

SCHOOL DISTRICT
OF
POINT PLEASANT BOROUGH
OF OCEAN COUNTY

Point Pleasant Borough Board of Education
Point Pleasant Borough, New Jersey

COMPREHENSIVE ANNUAL FINANCIAL REPORT
Fiscal Year Ended June 30, 2015

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Of the

Point Pleasant Borough Board of Education
of Ocean County

Point Pleasant Borough, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

Point Pleasant Borough Board of Education
Finance Department

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

POINT PLEASANT SCHOOLS

Steven W. Corso, CPA
School Business Administrator/Board Secretary

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Fax: (732) 295-2320

October 6, 2015

Honorable President and Members of the Board of Education
Point Pleasant Borough Schools
Board of Education
County of Ocean, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Point Pleasant Schools Board of Education (Board) for the fiscal year ended June 30, 2015 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. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Board. All disclosures necessary to enable the reader to gain an understanding of the Board'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 Board's organization chart, and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The Board is required to undergo an annual single audit in conformity with the provision of the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Government and Non-Profit Organizations", and the State Treasury Circular Letter 98-07, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Point Pleasant Schools Board of Education is an independent reporting entity within the criteria adopted by GASB as established by GASB Statement No. 14. All funds and account groups of the Board are included in this report. The Point Pleasant Board of Education and all its schools constitute the Board's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular and special education for handicapped children. The District had an October 15, 2014 resident enrollment of 2,845 students, which is 35 students lower than the previous year's enrollment. The following details the changes in the enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percentage Change</u>
2014-15	2,845	(1.00%)
2013-14	2,880	(1.34) %
2012-13	2,919	(.01) %
2011-12	2,952	(1.83) %
2010-11	3,007	(.96) %
2009-10	3,036	(2.8) %
2008-09	3,124	(1.00) %
2007-08	3,161	(2.00) %
2006-07	3,215	(.003) %
2005-06	3,225	1.54 %

2. ECONOMIC CONDITION AND OUTLOOK: The Point Pleasant area sees a decline in its school age population, as families are having fewer children. Enrollment has declined slightly in the last few years.

3. PROFESSIONAL DEVELOPMENT ACTIVITIES – 2014-2015:

The Point Pleasant School District is incorporating a four-year comprehensive Teacher Induction Program. The content of these monthly afterschool training sessions includes mastery teaching, lesson dynamics, technology applications, peer assessment, learning styles and current writing models. There are approximately 32 non-tenured teachers involved in the induction program. Though the induction workshops are created for non-tenured staff members, tenured staff members are welcome to attend any workshop that they wish.

Spectrum Diversity provided a workshop on the Anti-Bullying Bill of Rights for all employees. This training is mandated so staff members are appropriately trained on issues related to harassment, intimidation and bullying.

Building-based Professional Learning Communities are held throughout the year. Additionally, staff is offered opportunities to attend out-of-district workshops throughout the school year.

4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the Board 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 assurance recognizes that: (1) the cost of control should not exceed the

benefits likely to be derived and (2) the valuation of costs and benefits requires estimates and judgments made by management.

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

As part of the Board'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 Board has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS: In addition to internal accounting controls, the Board 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 general 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-by-line basis. Open encumbrances at year-end are either cancelled or are included as reservations of fund balance in the subsequent year.

6. ACCOUNTING SYSTEM AND REPORTS: The Board's accounting records reflect generally accepted principles, as promulgated by the governmental accounting standards board (GASB). The accounting system of the Board 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.
7. FINANCIAL INFORMATION AT FISCAL YEAR-END: As demonstrated by the various statements and schedules included in the financial section of this report, the Board continues to meet its responsibility for sound financial management.

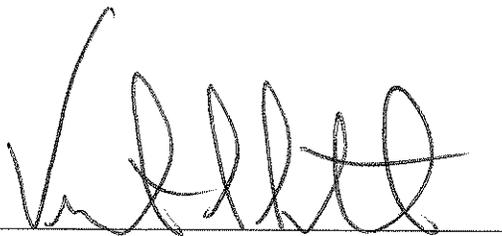
Readers should refer to the Management's Discussion and Analysis for a summary of the financial statements in relation to the prior year.

8. DEBT ADMINISTRATION: On January 29, 2014, the Board issued \$15,948,000 in school bonds. The purpose of this bond issuance was to make needed repairs to all four schools. As of June 30, 2015, the Board's outstanding debt issues included \$21,238,000 of general obligation bonds.
9. CASH MANAGEMENT: The investment policy of the Board is guided in large part by state statute as detailed in "Notes to the Financial Statements", Note 2. The Board has adopted a cash management plan which requires it to deposit public funds in public depositories

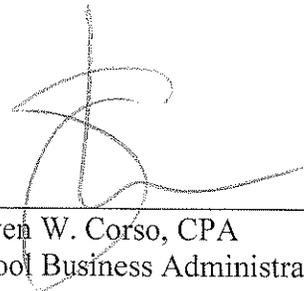
protected from loss under the provisions of the Governmental Unit Deposit Protection Act (“GUDPA”). GUPDA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

10. 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.
11. OTHER INFORMATION: Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Perry and Company, LLP, was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the U.S. Office of Management and Budget Circular A-133, “Audits of States, Local Government, Non-Profit Organizations” and the “State Treasury Circular Letter 98-07 OMB”, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid”. The auditor’s report on the general purpose financial statement and combining and individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.
12. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Point Pleasant Schools Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation.

Respectfully submitted,



Vincent S. Smith
Superintendent of Schools



Steven W. Corso, CPA
School Business Administrator/Board Secretary

VS:SWC:lt

Point Pleasant Borough Board of Education
Point Pleasant Borough, New Jersey

Roster of Officials
June 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Ricardo Ruiz, President	2018
Susan Ward, Vice President	2018
Sean Hagan	2016
Nancy Paziienza	2015
Peter T. Hetzel	2015
Cheryl Salway	2018
Susan Byington	2018

Other Officials

Vincent S. Smith, Superintendent of Schools

Susan Ladd, Director of Curriculum & Instruction

Steven W. Corso, CPA, School Business Administrator/Board Secretary

Denise L. McCarthy, CPA, Supervisor of Accounting

Laurie Considine, Treasurer of School Monies

Point Pleasant Borough Board of Education
Consultants and Advisors

Architect

Spiezle Architectural Group
120 Sanhican Drive
Trenton, New Jersey 08618

Audit Firm

Jump, Perry and Company, L.L.P.
12 Lexington Avenue
Toms River, New Jersey 08753

Attorney

Viola S. Lordi, Esq.
Wilentz, Goldman & Spitzer, P.A.
90 Woodbridge Center Drive
Suite 900, Box 10
Woodbridge, New Jersey 07095

Official Depositories

Ocean First
2400 Bridge Avenue
Point Pleasant, New Jersey 08742

Manasquan Savings Bank
2307 Route 88
Point Pleasant, New Jersey 08742

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Honorable President and
Members of the Board of Education
Point Pleasant Borough Board of Education:
County of Ocean
Point Pleasant, New Jersey

Report of 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 Board of Education of Point Pleasant Borough Board of Education in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and in compliance with the 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 of material misstatement.

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

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 Point Pleasant Borough Board of Education in the County of Ocean, State of New Jersey as of June 30, 2015 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis 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 Point Pleasant Borough Board of Education's basic financial statements. The introductory section, combining fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is 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 and/or 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, and are also not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated November 19, 2015 on our consideration of the Board of Education of the Point Pleasant Borough Board of Education in the County of Monmouth, State of New Jersey 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 Point Pleasant Borough Board of Education in the County of Ocean, State of New Jersey internal control over financial reporting and compliance.

Respectfully Submitted,

Jump, Perry and Company, L.L.P.
Jump, Perry and Company L.L.P.
Toms River, NJ

Kathryn Perry, CPA
Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 19, 2015
Toms River, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

POINT PLEASANT SCHOOL DISTRICT

Management Discussion and Analysis For the Year Ended June 30, 2015

The Management's Discussion and Analysis (MD&A) of the Board of Education of the Point Pleasant School District provides an overview of the School Board's financial activities for the fiscal year ended June 30, 2015. It should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal and the School Board's financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2014-2015 fiscal year include the following:

- In total, net position increased \$1,134,637, from 2014
- Total assets decreased by \$3,277,189 as cash and cash equivalents decreased by \$11,474,257 and capital assets increased by \$8,060,111. The decrease in cash and cash equivalents is due to the payment of various contractors with bond referendum proceeds. The purpose of this referendum was to make upgrades to each of the schools' capital structures. As the project is completed, the costs become capital improvements resulting in the increase in capital assets.
- Overall total liabilities increased by \$3,193,204. This increase is due to the District's outstanding bond issuance and construction related costs.
- General revenues account for \$41,576,704 in revenue or 91% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$3,959,148 or 9% of the total revenues of \$45,535,852.
- Total spending for all programs was \$44,401,215. Expenses in the amount of \$1,110,516 were offset by specific charges for services and grants or contributions. General revenues (primarily local tax levy and state aid) of \$41,576,704 were adequate to provide for the balance of these programs.
- The District received a Section 15 grant (ROD) from the School Development Authority in 2014-2015 to purchase security cameras throughout the District. Under this program, the EDA pays for 40% of the cost of the cameras.

USING THE ANNUAL REPORT

The School Board's annual report consists of a series of financial statements that show information for the School Board as a whole, its funds, and its fiduciary responsibilities. The Statement of Net positions and the Statement of Activities provide information about the activities of the School Board as a whole and present a longer-term view of the School Board's finances. For the School Board's governmental activities, these statements tell how the School Board financed its services in the short-term as well as what remains for future spending. Fund statements also may give the reader some insights into the School Board's overall financial health. Fund financial statements also report the School Board's operations in more detail than the government-wide financial statements by providing information about the School Board's most significant funds, such as the School Board's General Fund, Special Revenue Fund and Capital Project Fund. The remaining statement, Statement of Fiduciary Net positions, presents financial information about activities for which the School Board acts solely as an agent for the benefit of employees and students.

The School Board's auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

The School Board prepared the Introductory Section and Statistical Section without association by the independent auditors. Accordingly, the School Board assumes full responsibility for the accuracy of these sections.

THE SCHOOL DISTRICT AS A WHOLE

Table I provides a summary of the School Board's net position as of June 30, 2015 and 2014.

Table I
Statement of Net Position
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>	<u>Percentage of Change 2014-2015</u>
Assets			
Cash and cash equivalents	\$9,418,943	\$20,893,200	-55%
Receivables	650,163	516,140	26%
Inventories	23,056	20,122	15%
Capital Assets	<u>37,652,022</u>	<u>29,591,911</u>	27%
Total Assets	<u>\$47,744,184</u>	<u>\$51,021,373</u>	-6%
Deferred Outflows of Resources	\$314,125	\$106,475	195%
	<u>2015</u>	<u>2014</u>	<u>Percentage of Change 2014-2015</u>
Liabilities			
Accounts payable	\$577,941	\$3,345,787	-83%
Accrued payroll	38,135	46,604	-18%
Other current liabilities	29,135	99,631	-71%
Payable to State Government	34,325	28,518	20%
Deferred Revenue	41,195	31,569	30%
Noncurrent Liabilities			
Due within one year	2,186,453	1,757,512	24%
Due beyond one year	<u>27,924,641</u>	<u>22,329,000</u>	25%
Total Liabilities	<u>\$30,831,825</u>	<u>\$27,638,621</u>	10%

Deferred Inflows of Resources	\$1,277,921	\$696,454	83%
Net positions			
Invested in capital assets	\$15,857,067	\$6,198,932	158%
Restricted for:			
Debt service	0	35,252	-100%
Capital Projects	4,235,498	12,669,620	-67%
Other purposes	4,151,634	4,314,663	-4%
Unrestricted	<u>(8,295,636)</u>	<u>(425,694)</u>	-1697%
Total net positions	<u>\$15,948,563</u>	<u>\$22,792,773</u>	-27%

Table II shows the changes in net positions for fiscal year 2015 as compared to fiscal year 2014. This table categorizes total revenue generated by the School Board between program and general revenue, and total expenditures between instruction, support services and other items.

Table II
Changes in Net positions
For the Years Ended June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>	<u>Percentage of Change 2014-2015</u>
Revenue			
Program Revenue			
Charges for services	\$930,526	\$943,460	-1%
Federal, state and local aid-restricted	3,028,622	3,477,306	-13%
General revenue:			
Property Tax Aid	33,175,064	31,644,355	5%
Federal and State aid-unrestricted	7,845,048	7,213,043	9%
Other general revenue	<u>556,592</u>	<u>503,377</u>	11%
Total revenues	<u>\$45,535,852</u>	<u>\$43,781,541</u>	4%
Function/Program Expenses			
Instruction:			
Regular Programs	\$14,674,596	\$14,230,525	3%
Special Education	2,946,981	2,860,902	3%
Other Special Instruction	1,063,130	995,149	7%
Support Services:			
Tuition	2,161,268	1,722,477	25%
Attendance & Social Work	154,912	181,977	-15%
Health Services	462,161	424,009	9%
Other Support Services	3,242,310	3,074,900	5%
Improvement of Instruction	133,043	130,029	2%
Educational Media	328,310	350,934	-6%
Instructional Staff Training	198,381	180,212	10%
General Administration	770,622	700,125	10%
School Administration	1,788,050	1,852,303	-3%
Central Services	553,778	535,384	3%
School Admin Info Tech	90,530	88,248	3%
Operations and Maintenance	3,391,626	3,620,345	-6%
Transportation	1,466,909	1,256,351	17%
Employee Benefits	6,299,246	5,918,470	6%
Business Type Activities	1,110,516	1,106,583	0%
Interest Expense	737,605	271,922	171%
Non-Budgeted Expenditures	<u>2,827,241</u>	<u>3,267,755</u>	-13%
Total Expenses	<u>44,401,215</u>	<u>42,768,600</u>	4%
Change in Net positions	<u>\$1,134,637</u>	<u>\$1,012,941</u>	43%

Increase (decrease) in net positions

Charges for services are fees and other charges to users or recipients of the services the School Board provides. Charges for services include expenses incurred from the usage of the cafeteria and day care facilities.

Instruction expenses include activities directly dealing with the teaching of elementary and secondary students.

Operations and maintenance activities involve keeping the school grounds, buildings and associated equipment in an effective working condition. Depreciation expense of \$1,693,018 is allocated among the various programs.

Business services and general and school administration include expenses associated with the administrative supervision of the elementary and secondary schools, overall financial supervision of the Board, and all fringe benefits for personnel associated with the elementary and secondary schools.

All other expenses involve costs for the elementary and secondary schools associated with attendance, health services, student transportation, miscellaneous student support expenses, and improvement of instructional services.

Over 44% of instructional activities and over 59% of the support services and special items are supported through the local tax levy, federal and state aid (not restricted) and other general revenue.

THE SCHOOL BOARD'S FUNDS

The School Board uses funds to control and manage money for particular purposes. The Fund's basic financial statements allow the School Board to demonstrate its stewardship over and accountability for resources received from the County of Ocean, State of New Jersey and other entities. These statements also allow the reader to obtain more insight into the financial workings of the School Board, and assess further the School Board's overall financial health.

As the School Board completed the fiscal year ended June 30, 2015, it reported a combined net positions of \$15,948,563, which is a increase of \$1,134,637. The Reconciliation of the Statement of Revenue Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities, Exhibit B-3 presents the reader with a detailed explanation of the decrease in fund balance for the fiscal year.

GENERAL FUND BUDGETING HIGHLIGHTS

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

Over the course of the year, the School Board revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School Board's original and final budget compared with actual operating results is provided in Section C of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

The General Fund actual current expense totaled \$40,814,627 versus our final budget of \$39,478,988. This increase is due to higher non-budgeted on-behalf expenditures. Actual General Fund revenues were about \$4,000,639 higher than budgeted. The increase in actual revenue received over the budgeted amount is due to the receipt of more Extraordinary Aid and SEMI reimbursement than anticipated, as well as more tuition students received and higher non-budgeted on-behalf revenues.

CAPITAL ASSETS

As of June 30, 2015, the School Board had approximately \$37,652,022 invested in a broad range of capital assets, including land, buildings, vehicles, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Increases during the year represent additions to those categories, while decreases represent retirement of assets during the year, and depreciation of depreciable assets for the year. Table IV below shows the net book value of capital assets at the end of the 2015 and 2014 fiscal years.

Table IV
Capital Assets (net of accumulated depreciation)
June 30, 2015 and 2014

	<u>2015</u>	<u>2014</u>	<u>Percentage of Change 2015-2014</u>
Capital assets, net	\$37,652,022	\$29,591,911	27%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

For the 2014-2015 school budget, the School Board was able to sustain its budget through the local tax levy (although capped at 2%), state education aid and local revenue sources. Approximately 25% of the School Board's revenue is from federal, state and local aid (restricted and not restricted), while 71% of total revenue is from local tax levy. The balance, or 4%, of the revenue is comprised of tuition, admission fees, and miscellaneous income and fund balance.

The 2014-2015 budget was adopted based in part on the state education aid the School Board anticipated receiving. Due to the economic condition in the State of New Jersey, funding from the State for the current year was about that of the previous year. Any future increases based on the enrollment formula originally formulated to allocate state education aid among districts will be minimal. Given the current economic condition of the State, we anticipate State Aid to be reduced or remain about the same. The School Board continues to explore other avenues of generating revenue without sacrificing programs due to the relative freeze on State Aid.

On June 24, 2004, the New Jersey Legislature voted and approved Senate Bill No. 1701, which was signed by the Governor and subsequently became P.L. 2004, c.73. This legislation reduced the allowable unreserved and undesignated fund balance (surplus) for all New Jersey school districts to 2%. This law also restricts all school districts budgetary transfers of appropriations and further limits districts' ability to utilize fund balance as well as unanticipated/unbudgeted revenue during the year beginning July 1, 2004.

It is uncertain at this time as to the ultimate impact that this law will have on future operations and resulting financial position of the Point Pleasant School District.

The School Board anticipates enrollment for the 2015-2016 fiscal year to remain relatively the same, but the School Board cannot accurately forecast future enrollment.

CONTACTING THE SCHOOL BOARD'S FINANCIAL MANAGEMENT

The School Board's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the School Board's finances and to show the School Board's accountability for the money it receives. If you have questions about this report or wish to request additional financial information, contact Steven W. Corso, CPA, School Business Administrator/Board Secretary.

BASIC FINANCIAL STATEMENTS

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 7,841,353	\$ 263,306	\$ 8,104,659
Capital reserve cash	1,314,284	-	1,314,284
Receivables - other	12,244	-	12,244
Receivables - state	469,917	683	470,600
Receivables - federal	152,278	15,041	167,319
Inventory	-	23,056	23,056
Interfund receivable	-	-	-
Capital assets, non-depreciable	-	-	-
Capital assets, net:	36,455,048	1,196,974	37,652,022
Total assets	<u>46,245,124</u>	<u>1,499,060</u>	<u>47,744,184</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	228,141	-	228,141
Deferred charge on refunding	85,984	-	85,984
Total deferred outflows of resources	<u>314,125</u>	<u>-</u>	<u>314,125</u>
LIABILITIES			
Accounts payable	576,332	1,609	577,941
Accrued payroll	38,135	-	38,135
Other liabilities	29,135	-	29,135
Interfund payable	-	-	-
Payable to state government	34,325	-	34,325
Unearned revenue	32,084	9,111	41,195
Noncurrent liabilities:			
Due within one year	2,186,453	-	2,186,453
Due beyond one year	27,924,641	-	27,924,641
Total liabilities	<u>30,821,105</u>	<u>10,720</u>	<u>30,831,825</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	634,982	-	634,982
Deferred premium on refunding	642,939	-	642,939
Total deferred inflows of resources	<u>1,277,921</u>	<u>-</u>	<u>1,277,921</u>
NET POSITION			
Net investment in capital assets	14,660,093	1,196,974	15,857,067
Restricted for:			
Debt service	-	-	-
Capital projects	4,235,498	-	4,235,498
Other purposes	4,151,634	-	4,151,634
Unrestricted	(8,587,002)	291,366	(8,295,636)
Total net position	<u>\$ 14,460,223</u>	<u>\$ 1,488,340</u>	<u>\$ 15,948,563</u>

See accompanying notes to financial statements.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2015

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Current:							
Regular instruction	\$ 14,674,596	\$ -	\$ -	\$ -	\$ (14,674,596)	\$ -	\$ (14,674,596)
Special education instruction	2,946,981	-	-	-	(2,946,981)	-	(2,946,981)
Other special instruction	1,063,130	-	-	-	(1,063,130)	-	(1,063,130)
Support services and undistributed costs:							
Instruction	2,161,268	-	-	-	(2,161,268)	-	(2,161,268)
Attendance and social work	154,912	-	-	-	(154,912)	-	(154,912)
Health services	462,161	-	-	-	(462,161)	-	(462,161)
Other support services	3,242,310	-	-	-	(3,242,310)	-	(3,242,310)
Improvement of instruction	133,043	-	-	-	(133,043)	-	(133,043)
Educational media services	328,310	-	-	-	(328,310)	-	(328,310)
Instruction staff training	198,381	-	-	-	(198,381)	-	(198,381)
General administrative services	770,622	-	-	-	(770,622)	-	(770,622)
School administrative services	1,788,050	-	-	-	(1,788,050)	-	(1,788,050)
School central services	553,778	-	-	-	(553,778)	-	(553,778)
School admin info technology	90,530	-	-	-	(90,530)	-	(90,530)
Allowed maintenance for school facilities	826,065	-	-	-	(826,065)	-	(826,065)
Other operation & maintenance of plant	2,267,502	-	-	-	(2,267,502)	-	(2,267,502)
Care & upkeep of grounds	170,526	-	-	-	(170,526)	-	(170,526)
Security	124,945	-	-	-	(124,945)	-	(124,945)
Student transportation services	1,466,909	-	-	-	(1,466,909)	-	(1,466,909)
Unallocated employee benefits	6,299,246	-	-	-	(6,299,246)	-	(6,299,246)
Non-budgeted expenditures	2,827,241	-	2,827,241	-	-	-	-
Interest expense	737,605	-	-	-	(737,605)	-	(737,605)
Total governmental activities	<u>43,288,111</u>	<u>-</u>	<u>2,827,241</u>	<u>-</u>	<u>(40,460,870)</u>	<u>-</u>	<u>(40,460,870)</u>
Business-type activities:							
Food Service	754,676	572,540	201,381	-	-	19,245	19,245
Child Care	355,840	357,986	-	-	-	2,146	2,146
Total business-type activities	<u>1,110,516</u>	<u>930,526</u>	<u>201,381</u>	<u>-</u>	<u>-</u>	<u>21,391</u>	<u>21,391</u>
Total primary government	<u>\$ 44,398,627</u>	<u>\$ 930,526</u>	<u>\$ 3,028,622</u>	<u>\$ -</u>	<u>\$ (40,460,870)</u>	<u>\$ 21,391</u>	<u>\$ (40,439,479)</u>
General revenues:							
Taxes:							
Property taxes levied for general purpose					31,294,686	-	31,294,686
Taxes levied for debt service					1,880,378	-	1,880,378
Federal and state aid not restricted					7,845,048	-	7,845,048
Miscellaneous income					556,592	-	556,592
Loss on disposal of fixed assets					-	-	-
Total general revenues, special items, extraordinary items and transfers					<u>41,576,704</u>	<u>-</u>	<u>41,576,704</u>
Change in net position							
					1,115,834	21,391	1,137,225
Net position - beginning							
					13,344,389	1,466,949	14,811,338
Net position - ending							
					<u>\$ 14,460,223</u>	<u>1,488,340</u>	<u>\$ 15,948,563</u>

See accompanying notes to financial statements.

