

SCHOOL DISTRICT
OF
Long Beach Island Consolidated School District
OF OCEAN COUNTY

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Surf City, New Jersey

COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2015

COMPREHENSIVE ANNUAL
FINANCIAL REPORT

Of the

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

of Ocean County

Surf City, New Jersey

For the Fiscal Year Ended June 30, 2015

Prepared by

Long Beach Island Consolidated School District
Finance Department

OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

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OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT

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INTRODUCTORY SECTION

Long Beach Island Consolidated School District



Barnegat Light

Harvey Cedars

Surf City

Ship Bottom

Long Beach Township

Riding the Waves of Excellence

LONG BEACH ISLAND BOARD OF EDUCATION

201 20th Street

Ship Bottom, NJ 08008

Phone: (609) 494-8851 Fax: (609) 494-2921

November 25, 2015

Honorable President and
Members of the Board of Education
Long Beach Island Consolidated School District
County of Ocean, New Jersey

Dear Board Members:

The comprehensive annual financial report of the Long Beach Island Consolidated School District (District) 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 of Education (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 District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the Management Discussion and Analysis, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the New Jersey Circular Letter 04-04 OMB, "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, are included in the single audit section of this report.

1)REPORTING ENTITY AND ITS SERVICES: The Long Beach Island Consolidated School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report.

The Long Beach Island Consolidated Board of Education and all its schools constitute the District's reporting entity. The District consists of five constituent municipalities - Borough of Barnegat Light, Borough of Harvey Cedars, Long Beach Township, Borough of Ship Bottom and the Borough of Surf City.

The District provides a full range of educational services appropriate to grade levels Pre K through 6. These include regular, as well as special education for handicapped youngsters. The District completed the 2014-2015 fiscal year with an enrollment of 232 students, which is 11 students less than previous year's enrollment. The following details the changes in the student enrollment of the District over the last fifteen years.

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	232	-0.03%
2013-14	238	-0.04%
2012-13	249	+0.05%
2011-12	237	0.00%
2010-11	238	+0.05%
2009-10	227	-0.09%
2008-09	250	-0.01%
2007-08	254	0.01%
2006-07	252	-7.01%
2005-06	271	-7.19%
2004-05	292	-2.41%
2003-04	299	-8.00%
2002-03	325	-8.22%
2001-02	354	-5.85%
2000-01	376	-4.33%

2) ECONOMIC CONDITION AND OUTLOOK: The Long Beach Island Consolidated District consists of both large and small summer and year round residences. The Island's economy is based on building, tourism, service providers and fishing.

3) MAJOR INITIATIVES: The Long Beach Island School District continues to act upon the goals and objectives embedded in our Long Range Facilities Plan for health and safety as well as acting upon the goals and objectives listed in our Five Year Curriculum Plan and Three Year Technology Plan and our 3 Year Strategic Plan. The District continues to review the possibility of closing one of the two District schools and combining all grades into one. A feasibility study detailed the closing of the Long Beach Island School located in Ship Bottom, selling the location and using the proceeds to upgrade the Ethel Jacobson School located in Surf City. In January 2011 the Board approved the feasibility study.

The Long Beach Island Grade School was severely damaged by Superstorm Sandy rendering it uninhabitable until repaired. The school was covered by building and contents insurance as well as flood insurance. FEMA monies were also used to fund the repairs to the building. The building was re-opened in March of 2014. The damage to both Long Beach Island Grade School and the Ethel Jacobsen School did not impair the buildings' market value. The historical value recorded in these financial statements did not require a reduction due to the impairment as it is not above the market value.

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 District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable,

but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

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

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2015.

6)ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in "Notes to the Financial Statements", Note 1.

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

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

9)OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Jump, Scutellaro and Company, L.L.P., was selected by the Board's finance committee. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and fund financial 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.

10) ACKNOWLEDGMENTS:

We would like to express our appreciation to the members of the Long Beach Island Consolidated School Board for their concern in providing fiscal accountability to the citizens and taxpayers of the school district and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our secretarial staff.

Respectfully submitted,

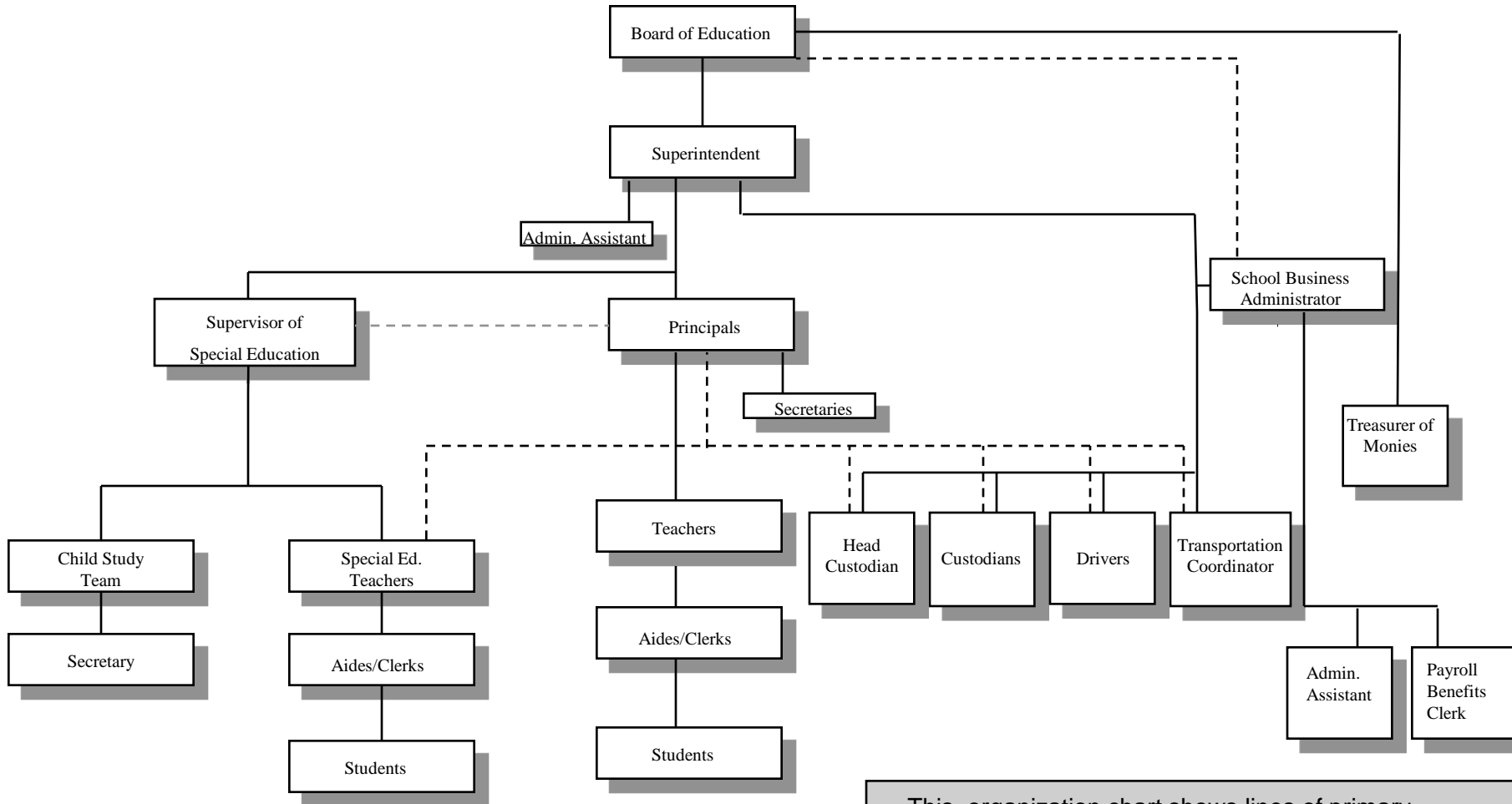


Peter J. Kopack, ED.d
Superintendent



Enrico D. Siano
School Business Administrator/Board Secretary

LONG BEACH ISLAND SCHOOL DISTRICT



This organization chart shows lines of primary responsibility. It is designed to clarify relationships in case questions arise. The dotted lines indicate secondary responsibility, communication, and cooperation which characterize our schools and in some ways are more important than the lines of primary responsibility shown on the chart.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Surf City, New Jersey

Roster of Officials
June 30, 2015

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Jennifer Bott, President	2017
Marilyn Wasilewski, Vice President	2016
Bonnie Picaro	2016
Kristy Raber	2015
Allyn Kain	2017
Georgene Hartmann	2017
Colette Southwick	2015
Steven Evert	2015
James Donahower	2016

Other Officials

Peter J. Kopack, Ed.D., Superintendent

Enrico Siano, Interim School Business Administrator/Board Secretary

Mary A. Conroy, Treasurer

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Consultants and Advisors

Consulting Engineer
Dicaro Rubino Architects
30 Galesi Drive
Wayne, NJ 07470

Audit Firm

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

Attorney

Lindabury, McCormick & Estabrook & Cooper, P.C
53 Cardinal Drive
P.O. Box 2369
Westfield, New Jersey 07091-2369

Official Depositories

Ocean First
975 Hooper Avenue
Toms River, NJ 08753

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Honorable President and
Members of the Board of Education
Long Beach Island Consolidated School District:
County of Ocean
Surf City, 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 the Board of Education of Long Beach Island Consolidated School District 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 judgement, 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 Long Beach Island Consolidated School District 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 Long Beach Island Consolidated School District'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 Long Beach Island Consolidated School District in the County of Ocean, 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 Long Beach Island Consolidated School District in the County of Ocean, State of New Jersey internal control over financial reporting and compliance.

Respectfully Submitted,



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



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

November 19, 2015
Toms River, New Jersey

REQUIRED SUPPLEMENTARY INFORMATION - PART I

LONG BEACH ISLAND SCHOOL DISTRICT

Management's Discussion and Analysis

For the Year ended June 30, 2015

This section of the School district's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section. Certain comparative information between the current fiscal year (2014-2015) and the prior fiscal year (2013-2014) is required to be presented in the MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

District-wide financial statements. The district-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private sector business. As such, they are presented using Generally Accepted Accounting Principles (GAAP).

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

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

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

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

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

The District maintains three individual government funds: the general fund, special revenue fund and capital projects fund. All are considered to be major funds. The basic governmental fund financial statements can be found as Exhibits B-1 through B3 in this report.

Proprietary funds - The District maintains one proprietary fund type, an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing the goods or services be financed through user charges. Included in the enterprise fund is the Food Service operation. The basic proprietary fund statement can be found as Exhibits B-4 -B6.

Fiduciary funds - are used to account for resources held for the benefit of parties outside the governmental entity. Fiduciary funds are not reflected in the district-wide financial statement because the resources of those funds are not available to support the District's own programs. The District uses trust and agency funds to account for resources held for payroll transactions. The basic fiduciary fund statement can be found as Exhibit B-7 - B-8.

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

FINANCIAL HIGHLIGHTS

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

- State Aid increased by additional School Choice aid for the second year of the district's participation in the program.
- Total spending for all programs was \$6,957,298 including depreciation. General revenues (primarily local tax levy and state aid) were adequate to provide for the balance of these programs, exclusive of the charge for depreciation.

District-wide Financial Analysis

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

	Governmental Activities	Business- type Activities	Total
Current and other assets	2,955,305	1,083	2,956,388
Capital assets, net	2,078,286	-	2,078,286
Total assets	<u>5,033,591</u>	<u>1,083</u>	<u>5,034,674</u>
Deferred Outflows of Resources	<u>54,047</u>		<u>54,047</u>
Long-term liabilities outstanding	1,892,328	-	1,892,328
Other liabilities	94,232	255	94,487
Total liabilities	<u>1,986,560</u>	<u>255</u>	<u>1,986,815</u>
Deferred Inflows of Resources	<u>219,078</u>		<u>219,078</u>
Net position:			
Investment in capital assets, net	2,078,286	-	2,078,286
Restricted	2,742,979	-	2,742,979
Unrestricted	(1,939,265)	828	(1,938,437)
Total net position	<u>2,882,000</u>	<u>828</u>	<u>2,882,828</u>

Restricted assets represent resources that are subject to external restrictions on how they may be used. Within this category, is \$938,737 for the capital reserve fund plus \$300,000 in the maintenance reserve fund and \$50,000 in the emergency reserve account. This fund is legally restricted to provide for future maintenance at the District's two elementary schools. Also included in the restricted amount are excess surplus in the amount of \$0 and excess surplus-designated for subsequent year's expenditures of \$619,181 for the 2015-2016 budget.

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

	Government Activities	Business- type Activites	Total
Revenues:			
General revenues:			
Property taxes	5,754,105	-	5,754,105
Charges for services	81,892		81,892
Federal and state aid not restricted	1,200,876	-	1,200,876
Federal and state aid restricted	-		-
Miscellaneous income	73,494	3	73,497
Total revenues	<u>7,110,367</u>	<u>3</u>	<u>7,110,370</u>
Expenses:			
Instructional services	2,425,351	-	2,425,351
Support services/undistributed costs	3,972,055	-	3,972,055
Food service	-	319	319
Total expenses	<u>6,397,406</u>	<u>319</u>	<u>6,397,725</u>
Change in net position	712,961	(316)	712,645
Net position, beginning	2,169,039	1,144	2,170,183
Net position, ending	<u>2,882,000</u>	<u>828</u>	<u>2,882,828</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget is comprised solely of the June 30, 2015 encumbrances, which 'roll-over' into the subsequent year's budget (2014-2015) and are added to the original budget appropriations.

Throughout the year, as necessary, budget transfers are effectuated between budget accounts to re-align the 2014-2015 budget.

Capital Assets

At June 30, 2015 the District had capital assets of 2,078,286. This is comprised of: Buildings and equipment. These capital assets are shown net of accumulated depreciation.

Contacting the District's Financial Management

The District'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 District's finances and to show the District's accountability for the money it receives. Questions regarding this report can be addressed to the School Business Administrator.

