767	210,767	-	230,002	210,612	-
Other Retirement Contributions Regular	2,300	2,560	4,860	4,860	-	2,100	2,100	1,986

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET		
11-000-291-250	10	-	10	100	-	100	100	100
Unemployment Compensation								
11-000-291-260	99,655	-	99,655	108,100	(1,882)	106,218	104,896	1,322
Women's Compensation								
11-000-291-270	3,318,700	33,533	3,352,233	3,084,950	107,675	3,192,625	3,192,597	28
Health Benefits								
11-000-291-280	19,600	-	19,600	19,600	(11,688)	7,912	7,912	-
Tuition Reimbursements								
11-000-291-290	20,501	6,039	26,540	21,001	722	21,723	21,662	61
Other Employee Benefits								
Total Unallocated Benefits - Employee Benefits	3,900,766	21,777	3,922,543	3,909,399	13,144	3,761,906	3,760,215	1,691
Nonbudgeted:								
On-Behalf TPAF Pension Contributions	-	-	-	421,480	(421,480)	-	627,050	(627,050)
On-Behalf TPAF Medical Contributions	-	-	-	691,069	(691,069)	-	709,036	(709,036)
Reimbursed TPAF Social Security Contributions	-	-	-	736,230	(736,230)	-	729,228	(729,228)
Total Undistributed Expenditures	11,697,508	41,412	11,738,920	13,103,294	(1,364,374)	11,712,416	13,070,270	(1,369,688)
Total Expenditures - Current Expense	20,695,399	(10,009)	20,685,390	21,662,349	(976,959)	20,646,951	21,707,449	(1,090,385)
Capital Outlay:								
Undistributed Expenditures:								
School Sponsored & Other Instructional Programs	-	-	-	-	-	-	-	-
12-400-100-730	2,600	-	2,600	2,534	66	-	15,936	10,766
Support Services - Students - Regular								
12-000-210-730	8,493	(2,791)	5,702	5,694	8	-	-	-
Support Services - Child Study Team								
12-000-219-730	8,000	5,599	13,599	13,599	-	5,000	3,631	1,369
Administration Information Technology								
12-000-252-730	22,785	7,201	29,986	26,701	3,285	30,814	42,332	182
Required Maintenance for School Facilities								
12-000-261-730	4,500	-	4,500	4,495	5	-	-	-
Security								
12-000-266-730	10	-	10	-	10	10	-	10
Interest Deposit to Capital Reserve								
Total Equipment	46,388	10,009	56,397	53,023	3,374	32,646	56,729	6,731
Facilities Acquisition & Construction Services:								
Land and Improvements	-	-	-	-	-	4,500	4,500	-
12-000-400-710	21,583	-	21,583	21,583	-	20,813	20,813	-
Lease Purchase Agreements - Principal								
12-000-400-721	129,477	-	129,477	129,477	-	81,264	81,264	-
Assessment for Debt Service on SDA Funding								
12-000-400-896	151,060	-	151,060	151,060	-	106,577	106,577	-
Total Facilities Acquisition & Construction Services:								
Assets Acquired Under Capital Leases (Nonbudgeted):								
Instruction	-	-	-	625,000	(625,000)	-	-	-
Total Assets Acquired Under Capital Leases (Nonbudgeted)	-	-	-	625,000	(625,000)	-	-	-
Total Capital Outlay	197,448	10,009	207,457	829,083	(621,626)	139,223	163,306	6,731
Total Expenditures	20,892,847	-	20,892,847	22,491,432	(1,598,585)	20,786,174	21,870,755	(1,083,654)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

ACCOUNT NUMBERS	JUNE 30, 2014			JUNE 30, 2013			POSITIVE/ (NEGATIVE) FINAL TO ACTUAL	POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL		
Excess/(Deficiency) of Revenues Over Expenditures Before Other Financing Sources/(Uses)	(975,802)	(975,802)	(779,540)	-	(1,329,818)	(300,374)	1,029,444	
Other Financing Sources/(Uses):	-	-	625,000	-	-	-	-	
Capital Leases (Nonbudgeted)	-	-	625,000	-	-	-	-	
Total Other Financing Sources/(Uses)	-	-	625,000	-	-	-	-	
Excess/(Deficiency) of Revenues Over/(Under) Expenditures After Other Financing Sources/Uses Fund Balances, July 1	(975,802) 1,834,075	(975,802) 1,834,075	(154,540) 1,834,075	-	(1,329,818) 2,134,449	(300,374) 2,134,449	1,029,444	
Fund Balances, June 30	\$ 858,273	\$ 858,273	\$ 1,679,535	\$ 804,631	\$ 804,631	\$ 1,834,075	\$ 1,029,444	

RECAPITULATION OF FUND BALANCE:

Restricted Fund Balance:	
Capital Reserve	\$ 13,132
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures	399,497
Excess Surplus	241,338
Assigned Fund Balance:	
Designated for Subsequent Year's Expenditures	575,383
Unassigned Fund Balance	<u>450,185</u>
Subtotal	1,679,535
Reconciliation to Governmental Funds Statements (GAAP)	
Reconciliation of State Aid Payments For GAAP to Budgetary Basis & Other Adjustments	<u>(961,659)</u>
Fund Balance Per Governmental Funds (GAAP)	<u>\$ 717,876</u>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEARS ENDED JUNE 30, 2014 AND 2013**

	JUNE 30, 2014		JUNE 30, 2013		VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	
REVENUES					
State Sources	\$ 978,144	\$ 1,062,208	\$ 618,711	\$ 848,137	\$ 625,517
Federal Sources	588,500	933,396	933,396	645,189	787,903
Total Revenues	1,566,644	1,995,604	1,552,107	1,493,326	1,413,420
EXPENDITURES:					
Instruction:					
Salaries of Teachers	570,248	590,747	592,584	511,958	544,979
Other Salaries for Instruction	91,714	179,218	177,719	89,804	88,748
General Supplies	2,370	25,998	25,902	96,187	143,374
Purchased Professional & Technical Services	-	-	-	-	15,945
Tuition to Other LEA's Within State - Regular	265,500	311,422	311,422	271,053	302,493
Total Instruction	929,832	1,107,385	1,107,627	969,002	1,092,818
Support Services:					
Salaries of Other Professional Staff	-	44,250	44,250	24,000	24,315
Personal Services - Employee Benefits	125,000	240,462	240,462	193,672	205,714
Purchased Professional & Educational Services	-	13,000	13,000	301,052	245,382
Rentals	509,812	497,612	127,058	-	-
Other Purchased Services	-	84,064	10,939	-	57,625
Supplies & Materials	2,000	8,831	8,771	5,600	8,580
Total Support Services	636,812	888,219	444,480	524,324	320,602
Total Expenditures	1,566,644	1,995,604	1,552,107	1,493,326	1,413,420
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures & Other Financing Sources/(Uses)	\$ -	\$ -	\$ -	\$ -	\$ -
					223,034
					226,811

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NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO RSI
FOR FISCAL YEAR ENDED JUNE 30, 2014**

**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)	\$ 21,711,892	\$ 1,552,107
Difference - Budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	946,803	-
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	(961,659)	-
	<hr/>	<hr/>
Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)	<u>21,697,036</u>	<u>1,552,107</u>
Uses/outflows of resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	<u>22,491,432</u>	<u>1,552,107</u>
Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2)	<u>\$ 22,491,432</u>	<u>\$ 1,552,107</u>