POINT PLEASANT BOROUGH 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 and cash equivalents	\$ 5,078,347	\$ (68,260)	\$ 2,831,266	\$ -	\$ 7,841,353
Capital reserve account	1,314,284	-	-	-	1,314,284
Receivables, net	-	-	-	-	-
Receivables from other funds	-	-	-	-	-
Receivables from state	325,505	-	144,412	-	469,917
Receivables from federal	12,194	140,084	-	-	152,278
Receivables from other governments	-	-	-	-	-
Other receivables	12,244	-	-	-	12,244
Inventory	-	-	-	-	-
Restricted cash and cash equivalents	-	-	-	-	-
Total assets	<u>\$ 6,742,574</u>	<u>\$ 71,824</u>	<u>\$ 2,975,678</u>	<u>\$ -</u>	<u>\$ 9,790,076</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 516,813	\$ 5,055	\$ 54,464	\$ -	\$ 576,332
Accrued salaries and benefits	37,775	360	-	-	38,135
Interfund payable	-	-	-	-	-
Other current liabilities	304,580	-	-	-	304,580
Payable to state government	-	34,325	-	-	34,325
Deferred revenue	-	32,084	-	-	32,084
Total liabilities	<u>859,168</u>	<u>71,824</u>	<u>54,464</u>	<u>-</u>	<u>985,456</u>
Fund Balances:					
Reserved for:					
Unexpended additional spending proposal					
Capital reserve account	1,314,284	-	-	-	1,314,284
Maintenance reserve account	1,124,677	-	-	-	1,124,677
Emergency reserve account	402,168	-	-	-	402,168
Excess surplus - current year	-	-	-	-	-
Excess surplus -- designated for subsequent year's expenditures	267,165	-	-	-	267,165
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	-	-	-
Other purposes	-	-	-	-	-
Committed to:					
Other purposes	724,789	-	1,749,259	-	2,474,048
Assigned to:					
Debt service fund	-	-	-	-	-
Designated by the BOE for subsequent year's expenditures	1,632,835	-	-	-	1,632,835
Capital projects fund	-	-	1,171,955	-	1,171,955
Other purposes	-	-	-	-	-
Unassigned to:					
General fund	417,488	-	-	-	417,488
Special revenue fund	-	-	-	-	-
Total fund balances	<u>5,883,406</u>	<u>-</u>	<u>2,921,214</u>	<u>-</u>	<u>8,804,620</u>
Total liabilities and fund balances	<u>\$ 6,742,574</u>	<u>\$ 71,824</u>	<u>\$ 2,975,678</u>	<u>\$ -</u>	

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 \$63,244,165 and the accumulated depreciation is \$26,789,117.	36,455,048
Deferred outflows related to PERS pension plan	228,141
Deferred inflows related to the PERS plan	(634,982)
Bond issuance costs are being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$348,570.	85,984
Bond premium is being amortized over the life of the related bonds. The amortization is not recorded in the funds. The original costs were \$756,570.	(642,939)
Long-term liabilities, including bonds payable but not including current portion of compensated absences of \$192,512 are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 10).	(29,835,649)
Net position of governmental activities	<u>\$ 14,460,223</u>

POINT PLEASANT BOROUGH 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	\$ 31,294,686	\$ -	\$ -	\$ 1,880,378	\$ 33,175,064
Tuition charges	189,795	-	-	-	189,795
Interest on investments	23,278	-	-	-	23,278
Interest earned on capital reserve funds	2,752	-	-	-	2,752
Interest earned on bond ref	34,189	-	-	-	34,189
Transportation fees	69,491	-	-	-	69,491
Miscellaneous	180,251	54,037	-	-	234,288
Total - Local sources	31,794,442	54,037	-	1,880,378	33,728,857
State sources	9,135,492	-	144,412	419,999	9,699,903
Federal sources	53,918	918,468	-	-	972,386
Other financing sources	2,799	-	-	-	2,799
Total revenues	40,986,651	972,505	144,412	2,300,377	44,403,945
EXPENDITURES					
Current:					
Regular instruction	\$ 12,361,119	\$ 874,412	\$ -	\$ -	\$ 13,235,531
Special education instruction	2,896,191	-	-	-	2,896,191
Other special instruction	1,054,665	-	-	-	1,054,665
Support services and undistributed costs:					
Instruction	1,965,561	51,800	-	-	2,017,361
Attendance and social work	154,912	-	-	-	154,912
Health services	462,025	136	-	-	462,161
Other support services	3,202,064	40,246	-	-	3,242,310
Improvement of instruction	127,132	5,911	-	-	133,043
Educational media services	328,310	-	-	-	328,310
Instruction staff training	198,381	-	-	-	198,381
General administrative services	770,622	-	-	-	770,622
School administrative services	1,816,759	-	-	-	1,816,759
School central services	553,778	-	-	-	553,778
School admin info technology	90,530	-	-	-	90,530
Required maintenance for school facilities	826,065	-	-	-	826,065
Other operation & maintenance of plant	2,166,222	-	-	-	2,166,222
Care & upkeep of grounds	170,526	-	-	-	170,526
Security	124,945	-	-	-	124,945
Student transportation services	1,466,909	-	-	-	1,466,909
Unallocated employee benefits	6,287,691	-	-	-	6,287,691
Non-budgeted expenditures	2,827,241	-	-	-	2,827,241
Debt service:					
Principal	-	-	-	1,565,000	1,565,000
Interest and other charges	-	-	-	770,629	770,629
Capital outlay	933,149	-	8,922,905	-	9,856,054
Total expenditures	40,784,797	972,505	8,922,905	2,335,629	53,015,836
Excess (Deficiency) of revenues over expenditures	201,854	-	(8,778,493)	(35,252)	(8,611,891)
OTHER FINANCING SOURCES (USES)					
Sale of Bonds	-	-	-	-	-
Refunding of bonds	-	-	-	-	-
Costs for bond issuance	-	-	-	-	-
Transfers in	-	-	216,619	-	216,619
Transfers out	(216,619)	-	-	-	(216,619)
Total other financing sources and uses	(216,619)	-	216,619	-	-
Net change in fund balances	(14,765)	-	(8,561,874)	(35,252)	(8,611,891)
Fund balance-July 1	5,898,171	-	11,483,088	35,252	17,416,511
Fund balance-June 30	\$ 5,883,406	\$ -	\$ 2,921,214	\$ -	\$ 8,804,620

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Reconciliation of the Statement of Revenues, Expenditures,
 and Changes in Fund Balances of Governmental Funds
 to the Statement of Activities
 For the Fiscal Year Ended June 30, 2015

Total net change in fund balances - governmental funds (from B-2) **\$ (8,611,891)**

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

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

Depreciation expense	\$ (1,693,018)	
Capital outlays	<u>9,754,774</u>	8,061,756

In the statement of activities, only the loss on the disposal of capital assets is reported, whereas in the governmental funds, the proceeds from a sale increase financial resources. Thus, the change in net position will differ from the change in fund balance by the cost of the asset removed.

Accumulated depreciation on capital assets sold or retired during the fiscal year ended June 30, 2015	2,588	
Cost basis of capital assets sold or retired during the fiscal year ended June 30, 2015	<u>(2,588)</u>	-

In the Statement of Activities, the PERS pension expense is the amount paid plus net change in the Deferred Outflows, Deferred Inflows and pension liability as reported by the State of New Jersey (11,555)

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. 1,565,000

In the Statement of Activities, the amortization of bond premiums is recorded as interest expense. In the governmental funds, the amortization is not recorded and this change had no effect. 53,515

In the Statement of Activities, the amortization of bond issuance costs is recorded as interest expense. In the governmental funds, the amortization is not recorded. (20,491)

In the statement of activities, certain operating expenses, e.g., compensated absences (sick leave) and special termination benefits (early retirement incentive) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used, essentially, the amounts actually paid. 79,500

Change in net position of governmental activities **\$ 1,115,834**

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2015

	Business-type Activities -		
	Enterprise Funds		
	Food Service	Child Care	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 110,539	\$ 152,767	\$ 263,306
Investments	-	-	-
Receivables from state	537	146	683
Receivables from federal	10,549	-	10,549
Receivables from other government	4,492	-	4,492
Inventories	23,056	-	23,056
Total current assets	<u>149,173</u>	<u>152,913</u>	<u>302,086</u>
Noncurrent assets:			
Restricted cash and cash equivalents	-	-	-
Furniture, machinery & equipment	1,516,008	4,771	1,520,779
Less accumulated depreciation	<u>(320,204)</u>	<u>(3,601)</u>	<u>(323,805)</u>
Total noncurrent assets	<u>1,195,804</u>	<u>1,170</u>	<u>1,196,974</u>
Total assets	<u>\$ 1,344,977</u>	<u>\$ 154,083</u>	<u>\$ 1,499,060</u>
LIABILITIES			
Current liabilities:			
Accounts payable	\$ 8	\$ 1,601	\$ 1,609
Deferred revenue	9,111	-	9,111
Interfund payable	-	-	-
Accrued salaries and benefits	-	-	-
Total current liabilities	<u>9,119</u>	<u>1,601</u>	<u>10,720</u>
Noncurrent Liabilities:			
Compensated absences	<u>-</u>	<u>-</u>	<u>-</u>
Total noncurrent liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>9,119</u>	<u>1,601</u>	<u>10,720</u>
NET POSITION			
Net investment in capital assets	1,195,804	1,170	1,196,974
Restricted for:			
Other	-	-	-
Unrestricted	<u>140,054</u>	<u>151,312</u>	<u>291,366</u>
Total net position	<u>1,335,858</u>	<u>152,482</u>	<u>1,488,340</u>
Total liabilities and net position	<u>\$ 1,344,977</u>	<u>\$ 154,083</u>	<u>\$ 1,499,060</u>

See accompanying notes to financial statements.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2015

	Business-type Activities -		
	Enterprise Fund		
	Food Service	Child Care	Total Enterprise
Operating revenues:			
Local sources:			
Daily sales reimbursable programs			
School breakfast	\$ 2,458	\$ -	\$ 2,458
School lunch	265,187	-	265,187
Total daily sales reimbursable programs	267,645	-	267,645
Daily sales non-reimbursable programs	247,053	-	247,053
Special functions	4,791	-	4,791
Miscellaneous	53,051	357,986	411,037
Total operating revenues	572,540	357,986	930,526
Operating expenses:			
Salaries	253,781	268,609	522,390
Employee benefits	110,747	53,155	163,902
Other purchased services	18,041	18,729	36,770
Supplies and materials	30,481	3,288	33,769
Utilities	31,044	11,954	42,998
Other objects	283	-	283
Depreciation	6,981	105	7,086
Cost of sales	303,318	-	303,318
Total operating expenses	754,676	355,840	1,110,516
Operating income (loss)	(182,136)	2,146	(179,990)
Nonoperating revenues (expenses):			
Interest income	74	-	74
State sources:			
Vending machine grant		-	-
State school lunch program	5,170	-	5,170
State school breakfast program	-	-	-
Federal sources:			
School breakfast program	12,029	-	12,029
National school lunch program	150,144	-	150,144
Food distribution program	33,964	-	33,964
FEMA disaster funding	-	-	-
Total nonoperating revenues (expenses)	201,381	-	201,381
Income (loss) before contributions & transfers	19,245	2,146	21,391
Transfers in (out)	-	-	-
Change in net position	19,245	2,146	21,391
Total net position -beginning	1,316,613	150,336	1,466,949
Total net position -ending	\$ 1,335,858	\$ 152,482	\$ 1,488,340

See accompanying notes to financial statements.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Food Services Enterprise Fund
Combining Statement of Cash Flows
for the Fiscal Year ended June 30, 2015

	Business-type Activities -		
	Enterprise Funds		
	Food Service	Child Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other funds	\$ 610,684	\$ 358,286	\$ 968,970
Payments to employees & benefits	(364,528)	(330,176)	(694,704)
Payments to suppliers	(386,093)	(34,126)	(420,219)
Net cash provided by (used for) operating activities	<u>(139,937)</u>	<u>(6,016)</u>	<u>(145,953)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State sources	5,293	-	5,293
Federal sources	161,193	-	161,193
Board interfund loans	(3,349)	-	(3,349)
Net cash provided by (used for) non-capital financing activities	<u>163,137</u>	<u>-</u>	<u>163,137</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Change in capital contributions	-	-	-
Purchases of capital assets	(5,441)	-	(5,441)
Gain/Loss on sale of fixed assets (proceeds)	-	-	-
Net cash provided by (used for) capital and related financing activities	<u>(5,441)</u>	<u>-</u>	<u>(5,441)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	74	-	74
Proceeds from sale/maturities of investments	-	-	-
Net cash provided by (used for) investing activities	<u>74</u>	<u>-</u>	<u>74</u>
Net increase in cash and cash equivalents	17,833	(6,016)	11,817
Balances—beginning of year	92,706	158,783	251,489
Balances—end of year	<u>\$ 110,539</u>	<u>\$ 152,767</u>	<u>\$ 263,306</u>
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:			
Operating loss	\$ (182,136)	\$ 2,146	\$ (179,990)
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:			
Depreciation and net amortization	6,981	105	7,086
Federal commodities	33,964	-	33,964
(Increase) decrease in accounts receivable, net	-	300	300
(Increase) decrease in inventories	(2,934)	-	(2,934)
Increase (decrease) in accounts payable	8	(155)	(147)
Increase (decrease) in accrued salaries benefits	-	(8,412)	(8,412)
Increase (decrease) in deferred revenue	4,180	-	4,180
Total adjustments	<u>42,199</u>	<u>(8,162)</u>	<u>34,037</u>
Net cash provided by (used for) operating activities	<u>\$ (139,937)</u>	<u>\$ (6,016)</u>	<u>\$ (145,953)</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Statement of Fiduciary Net Position
 June 30, 2015

	Unemployment Compensation Trust	Scholarship Fund	Student Activity	Summer Savings	FSA	Class Reunion	Agency Fund
ASSETS							
Cash and cash equivalents	\$ 151,195	\$ 31,713	\$ 241,628	\$ 1,164,611	\$ 7,700	\$ 8,894	\$ 149,732
Intergovernmental accounts receivable	-	-	-	-	-	-	-
Interfund receivable	-	-	-	-	-	-	-
Total assets	<u>151,195</u>	<u>31,713</u>	<u>241,628</u>	<u>1,164,611</u>	<u>7,700</u>	<u>8,894</u>	<u>149,732</u>
LIABILITIES							
Accounts payable	-	-	-	-	-	-	-
Payroll deductions and withholdings	-	-	-	1,164,611	7,700	-	149,732
Payable to student groups	-	-	241,628	-	-	8,894	-
Accrued wages	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>241,628</u>	<u>1,164,611</u>	<u>7,700</u>	<u>8,894</u>	<u>149,732</u>
NET POSITION							
Held in trust for unemployment claims and other purposes	151,195	-	-	-	-	-	-
Reserved for scholarships	-	31,713	-	-	-	-	-
Total net position	<u>151,195</u>	<u>31,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and net position	<u>\$ 151,195</u>	<u>\$ 31,713</u>	<u>\$ 241,628</u>	<u>\$ 1,164,611</u>	<u>\$ 7,700</u>	<u>\$ 8,894</u>	<u>\$ 149,732</u>

See accompanying notes to financial statements.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Scholarship Funds	Unemployment Compensation Fund	Total
ADDITIONS			
Contributions:			
Plan member	\$ -	\$ -	\$ -
Other	2,855	-	2,855
Total Contributions	<u>2,855</u>	<u>-</u>	<u>2,855</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	109	350	459
Dividends	-	-	-
Less investment expense	<u>-</u>	<u>-</u>	<u>-</u>
Net investment earnings	<u>109</u>	<u>350</u>	<u>459</u>
Total additions	<u>2,964</u>	<u>350</u>	<u>3,314</u>
DEDUCTIONS			
Quarterly contribution reports	-	-	-
Unemployment claims	-	-	-
Scholarships awarded	6,672	-	6,672
Refunds of contributions	-	-	-
Administrative expenses	<u>-</u>	<u>-</u>	<u>-</u>
Total deductions	<u>6,672</u>	<u>-</u>	<u>6,672</u>
Change in net position	(3,708)	350	(3,358)
Net position -beginning of the year	<u>35,421</u>	<u>150,845</u>	<u>186,266</u>
Net position -end of the year	<u>\$ 31,713</u>	<u>\$ 151,195</u>	<u>\$ 182,908</u>

See accompanying notes to financial statements.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies

The financial statements of the Board of Education ("Board") of the Point Pleasant Borough Board of Education ("District") have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

A. Reporting Entity

The Board is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of elected officials and is responsible for the fiscal control of the District. A Superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The district-wide financial statements include all funds and account groups of the District over which the Board exercises operating control. The operations of the District include elementary schools, a junior and senior high school located in Point Pleasant. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation

The School District's basic financial statements consist of District-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial Statements which provide a more detailed level of financial information. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. Items not meeting that definition of assets and liabilities have been classified as deferred outflows or deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

B. Basis of Presentation (Cont'd)

The School District has Bond Costs which have been classified as a Deferred Outflow and the Bond Premium has been classified as a Deferred Inflow. The implementation of the new pension standards (GASB No. 68) as noted below and as calculated in Note 11 has created deferred outflows and inflows in the current year.

GASB Implemented in the current Fiscal Year: In June, 2012, GASB issued Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27("GASB No. 68"). The primary objective of this Statement is to improve 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 accountability and interperiod equity, and creating additional transparency. The requirements of this Statement will improve the decision-usefulness of information in employer and governmental nonemployer contributing entity financial reports and will enhance its value for assessing accountability and interperiod equity by requiring recognition of the entire net pension liability and a more comprehensive measure of pension expense. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2014.

District-Wide Statements: The district-wide financial statements (A-1 and A-2) include the statement of net position and the statement of activities. These Statements include the financial activities of the overall District, except for fiduciary activities. All interfund activity, excluding the fiduciary funds, has been eliminated in the statement of activities. Individual funds are not displayed but the statements distinguish governmental activities, generally financed in whole or in part with fees charged to external customers.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation (Cont'd)

The Statement of Net Position presents the financial condition of the governmental and business-type activity of the District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the District.

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The Fund Financial Statements provide information about the District's funds, including its fiduciary funds. Separate statements for each Fund category - governmental, proprietary, and fiduciary - are presented. The New Jersey Department of Education ("NJDOE") has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in Governmental Accounting Standards. The NJDOE believes that the presentation of all funds as major is important for public interest and to promote consistency among district financial reporting models.