BASIC FINANCIAL STATEMENTS

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Net Position
June 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 2,875,567	\$ 1,083	\$ 2,876,650
Receivables - Federal	68,227	-	68,227
Receivables - state	9,175	-	9,175
Receivables - other	2,336	-	2,336
Capital assets, net:	2,078,286	-	2,078,286
Total assets	<u>5,033,591</u>	<u>1,083</u>	<u>5,034,674</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows - PERS	54,047	-	54,047
	<u>54,047</u>	<u>-</u>	<u>54,047</u>
LIABILITIES			
Accounts payable	9,460	255	9,715
Unearned revenue	22,624	-	22,624
Non-current liabilities:			
Due within one year	84,772	-	84,772
Due beyond one year	1,869,704	-	1,869,704
Total liabilities	<u>1,986,560</u>	<u>255</u>	<u>1,986,815</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows - PERS	219,078	-	219,078
	<u>219,078</u>	<u>-</u>	<u>219,078</u>
NET POSITION			
Invested in capital assets, net of related debt	2,078,286	-	2,078,286
Restricted for:			
Capital projects	1,272,482	-	1,272,482
Other purposes	1,470,497	-	1,470,497
Unrestricted	(1,939,265)	828	(1,938,437)
Total net position	<u>\$ 2,882,000</u>	<u>\$ 828</u>	<u>\$ 2,882,828</u>

LONG BEACH ISLAND CONSOLIDATED 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	\$ 2,207,260	\$ -	\$ -	\$ -	\$ (2,207,260)	\$ -	\$ (2,207,260)
Special schools instruction	128,832	-	-	-	(128,832)	-	(128,832)
Other special instruction	89,259	-	-	-	(89,259)	-	(89,259)
Support services and undistributed costs:							
Instruction	10,970	-	-	-	(10,970)	-	(10,970)
Health services	147,578	-	-	-	(147,578)	-	(147,578)
Other support services	690,731	-	-	-	(690,731)	-	(690,731)
Educational media services	3,485	-	-	-	(3,485)	-	(3,485)
Instruction staff training	3,961	-	-	-	(3,961)	-	(3,961)
General administrative services	194,795	-	-	-	(194,795)	-	(194,795)
School administrative services	79,832	-	-	-	(79,832)	-	(79,832)
Central administrative services	173,693	-	-	-	(173,693)	-	(173,693)
Allowed maintenance for school facilities	90,802	-	-	-	(90,802)	-	(90,802)
Other operation and maintenance of plant	1,101,063	-	-	-	(1,101,063)	-	(1,101,063)
Student transportation services	316,334	-	-	-	(316,334)	-	(316,334)
Unallocated employee benefits	1,118,983	-	-	-	(1,118,983)	-	(1,118,983)
Non-budgeted expenditures	519,745	-	519,745	-	-	-	-
Transfer to food service	39,828	-	-	-	(39,828)	-	(39,828)
Total governmental activities	<u>6,917,151</u>	<u>-</u>	<u>519,745</u>	<u>-</u>	<u>(6,397,406)</u>	<u>-</u>	<u>(6,397,406)</u>
Business-type activities:							
Food service	40,147	-	39,828	-	-	(319)	(319)
Total business-type activities	<u>40,147</u>	<u>-</u>	<u>39,828</u>	<u>-</u>	<u>-</u>	<u>(319)</u>	<u>(319)</u>
Total primary government	<u>\$ 6,957,298</u>	<u>\$ -</u>	<u>\$ 559,573</u>	<u>\$ -</u>	<u>\$ (6,397,406)</u>	<u>\$ (319)</u>	<u>\$ (6,397,725)</u>
General revenues:							
Taxes:							
Property taxes levied for general purpose					\$ 5,754,105	\$ -	\$ 5,754,105
Federal and state aid					1,200,876	-	1,200,876
Tuition charges					81,892	-	81,892
Miscellaneous income					70,272	-	70,272
Investment earnings					3,222	3	3,225
Total general revenues, special items, extraordinary items and transfers					<u>7,110,367</u>	<u>3</u>	<u>7,110,370</u>
Change in net position					712,961	(316)	712,645
Net position—beginning					2,169,039	1,144	2,170,183
Net position—ending					<u>\$ 2,882,000</u>	<u>\$ 828</u>	<u>\$ 2,882,828</u>

See accompanying notes to financial statements.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Balance Sheet
 Governmental Funds
 June 30, 2015

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Assets:					
Cash and cash equivalents	\$ 1,650,926	\$ (47,939)	\$ 333,843	\$ -	\$ 1,936,830
Capital reserve	938,737	-	-	-	938,737
Interfund receivable	98	-	-	-	98
Due from state	9,175	-	-	-	9,175
Due from others	-	2,336	-	-	2,336
Due from federal	-	68,227	-	-	68,227
Total assets	<u>2,598,936</u>	<u>22,624</u>	<u>333,843</u>	<u>-</u>	<u>2,955,403</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	9,460	-	-	-	9,460
Contracts payable	-	-	-	-	-
Interfund payable	-	-	98	-	98
Deferred revenue	-	22,624	-	-	22,624
Total liabilities	<u>9,460</u>	<u>22,624</u>	<u>98</u>	<u>-</u>	<u>32,182</u>
Fund Balances:					
Restricted for:					
Unexpended additional spending proposal	-	-	-	-	-
Capital reserve account	938,737	-	-	-	938,737
Maintenance reserve account	300,000	-	-	-	300,000
Emergency reserve account	50,000	-	-	-	50,000
Excess surplus - current year	-	-	-	-	-
Excess surplus - designated for subsequent year's expenditures	619,181	-	-	-	619,181
Debt service fund	-	-	-	-	-
Capital projects fund	-	-	182,555	-	182,555
Other purposes	-	-	-	-	-
Committed to:					
Other purposes	501,316	-	151,190	-	652,506
Assigned to:					
Designated by the BOE for subsequent year's exp.	-	-	-	-	-
Other purposes	-	-	-	-	-
Unassigned to:					
General fund	180,242	-	-	-	180,242
Special revenue fund	-	-	-	-	-
Total fund balances	<u>2,589,476</u>	<u>-</u>	<u>333,745</u>	<u>-</u>	<u>2,923,221</u>
Total liabilities and fund balances	<u>\$ 2,598,936</u>	<u>\$ 22,624</u>	<u>\$ 333,843</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 \$8,003,234 and the accumulated depreciation is \$5,924,948 (see Note 6).	2,078,286
Deferred outflows related to the PERS pension plan	54,047
Deferred inflows related to the PERS pension plan	(219,078)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8).	(1,954,476)
Net position of governmental activities	<u>\$ 2,882,000</u>

LONG BEACH ISLAND CONSOLIDATED 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	\$ 5,754,105	\$ -	\$ -	\$ -	\$ 5,754,105
Tuition charges	81,892	-	-	-	81,892
Transportation fees	-	-	-	-	-
Interest on investments	2,222	-	-	-	2,222
Interest earned on capital reserve funds	1,000	-	-	-	1,000
Miscellaneous	70,272	-	-	-	70,272
Total - local sources	5,909,491	-	-	-	5,909,491
State sources	1,226,026	-	362,869	-	1,588,895
Federal sources	-	131,726	-	-	131,726
Total revenues	7,135,517	131,726	362,869	-	7,630,112
EXPENDITURES					
Current:					
Regular instruction	2,131,446	75,814	-	-	2,207,260
Special education instruction	128,832	-	-	-	128,832
Other special instruction	89,259	-	-	-	89,259
Support services and undistributed costs:					
Instruction	10,970	-	-	-	10,970
Health services	147,578	-	-	-	147,578
Other support services	634,819	55,912	-	-	690,731
Educational media services	3,485	-	-	-	3,485
Instruction staff training	3,961	-	-	-	3,961
General administrative services	194,795	-	-	-	194,795
School administrative services	79,832	-	-	-	79,832
Central administrative services	173,693	-	-	-	173,693
Allowed maintenance for school facilities	90,802	-	-	-	90,802
Other operation and maintenance of plant	717,857	-	-	-	717,857
Student transportation services	316,334	-	-	-	316,334
Unallocated employee benefits	1,125,827	-	-	-	1,125,827
Non-budgeted expenditures	519,745	-	-	-	519,745
Capital outlay	113,358	-	797,661	-	911,019
Total expenditures	6,482,593	131,726	797,661	-	7,411,980
Excess (Deficiency) of revenues over expenditures	652,924	-	(434,792)	-	218,132
OTHER FINANCING SOURCES (USES)					
Bond proceeds	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-
Transfer - from capital outlay to capital reserve	(300,000)	-	300,000	-	-
Transfer - from capital reserve to capital projects	(498,890)	-	498,890	-	-
Transfers to food service	(39,828)	-	-	-	(39,828)
Total other financing sources and uses	(838,718)	-	798,890	-	(39,828)
Net change in fund balances	(185,794)	-	364,098	-	178,304
Fund balance-July 1	2,775,270	-	(30,353)	-	2,744,917
Fund balance-June 30	\$ 2,589,476	\$ -	\$ 333,745	\$ -	\$ 2,923,221

See accompanying notes to financial statements.

LONG BEACH ISLAND CONSOLIDATED 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)	\$	178,304
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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	(201,504)	
	Capital outlays	<u>729,317</u>	527,813

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		5,907
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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. This year, sick leave was decreased to \$46,953.

	<u>937</u>
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Change in net position of governmental activities	\$	<u><u>712,961</u></u>
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LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Statement of Net Position
 Proprietary Funds
 June 30, 2015

		Business-type Activities - Enterprise Fund
		<u>Food Service</u>
ASSETS		
Current assets:		
Cash and cash equivalents	\$	1,083
Investments		-
Interfund receivable		-
Receivable from state		-
Receivable from other governments		-
Other receivables		-
Inventories		-
Total current assets		<u>1,083</u>
Noncurrent assets:		
Restricted cash and cash equivalents		-
Furniture, machinery and equipment		10,816
Less accumulated depreciation		<u>(10,816)</u>
Total noncurrent assets		<u>-</u>
Total assets		<u><u>1,083</u></u>
LIABILITIES		
Current liabilities:		
Accounts payable		255
Interfund payable		-
Compensated absences		-
Total current liabilities		<u>255</u>
Noncurrent Liabilities:		
Compensated absences		-
Total noncurrent liabilities		<u>-</u>
Total liabilities		<u>255</u>
NET POSITION		
Invested in capital assets net of related debt		-
Restricted for:		
Capital projects		-
Unrestricted		<u>828</u>
Total net position		<u>828</u>
Total liabilities and net position	\$	<u><u>1,083</u></u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

	Business-type Activities - Enterprise Fund
	Food Service
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	\$ -
Daily sales - non-reimbursable programs	-
Total operating revenues	<u>-</u>
Operating expenses:	
Cost of sales	39,499
Salaries	-
Employee benefits	-
Payroll taxes	-
Cleaning, repair and maintenance services	648
Dues and subscriptions	-
General supplies	-
Depreciation	-
Total operating expenses	<u>40,147</u>
Operating income (loss)	<u>(40,147)</u>
Non-operating revenues (expenses):	
State sources:	
State school lunch program	-
State school breakfast program	-
Federal sources:	
National school lunch program	-
National school breakfast program	-
Special milk program	-
Food distribution program	-
Interest and investment revenue	3
Operating transfers	39,828
Miscellaneous expense	-
Total non-operating revenues (expenses)	<u>39,831</u>
Change in net position	<u>(316)</u>
Total net position—beginning	<u>1,144</u>
Total net position—ending	<u>\$ 828</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2015

		Business-type Activities - Enterprise Funds
		Food Service
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$	-
Payments to employees		-
Payments for employee benefits		-
Payments to suppliers		(39,892)
Net cash used in operating activities		(39,892)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State sources		-
Federal sources		-
Operating subsidies and transfers from other funds		39,828
Net cash provided by non-capital financing activities		39,828
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends		3
Advances from general fund		-
Net cash provided by investing activities		3
Net increase (decrease) in cash and cash equivalents		(61)
Balances—beginning of year		1,144
Balances—end of year	\$	1,083
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$	(40,147)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation		-
Federal commodities		-
Increase in interfund receivable, net		-
Decrease in accounts receivable, net		-
Increase in inventories		-
(Increase) decrease in other current assets		-
Decrease in interfund payable		-
Increase in accounts payable		255
Increase (decrease) in accrued salaries benefits		-
Total adjustments		255
Net cash used in operating activities	\$	(39,892)

See accompanying notes to financial statements.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Fiduciary Net Position
June 30, 2015

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and cash equivalents	\$ 5,383	\$ 34,822
Investments	-	-
Intergovernmental accounts receivable	-	-
Interfund receivable	-	-
Total assets	5,383	34,822
LIABILITIES		
Accounts payable	-	-
Payroll deductions and withholdings	-	34,822
Payable to student groups	-	-
Interfund payable	-	-
Other current liabilities	-	-
Total liabilities	-	34,822
NET POSITION		
Held in trust for unemployment claims and other purposes	5,383	-
Total net position	5,383	-
Total liabilities and net position	\$ 5,383	\$ 34,822

See accompanying notes to financial statements.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

		<u>Unemployment Compensation Trust</u>
ADDITIONS		
Contributions:		
Plan member	\$	12,807
Other		-
Total contributions		<u>12,807</u>
Investment earnings:		
Net increase (decrease) in fair value of investments		-
Interest		2
Dividends		-
Net investment earnings		<u>2</u>
Total additions		<u>12,809</u>
DEDUCTIONS		
Quarterly contribution reports		-
Unemployment claims		7,445
Scholarships awarded		-
Refunds of contributions		-
Administrative expenses		-
Total deductions		<u>7,445</u>
Change in net position		5,364
Net position—beginning of the year		<u>19</u>
Net position—end of the year	\$	<u>5,383</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 Long Beach Island Consolidated School District ("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 Long Beach Island Consolidated School District is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-6. The Long Beach Island Consolidated School District had an approximate enrollment of 232 students at June 30, 2015.

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 two elementary schools. 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 adopted the newly implemented Governmental Accounting Standard requiring the reporting of deferred outflows, deferred inflows, and net position. The term Net Assets will no longer be used and will be replaced with Net Position. The Statement of Net Position includes the reporting of assets, deferred outflows, liabilities and deferred inflows. The deferred outflows are reported under assets and deferred inflows are reported under liabilities on the Statement of Net Position. Items previously classified as assets and liabilities but not meeting that definition have then been reviewed for categorization as deferred outflows or deferred inflows. Items not classified as either an asset, deferred outflow, liability or deferred inflow have been charged to the Statement of Revenues, Expenses, and Changes in Net Position in the current year.

GASB to be Implemented in the 2015 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. Eliminations have been made to minimize the double-counting of internal activities. These Statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in a whole or in part by fees charged to external parties.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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. 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 subfund.

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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 funds:

Enterprise (Food Service) 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. See Note 18.

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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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. 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. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. 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.

All governmental and business-type activities and Enterprise Funds of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

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".

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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. 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. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally-authorized revisions of the annual budgets during the year.

Appropriations, except remaining project appropriations, encumbrances, and unexpected grant appropriations, lapse at the end of each fiscal year. The Capital Project Fund presents the remaining project appropriations compared to current-year expenditures.

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. At June 30, 2015, there was a reconciling difference of \$ (4,508) between the budgetary basis and GAAP basis in the General Fund and of \$ (8,460) in the Special Revenue Fund.

f. Encumbrance Accounting:

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

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

f. Encumbrance Accounting, (Cont'd)

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.

