

**BOARD OF EDUCATION
READINGTON TOWNSHIP
COUNTY OF HUNTERDON
SYNOPSIS OF AUDIT
JULY 1, 2014 TO JUNE 30, 2015**

READINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2015

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash & Cash Equivalents	\$ 2,507,987	\$ 116,453	\$ 2,624,440
Internal Balances	(28,493)	28,493	
Receivables, Net	1,212,951	7,438	1,220,389
Inventory		5,438	5,438
Restricted Assets:			
Cash & Cash Equivalents	4,173,982		4,173,982
Capital Assets (Note 4):			
Land and Construction in Progress	432,145		432,145
Other Capital Assets, Net of Depreciation	41,391,273	34,979	41,426,252
Total Assets	<u>49,689,845</u>	<u>192,801</u>	<u>49,882,646</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	850,144		850,144
Deferred Amount on Refunding Bond Issue	22,682		22,682
Total Deferred Outflows of Resources	<u>872,826</u>	<u>-</u>	<u>872,826</u>
LIABILITIES			
Accounts Payable	537,893	29,141	567,034
Accrued Interest	359,743		359,743
Payables to Governments	2,159		2,159
Unearned Revenue	31,317	42,902	74,219
Long-Term Liabilities:			
Due Within One Year	1,477,883		1,477,883
Due Beyond One Year	28,768,746		28,768,746
Total Liabilities	<u>31,177,741</u>	<u>72,043</u>	<u>31,249,784</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amount on Pension Activity	510,781	-	510,781
NET POSITION			
Net Investment in Capital Assets	21,148,418	34,979	21,183,397
Restricted For:			
Capital Projects	1,204,618		1,204,618
Debt Service	75,758		75,758
Legal Reserves	3,619,131		3,619,131
Unrestricted	<u>(7,173,776)</u>	<u>85,779</u>	<u>(7,087,997)</u>
TOTAL NET POSITION	<u>\$ 18,874,149</u>	<u>\$ 120,758</u>	<u>\$ 18,994,907</u>

READINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Direct Expenses	Indirect Expenses Allocation	Program Revenues			Net (Expense) Revenue & Changes in Net Position		
			Charges for Services	Operating Grants & Contribution	Capital Grants & Contribution	Governmental Activities	Business- Type Activities	Total
Governmental Activities:								
Instruction:								
Regular	\$ 8,643,793	\$ 6,149,003	\$ 76,222	\$ 58,624	\$ 218,581	\$ (14,439,369)		\$ (14,439,369)
Special Education	3,185,666	2,188,755	43,193	32,093	80,681	(5,218,454)		(5,218,454)
Other Special Education	793,650	560,856		72,011	20,124	(1,262,371)		(1,262,371)
Other Instruction	267,369	113,962			6,732	(374,599)		(374,599)
Support Services:								
Tuition	787,923			352,087		(435,836)		(435,836)
Students & Instruction Related Services	3,733,254	2,456,463		49,920	94,640	(6,045,157)		(6,045,157)
General & Business Administration Services	1,167,133	454,249	117,918		26,574	(1,476,890)		(1,476,890)
School Administration Services	1,173,058	791,894			29,919	(1,935,033)		(1,935,033)
Plant Operations & Maintenance	2,175,824	237,699	54,191			(2,359,332)		(2,359,332)
Pupil Transportation	1,430,378	284,040	31,794			(1,682,624)		(1,682,624)
Interest on Long-Term Debt	842,475					(842,475)		(842,475)
Total Governmental Activities	24,200,523	13,236,921	323,318	564,735	477,251	(36,072,140)	\$ -	(36,072,140)
Business-Type Activities:								
Food Service	567,851		418,003	113,326			(36,522)	(36,522)
Summer Programs	20,901		20,350				(551)	(551)
Total Business-Type Activities	588,752	-	438,353	113,326	-	-	(37,073)	(37,073)
Total Primary Government	\$ 24,789,275	\$ 13,236,921	\$ 761,671	\$ 678,061	\$ 477,251	(36,072,140)	(37,073)	(36,109,213)
General Revenues and Special Items								
Property Taxes Levied for General Purposes						26,582,012		26,582,012
Property Taxes Levied for Debt Service						2,098,623		2,098,623
Federal & State Aid Not Restricted						8,644,779		8,644,779
Investment Earnings						30,984	527	31,511
Miscellaneous Income						109,808	167	109,975
Total General Revenues and Special Items						37,466,206	694	37,466,900
Change in Net Position						1,394,066	(36,379)	1,357,687
Net Position-Beginning						17,480,083	157,137	17,637,220
Net Position-Ending						\$ 18,874,149	\$ 120,758	\$ 18,994,907

READINGTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash & Cash Equivalents	\$ 2,432,229			\$ 75,758	\$ 2,507,987
Due from Other Funds	159,462				159,462
Receivables from Other Governments:					
State	354,141		\$ 649,767		1,003,908
Federal		\$ 200,253			200,253
Other Receivables	8,790				8,790
Restricted Cash & Equivalents	3,619,131		554,851		4,173,982
TOTAL ASSETS	\$ 6,573,753	\$ 200,253	\$ 1,204,618	\$ 75,758	\$ 8,054,382
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 521,663	\$ 16,230			\$ 537,893
Due to Other Funds	28,493	159,462			187,955
Payables to Other Governments:					
State		2,159			2,159
Unearned Revenue	8,915	22,402			31,317
Total Liabilities	559,071	200,253	\$ -	\$ -	759,324
Fund Balances:					
Restricted:					
Excess Surplus	849,104				849,104
Excess Surplus-Designated for Subsequent Year's Expenditures	757,442				757,442
Capital Projects			1,204,618		1,204,618

READINGTON TOWNSHIP SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2015
(Continued)

LIABILITIES AND FUND BALANCES (Cont'd)	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
Committed:					
Capital Reserve Account	\$ 3,044,892				\$ 3,044,892
Maintenance Reserve Account	367,179				367,179
Emergency Reserve Account	207,060				207,060
Assigned:					
Year-End Encumbrances	182,693				182,693
Designated for Subsequent Year's Expenditures				\$ 75,758	75,758
Unassigned Fund Balance	606,312				606,312
Total Fund Balances	<u>6,014,682</u>	<u>\$ -</u>	<u>\$ 1,204,618</u>	<u>75,758</u>	<u>7,295,058</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 6,573,753</u>	<u>\$ 200,253</u>	<u>\$ 1,204,618</u>	<u>\$ 75,758</u>	

Amounts reported for governmental activities in
the Statement of Net Position (A-1) are different because:

Capital assets used in government activities are not financial resources & therefore
are not reported in the funds. The cost of the assets is
and the accumulated depreciation is

\$ 61,951,304	
<u>20,127,886</u>	41,823,418

Long-term liabilities, including bonds payable and net pension obligations, are not due & payable in the current period
& therefore are not reported as liabilities in the funds

(30,246,629)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore,
are not reported in the funds

339,363

For refunding bond issues, the difference between the reacquisition price and the net carrying
amount of the old debt is reported as a deferred outflow of resources and amortized as a
component of interest expense over the remaining life of the old or new debt, whichever is shorter

Refunding Amount	26,806
Accum. Amortiz.	<u>4,124</u>

22,682

Interest on long-term debt is not accrued in governmental funds, but rather is recognized as
an expenditure when due. Accrued interest for general obligation bonds & New Jersey EDA
loans is

(359,743)

Net Position of Governmental Activities

\$ 18,874,149

READINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local Sources:					
Local Tax Levy	\$ 26,582,012			\$ 2,098,623	\$ 28,680,635
Tuition Charges	119,415				119,415
Transportation Fees	30,651				30,651
Interest Earned on Legal Reserve Funds	9,175				9,175
Interest on Investments	21,809				21,809
Local Contributions		\$ 49,792			49,792
Miscellaneous	78,083				78,083
Total	26,841,145	49,792	\$ -	2,098,623	28,989,560
State Sources	4,660,256		477,251	6,494	5,144,001
Federal Sources	200	514,943			515,143
Total Revenues	31,501,601	564,735	477,251	2,105,117	34,648,704
EXPENDITURES					
Current:					
Instruction:					
Regular Instruction	8,561,728	58,624			8,620,352
Special Education Instruction	3,149,810	32,093			3,181,903
Other Special Instruction	728,214	65,436			793,650
Other Instruction	265,499				265,499
Support Service & Undistributed Costs:					
Tuition	435,836	352,087			787,923
Student & Instruction Related Services	3,682,757	49,632			3,732,389
General & Business Administrative Services	1,048,054				1,048,054
School Administrative Services	1,179,916				1,179,916
Plant Operations & Maintenance	2,133,662				2,133,662
Pupil Transportation	1,252,666				1,252,666
Unallocated Benefits	8,030,910	6,863			8,037,773

READINGTON TOWNSHIP SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(Continued)

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
EXPENDITURES (Cont'd)					
Capital Outlay	\$ 493,343		\$ 1,193,127		\$ 1,686,470
Debt Service:					
Principal				\$ 1,315,000	1,315,000
Interest & Other Charges	67,811			790,138	857,949
Total Expenditures	<u>31,030,206</u>	<u>\$ 564,735</u>	<u>1,193,127</u>	<u>2,105,138</u>	<u>34,893,206</u>
Net Change in Fund Balances	471,395	-	(715,876)	(21)	(244,502)
Fund Balances, July 1	<u>5,543,287</u>	<u>-</u>	<u>1,920,494</u>	<u>75,779</u>	<u>7,539,560</u>
Fund Balances, June 30	<u>\$ 6,014,682</u>	<u>\$ -</u>	<u>\$ 1,204,618</u>	<u>\$ 75,758</u>	<u>\$ 7,295,058</u>

RECOMMENDATIONS

No recommendations have been developed as a result of the audit.

STATUS OF PRIOR YEAR'S AUDIT FINDINGS/RECOMMENDATIONS

There were no prior year audit recommendations.