The District reports the following governmental funds:

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

As required by the the NJDOE, the District includes budgeted capital outlay in this Fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, District taxes and appropriated Fund Balance. Expenditures are those that result in the acquisition of or additions to Fixed 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.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. **Summary of Significant Accounting Policies (Cont'd)**

B. Basis of Presentation (Cont'd)

Special Revenue Fund - The Special Revenue Fund is used to account for all 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). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

Debt Service Fund - The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, principal and interest on bonds issued to finance major property acquisition, construction and improvement programs.

The District reports the following proprietary fund:

Enterprise Fund - The Enterprise Funds are utilized 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 (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered 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.

The District's Enterprise Fund is comprised of the Food Service Fund.

Depreciation of all fixed 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:

Equipment	5-20 Years
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Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others and includes the Payroll Agency Fund and Unemployment Compensation Insurance Trust Fund.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. **Summary of Significant Accounting Policies (Cont'd)**

C. Basis of Accounting

Basis of Accounting determines when transactions are recorded in the financial records and reported on the financial statements.

District-Wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the Enterprise Fund and Fiduciary Funds use the accrual basis of accounting. Differences in the accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. The tax revenues are recognized in the year for which they are levied (see Note 1.d.). Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Available means collectible within the current period or soon thereafter to pay current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital releases are reported as other financing sources.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

D. Property Taxes

Ad Valorem (Property) Taxes are susceptible to accrual as, under New Jersey State Statute, a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "Accounts Receivable".

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

E. 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 not voted upon in the annual school election. Budgets are prepared using the modified accrual basis of accounting, except for Special Revenue Fund as described later. 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.2(m)1. All budget amendments/transfers must be approved by Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

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.

F. Encumbrances

Under Encumbrance Accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve and 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 District 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.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

G. Cash, Cash Equivalents and Investments

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

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. statute 18A:2037 provides a list of permissible investments that may be purchased by 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 a loss of funds on deposit with a failed banking institution.

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.

H. Tuition Receivable

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

I. Tuition Payable

Tuition charges for the fiscal years 2014-2015 are based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

J. Inventories and Prepaid Expenses

Inventories and prepaid expenses, which benefit future periods, are recorded as an expenditure during the year of purchase.

Inventories in the Proprietary Funds are valued at cost, which approximates market, using the first-in-first-out (FIFO) method.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

K. 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 District and that are due within one year. All interfund receivables and payables between the governmental and proprietary funds have been eliminated in the district-wide statements.

L. Capital Assets

The District has an established formal system of accounting for its Capital Assets. Purchased or constructed Capital Assets are reported at cost. Donated Capital Assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure. The capitalization threshold used by school districts in the State of New Jersey is \$2,000.

All reported Capital Assets except for Land and Construction in Progress are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & computer equipment	5-10
Instructional equipment	10
Grounds equipment	15

In the fund financial statements, fixed assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

M. Accrued Salaries and Wages

Certain District employees, who provide services to the District over the ten-month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2015, the amount earned by these employees but not disbursed was \$331,008.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

N. Compensated Absences

District employees are granted varying amounts of vacation and sick leave in accordance with the District's employment contracts. Vacation day allotments per year cannot be accumulated into the next fiscal year. Sick leave benefits provide for ordinary sick pay and are reimbursable in accordance with the individual's employment contract. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental fund. The balance at June 30, 2015 is 1,286,945.

O. Unearned/Deferred Revenue

Unearned/Deferred revenue in the special revenue fund represents cash which has been received but not yet earned.

P. Accrued Liabilities and Long-Term Obligations

All Payables, Accrued Liabilities, and Long-Term Obligations are reported on the District-wide financial statements. In general, governmental fund payables are accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. Bonds are recognized as a liability on the fund financial statements when due.

Q. Net Position

Net Position represent the difference between assets and liabilities. Net Position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. 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. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted Net Position are available.

R. Fund Balance Reserves

The fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories, as defined below:

1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

R. Fund Balance Reserves (Cont'd)

2) Restricted – includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

3) Committed – includes amounts that can be spent only for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

5) Unassigned – includes all spendable amounts not contained in the other classifications.

S. Revenues - Exchange and Nonexchange Transactions

Revenue resulting from Exchange Transactions, in which each party gives and receives essentially equal value, is recorded on the actual accrual basis when the Exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District available means within sixty days of the fiscal year-end.

Nonexchange Transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from income taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from Nonexchange Transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available as an advance, interest, and tuition.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

1. Summary of Significant Accounting Policies (Cont'd)

T. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the Enterprise Fund. For the School District, these revenues are sales for food service and intramural. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the Enterprise Fund.

U. Deferred Outflows/Inflows of Resources

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

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

V. Allocation of Indirect Expenses:

The District reports all Direct Expenses by function in the Statement of Activities. Direct Expenses are those that are clearly identifiable with a function. Indirect Expenses are allocated to functions but are reported separately in the Statement of Activities. Employee Benefits, including the employer's share of Social Security, workers compensation, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the Indirect Expense column of the Statement of Activities. Depreciation expense that could not be attributable to a specific function is considered an Indirect Expense and is reported separately in the Statement of Activities. Interest on long-term debt is considered an Indirect Expense and is reported separately on the Statement of Activities.

W. Management Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

2. Cash, Cash Equivalents and Investments

Operating cash, in the form of Negotiable Order of Withdrawal ("NOW") accounts, is held in the District's name by a commercial banking institution. At June 30, 2015, the carrying amount of the District's deposits was \$11,174,416 and the bank balance was \$13,189,659. Of the bank balance, \$250,000 was insured with Federal Deposit Insurance.

At June 30, 2015, the Board's bank balances of \$13,189,659 were exposed to Custodial Credit Risk as follows:

	<u>2015</u>
Insured	\$ 11,174,416
Uninsured and Uncollateralized	—
	<u>\$ 11,174,416</u>

The District's NOW accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are uncollateralized (securities not pledged to be depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2015, all of the District's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The District does not have a policy for custodial credit risk.

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 a loss of funds on deposit with a failed banking institution in New Jersey. 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 GUDPA. 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.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

3. Investments

Pursuant to the Enabling Act, the funds of the District may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the District may approve.

As of June 30, 2015, the District had \$- of investments on deposit.

4. Capital Reserve Account

A Capital Reserve Account was established by the Point Pleasant Borough Board of Education by inclusion of \$165,641 in the original 1999 budget, which was certified for taxes, 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 deposit funds at any time upon board resolution through the transfer of undesignated, unreserved general fund balance or of excess undesignated, unreserved general fund balance that is anticipated in the budget certified for taxes. Post-April 2004 transfers must be in compliance with P.L. 2004, C.73 (S1701). 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.

During the fiscal year ended June 30, 2015, the District had actual interest earnings of \$2,752 and had no transfers.

The activity of the Capital Reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Beginning Balance July 1, 2014	\$ 1,186,532
Add:	
Increase per Resolution	\$ 250,000
Interest Earnings	\$ 2,752
Deposits	\$ -
Less:	
Withdrawals per Budget	\$ <u>(125,000)</u>
Ending Balance, June 30, 2015	\$ <u>1,314,284</u>

The June 30, 2015 LRFP balance of local support costs of uncompleted Capital Projects is \$41,301,607. There were no withdrawals from the capital reserve for DOE approved facilities projects.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

5. Maintenance Reserve Account

A maintenance Reserve Account was established by the Point Pleasant Borough Board of Education for the accumulation of funds for use as maintenance of Capital Projects in subsequent fiscal years. The Maintenance Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Maintenance Reserve Account are restricted to maintenance projects in the District's approved Comprehensive Maintenance Plan (CMP). Upon submission of the CMP to the New Jersey Department of Education, the District may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. The District may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.2(g), the balance in the account cannot at any time exceed four percent of the replacement cost of the school district's school facilities for the current year.

The balance in the maintenance reserve does not exceed four percent of the replacement cost of the school district's school facilities for the current year at June 30, 2015.

The activity of the Maintenance Reserve for the June 30, 2014 to June 30, 2015 fiscal year is as follows:

Balance, June 30, 2014	\$ 1,161,419
Add:	
Increase per resolution	210,200
Interest earnings	3,058
Withdrawals per budget	<u>(250,000)</u>
Balance, June 30, 2015	\$ <u>1,124,677</u>

6. Emergency Reserve Account

An Emergency Reserve Account was established by the Point Pleasant Borough Board of Education for the accumulation of funds in accordance with N.J.S.A. 18A:7F-41c(1). The Emergency Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget. Funds placed in the Emergency Reserve Account are to finance unanticipated general fund expenditures required for a thorough and efficient education.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

6. Emergency Reserve Account (Cont'd)

The activity of the Emergency Reserve for the June 30, 2014 to June 30, 2015 fiscal year is as follows:

Balance, June 30, 2014	\$ 403,464
Add:	
Interest earnings	814
Less:	
Reduction to bring to the not to exceed allowable	<u>(2,110)</u>
Balance, June 30, 2015	<u>\$ 402,168</u>

7. Receivables

Receivables at June 30, 2015, consisted of amounts (rent and tuition), accrued interest, interfund, intergovernmental, and property taxes. All Receivables are considered collectible in full. A summary of the principal items of intergovernmental receivable follows:

	Governmental Fund Financial <u>Statements</u>	District-Wide Financial <u>Statements</u>
State Aid	\$ 469,917	\$ 470,600
Federal Aid	152,278	167,319
Other	<u>12,244</u>	<u>12,244</u>
Gross Receivables	634,439	650,163
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 634,439</u>	<u>\$ 650,163</u>

8. Inventory

Inventory in the Food Service Fund at June 30, 2015 consisted of the following:

Food	\$ 7,647
Commodities	10,995
Supplies	<u>4,414</u>
	<u>\$ 23,056</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

9. Contingent liabilities

Grant Programs

The school district participates in federal awards and state financial assistance grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

The Board is involved in several claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a material adverse effect on the financial position of the District.

10. Capital Assets

Capital assets consisted of the following at June 30, 2015:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital Assets Not Being Depreciated				
Site and Site improvements	275,324	-	-	275,324
Construction in Progress	<u>4,464,904</u>	<u>8,628,165</u>	<u>-</u>	<u>13,093,069</u>
Total Capital Assets Not Being Depreciated	<u>4,740,228</u>	<u>8,628,165</u>	<u>-</u>	<u>13,368,393</u>
Capital Assets Being Depreciated				
Building and Building Improvements	41,979,911	994,589	-	42,974,500
Machinery and Equipment	<u>6,771,840</u>	<u>166,771</u>	<u>(37,339)</u>	<u>6,901,272</u>
Totals at Historical Cost	<u>48,751,751</u>	<u>1,161,360</u>	<u>(37,339)</u>	<u>49,875,772</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	20,430,970	1,176,195	-	21,607,165
Machinery and Equipment	<u>4,667,717</u>	<u>516,823</u>	<u>(2,588)</u>	<u>5,181,952</u>
Total Accumulated Depreciation	<u>25,098,687</u>	<u>1,693,018</u>	<u>(2,588)</u>	<u>26,789,117</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>23,653,064</u>	<u>(531,658)</u>	<u>(34,751)</u>	<u>23,086,655</u>
Government Activity Capital Assets, Net	<u>\$ 28,393,292</u>	<u>8,096,507</u>	<u>(34,751)</u>	<u>\$ 36,455,048</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Building Improvements	\$ 1,173,439	-	-	\$ 1,173,439
Equipment	341,899	5,441	-	347,340
Less Accumulated Depreciation	<u>316,719</u>	<u>7,086</u>	<u>-</u>	<u>323,805</u>
Business-type activities capital assets, Net	<u>\$ 1,198,619</u>	<u>\$ (1,645)</u>	<u>\$ -</u>	<u>\$ 1,196,974</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Capital Assets (Cont'd)

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 1,439,065
Student and Instruction Related Services	143,907
School Administration Services	50,791
Other Special Instruction	8,465
Special Education Instruction	<u>50,790</u>
Total depreciation expense	<u>\$ 1,693,018</u>

11. Operating Leases

The District has no material commitments under operating leases at June 30, 2015.

12. Non-current Liabilities

During the fiscal year ended June 30, 2015, the following changes occurred in the non-current liabilities:

	<u>Balance</u> <u>June 30, 2014</u>	<u>Increases/</u> <u>Decreases</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
<u>Governmental</u>				
<u>Activities:</u>				
Compensated				
Absences Payable	\$ 1,283,512	\$ 3,433	\$ 1,286,945	\$ 275,445
Bonds Payable	22,803,000	(1,565,000)	21,238,000	1,580,000
Pension liability-				
PERS	<u> -</u>	<u>7,586,149</u>	<u>7,586,149</u>	<u>331,008</u>
Total	<u>\$ 24,086,512</u>	<u>\$ 6,024,582</u>	<u>\$ 30,111,094</u>	<u>\$ 2,186,453</u>

A. Bonds Payable

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

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

12. Non-current Liabilities (Con't)

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

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 1,580,000	\$ 744,690	\$ 2,324,690
2017	1,610,000	697,440	2,307,440
2018	1,165,000	650,965	1,815,965
2019	1,215,000	610,365	1,825,365
2020	1,270,000	568,015	1,838,015
2021-2025	5,685,000	2,133,725	7,818,725
2026-2030	4,465,000	1,326,975	5,791,975
2031-2034	<u>4,248,000</u>	<u>442,460</u>	<u>4,690,460</u>
	<u>\$ 21,238,000</u>	<u>\$ 7,174,635</u>	<u>\$ 28,412,635</u>

B. Bonds Authorized But Not Issued

As of June 30, 2015, the District had no authorized but not issued bonds.

13. Pension Plans

Description of Systems

All required employees of the District are covered by either the Public Employees' Retirement System ("PERS") or the Teachers' Pension and Annuity Fund ("TPAF") 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 as of January 1, 1955 under the provision of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The TPAF 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 non-contributing 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 classified, professional, and certified.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

Teachers' Pension and Annuity Fund ("TPAF") (Cont'd)

For the year ended June 30, 2015, the District recognized pension expense of \$331,008 and revenue of \$962,979 for support provided by the State on the fund financials. These amounts are not included in the district-wide financials as required by GASB 68.

At June 30, 2015, the District has no deferred outflow, deferred inflows or pension liability for the TPAF plan as all future costs are to be incurred by the State of New Jersey. As detailed in GASB 68 the District's proportionate share of the deferred outflows of resources and deferred inflows of resources and pension liability is required to be disclosed. These items are not included on the district-wide financials. The District's proportionate share is 0.1758938202% of the total plan. The information below was provided from the State of New Jersey June 30, 2014 audit of the TPAF fund and has been adjusted to the District's proportionate share:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 38,379
Changes of assumptions	4,029,590	-
Net difference between projected and actual earnings on pension plan investments	-	3,041,879
Changes in proportion and differences between District contributions and proportionate share of contributions	-	146,581
District contributions subsequent to the measurement date	-	-
Total	<u>\$ 4,029,590</u>	<u>\$ 3,226,839</u>

The District's proportionate share of the pension liability at June 30, 2014 as it relates to the District is \$94,009,522.

The District's proportionate share of other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense by the State of New Jersey as follows:

Year ended June 30:	
2015	\$ (229,873)
2016	(229,873)
2017	(229,873)
2018	(229,873)
2019	535,809
Thereafter	<u>1,339,522</u>
Total	<u>955,839</u>

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

Public Employees' Retirement System ("PERS")

The Public Employees' Retirement System was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The PERS 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.

For the year ended June 30, 2015, the District recognized pension expense of \$331,008. As detailed in GASB 68 the District's proportionate share of the deferred outflows of resources and deferred inflows of resources and pension liability is required to be disclosed and recorded. These items are included on the district-wide financials. The District's proportionate share is 0.0387504353% of the total plan. The information below was provided from the State of New Jersey June 30, 2014 audit of the PERS fund and has been adjusted to the District's proportionate share. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	228,141	-
Net difference between projected and actual earnings on pension plan investments	-	432,367
Changes in proportion and differences between District contributions and proportionate share of contributions	-	202,615
District contributions subsequent to the measurement date	-	-
Total	<u>\$ 228,141</u>	<u>\$ 634,982</u>

The District's proportionate share of the pension liability at June 30, 2014 as it relates to the District is \$7,255,141 and has been recorded on the district-wide financials. The current portion due in April 2016 for the June 30, 2015 liability is \$331,008 and has been included on the district-wide financials. The total PERS pension liability at June 30, 2015 is \$7,586,149.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

Public Employees' Retirement System ("PERS") (Cont'd)

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

Year ended June 30:	
2015	\$ (66,154)
2016	(66,154)
2017	(66,154)
2018	(66,154)
2019	41,938
Thereafter	<u>18,453</u>
Total	<u>(204,225)</u>

Long-Term Expected Rate of Return:

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00 %	0.80 %
Core Bonds	1.00 %	2.49 %
Intermediate-Term Bonds	11.20 %	2.26 %
Mortgages	2.50 %	2.17 %
High Yield Bonds	5.50 %	4.82 %
Inflation-Indexed Bonds	2.50 %	3.51 %
Broad US Equities	25.90 %	8.22 %
Developed Foreign Equities	12.70 %	8.12 %
Emerging Market Equities	6.50 %	9.91 %
Private Equity	8.25 %	13.02 %
Hedge Funds/Absolute Return	12.25 %	4.92 %
Real Estate (Property)	3.20 %	5.80 %
Commodities	2.50 %	5.35 %

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

Discount Rate:

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate;

The following presents the collective net pension liability of the participating employers as of June 30, 2014 and 2013 respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	1% Decrease (4.39 %)	Current Discount Rate (5.39 %)	1% Increase (6.39 %)
District's proportionate share of the net pension liability	9,127,215	7,255,141	5,683,076

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued PERS financial report.

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by the N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:66 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 60 and are generally determined to be 1/60 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 or service prior to retirement (or highest three years' compensation if other than the final three years).

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

Vesting and Benefit Provisions (Cont'd)

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.

Contribution Requirements

<u>Three-Year Trend Information for PERS</u>			
<u>Year Funding</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>June 30,</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
2015	\$ 316,156	100 %	\$ -
2014	295,902	100 %	-
2013	355,056	100 %	-

<u>Three-Year Trend Information for TPAF (Paid on-behalf of the District)</u>			
<u>Year Funding</u>	<u>Annual</u>	<u>Percentage</u>	<u>Net</u>
<u>June 30,</u>	<u>Pension</u>	<u>of APC</u>	<u>Pension</u>
	<u>Cost (APC)</u>	<u>Contributed</u>	<u>Obligation</u>
2015	\$ 2,491,708	100 %	\$ -
2014	1,964,152	100 %	-
2013	2,449,408	100 %	-

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 6.78% 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 included funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

There was a current year contribution to the TPAF post-retirement medical benefits made by the state of New Jersey on behalf of the Board in the amount of \$2,491,708. The State did not make any normal contributions on behalf of the Board. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$1,298,512 during the fiscal year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

13. Pension Plans (Con't)

These amounts have been included in the general-purpose financial statements, and the combining individual fund and account group statements and schedules as revenues and expenditures in accordance with Governmental Accounting Standards.

Defined Contribution Retirement Plan (DCRP)

The Defined Contribution Retirement Plan is a cost-sharing multiple-employer defined contribution pension plan which was established on July 1, 2007, under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A.43:15C-1 et. seq), and expanded under the provisions of Chapter 89, P.L. 2008 and Chapter 1, P.L. 2010. The Defined Contribution Retirement Program Board oversees the DCRP, which is administered for the Divisions of Pensions and Benefits by Prudential Financial. The DCRP provides eligible members, and their beneficiaries, with tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N.J.S.A.43:15C-1 et. seq.

The contribution requirements of plan members are determined by State statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. In addition to the employee contributions, the School District's contribution amounts for each pay period are transmitted to Prudential Retirement not later than the fifth business day after the date on which the employee is paid for that pay period.

The District's contributions to the DCRP for June 30, 2015 were \$15,046. There was no liability for unpaid contributions at June 30, 2015.

14. Post-Retirement Benefits

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits of 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 103,432 retirees eligible for post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides free 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in fiscal year 2014.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

15. Deferred Compensation

The Board offers its employees a choice of Deferred Compensation Plans created in accordance with Internal Revenue Code Section 403(b). The Plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the Plans are not available to employees until termination, retirement, death or unforeseeable emergency. The Plan administrators are as follows:

Ameriprise Financial Services, Inc	Fidelity Investments
AIG/Variable Annuity Life Insurance Co	Metropolitan Life Insurance Co
AXA Equitable Financial Company	Lincoln Investments

16. Risk Management

The District is exposed to various risks of loss related to torts: theft of, damage to, and destruction of assets; errors and omission; 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 table below is a summary of the District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and the prior year.

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Interest income</u>	<u>Ending Balance</u>
2014 / 2015	\$ -	\$ -	\$ 350	\$ 151,195
2013 / 2014	-	-	382	150,845
2012 / 2013	-	-	429	150,463

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

17. Interfund Receivables and Payables

New Jersey statute requires that interest earned on the investments in capital projects fund be credited to the general fund or debt service based on Board resolution.