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. New Jersey statute 18A:2037 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the 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. 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 have been eliminated in the District-wide statements.

All interfund activity has been eliminated from the statement of activity.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

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

i. Inventories and Prepaid Expenses

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

j. 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.

k. Capital Assets

During the year ended June 30, 1994 the District established a formal system of accounting for its general fixed assets. General fixed assets acquired or constructed subsequent to June 30, 1993 are recorded at original cost. General fixed assets acquired or constructed prior to the establishment of the formal system are valued at cost based on historical records. Donated fixed assets are valued at their estimated fair market value on the date received.

The property and equipment are stated at cost (as defined on previous page) and are depreciated over their useful lives of 5-50 years. Depreciation is computed using the straight-line method. Maintenance and repairs are charged to expense as incurred. Expenditures for major renewals or betterments that extend the useful lives of the assets are capitalized. Construction in progress accumulates the costs of a capital asset that has not been completed. When the asset is placed in service it is capitalized at its total cost and depreciated based on its useful life. The cost and related accumulated depreciation of property and equipment retired or disposed are removed from the accounts and the resulting gains or losses are reflected in general revenue.

l. 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 \$-0.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

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

m. Compensated Absences:

The Districts accounts for Compensated Absences (e.g., unused vacation, sick leave) as directed by the Governmental Accounting Board. 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 the employee is accrued as the employees earn the rights to the benefits.

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. 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.

In the District-wide Statement of Net Position, the liabilities whose average maturities are greater than one year should be reported in two components - the amount due within one year and the amount due in more than one year.

The liability for vested compensated absences of the proprietary fund-types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015, no liability existed for compensated absences in the Food Service Fund.

n. Unearned/Deferred Revenue:

Unearned/deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2015, but which were levied to finance fiscal year 2014 operations, have been recorded as Unearned/deferred revenue. Grants and entitlement received before the eligibility requirements are met are also recorded as Unearned/deferred Revenue.

o. 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. However, contractually-required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Bonds are recognized as a liability on the fund financial statements when due.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

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

p. Net Position:

Net Position represents 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.

q. Fund Balance Resources

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:

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.

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

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.

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.

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

r. 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

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

r. Revenues - Exchange and Nonexchange Transactions, (Cont'd)

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.

s. 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.

t. 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.

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 \$2,916,855 and the bank balance was \$3,664,726. Of the bank balance, \$250,000 was insured with Federal Deposit Insurance.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

2. Cash, Cash Equivalents and Investments (Cont'd)

Pursuant to Governmental Accounting Standards, 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 the 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 Long Beach Island Consolidated School District by inclusion of \$750,000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the General Fund and its activity is included in the General Fund annual budget.

Funds placed in the Capital Reserve Account are restricted to Capital Projects in the District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a District may increase the balance in the Capital Reserve by appropriating funds in the annual General Fund budget certified for taxes or by transfer by Board Resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A District may also appropriate additional amounts when the excess approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C 6:23A-5.1(d)7, the balance in the Account cannot at any time exceed the local support costs of uncompleted Capital Projects in its approved LRFP.

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

Beginning Balance	June 30, 2014	\$ 1,285,627
Add:		
Increase per Resolution		151,000
Interest Earnings		1,000
Less:		
Withdrawals		<u>(498,890)</u>
Ending Balance,	June 30, 2015	<u>\$ 938,737</u>

The June 30, 2015 LRFP balance of local support costs of uncompleted Capital Projects is \$1,503,475.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

5. Maintenance Reserve Account

A maintenance Reserve Account was established by the Long Beach Island Consolidated School District by inclusion of \$ 300,000 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	\$ <u>300,000</u>
Balance, June 30, 2015	\$ <u>300,000</u>

6. Emergency Reserve Account

An Emergency Reserve Account was established by the Long Beach Island Consolidated School District by inclusion of \$ 50,000 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.

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

Balance, June 30, 2014	\$ <u>50,000</u>
Balance, June 30, 2015	\$ <u>50,000</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

7. Capital Assets

The District did not have its Fixed Assets appraised by an independent appraiser as of June 30, 2015. The valuation was not properly updated and did not include all the District's Capital Assets. As such, materially accurate asset valuation totals, accumulated depreciation expense and depreciation expense amounts were not ascertainable.

	<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	\$ 141,341	\$ -	\$ -	\$ 141,341
Construction in Progress	<u>30,353</u>	<u>797,661</u>	<u>-</u>	<u>828,014</u>
Total Capital Assets Not Being Depreciated	<u>171,694</u>	<u>797,661</u>	<u>-</u>	<u>969,355</u>
Capital Assets Being Depreciated				
Building and Building Improvements	5,260,735	-	-	5,260,735
Machinery and Equipment	<u>1,841,488</u>	<u>29,650</u>	<u>(97,994)</u>	<u>1,773,144</u>
Totals at Historical Cost	<u>7,102,223</u>	<u>29,650</u>	<u>(97,994)</u>	<u>7,033,879</u>
Less Accumulated Depreciation for:				
Building and Building Improvements	(3,357,749)	(116,763)	-	(3,474,512)
Machinery and Equipment	<u>(2,365,695)</u>	<u>(182,735)</u>	<u>97,994</u>	<u>(2,450,436)</u>
Total Accumulated Depreciation	<u>(5,723,444)</u>	<u>(299,498)</u>	<u>97,994</u>	<u>(5,924,948)</u>
Total Capital Assets Being Depreciated, Net of Accumulated Depreciation	<u>1,378,779</u>	<u>(269,848)</u>	<u>-</u>	<u>1,108,931</u>
Government Activity Capital Assets, Net	<u>\$ 1,550,473</u>	<u>527,813</u>	<u>-</u>	<u>\$ 2,078,286</u>
Business-Type Activities:				
Capital Assets Being Depreciated:				
Equipment	10,816	-	-	10,816
Less Accumulated Depreciation	<u>(10,816)</u>	<u>-</u>	<u>-</u>	<u>(10,816)</u>
Enterprise Fund Capital Assets, Net	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The NJ State Department of Education has set the capitalization threshold used by school districts in the State of New Jersey at \$2,000.

Depreciation expense was charged to functions as follows:

Operations and maintenance	\$ <u>299,498</u>
Total	\$ <u>299,498</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

8. Receivables

Receivables at June 30, 2015, consisted of state aid, accrued interest, interfund, intergovernmental, and other. 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	\$ 9,175	\$ 9,175
Federal Aid	68,227	68,227
Other	2,336	2,336
Interfunds	<u>-</u>	<u>-</u>
	79,738	79,738
Less: Allowance for Uncollectibles	<u>-</u>	<u>-</u>
Total Receivables, Net	<u>\$ 79,738</u>	<u>\$ 79,738</u>

9. Non-current liabilities

During the fiscal year ended June 30, 2015, are as follows:

	Balance <u>June 30, 2014</u>	Increases/ <u>Decreases</u>	Balance <u>June 30, 2015</u>	Amounts Due Within <u>One Year</u>
Compensated				
Absences Payable	\$ 166,885	(937)	165,948	\$ 15,000
Pension liability -				
PERS	<u>\$ -</u>	<u>1,788,528</u>	<u>1,788,528</u>	<u>\$ 69,772</u>
	<u>\$ -</u>	<u>1,787,591</u>	<u>1,954,476</u>	<u>\$ 84,772</u>

10. Pension Plans

Description of Plans

All required employees of the District are covered by either the Public Employees' Retirement System ("PERS"), the Teachers' Pension and Annuity Fund ("TPAF") or the Defined Contribution Retirement Program (DCRP) which have been established by State statute and are administered by the New Jersey Division of Pension and Benefits ("Division"). Each plan has a Board of Trustees that is primarily responsible for its administrations. The Division issues a publicly available financial report that includes the financial statements and required supplementary information. These reports may be obtained by writing to the Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey, 08625.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

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.

For the year ended June 30, 2015, the District recognized pension expense of \$69,772 and revenue of \$69,772 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 0.0260779090% 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	\$ -	\$ 5,690
Changes of assumptions	597,425	-
Net difference between projected and actual earnings on pension plan investments	-	450,987
Changes in proportion and differences between District contributions and proportionate share of contributions	-	21,732
District contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	<u>\$ 597,425</u>	<u>\$ 478,409</u>

The District's proportionate share of the pension liability at June 30, 2014 as it relates to the District is \$13,937,794.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

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

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	\$ (34,081)
2016	(34,081)
2017	(34,081)
2018	(34,081)
2019	79,439
Thereafter	<u>198,597</u>
Total	<u>141,712</u>

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 \$69,772. 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 0.0091800490% 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	54,047	-
Net difference between projected and actual earnings on pension plan investments	-	102,429
Changes in proportion and differences between District contributions and proportionate share of contributions	-	116,649
District contributions subsequent to the measurement date	<u>-</u>	<u>-</u>
Total	\$ <u>54,047</u>	\$ <u>219,078</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

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

The District's proportionate share of the pension liability at June 30, 2014 as it relates to the District is \$1,718,756 and has been recorded on the district-wide financials. The current portion due in April 2016 for the June 30, 2015 liability is \$69,772 and has been included on the district-wide financials. The total PERS pension liability at June 30, 2015 is \$1,788,528.

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	\$	(15,672)
2016		(15,672)
2017		(15,672)
2018		(15,672)
2019		9,935
Thereafter		<u>4,371</u>
Total		<u>(48,382)</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 %

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

Long-Term Expected Rate of Return(Cont'd)

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%	Current	1%
	Decrease	Discount Rate	Increase
	(4.39 %)	(5.39 %)	(6.39 %)
District's proportionate share of the net pension liability			

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

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 of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.78% 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.

During the year ended June 30, 2015, the State of New Jersey contributed \$337,742 to the TPAF for NCGI premiums and for post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A 18A: 66-66, the State of New Jersey reimbursed the District \$182,003 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the general purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenues and expenditures in accordance with Governmental Accounting Standards.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

10. Pension Plans (Cont'd)

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 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 \$5,498. There was no liability for unpaid contributions at June 30, 2015.

Related Party Investments – The Division of Pensions and Benefits does not invest in securities issued by the School District.

11. 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 receiving 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, c.126, which provides paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

12. 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 Note 8).

13. Deferred Compensation

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, which is administered by the Division of Pensions, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency.

All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are solely the property and rights of the State, subject only to the claims of the State's general creditors. Participants' rights under the plan are equal to those of general creditors of the State in an amount equal to the fair market value of the deferred account of each participant. The State has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor. The State believes it is unlikely that the plan assets will be used to satisfy future claims of general creditors.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

14. Contingent Liabilities

Grant Programs

The District participates in federally-assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The 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 District is also 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 Board.

15. 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 interest earned, 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 previous two years.

<u>Fiscal Year</u>	<u>Interest</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014 / 2015	\$ 2	\$ 12,807	\$ (7,445)	\$ 5,383
2013 / 2014	30	16,789	63,447	19
2012 / 2013	60	12,898	4,510	46,647

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Notes to Financial Statements

For the Year Ended June 30, 2015

16. Interfund Receivables and Payables

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

Fund	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 98	\$ -
Special Revenue Fund	-	-
Capital Projects Fund	-	98
Debt Service Fund	-	-
Enterprise Fund	-	-
Trust and Agency Fund	-	-
	<u>\$ 98</u>	<u>\$ 98</u>

17. Fund Balances

General Fund – Of the \$2,589,476 general fund balance at June 30, 2015, \$501,316 of encumbrances is committed to other purposes, \$0 is classified as assigned fund balance designated for subsequent year expenditures, \$300,000 is restricted for maintenance reserve, \$50,000 is restricted for the emergency reserve, \$938,737 is restricted for capital reserve, \$619,181 is restricted excess surplus designated for subsequent year's expenditures, \$- is restricted current year excess surplus and \$249,539 is unassigned.

18. Calculation of Excess Surplus

The Designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund 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 \$-.

19. 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.

20. Subsequent Events

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

21. 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 \$1,959,466. 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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local sources:					
Local tax levy	\$ 5,754,105	\$ -	\$ 5,754,105	\$ 5,754,105	\$ -
Tuition	44,000	-	44,000	81,892	37,892
Interest	-	-	-	2,222	2,222
Interest earned on current expense emergency reserve	10	-	10	-	(10)
Interest earned on maintenance reserve	100	-	100	-	(100)
Interest earned on capital reserve funds	350	-	350	1,000	650
Miscellaneous	2,000	-	2,000	70,272	68,272
Total - local sources	5,800,565	-	5,800,565	5,909,491	108,926
State sources:					
Transportation aid	68,851	-	68,851	68,851	-
Special education aid	119,540	-	119,540	119,540	-
Categorical security aid	23,138	-	23,138	23,138	-
Extraordinary aid	-	-	-	-	-
School choice aid	556,605	-	556,605	494,760	(61,845)
Other state aid	4,500	-	4,500	4,500	-
TPAF pension (on-behalf - Non-budgeted)	-	-	-	337,742	337,742
TPAF social security (reimbursed - Non-budgeted)	-	-	-	182,003	182,003
Total state sources	772,634	-	772,634	1,230,534	457,900
Total revenues	6,573,199	-	6,573,199	7,140,025	566,826
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction:					
Preschool/Kindergarten - salaries of teachers	438,819	17,738	456,557	452,074	4,483
Grades 1-5 - Salaries of teachers	1,198,991	(71,998)	1,126,993	1,126,992	1
Grades 6-8 - Salaries of teachers	350,728	(11,505)	339,223	339,223	-
Regular Programs - Home Instruction:					
Salaries of teachers	2,000	-	2,000	-	2,000
Regular Programs - Undistributed Instruction:					
Other salaries for instruction	20,000	1,348	21,348	20,543	805
Purchased technical services	55,000	(26,436)	28,564	28,314	250
Other purchased services (400-500 series)	45,000	4,613	49,613	41,748	7,865
General supplies	204,675	(59,425)	145,250	115,623	29,627
Textbooks	65,000	(6,608)	58,392	616	57,776
Other objects - misc. exp.	30,000	(22,192)	7,808	6,313	1,495
TOTAL REGULAR PROGRAMS - INSTRUCTION	2,410,213	(174,465)	2,235,748	2,131,446	104,302
SPECIAL EDUCATION - INSTRUCTION					
Resource Room/Resource Center:					
Salaries of teachers	87,454	41,252	128,706	128,332	374
General supplies	500	-	500	500	-
Total Resource Room/Resource Center	87,954	41,252	129,206	128,832	374
TOTAL SPECIAL EDUCATION - INSTRUCTION	87,954	41,252	129,206	128,832	374