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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 BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	NO CHILD LEFT BEHIND			
	TITLE I PART-A	TITLE I PART-A CARRYOVER	TITLE II PART-A	TITLE III
Revenues:				
State Sources	\$ -	\$ -	\$ -	\$ -
Federal Sources	558,093	87	36,370	14,424
Total Revenues	558,093	87	36,370	14,424
Expenditures:				
Instruction:				
Salaries of Teachers	308,674	-	29,145	3,680
Other Salaries for Instruction	87,504	-	-	-
General Supplies	3,879	87	-	8,462
Total Instruction	400,057	87	29,145	12,142
Support Services:				
Salaries of Other Professional Staff	44,250	-	-	-
Personal Services - Employee Benefits	107,955	-	7,225	282
Purchased Professional Educational Services	-	-	-	2,000
Supplies & Materials	5,831	-	-	-
Total Support Services	158,036	-	7,225	2,282
Total Expenditures	\$ 558,093	\$ 87	\$ 36,370	\$ 14,424

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	I.D.E.A. PART B				
	BASIC REGULAR PROGRAM	PRESCHOOL	PRESCHOOL EDUCATION AID	2014	2013
Revenues:					
State Sources	\$ -	\$ -	\$ 618,711	\$ 618,711	\$ 625,517
Federal Sources	315,499	8,923	-	933,396	787,903
Total Revenues	315,499	8,923	618,711	1,552,107	1,413,420
Expenditures:					
Instruction:					
Salaries of Teachers	-	-	251,085	592,584	544,579
Other Salaries for Instruction	-	-	90,215	177,719	88,748
General Supplies	-	-	13,474	25,902	141,053
Purchased Professional & Technical Services	-	-	-	-	15,945
Tuition to Other LEA's Within State-Regular	302,499	8,923	-	311,422	302,493
Total Instruction	302,499	8,923	354,774	1,107,627	1,092,818
Support Services:					
Salaries of Other Professional Staff	-	-	-	44,250	24,315
Personal Services - Employee Benefits	-	-	125,000	240,462	205,714
Purchased Professional Educational Services	11,000	-	-	13,000	24,368
Rentals	-	-	127,058	127,058	-
Other Purchased Services	-	-	10,939	10,939	57,625
Supplies & Materials	2,000	-	940	8,771	8,580
Total Support Services	13,000	-	263,937	444,480	320,602
Total Expenditures	\$ 315,499	\$ 8,923	\$ 618,711	\$ 1,552,107	\$ 1,413,420

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SPECIAL REVENUE FUND
SCHEDULE OF PRESCHOOL EDUCATION AID OF EXPENDITURES
BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	BUDGETED	ACTUAL	VARIANCE
Expenditures:			
Instruction:			
Salaries of Teachers	\$ 251,085	\$ 251,085	\$ -
Other Salaries for Instruction	91,714	90,215	1,499
General Supplies	13,570	13,474	96
	<hr/>	<hr/>	<hr/>
Total Instruction	356,369	354,774	1,595
	<hr/>	<hr/>	<hr/>
Support Services:			
Personal Services - Employee Benefits	125,000	125,000	-
Rentals	495,775	127,058	368,717
Other Purchased Services	84,064	10,939	73,125
Supplies & Materials	1,000	940	60
	<hr/>	<hr/>	<hr/>
Total Support Services	705,839	263,937	441,902
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 1,062,208</u>	<u>\$ 618,711</u>	<u>\$ 443,497</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2013-2014 Preschool Education Aid Allocation	\$ 835,505
Add: Actual Preschool Education Aid Carryover (June 30, 2013)	<u>226,703</u>
Total Preschool Education Aid Funds Available for 2013-2014 Budget	1,062,208
Less: 2013-2014 Budgeted Preschool Education Aid (Including prior year budgeted carryover)	<u>(1,062,208)</u>
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2014	-
Add: June 30, 2014 Unexpended Preschool Education Aid Funds	<u>443,497</u>
2013-2014 Carryover - Preschool Education Aid Funds	<u>\$ 443,497</u>
2013-2014 Preschool Education Aid Funds Carryover Budgeted in 2014-2015	<u>\$ -</u>

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F. Capital Projects Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

PROJECT TITLE/ISSUE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		BOND PROCEEDS	TRANSFER FROM CAPITAL RESERVE	UNEXPENDED BALANCE JUNE 30, 2014
			PRIOR YEARS	CURRENT YEAR			
Riverside High School Bleacher Project	7/14/2011	\$ 751,024	\$ 750,685	\$ 339	\$ -	\$ -	\$ -
Total		\$ 751,024	\$ 750,685	\$ 339	\$ -	\$ -	\$ -

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE-BUDGETARY BASIS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

Expenditures & Other Financing Uses:	
Transfer to Debt Service	\$ <u>339</u>
Total Expenditures	<u>339</u>
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures	(339)
Fund Balance - Beginning	<u>339</u>
Fund Balance - Ending	<u><u>\$ -</u></u>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, PROJECT BALANCE AND
PROJECT STATUS - BUDGETARY BASIS
BLEACHER PROJECT
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	PRIOR PERIODS	CURRENT YEAR	TOTALS	REVISED AUTHORIZED COST
Revenues & Other Financing Sources:				
Bond Proceeds	\$ 751,024	\$ -	\$ 751,024	\$ 751,024
Total Revenues	751,024	-	751,024	751,024
Expenditures & Other Financing Uses:				
Legal Services	6,312	-	6,312	6,312
Purchased Professional & Technical				
Technical Services	28,387	-	28,387	28,387
Construction Services	715,054	-	715,054	715,054
Transfer to Debt Service	932	339	1,271	1,271
Total Expenditures	750,685	339	751,024	751,024
Excess/(Deficiency) of Revenues Over/ (Under) Expenditures				
	\$ 339	\$ (339)	\$ -	\$ -

ADDITIONAL PROJECT INFORMATION

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	7/14/11
Bonds Authorized	\$750,000
Bonds Issued	750,000
Original Authorized Cost	750,000
Additional Authorized Cost	
Revised Authorized Cost	750,000
Percentage Increase Over Original Authorized Cost	
Percentage Completion	100%
Original Target Completion Date	6/30/12
Revised Target Completion Date	12/31/12

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G. Proprietary Funds

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Enterprise Funds

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF NET POSITION
AS OF JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

ASSETS	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2014	2013
Current Assets:			
Cash & Cash Equivalents	\$ 26,653	\$ 26,653	\$ 107,680
Accounts Receivable:			
State	774	774	334
Federal	19,920	19,920	16,139
Interfund Receivables	110,668	110,668	37,754
Inventories	3,929	3,929	6,014
Total Current Assets	<u>161,944</u>	<u>161,944</u>	<u>167,921</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	191,043	191,043	170,400
Less: Accumulated Depreciation	<u>(144,135)</u>	<u>(144,135)</u>	<u>(132,447)</u>
Total Noncurrent Assets	<u>46,908</u>	<u>46,908</u>	<u>37,953</u>
Total Assets	<u>208,852</u>	<u>208,852</u>	<u>205,874</u>
NET POSITION			
Net Investment in Capital Assets	46,908	46,908	37,953
Unrestricted	<u>161,944</u>	<u>161,944</u>	<u>167,921</u>
Total Net Position	<u>\$ 208,852</u>	<u>\$ 208,852</u>	<u>\$ 205,874</u>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
SCHEDULE OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
FOR FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

	BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUNDS		
	FOOD SERVICE	2014	2013
Operating Revenues:			
Local Sources:			
Daily Sales - Reimbursable Programs	\$ 85,565	\$ 85,565	\$ 100,316
Daily Sales - Nonreimbursable Programs	70,988	70,988	75,651
Special Functions	759	759	450
Miscellaneous	1,770	1,770	8,981
	<hr/>	<hr/>	<hr/>
Total Operating Revenue	159,082	159,082	185,398
Operating Expenses:			
Cost of Sales	238,080	238,080	236,596
Salaries	159,217	159,217	153,652
Employee Benefits	41,597	41,597	42,433
Other Purchased Professional Services	23,320	23,320	22,990
Cleaning, Repair & Maintenance Services	2,029	2,029	1,000
Insurance	7,559	7,559	7,144
General Supplies	20,534	20,534	17,114
Miscellaneous	3,560	3,560	1,037
Depreciation	11,688	11,688	11,000
	<hr/>	<hr/>	<hr/>
Total Operating Expenses	507,584	507,584	492,966
Operating Income/(Loss)	<hr/>	<hr/>	<hr/>
	(348,502)	(348,502)	(307,568)
Nonoperating Revenues/(Expenses):			
State Sources:			
State School Lunch Program	6,685	6,685	6,380
Federal Sources:			
National School Lunch Program	268,978	268,978	257,558
Regular School Breakfast Program	38,567	38,567	36,426
Special Milk Program	1,266	1,266	941
Healthy Hunger-Free Kids Act	7,437	7,437	-
Food Distribution Program	28,456	28,456	25,898
Interest & Investment Revenue	91	91	92
	<hr/>	<hr/>	<hr/>
Total Nonoperating Revenues/(Expenses)	351,480	351,480	327,295
Net Income/(Loss)	2,978	2,978	19,727
Total Net Position - Beginning	<hr/>	<hr/>	<hr/>
	205,874	205,874	186,147
Total Net Position - Ending	<hr/>	<hr/>	<hr/>
	\$ 208,852	\$ 208,852	\$ 205,874

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
ENTERPRISE FUND
COMBINING SCHEDULE OF CASH FLOWS
FOR FISCAL YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)

	BUSINESS-TYPE ACTIVITIES - <u>ENTERPRISE FUNDS</u>		
	FOOD SERVICE	2014	2013
Cash Flows From Operating Activities:			
Receipts from Customers	\$ 86,168	\$ 86,168	\$ 174,748
Payments to Employees	(159,217)	(159,217)	(153,652)
Payments for Employee Benefits	(41,597)	(41,597)	(42,433)
Payments to Suppliers	(292,997)	(292,997)	(287,225)
Net Cash Provided by/(Used) by Operating Activities	<u>(407,643)</u>	<u>(407,643)</u>	<u>(308,562)</u>
Cash Flows From Noncapital Financing Activities:			
State Sources	6,245	6,245	6,310
Federal Sources	340,923	340,923	315,656
Net Cash Provided by/(Used) by Noncapital Financing Activities	<u>347,168</u>	<u>347,168</u>	<u>321,966</u>
Cash Flows From Capital and Related Financing Activities:			
Purchases of Capital Assets	(20,643)	(20,643)	-
Net Cash Provided by/(Used) by Capital and Related Financing Activities	<u>(20,643)</u>	<u>(20,643)</u>	<u>-</u>
Cash Flows From Investing Activities:			
Interest & Dividends	91	91	92
Net Cash Provided by/(Used) by Investing Activities	<u>91</u>	<u>91</u>	<u>92</u>
Net Increase/(Decrease) in Cash & Cash Equivalents Balances - Beginning of Year	(81,027)	(81,027)	13,496
	<u>107,680</u>	<u>107,680</u>	<u>94,184</u>
Balances - End of Year	<u>\$ 26,653</u>	<u>\$ 26,653</u>	<u>\$ 107,680</u>

Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

Operating Income/(Loss)	\$ (348,502)	\$ (348,502)	\$ (307,568)
Adjustments to Reconcile Operating Income/Loss to Net Cash Provided/(Used) by Operating Activities:			
Depreciation & Net Amortization	11,688	11,688	11,000
(Increase)/Decrease in Accounts Receivable, Net	(72,914)	(72,914)	(10,650)
(Increase)/Decrease in Inventories	2,085	2,085	(1,344)
Total Adjustments	<u>(59,141)</u>	<u>(59,141)</u>	<u>(994)</u>
Net Cash Provided/(Used) by Operating Activities	<u>\$ (407,643)</u>	<u>\$ (407,643)</u>	<u>\$ (308,562)</u>

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Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

ASSETS	PRIVATE PUPOSE		AGENCY		2014	2013
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST	STUDENT ACTIVITY	PAYROLL FUND		
Cash & Cash Equivalents	\$ 139,989	\$ 214,132	\$ 103,561	\$ 47,872	\$ 505,554	\$ 474,038
Interfund Receivable	2,375	-	-	-	2,375	810
Total Assets	142,364	214,132	103,561	47,872	507,929	474,848
LIABILITIES						
Due to Student Groups	-	-	101,186	-	101,186	98,381
Payroll Deductions & Withholdings	-	-	-	47,872	47,872	21,395
Interfund Payable	-	-	2,375	-	2,375	810
Accounts Payable	-	1,638	-	-	1,638	-
Total Liabilities	-	1,638	103,561	47,872	153,071	120,586
NET POSITION						
Reserve for Unemployment Compensation	-	212,494	-	-	212,494	211,756
Reserved for Scholarships	142,364	-	-	-	142,364	142,506
Total Net Position	\$ 142,364	\$ 212,494	\$ -	\$ -	\$ 354,858	\$ 354,262

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Totals for June 30, 2013)**

ADDITIONS	PRIVATE PUPOSE		2014	2013
	SCHOLARSHIP FUND	UNEMPLOYMENT COMPENSATION TRUST		
Contributions:				
Plan Members	\$ -	\$ 19,378	\$ 19,378	\$ 25,138
Other	8,515	-	8,515	27,765
Total Contributions	8,515	19,378	27,893	52,903
Investment Earnings:				
Interest	743	213	956	2,302
Net Investment Earnings	743	213	956	2,302
Total Additions	9,258	19,591	28,849	55,205
DEDUCTIONS				
Unemployment Claims	-	18,853	18,853	7,650
Scholarships Awarded	9,400	-	9,400	2,600
Total Deductions	9,400	18,853	28,253	10,250
Change in Net Position	(142)	738	596	44,955
Net Position - Beginning of the Year	142,506	211,756	354,262	309,307
Net Position - End of the Year	\$ 142,364	\$ 212,494	\$ 354,858	\$ 354,262

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR FISCAL YEAR ENDED JUNE 30, 2014**

ASSETS	BALANCE JULY 1, 2013	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2014
Cash & Cash Equivalents	\$ 99,191	\$ 326,587	\$ 322,217	\$ 103,561
Total Assets.	<u>99,191</u>	<u>326,587</u>	<u>322,217</u>	<u>103,561</u>
LIABILITIES				
Due to Student Groups	98,381	318,072	315,267	101,186
Due to Scholarship Fund	810	8,515	6,950	2,375
Total Liabilities	<u>\$ 99,191</u>	<u>\$ 326,587</u>	<u>\$ 322,217</u>	<u>\$ 103,561</u>

**PAYROLL AGENCY FUND
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES
FOR FISCAL YEAR ENDED JUNE 30, 2014**

ASSETS	BALANCE JULY 1, 2013	ADDITIONS	DELETIONS	BALANCE JUNE 30, 2014
Cash & Cash Equivalents	\$ 21,395	\$ 9,510,014	\$ 9,483,537	\$ 47,872
Total Assets.	<u>21,395</u>	<u>9,510,014</u>	<u>9,483,537</u>	<u>47,872</u>
LIABILITIES				
Payroll Deductions & Withholdings	21,395	9,510,014	9,483,537	47,872
Total Liabilities	<u>\$ 21,395</u>	<u>\$ 9,510,014</u>	<u>\$ 9,483,537</u>	<u>\$ 47,872</u>

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I. Long-Term Debt

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**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF SERIAL BONDS PAYABLE
JUNE 30, 2014**