The following interfund balances remained on the balance sheet at June 30, 2015:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	-	-
Special Revenue Fund	-	-
Capital Projects Fund	-	-
Debt Service Fund	-	-
Enterprise Fund	-	-
Trust and Agency Fund	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>

18. Compensated Absences

The District accounts for compensated absences (e.g., sick leave) as directed by Governmental Accounting Standards. 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 sick leave in accordance with the District's personnel policy. The District'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 for the unused sick leave in accordance with the District's agreements with the various employee unions. The liability for vested compensated absences of the governmental fund types is recorded as a non-current liability in the governmental activities fund (see footnote 10).

19. Fund Balances

General Fund – of the \$5,883,406 General Fund balance at June 30, 2015, \$724,789 of encumbrances is committed to other purposes, \$1,314,284 is restricted for capital reserve, \$1,124,677 is restricted for maintenance reserve, \$402,168 is restricted for emergency reserve, \$- is restricted for excess surplus, \$267,165 is restricted for excess surplus for subsequent year expenditures \$1,632,835 has been classified as assigned fund balance designated for subsequent year expenditures, and \$417,488 is unassigned.

Point Pleasant Borough Board of Education

Notes to Financial Statements

For the Year Ended June 30, 2015

20. Calculation of Excess Surplus

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L.2004, C.73 (S1701), the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$-. The excess fund balance at June 30, 2014 was \$267,165. Pursuant to the provisions of Executive Order No. 14, \$- of that amount was approved by the Commissioner of the Department of Education for withdrawal to address any budget shortfall in the general fund account group due to the 2014-15 withholding of state aid.

21. Uncertain Tax Positions

The school district had no unrecognized tax benefits at June 30, 2015. The school district files tax returns in the U.S. federal jurisdiction and New Jersey. The school district has no open year prior to June 30, 2012.

22. Subsequent Events

Management has evaluated subsequent events through November 19, 2015, the date the financial statements were available to be issued.

23. Prior Period Adjustment

The implementation of GASB 68 resulted in recording the Deferred Outflows, Deferred Inflows and Pension liability on the June 30, 2015 district-wide financials. The balances at June 30, 2014 have been recorded into the beginning net position (A-1) for a total adjustment of \$7,981,435. This net recording into the net position created non-comparability in the MD&A and has been acknowledged and allowed by the GASB.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 31,294,684	\$ -	\$ 31,294,684	31,294,686	\$ 2
Interest on investments	-	-	-	19,407	19,407
Interest earned on current expense emergency reserve	700	(700)	-	813	813
Interest earned on maintenance reserve	1,323	(1,323)	-	3,058	3,058
Interest earned on capital reserve funds	888	(888)	-	2,752	2,752
Interest earned on bond ref	-	-	-	34,189	34,189
Transportation fees from other LEA's	50,000	-	50,000	69,491	19,491
Tuition - from individuals	102,000	-	102,000	107,388	5,388
Tuition - from other LEA's within the state	73,000	-	73,000	72,258	(742)
Tuition - from Summer School	-	-	-	10,149	10,149
Rents and Royalties	-	-	-	58,503	58,503
Textbook Sales And Rentals	-	-	-	-	-
Miscellaneous	189,516	2,911	192,427	121,748	(70,679)
Total - local sources	31,712,111	-	31,712,111	31,794,442	82,331
State sources:					
Categorical Transportation aid	85,308	-	85,308	85,308	-
Special Education Categorical Aid	1,663,733	-	1,663,733	1,663,733	-
Security aid	184,043	-	184,043	184,043	-
Equalization aid	3,924,507	-	3,924,507	3,924,507	-
Adjustment Aid	98,493	-	98,493	98,493	-
Under Adequacy Aid	83,119	-	83,119	83,119	-
Extraordinary aid	165,000	-	165,000	233,308	68,308
Non-public transportation	-	-	-	2,248	2,248
Other state aid	-	-	-	26,299	26,299
TFAF pension (on-behalf - Non-budgeted)	-	-	-	2,491,708	2,491,708
TFAF social security (reimbursed - Non-budgeted)	-	-	-	1,298,512	1,298,512
Total state sources	6,204,203	-	6,204,203	10,091,278	3,887,075
Federal sources:					
Medicaid reimbursement	-	-	-	-	-
Other federal aids-ARRA	-	-	-	11,400	11,400
Other federal aids-SEMI	25,484	-	25,484	42,518	17,034
Total Federal sources	25,484	-	25,484	53,918	28,434
Other financing sources					
Sale or compensation for loss of F/A	-	-	-	2,799	2,799
Total other financing sources	-	-	-	2,799	2,799
Total revenues	37,941,798	-	37,941,798	41,942,437	4,000,639
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Preschool/Kindergarten - Salaries of teachers	750,029	(75,993)	674,036	672,010	2,026
Grades 1-5 - Salaries of teachers	3,779,905	7,372	3,787,277	3,751,917	35,360
Grades 6-8 - Salaries of teachers	3,061,274	(37,555)	3,023,719	2,967,588	56,131
Grades 9-12 - Salaries of teachers	4,077,579	(8,205)	4,069,374	3,987,145	82,229
Regular Programs - Home Instruction:					
Salaries of teachers	58,000	3,028	61,028	49,695	11,333
Purchased professional-educational services	54,000	(3,028)	50,972	18,674	32,298
Regular Programs - Undistributed Instruction					
Purchased professional-educational services	15,826	(442)	15,384	11,871	3,513
Purchased technical services	26,450	4,991	31,441	18,466	12,975
Other purchased services (400-500 series)	127,725	20,412	148,137	136,099	12,038
General supplies	667,250	89,296	756,546	613,934	142,612
Textbooks	79,022	64,243	143,265	126,100	17,165
Other objects	14,290	-	14,290	7,620	6,670
TOTAL REGULAR PROGRAMS - INSTRUCTION	12,711,350	64,119	12,775,469	12,361,119	414,350
SPECIAL EDUCATION - INSTRUCTION					
Behavioral Disabilities:					
Salaries of Teachers	62,066	1,365	63,431	63,246	185
Other salaries for instruction	13,074	(547)	12,527	12,527	-
General supplies	500	(500)	-	-	-
Textbooks	200	(200)	-	-	-
Total Behavioral Disabilities	75,840	118	75,958	75,773	185
Multiple Disabilities:					
Salaries of Teachers	294,812	3,411	298,223	296,547	1,676
Other salaries for instruction	15,254	3,509	18,763	18,113	650
General supplies	1,250	(23)	1,227	983	244
Total Multiple Disabilities	311,316	6,897	318,213	315,643	2,570

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Resource Room/Resource Center:					
Salaries of Teachers	\$ 2,013,630	\$ 40,144	\$ 2,053,774	2,042,626	\$ 11,148
Other Salaries for Instruction	161,564	441	162,005	158,965	3,040
General supplies	5,400	744	6,144	2,178	3,966
Textbooks	1,300	(999)	301	300	1
Total Resource Room/Resource Center	2,181,894	40,330	2,222,224	2,204,069	18,155
Autism:					
Salaries of Teachers	122,348	1,917	124,265	124,255	10
Other Salaries for Instruction	-	368	368	368	-
Other purchased services (400-500 series)	250	-	250	-	250
General Supplies	1,250	-	1,250	426	824
Total Autism	123,848	2,285	126,133	125,049	1,084
Preschool Disabilities - Full-Time:					
Salaries of Teachers	107,031	779	107,810	107,515	295
Other Salaries for Instruction	58,439	3,502	61,941	61,350	591
General Supplies	1,650	593	2,243	1,894	349
Total Preschool Disabilities - Full-Time	167,120	4,874	171,994	170,759	1,235
Home Instruction:					
Salaries of Teachers	30,000	(5,991)	24,009	4,898	19,111
Purchased Professional-Educational Services	500	-	500	-	500
Total Home Instruction	30,500	(5,991)	24,509	4,898	19,611
TOTAL SPECIAL EDUCATION- INSTRUCTION	2,890,518	48,513	2,939,031	2,896,191	42,840
Basic Skills/Remedial - Instruction					
Salaries of Teachers	110,800	-	110,800	109,323	1,477
Other Purchased Services (400-500 series)	53,540	-	53,540	28,000	25,540
General Supplies	1,250	1,308	2,558	1,299	1,259
Other Objects	-	-	-	-	-
Total Basic Skills/Remedial - Instruction	165,590	1,308	166,898	138,622	28,276
Bilingual Education - Instruction					
Salaries of Teachers	63,400	18,945	82,345	82,343	2
Other Purchased Services (400-500 series)	350	-	350	225	125
General Supplies	600	-	600	600	-
Total Bilingual Education - Instruction	64,350	18,945	83,295	83,168	127
School-Spon. Cocurricular Actvts. - Instruction					
Salaries	187,336	-	187,336	170,177	17,159
Purchased Services (300-500 series)	16,700	(404)	16,296	10,823	5,473
Supplies and Materials	19,610	(720)	18,890	13,970	4,920
Other Objects	4,935	-	4,935	3,707	1,228
Total School-Spon. Cocurricular Actvts. - Instruction	228,581	(1,124)	227,457	198,677	28,780
School-Spon. Athletics - Instruction					
Salaries	443,040	(6,647)	436,393	394,460	41,933
Purchased Services (300-500 series)	146,760	(10,441)	136,319	134,215	2,104
Supplies and Materials	79,250	31,717	110,967	91,773	19,194
Other Objects	1,000	(650)	350	350	-
Total School-Spon. Cocurricular Actvts. - Instruction	670,050	13,979	684,029	620,798	63,231
Other Instructional Programs - Instruction					
Purchased prof & tech services	-	13,400	13,400	13,400	-
Total Other Instructional Programs - Instruction	-	13,400	13,400	13,400	-
Total Instruction	16,730,439	159,140	16,889,579	16,311,975	577,604
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - Special	105,461	(40,554)	64,907	55,175	9,732
Tuition to other LEAs within the state - Regular	-	61,215	61,215	60,215	1,000
Tuition to Co. Voc. School Dist. - reg.	17,000	-	17,000	15,100	1,900
Tuition to Co.Spec. Serv. & Reg. Day schools	342,199	(86,961)	255,238	250,096	5,142
Tuition to Private Sch for Disbl w/i State	1,500,171	(78,831)	1,421,340	1,384,224	37,116
Tuition Priv Sch Disbl & Otr LEA o/s State	151,602	(40,502)	111,100	81,634	29,466
Tuition - State Facilities	106,631	-	106,631	106,631	-
Tuition - Other	23,114	-	23,114	12,486	10,628
Total Undistributed Expenditures - Instruction:	2,246,178	(185,633)	2,060,545	1,965,561	94,984
Undistributed Expend. - Attend. & Social Work					
Salaries	184,808	(25,183)	159,625	153,844	5,781
Supplies and Materials	1,600	(500)	1,100	1,068	32
Total Undistributed Expend. - Attend. & Social Work	186,408	(25,683)	160,725	154,912	5,813

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Health Services					
Salaries	\$ 396,871	\$ 8,072	\$ 404,943	404,351	\$ 592
Purchased professional and technical services	29,000	-	29,000	24,682	4,318
Other purchased services (400-500 series)	1,910	-	1,910	400	1,510
Supplies and materials	6,400	29,442	35,842	32,592	3,250
Total Undistributed Expenditures - Health Services	434,181	37,514	471,695	462,025	9,670
Undist. Expend. - Other Support Services - Students - Related Service					
Salaries	271,190	(6,678)	264,512	261,309	3,203
Purchased Prof. Ed. Services	209,523	88,719	298,242	249,098	49,144
Supplies and Materials	2,400	(461)	1,939	1,615	324
Total Undist. Expend. - Other Support Services - Students - Related Service	483,113	81,580	564,693	512,022	52,671
Undist. Expend. - Other Support Services - Students - Extraordinary Services					
Salaries	626,905	74,613	701,518	697,529	3,989
Purchased Prof. Ed. Services	174,800	(65,887)	108,913	68,824	40,089
Total Undist. Expend. - Other Support Services Students - Extraordinary Serv	801,705	8,726	810,431	766,353	44,078
Undist. Expend. - Other Support Services Students-Regular					
Salaries of Other Professional Staff	739,767	(1,125)	738,642	725,868	12,774
Salaries of Secretarial and Clerical Assistants	133,455	1,125	134,580	134,130	450
Other Salaries	5,000	-	5,000	2,032	2,968
Other Purch. Prof. & Tech. Svc.	18,100	-	18,100	277	17,823
Other Purchased Services (400-500 series)	12,400	(820)	11,580	4,158	7,422
Supplies and Materials	19,850	(4,297)	15,553	10,722	4,831
Other Objects	1,030	-	1,030	454	576
Total Undist. Expend. - Other Support Services - Students-Regular	929,602	(5,117)	924,485	877,641	46,844
Undist. Expend. - Other Support Services - Students-Special					
Salaries of Other Professional Staff	859,700	(7,500)	852,200	838,591	13,609
Salaries of Secretarial and Clerical assistants	123,343	22,828	146,171	144,297	1,874
Purchased Professional - Educational Services	32,000	(757)	31,243	24,990	6,253
Other Purchased Prof. & Tech. Services	5,000	375	5,375	5,375	-
Other Purchased Services (400-500 series)	5,200	(5,200)	-	-	-
Misc. Purch Serv	10,385	(159)	10,226	7,342	2,884
Supplies and Materials	6,600	19,956	26,556	24,603	1,953
Other Objects	1,550	(671)	879	850	29
Total Undist. Expend. - Other Support Services - Students-Special	1,043,778	28,872	1,072,650	1,046,048	26,602
Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.					
Salaries Superv. Of Instr.	76,586	-	76,586	76,100	486
Salaries Other Prof. Staff	-	1,216	1,216	1,216	-
Salaries Secr. & Clerical Asst.	11,614	-	11,614	11,602	12
Other Salaries	14,300	(10,655)	3,645	3,645	-
Supplies and Materials	2,500	60,452	62,952	34,569	28,383
Total Undist. Expend.-Imprvmt of Instr. Svcs-Other Support Services-Instr.	105,000	51,013	156,013	127,132	28,881
Undist. Expend. - Educational Media Services/School Library					
Salaries	279,421	-	279,421	240,663	38,758
Salaries of Technology Coordinators	44,463	-	44,463	44,328	135
Purchased Prof & Tech Svc.	4,900	-	4,900	4,760	140
Other Purchased Services (400-500)	350	-	350	-	350
Supplies and Materials	42,350	34	42,384	38,559	3,825
Total Undist. Expend. - Educational Media Services/School Library	371,484	34	371,518	328,310	43,208
Undist. Expend. - Instruction Staff Training Services					
Salaries of Supervisors of Instruction	76,586	-	76,586	76,100	486
Salaries of Other Professional Staff	24,700	(856)	23,844	17,025	6,819
Salaries of Secretarial & Clerical Assistants	34,841	-	34,841	34,807	34
Purchased Professional - Educational Services	50,600	5,025	55,625	21,774	33,851
Other Purchased Services (400-500 series)	33,800	1,810	35,610	22,375	13,235
Supplies and Materials	16,000	12,532	28,532	26,300	2,232
Total Undist. Expend. - Instruction Staff Training Services	236,527	18,511	255,038	198,381	56,657
Undist. Expend. - Support Service - General Administration					
Salaries	321,150	98	321,248	321,128	120
Legal Services	85,000	46,396	131,396	121,341	10,055
Audit Fees	23,000	-	23,000	21,000	2,000
Architectural/Engineering Services	30,000	35,405	65,405	49,237	16,168
Other Purchased Professional Services	1,950	(1,950)	-	-	-
Communications/Telephone	55,900	11,422	67,322	64,989	2,333
BOE Other Purchased Services	13,050	(5,568)	7,482	4,677	2,805
Misc. Purch. Serv.(400-500)	175,200	7,968	183,168	152,831	30,337
General Supplies	6,300	1,422	7,722	3,669	4,053
BOE In-house Training/Meeting Supplies	2,500	7,490	9,990	5,870	4,120
Judgments Against the School District	10,000	-	10,000	-	10,000
Miscellaneous Expenditures	29,800	-	29,800	25,880	3,920
Total Undist. Expend. - Support Service - General Administration	753,850	102,683	856,533	770,622	85,911

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2015

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Service - School Administration					
Salaries of Principals/Assistant principals	\$ 1,341,961	\$ 20,000	\$ 1,361,961	1,346,058	\$ 15,903
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	445,381	15,000	460,381	434,677	25,704
Other Purchased Services (400-500 series)	14,750	81	14,831	12,691	2,140
Supplies and Materials	18,250	(400)	17,850	10,124	7,726
Other Objects	13,950	92	14,042	13,209	833
Total Undist. Expend. - Support Service - School Administration	1,834,292	34,773	1,869,065	1,816,759	52,306
Undistributed Expenditures- Central Services					
Salaries	502,661	30,000	532,661	501,327	31,334
Purchased Technical Services	39,750	2,750	42,500	36,886	5,614
Purchase Professional Services	4,700	-	4,700	2,325	2,375
Misc. Purchased Services	5,900	-	5,900	4,351	1,549
Supplies and Materials	6,500	5,055	11,555	6,174	5,381
Miscellaneous Expenditures	3,250	-	3,250	2,715	535
Total Central Services	562,761	37,805	600,566	553,778	46,788
Administration Information Technology					
Salaries	90,723	9,000	99,723	90,530	9,193
Total Admin info tech	90,723	9,000	99,723	90,530	9,193
Interest Earned on Maintenance Reserve					
Interest earned on maintenance reserve	1,323	(1,323)	-	-	-
Total Interest Earned on Maintenance Reserve	1,323	(1,323)	-	-	-
Required Maint for School Facilities					
Salaries	55,000	5,131	60,131	44,003	16,128
Cleaning, Repair and Maintenance Services	985,539	4,708	990,247	712,091	278,156
General Supplies	99,225	1,137	100,362	66,598	33,764
Other Objects	3,250	123	3,373	3,373	-
Total Required Maintenance for School Facilities	1,143,014	11,099	1,154,113	826,065	328,048
Custodial Services					
Salaries	132,626	6,559	139,185	138,764	421
Purchased Professional and Technical Services	1,077,872	58,100	1,135,972	1,102,234	33,738
Cleaning, Repair and Maintenance Services	74,250	(821)	73,429	23,245	50,184
Rental of Land and Building Other than Lease	14,100	-	14,100	12,000	2,100
Other Purchased Property Services	46,650	6,431	53,081	46,225	6,856
Insurance	110,000	16,143	126,143	109,351	16,792
Miscellaneous Purchased Services	8,500	1,250	9,750	6,450	3,300
General Supplies	24,750	-	24,750	11,554	13,196
Energy (Natural Gas)	359,617	(25,889)	333,728	265,948	67,780
Energy (Electricity)	519,000	(48,022)	470,978	450,451	20,527
Total Custodial services	2,367,365	13,751	2,381,116	2,166,222	214,894
Care and Upkeep of Grounds					
Purchased Professional and Technical Services	135,531	(18,416)	117,115	104,802	12,313
Cleaning, Repair and Maintenance Services	39,000	45,651	84,651	47,983	36,668
General Supplies	16,200	1,648	17,848	17,741	107
Total Care and Upkeep of Grounds	190,731	28,883	219,614	170,526	49,088
Security					
Salaries	50,357	1,429	51,786	43,167	8,619
Purchased Professional and Technical Services	-	-	-	-	-
Cleaning, Repair and Maintenance Services	26,000	95,773	121,773	73,070	48,703
General Supplies	15,000	27,133	42,133	8,708	33,425
Total Security	91,357	124,335	215,692	124,945	90,747
Total Oper. And Maintenance of Plant Services	3,792,467	176,068	3,970,535	3,287,758	682,777
Student Transportation Services					
Salaries for Pupil Transportation (Between Home and School) - Regular	303,019	(17,499)	285,520	284,999	521
Salaries for Pupil Transportation (Between Home and School) - Sp Ed	151,118	21,132	172,250	171,539	711
Salaries for Pupil Transportation (Other than Between Home and School)	80,728	(2,561)	78,167	76,575	1,592
Salaries for Pupil Transportation (Between Home and School) - Non Public S	18,836	830	19,666	19,427	239
Management Fee - ESC Trans. Program	5,500	13,092	18,592	18,230	362
Other Purchased Professional & Technical Services	10,200	(1,574)	8,626	8,411	215
Cleaning, Repair and Maint. Services	12,000	(11,705)	295	292	3
Contract Svc (btw Home & Sch.)-vendors	304,780	(5,357)	299,423	294,079	5,344
Contr Serv (Oth.than Bet Home & Sch) - Vend	5,300	(2,515)	2,785	-	-
Contract Svc (btw home & sch.)-joint agree	20,445	(4,680)	15,765	15,696	69
Contract Serv. (Sp Ed Stds) - Vendors	129,500	(24,839)	104,661	95,654	9,007
Contract Serv. (Sp Ed Stds) - Joint Agrmnts	55,000	(50,889)	4,111	4,111	-
Contract Serv. (Reg Students) - ESCs & CSTAs	61,000	(2,982)	58,018	54,191	3,827
Contract Serv.(Spl. Ed. Students) - ESCs & CTAS	115,000	186,692	301,692	294,281	7,411
Contr Serv. - Aid in Lieu Pymts-NonPub Sch	7,500	(4,406)	3,094	3,084	10
Misc. Purchased Services - Transportation	18,050	(1,332)	16,718	16,553	165
General Supplies	3,000	303	3,303	3,260	43
Transportation Supplies	115,000	(11,323)	103,677	103,197	480
Other Objects	500	45	545	545	-
Total Student Transportation Services	1,416,476	80,432	1,496,908	1,466,909	29,999