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Basic Skills/Remedial - Instruction:					
Salaries of teachers	\$ 144,658	\$ (57,259)	\$ 87,399	\$ 87,399	\$ -
General supplies	800	-	800	250	550
Total Basic Skills/Remedial - Instruction	<u>145,458</u>	<u>(57,259)</u>	<u>88,199</u>	<u>87,649</u>	<u>550</u>
School spons. Cocurricular activities - Instruction					
Salaries of teachers	2,500	-	2,500	1,610	890
Total School spons. Cocurricular activities - Instruction	<u>2,500</u>	<u>-</u>	<u>2,500</u>	<u>1,610</u>	<u>890</u>
Community Service Programs/Operations:					
Salaries	3,000	-	3,000	-	3,000
Other objects	3,000	-	3,000	-	3,000
Total Community Service Programs/Operations	<u>6,000</u>	<u>-</u>	<u>6,000</u>	<u>-</u>	<u>6,000</u>
Total Instruction	<u>2,652,125</u>	<u>(190,472)</u>	<u>2,461,653</u>	<u>2,349,537</u>	<u>112,116</u>
Undistributed Expenditures - Instruction:					
Tuition to other LEAs within the state - special	80,000	(64,676)	15,324	10,663	4,661
Tuition to private schools for the handicapped - within state	45,000	(44,474)	526	307	219
Total Undistributed Expenditures - Instruction	<u>125,000</u>	<u>(109,150)</u>	<u>15,850</u>	<u>10,970</u>	<u>4,880</u>
Undist. Expend. - Attend & Social Work:					
Salaries	29,686	372	30,058	30,058	-
Total Undistributed Expenditures - Attend & Social Work	<u>29,686</u>	<u>372</u>	<u>30,058</u>	<u>30,058</u>	<u>-</u>
Undist. Expend. - Health Services					
Salaries	149,514	-	149,514	144,648	4,866
Purchased professional and technical services	2,000	-	2,000	679	1,321
Supplies and materials	3,000	-	3,000	2,251	749
Total Undistributed Expenditures - Health Services	<u>154,514</u>	<u>-</u>	<u>154,514</u>	<u>147,578</u>	<u>6,936</u>
Undist. Expend. - Other Support Services - Students - Related Service:					
Salaries of other professional staff	90,532	(7,210)	83,322	83,322	-
Purchased professional - educational services	20,000	107,597	127,597	114,757	12,840
Total Undist. Expend. - Other Support Services - Students - Related Se	<u>110,532</u>	<u>100,387</u>	<u>210,919</u>	<u>198,079</u>	<u>12,840</u>
Undist. Expend. - Other Support Services - Students - Extraordinary Services:					
Salaries	134,647	8,219	142,866	138,594	4,272
Total Undist. Expend. - Other Supp. - Extraordinary Services	<u>134,647</u>	<u>8,219</u>	<u>142,866</u>	<u>138,594</u>	<u>4,272</u>
Undist. Expend. - Guidance:					
Salaries of other professional staff	72,512	-	72,512	68,619	3,893
Supplies and materials	4,000	-	4,000	1,927	2,073
Total Undist. Expend. - Guidance	<u>76,512</u>	<u>-</u>	<u>76,512</u>	<u>70,546</u>	<u>5,966</u>
Undist. Expend. - Child Study Teams:					
Salaries of other professional staff	50,000	(815)	49,185	45,201	3,984
Salaries of secretarial and clerical assistants	14,844	-	14,844	14,247	597
Other purchased professional services	52,500	7,540	60,040	54,082	5,958
Other objects	12,000	2,000	14,000	10,116	3,884
Total Undist. Expend. - Child Study Teams	<u>129,344</u>	<u>8,725</u>	<u>138,069</u>	<u>123,646</u>	<u>14,423</u>
Undist. Expend. - Improvement of Instruction Services:					
Salaries of supervisor of instruction	31,440	6,851	38,291	38,290	1
Salaries of other professional staff	20,000	(20,000)	-	-	-
Salaries of secretarial and clerical assist.	35,382	495	35,877	35,606	271
Supplies and materials	10,000	19,505	29,505	-	-
Total Undist. Expend. - Improvement of Instruction Services	<u>96,822</u>	<u>6,851</u>	<u>103,673</u>	<u>73,896</u>	<u>272</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Educational Media Services/School Library:					
Purchased professional and technical services	5,000	-	-	-	-
Supplies and materials	6,800	-	6,800	3,485	3,315
Total Undist. Expend. - Educational Media Services/School Library	11,800	-	6,800	3,485	3,315
Undist. Expend. - Instruction Staff Training Services:					
Salaries of supervisors of instruction	-	-	-	-	-
Purchased professional - educational services	11,000	(6,620)	4,380	-	4,380
Other purchased services (400-500 series)	19,000	(8,835)	10,165	3,961	6,204
Total Undist. Expend. - Instruction Staff Training Services	30,000	(15,455)	14,545	3,961	10,584
Undist. Expend. - Support Service - General Administration:					
Salaries	58,668	6,874	65,542	65,239	303
Legal services	40,000	40,051	80,051	70,074	9,977
Audit fees	13,000	500	13,500	13,500	-
Other purchased professional services - auditor's fee	5,000	11,860	16,860	16,859	1
Communications/telephone - bus	5,000	(1,890)	3,110	3,023	87
Other purchased services (400-500 series)	14,000	1,558	15,558	15,558	-
Supplies and materials	1,000	-	1,000	408	592
BOE in-house training / meeting supplies	2,500	-	2,500	2,094	406
BOE membership dues and fees	4,000	-	4,000	3,962	38
Miscellaneous expenditures - BOE	5,000	-	5,000	4,078	922
Total Undist. Expend. - Support Service - General Administration	148,168	58,953	207,121	194,795	12,326
Undist. Expend. - Support Service - School Administration:					
Salaries of principals/assistant principals	70,960	(23)	70,937	70,728	209
Salaries of secretarial and clerical assistants	4,297	1,785	6,082	5,640	442
Other purchased services (400-500 series)	350	-	350	-	350
Supplies and materials	3,500	-	3,500	2,764	736
Other objects	1,800	-	1,800	700	1,100
Total Undist. Expend. - Support Service - School Administration	80,907	1,762	82,669	79,832	2,837
Undist. Expend. - Central Services:					
Salaries	131,983	28,104	160,087	156,311	3,776
Purchased professional services	12,000	3,093	15,093	15,068	25
Supplies and materials	750	1,161	1,911	1,911	-
Other objects	650	-	650	403	247
Total Undist. Expend. - Central Services	145,383	32,358	177,741	173,693	4,048
Undist. Expend- Admin Information Technology					
Other purchased services (400-500 series)	3,000	-	3,000	-	3,000
Total Undist. Expend- Admin Info Technology	3,000	-	3,000	-	3,000
Interest Earned on Maintenance Reserve					
Interest Earned	100	(100)	-	-	-
Total Interest Earned on Maintenance Reserve	100	(100)	-	-	-
Undist. Expend. - Allowed Maintenance for School Facilities:					
Salaries	33,894	634	34,528	34,528	-
Cleaning, repair and maintenance services	180,000	178,085	358,085	51,649	306,436
General supplies	12,000	-	12,000	4,625	7,375
Total Undist. Expend. - Allowed Maintenance for School Facilities	225,894	178,719	404,613	90,802	313,811
Undist. Expend. - Other Operation & Maintenance of Plant					
Salaries - custodians	290,910	(58,000)	232,910	232,852	58
Purchased professional and technical services	4,000	98,134	102,134	94,538	7,596
Cleaning, repair & maint. svc.	45,000	5,323	50,323	33,482	16,841
Other purchased property services	6,000	-	6,000	2,719	3,281
Insurance	46,000	10,581	56,581	56,581	-
General supplies	56,000	3,107	59,107	39,658	19,449
Energy (energy and electricity) - gas	70,000	(10,000)	60,000	51,109	8,891
Energy (energy and electricity) - electric	150,000	63,103	213,103	206,918	6,185
Total Undist. Expend. - Other Operation & Maintenance Of Plant	667,910	112,248	780,158	717,857	62,301
Undist. Expend-Oper & Maint of Plan Serv Total	893,804	290,967	1,184,771	808,659	376,112

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Student Transportation Services:					
Salaries for pupil transportation (between home and school) - regula.	\$ 147,574	\$ (48,051)	\$ 99,523	\$ 99,523	\$ -
Salaries for pupil transportation (between home and school) - specia.	49,019	21,360	70,379	70,378	1
Cleaning, repair and maintenance services	60,000	(25,772)	34,228	34,227	1
Contract services (between home & school) - joint agree	10,000	7,000	17,000	16,972	28
Contract services (special ed students) - joint agree	90,000	(37,000)	53,000	52,315	685
Miscellaneous purchased services - transportation	15,500	200	15,700	15,595	105
Supplies and materials	45,000	621	45,621	27,324	18,297
Total Undist. Expend. - Student Transportation Services	417,093	(81,642)	335,451	316,334	19,117
Interest Earned on Current Expense Emergency Reserve					
Interest earned	10	(10)	-	-	-
Total Interest Earned on Current Expense Emergency Reserve	10	(10)	-	-	-
UNALLOCATED EMPLOYEE BENEFITS:					
Social security contributions	90,000	(10,928)	79,072	79,072	-
P.E.R.S. contribution	95,000	(19,000)	76,000	75,679	321
Workmen's compensation	52,500	-	52,500	49,956	2,544
Health benefits	951,462	(80,802)	870,660	870,659	1
Other employee benefits	90,000	(39,538)	50,462	50,461	1
TOTAL UNALLOCATED EMPLOYEE BENEFITS	1,278,962	(150,268)	1,128,694	1,125,827	2,867
ON-BEHALF CONTRIBUTIONS:					
On-behalf TPAF pension contributions (non-budgeted)	-	-	-	337,742	(337,742)
Reimbursed TPAF social security contributions (non-budgeted)	-	-	-	182,003	(182,003)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	519,745	(519,745)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	1,278,962	(150,268)	1,128,694	1,645,572	(516,878)
Undist. Expend. - Food Services					
Transfers to Cover Deficit (Enterprise)	35,000	4,829	39,829	39,828	1
Undist. Expend. - Food Services	35,000	4,829	39,829	39,828	1
TOTAL UNDISTRIBUTED EXPENDITURES	3,901,284	156,798	4,053,082	4,059,526	(35,949)
TOTAL GENERAL CURRENT EXPENSE	6,553,409	(33,674)	6,514,735	6,409,063	76,167
CAPITAL OUTLAY					
Interest Deposit to Capital Reserves					
Interest deposit	350	(350)	-	-	-
Total Interest Deposit on Capital Reserves	350	(350)	-	-	-
Equipment					
Regular Programs - Instruction:					
Grades 1-5	7,500	13,180	20,680	20,680	-
Grades 6-8	7,500	-	-	-	-
Support services - instructional staff	-	32,617	32,617	32,617	-
Undistributed expenditures - Non-instructional services	-	51,201	51,201	51,201	-
Undistributed Expenditures - Admin info tech	20,000	(20,000)	-	-	-
Total Equipment	35,000	76,998	104,498	104,498	-

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Budgetary Comparison Schedule
 General Fund
 For the Fiscal Year Ended June 30, 2015

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Facilities Acquisition and Construction Services					
Current capital outlay transfer - Capital projects	300,000	-	300,000	300,000	-
Other Purchased Prof. & Tech. Serv.	-	-	-	-	-
Other objects	-	-	-	-	-
Capital Reserve - transfer to capital projects	-	-	-	-	-
Current capital	-	-	-	-	-
Lease purchase agreements - principal	-	-	-	-	-
Assessment for debt services on SDA funding	8,860	-	8,860	8,860	-
Total Facilities Acquisition and Construction Services	<u>308,860</u>	<u>-</u>	<u>308,860</u>	<u>308,860</u>	<u>-</u>
TOTAL CAPITAL OUTLAY	<u>344,210</u>	<u>76,648</u>	<u>413,358</u>	<u>413,358</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,897,619</u>	<u>42,974</u>	<u>6,928,093</u>	<u>6,822,421</u>	<u>76,167</u>
Excess (Deficiency) of Revenues					
Over (Under) Expenditures	(324,420)	(42,974)	(354,894)	317,604	490,659
Other Financing Sources and Uses:					
Transfer from capital projects	-	-	-	-	-
Transfer to capital projects	(498,890)	-	(498,890)	(498,890)	-
Total Other Financing Sources:	<u>(498,890)</u>	<u>-</u>	<u>(498,890)</u>	<u>(498,890)</u>	<u>-</u>
Excess (Deficiency) of Revenues and Other Financing Sources					
Over (Under) Expenditures and Other Financing Sources (Uses)	174,470	(42,974)	143,996	(181,286)	325,282
Fund Balance, July 1	2,840,059	-	2,840,059	2,840,059	-
Fund Balance, June 30	<u>\$ 3,014,529</u>	<u>\$ (42,974)</u>	<u>\$ 2,984,055</u>	<u>2,658,773</u>	<u>\$ 325,282</u>
Recapitulation:					
Restricted Fund Balance:					
Maintenance reserve				300,000	
Emergency reserve				50,000	
Capital reserve				938,737	
Excess surplus - current year				-	
Excess surplus -- designated for subsequent year's expenditures				619,181	
Committed Fund Balance:					
Other purposes				-	
Year-end encumbrances				501,316	
Assigned Fund Balance:					
Designated for subsequent year's expenditures				-	
Unrestricted/undesignated fund balance				<u>249,539</u>	
Reconciliation to governmental funds statements (GAAP)					
Fund balance per governmental funds (Budgetary)				\$ 2,658,773	
Last state aid payment not recognized on GAAP basis				(69,297)	
Fund balance per governmental funds (GAAP) - B-1				<u>2,589,476</u>	
Restricted fund balances				1,907,918	
Unrestricted fund balances				681,558	
Fund balance per governmental funds (GAAP) - B-1				<u>\$ 2,589,476</u>	