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	ANNUAL PAYMENTS		INTEREST RATE	AMOUNT OUTSTANDING		AMOUNT OUTSTANDING JUNE 30, 2014		
			DATE	AMOUNT		JUNE 30, 2013	RETIRED			
Reroofing Portion of Middle/High School	07/15/2007	513,000	07/15/2014	\$ 100,000	4.450%	\$ 188,000	\$ -	\$ 88,000	\$ 100,000	
	Bleacher Project at High School	07/14/2011	750,000	02/01/2015	65,000	3.300%	705,000	-	60,000	645,000
		02/01/2016	65,000	02/01/2016	65,000	3.300%				
		02/01/2017	65,000	02/01/2017	65,000	3.300%				
		02/01/2018	70,000	02/01/2018	70,000	3.300%				
		02/01/2019	70,000	02/01/2019	70,000	3.300%				
		02/01/2020	75,000	02/01/2020	75,000	3.300%				
02/01/2021	75,000	02/01/2021	75,000	3.300%						
Refunding Bond Issue 2012	05/01/2012	5,465,000	02/01/2022	80,000	3.300%					
			02/01/2023	80,000	3.300%					
			05/01/2015	480,000	2.500%	5,465,000	-	465,000	5,000,000	
			05/01/2016	495,000	2.500%					
			05/01/2017	510,000	3.000%					
			05/01/2018	525,000	3.000%					
			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						\$ 6,358,000	\$ -	\$ 613,000	\$ 5,745,000	

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LONG-TERM DEBT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
JUNE 30, 2014**

DESCRIPTION	INTEREST RATE PAYABLE	AMOUNT OF ORIGINAL ISSUE	AMOUNT OUTSTANDING JUNE 30, 2013	ISSUED CURRENT YEAR	RETIRED CURRENT YEAR	AMOUNT OUTSTANDING JUNE 30, 2014
Riverside High School Capital Improvement Project	3.698%	\$110,000	\$ 67,171	\$ -	\$ 21,582	\$ 45,589
Modular Buildings	1.157%	\$625,000	-	625,000	122,141	502,859
Total			<u>\$ 67,171</u>	<u>\$ 625,000</u>	<u>\$ 143,723</u>	<u>\$ 548,448</u>

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND
FOR FISCAL YEAR ENDED JUNE 30, 2014**

	JUNE 30, 2014		JUNE 30, 2013		VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL
	ORIGINAL BUDGET	FINAL BUDGET	ORIGINAL BUDGET	FINAL BUDGET	
Revenues:					
Local Sources:					
Local Tax Levy	\$ 782,957	\$ 782,957	\$ 802,679	\$ 802,679	\$ 802,679
Miscellaneous	-	-	-	-	6,968
State Sources:					
Debt Service Aid Type II	44,962	44,962	42,933	42,933	42,933
Total Revenues	827,919	827,919	845,612	845,612	852,580
Expenditures:					
Regular Debt Service:					
Redemption of Principal	613,000	613,000	563,294	570,000	570,000
Interest on Bonds	215,998	213,998	282,665	275,959	248,339
Total Regular Debt Service	828,998	826,998	845,959	845,959	818,339
Excess/(Deficiency) of Revenues Over (Under) Expenditures	(1,079)	(1,079)	(347)	(347)	34,241
Other Financing Sources/(Uses):					
Operating Transfers In:					
Capital Projects Excess Financing Interest Earned in Capital Projects Fund	-	339	-	-	6,955
Total Other Financing Sources/ (Uses)	-	339	-	-	9
Excess/(Deficiency) of Revenues Over (Under) Expenditures & Other Financing Sources Fund Balance, July 1,	(1,079)	(1,079)	(347)	(347)	41,205
Fund Balance, June 30	\$ 41,552	\$ 41,552	\$ 1,079	\$ 1,079	\$ 42,631
					\$ 41,552

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STATISTICAL SECTION (Unaudited)

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Governmental Activities:										
Net Investment in										
Capital Assets	\$ 3,639,509	\$ 3,158,409	\$ 2,816,383	\$ 2,776,267	\$ 1,935,974	\$ 1,887,326	\$ 2,025,466	\$ 3,424,120	\$ 11,892,518	\$ 11,846,930
Restricted	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282	1,026,078	955,423	971,184
Unrestricted	(621,153)	(562,672)	(575,876)	(940,361)	(1,045,406)	(1,210,495)	(290,514)	(366,652)	(377,419)	(434,483)
Total Governmental Activities	3,754,629	3,497,090	3,545,459	3,389,611	2,056,877	2,998,357	2,913,234	4,083,546	12,470,522	12,383,631
Business-Type Activities:										
Net Investment in										
Capital Assets	46,908	37,953	48,953	33,961	39,904	22,442	14,061	17,288	20,076	23,793
Unrestricted	161,944	167,921	137,194	134,491	106,308	109,424	101,473	105,557	85,055	72,630
Total Business-Type Activities	208,852	205,874	186,147	168,452	146,212	131,866	115,534	122,845	105,131	96,423
District-Wide:										
Net Investment in										
Capital Assets	3,686,417	3,196,362	2,865,336	2,810,228	1,975,878	1,909,768	2,039,527	3,441,408	11,912,594	11,870,723
Restricted	736,273	901,353	1,304,952	1,553,705	1,166,309	2,321,526	1,178,282	1,026,078	955,423	971,184
Unrestricted	(459,209)	(394,751)	(438,682)	(805,870)	(939,098)	(1,101,071)	(189,041)	(261,095)	(292,364)	(361,853)
Total District Net Position	\$ 3,963,481	\$ 3,702,964	\$ 3,731,606	\$ 3,558,063	\$ 2,203,089	\$ 3,130,223	\$ 3,028,768	\$ 4,206,391	\$ 12,575,653	\$ 12,480,054

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCURAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Expenses:										
Governmental Activities										
Instruction:										
Regular	\$ 5,865,591	\$ 6,003,997	\$ 5,950,519	\$ 6,924,562	\$ 7,167,885	\$ 6,590,020	\$ 6,532,978	\$ 6,029,076	\$ 5,978,427	\$ 5,780,227
Special Education	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747	1,025,424	983,868	828,147
Other Special Education	759,339	696,434	695,768	662,739	702,155	235,547	249,088	213,208	159,191	180,120
Other Instruction	124,161	181,453	212,669	147,203	214,471	657,437	580,387	526,946	487,445	468,734
Support Services:										
Tuition	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293	1,449,406	1,432,688	1,457,576
Student & Instruction Related Services	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678	1,790,265	1,778,645	1,644,998
School Administrative Services	1,367,326	1,216,575	1,151,590	364,787	411,669	879,466	705,304	689,035	661,378	651,607
General & Business Administrative Services	694,394	753,134	770,291	885,517	850,567	394,632	394,849	362,771	367,236	405,636
Administrative Information Technology	-	-	-	36,167	10,745	18,805	17,680	18,422	16,749	18,113
Plant Operations & Maintenance	1,720,742	1,652,629	1,470,943	241,985	234,657	228,159	218,853	207,499	204,620	193,285
Pupil Transportation	434,138	464,998	415,270	333,049	331,728	325,348	309,040	287,997	238,238	249,116
Employee Benefits	5,758,178	5,825,529	4,946,063	1,643,389	1,775,031	1,733,912	1,632,892	1,543,318	1,464,384	1,324,779
Other Support Services	-	-	-	4,548,293	4,941,479	4,336,615	4,619,445	4,695,734	3,857,758	3,449,535
Interest on Long-Term Debt	340,080	314,769	357,500	274,843	288,052	336,822	320,334	336,379	350,728	363,661
Reduction of Capital Leases	(22,377)	(15,454)	(2,576)	-	-	-	-	-	-	-
Amortization of Debt Issuance Costs	12,793	2,250	(2,243)	-	-	-	-	-	-	-
Unallocated Compensated Absences	64,730	321,453	304,487	738,921	809,470	852,379	1,821,080	8,957,935	240,111	138,621
Unallocated Depreciation	288,820	8,900	225,790	-	-	-	-	-	-	-
Fixed Asset Disposals	-	-	-	-	-	-	-	-	-	-
Loss on Adjustment to Fixed Asset Appraisal	(24,904)	117,329	258,483	-	-	-	-	-	-	-
Total Governmental Activities Expense	23,751,458	23,849,779	22,864,865	21,632,095	22,910,026	21,183,507	21,602,648	28,133,415	18,221,466	17,154,155
Business-Type Activities:										
Food Service	507,584	492,966	492,882	456,567	454,876	435,918	428,229	399,445	401,913	372,240
Total Business-Type Activities Expense	507,584	492,966	492,882	456,567	454,876	435,918	428,229	399,445	401,913	372,240
Total District Expenses	24,259,042	24,342,745	23,357,747	22,088,662	23,364,902	21,619,425	22,030,877	28,532,860	18,623,379	17,526,395