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
General Fund
For the Fiscal Year Ended June 30, 2015

	Original Budget	Transfers/ Encumbrances	Final Budget	Actual	Variance Final to Actual
Interest Earned on Current Expense Emergency Reserve					
Interest earned on current expense emergency reserve	\$ 700	\$ (700)	\$ -	-	-
Total Interest Earned on Current Expense Emergency Reserve	<u>700</u>	<u>(700)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Personal Services- Employee Benefits					
Social Security Contributions	378,000	-	378,000	361,395	16,605
Other Retirement Contributions-Regular	380,000	(9,726)	370,274	316,156	54,118
Unemployment Compensation	92,000	8,084	100,084	87,640	12,444
Workmen's Compensation	172,000	7,751	179,751	167,114	12,637
Health Benefits	5,818,869	(302,668)	5,516,201	5,054,470	461,731
Tuition Reimbursement	22,000	(657)	21,343	18,283	3,060
Other Employee Benefits	127,000	155,633	282,633	282,633	-
Total Personal Services-Employee Benefits	<u>6,989,869</u>	<u>(141,583)</u>	<u>6,848,286</u>	<u>6,287,691</u>	<u>560,595</u>
On-behalf TPAF Pension Contributions (non-budgeted)	-	-	-	2,491,708	(2,491,708)
Reimbursed TPAF Social Security Contributions (non-budgeted)	-	-	-	1,298,512	(1,298,512)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,790,220</u>	<u>(3,790,220)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>6,989,869</u>	<u>(141,583)</u>	<u>6,848,286</u>	<u>10,077,911</u>	<u>(3,229,625)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>22,280,437</u>	<u>308,972</u>	<u>22,589,409</u>	<u>24,502,652</u>	<u>(1,913,243)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>39,010,876</u>	<u>468,112</u>	<u>39,478,988</u>	<u>40,814,627</u>	<u>(1,335,639)</u>
CAPITAL OUTLAY					
Interest Deposit to Capital Reserve	888	(888)	-	-	-
Equipment					
Regular Programs - Instruction:					
Grades 1-5	284,500	(30,779)	253,721	253,721	-
Grades 6-8	284,500	(30,429)	254,071	254,071	-
Grades 9-12	284,500	40,761	325,261	308,108	17,153
Special Education- Instruction:					
School - Sponsored and Other Instructional Program	15,000	15,725	30,725	3,094	27,631
General Administration					
Undist. Expend.-Support Serv.-Child Study Teams	5,000	(84)	4,916	2,199	2,717
Undist. Exp.-Req. Maint. Schl Facilities					
Undist. Exp.-Req. Maint. Schl Facilities	138,000	(65,265)	72,735	43,422	29,313
Undistributed exp.-Non-instructional services					
Non-instructional Equip.	-	-	-	-	-
School Buses -Regular	-	91,695	91,695	-	91,695
Total Equipment	<u>1,011,500</u>	<u>21,624</u>	<u>1,033,124</u>	<u>864,615</u>	<u>168,509</u>
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	-	-	-	-	-
Construction Services	-	68,534	68,534	68,534	-
Assessment for Debt Service on SDA Funding	68,534	(68,534)	-	-	-
Supplies & Materials	125,000	(125,000)	-	-	-
Capital Outlay transfer to Capital Projects	-	91,619	91,619	91,619	-
Capital Reserve transfer to Capital Projects	-	125,000	125,000	125,000	-
Total	<u>193,534</u>	<u>91,619</u>	<u>285,153</u>	<u>285,153</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>1,205,922</u>	<u>112,355</u>	<u>1,318,277</u>	<u>1,149,768</u>	<u>168,509</u>
TOTAL EXPENDITURES	<u>40,216,798</u>	<u>580,467</u>	<u>40,797,265</u>	<u>41,964,395</u>	<u>(1,167,130)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,275,000)</u>	<u>(580,467)</u>	<u>(2,855,467)</u>	<u>(21,958)</u>	<u>2,833,509</u>
Fund Balance, July 1	6,486,916	-	6,486,916	6,486,916	-
Fund Balance, June 30	<u>\$ 4,211,916</u>	<u>\$ (580,467)</u>	<u>\$ 3,631,449</u>	<u>6,464,958</u>	<u>\$ 2,833,509</u>
Recapitulation:					
Restricted Fund Balance:					
Maintenance reserve				1,124,677	
Emergency Reserve				402,168	
Excess surplus - current year				-	
Excess surplus-designated for subsequent year's expenditures				267,165	
Capital reserve				1,314,284	
Committed Fund Balance:					
Other purposes				-	
Year-end encumbrances				724,789	
Assigned Fund Balance:					
Designated for subsequent year's expenditures				1,632,835	
Unrestricted/undesignated				999,040	
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				(581,552)	
Fund balance per governmental funds (GAAP)				<u>417,486</u>	

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES					
Local sources	\$ -	-	\$ -	\$ 54,037	\$ 54,037
State sources	-	-	-	-	-
Federal sources	1,018,126	(10,049)	1,008,077	915,177	(92,900)
Total Revenues	<u>1,018,126</u>	<u>(10,049)</u>	<u>1,008,077</u>	<u>969,214</u>	<u>(38,863)</u>
EXPENDITURES					
Instruction:					
Personal services-salaries	215,910	(8,445)	207,465	204,400	3,065
Purchased professional and technical services	7,674	(100)	7,574	4,478	3,096
General supplies	91,844	946	92,790	74,700	18,090
Tuition	460,000	114,240	574,240	574,240	-
Other objects	17,020	3,228	20,248	13,303	6,945
Total instruction	<u>792,448</u>	<u>109,869</u>	<u>902,317</u>	<u>871,121</u>	<u>31,196</u>
Support services:					
Personal services - salaries	-	-	-	-	-
Purchased professional and technical services	169,901	(114,500)	55,401	51,800	3,601
Other purchased services	350	-	350	136	214
Employee benefits	48,427	(5,012)	43,415	39,563	3,852
Travel	1,000	(317)	683	683	-
Supplies- materials	6,000	(89)	5,911	5,911	-
Total support services	<u>225,678</u>	<u>(119,918)</u>	<u>105,760</u>	<u>98,093</u>	<u>7,667</u>
Total expenditures	<u>1,018,126</u>	<u>(10,049)</u>	<u>1,008,077</u>	<u>969,214</u>	<u>38,863</u>
Total outflows	<u>1,018,126</u>	<u>(10,049)</u>	<u>1,008,077</u>	<u>969,214</u>	<u>38,863</u>
Excess (deficiency) of revenues					
Over (under) expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				\$ -	
Fund balance per governmental funds (GAAP)				<u>\$ -</u>	

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to Required Supplementary Information
 For the Fiscal Year Ended June 30, 2015

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-1]	\$ 41,942,437	[C-2]	\$ 969,214
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		3,291
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(962,979)		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(581,552)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		588,745		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 40,986,651	[B-2]	\$ 972,505
Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 41,964,395	[C-2]	\$ 969,214
Differences - budget to GAAP:				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(962,979)		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		-		3,291
Pension expense recognized for GAAP but not for budgetary purposes.		-		-
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 41,001,416	[B-2]	\$ 972,505

REQUIRED SUPPLEMENTARY INFORMATION - PART III

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of Net Pension Liability-PERS
 For the Fiscal Year Ended June 30, 2015

Last 10 Fiscal Years*

	<u>2015</u>
District's proportion of the net pension liability	0.0387504353%
District's proportionate share of the net pension liability	\$ 7,586,149
District's covered-employee payroll	\$ 2,649,489
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	34.93%
Plan fiduciary net position as a percentage of the total pension liability	67.89%

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Required Supplementary Information
Schedule of the District Contributions-PERS
For the Fiscal Year Ended June 30, 2015

Last 10 Fiscal Years*

	<u>2015</u>
Contractually required contributions	\$ 319,453
Contributions in relation to the contractually required contribution	<u>316,156</u>
Contribution deficiency (excess)	<u>\$ 3,297</u>
District's covered-employee payroll	\$ 2,649,489
Contributions as a percentage of covered-employee payroll	12.06%

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

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Required Supplementary Information
 Schedule of the District's Proportionate Share of Net Pension Liability-TPAF
 For the Fiscal Year Ended June 30, 2015

Last 10 Fiscal Years*

	<u>2015</u>
District's proportion of the net pension liability	0.1758938202%
District's proportionate share of the net pension liability	\$ 94,009,522
District's covered-employee payroll	\$ 17,900,386
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	19.04%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

The District has a special funding situation as is not required to make any payments for this liability therefore it is not recorded on the CAFR.

The amounts presented were determined as of the fiscal year-end that occurred one year before the District's fiscal year end.

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

Point Pleasant Borough Board of Education

Notes to Required Supplementary Information - Part III

For the Year Ended June 30, 2015

Assumptions

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01 %
Salary increases: 2012-2021	2.15 - 4.40 % based on age
Thereafter	3.15 - 5.40 % based on age
Investment rate of return	7.90 %

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

OTHER SUPPLEMENTARY INFORMATION

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	Title I 13/14	Title I 14/15	IDEA-Part B-Basic Reg Prog 14/15	IDEA-Part B Preschool 14/15
Revenues:				
Local sources	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-
Federal sources	<u>9,000</u>	<u>188,646</u>	<u>624,685</u>	<u>25,291</u>
Total revenues	<u>9,000</u>	<u>188,646</u>	<u>624,685</u>	<u>25,291</u>
Expenditures:				
Instruction:				
Salaries	9,000	136,272	-	-
Purchased services	-	-	-	-
Other purchased services	-	-	-	-
General supplies	-	14,521	15,462	5,917
Tuition	-	-	556,740	17,500
Other Objects	-	<u>11,745</u>	-	<u>963</u>
Total instruction	<u>9,000</u>	<u>162,538</u>	<u>572,202</u>	<u>24,380</u>
Support services:				
Other support services - students - special:				
Salaries	-	-	-	-
Prof. and tech. services	-	-	46,800	-
Other purchased services	-	-	-	-
Employee benefits	-	26,108	-	-
Travel	-	-	683	-
Supplies and materials	-	-	<u>5,000</u>	<u>911</u>
Total other support services - students - special	<u>-</u>	<u>26,108</u>	<u>52,483</u>	<u>911</u>
Total support services	<u>-</u>	<u>26,108</u>	<u>52,483</u>	<u>911</u>
Equipment:				
Regular programs instruction	-	-	-	-
Non-instructional equipment	-	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 9,000</u>	<u>\$ 188,646</u>	<u>\$ 624,685</u>	<u>\$ 25,291</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

(Continued from prior page)

	Title II Part A 14/15	Title III 14/15	Other	Total 2015
Revenues:				
Local sources	\$ -	\$ -	\$ 54,037	\$ 54,037
State sources	-	-	-	-
Federal sources	56,806	10,749	-	915,177
Total revenues	56,806	10,749	54,037	969,214
Expenditures:				
Instruction:				
Salaries	45,500	8,600	5,028	204,400
Purchased services	-	-	4,478	4,478
Other purchased services	-	-	-	-
General supplies	-	-	38,800	74,700
Tuition	-	-	-	574,240
Other objects	-	-	595	13,303
Total instruction	45,500	8,600	48,901	871,121
Support services:				
Other support services - students - special:				
Salaries	-	-	-	-
Prof. and tech. services	-	-	5,000	51,800
Other purchased services	-	-	136	136
Employee benefits	11,306	2,149	-	39,563
Travel	-	-	-	683
Supplies and materials	-	-	-	5,911
Total other support services - students - special	11,306	2,149	5,136	98,093
Total support services	11,306	2,149	5,136	98,093
Equipment:				
Instruction equipment	-	-	-	-
Non-instructional equipment	-	-	-	-
Total equipment	-	-	-	-
Total expenditures	\$ 56,806	\$ 10,749	\$ 54,037	\$ 969,214

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2015

Project Title/Issue	Approval Date	Revised Budgetary Appropriations	GAAP Expenditures to Date		Unexpended Appropriations June 30, 2015
			Prior Years	Current Year	
Reroofing and MEP Upgrades - Memorial Middle School	1/2/2014	3,896,000	888,364	2,380,056	627,580
Reroofing and MEP Upgrades - Nellie Bennett School	1/2/2014	3,813,000	1,263,192	1,808,146	741,662
Reroofing and MEP Upgrades - Ocean Road Elementary School	1/2/2014	2,268,000	463,966	987,045	816,989
Reroofing and MEP Upgrades - Point Pleasant High School	1/2/2014	5,971,000	1,849,390	3,456,408	665,202
Security Cameras - Memorial Middle School	7/31/2014	105,392	-	74,181	31,211
Security Cameras - Nellie Bennett School	7/31/2014	49,290	-	41,615	7,675
Security Cameras - Ocean Road Elementary School	7/31/2014	51,156	-	40,074	11,082
Security Cameras - Point Pleasant High School	7/31/2014	155,193	-	135,380	19,813
Totals		<u>\$ 16,309,031</u>	<u>\$ 4,464,912</u>	<u>\$ 8,922,905</u>	<u>\$ 2,921,214</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and
 Changes in Fund Balance-Budgetary Basis
 For the Year Ended June 30, 2015

Revenues and Other Financing Sources

State Sources - Grants	\$ 144,412
Bond proceeds and transfers	-
Contribution from private source	-
Transfer from capital reserve	216,619
Transfer from capital outlay	-
Total revenues	<u>361,031</u>

Expenditures and Other Financing Uses

Purchased professional and technical services	426,861
Land and improvements	-
Construction services	8,204,794
Other objects	-
Equipment purchases	291,250
Transfer to debt service fund	-
Total expenditures	<u>8,922,905</u>

Excess of revenues over expenditures (8,561,874)

Fund balance - beginning 11,483,088

Fund balance - ending \$ 2,921,214

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Reroofing and MEP Upgrades - Memorial Middle School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SCC Grant	\$ -	-	\$ -	\$ -
Bond proceeds and transfers	3,896,000	-	3,896,000	3,896,000
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	<u>3,896,000</u>	<u>-</u>	<u>3,896,000</u>	<u>3,896,000</u>
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	182,544	98,134	280,678	649,420
Land and improvements	-	-	-	-
Construction services	705,820	2,281,922	2,987,742	3,246,580
Equipment purchases	-	-	-	-
Total expenditures	<u>888,364</u>	<u>2,380,056</u>	<u>3,268,420</u>	<u>3,896,000</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 3,007,636</u>	<u>(2,380,056)</u>	<u>\$ 627,580</u>	<u>\$ -</u>
Additional project information:				
Project Number	4210-030-13-3000			
Grant Date				
Bond Authorization Date	1/2/2014			
Bonds Authorized	3,896,000			
Bonds Issued	3,896,000			
Original Authorized Cost	3,896,000			
Additional Authorized Cost	-			
Revised Authorized Cost	3,896,000			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	83.89%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Reroofing and MEP Upgrades - Nellie Bennett School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SCC Grant	\$ -	-	\$ -	\$ -
Bond proceeds and transfers	3,813,000	-	3,813,000	3,813,000
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	<u>3,813,000</u>	<u>-</u>	<u>3,813,000</u>	<u>3,813,000</u>
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	102,966	124,008	226,974	635,600
Land and improvements	-	-	-	-
Construction services	1,160,226	1,684,138	2,844,364	3,177,400
Equipment purchases	-	-	-	-
Total expenditures	<u>1,263,192</u>	<u>1,808,146</u>	<u>3,071,338</u>	<u>3,813,000</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 2,549,808</u>	<u>(1,808,146)</u>	<u>\$ 741,662</u>	<u>\$ -</u>

Additional project information:

Project Number	4210-030-13-2000
Grant Date	
Bond Authorization Date	1/2/2014
Bonds Authorized	3,813,000
Bonds Issued	3,813,000
Original Authorized Cost	3,813,000
Additional Authorized Cost	-
Revised Authorized Cost	3,813,000
Percentage Increase over Original Authorized Cost	-
Percentage Completion	80.55%
Original target completion date	-
Revised target completion date	-

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Reroofing and MEP Upgrades - Ocean Road Elementary School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SCC Grant	\$ -	-	\$ -	\$ -
Bond proceeds and transfers	2,268,000	-	2,268,000	2,268,000
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	2,268,000	-	2,268,000	2,268,000
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	75,890	103,399	179,289	378,000
Land and improvements	-	-	-	-
Construction services	388,076	883,646	1,271,722	1,890,000
Equipment purchases	-	-	-	-
Total expenditures	463,966	987,045	1,451,011	2,268,000
Excess (deficiency) or revenues over (under) expenditures	\$ 1,804,034	(987,045)	\$ 816,989	\$ -
Additional project information:				
Project Number	4210-030-13-3000			
Grant Date				
Bond Authorization Date	1/2/2014			
Bonds Authorized	2,268,000			
Bonds Issued	2,268,000			
Original Authorized Cost	2,268,000			
Additional Authorized Cost	-			
Revised Authorized Cost	2,268,000			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	63.98%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Reroofing and MEP Upgrades - Point Pleasant High School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SCC Grant	\$ -	-	\$ -	\$ -
Bond proceeds and transfers	5,971,000	-	5,971,000	5,971,000
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	-	-	-
Transfer from capital outlay	-	-	-	-
Total revenues	5,971,000	-	5,971,000	5,971,000
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	305,696	101,320	407,016	995,297
Land and improvements	-	-	-	-
Construction services	1,543,694	3,355,088	4,898,782	4,975,703
Equipment purchases	-	-	-	-
Total expenditures	1,849,390	3,456,408	5,305,798	5,971,000
Excess (deficiency) or revenues over (under) expenditures	\$ 4,121,610	(3,456,408)	\$ 665,202	\$ -
Additional project information:				
Project Number	4210-030-13-2000			
Grant Date				
Bond Authorization Date	1/2/2014			
Bonds Authorized	5,971,000			
Bonds Issued	5,971,000			
Original Authorized Cost	5,971,000			
Additional Authorized Cost	-			
Revised Authorized Cost	5,971,000			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	88.86%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Security Cameras - Memorial Middle School
 From Inception and for the Year Ended June 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and Other Financing				
Sources				
State Sources - SDA Grant	\$ -	42,157	\$ 42,157	\$ 42,157
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	63,235	63,235	63,235
Transfer from capital outlay	-	-	-	-
Total revenues	<u>-</u>	<u>105,392</u>	<u>105,392</u>	<u>105,392</u>
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	-	-	-	-
Equipment purchases	-	74,181	74,181	105,392
Total expenditures	<u>-</u>	<u>74,181</u>	<u>74,181</u>	<u>105,392</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ -</u>	<u>31,211</u>	<u>\$ 31,211</u>	<u>\$ -</u>
 Additional project information:				
Project Number	4210-050-14-1002			
Grant Date	7/31/2014			
Grant Amount	42,157			
Bond Authorization Date				
Bonds Authorized	-			
Bonds Issued	-			
Original Authorized Cost	105,392			
Additional Authorized Cost	-			
Revised Authorized Cost	105,392			
 Percentage Increase over Original Authorized Cost	-			
Percentage Completion	70.39%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Security Cameras - Nellie Bennett School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SDA Grant	\$ -	19,716	\$ 19,716	\$ 19,716
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	29,574	29,574	29,574
Transfer from capital outlay	-	-	-	-
Total revenues	-	49,290	49,290	49,290
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	-	-	-	-
Equipment purchases	-	41,615	41,615	49,290
Total expenditures	-	41,615	41,615	49,290
Excess (deficiency) or revenues over (under) expenditures	\$ -	7,675	\$ 7,675	\$ -
Additional project information:				
Project Number	4210-055-14-11003			
Grant Date	7/31/2014			
Grant Amount	19,716			
Bond Authorization Date				
Bonds Authorized	-			
Bonds Issued	-			
Original Authorized Cost	49,290			
Additional Authorized Cost	-			
Revised Authorized Cost	49,290			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	84.43%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Security Cameras - Ocean Road Elementary School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SDA Grant	\$ -	20,462	\$ 20,462	\$ 20,462
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	30,694	30,694	30,694
Transfer from capital outlay	-	-	-	-
Total revenues	-	51,156	51,156	51,156
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	-	-	-	-
Equipment purchases	-	40,074	40,074	51,156
Total expenditures	-	40,074	40,074	51,156
Excess (deficiency) or revenues over (under) expenditures	\$ -	11,082	\$ 11,082	\$ -
Additional project information:				
Project Number	4210-060-14-1004			
Grant Date	7/31/2014			
Grant Amount	20,462			
Bond Authorization Date				
Bonds Authorized	-			
Bonds Issued	-			
Original Authorized Cost	51,156			
Additional Authorized Cost	-			
Revised Authorized Cost	51,156			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	78.34%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Capital Projects Fund
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance-Budgetary Basis
 Security Cameras - Point Pleasant High School
 From Inception and for the Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing				
Sources				
State Sources - SDA Grant	\$ -	62,077	\$ 62,077	\$ 62,077
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	93,116	93,116	93,116
Transfer from capital outlay	-	-	-	-
Total revenues	-	155,193	155,193	155,193
Expenditures and Other Financing				
Uses				
Purchased prof. and tech. services	-	-	-	-
Land and improvements	-	-	-	-
Construction services	-	-	-	-
Equipment purchases	-	135,380	135,380	155,193
Total expenditures	-	135,380	135,380	155,193
Excess (deficiency) or revenues over (under) expenditures	\$ -	19,813	\$ 19,813	\$ -
Additional project information:				
Project Number	4210-030-14-1001			
Grant Date	7/31/2014			
Grant Amount	62,077			
Bond Authorization Date				
Bonds Authorized	-			
Bonds Issued	-			
Original Authorized Cost	155,193			
Additional Authorized Cost	-			
Revised Authorized Cost	155,193			
Percentage Increase over Original Authorized Cost	-			
Percentage Completion	87.23%			
Original target completion date	-			
Revised target completion date	-			