LONG BEACH ISLAND CONSOLIDATED 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	\$ -	\$ -	\$ -	\$ -	\$ -
State sources	-	-	-	-	-
Federal sources	126,097	14,089	140,186	140,186	-
Total Revenues	<u>126,097</u>	<u>14,089</u>	<u>140,186</u>	<u>140,186</u>	<u>-</u>
EXPENDITURES					
Instruction:					
Salaries of teachers	9,450	-	9,450	9,450	-
Other salaries for instruction	-	-	-	-	-
Purchased professional - educational services	-	-	-	-	-
Tuition	25,500	14,500	40,000	40,000	-
General supplies	19,977	11,676	31,653	31,653	-
Miscellaneous	-	-	-	-	-
Total instruction	<u>54,927</u>	<u>26,176</u>	<u>81,103</u>	<u>81,103</u>	<u>-</u>
Support services:					
Other professional					
staff salaries	17,981	(17,981)	-	-	-
Salaries of program director	-	-	-	-	-
Personal services - employee benefits	2,099	1,260	3,359	3,359	-
Purchased professional - educational services	35,982	(1,040)	34,942	34,942	-
Other purchased professional services	3,000	5,674	8,674	8,674	-
Purchased technical services	-	-	-	-	-
Tuition	-	-	-	-	-
Travel	-	-	-	-	-
Indirect costs	-	-	-	-	-
Other purchased services (400-500 series)	-	-	-	-	-
Miscellaneous expenditures	-	-	-	-	-
Supplies & materials	12,108	-	12,108	12,108	-
Total support services	<u>71,170</u>	<u>(12,087)</u>	<u>59,083</u>	<u>59,083</u>	<u>-</u>
Facilities acquisition and const. serv.:					
Instructional equipment	-	-	-	-	-
Total facilities acquisition and const. serv.	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>126,097</u>	<u>14,089</u>	<u>140,186</u>	<u>140,186</u>	<u>-</u>
Other financing sources (uses)					
Transfer in from general fund	-	-	-	-	-
Contribution to whole school reform	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total outflows	<u>126,097</u>	<u>14,089</u>	<u>140,186</u>	<u>140,186</u>	<u>-</u>
Excess (deficiency) of revenues					
Over (under) expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Reconciliation to governmental funds statements (GAAP)					
Last state aid payment not recognized on GAAP basis				-	
Fund balance per governmental funds (GAAP)				<u>-</u>	

LONG BEACH ISLAND CONSOLIDATED 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]	\$ 7,140,025	[C-2]	\$ 140,186
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		-		(8,460)
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(130,528)		
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year		(69,297)		-
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes		64,789		-
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	\$ 7,004,989	[B-2]	\$ 131,726
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 6,323,531	[C-2]	\$ 140,186
Differences - budget to GAAP:				
TPAF pension payments completely funded by the State of New Jersey are not included on the GAAP statements.		(130,528)		
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.		-		(8,460)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 6,193,003	[B-2]	\$ 131,726

REQUIRED SUPPLEMENTARY INFORMATION - PART III

LONG BEACH ISLAND CONSOLIDATED 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	0.00918005%
District's proportionate share of the net pension liability	\$ 1,788,528
District's covered-employee payroll	556,608
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	31.12%
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.

LONG BEACH ISLAND CONSOLIDATED 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	\$ 75,679
Contributions in relation to the contractually required contribution	<u>75,679</u>
Contribution deficiency (excess)	<u>\$ -</u>
District's covered-employee payroll	\$ 556,608
Contributions as a percentage of covered-employee payroll	13.60%

* 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.

LONG BEACH ISLAND CONSOLIDATED 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*

	2015
District's proportionate share of the net pension liability	0.02607791%
District's proportionate share of the net pension liability	13,937,794
District's covered-employee payroll	2,507,532
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	17.99%
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.

Long Beach Island Consolidated School District

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2015

	IDEA-Part B-Basic Reg. Prog. 14/15	Title I Part A 14/15
	<u> </u>	<u> </u>
Revenues:		
Local sources	\$ -	\$ -
State sources	-	-
Federal sources	71,942	45,983
	<u>71,942</u>	<u>45,983</u>
Total revenues	<u>71,942</u>	<u>45,983</u>
Expenditures:		
Instruction:		
Salaries of teachers	-	9,450
Other salaries/instruction	-	-
Purchased professional services	-	-
General supplies	-	27,500
Tuition	40,000	-
Textbooks	-	-
Miscellaneous expenses	-	-
	<u>40,000</u>	<u>36,950</u>
Total instruction	<u>40,000</u>	<u>36,950</u>
Support services:		
Other support services -		
students - special:		
Other professional		
staff salaries	-	-
Secretarial/clerical		
salaries	-	-
Purchased professional services	31,942	-
Other purchased professional		
services	-	5,674
Purchased technical services	-	-
Employee benefits	-	3,359
Travel	-	-
Tuition	-	-
Miscellaneous purchased services	-	-
General supplies	-	-
Miscellaneous expenses	-	-
	<u>31,942</u>	<u>9,033</u>
Total other support services -		
students - special	<u>31,942</u>	<u>9,033</u>
Total support services	<u>31,942</u>	<u>9,033</u>
Equipment:		
Regular programs instruction	-	-
Non-instructional equipment	-	-
	<u>-</u>	<u>-</u>
Total equipment	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 71,942</u>	<u>\$ 45,983</u>

(Continued on next page)

LONG BEACH ISLAND CONSOLIDATED 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)

	IDEA Preschool 14/15	Title II Part A 14/15	Total 2015
Revenues:			
Local sources	\$ -	\$ -	\$ -
State sources	-	-	-
Federal sources	4,153	18,108	140,186
Total revenues	<u>4,153</u>	<u>18,108</u>	<u>140,186</u>
Expenditures:			
Instruction:			
Salaries of teachers	-	-	9,450
Other salaries/instruction	-	-	-
Purchased professional services	-	-	-
General supplies	4,153	-	31,653
Tuition	-	-	40,000
Textbooks	-	-	-
Miscellaneous expenses	-	-	-
Total instruction	<u>4,153</u>	<u>-</u>	<u>81,103</u>
Support services:			
Other support services -			
students - special:			
Other professional staff salaries	-	-	-
Secretarial/clerical salaries	-	-	-
Purchased professional services	-	3,000	34,942
Other purchased professional services	-	3,000	8,674
Purchased technical services	-	-	-
Employee benefits	-	-	3,359
Travel	-	-	-
Tuition	-	-	-
Miscellaneous purchased services	-	-	-
General supplies	-	12,108	12,108
Miscellaneous expenses	-	-	-
Total other support services - students - special	<u>-</u>	<u>18,108</u>	<u>59,083</u>
Total support services	<u>-</u>	<u>18,108</u>	<u>59,083</u>
Equipment:			
Regular programs instruction	-	-	-
Non-instructional equipment	-	-	-
Total equipment	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>\$ 4,153</u>	<u>\$ 18,108</u>	<u>\$ 140,186</u>

LONG BEACH ISLAND CONSOLIDATED 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	
Ethel Jacobson Roof Replacement	6/17/2014	866,886	17,991	720,679	128,216
Ethel Jacobson Exterior Door	6/17/2014	172,697	4,790	71,317	96,590
Ethel Jacobson Remove and Replace Security System	6/17/2014	119,350	2,999	524	115,827
Ethel Jacobson New Security System	6/17/2014	172,550	4,567	5,141	162,842
Totals		\$ 1,331,483	\$ 30,347	\$ 797,661	\$ 503,475

LONG BEACH ISLAND CONSOLIDATED 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 - EDA Grant	\$ 362,869
Bond proceeds and transfers	-
Capital lease proceeds	-
Transfer from capital reserve	498,890
Transfer from capital outlay	300,000
Total revenues	1,161,759

Expenditures and Other Financing Uses

Purchased professional and technical services	15,848
Land and improvements	-
Construction services	781,813
Transfers out	-
Total expenditures	797,661

Excess (deficiency) of revenues over (under) expenditures	364,098
Fund balance - beginning	(30,353)
Fund balance - ending	\$ 333,745

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Ethel Jacobson Roof Replacement
 For the Fiscal 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 - EDA Grant	\$ -	\$ 306,779	\$ 306,779	\$ 346,754
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	220,132	220,132	220,132
Transfer from capital outlay	-	300,000	300,000	300,000
Total revenues	<u>-</u>	<u>826,911</u>	<u>826,911</u>	<u>866,886</u>
Expenditures and Other Financing Uses				
Purchased prof. and technical services	17,991	8,979	26,970	-
Land and improvements	-	-	-	-
Construction services	-	711,700	711,700	866,886
Equipment purchases	-	-	-	-
Total expenditures	<u>17,991</u>	<u>720,679</u>	<u>738,670</u>	<u>866,886</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ (17,991)</u>	<u>\$ 106,232</u>	<u>\$ 88,241</u>	<u>\$ -</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Ethel Jacobson Exterior Door
 For the Fiscal Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - EDA Grant	\$ -	\$ 56,090	\$ 56,090	\$ 69,079
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	103,618	103,618	103,618
Transfer from capital outlay	-	-	-	-
Total revenues	<u>-</u>	<u>159,708</u>	<u>159,708</u>	<u>172,697</u>
Expenditures and Other Financing Uses				
Purchased prof. and technical services	4,790	1,204	5,994	-
Land and improvements	-	-	-	-
Construction services	-	70,113	70,113	172,697
Equipment purchases	-	-	-	-
Total expenditures	<u>4,790</u>	<u>71,317</u>	<u>76,107</u>	<u>172,697</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ (4,790)</u>	<u>\$ 88,391</u>	<u>\$ 83,601</u>	<u>\$ -</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Ethel Jacobson Remove and Replace Security System
 For the Fiscal Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ 47,740
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	71,610	71,610	71,610
Transfer from capital outlay	-	-	-	-
Total revenues	<u>-</u>	<u>71,610</u>	<u>71,610</u>	<u>119,350</u>
Expenditures and Other Financing Uses				
Purchased prof. and technical services	2,999	524	3,523	-
Land and improvements	-	-	-	-
Construction services	-	-	-	119,350
Equipment purchases	-	-	-	-
Total expenditures	<u>2,999</u>	<u>524</u>	<u>3,523</u>	<u>119,350</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ (2,999)</u>	<u>\$ 71,086</u>	<u>\$ 68,087</u>	<u>\$ -</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Capital Projects Fund
 Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
 Ethel Jacobson New Security System
 For the Fiscal Year Ended June 30, 2015

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State Sources - SCC Grant	\$ -	\$ -	\$ -	\$ 69,020
Bond proceeds and transfers	-	-	-	-
Contribution from private sources	-	-	-	-
Transfer from capital reserve	-	103,530	103,530	103,530
Transfer from capital outlay	-	-	-	-
Total revenues	<u>-</u>	<u>103,530</u>	<u>103,530</u>	<u>172,550</u>
Expenditures and Other Financing Uses				
Purchased prof. and technical services	4,567	5,141	9,708	-
Land and improvements	-	-	-	-
Construction services	-	-	-	172,550
Equipment purchases	-	-	-	-
Total expenditures	<u>4,567</u>	<u>5,141</u>	<u>9,708</u>	<u>172,550</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ (4,567)</u>	<u>\$ 98,389</u>	<u>\$ 93,822</u>	<u>\$ -</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Food Services Enterprise Fund
Statement of Net Position
June 30, 2015

	<u>2015</u>
Assets:	
Current assets:	
Cash and cash equivalents	\$ 1,083
Accounts receivable:	
State	-
Federal	-
Interfunds	-
Inventories	-
	1,083
Total current assets	1,083
Fixed assets:	
Equipment	10,816
Accumulated depreciation	(10,816)
	-
Total fixed assets	-
Total assets	\$ 1,083
Liabilities and Fund Equity:	
Liabilities:	
Accounts payable	\$ 255
Interfund payable	-
	255
Total liabilities	255
Net Position:	
Invested in capital assets, net of related debt	-
Restricted for other purposes	-
Unrestricted net position	828
	828
Total fund equity	828
Total liabilities and fund equity	\$ 1,083

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Food Services Enterprise Fund
Statement of Cash Flows
for the Fiscal Year ended June 30, 2015

CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ -
Payments to employees	-
Payments for employee benefits	-
Payments to suppliers	(39,892)
Net cash used in operating activities	<u>(39,892)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State sources	-
Federal sources	-
Operating subsidies and transfers from other funds	39,828
Net cash provided by non-capital financing activities	<u>39,828</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on investments	3
Advances from general fund	-
Net cash provided by investing activities	<u>3</u>
Net increase (decrease) in cash and cash equivalent	(61)
Balances—beginning of year	<u>1,144</u>
Balances—end of year	<u>\$ 1,083</u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating loss	\$ (40,147)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation	-
Federal commodities	-
Federal commodities	-
Increase in interfund receivable, net	-
Decrease in accounts receivable, net	-
Decrease in inventories	-
(Increase) decrease in other current assets	-
Decrease in interfund payable	-
Decrease in accounts payable	255
Total adjustments	<u>255</u>
Net cash used in operating activities	<u>\$ (39,892)</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Statement of Agency Fund Assets and Liabilities
 Fiduciary Funds
 June 30, 2015

	Unemployment Compensation Trust	Agency Fund
ASSETS		
Cash and cash equivalents	\$ 5,383	\$ 34,822
Investments	-	-
Intergovernmental accounts receivable	-	-
Interfund receivable	-	-
Total assets	\$ 5,383	\$ 34,822
LIABILITIES		
Accounts payable	\$ -	\$ -
Claims payable	-	-
Payroll deductions and withholdings	-	34,822
Payable to student groups	-	-
Interfund payable	-	-
Other current liabilities	-	-
Total liabilities	-	34,822
NET POSITION		
Held in trust for unemployment claims and other purposes	5,383	-
Total net position	5,383	-
Total liabilities and net position	\$ 5,383	\$ 34,822

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2015

	Unemployment Compensation Trust
ADDITIONS	
Contributions:	
Plan member	\$ 12,807
Other	-
Total Contributions	12,807
Investment earnings:	
Net increase in fair value of investments	-
Interest	2
Dividends	-
Less investment expense	-
Net investment earnings	2
Total additions	12,809
DEDUCTIONS	
Quarterly contribution reports	-
Unemployment claims	7,445
Scholarships awarded	-
Refunds of contributions	-
Administrative expenses	-
NJ Catastrophic Illness	-
Total deductions	7,445
Change in net position	5,364
Net position—beginning of the year	19
Net position—end of the year	\$ 5,383

LONG BEACH ISLAND CONSOLIDATED 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>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2015</u>
Net Salary and wages	\$ 6,727	2,139,288	2,139,260	\$ 6,755
Payroll deductions and withholdings	49,612	3,997,495	4,019,040	28,067
Totals	<u>\$ 56,339</u>	<u>6,136,783</u>	<u>6,158,300</u>	<u>\$ 34,822</u>

STATISTICAL SECTION

<u>Contents</u>	<u>Pages</u>
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.	83-88
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	89-108
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.	109-116
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.	117-118
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.	119-123