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Program Revenues:										
Governmental Activities:										
Operating Grants & Contributions	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328	988,684	1,841,088	1,852,683	2,018,524	1,973,600
Total Governmental Activities Program	1,552,107	1,413,420	1,231,133	1,570,644	1,111,328	988,684	1,841,088	1,852,683	2,018,524	1,973,600
Business-Type Activities:										
Charges for Services:										
Food Service	157,312	176,417	189,184	204,711	202,455	224,301	204,420	219,948	219,075	201,081
Operating Grants & Contributions	351,480	327,295	319,159	273,323	265,703	226,424	213,746	193,918	189,607	163,181
Total Business Type Activities	508,792	503,712	508,343	478,034	468,158	450,725	418,166	413,866	408,682	364,262
Program Revenues	2,060,899	1,917,132	1,739,476	2,048,678	1,579,486	1,439,409	2,259,254	2,266,549	2,427,206	2,337,862
Net (Expense)/Revenue:										
Governmental Activities	(22,199,351)	(22,436,359)	(21,633,732)	(20,061,451)	(21,798,698)	(20,194,823)	(19,761,560)	(26,280,732)	(16,202,942)	(15,180,555)
Business-Type Activities	1,208	10,746	15,461	21,467	13,282	14,807	(10,063)	14,421	6,769	(7,978)
Total District-Wide Net Expense	(22,198,143)	(22,425,613)	(21,618,271)	(20,039,984)	(21,785,416)	(20,180,016)	(19,771,623)	(26,266,311)	(16,196,173)	(15,188,533)
General Revenues & Other Changes in Net Position:										
Governmental Activities:										
Taxes:										
Property Taxes, Levied for General Purposes, Net	6,954,492	6,757,223	6,624,728	6,494,831	6,542,351	6,734,700	6,720,955	6,462,457	5,953,062	4,655,807
Taxes Levied for Debt Service	782,957	802,679	710,279	713,831	647,465	565,145	518,526	492,042	386,863	355,796
Federal & State Aid Not Restricted	12,783,182	12,809,002	12,438,046	12,054,194	11,646,039	11,186,373	9,643,411	9,168,109	8,530,803	8,368,412
Transportation Fees from Other LEA's	-	28,180	43,095	43,318	49,696	61,622	49,418	50,259	40,830	38,873
Tuition Received	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225	1,463,500	1,192,105	954,345
Investment Earnings	-	-	-	19,474	38,456	41,577	71,516	79,442	59,846	95,037
Miscellaneous Income	226,738	195,941	221,597	259,795	233,981	224,648	216,197	177,947	126,344	146,755
Transfers	-	-	-	-	-	-	-	-	-	100,000
Contracts Payable Cancelled	-	-	-	-	-	63,484	-	-	-	-
Total Governmental Activities	22,524,955	22,387,990	21,789,580	21,394,185	20,857,218	20,279,946	18,591,248	17,893,756	16,289,853	14,715,025

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Business-Type Activities:										
Miscellaneous Income	1,770	8,981	2,234	-	-	-	-	-	-	-
Investment Earnings	-	-	-	773	1,064	1,525	2,752	3,293	1,939	1,424
Total Business-Type Activities	1,770	8,981	2,234	773	1,064	1,525	2,752	3,293	1,939	1,424
Total District-Wide	22,526,725	22,396,971	21,791,814	21,394,958	20,858,282	20,281,471	18,594,000	17,897,049	16,291,792	14,716,449
Change in Net Position:										
Governmental Activities	325,604	(48,369)	155,848	1,332,734	(941,480)	85,123	(1,170,312)	(8,386,976)	86,911	(465,530)
Business-Type Activities	2,978	19,727	17,695	22,240	14,346	16,332	(7,311)	17,714	8,708	(6,554)
Total District	\$ 328,582	\$ (28,642)	\$ 173,543	\$ 1,354,974	\$ (927,134)	\$ 101,455	\$ (1,177,623)	\$ (8,369,262)	\$ 95,619	\$ (472,084)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
FUND BALANCES AND GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	FISCAL YEAR ENDING JUNE 30,									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
General Fund:										
Restricted	\$ 653,967	\$ 748,070	\$1,087,016	\$1,074,844	\$ 972,701	\$1,958,413	\$1,085,311	\$ 967,727	\$ 812,266	\$ 749,283
Committed	-	-	-	10,595	-	-	-	-	-	-
Assigned	63,909	139,202	135,702	460,125	-	-	-	-	-	-
Unassigned	-	-	-	(491,896)	(574,257)	(571,196)	163,173	(5,596)	(19,561)	(21,170)
Total General Fund	717,876	887,272	1,222,718	1,053,668	398,444	1,387,217	1,248,484	962,131	792,705	728,113
All Other Governmental Funds:										
Unassigned, Reported in:										
Special Revenue Fund	-	-	-	(37,770)	(29,054)	(28,817)	(60,459)	(48,484)	(48,484)	(48,484)
Committed, Reported in:										
Capital Projects Fund	-	-	117,575	-	-	-	-	-	-	-
Assigned, Reported in:										
Capital Projects Fund	-	339	6,956	6,955	-	138,642	75,158	39,870	89,606	89,606
Debt Service Fund	43,891	42,631	1,426	1,186	141,543	10,987	17,813	18,481	53,551	167,093
Total All Other Governmental Funds	\$ 43,891	\$ 42,970	\$ 125,957	\$ (29,629)	\$ 112,489	\$ 120,812	\$ 32,512	\$ 9,867	\$ 94,673	\$ 208,215

RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Revenues:										
Tax Levy	\$ 7,737,449	\$ 7,559,902	\$ 7,335,007	\$ 7,208,662	\$ 7,189,816	\$ 7,299,845	\$ 7,239,481	\$ 6,954,499	\$ 6,339,925	\$ 5,011,603
Tuition Charges	1,777,586	1,794,965	1,751,835	1,808,742	1,699,230	1,402,397	1,371,225	1,463,500	1,192,105	954,345
Transportation Fees from Other LEA's	-	28,180	43,095	43,318	49,696	61,622	49,418	50,259	40,830	38,873
Miscellaneous	226,738	195,941	221,597	279,269	272,437	266,225	287,713	266,276	195,783	241,792
State Sources	13,371,948	13,392,080	12,482,497	12,460,999	10,117,235	11,438,750	10,807,947	10,139,844	9,594,913	9,426,748
Federal Sources	963,341	830,342	1,186,682	1,146,407	2,640,132	736,307	676,552	880,948	954,414	915,264
Total Revenue	24,077,062	23,801,410	23,020,713	22,947,397	21,968,546	21,205,146	20,432,336	19,755,326	18,317,970	16,588,625
Expenditures:										
Instruction:										
Regular Instruction	5,865,590	6,024,334	5,950,519	6,924,562	7,167,885	6,590,020	6,532,978	6,029,076	5,978,427	5,780,227
Special Education Instruction	2,917,592	2,827,776	2,599,861	1,564,745	1,676,617	1,636,228	1,288,747	1,025,424	983,868	828,147
Other Special Instruction	759,339	696,434	695,768	662,739	702,155	235,547	249,088	213,208	159,191	180,120
Other Instruction	124,161	181,453	212,669	147,203	214,471	657,437	580,387	526,946	487,445	468,734
Support Services:										
Tuition	2,047,607	1,913,565	1,950,057	1,366,671	1,642,175	1,216,659	1,020,293	1,449,406	1,432,688	1,457,576
Student & Instruction Related Services	1,525,389	1,564,442	1,582,409	1,899,224	1,853,325	1,741,478	1,891,678	1,790,265	1,778,645	1,644,998
General & Business Administration Services	694,394	753,134	770,291	642,939	657,071	1,126,430	941,837	914,956	882,747	863,005
School Administrative Services	1,367,326	1,216,575	1,151,590	885,517	850,567	394,632	394,849	362,771	367,256	405,636
Plant Operations & Maintenance	1,720,742	1,652,629	1,643,393	1,643,389	1,775,031	1,733,912	1,632,892	1,543,318	1,464,384	1,324,779
Pupil Transportation	434,138	464,998	415,270	333,049	331,728	325,348	309,040	287,997	238,238	249,116
Employee Benefits	5,758,178	5,825,529	4,946,063	4,548,293	4,941,479	4,336,615	4,619,445	4,695,734	3,857,758	3,449,535
Capital Outlay	829,083	280,635	777,309	921,118	320,087	295,469	514,770	165,226	95,545	285,900
Debt Service:										
Principal	613,000	570,000	495,000	730,000	545,000	415,000	340,000	330,000	290,000	255,000
Interest & Other Charges	213,998	248,339	255,878	274,843	288,052	336,822	320,334	336,379	350,728	363,661
Total Expenditures	24,870,537	24,219,843	23,446,077	22,544,292	22,965,643	21,041,597	20,636,338	19,670,706	18,366,920	17,556,434
Excess (Deficiency) of Revenues Over/(Under) Expenditures	(793,475)	(418,433)	(425,364)	403,105	(997,097)	163,549	(204,002)	84,620	(48,950)	(967,809)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS,
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)**

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Other Financing Sources/(Uses):										
Proceeds from Borrowing	-	-	750,000	-	-	-	513,000	-	-	-
Capital Lease (Nonbudgeted)	625,000	-	-	110,000	-	-	-	-	-	-
Contracts Payable Cancelled	-	-	-	-	-	63,484	-	-	-	-
Transfers in	339	6,964	15,393	150,368	139,479	2,061	8,924	8,887	9,593	243,957
Transfers Out	(339)	(6,964)	(15,393)	(150,368)	(139,479)	(2,061)	(8,924)	(8,887)	(9,593)	(143,957)
Total Other Financing Sources/(Uses)	625,000	-	750,000	110,000	-	63,484	513,000	-	-	100,000
Net Change in Fund Balances	\$ (168,475)	\$ (418,433)	\$ 324,636	\$ 513,105	\$ (997,097)	\$ 227,033	\$ 308,998	\$ 84,620	\$ (48,950)	\$ (867,809)

Debt Service as a Percentage of Noncapital Expenditures 3.6% 3.5% 3.4% 3.4% 3.8% 3.8% 3.4% 3.5% 3.6% 3.7%

Source: District Records

Note: Noncapital expenditures are total expenditures less capital outlay.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
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	RETURNS	PRIOR YEAR REFUNDS	PRIOR YEAR		INTEREST	FINES	MISCELLANEOUS	TOTAL
					ENCUMBRANCES	CANCELLED				
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
2007	113,988	-	-	4,379	-	-	79,442	1,664	57,916	257,389
2006	117,143	-	3,021	1,374	-	-	59,846	3,073	1,733	186,190
2005	107,613	-	-	-	-	16,793	51,080	14,653	7,696	197,835

Source: District records

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
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
2013	N/A	N/A	N/A	N/A	N/A	N/A	446,303,109	N/A	N/A	446,303,109	1.733	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	1.687	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	1.638	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	1.602	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	1.588	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	1.610	530,120,118
2007	N/A	N/A	N/A	N/A	N/A	N/A	453,416,651	N/A	N/A	453,416,651	1.600	N/A
2006	N/A	N/A	N/A	N/A	N/A	N/A	452,517,576	N/A	N/A	452,517,576	1.537	426,742,143
2005	N/A	N/A	N/A	N/A	N/A	N/A	361,959,756	N/A	N/A	361,959,756	1.403	361,959,756

Source: Abstract of Ratables Burlington County, Burlington County Abstract of Ratable

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 BOARD OF EDUCATION
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	
2013	1.687	1.687	0.919	0.035	2.641
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
2007	1.537	1.537	0.695	0.417	2.649
2006	1.403	1.403	0.628	0.366	2.397
2005	1.834	1.834	0.900	0.555	3.289

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 BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS,
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2014		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE
Seagull Lightening	\$5,276,000	1	1.182%
River Terrace Associates	3,500,000	2	0.784%
Teicher Org at Riverside, LLC	3,155,900	3	0.707%
Barbarberg/Riverside Garden Apts	2,000,000	4	0.448%
Watchcase Office, Complex	1,545,000	5	0.346%
Riverside Norse, LLC	1,500,000	6	0.336%
Monroe Premier Properties	1,420,000	7	0.318%
Keymar Inc	1,200,000	8	0.269%
Bonforte Industries	1,131,200	9	0.253%
Hovbros Riverside, LLC	842,000	10	0.189%
Total	<u>\$21,570,100</u>		<u>4.833%</u>

2005

	2005		
	TAXABLE ASSESSED VALUE	RANK	% OF TOTAL DISTRICT NET ASSESSED VALUE

NOT AVAILABLE

Source: Municipal Tax Assessor

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
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	
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%	-
2007	12,781,591	12,236,501	95.74%	-
2006	12,007,177	11,573,685	96.39%	-
2005	10,938,729	10,589,324	96.81%	-
2004	9,026,501	8,661,440	95.96%	-

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 BOARD OF EDUCATION
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					
2014	\$ 5,745,000	\$ -		\$ 548,448	\$ 6,293,448	N/A	N/A
2013	6,358,000	-		67,171	6,425,171	N/A	N/A
2012	6,928,000	-		87,984	7,015,984	1.70%	871.23
2011	6,843,000	-		110,000	6,953,000	1.73%	861.80
2010	7,318,000	265,000		-	7,583,000	1.96%	936.75
2009	7,738,000	380,000		-	8,118,000	2.22%	1,003.83
2008	7,918,000	615,000		-	8,533,000	2.58%	1,111.50
2007	7,535,000	825,000		-	8,360,000	2.58%	1,084.31
2006	7,660,000	1,015,000		5,591	8,680,591	2.88%	1,117.48
2005	7,760,000	1,205,000		26,806	8,991,806	3.05%	1,138.92

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 BOARD OF EDUCATION
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		
2014	\$ 5,745,000	\$ -	\$ 5,745,000	N/A	N/A
2013	6,358,000	-	6,358,000	1.42%	N/A
2012	6,928,000	-	6,928,000	1.55%	860
2011	6,843,000	-	6,843,000	1.53%	848
2010	7,318,000	-	7,318,000	1.63%	904
2009	7,738,000	-	7,738,000	1.72%	957
2008	7,918,000	-	7,918,000	1.75%	1,031
2007	7,535,000	-	7,535,000	1.66%	977
2006	7,660,000	-	7,660,000	1.69%	986
2005	7,760,000	-	7,760,000	1.71%	983

-

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2014**

GOVERNMENTAL UNIT	DEBT OUTSTANDING	ESTIMATED PERCENTAGE APPLICABLE	SHARE OF OVERLAPPING DEBT
Debt Repaid With Property Taxes:			
Riverside Township	\$5,935,360	100.00%	\$5,935,360
Burlington County General Obligation Debt	318,797,148	1.050%	3,347,370
Riverside Reclamation Authority	785,151	100.00%	785,151
Subtotal, Overlapping Debt			10,067,881
Riverside Township District Direct Debt			5,745,000
Total Direct & Overlapping Debt			\$15,812,881