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Enterprise Funds
Combining Statement of Net Position
June 30, 2015

	Business-type Activities - Enterprise Funds		
	Food Service	Child Care	Total Enterprise
Assets:			
Current assets:			
Cash and cash equivalents	\$ 110,539	\$ 152,767	\$ 263,306
Accounts receivable:			
State	537	146	683
Federal	10,549	-	10,549
Other government	4,492	-	4,492
Other	-	-	-
Interfund	-	-	-
Inventories	23,056	-	23,056
Total current assets	<u>149,173</u>	<u>152,913</u>	<u>302,086</u>
Fixed assets:			
Equipment	342,569	4,771	347,340
Buildings and improvements	1,173,439	-	1,173,439
Accumulated depreciation	(320,204)	(3,601)	(323,805)
Total fixed assets	<u>1,195,804</u>	<u>1,170</u>	<u>1,196,974</u>
Total assets	<u>\$ 1,344,977</u>	<u>\$ 154,083</u>	<u>\$ 1,499,060</u>
Liabilities and Fund Equity:			
Liabilities:			
Accounts payable	8	1,601	1,609
Accrued salaries and benefits	-	-	-
Deferred revenue	9,111	-	9,111
Compensated absences	-	-	-
Interfund payable	-	-	-
Total liabilities	<u>9,119</u>	<u>1,601</u>	<u>10,720</u>
Net position :			
Net investment in capital assets	1,195,804	1,170	1,196,974
Restricted for other purposes	-	-	-
Unrestricted net position	140,054	151,312	291,366
Total fund equity	<u>1,335,858</u>	<u>152,482</u>	<u>1,488,340</u>
Total liabilities and fund equity	<u>\$ 1,344,977</u>	<u>\$ 154,083</u>	<u>\$ 1,499,060</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Enterprise Funds
Combined Statement of Revenues, Expenses and
Changes in Net Position
For the Fiscal Year ended June 30, 2015

	Business-type Activities - Enterprise Funds		
	Food Service	Child Care	Total Enterprise
Operating revenues:			
Local sources:			
Daily sales-reimbursable programs:			
School breakfast program	2,458	-	\$ 2,458
School lunch program	265,187	-	265,187
Total-daily sales-reimbursable programs	267,645	-	267,645
Daily sales non-reimbursable programs	247,053	-	247,053
Special functions	4,791	-	4,791
Miscellaneous	53,051	357,986	411,037
Total operating revenues	<u>572,540</u>	<u>357,986</u>	<u>930,526</u>
Operating expenses:			
Salaries	253,781	268,609	522,390
Employee benefits	110,747	53,155	163,902
Other purchased services	18,041	18,729	36,770
Supplies and materials	30,481	3,288	33,769
Utilities	31,044	11,954	42,998
Dues/Workshops	283	-	283
Depreciation	6,981	105	7,086
Cost of sales	303,318	-	303,318
Total operating expenses	<u>754,676</u>	<u>355,840</u>	<u>1,110,516</u>
Operating income (loss)	<u>(182,136)</u>	<u>2,146</u>	<u>(179,990)</u>
Nonoperating revenues:			
State sources:			
State school lunch program	5,170	-	5,170
State school breakfast program	-	-	-
Federal sources:			
School breakfast program	12,029	-	12,029
National school lunch program	150,144	-	150,144
Food distribution program	33,964	-	33,964
FEMA disaster funding	-	-	-
Interest	74	-	74
Total nonoperating revenues	<u>201,381</u>	<u>-</u>	<u>201,381</u>
Change in net position before transfers	19,245	2,146	21,391
Transfers in (out)	-	-	-
Change in net position	19,245	2,146	21,391
Total unrestricted net position beginning	<u>1,316,613</u>	<u>150,336</u>	<u>1,466,949</u>
Total unrestricted net position ending	<u><u>1,335,858</u></u>	<u><u>152,482</u></u>	<u><u>\$ 1,488,340</u></u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Food Services Enterprise Fund
Combining Statement of Cash Flows
for the Fiscal Year ended June 30, 2015

	Business-type Activities - Enterprise Funds		
	Food Service	Child Care	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and other funds	\$ 610,684	\$ 358,286	\$ 968,970
Payments to employees & benefits	(364,528)	(330,176)	(694,704)
Payments to suppliers	(386,093)	(34,126)	(420,219)
Net cash provided by (used in) operating activities	(139,937)	(6,016)	(145,953)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State sources	5,293	-	5,293
Federal sources	161,193	-	161,193
Board interfund loans	(3,349)	-	(3,349)
Net cash provided by non-capital financing activities	163,137	-	163,137
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Change in capital contributions	-	-	-
Purchases of capital assets	(5,441)	-	(5,441)
Gain/Loss on sale of fixed assets (proceeds)	-	-	-
Net cash provided by (used in) capital and related financing activities	(5,441)	-	(5,441)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and dividends	74	-	74
Proceeds from sale/maturities of investments	-	-	-
Net cash provided by (used for) investing activities	74	-	74
Net increase in cash and cash equivalents	17,833	(6,016)	11,817
Balances—beginning of year	92,706	158,783	251,489
Balances—end of year	\$ 110,539	\$ 152,767	\$ 263,306
Reconciliation of operating income (loss) to net cash provided by (used) in operating activities:			
Operating income (loss)	\$ (182,136)	\$ 2,146	\$ (179,990)
Adjustments to reconcile operating income (loss) to net cash provided by (used) in operating activities:			
Depreciation and net amortization	6,981	105	7,086
Federal commodities	33,964	-	33,964
(Increase) decrease in accounts receivable, net	-	300	300
(Increase) decrease in inventories	(2,934)	-	(2,934)
Increase (decrease) in accounts payable	8	(155)	(147)
Increase (decrease) in accrued salaries benefits	-	(8,412)	(8,412)
Increase (decrease) in deferred revenue	4,180	-	4,180
Increase (decrease) in compensated absences	-	-	-
Total adjustments	42,199	(8,162)	34,037
Net cash provided by (used in) operating activities	\$ (139,937)	\$ (6,016)	\$ (145,953)

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Combining Statement of Fiduciary Net Position
June 30, 2015

	Student Activity	Payroll Agency	Scholarship Fund	Summer Savings	FSA	Class Reunion	Unemployment Compensation Trust	Total
ASSETS								
Cash and cash equivalents	\$ 241,628	\$ 149,732	\$ 31,713	\$ 1,164,611	\$ 7,700	\$ 8,894	\$ 151,195	\$ 1,755,473
Deposits	-	-	-	-	-	-	-	-
Total assets	<u>241,628</u>	<u>149,732</u>	<u>31,713</u>	<u>1,164,611</u>	<u>7,700</u>	<u>8,894</u>	<u>151,195</u>	<u>1,755,473</u>
LIABILITIES								
Payroll deductions and withholdings	-	149,732	-	-	7,700	-	-	157,432
Payable to student groups	241,628	-	-	-	-	8,894	-	250,522
Accrued wages	-	-	-	-	-	-	-	-
Total liabilities	<u>241,628</u>	<u>149,732</u>	<u>-</u>	<u>-</u>	<u>7,700</u>	<u>8,894</u>	<u>-</u>	<u>407,954</u>
Fund Balances								
Reserved for future payment	-	-	31,713	1,164,611	-	-	151,195	1,347,519
Total fund balances	<u>-</u>	<u>-</u>	<u>31,713</u>	<u>1,164,611</u>	<u>-</u>	<u>-</u>	<u>151,195</u>	<u>1,347,519</u>
Total liabilities and fund balances	<u>\$ 241,628</u>	<u>\$ 149,732</u>	<u>\$ 31,713</u>	<u>\$ 1,164,611</u>	<u>\$ 7,700</u>	<u>\$ 8,894</u>	<u>\$ 151,195</u>	<u>\$ 1,755,473</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Combining Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Scholarship Funds	Unemployment Compensation Fund	Total
ADDITIONS			
Contributions:			
Plan member	\$ -	\$ -	\$ -
Other	2,855	-	2,855
Total Contributions	<u>2,855</u>	<u>-</u>	<u>2,855</u>
Investment earnings:			
Net increase (decrease) in fair value of investments	-	-	-
Interest	109	350	459
Dividends	-	-	-
Less investment expense	-	-	-
Net investment earnings	<u>109</u>	<u>350</u>	<u>459</u>
Total additions	<u>2,964</u>	<u>350</u>	<u>3,314</u>
DEDUCTIONS			
Quarterly contribution reports	-	-	-
Unemployment claims	-	-	-
Scholarships awarded	6,672	-	6,672
Refunds of contributions	-	-	-
Administrative expenses	-	-	-
Total deductions	<u>6,672</u>	<u>-</u>	<u>6,672</u>
Change in net position	(3,708)	350	(3,358)
Net position -beginning of the year	<u>35,421</u>	<u>150,845</u>	<u>186,266</u>
Net position -end of the year	<u>\$ 31,713</u>	<u>\$ 151,195</u>	<u>\$ 182,908</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Receipts</u>	<u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
Student Activities Funds	\$ 219,919	\$ 619,295	\$ 597,586	\$ 241,628

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Payroll Agency Fund
 Schedule of Receipts and Disbursements
 For the Fiscal Year ended June 30, 2015

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>
ASSETS:				
Cash and cash equivalents	\$ 172,632	\$ 25,660,797	\$ 25,683,697	\$ 149,732
Total assets	<u>172,632</u>	<u>25,660,797</u>	<u>25,683,697</u>	<u>149,732</u>
LIABILITIES:				
Payroll deductions and withholdings	172,632	11,565,979	11,588,879	149,732
Accrued salaries and wages	-	14,094,818	14,094,818	-
Interfund payable	-		-	-
Other current liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities	<u>\$ 172,632</u>	<u>\$ 25,660,797</u>	<u>\$ 25,683,697</u>	<u>\$ 149,732</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Long-Term Debt
 Schedule of Serial Bonds
 June 30, 2015

Exhibit I-1

Issue	Date of Issue	Amount Of Issue	Annual Maturities Date	Amount	Interest Rate	Balance July 1, 2014	Issued	Retired	Refinanced	Balance June 30, 2015
2014 Bonds		15,948,000								
			1/15/2016	555,000	3.000%					
			1/15/2017	580,000	3.000%					
			1/15/2018	600,000	3.000%					
			1/15/2019	625,000	3.000%					
			1/15/2020	650,000	3.000%					
			1/15/2021	680,000	3.000%					
			1/15/2022	705,000	3.000%					
			1/15/2023	735,000	3.000%					
			1/15/2024	760,000	3.000%					
			1/15/2025	795,000	3.000%					
			1/15/2026	825,000	3.000%					
			1/15/2027	860,000	3.125%					
			1/15/2028	890,000	3.250%					
			1/15/2029	925,000	3.500%					
			1/15/2030	965,000	3.500%					
			1/15/2031	1,005,000	4.000%					
			1/15/2032	1,045,000	4.000%					
			1/15/2033	1,100,000	4.000%					
			1/15/2034	1,098,000	4.250%	\$ 15,948,000	\$ -	\$ (550,000)	\$ -	\$ 15,398,000
Refunding 1998 Bonds	10/4/2011	7,165,000								
			3/15/2016	530,000	3.000%					
			3/15/2017	545,000	4.000%					
			3/15/2018	565,000	4.000%					
			3/15/2019	590,000	4.000%					
			3/15/2020	620,000	4.000%					
			3/15/2021	640,000	4.000%					
			3/15/2022	670,000	5.000%					
			3/15/2023	700,000	5.000%	5,370,000	-	(510,000)	-	4,860,000
Refunding 2003 Bonds	5/16/2012	2,025,000								
			7/15/2015	495,000	3.000%					
			7/15/2016	485,000	3.000%	1,485,000	-	(505,000)	-	980,000
						<u>\$ 22,803,000</u>	<u>\$ -</u>	<u>\$ (1,565,000)</u>	<u>\$ -</u>	<u>\$ 21,238,000</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 1,880,378	-	\$ 1,880,378	\$ 1,880,378	\$ -
Miscellaneous	-	-	-	-	-
State Sources:					
Debt Service Aid Type II	419,999	-	419,999	419,999	-
Debt Service Aid Type I	-	-	-	-	-
Total - State Sources	419,999	-	419,999	419,999	-
Total Revenues	2,300,377	-	2,300,377	2,300,377	-
EXPENDITURES:					
Regular Debt Service:					
Interest	770,629	-	770,629	770,629	-
Redemption of Principal	1,565,000	-	1,565,000	1,565,000	-
Total Regular Debt Service	2,335,629	-	2,335,629	2,335,629	-
Total Expenditures	2,335,629	-	2,335,629	2,335,629	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(35,252)	-	(35,252)	(35,252)	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(35,252)	-	(35,252)	(35,252)	-
Fund Balance, July 1	35,252	-	35,252	35,252	-
Fund Balance, June 30	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

STATISTICAL SECTION

**Point Pleasant Borough School District
Statistical Section**

<u>Contents</u>	<u>Page</u>
<p>Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.</p>	96-101
<p>Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.</p>	102-105
<p>Debt Capacity These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.</p>	106-109
<p>Demographic and Economic Information These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.</p>	110-111
<p>Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.</p>	112-116

Sources: *Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2003; schedules presenting district-wide information include information beginning in that year.*

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Net Assets/Position by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Net investment in capital assets	\$ 10,004,685	\$ 11,748,634	\$ 12,139,361	\$ 12,514,561	\$ 13,402,758	\$ 13,881,928	\$ 13,367,679	\$ 14,476,105	\$ 5,000,313	\$ 14,660,093
Restricted	3,884,868	2,602,232	1,949,325	2,714,481	3,789,844	4,322,700	5,893,952	6,644,698	17,019,535	8,387,132
Unrestricted	(1,198,234)	(1,028,511)	(219,137)	(81,555)	(1,190,938)	(952,815)	(977,682)	(761,492)	(694,024)	(8,587,002)
Total governmental activities net assets/position	12,691,319	13,322,355	13,869,549	15,147,487	16,001,664	17,251,813	18,283,949	20,359,311	21,325,824	14,460,223
Business-type activities										
Net investment in capital assets	1,191,640	1,223,731	1,191,640	1,217,761	1,213,886	1,215,887	1,212,358	1,204,803	1,198,619	1,196,974
Restricted	31,388	31,313	31,313	31,313	-	-	-	-	-	-
Unrestricted	146,170	114,934	117,920	56,722	142,709	149,912	183,801	215,718	268,330	291,366
Total business-type activities net assets/position	1,369,198	1,369,978	1,340,873	1,305,796	1,356,595	1,365,799	1,396,159	1,420,521	1,466,949	1,488,340
District-wide										
Net investment in capital assets	11,196,325	12,972,365	13,331,001	13,732,322	14,616,644	15,097,815	14,580,037	15,680,908	6,198,932	15,857,067
Restricted	3,916,256	2,633,545	1,980,638	2,745,794	3,789,844	4,322,770	5,893,952	6,644,698	17,019,535	8,387,132
Unrestricted	(1,052,064)	(913,577)	(101,217)	(24,833)	(1,048,229)	(802,903)	(793,881)	(545,774)	(425,694)	(8,295,636)
Total district net assets/position	\$ 14,060,517	\$ 14,692,333	\$ 15,210,422	\$ 16,453,283	\$ 17,358,259	\$ 18,617,682	\$ 19,680,108	\$ 21,779,832	\$ 22,792,773	\$ 15,948,563