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Net Assets/Position by Component
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Governmental activities										
Invested in capital assets, net of related debt	\$ 2,615,332	\$ 2,550,291	\$ 2,467,803	\$ 2,369,049	\$ 2,170,028	\$ 2,289,822	\$ 2,076,930	\$ 1,807,238	\$ 1,550,473	\$ 2,078,286
Restricted	1,391,859	1,426,775	956,433	1,316,419	1,279,162	1,052,916	1,487,879	2,053,326	1,929,694	2,742,979
Unrestricted	(35,370)	32,203	315,914	(60,306)	483,007	92,772	52,773	(19,130)	114,699	(1,939,265)
Total governmental activities net assets/position	<u>\$ 3,971,821</u>	<u>\$ 4,009,269</u>	<u>\$ 3,740,150</u>	<u>\$ 3,625,162</u>	<u>\$ 3,932,197</u>	<u>\$ 3,435,510</u>	<u>\$ 3,617,582</u>	<u>\$ 3,841,434</u>	<u>\$ 3,594,866</u>	<u>\$ 2,882,000</u>
Business-type activities										
Invested in capital assets, net of related debt	\$ 525	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	4,775	6,653	16,871	18,928	53,600	29,081	20,314	4,858	1,144	828
Total business-type activities net assets/position	<u>\$ 5,300</u>	<u>\$ 6,653</u>	<u>\$ 16,871</u>	<u>\$ 18,928</u>	<u>\$ 53,600</u>	<u>\$ 29,081</u>	<u>\$ 20,314</u>	<u>\$ 4,858</u>	<u>\$ 1,144</u>	<u>\$ 828</u>
District-wide										
Invested in capital assets, net of related debt	\$ 2,615,857	\$ 2,550,291	\$ 2,467,803	\$ 2,369,049	\$ 2,170,028	\$ 2,289,822	\$ 2,076,930	\$ 1,807,238	\$ 1,550,473	\$ 2,078,286
Restricted	1,391,859	1,426,775	956,433	1,316,419	1,279,162	1,052,916	1,487,879	2,053,326	1,929,694	2,742,979
Unrestricted	(30,595)	38,856	332,785	(41,378)	536,607	121,853	73,087	(14,272)	115,843	(1,938,437)
Total district-wide net assets/position	<u>\$ 3,977,121</u>	<u>\$ 4,015,922</u>	<u>\$ 3,757,021</u>	<u>\$ 3,644,090</u>	<u>\$ 3,985,797</u>	<u>\$ 3,464,591</u>	<u>\$ 3,637,896</u>	<u>\$ 3,846,292</u>	<u>\$ 3,596,010</u>	<u>\$ 2,882,828</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
Instruction:										
Regular	\$ 1,998,375	\$ 1,995,303	\$ 2,083,045	\$ 2,200,928	\$ 2,139,593	\$ 2,080,187	\$ 1,987,966	\$ 2,145,361	\$ 2,226,534	\$ 2,207,260
Special education	315,760	280,317	334,240	138,342	212,344	211,936	204,556	141,166	96,709	128,832
Other special education	78,345	87,466	111,584	124,018	119,173	119,173	123,611	108,371	83,175	89,259
Support Services:										
Tuition	169,406	91,904	64,185	106,111	43,160	43,160	72,164	103,928	52,979	10,970
Student & instruction related services	229,425	242,043	203,493	231,961	140,366	139,554	152,764	148,179	106,051	155,024
School Administrative services	104,511	113,017	104,617	115,850	91,509	91,508	103,610	108,662	81,661	79,832
General administration	165,442	145,225	165,741	151,480	134,429	139,070	179,597	150,167	204,159	194,795
Central Services	115,158	121,855	107,923	116,052	96,771	97,055	77,181	76,643	118,953	173,693
Plant operations and maintenance	1,150,274	807,482	1,191,297	1,097,514	921,784	1,036,585	925,042	1,194,230	1,102,151	1,191,865
Administrative information technology	-	-	-	-	-	-	-	-	-	-
Pupil transportation	291,846	348,101	277,851	271,816	243,843	282,393	285,832	370,660	328,325	316,334
Other support services	386,795	391,673	424,039	464,323	452,778	460,924	622,310	568,485	665,861	690,731
Unallocated employee benefits	1,011,889	1,130,992	1,114,666	1,136,914	1,179,249	1,133,201	1,127,354	1,282,104	1,136,436	1,118,983
Non-budgeted expenditures	459,852	468,657	-	-	-	366,337	526,126	518,000	464,724	519,745
Total governmental activities expenses	<u>6,477,078</u>	<u>6,224,035</u>	<u>6,182,681</u>	<u>6,155,309</u>	<u>5,774,999</u>	<u>6,201,083</u>	<u>6,388,113</u>	<u>6,915,956</u>	<u>6,667,718</u>	<u>6,877,323</u>
Business-type activities:										
Food service	187,391	198,493	197,893	202,210	210,791	24,853	8,767	33,166	31,717	40,147
Total business-type activities expense	<u>187,391</u>	<u>198,493</u>	<u>197,893</u>	<u>202,210</u>	<u>210,791</u>	<u>24,853</u>	<u>8,767</u>	<u>33,166</u>	<u>31,717</u>	<u>40,147</u>
Total district expenses	<u>\$ 6,664,469</u>	<u>\$ 6,422,528</u>	<u>\$ 6,380,574</u>	<u>\$ 6,357,519</u>	<u>\$ 5,985,790</u>	<u>\$ 6,225,936</u>	<u>\$ 6,396,880</u>	<u>\$ 6,949,122</u>	<u>\$ 6,699,435</u>	<u>\$ 6,917,470</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating grants and contributions	459,852	468,657	633,565	389,435	-	366,337	526,126	518,000	480,840	519,745
Total governmental activities program rev.	<u>459,852</u>	<u>468,657</u>	<u>633,565</u>	<u>389,435</u>	<u>-</u>	<u>366,337</u>	<u>526,126</u>	<u>518,000</u>	<u>480,840</u>	<u>519,745</u>
Business-type activities:										
Charges for services:										
Food service	47,155	44,452	45,140	49,663	52,432	-	-	-	-	-
Operating grants and contributions	139,863	155,394	162,971	154,604	193,031	-	-	17,686	27,996	39,828
Total business-type activities program rev.	<u>187,018</u>	<u>199,846</u>	<u>208,111</u>	<u>204,267</u>	<u>245,463</u>	<u>-</u>	<u>-</u>	<u>17,686</u>	<u>27,996</u>	<u>39,828</u>
Total district program revenues	<u>\$ 646,870</u>	<u>\$ 668,503</u>	<u>\$ 841,676</u>	<u>\$ 593,702</u>	<u>\$ 245,463</u>	<u>\$ 366,337</u>	<u>\$ 526,126</u>	<u>\$ 535,686</u>	<u>\$ 508,836</u>	<u>\$ 559,573</u>
Net (Expense)/Revenue										
Governmental activities	\$ (6,017,226)	\$ (5,755,378)	\$ (5,549,116)	\$ (5,765,874)	\$ (5,774,999)	\$ 5,834,746	\$ (5,861,987)	\$ (6,397,956)	\$ (6,186,878)	\$ (6,357,578)
Business-type activities	(373)	1,353	10,218	2,057	34,672	24,853	(8,767)	(15,480)	(3,721)	(319)
Total district-wide net expense	<u>\$ (6,017,599)</u>	<u>\$ (5,754,025)</u>	<u>\$ (5,538,898)</u>	<u>\$ (5,763,817)</u>	<u>\$ (5,740,327)</u>	<u>\$ 5,859,599</u>	<u>\$ (5,870,754)</u>	<u>\$ (6,413,436)</u>	<u>\$ (6,190,599)</u>	<u>\$ (6,357,897)</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Changes in Net Assets/Position
Last Ten Fiscal Years
UNAUDITED
(accrual basis of accounting)

	2006	2007	2008	2009	Fiscal Year Ending June 30,		2012	2013	2014	2015
					2010	2011				
General Revenues and Other Changes in Net Assets/Position										
Governmental activities:										
Property taxes levied for general purp., net	\$ 5,286,708	\$ 5,172,983	\$ 5,324,012	\$ 5,483,732	\$ 5,250,925	\$ 5,250,925	\$ 5,422,226	\$ 5,530,670	\$ 5,641,280	\$ 5,754,105
Taxes levied for debt service	-	-	-	-	-	-	-	-	-	-
Unrestricted grants and contributions	494,169	476,011	499,189	488,696	185,850	413,523	441,032	586,919	758,399	1,200,876
Payments in lieu of taxes	152,980	140,294	134,098	120,644	194,373	137,600	105,241	448,324	-	-
Tuition received	4,315	-	1,000	18,399	42,950	42,950	21,606	35,537	50,436	81,892
Investment earnings	87,312	118,683	80,939	40,272	-	11,397	1,288	4,381	3,351	3,222
Miscellaneous income	16,884	16,106	11,772	8,619	26,048	33,842	52,666	33,687	48,479	70,272
Transfers	(112,924)	(131,251)	(137,448)	(120,041)	381,888	-	-	(17,686)	(27,996)	(39,828)
Total governmental activities	5,929,444	5,792,826	5,913,562	6,040,321	6,082,034	5,890,237	6,044,059	6,621,832	6,473,949	7,070,539
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	-	7	3
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	-	-	-	-	-	-	-	-	7	3
Total district-wide	\$ 5,929,444	\$ 5,792,826	\$ 5,913,562	\$ 6,040,321	\$ 6,082,034	\$ 5,890,237	\$ 6,044,059	\$ 6,621,832	\$ 6,473,956	\$ 7,070,542
Change in Net Assets/Position										
Governmental activities	\$ (87,782)	\$ 37,448	\$ 5,913,562	\$ 274,447	\$ 307,035	\$ 55,491	\$ 182,072	\$ 223,876	\$ 287,071	\$ 712,961
Business-type activities	(373)	1,353	10,218	2,057	34,672	(24,853)	(8,767)	(15,480)	(3,714)	(316)
Total district	\$ (88,155)	\$ 38,801	\$ 5,923,780	\$ 276,504	\$ 341,707	\$ 30,638	\$ 173,305	\$ 208,396	\$ 283,357	\$ 712,645

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 1,392,581	\$ 1,427,497	\$ 1,257,155	\$ 1,266,419	\$ 906,057	\$ 878,007	\$ 1,422,269	\$ 2,053,326	\$ 2,579,228	\$ 1,907,918
Unreserved	99,105	230,972	229,683	225,423	172,693	244,056	187,445	194,708	196,042	180,242
Total general fund	<u>\$ 1,491,686</u>	<u>\$ 1,658,469</u>	<u>\$ 1,486,838</u>	<u>\$ 1,491,842</u>	<u>\$ 1,078,750</u>	<u>\$ 1,122,063</u>	<u>\$ 1,609,714</u>	<u>\$ 2,248,034</u>	<u>\$ 2,775,270</u>	<u>\$ 2,088,160</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	(722)	(722)	(722)	(722)	-	-	-	-	-	-
Capital projects fund	-	-	-	-	373,105	174,909	-	-	(30,353)	333,745
Debt service fund	-	-	-	-	-	-	-	-	-	-
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ (722)</u>	<u>\$ (722)</u>	<u>\$ (722)</u>	<u>\$ (722)</u>	<u>\$ 373,105</u>	<u>\$ 174,909</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (30,353)</u>	<u>\$ 333,745</u>

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues										
Tax levy	5,286,708	5,172,983	5,324,012	5,483,732	5,250,925	5,250,925	5,422,226	5,530,670	5,641,280	5,754,105
Tuition charges	4,315	-	1,000	18,399	42,950	42,950	21,606	35,537	50,436	81,892
Interest earnings	87,311	118,683	80,939	40,272	-	11,063	1,288	4,357	3,351	3,222
Miscellaneous	16,883	16,106	11,772	12,405	34,879	33,842	52,666	33,687	48,479	70,272
State sources	972,454	959,426	1,147,187	878,853	188,976	786,734	950,403	1,104,953	1,125,965	1,588,895
Federal sources	134,547	125,536	119,665	119,922	191,247	130,726	121,996	145,515	97,158	131,726
Total revenue	6,502,218	6,392,734	6,684,575	6,553,583	5,708,977	6,256,240	6,570,185	6,854,719	6,966,669	7,630,112
Expenditures										
Instruction										
Regular instruction	1,998,375	1,995,303	2,083,045	2,200,928	2,139,593	2,080,187	1,987,966	2,145,361	2,226,534	2,207,260
Special education instruction	315,760	280,317	334,240	138,342	212,344	211,936	204,556	141,166	96,709	128,832
Other special instruction	78,345	87,466	111,584	124,018	119,173	119,173	123,611	108,371	83,175	89,259
Support Services:										
Student & inst. related services	398,831	333,947	267,678	338,072	183,526	182,714	224,928	252,107	159,030	165,994
General administration	165,442	145,225	165,741	151,480	134,429	139,070	179,597	150,167	204,159	194,795
School administrative services	104,511	113,017	104,617	115,850	91,509	91,508	103,610	108,662	81,661	79,832
Central services	115,158	121,855	107,923	116,052	96,771	97,055	77,181	76,643	118,953	173,693
Admin. information technology	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	825,471	671,662	907,982	743,859	722,811	725,600	636,304	583,622	790,057	808,659
Pupil transportation	291,846	348,101	277,851	271,816	243,843	282,393	290,570	370,660	328,325	316,334
Other Support Services	828,279	848,430	1,057,058	853,758	452,778	827,261	1,148,436	1,086,485	1,130,585	1,210,476
Employee benefits	1,004,906	1,066,698	1,099,666	1,064,954	1,223,448	1,223,447	1,143,966	1,202,938	1,183,389	1,125,827
Capital outlay	42,389	82,679	201,373	258,687	8,783	430,779	75,846	38,141	39,213	911,019
Total expenditures	6,169,313	6,094,700	6,718,758	6,377,816	5,629,008	6,411,123	6,196,571	6,264,323	6,441,790	7,411,980
Excess (Deficiency) of revenues over (under) expenditures	332,905	298,034	(34,183)	175,767	79,969	(154,883)	373,614	590,396	524,879	218,132
Other Financing sources (uses)										
Proceeds from borrowing	-	-	-	-	-	-	-	-	-	-
Capital leases (non-budgeted)	-	-	-	-	-	-	-	-	-	-
Proceeds from refunding	-	-	-	-	-	-	-	-	-	-
Payments to escrow agent	-	-	-	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-	-	-	-	-
Transfers out	(112,924)	(131,251)	(137,448)	(120,041)	-	-	-	(17,686)	(27,996)	(39,828)
Total other financing sources (uses)	(112,924)	(131,251)	(137,448)	(120,041)	-	-	-	(17,686)	(27,996)	(39,828)
Net change in fund balances	219,981	166,783	(171,631)	55,726	79,969	(154,883)	373,614	572,710	496,883	178,304
Debt service as a percentage of noncapital expenditures	-	-	-	-	-	-	-	-	-	-

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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
UNAUDITED
(modified accrual basis of accounting)