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

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS
(Dollars in Thousands)**

	FISCAL YEAR									
	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Debt Limit	\$ 13,735,603	\$ 14,076,947	\$ 15,487,413	\$ 21,410,464	\$ 21,504,367	\$ 20,726,272	\$ 18,923,339	\$ 14,385,315	\$ 9,782,858	\$ 8,985,744
Total Net Debt Applicable to Limit	5,745,000	6,358,000	6,928,000	6,843,000	7,318,000	7,738,000	7,918,000	7,660,000	7,760,000	7,835,000
Legal Debt Margin	<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>	<u>\$ 6,725,315</u>	<u>\$ 2,022,858</u>	<u>\$ 1,150,744</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	41.83%	45.17%	44.73%	31.96%	34.03%	37.33%	41.84%	53.25%	79.32%	87.19%

Legal Debt Margin Calculation for Fiscal Year 2012

Equalized Valuation Basis	
2014	\$ 463,628,601
2013	463,628,601
2011	446,303,109
	<u>\$ 1,373,560,311</u>
Average Equalized Valuation of Taxable Property	<u>\$ 457,853,437</u>
Debt Limit (3 % of Average Equalization Value)	\$ 13,735,603
Net Bonded School Debt	<u>5,745,000</u>
Legal Debt Margin	<u>\$ 7,990,603</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 BOARD OF EDUCATION
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS**

YEAR	POPULATION (a)	PERSONAL INCOME (b)	PER CAPITA PERSONAL INCOME (c)	UNEMPLOYMENT RATE (d)
2013	8,053	N/A	N/A	7.60%
2012	8,068	412,105,372	51,079	10.10%
2011	8,095	401,722,470	49,626	9.70%
2010	8,087	386,954,863	47,849	10.00%
2009	7,677	365,287,014	47,582	5.40%
2008	7,710	369,964,350	47,985	4.00%
2007	7,768	361,250,840	46,505	5.80%
2006	7,895	353,040,715	44,717	3.80%
2005	7,921	333,957,281	42,161	6.50%
2004	7,950	325,162,950	40,901	6.40%

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 BOARD OF EDUCATION
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
 LAST EIGHT FISCAL YEARS**

Function/Program	2014	2013	2012	2011	2010	2009	2008	2007
Instruction:								
Regular	95	94	91	92	112	110	105	103
Special Education	51	36	42	41	28	29	26	26
Support Services:								
Student & Instruction Related Services	20	21	14	14	14	14	14	14
General Administrative	2	2	2	2	2	2	2	2
School Administrative Services	12	14	13	13	13	13	12	12
Central Services	3	3	3	3	3	3	3	3
Administrative Information Technology	1	1	1	1	1			
Plant Operations & Maintenance	21	21	21	20	25	25	24	24
Pupil Transportation		7	7	7	8	8	8	8
Other Support Services	4	3	8	8	8	8	7	7
Total	209	202	202	201	214	212	201	199

Source: District Annual Budget Statement Supporting Documentation

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
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				
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	4.96%	135	12:1	10:1	13:1	1,433.4	1,339.5	0.50%	93.45%
2007	1,444	16,061,899	11,123		122	12:1	10:1	14:1	1,426.3	1,334.9	-0.04%	93.59%
2006	1,444	15,088,558				12.1	10:1	13:1	1,426.8	1,335.4	1.93%	93.59%
2005									1,399.8	1,312.0	3.04%	93.73%

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 BOARD OF EDUCATION
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

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
School Facilities										
Riverside Township School	\$128,378	141,394	155,884	59,085	59,085	59,085	59,085	61,564	61,564	59,085
Total School Facilities	\$128,378	141,394	155,884	59,085	59,085	59,085	59,085	61,564	61,564	59,085

Source: District Records

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
INSURANCE SCHEDULE
JUNE 30, 2014**

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"	\$150,000,000	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	None	1,000
III. Crime	500,000	250,000	500
IV. General & Automobile Liability	10,000,000	250,000	None
V. Workers' Compensation	Statutory	250,000	None
VI. Educator's Legal Liability	10,000,000	100,000	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 Corporate & Specialty Marine Ins. Co			
RSUI Indemnity Company			
General Liability & Automobile Liability:			
SPELLJIF, Selective Ins. Co. of America			
Workers' Compensation:			
SPELLJIF, Selective Ins. Co. of America			
Educators' 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. Student Accident Insurance	6,000,000	None	None
VIII. Surety Bonds			
Treasurer	300,000	n/a	n/a
Business Administrator/Board Secretary	25,000	n/a	n/a

Source: District records

SINGLE AUDIT SECTION

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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 Board of Education
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 and business-type activities, each major fund and the aggregate remaining fund information of the Riverside Board of Education, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise Riverside Board of Education’s basic financial statements, and have issued our report thereon dated September 17, 2014.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Riverside Board of Education’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 Riverside Board of Education’s internal control. Accordingly, we do not express an opinion on the effectiveness of Riverside Board of Education’s internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Riverside Board of Education'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 one instance 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 as Finding 2014-001 in the General Comments section.

Purpose of this Report

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
September 17, 2014

EXHIBIT K-2

**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-
133 AND NEW JERSEY OMB CIRCULAR 04-04.**

Honorable President and Members
of the Board of Education
Riverside Board of Education
Riverside, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited Riverside Board of Education’s compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District’s major federal and state programs for the year ended June 30, 2014. Riverside Board of Education’s major federal and state programs are identified in the Summary of Auditor’s Results section of the accompanying Schedule of Findings and Questioned Costs.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express an opinion on compliance for each of Riverside Board of Education’s major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; the *New Jersey State Aid/Grant Compliance Supplement*; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB’s Circular 04-04, *Single Audit Policy for*

Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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 Riverside Board of Education'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 Riverside Board of Education's compliance with those requirements.

Opinion on Each Major Federal and State Program

In our opinion, Riverside Board of Education 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, 2014.

Report on Internal Control Over Compliance

Management of Riverside Board of Education 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 Riverside Board of Education'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 OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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 Riverside Board of Education'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 OMB Circular A-133 and New Jersey OMB's Circular 04-04. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.

Michael Holt
Public School Accountant
Certified Public Accountant
No. 1148

Medford, New Jersey
September 17, 2014

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RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR FISCAL YEAR ENDED JUNE 30, 2014

FEDERAL GRANTOR/ PASS-THROUGH GRANTOR/ PROGRAM TITLE	FEDERAL CFDA NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	JUNE 30, 2014 (ACCOUNTS RECEIVABLE)
U.S. DEPARTMENT OF AGRICULTURE PASSED- THROUGH STATE DEPARTMENT OF EDUCATION:							
Food Distribution Program	10.550	\$ 28,456	7/1/13-6/30/14	\$ -	28,456	\$ (28,456)	\$ -
Healthy Hunger-Free Kids Act	10.551	7,437	7/1/13-6/30/14	-	6,979	(7,437)	(458)
Healthy Hunger-Free Kids Act	10.551	6,870	7/1/12-6/30/13	(398)	398	-	-
National School Lunch Program	10.555	268,978	7/1/13-6/30/14	-	252,130	(268,978)	(16,848)
National School Lunch Program	10.555	250,689	7/1/12-6/30/13	(13,508)	13,508	-	-
School Breakfast Program	10.553	38,567	7/1/13-6/30/14	-	36,050	(38,567)	(2,517)
School Breakfast Program	10.553	36,426	7/1/12-6/30/13	(2,182)	2,182	-	-
Special Milk Program	10.556	1,266	7/1/13-6/30/14	-	1,169	(1,266)	(97)
Special Milk Program	10.556	941	7/1/12-6/30/13	(51)	51	-	-
Total Enterprise Fund				(16,139)	340,923	(344,704)	(19,920)