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities										
Instruction										
Regular	\$ 12,812,203	\$ 13,103,968	\$ 13,842,022	\$ 13,964,403	\$ 14,643,062	\$ 14,129,061	\$ 15,105,900	\$ 14,529,984	\$ 14,230,525	\$ 14,674,596
Special education	2,117,621	2,176,721	2,343,372	2,513,311	2,596,337	2,666,187	2,634,211	2,795,280	2,860,902	2,946,981
Other special education	1,014,809	978,313	957,324	989,942	1,066,562	978,129	982,274	1,043,182	995,149	1,063,130
Support Services:										
Instruction	610,763	548,033	632,197	935,011	827,080	1,011,338	1,491,483	1,141,009	1,722,477	2,161,268
Attendance and social work	160,829	168,529	181,851	192,738	201,891	169,016	166,807	167,135	181,977	154,912
Health services	320,930	330,176	342,555	364,328	391,529	387,386	404,587	423,198	424,009	462,161
Improvement of instr. services	56,964	61,229	54,124	48,460	45,420	102,802	99,744	111,442	130,029	133,043
Educational media services	337,477	353,330	360,250	385,431	375,710	273,996	254,831	271,900	350,934	328,310
Instruction staff training	169,091	190,527	174,266	161,649	170,315	125,119	124,189	192,240	180,212	198,381
School Administrative services	1,497,264	1,470,623	1,603,409	1,704,258	1,374,383	1,569,789	1,606,476	1,477,634	1,852,303	1,788,050
General administration	586,218	618,521	762,942	694,460	735,427	660,177	753,927	748,283	700,125	770,622
Central Services	413,170	423,022	466,820	481,931	483,544	500,948	514,830	529,115	535,384	553,778
Plant operations and maintenance	3,333,575	3,385,650	3,397,226	3,661,588	3,493,059	3,442,422	3,141,947	3,451,589	3,620,345	3,389,038
Administrative information technology	46,860	128,566	135,375	141,323	117,859	92,162	94,200	66,341	88,248	90,530
Pupil transportation	1,029,601	1,026,518	1,106,688	1,177,184	1,196,252	1,090,749	1,079,301	1,160,576	1,256,351	1,466,909
Other support services	2,243,754	2,353,928	2,578,478	2,446,081	2,613,264	2,695,387	2,811,171	2,940,450	3,074,900	3,242,310
Business and other support services	-	-	360	-	-	-	-	-	-	-
Non-budgeted expenditures	2,682,995	2,700,065	3,981,895	2,413,623	2,524,023	2,515,647	2,992,512	3,736,616	3,267,755	2,827,241
Special Schools	-	-	-	-	-	-	-	-	-	-
Interest on long-term debt	781,212	735,156	685,427	631,082	571,733	516,192	570,179	462,128	271,922	737,605
Unallocated employee benefits	5,190,170	5,325,337	5,230,309	4,417,831	5,204,436	5,613,916	5,511,376	5,773,040	5,918,470	6,299,246
Total governmental activities expenses	<u>35,405,506</u>	<u>36,078,212</u>	<u>38,836,890</u>	<u>37,321,594</u>	<u>38,634,926</u>	<u>38,540,423</u>	<u>40,339,945</u>	<u>41,021,142</u>	<u>41,662,017</u>	<u>43,288,111</u>
Business-type activities:										
Food service	865,368	871,279	857,939	823,841	750,605	770,828	784,820	782,055	748,018	754,676
Child Care	343,115	388,837	433,481	341,113	292,519	285,804	309,940	312,060	358,565	355,840
Total business-type activities expense	<u>1,208,483</u>	<u>1,260,116</u>	<u>1,291,420</u>	<u>1,164,954</u>	<u>1,043,124</u>	<u>1,056,632</u>	<u>1,094,760</u>	<u>1,094,115</u>	<u>1,106,583</u>	<u>1,110,516</u>
Total district expenses	<u>\$ 36,613,989</u>	<u>\$ 37,338,328</u>	<u>\$ 40,128,310</u>	<u>\$ 38,486,548</u>	<u>\$ 39,678,050</u>	<u>\$ 39,597,055</u>	<u>\$ 41,434,705</u>	<u>\$ 42,115,257</u>	<u>\$ 42,768,600</u>	<u>\$ 44,398,627</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Pupil transportation	-	-	-	-	-	-	-	-	-	-
Central and other support services	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	2,682,995	2,700,065	3,981,895	2,413,623	2,524,023	2,524,023	2,992,512	3,736,616	3,267,755	2,827,241
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>2,682,995</u>	<u>2,700,065</u>	<u>3,981,895</u>	<u>2,413,623</u>	<u>2,524,023</u>	<u>2,524,023</u>	<u>2,992,512</u>	<u>3,736,616</u>	<u>3,267,755</u>	<u>2,827,241</u>
Business-type activities:										
Charges for services										
Food service	\$ 758,114	\$ 744,148	\$ 703,586	\$ 681,816	\$ 627,533	\$ 627,533	\$ 604,085	\$ 569,263	\$ 562,342	\$ 572,540
Child Care	357,439	389,592	427,414	314,075	315,058	315,058	333,160	332,864	381,118	357,986
Operating grants and contributions	102,209	127,156	131,315	133,985	151,333	151,333	187,875	216,350	209,551	201,381
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>1,217,762</u>	<u>1,260,896</u>	<u>1,262,315</u>	<u>1,129,876</u>	<u>1,093,924</u>	<u>1,093,924</u>	<u>1,125,120</u>	<u>1,118,477</u>	<u>1,153,011</u>	<u>1,131,907</u>
Total district program revenues	<u>\$ 3,900,757</u>	<u>\$ 3,960,961</u>	<u>\$ 5,244,210</u>	<u>\$ 3,543,499</u>	<u>\$ 3,617,947</u>	<u>\$ 3,617,947</u>	<u>\$ 4,117,632</u>	<u>\$ 4,855,093</u>	<u>\$ 4,420,766</u>	<u>\$ 3,959,148</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/Revenue										
Governmental activities	\$ (35,405,506)	\$ (36,078,212)	\$ (38,836,890)	\$ (37,321,594)	\$ (38,634,926)	\$ (38,540,423)	\$ (40,339,945)	\$ (41,021,142)	\$ (41,662,017)	\$ (43,288,111)
Business-type activities	(1,208,483)	(1,260,116)	(1,291,420)	(1,164,954)	(1,043,124)	(1,056,632)	(1,094,760)	(1,094,115)	(1,106,583)	(1,110,516)
Total district-wide net expense	<u>\$ (36,613,989)</u>	<u>\$ (37,338,328)</u>	<u>\$ (40,128,310)</u>	<u>\$ (38,486,548)</u>	<u>\$ (39,678,050)</u>	<u>\$ (39,597,055)</u>	<u>\$ (41,434,705)</u>	<u>\$ (42,115,257)</u>	<u>\$ (42,768,600)</u>	<u>\$ (44,398,627)</u>
General Revenues and Other Changes in Net Assets/Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 22,727,187	\$ 23,810,271	\$ 25,101,110	\$ 25,919,800	\$ 26,615,115	\$ 26,615,115	\$ 29,037,269	\$ 29,683,659	\$ 30,466,932	\$ 31,294,686
Taxes levied for debt service	1,995,324	2,091,623	1,984,203	1,968,875	1,969,090	1,969,090	1,604,425	1,553,426	1,177,423	1,880,378
Unrestricted grants and contributions	7,569,719	7,455,499	7,649,420	7,642,264	7,941,808	7,941,808	7,213,489	7,518,751	7,213,043	7,845,048
Payments in lieu of taxes	-	-	-	-	-	-	-	-	-	-
Tuition Received	-	-	-	-	-	-	-	-	-	-
Investment earnings	400,390	378,920	300,119	243,401	83,667	83,667	-	-	-	-
Miscellaneous income	153,886	272,870	367,337	447,389	355,400	355,400	524,316	604,052	503,377	556,592
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>32,846,506</u>	<u>34,009,183</u>	<u>35,402,189</u>	<u>36,221,729</u>	<u>36,965,080</u>	<u>36,965,080</u>	<u>38,379,499</u>	<u>39,359,888</u>	<u>39,360,775</u>	<u>41,576,704</u>
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>-</u>									
Total district-wide	<u>\$ 32,846,506</u>	<u>\$ 34,009,183</u>	<u>\$ 35,402,189</u>	<u>\$ 36,221,729</u>	<u>\$ 36,965,080</u>	<u>\$ 36,965,080</u>	<u>\$ 38,379,499</u>	<u>\$ 39,359,888</u>	<u>\$ 39,360,775</u>	<u>\$ 41,576,704</u>
Change in Net Assets/Position										
Governmental activities	\$ 123,995	\$ 631,036	\$ 547,194	\$ 1,313,758	\$ 854,177	\$ 948,680	\$ 1,032,066	\$ 2,075,362	\$ 966,513	\$ 1,115,834
Business-type activities	11,441	780	(29,105)	(35,078)	50,800	37,292	30,360	24,362	46,428	21,391
Total district	<u>\$ 135,436</u>	<u>\$ 631,816</u>	<u>\$ 518,089</u>	<u>\$ 1,278,680</u>	<u>\$ 904,977</u>	<u>\$ 985,972</u>	<u>\$ 1,062,426</u>	<u>\$ 2,099,724</u>	<u>\$ 1,012,941</u>	<u>\$ 1,137,225</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
General Fund										
Reserved	\$ 3,066,035	\$ 2,556,359	\$ 2,361,452	\$ 2,932,696	\$ 3,789,844	\$ 4,322,770	\$ 5,841,731	\$ 6,557,225	\$ 5,501,195	\$ 5,465,918
Unreserved	316,625	376,482	393,303	393,303	103,183	333,420	284,764	300,152	396,976	417,488
Total general fund	<u>\$ 3,382,660</u>	<u>\$ 2,932,841</u>	<u>\$ 2,754,755</u>	<u>\$ 3,325,999</u>	<u>\$ 3,893,027</u>	<u>\$ 4,656,190</u>	<u>\$ 6,126,495</u>	<u>\$ 6,857,377</u>	<u>\$ 5,898,171</u>	<u>\$ 5,883,406</u>
All Other Governmental Funds										
Reserved	\$ 702,653	\$ 75,208	\$ -	\$ 4,130	\$ -	\$ -	\$ -	\$ -	\$ 8,474,260	\$ 1,749,259
Unreserved, reported in:										
Special revenue fund	-	-	-	2,602	-	-	-	-	-	-
Capital projects fund	111,261	26,078	19,675	-	-	-	-	-	3,008,828	1,171,955
Debt service fund	4,919	1,402	-	-	-	-	-	87,473	35,252	-
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 818,833</u>	<u>\$ 102,688</u>	<u>\$ 19,675</u>	<u>\$ 6,732</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 87,473</u>	<u>\$ 11,518,340</u>	<u>\$ 2,921,214</u>

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Tax levy	24,722,511	25,901,894	27,085,313	27,888,675	28,584,205	29,804,075	30,641,694	31,237,085	31,644,355	33,175,064
Tuition charges	52,351	94,067	74,161	111,863	120,548	107,720	287,912	245,274	266,030	189,795
Interest earnings	372,194	378,920	300,119	243,401	83,667	63,850	24,036	32,263	55,814	60,219
Miscellaneous	150,244	154,546	284,576	328,947	227,680	306,118	181,999	279,783	168,966	234,288
Transportation fees	7,683	31,819	8,600	6,579	22,550	42,197	58,318	54,342	34,830	69,491
State sources	9,238,654	9,143,056	10,791,234	9,230,404	8,434,755	8,106,190	9,040,095	10,039,078	9,530,503	9,699,903
Federal sources	1,014,060	1,012,508	840,081	825,483	2,031,076	1,311,414	1,165,906	1,216,289	950,295	972,386
Other financing sources	-	-	-	-	-	-	-	-	-	2,799
Total revenue	35,557,697	36,716,810	39,384,084	38,635,352	39,504,481	39,741,564	41,399,960	43,104,114	42,650,793	44,403,945
Expenditures										
Instruction										
Regular instruction	11,954,708	12,198,434	12,599,045	12,787,664	13,288,836	12,892,381	13,062,667	13,261,218	13,000,663	13,235,531
Special education instruction	2,082,519	2,144,761	2,299,502	2,471,779	2,548,541	2,622,539	2,562,097	2,750,500	2,817,495	2,896,191
Other special instruction	1,010,770	972,986	950,012	983,020	1,058,596	970,855	970,255	1,035,719	987,914	1,054,665
Support Services:										
Instruction	525,199	457,480	507,899	817,337	691,657	887,670	1,287,160	1,014,132	1,599,491	2,017,361
Attendance and social work	160,829	168,529	181,851	192,738	201,891	169,016	166,807	167,135	181,977	154,912
Health services	320,930	330,176	342,555	364,328	391,529	387,386	404,587	423,198	424,009	462,161
Other support services	2,243,754	2,353,928	2,578,478	2,446,081	2,613,264	2,695,387	2,811,171	2,940,450	3,074,900	3,242,310
Improvement of instruction	56,964	61,229	54,124	45,420	48,460	102,802	99,744	111,442	130,029	133,043
Educational media services	337,477	353,330	360,250	385,431	375,710	273,996	254,831	271,900	350,934	328,310
Instruction staff training	169,091	190,527	174,266	161,649	170,315	125,119	124,189	192,240	180,212	198,381
General administrative services	586,218	618,521	762,942	694,460	660,177	753,927	748,283	700,125	770,622	770,622
School administrative services	1,417,715	1,491,714	1,571,972	1,542,687	1,601,880	1,534,027	1,558,150	1,633,656	1,779,540	1,816,759
School central services	413,170	423,022	466,820	481,931	483,544	500,948	514,830	529,115	535,384	553,778
School admin info technology	46,860	128,566	135,375	141,323	117,859	92,162	94,200	66,341	88,248	90,530
Allowed maintenance for school facilities	813,836	838,137	878,462	1,037,973	942,677	919,054	810,731	1,103,589	1,168,015	826,065
Other operation & maintenance of plant	2,519,739	2,547,513	2,506,401	2,618,904	2,617,526	2,475,679	2,288,510	2,286,854	2,383,788	2,461,693
Student transportation services	1,029,601	1,026,518	1,106,688	1,177,184	1,196,252	1,090,749	1,079,301	1,160,576	1,256,351	1,466,909
Business and other support services	-	-	-	-	-	-	-	-	-	-
Unallocated employee benefits	5,190,170	5,325,337	5,230,309	4,417,831	5,204,436	5,613,916	5,511,376	5,773,040	5,918,470	6,287,691
Non-budgeted expenditures	2,682,995	2,700,065	3,981,895	2,413,623	2,524,023	2,515,647	2,992,512	3,736,616	3,267,755	2,827,241
Special Schools	-	-	-	-	-	-	-	-	-	-
Charter Schools	-	-	-	-	-	-	-	-	-	-
Capital outlay	2,978,742	1,219,640	260,774	160,486	729,995	658,056	773,323	1,416,179	6,994,232	9,856,054
Debt service:										
Principal	1,555,000	1,610,000	1,635,000	1,670,000	1,730,000	1,305,000	1,375,000	1,410,000	1,005,000	1,565,000
Interest and other charges	750,855	704,799	655,070	600,725	541,376	485,835	382,066	305,797	282,600	770,629
Total expenditures	38,847,142	37,865,212	39,239,690	37,612,575	39,813,794	38,978,401	39,877,434	42,337,980	48,127,132	53,015,836
Excess (Deficiency) of revenues over (under) expenditures	(3,289,445)	(1,148,402)	144,394	1,022,777	(309,313)	763,163	1,522,526	766,134	(5,476,339)	(8,611,891)
Other Financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	-	15,948,000	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	125,000	-	-	-	-	-	-	-	-	216,619
Transfers out	(125,000)	(17,562)	-	-	-	(216,619)	-	-	-	(216,619)
Total other financing sources (uses)	-	(17,562)	-	-	-	(216,619)	-	-	15,948,000	-
Net change in fund balances	(3,289,445)	(1,165,964)	144,394	1,022,777	(309,313)	546,544	1,522,526	766,134	10,471,661	(8,611,891)
Debt service as a percentage of noncapital expenditures	6.43%	6.32%	5.88%	6.06%	5.81%	4.67%	4.49%	4.19%	3.13%	5.41%
Source: District records										

Note: Noncapital expenditures are total expenditures less capital outlay.
 Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
 Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	Sale of Capital Assets	Interest on Investments	Event Receipts	Rentals	Prior Year Refunds	Transportation Fees	Miscellaneous	Annual Totals
2006	1,200	372,194	31,737	24,613	19,100	7,683	46,882	503,409
2007	-	378,920	46,526	24,702	-	31,819	59,125	541,092
2008	-	300,120	54,091	34,530	-	7,140	140,338	536,219
2009	-	243,401	52,088	41,345	95,463	6,579	75,365	514,241
2010	-	83,667	49,119	40,061	18,648	22,550	96,503	310,548
2011	-	63,850	53,891	33,296	79,643	42,197	104,199	377,076
2012	5,370	24,036	47,854	23,143	52,217	58,318	98,772	309,710
2013	9,734	32,263	48,491	11,970	87,216	54,342	98,666	342,682
2014	-	55,815	41,694	17,539	7,745	34,830	92,115	249,738
2015	-	60,219	45,997	58,503	28,678	69,490	83,644	346,531

Source: District records

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years

Calendar Year Ended Dec 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2006	23,561,400	1,217,659,100			105,501,800		14,294,700	1,361,017,000	97,886,600	2,102,200	1,261,028,200	3,058,251,124 c	1.9010
2007	22,958,900	1,230,660,600			106,646,400		14,294,700	1,374,560,600	98,328,300	1,863,476	1,274,368,824	3,538,613,763 c	1.9680
2008	22,958,900	1,229,902,500			106,646,400		14,294,700	1,373,802,500	99,801,100	4,242,574	1,269,758,826	3,762,722,649 c	2.0080
2009	25,484,700	1,243,006,700			108,023,200		11,019,700	1,387,534,300	99,617,300	4,245,574	1,283,671,426	3,811,358,194 c	2.0420
2010	39,584,500	2,956,937,600			250,854,710		27,301,500	3,274,678,310	167,502,200	4,341,758	3,102,834,352	3,700,619,628 c	0.9090
2011	40,101,500	2,937,797,800			250,474,310		27,010,000	3,255,383,610	166,699,300	3,868,500	3,084,815,810	3,653,629,191 c	0.9400
2012	39,556,600	2,929,105,600			249,877,410		26,624,300	3,245,163,910	168,540,500	3,790,128	3,072,833,282	3,310,307,759 c	0.9600
2013	35,320,300	2,908,460,800			241,133,010		23,838,400	3,208,752,510	170,961,600	2,639,560	3,035,151,350	3,114,034,975 c	0.9840
2014	35,320,300	2,908,460,800			241,133,010		23,838,400	3,208,752,510	170,961,600	2,639,560	3,035,151,350	3,248,393,667 c	1.0330
2015	37,746,200	2,909,611,100			239,980,710		23,838,400	3,211,176,410	172,747,200	-	3,038,429,210	3,285,090,957 c	1.0580

Source: Municipal Tax Assessor

Note: 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 the County Board of Taxation requests Treasury to order a reassessment

^a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies

^b Tax rates are per \$100 and for year following calendar year end as shown

^c Based on county abstract of ratables column 11 net valuation for county tax apportionment

N/A At the time of CAFR completion, this data was not yet available

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(rate per \$100 of assessed value)

	Point Pleasant Borough School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	(From J-6) Total Direct School Tax Rate	Municipal c	Ocean County c	
Fiscal Year Ended June 30,						
2006	1.7468	0.1537	1.9005	0.7380	0.7570	3.5660
2007	1.8237	0.1442	1.9679	0.7990	0.0799	3.6620
2008	1.8658	0.1417	2.0075	0.8180	0.8300	3.7410
2009	1.9017	0.1407	2.0424	0.8530	0.8410	1.6440
2010	0.8606	0.0484	0.9090	0.3660	0.3690	1.6720
2011	0.8909	0.0486	0.9395	0.3820	0.3810	1.7365
2012	0.9133	0.0472	0.9605	0.4060	0.3910	1.7775
2013	0.9480	0.0380	0.9860	0.4200	0.3970	1.8030
2014	0.9745	0.0586	1.0331	0.4260	0.4120	1.8711
2015	0.9985	0.0593	1.0578	0.4320	0.4250	1.9148

Source: Municipal Tax Collector

Note:

NJSA 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation calcu

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.

c 2010 municipal and county tax rate from local tax assessor

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Principal Property Taxpayers,
Current Year and Ten Years Ago

	2015			2006		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Clark's Landing	13,944,900		0.43%	4,221,600		0.3100%
Point 88 Realty	8,000,000		0.25%	5,782,600		0.4200%
Johnson Bros Boat Works, LLC	6,126,300		0.19%	2,150,000		0.1600%
Robelander Realty Inc.	4,468,800		0.14%	1,800,300		0.1300%
CAM Trust	4,100,000		0.13%	-		0.0000%
Taxpayer 1	4,089,000		0.13%	-		0.0000%
CNL Income Crystal PT Marina LLC	3,981,000		0.12%	1,889,500		0.1400%
Taxpayer 2	3,800,000		0.12%	1,984,700		0.1500%
Canal Point Marine Inc.	3,499,000		0.11%	-		0.0000%
Dad Realty, Inc.	3,444,200		0.11%	-		0.0000%
Butler Real Estate LLC	3,286,600		0.10%	-		0.0000%
Manasquan Savings Bank	2,559,200		0.08%	-		0.0000%
Claremont Health Systems	-		0.00%	4,204,000		0.3100%
Verizon	-		0.00%	1,863,476		0.1400%
Pulte Homes	-		0.00%	5,423,000		0.4000%
Robert Enterprises	-		0.00%	2,500,000		0.1800%
Total	\$ 61,299,000		1.91%	\$ 31,819,176		2.34%

Source: Municipal Tax Assessor

**POINT PLEASANT BOROUGH SCHOOL DISTRICT
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	
2006	46,365,482	45,490,072	98.11%	521,128
2007	49,081,108	47,820,984	97.43%	817,279
2008	50,872,401	49,393,149	97.09%	951,634
2009	52,352,741	50,799,422	97.03%	N/A
2010	53,913,656	50,796,681	94.24%	N/A
2011	55,635,545	53,822,115	96.74%	N/A
2012	57,901,688	55,828,445	96.42%	N/A
2013	57,972,061	55,828,445	96.30%	N/A
2014	60,085,149	58,694,307	97.69%	N/A
2015	N/A	N/A	N/A	N/A

Source: Municipal Chief Financial Officer

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases				
2006	19,003,000	-	-	-	-	-	19,003,000	0.20%	956.66
2007	17,393,000	-	-	-	-	-	17,393,000	0.23%	871.22
2008	15,758,000	-	-	-	-	-	15,758,000	0.26%	781.80
2009	14,088,000	-	-	-	-	-	14,088,000	0.29%	692.76
2010	12,358,000	-	-	-	-	-	12,358,000	0.33%	671.01
2011	11,053,000	-	-	-	-	-	11,053,000	0.38%	600.09
2012	9,270,000	-	-	-	-	-	9,270,000	0.46%	502.60
2013	7,860,000	-	-	-	-	-	7,860,000	0.55%	424.41
2014	22,803,000	-	-	-	-	-	22,803,000	N/A	1,221.70
2015	21,238,000	-	-	-	-	-	21,238,000	N/A	N/A

Note: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

a See Exhibit NJ J-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

b Includes Early Retirement Incentive Plan (ERIP) refunding

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	19,003,000	-	19,003,000	0.62%	955.79
2007	17,393,000	-	17,393,000	0.49%	872.39
2008	15,758,000	-	15,758,000	0.42%	782.46
2009	14,088,000	-	14,088,000	0.37%	692.76
2010	12,358,000	-	12,358,000	0.33%	670.68
2011	11,053,000	-	11,053,000	0.34%	598.07
2012	9,270,000	-	9,270,000	0.28%	502.46
2013	7,860,000	-	7,860,000	0.24%	424.38
2014	22,803,000	-	22,803,000	0.70%	1,231.20
2015	21,238,000	-	21,238,000	0.65%	1,137.85

Notes: Details regarding the district's outstanding debt can be found in the notes to the financial statements.

a Use Estimated County equalized value from J-6

b Population data can be found in Exhibit NJ J-14.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Point Pleasant Borough's Share (100%)	\$ 21,238,000	100.00% d	\$ 21,238,000
Other debt	-	-	-
County of Ocean - Borough's Share (XXX%)	a \$ 424,268,949	3.40%	\$ 14,425,144
Ocean County Utility Authority	b 168,152,460	3.56%	<u>5,990,263</u>
Subtotal, overlapping debt			41,653,408
Point Pleasant School District Direct Debt			<u>21,238,000</u>
Total direct and overlapping debt			<u>\$ 62,891,408</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Ocean County Board of Taxation.
 Debt outstanding data provided by each governmental unit. Pt Boro county debt from Steven Marrus County of Ocean
 a = June 30 2011 county of ocean total net debt b = as provided by OCUA Santo Manilito allocated based on flow gallons

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2015

	Equalized valuation basis	
	2015	\$ 3,285,090,957 c
	2014	3,248,393,667 c
	2013	3,310,307,759 c
	[A]	<u>\$ 9,843,792,383</u>
Average equalized valuation of taxable property	[A/3]	\$ 3,281,264,128
Debt limit (4 % of average equalization value)	[B]	131,250,565 a
	[C]	<u>\$ 21,238,000</u>
	[B-C]	<u>\$ 110,012,565</u>