Fiscal Year Ending June 30,	<u>Sale of Capital Assets</u>	<u>Insurance Proceeds</u>	<u>Rentals</u>	<u>Prior Year Refunds</u>	<u>Sale and Leaseback of Textbooks</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
2006	-	-	-	2,228	-	2,773	5,001
2007	-	-	-	12,696	-	15,402	28,098
2008	131	-	5,354	1,856	-	1,636	8,977
2009	-	-	-	-	-	11,941	11,941
2010	-	-	-	201	-	7,693	7,894
2011	-	-	-	1,803	-	30,780	32,583
2012	-	22,606	-	-	-	25,873	48,479
2013	-	-	-	-	-	-	-
2014	-	-	-	-	-	-	-
2015	-	-	-	-	-	70,272	70,272

Source: District records

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 UNAUDITED

Borough of Barnegat Light

Fiscal Year Ended June 30,	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	45,548,100	956,864,600	n/a	n/a	43,182,900	n/a	3,939,000	1,049,534,600	137,401,400	345,068	911,788,132	1,031,438,497	0.041
2007	40,850,500	976,830,300	n/a	n/a	43,455,900	n/a	1,156,800	1,062,293,500	137,831,400	334,753	924,127,347	1,129,944,717	0.040
2008	34,576,200	991,695,500	n/a	n/a	44,492,500	n/a	1,156,800	1,071,921,000	134,992,300	-	936,928,700	-	0.043
2009	33,914,600	999,574,100	n/a	n/a	44,462,400	n/a	1,156,800	1,079,107,900	135,023,400	-	944,084,500	-	0.041
2010	34,515,700	920,968,900	n/a	n/a	39,078,400	n/a	1,156,800	995,719,800	130,734,400	-	864,985,400	-	0.041
2011	32,457,400	923,358,200	n/a	n/a	40,433,400	n/a	1,156,800	997,405,800	130,734,400	-	866,671,400	-	0.042
2012	34,865,800	923,008,400	n/a	n/a	39,489,200	n/a	1,156,800	998,520,200	129,954,000	-	868,566,200	-	0.043
2013	31,333,800	926,020,800	n/a	n/a	37,501,200	n/a	1,156,800	996,012,600	129,954,000	-	866,058,600	-	0.043
2014	37,240,700	919,616,400	n/a	n/a	37,246,200	n/a	1,156,800	995,260,100	129,954,000	-	865,306,100	-	0.044
2015	33,984,200	925,752,300	n/a	n/a	37,315,700	n/a	1,156,800	998,209,000	129,964,000	-	868,245,000	-	0.380

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 UNAUDITED

Borough of Harvey Cedars

Fiscal Year Ended June 30,	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	34,426,500	1,306,845,100	n/a	n/a	14,837,400	n/a	n/a	1,356,109,000	46,210,000	340,445	1,309,558,555	1,242,433,238	0.038
2007	31,069,300	1,316,938,800	n/a	n/a	14,316,900	n/a	n/a	1,362,325,000	46,156,800	339,038	1,315,829,162	1,362,664,038	0.037
2008	26,646,700	1,326,570,400	n/a	n/a	14,316,900	n/a	n/a	1,367,534,000	45,459,800	-	1,322,074,200	-	0.039
2009	31,720,100	1,326,448,600	n/a	n/a	14,316,900	n/a	n/a	1,372,485,600	45,456,800	-	1,327,028,800	-	0.038
2010	21,113,700	1,194,429,000	n/a	n/a	14,646,100	n/a	n/a	1,230,188,800	42,567,700	-	1,187,621,100	-	0.043
2011	16,734,300	1,205,071,100	n/a	n/a	14,068,400	n/a	n/a	1,235,873,800	42,537,700	-	1,193,336,100	-	0.042
2012	16,826,600	1,202,153,700	n/a	n/a	14,184,500	n/a	n/a	1,233,164,800	43,819,900	-	1,189,344,900	-	0.041
2013	14,521,800	1,206,769,000	n/a	n/a	14,340,500	n/a	n/a	1,235,631,300	43,819,900	-	1,191,811,400	-	0.043
2014	20,466,200	1,199,702,200	n/a	n/a	14,340,500	n/a	n/a	1,234,508,900	43,819,900	-	1,190,689,000	-	0.044
2015	18,457,500	1,202,792,400	n/a	n/a	14,062,600	n/a	n/a	1,235,312,500	43,819,400	-	1,191,493,100	-	0.380

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 UNAUDITED

Long Beach Township

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Req.	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	317,454,700	6,658,170,700	n/a	n/a	155,526,800	n/a	8,736,200	7,139,888,400	93,353,100	2,191,996	7,044,343,304	7,534,365,131	0.043
2007	246,077,300	6,868,844,500	n/a	n/a	157,261,400	n/a	7,718,900	7,279,902,100	93,353,100	1,960,320	7,184,588,680	7,281,862,420	0.044
2008	206,968,200	7,015,508,900	n/a	n/a	158,503,300	n/a	7,718,900	7,388,699,300	94,644,700	-	7,294,054,600	-	0.045
2009	175,406,200	7,112,752,800	n/a	n/a	162,314,800	n/a	5,015,200	7,455,489,000	94,311,000	-	7,361,178,000	-	0.044
2010	165,934,200	7,178,093,700	n/a	n/a	158,656,500	n/a	5,015,200	7,507,699,600	93,788,800	-	7,413,910,800	-	0.042
2011	187,947,900	7,183,352,800	n/a	n/a	156,909,400	n/a	5,015,200	7,533,225,300	93,793,400	-	7,439,431,900	-	0.044
2012	176,536,165	7,228,634,700	n/a	n/a	155,483,300	n/a	5,015,200	7,565,669,365	92,331,300	-	7,473,338,065	-	0.044
2013	169,665,200	7,250,730,685	n/a	n/a	151,950,700	n/a	5,015,200	7,577,361,785	94,179,600	-	7,483,182,185	-	0.045
2014	275,901,100	7,186,784,875	n/a	n/a	145,320,900	n/a	5,015,200	7,613,022,075	92,443,600	-	7,520,578,475	-	0.046
2015	256,079,600	7,294,718,515	n/a	n/a	141,317,600	n/a	5,015,200	7,697,130,915	93,032,300	-	7,604,098,615	-	0.041

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 UNAUDITED

Borough of Ship Bottom

Fiscal Year Ended June 30,	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	31,814,800	890,446,600	n/a	n/a	118,118,700	n/a	5,902,900	1,046,283,000	50,349,900	297,614	995,635,486	1,150,144,587	0.045
2007	26,689,500	918,975,200	n/a	n/a	118,167,100	n/a	4,259,700	1,068,091,500	50,292,700	267,999	1,017,530,801	1,068,359,499	0.046
2008	23,365,200	943,318,000	n/a	n/a	120,311,700	n/a	2,659,900	1,089,654,800	49,822,100	-	1,039,832,700	-	0.047
2009	22,560,300	951,354,650	n/a	n/a	122,914,300	n/a	2,659,900	1,099,489,150	50,053,500	-	1,049,435,650	-	0.048
2010	24,532,400	958,281,800	n/a	n/a	122,299,000	n/a	2,659,900	1,107,773,100	50,657,100	-	1,057,116,000	-	0.045
2011	22,186,600	964,525,300	n/a	n/a	121,715,700	n/a	2,659,900	1,111,087,500	51,210,800	-	1,059,876,700	-	0.046
2012	21,665,100	970,377,500	n/a	n/a	121,454,600	n/a	2,659,900	1,116,157,100	52,444,000	-	1,063,713,100	-	0.046
2013	23,954,400	961,839,400	n/a	n/a	115,859,500	n/a	2,639,900	1,104,293,200	52,097,800	-	1,052,195,400	-	0.047
2014	35,066,700	950,796,400	n/a	n/a	115,001,600	n/a	2,639,900	1,103,504,600	51,821,300	-	1,051,683,300	-	0.048
2015	41,059,900	961,920,500	n/a	n/a	114,520,700	n/a	2,659,900	1,120,161,000	52,352,100	-	1,067,808,900	-	0.041

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Assessed Value and Actual Value of Taxable Property,
 Last Ten Fiscal Years
 UNAUDITED

Borough of Surf City

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Less : Tax Exempt Property	Public Utilities *	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate b
2006	19,589,100	1,368,323,700	n/a	n/a	82,682,000	n/a	n/a	1,470,594,800	-	-	1,470,594,800	1,533,093,520	0.043
2007	20,634,500	1,388,038,500	n/a	n/a	81,718,900	n/a	n/a	1,490,391,900	46,036,000	-	1,444,355,900	1,491,669,073	0.043
2008	13,625,900	1,410,648,800	n/a	n/a	81,890,100	n/a	n/a	1,506,164,800	46,036,000	-	1,460,128,800	-	0.045
2009	14,539,300	1,424,538,400	n/a	n/a	80,649,900	n/a	n/a	1,519,727,600	48,496,400	-	1,471,231,200	-	0.045
2010	18,820,400	1,426,680,200	n/a	n/a	80,440,400	n/a	n/a	1,525,941,000	48,520,100	-	1,477,420,900	-	0.043
2011	16,776,800	1,437,439,400	n/a	n/a	80,408,800	n/a	n/a	1,534,625,000	49,746,000	-	1,484,879,000	-	0.044
2012	16,987,400	1,443,657,500	n/a	n/a	80,412,000	n/a	n/a	1,541,056,900	49,746,000	-	1,491,310,900	-	0.043
2013	15,529,600	1,451,038,000	n/a	n/a	79,932,600	n/a	n/a	1,546,500,200	49,746,000	-	1,496,754,200	-	0.044
2014	26,178,900	1,441,394,000	n/a	n/a	79,948,100	n/a	n/a	1,547,521,000	49,753,200	-	1,497,767,800	-	0.046
2015	27,429,100	1,448,886,900	n/a	n/a	80,490,500	n/a	n/a	1,557,657,082	50,197,700	-	1,507,459,382	-	0.040

Source: Ocean County Abstract of Ratables

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED
(rate per \$100 of assessed value)

Borough of Barnegat Light

Fiscal Year Ended June 30,	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	Ocean County	
2006	0.041	-	0.041	0.123	0.320	0.706
2007	0.040	-	0.040	0.134	0.318	0.725
2008	0.043	-	0.043	0.135	0.343	0.745
2009	0.041	-	0.041	0.155	0.325	0.748
2010	0.041	-	0.041	0.165	0.355	0.779
2011	0.042	-	0.042	0.165	0.360	0.768
2012	0.043	-	0.043	0.175	0.385	0.821
2013	0.043	-	0.043	0.195	0.394	0.824
2014	0.044	-	0.044	0.000	0.000	0.904
2015	0.038	-	0.038	0.212	0.357	0.082

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED

(rate per \$100 of assessed value)

Borough of Harvey Cedars

Fiscal Year Ended June 30,	School District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	Debt Service ^b	(From J-6) Total Direct School Tax Rate	Municipal	Ocean County	
2006	0.038	-	0.038	0.178	0.298	0.717
2007	0.037	-	0.037	0.186	0.295	0.696
2008	0.039	-	0.039	0.193	0.305	0.710
2009	0.038	-	0.038	0.203	0.303	0.714
2010	0.043	-	0.043	0.220	0.371	0.856
2011	0.042	-	0.042	0.223	0.358	0.823
2012	0.041	-	0.041	0.224	0.369	0.809
2013	0.043	-	0.043	0.243	0.389	0.932
2014	0.044	-	0.044	0.000	0.000	0.946
2015	0.038	-	0.038	0.251	0.357	0.976

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED
(rate per \$100 of assessed value)

Long Beach Township

Fiscal Year Ended June 30,	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	Ocean County	
2006	0.043	-	0.043	0.200	0.343	0.798
2007	0.044	-	0.044	0.203	0.359	0.819
2008	0.045	-	0.045	0.201	0.350	0.809
2009	0.044	-	0.044	0.212	0.348	0.811
2010	0.042	-	0.042	0.220	0.362	0.838
2011	0.044	-	0.044	0.224	0.378	0.864
2012	0.044	-	0.044	0.221	0.393	0.892
2013	0.045	-	0.045	0.224	0.414	0.924
2014	0.046	-	0.046	0.000	0.000	0.961
2015	0.041	-	0.041	0.232	0.382	0.907

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED
(rate per \$100 of assessed value)

Borough of Ship Bottom

Fiscal Year Ended June 30,	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	Ocean County	
2006	0.045	-	0.045	0.200	0.343	0.800
2007	0.046	-	0.046	0.279	0.368	0.935
2008	0.047	-	0.047	0.294	0.368	0.942
2009	0.048	-	0.048	0.305	0.379	0.971
2010	0.045	-	0.045	0.320	0.388	0.964
2011	0.046	-	0.046	0.337	0.391	0.991
2012	0.046	-	0.046	0.342	0.410	1.021
2013	0.047	-	0.047	0.363	0.429	1.045
2014	0.048	-	0.048	0.000	0.000	1.079
2015	0.041	-	0.041	0.393	0.385	0.987

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
UNAUDITED
(rate per \$100 of assessed value)

Borough of Surf City

Fiscal Year Ended June 30,	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	Ocean County	
2006	0.043	-	0.043	0.201	0.339	0.812
2007	0.043	-	0.043	0.221	0.352	0.871
2008	0.045	-	0.045	0.231	0.355	0.876
2009	0.045	-	0.045	0.228	0.353	0.855
2010	0.043	-	0.043	0.228	0.370	0.909
2011	0.044	-	0.044	0.228	0.373	0.923
2012	0.043	-	0.043	0.230	0.382	0.886
2013	0.044	-	0.044	0.244	0.406	0.929
2014	0.046	-	0.046	0.000	0.000	0.957
2015	0.040	-	0.040	0.260	0.374	0.905

Source: Municipal Tax Collector

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Property Taxpayers,
 Current Year and Ten Years Ago
 UNAUDITED

Borough of Barnegat Light

	2015			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -			\$ -		

Source: Municipal Tax Assessor

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Property Taxpayers,
 Current Year and Ten Years Ago
 UNAUDITED

Borough of Harvey Cedars

	2015			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ 5,451,200		0.40%	\$ -		0.00%
Taxpayer 2	3,613,400		0.26%	-		0.00%
Taxpayer 3	3,150,100		0.23%	-		0.00%
Taxpayer 4	2,722,700		0.20%	-		0.00%
Taxpayer 5	2,469,700		0.18%	-		0.00%
Taxpayer 6	2,419,100		0.18%	-		0.00%
Taxpayer 7	2,417,500		0.18%	-		0.00%
Taxpayer 8	2,405,900		0.18%	-		0.00%
Taxpayer 9	2,402,600		0.18%	-		0.00%
Taxpayer 10	2,392,600		0.17%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ 29,444,800		2.16%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Property Taxpayers,
 Current Year and Ten Years Ago
 UNAUDITED