**U.S. DEPARTMENT OF EDUCATION PASSED-
THROUGH STATE DEPARTMENT OF EDUCATION:**

Education Jobs Fund	84.410A	927	9/1/11-8/31/12	(927)	927	-	-
Special Education - Medicaid Aid	93.778	29,945	7/1/13-6/30/14	-	29,945	(29,945)	-
Special Education - Medicaid Aid	93.778	41,512	7/1/12-6/30/13	(25,851)	25,851	-	-
Total General Fund Assistance				(26,778)	56,723	(29,945)	-
Special Revenue Fund:							
Title I	84.010A	558,180	7/1/13-6/30/14	-	342,335	(558,180)	(215,845)
Title I	84.010A	380,101	7/1/12-6/30/13	(152,861)	152,861	-	-
Title II A	84.281A	36,370	7/1/13-6/30/14	-	23,655	(36,370)	(12,715)
Title II A	84.281A	36,473	7/1/12-6/30/13	(12,158)	12,158	-	-
Title III - English Language Acquisitor	84.365A	14,424	7/1/13-6/30/14	-	11,803	(14,424)	(2,621)
Title III - English Language Acquisitor	84.365A	6,759	7/1/12-6/30/13	(1,688)	1,688	-	-
I.D.E.A. Part B, Basic Regular	84.027	315,499	7/1/13-6/30/14	-	308,240	(315,499)	(7,259)
I.D.E.A. Part B, Basic Regular	84.027	311,102	7/1/12-6/30/13	(11,130)	11,130	-	-
I.D.E.A. Preschool Program	84.173A	8,923	7/1/13-6/30/14	-	-	(8,923)	(8,923)
Total Special Revenue Fund Assistance				(177,837)	863,870	(933,396)	(247,363)
Total U.S. Department of Education				(204,615)	920,593	(963,341)	(247,363)
Total Federal Financial Assistance				\$ (220,754)	\$ 1,261,516	\$ (1,308,045)	\$ (267,283)

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR FISCAL YEAR ENDED JUNE 30, 2014**

STATE GRANTOR/ PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	PROGRAM OR AWARD AMOUNT	GRANT PERIOD	BALANCE AT JUNE 30, 2013	CASH RECEIVED	BUDGETARY EXPENDITURES	(ACCOUNTS DEFERRED RECEIVABLE) JUNE 30, 2014	JUNE 30, 2014	MEMO	
									BUDGETARY REVENUE	BUDGETARY RECEIVABLE
State Department of Education:										
General Fund:										
Equalization Aid	14-495-034-5120-078	\$9,997,701	7/1/13-6/30/14	\$ -	\$ 9,997,701	\$ (9,997,701)	\$ -	\$ -	\$ 888,203	\$ 9,997,701
Special Education Categorical Aid	14-495-034-5120-089	690,094	7/1/13-6/30/14	-	690,094	(690,094)	-	-	61,308	690,094
Transportation Aid	14-495-034-5120-014	44,573	7/1/13-6/30/14	-	44,573	(44,573)	-	-	3,960	44,573
Security Aid	14-495-034-5120-084	72,973	7/1/13-6/30/14	-	72,973	(72,973)	-	-	6,483	72,973
Educational Adequacy Aid	14-495-034-5120-083	19,179	7/1/13-6/30/14	-	19,179	(19,179)	-	-	1,704	19,179
Extraordinary Aid	14-100-034-5120-473	49,832	7/1/13-6/30/14	(49,548)	49,548	(49,832)	(49,832)	-	-	49,832
On Behalf TPAF Pension Contribution	14-495-034-5095-001	421,480	7/1/13-6/30/14	-	421,480	(421,480)	-	-	-	421,480
On Behalf TPAF Medical Contribution	14-495-034-5095-001	691,069	7/1/13-6/30/14	-	691,069	(691,069)	-	-	-	691,069
Reimbursed TPAF Social Security	14-495-034-5095-002	736,230	7/1/13-6/30/14	(35,101)	735,320	(736,230)	(36,011)	-	-	736,230
Total General Fund Assistance				(84,649)	12,721,937	(12,723,131)	(85,843)	-	961,658	12,723,131
Special Revenue Fund:										
Preschool Education Aid	14-100-034-5120-086	835,505	7/1/13-6/30/14	152,694	825,963	(618,711)	-	359,946	-	618,711
Total Special Revenue Fund Assistance				152,694	825,963	(618,711)	-	359,946	-	618,711
Debt Service Type II	14-495-034-5120-017	44,962	7/1/13-6/30/14	-	44,962	(44,962)	-	-	-	44,962
Total Debt Service Fund Assistance				-	44,962	(44,962)	-	-	-	44,962
Enterprise Fund:										
National School Lunch Program (State Share)	14-100-010-3360-067	6,685	7/1/13-6/30/14	(334)	6,245	(6,685)	(774)	-	-	6,685
Total Enterprise Fund Assistance				(334)	6,245	(6,685)	(774)	-	-	6,685
Total State Financial Assistance				\$ 67,711	\$ 13,599,107	\$ (13,393,489)	\$ (86,617)	\$ 359,946	\$ 961,658	\$ 13,393,489
										<u>\$ (12,280,940)</u>

Total State Financial Assistance excluding On-Behalf TPAF Pension & Medical Contributions which agrees to Single Audit Summary

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2014**

Note 1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Riverside Township Board of Education. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

Note 2. Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. The basis of accounting is described in Note 1 to the Board's basic financial statements.

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.

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(14,856) for the general fund and \$0 for the special revenue fund. See Note 1 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF FINANCIAL ASSISTANCE
JUNE 30, 2014**

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

	State	Federal	Total
General Fund	\$12,708,275	\$ 29,945	\$12,738,220
Special Revenue Fund	618,711	933,396	1,552,107
Debt Service Fund	44,962		44,962
Food Service Fund	<u>6,685</u>	<u>344,704</u>	<u>351,389</u>
Total Financial Assistance	<u>\$13,378,633</u>	<u>\$1,308,045</u>	<u>\$14,686,678</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. Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2014. 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, 2014.

Note 6. Federal and State Loans Outstanding

The Riverside Township Board of Education had no loan balances outstanding at June 30, 2014.

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2014**

Section I – Summary of Auditor’s Results

Financial Statements

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

Federal Awards

Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?	None Reported
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance With Section .510(a) of Circular A-133?	No

Identification of major programs:

CFDA Number(s)	Name of Federal Program or Cluster
84.011	Title I, Part A

Dollar threshold used to distinguish between type A and type B programs:	\$300,000
Auditee qualified as low-risk auditee?	Yes

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2014**

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

State Awards

Dollar threshold used to distinguish between type A and type B programs:	\$368,428
Auditee qualified as low-risk auditee?	Yes
Type of auditor’s report issued on compliance for major programs	<u>Unmodified</u>
Internal Control over major programs:	
1) Material weakness(es) identified?	None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?	None Reported
Any audit findings disclosed that are required to be reported in accordance With NJ OMB Circular Letter 04-04	No

Identification of major programs:

GMIS Number(s)	Name of State Program
14-495-034-5120-078	Equalization Aid
14-495-034-5120-084	Security Aid
14-495-034-5120-089	Special Educational Categorical Aid
14-495-034-5120-085	Adjustment Aid
14-495-034-5120-083	Educational Adequacy Aid
14-495-034-5095-002	Reimbursed TPAF Social Security Contributions
14-495-034-5120-086	Preschool Education Aid

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 Chapter 5.18 of *Government Auditing Standards*.

None Noted

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SCHEDULE OF FINDINGS & QUESTIONED COSTS (continued):
For the Fiscal Year Ended June 30, 2014**

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

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and New Jersey OMB's Circular Letter 04-04.

No Current Year Findings

**RIVERSIDE TOWNSHIP BOARD OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
For the Fiscal Year Ended June 30, 2014**

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315 (a)(b)) and New Jersey OMB's Circular 04-04.

No Prior Year Findings