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 66,366,585	\$ 122,793,908	\$ 122,793,908	\$ 146,726,968	\$ 150,832,416	\$ 150,633,503	\$ 144,364,034	\$ 134,372,959	\$ 134,337,050	\$ 131,250,565
Total net debt applicable to limit	<u>19,003,000</u>	<u>17,393,000</u>	<u>15,758,000</u>	<u>14,088,000</u>	<u>12,358,000</u>	<u>11,053,000</u>	<u>9,270,000</u>	<u>7,860,000</u>	<u>22,803,000</u>	<u>21,238,000</u>
Legal debt margin	<u>\$ 47,363,585</u>	<u>\$ 105,400,908</u>	<u>\$ 107,035,908</u>	<u>\$ 132,638,968</u>	<u>\$ 138,474,416</u>	<u>\$ 139,580,503</u>	<u>\$ 135,094,034</u>	<u>\$ 126,512,959</u>	<u>\$ 111,534,050</u>	<u>\$ 110,012,565</u>
Total net debt applicable to the limit as a percentage of debt limit	28.63%	14.16%	12.83%	9.60%	8.19%	7.34%	6.42%	5.85%	16.97%	16.18%

Source:

- a Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation
- c from Ocean County Abstract of ratables net valuation for county tax apportionment column 11
- a Limit set by NJSRA 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

The debt applicable to the limit may be offset

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2006	19,864	756,699,216	38,094	3.40%
2007	19,964	805,906,752	40,368	4.50%
2008	20,156	833,390,132	41,347	7.50%
2009	20,336	825,885,632	40,612	7.50%
2010	18,417	749,369,313	40,689	8.20%
2011	18,419	775,826,699	42,121	8.40%
2012	18,444	793,387,104	43,016	8.20%
2013	18,520	800,323,280	43,214	6.30%
2014	18,665	N/A	N/A	6.30%
2015	N/A	N/A	N/A	N/A

Source:

^a Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal income has been estimated based upon the municipal population and per capita personal income presented

^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Principal Employers,
Current Year and Nine Years Ago

Employer	2015			2005		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Point Pleasant Board of Education	439		0%	-		0.00%
Point Pleasant Hospital	-		-	-		0.00%
Borough of Point Pleasant	-		0%	-		0.00%
Claremont Nursing Home	-		0%	-		0.00%
Stop and Shop(formerly Grand Union)	-		0%	-		0.00%
Weisleder	-		0%	-		0.00%
	<u>439</u>		<u>0.00%</u>	<u>-</u>		<u>0.00%</u>

Source: Municipal Tax Collector

Municipality didn't have the information available a time to publication of this report.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	193.0	193	188	188	190	182	204	185.5	185.5	185.5
Special education	33.0	34	35	41	41	41	41	39.5	41.5	42.0
Other special education										
Vocational										
Other instruction	18.0	19	21	37	41	38	23	24.5	21.5	21.5
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	49.0	52	54	52	54	56	56	63.5	68.0	78.0
General administration	4.0	4	4	4	4	4	4	5.0	5.0	5.0
School administrative services	12.0	12	12	12	12	11	11	20.0	21.0	21.5
Other administrative services	-	-	-	-	-	-	-	-	-	-
Central services	4.0	4	4	5	5	6	6	6.5	6.5	6.5
Administrative Information Technology	-	1	1	1	1	1	1	1.0	1.0	1.0
Plant operations and maintenance	4.0	3	3	8	8	5	5	7.5	8.5	8.0
Pupil transportation	16.0	16	14	11	10	11	11	13.0	13.5	13.5
Other support services	17.0	17	17	17	17	14	14	13.0	14.0	14.0
Special Schools										
Food Service	16.0	16	15	15	14	14	14	14.0	15.0	15.0
Child Care										
Total	<u>366.0</u>	<u>371.0</u>	<u>368.0</u>	<u>388.5</u>	<u>394.5</u>	<u>383.0</u>	<u>390.0</u>	<u>393.0</u>	<u>401.0</u>	<u>411.5</u>

Source: District Personnel Records

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Operating Statistics,
 Last Ten Fiscal Years

Pupil/Teacher Ratio

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2006	3,223	29,853,379	9,263	3.56%	228	13	12	11	3225	3,054	1.54%	94.70%
2007	3,215	31,124,621	9,681	4.52%	229	13	11	11	3229	3,046	0.12%	94.33%
2008	3,162	32,312,871	10,219	5.56%	223	15	14	13	3165	2,971	-1.98%	93.87%
2009	3,124	31,888,418	10,208	-0.11%	248	12	11	12	3116	2,956	-1.55%	94.87%
2010	3,037	32,249,703	10,384	1.73%	231	13	11	11	3048	2,888	-2.19%	94.77%
2011	3,008	32,847,824	10,817	4.17%	232	13	12	11	2998	2,839	-1.63%	94.70%
2012	2,952	33,474,068	11,280 d	8.63%	245	13 e	11 e	11 e	2951	2,805	-3.17%	95.05%
2013	2,919	34,311,286	11,754 d	8.67%	250	13.5 e	11 e	11 e	2918	2,489	-2.67%	85.30%
2014	2,880	35,674,045	12,342 d	14.68%	267	13 e	11 e	10 e	2878	2,752	-1.37%	95.62%
2015	2,801	37,124,407	12,920 d	4.68%	249	13 e	12 e	11 e	2785	2,664	-3.23%	95.66%

Sources: District records

Note: Enrollment based on annual October district count ASSA 10/15/12 count for FYE 2013.

- a Operating expenditures equal total expenditures less debt service, on behalf and capital outlay per schedule c -1
- 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). From Gvancardo
- d from 2012-13 proposed budget schedule D1
- e from School report card issued in current fiscal year

POINT PLEASANT BOROUGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
District Building										
<u>Elementary</u>										
Nellie Bennet										
Square Feet	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497	88,497
Capacity (students)	674	674	674	674	674	674	674	674	674	674
Enrollment	846	822	800	800	800	800	732	741	727	725
<u>Ocean Road</u>										
Square Feet	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406	66,406
Capacity (students)	556	556	556	556	556	556	556	556	556	556
Enrollment	582	565	546	568	568	568	550	577	575	535
<u>Middle School</u>										
Memorial Middle School										
Square Feet	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002	100,002
Capacity (students)	742	742	742	742	742	742	742	742	742	742
Enrollment	750	765	748	716	716	716	720	663	673	641
<u>High School</u>										
Point Pleasant High School										
Square Feet	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636	167,636
Capacity (students)	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092	1,092
Enrollment	1,005	1,026	1,053	1,030	1,030	1,030	919	959	901	914
<u>Other</u>										
Administration Building										
Square Feet	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320	5,320
Bus Garage										
Square Feet	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970	3,970

Number of Schools at June 30, 2015

Elementary = 2
Middle School = 1
Senior High School = 1
Other = 2

Source: District Facilities Office

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years

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

* School Facilities Project # (s)	Point Pleasant High School	Memorial Middle School	Nellie F. Bennett Elementary	Ocean Road Elementary School	Administra- tive and Maintenance Building	Total
2006	345,853	192,477	133,733	123,801	17,972	813,836
2007	311,332	191,677	168,709	130,399	36,021	838,138
2008	328,234	195,318	164,623	163,516	26,770	878,461
2009	406,115	243,411	177,295	162,915	48,237	1,037,973
2010	387,354	183,925	189,144	132,512	49,742	942,677
2011	292,612	236,600	164,496	169,884	55,465	919,057
2012	307,978	173,789	128,555	141,960	58,448	810,730
2013	465,527	240,109	197,539	162,631	37,783	1,103,589
2014	453,069	303,768	224,011	148,760	38,407	1,168,015
2015	298,946	151,837	145,466	129,625	100,191	826,065
Total School Facilities	\$ 3,597,020	\$ 2,112,911	\$ 1,693,571	\$ 1,466,003	\$ 469,036	\$ 9,338,541

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

Source: District records

POINT PLEASANT BOROUGH SCHOOL DISTRICT
Insurance Schedule
June 30, 2015

	<u>Coverage</u>	<u>Deductible</u>
School package policy -		
Property, Inland Marine and Auto Physical Damage	\$ 250,000,000	5,000
Valuable Papers	Included	
Electronic Data Processing	Included	
Extra Expense	50,000,000	
Demolition Cost and Increased Cost of Construction	25,000,000	
Boiler and Machinery	100,000,000	
General Liability / Occurrence	5,000,000	
Aggregate	5,000,000	
Medical Payments	Included	
Personal Injury	Included	
Auto Liability	5,000,000	
Environmental Liability/Occurrence	1,000,000	
Fund Aggregate	25,000,000	
Umbrella Liability Occurrence	5,000,000	
Aggregate	5,000,000	
Sexual Abuse and Molestation	5,000,000	
Employee Dishonesty- Per Loss	500,000	1,000
Money and Securities	2,500,000	1,000
Forgery or Alteration	50,000	1,000
Computer Fraud	50,000	1,000
Employee Benefits Liability	5,000,000	
Flood-Zones A or V Occurrence	25,000,000	
Aggregate	50,000,000	
All Other Zones Occurrence	10,000,000	
Aggregate	100,000,000	
Earthquake Occurrence/Member	25,000,000	
Aggregate	25,000,000	
Auto Comprehensive and Collision		1,000
Other Policies:		
Public Officials Bond Treasurer	260,000	
Public Officials Bond Board Secretary	20,000	
School Board Legal Liability	1,000,000	10,000
Employment Practices Liability	Included	25,000
Excess Liability	Each Occurrence	
Aggregate	10,000,000	
Aggregate	10,000,000	
Excess Environmental	1,000,000	10,000

SINGLE AUDIT SECTION

**INDEPENDENT AUDITORS' 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
Point Pleasant Borough Board of Education
County of Ocean
Point Pleasant Borough, New Jersey 08533

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Point Pleasant Borough Board of Education in the County of Ocean, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Point Pleasant Borough Board of Education basic financial statements, and have issued our report thereon dated November 19, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Point Pleasant Borough Board of Education in the County of Monmouth, State of New Jersey's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Point Pleasant Borough Board of Education in the County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Point Pleasant Borough Board of Education 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 School 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 the Point Pleasant Borough Board of Education financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

Respectfully Submitted,

Jump, Perry and Company, L.L.P.
Jump, Perry and Company L.L.P.
Toms River, NJ

Kathryn Perry, CPA
Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 19, 2015

**INDEPENDENT AUDITORS' 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 AND/OR 15-08**

Honorable President and
Members of the Board of Education
Point Pleasant Borough Board of Education
County of Ocean
Point Pleasant Borough, New Jersey 08533

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Point Pleasant Borough School District's compliance with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement and the New Jersey OMB Circular 04-04 and/or 15-08 that could have a direct and material effect on each of Point Pleasant Borough Board of Education's major federal programs for the year ended June 30, 2015. Point Pleasant Borough Board of Education's major federal 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 Point Pleasant Borough 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 and New Jersey OMB's Circular(s) 04-04 and/or 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133, and the New Jersey OMB Circular 04-04 and/or 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about Point Pleasant Borough Board of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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MANAHAWKIN OFFICE: 21 JENNINGS ROAD · MANAHAWKIN, NJ · 08050 · PHONE (609) 978-9500 · FAX (609) 978-9515

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 Point Pleasant Borough Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Point Pleasant Borough 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, 2015.

Report on Internal Control Over Compliance

Management of Point Pleasant Borough 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 Point Pleasant Borough 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 and 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 and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and the New Jersey OMB 04-04 and/or 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Point Pleasant Borough 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 and 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 and 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 and 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 State OMB Circular 04-04 and/or 15-08. Accordingly, this report is not suitable for any other purpose.

Respectfully Submitted,

Jump, Perry and Company, L.L.P.
Jump, Perry and Company L.L.P.
Toms River, NJ

Kathryn Perry, CPA
Kathryn Perry, Partner
Licensed Public School Accountant
No. CS 20CS00226400

November 19, 2015

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards
 for the Fiscal Year ended June 30, 2015

Federal Grantor/Pass-Through Grantor/Program Title	Federal CFDA Number	Grant Period	Award Amount	Balance at June 30, 2014	Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Deferred Revenue at June 30, 2015	Accounts Receivable at June 30, 2015	Due to Grantor at June 30, 2015
General Fund											
U.S. Department of Education Medical Assistance Program - ARRA	ARRA-93.778	10/1/08-12/31/10	\$ 11,400	\$ -	\$ -	\$ 11,400	\$ (11,400)	\$ -	\$ -	\$ -	\$ -
Medical Assistance Program	93.778	9/1/13-8/31/14	42,518	-	-	30,324	(42,518)	-	-	(12,194)	-
Total General Fund				-	-	41,724	(53,918)	-	-	(12,194)	-
U.S. Department of Education Passed-through State Department of Education:											
Race to the Top	84.413A	9/1/11-11/30/15	19,536	(373)	1	372	-	-	-	-	-
Title I, Basic Allocation	84.010	7/1/14-6/30/15	202,954	-	-	151,484	(188,646)	-	-	(37,162)	-
Title I, Basic Allocation	84.010	9/1/13-8/31/14	184,435	(45,760)	-	45,760	(9,000)	-	-	(9,000)	-
Title II - Part A	84.340	7/1/14-6/30/15	56,806	-	-	41,162	(56,806)	-	-	(15,644)	-
Title II - Part A	84.340	9/1/13-8/31/14	56,629	(15,211)	-	15,211	-	-	-	-	-
Title III		7/1/14-6/30/15	10,749	-	-	7,779	(10,749)	-	-	(2,970)	-
I.D.E.A. Part B Basic	84.027	07/1/14-6/30/15	624,685	-	-	550,669	(624,685)	-	-	(74,016)	-
I.D.E.A. Part B Basic	84.027	9/1/13-8/31/14	603,133	(85,491)	1	85,490	-	-	-	-	-
I.D.E.A. Part B Preschool	84.173	7/1/2014-6/30/15	25,291	-	-	23,999	(25,291)	-	-	(1,292)	-
I.D.E.A. Part B Preschool	84.173	9/1/13-8/31/14	25,374	(6,883)	-	6,883	-	-	-	-	-
Total Special Revenue Fund				(153,718)	2	928,809	(915,177)	-	-	(140,084)	-
U.S. Department of Agriculture Passed-through State Department of Education:											
School Breakfast Program	10.553	7/1/14-6/30/15	12,029	-	-	12,029	(12,029)	-	-	-	-
Food Distribution Program	10.550	7/1/14-6/30/15	33,964	-	-	33,964	(33,964)	-	-	-	-
National School Lunch Program	10.555	7/1/13-6/30/14	157,326	(9,569)	-	9,569	-	-	-	-	-
National School Lunch Program	10.555	7/1/14-6/30/15	150,144	-	-	139,595	(150,144)	-	-	(10,549)	-
Total Enterprise (Food Service) Fund				(9,569)	-	195,157	(196,137)	-	-	(10,549)	-
Total Expenditures of Federal Awards				\$ (163,287)	\$ 2	\$ 1,165,690	\$ (1,165,232)	\$ -	\$ -	\$ (162,827)	\$ -

See accompanying notes to schedules of expenditures.

POINT PLEASANT BOROUGH SCHOOL DISTRICT
 Schedule of Expenditures of State Financial Assistance
 for the Fiscal Year ended June 30, 2015

MEMO

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014	Adjustments	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Deferred Revenue at June 30, 2015	(Accounts Receivable) at June 30, 2015	Due to Grantor at June 30, 2015	Budgetary Receivable	Cumulative Total Expenditures
New Jersey Department of Education													
General Fund:													
Extraordinary Aid	14-100-034-5120-473	7/1/13-6/30/14	\$ 215,079	\$ (215,079)	\$ -	\$ 215,079	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Extraordinary Aid	15-100-034-5120-473	7/1/14-6/30/15	233,308	-	-	-	(233,308)	-	-	(233,308)	-	-	(233,308)
Special Education Categorical Aid	14-495-034-5120-089	7/1/13-6/30/14	1,663,733	(588,745)	-	(588,745)	-	-	-	-	-	-	-
Special Education Categorical Aid	15-495-034-5120-089	7/1/14-6/30/15	1,663,733	-	-	1,082,181	(1,663,733)	-	-	-	-	(581,552)	(1,663,733)
Nonpublic Transportation Aid	14-495-034-5120-045	7/1/13-6/30/14	6,575	(6,575)	-	6,575	-	-	-	-	-	-	-
Nonpublic Transportation Aid	15-495-034-5120-045	7/1/14-6/30/15	2,248	-	-	-	(2,248)	-	-	(2,248)	-	-	(2,248)
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	3,924,507	-	-	3,924,507	(3,924,507)	-	-	-	-	-	(3,924,507)
Categorical Security Aid	15-495-034-5120-084	7/1/14-6/30/15	184,043	-	-	184,043	(184,043)	-	-	-	-	-	(184,043)
Categorical Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	85,308	-	-	85,308	(85,308)	-	-	-	-	-	(85,308)
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	98,493	-	-	98,493	(98,493)	-	-	-	-	-	(98,493)
Under Adequacy Aid	15-495-034-5120-083	7/1/14-6/30/15	26,399	-	-	26,399	(26,399)	-	-	-	-	-	(26,399)
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	28,360	-	-	28,360	(28,360)	-	-	-	-	-	(28,360)
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	28,360	-	-	28,360	(28,360)	-	-	-	-	-	(28,360)
FBSIS	15-495-034-5120-097	7/1/14-6/30/15	26,299	-	-	-	(26,299)	-	-	(26,299)	-	-	(26,299)
Contribution	14-100-034-5095-002	7/1/13-6/30/14	1,303,603	(63,930)	-	63,930	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Tax Contribution	15-100-034-5095-002	7/1/14-6/30/15	1,298,512	-	-	1,234,862	(1,298,512)	-	-	(63,650)	-	-	(1,298,512)
Total General Fund				(874,329)	-	6,389,352	(7,599,570)	-	-	(325,505)	-	(581,552)	(7,599,570)
Debt Service Fund:													
Debt service aid	15-495-034-5120-017	7/1/14-6/30/15	419,999	-	-	419,999	(419,999)	-	-	-	-	-	-
Total Debt service Aid				-	-	419,999	(419,999)	-	-	-	-	-	-
Enterprise Fund:													
State School Lunch Program	14-100-010-3350-023	7/1/13-6/30/14	5,985	(660)	-	660	-	-	-	-	-	-	-
State School Lunch Program	15-100-010-3350-023	7/1/14-6/30/15	5,170	-	-	4,633	(5,170)	-	-	(537)	-	-	-
Total Expenditures of State Awards				\$ (874,989)	\$ -	\$ 6,814,644	\$ (8,024,739)	\$ -	\$ -	\$ (326,042)	\$ -	\$ (581,552)	\$ (7,599,570)

See accompanying notes to schedules of expenditures.

Point Pleasant Borough Board of Education

Notes to Schedules of Awards and Financial Assistance

June 30, 2015

1. General

The accompanying schedules of expenditures of award present the activity of all federal and state awards of the Board of Education of Point Pleasant Borough School District. The Board of Education is defined in Note 1(A) to the Board's general purpose financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards passed through other government agencies are included on the schedules of expenditures of federal and state awards.

2. Basis of Accounting

The accompanying schedules of expenditures of federal and state awards 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. These bases of accounting are described in Note 1 to the Board's basic financial statements.

3. Relationship to General Purpose Financial Statements

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 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 last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). 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.

Point Pleasant Borough Board of Education

Notes to Schedules of Awards and Financial Assistance (continued)

June 30, 2015

3. Relationship to General Purpose Financial Statements (continued)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$955,786) for the general fund and \$3,291 for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the GAAP basis of accounting for the general and special revenue fund. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented below:

	<u>Federal</u>	<u>State</u>	<u>TPAF</u>	<u>Total</u>
General Fund	\$ 53,918	9,135,492	(2,491,708)	6,697,702
Special Revenue Fund	918,468	-	-	918,468
Capital Projects Fund	-	144,412	-	144,412
Debt Service Fund	-	419,999	-	419,999
Food Service Fund	<u>196,137</u>	<u>5,170</u>	<u>-</u>	<u>201,307</u>
Total awards and financial assistance	<u>\$ 1,168,523</u>	<u>9,705,073</u>	<u>(2,491,708)</u>	<u>\$ 8,381,888</u>

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.

5. Other

TPAF Social Security and Post Retirement/Medical Benefits Contributions represent the amounts reimbursed by the State for the employer's share of social security contributions and Post Retirement/Medical Benefits for TPAF members for the year ended June 30, 2015.

The TPAF post retirement/medical benefits expenditures are not subject to New Jersey OMB Circular 04-04 and/or 15-08.

Point Pleasant Borough Board of Education
Schedule of Findings and Questioned Costs
June 30, 2015

Section I – Summary of Auditor’s Results

Financial Statement Section

Type of auditor's report issued: Unmodified opinion

Internal control over financial reporting:

- 1) Material weakness(es) identified? _____yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? _____yes X none reported
- Noncompliance material to general-purpose financial statements noted? _____yes X no

Federal Awards Section

Internal Control over major programs:

- 1) Material weakness(es) identified? _____yes X no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? _____yes X none reported

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133? _ _____yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.02	IDEA Part B Basic Regular
84.173	IDEA Part B Preschool

Dollar threshold used to distinguish between type A and type B programs:
\$300,000

Auditee qualified as low-risk auditee? X yes _____no

Point Pleasant Borough Board of Education

Summary Schedule of Prior Audit Findings

June 30, 2015

There were no prior year findings for the period ended June 30, 2014.