Long Beach Township

	2015			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Property Taxpayers,
 Current Year and Ten Years Ago
 UNAUDITED

Borough of Ship Bottom

	2015			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Property Taxpayers,
 Current Year and Ten Years Ago
 UNAUDITED

Borough of Surf City

	2015			2005		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Taxpayer 1	\$ -		0.00%	\$ -		0.00%
Taxpayer 2	-		0.00%	-		0.00%
Taxpayer 3	-		0.00%	-		0.00%
Taxpayer 4	-		0.00%	-		0.00%
Taxpayer 5	-		0.00%	-		0.00%
Taxpayer 6	-		0.00%	-		0.00%
Taxpayer 7	-		0.00%	-		0.00%
Taxpayer 8	-		0.00%	-		0.00%
Taxpayer 9	-		0.00%	-		0.00%
Taxpayer 10	-		0.00%	-		0.00%
Taxpayer 11	-		0.00%	-		0.00%
Taxpayer 12	-		0.00%	-		0.00%
Taxpayer 13	-		0.00%	-		0.00%
Total	\$ -		0.00%	\$ -		0.00%

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
UNAUDITED

Borough of Barnegat Light

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	440,835	440,835	100.00%	-
2007	427,845	427,845	100.00%	-
2008	421,276	421,276	100.00%	-
2009	466,186	466,186	100.00%	-
2010	442,992	442,992	100.00%	-
2011	410,724	410,724	100.00%	-
2012	418,602	418,602	100.00%	-
2013	437,411	437,411	100.00%	-
2014	433,093	433,093	100.00%	-
2015	443,753	443,753	100.00%	-

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
UNAUDITED

Borough of Harvey Cedars

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	517,731	517,731	100.00%	-
2007	514,278	514,278	100.00%	-
2008	501,367	501,367	100.00%	-
2009	531,199	531,199	100.00%	-
2010	525,714	525,714	100.00%	-
2011	530,652	530,652	100.00%	-
2012	516,416	516,416	100.00%	-
2013	517,758	517,758	100.00%	-
2014	531,231	531,231	100.00%	-
2015	537,868	537,868	100.00%	-

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
UNAUDITED

Long Beach Township

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	3,192,404	3,192,404	100.00%	-
2007	3,120,119	3,120,119	100.00%	-
2008	3,257,111	3,257,111	100.00%	-
2009	3,296,716	3,296,716	100.00%	-
2010	3,282,893	3,282,893	100.00%	-
2011	3,153,465	3,153,465	100.00%	-
2012	3,312,096	3,312,096	100.00%	-
2013	3,384,472	3,384,472	100.00%	-
2014	3,459,316	3,459,316	100.00%	-
2015	3,552,531	3,552,531	100.00%	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
UNAUDITED**

Borough of Ship Bottom

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	490,704	490,704	100.00%	-
2007	475,912	475,912	100.00%	-
2008	490,276	490,276	100.00%	-
2009	509,944	509,944	100.00%	-
2010	526,221	526,221	100.00%	-
2011	500,274	500,274	100.00%	-
2012	506,124	506,124	100.00%	-
2013	520,441	520,441	100.00%	-
2014	524,036	524,036	100.00%	-
2015	533,495	533,495	100.00%	-

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

**LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Property Tax Levies and Collections,
Last Ten Fiscal Years
UNAUDITED**

Borough of Surf City

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	645,033	645,033	100.00%	-
2007	634,829	634,829	100.00%	-
2008	653,984	653,984	100.00%	-
2009	679,687	679,687	100.00%	-
2010	678,493	678,493	100.00%	-
2011	655,811	655,811	100.00%	-
2012	668,987	668,987	100.00%	-
2013	670,587	670,587	100.00%	-
2014	693,604	693,604	100.00%	-
2015	713,458	713,458	100.00%	-

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
UNAUDITED

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	The District had no general bonded debt.							
2007	The District had no general bonded debt.							
2008	The District had no general bonded debt.							
2009	The District had no general bonded debt.							
2010	The District had no general bonded debt.							
2011	The District had no general bonded debt.							
2012	The District had no general bonded debt.							
2013	The District had no general bonded debt.							
2014	The District had no general bonded debt.							

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years
UNAUDITED

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	The District had no general bonded debt.				
2007	The District had no general bonded debt.				
2008	The District had no general bonded debt.				
2009	The District had no general bonded debt.				
2010	The District had no general bonded debt.				
2011	The District had no general bonded debt.				
2012	The District had no general bonded debt.				
2013	The District had no general bonded debt.				
2014	The District had no general bonded debt.				
2015	The District had no general bonded debt.				

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015
UNAUDITED

Borough of Barnegat Light

<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			
Borough of Barnegat Light	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			\$ -
Long Beach Island School District Debt			-
Total direct and overlapping debt			\$ -

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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2015
 UNAUDITED

Borough of Harvey Cedars

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable *</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Harvey Cedars	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			-
Long Beach Island School District Debt			-
Total direct and overlapping debt			\$ -

Board of Taxation. Debt outstanding data provided by each governmental unit.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015
UNAUDITED

Long Beach Township

<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			
Township of Long Beach	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			-
Long Beach Island School District Debt			-
Total direct and overlapping debt			<u>\$ -</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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of June 30, 2015
UNAUDITED

Borough of Ship Bottom

<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			
Borough of Ship Bottom	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<u>-</u>
Long Beach Island School District Debt			<u>-</u>
Total direct and overlapping debt			<u><u>\$ -</u></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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Direct and Overlapping Governmental Activities Debt
 As of June 30, 2015
 UNAUDITED

Borough of Surf City

<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			
Borough of Surf City	\$ -	0.00%	\$ -
County of Ocean	-	0.00%	-
Subtotal, overlapping debt			<u>-</u>
Long Beach Island School District Debt			<u>-</u>
Total direct and overlapping debt			<u><u>\$ -</u></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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Legal Debt Margin Information,
Last Ten Fiscal Years
UNAUDITED

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized valuation basis

	2015	\$	-
	2014	-	-
	2013	-	-
	[A]	<u>\$</u>	<u>-</u>
Average equalized valuation of taxable ;	[A/3]	\$	-
% of average	[B]	-	-
Total Net Debt Applicable to Limit	[C]	<u>-</u>	<u>-</u>
Legal debt margin	[B-C]	<u>\$</u>	<u>-</u>

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit	\$ 263,051,655	\$ 382,040,902	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total net debt applicable to limit	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 263,051,655</u>	<u>\$ 382,040,902</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total net debt applicable to the limit as a percentage of debt limit	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Equalized valuation bases were obtained from the Ocean County Board of Taxation. Percentage limit is for K-6 district.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Fiscal Years
UNAUDITED

Year	Population ^a	Personal Income ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2006	7,614	252,751,526	34,509	4.40%
2007	7,743	-	-	5.50%
2008	-	-	-	0.00%
2009	-	-	-	0.00%
2010	6,323	-	-	0.00%
2011	-	-	-	0.00%
2012	-	-	-	0.00%
2013	-	-	-	0.00%
2014	6,348	248,052	56,807	5.70%
2015	-	-	-	0.00%

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Principal Employers,
 Current Year and Nine Years Ago
 UNAUDITED

Employer	2015			2006		
	Employees	Rank [Optional]	Percentage of Total Municipal Employment	Employees	Rank [Optional]	Percentage of Total Municipal Employment
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
n/a						
	-		0.00%	-		0.00%

NOTE: Data was not available from local municipalities and Chambers of Commerce.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Full-time Equivalent District Employees by Function/Program,
 Last Ten Fiscal Years
 UNAUDITED

<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	26	26	24	22	18	22	18	18	19	19
Special education	4	4	4	3	3	2	3	3	4	4
Other special education	2	2	1	1	1	-	1	1	1	1
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	3	4	1	2	2	2	2	3	4	4
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Student & instruction related services	8	8	1	8	6	5	6	6	5	5
General administration	2	2	1	2	1	1	1	1	2	2
School administrative services	3	3	1	3	1	1	1	1	1	1
Other administrative services	-	-	-	-	-	1	1	1	1	1
Central services	2	2	1	2	2	2	2	3	3	3
Administrative Information Technology	-	-	-	-	-	-	-	-	-	-
Plant operations and maintenance	7	5	6	6	6	6	6	5	5	5
Pupil transportation	5	6	8	7	6	6	6	6	7	7
Other support services	-	-	-	-	-	-	-	-	-	-
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	4	4	5	5	5	5	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
Total	<u>66</u>	<u>66</u>	<u>53</u>	<u>61</u>	<u>51</u>	<u>53</u>	<u>47</u>	<u>48</u>	<u>52</u>	<u>52</u>

Source: District Personnel Records

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Operating Statistics,
Last Ten Fiscal Years
UNAUDITED

Fiscal Year	Enrollment	Operating Expenditures a	Cost Per Pupil	Percentage Change	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) c	Average Daily Attendance (ADA) c	% Change in Average Daily Enrollment	Student Attendance Percentage
					Teaching Staff b	Elementary				
2006	271	5,644,713	20,829	3.46%	39	7:1	270.6	255.1	-7.27%	94.27%
2007	252	5,871,727	23,301	11.86%	32	8:1	252.2	237.0	-6.80%	93.97%
2008	262	5,871,727	22,411	-3.82%	32	8:1	254.1	239.8	0.75%	94.37%
2009	240	6,106,603	25,444	13.53%	34	7:1	227.0	213.0	-10.67%	93.83%
2010	239	6,111,801	25,572	0.50%	36	7:1	227.3	214.8	0.13%	94.50%
2011	236	5,631,108	23,861	-6.69%	33	7:1	238.1	224.7	4.75%	94.37%
2012	242	5,762,905	23,814	-0.20%	32	7:1	237.0	224.9	-0.46%	94.89%
2013	233	6,000,029	25,751	8.14%	32	7:1	246.8	232.8	4.14%	94.33%
2014	230	6,398,200	27,818	8.03%	31	7:1	229.9	217.6	-6.85%	94.65%
2015	229	6,822,421	29,792	7.10%	31	7:1	230.8	217.9	0.13%	95.15%

Sources: District records

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- 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).

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
UNAUDITED

<u>District Building</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>
<u>Elementary</u>										
Ethel Jacobsen School (1968)										
Square Feet	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135	33,135
Capacity (students)	250	250	250	250	250	250	250	250	250	250
Enrollment	132	125	125	125	125	125	125	125	107	107
Long Beach Island Grade School (1956)										
Square Feet	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165	48,165
Capacity (students)	256	256	256	256	256	256	256	256	256	256
Enrollment	134	127	127	127	127	127	127	127	123	122
Long Beach Island Bus Garage (1956)										
Square Feet	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216	7,216
Number of Schools at June 30, 2015										
Elementary = 2										

Source: District Office

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
Schedule of Required Maintenance
Last Ten Fiscal Years
UNAUDITED

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

* School Facilities Project # (s)	Ethel Jacobson School	Long Beach Island Grade School	Other Facilities - Bus Garage	Total
2006	63,188	83,718	7,212	154,118
2007	39,872	53,177	4,200	97,249
2008	118,469	166,389	4,090	288,948
2009	48,257	66,386	3,058	117,701
2010	32,315	43,766	2,737	78,818
2011	28,427	38,032	2,875	69,334
2012	17,263	22,760	2,082	42,105
2013	39,858	53,657	3,700	97,215
2014	38,533	86,411	3,500	128,444
2015	32,150	54,952	3,700	90,802
Total School Facilities	\$ 458,332	\$ 669,248	\$ 37,154	\$ 1,164,734

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

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Insurance Schedule
 June 30, 2015

	<u>Coverage</u>	<u>Deductible</u>
B&G, Property-Auto Phy. Dam., and Boiler & Machinery	\$250,000 per occurrence	
Comprehensive General Liability & Auto Liability	\$10,000,000 per occ./mem. \$2,500,000 FDLL \$5,000 Med. Pay (GL)	
School Leaders Professional Liability	\$5,000,000 per claim/agg. \$1,000,000 defense cost	
Workers' Compensation	Statutory benefits as required by State of NJ. \$5,000,000 per occ./agg.	
Flood Insurance	\$500,000 per building \$500,000 contents per bldg.	

Source: District records

SINGLE AUDIT SECTION

JUMP, PERRY AND COMPANY, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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**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
Long Beach Island Consolidated School District
County of Ocean
Surf City, New Jersey 07760

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 Board of Education of the Long Beach Island Consolidated School District 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 Board of Education of the Long Beach Island Consolidated School District 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 Board of Education of the Long Beach Island Consolidated School District in the County of Ocean, 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 Board of Education of the Long Beach Island Consolidated School District in the County of Ocean, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Long Beach Island Consolidated School District 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.

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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 Board of Education of Long Beach Island Consolidated School District 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, LLP
Toms River, NJ



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

Toms River, NJ
November 19, 2015

JUMP, PERRY AND COMPANY, L.L.P. CERTIFIED PUBLIC ACCOUNTANTS

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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
Long Beach Island Consolidated School District
County of Ocean
Surf City, New Jersey 07760

Report on Compliance for Each Major Federal and State Program

We have audited the Long Beach Island Consolidated 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 Long Beach Island Consolidated School District's major federal programs for the year ended June 30, 2015. Long Beach Island Consolidated School District'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 Long Beach Island Consolidated School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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 Long Beach Island Consolidated School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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Opinion on Each Major Federal and State Program

In our opinion, Long Beach Island Consolidated School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management of Long Beach Island Consolidated School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Long Beach Island Consolidated School District'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 Long Beach Island Consolidated School District's internal control over compliance.

A *deficiency* in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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.
Toms River, NJ



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

November 19, 2015

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Schedule of Expenditures of Federal Awards, Schedule A
 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	Carryover Amount	Cash Received	Budgetary Expenditures	Repayment of Prior years' Balances	Accounts Receivable at June 30, 2015	Deferred Revenue at June 30, 2015	Due to Grantor at June 30, 2015
U.S. Department of Education											
Passed-through State Department of Education:											
I.D.E.A. Part B Preschool	84.027	7/1/14-6/30/15	4,153	-	-	1,096	(4,153)	-	(3,057)	-	-
I.D.E.A. Part B Preschool	84.027	7/1/13-6/30/14	4,146	-	-	-	-	-	-	-	-
I.D.E.A. Part B Basic Regular	84.027	7/1/14-6/30/15	71,942	-	-	37,954	(71,942)	-	(33,988)	-	-
I.D.E.A. Part B Basic Regular	84.027	7/1/13-6/30/14	68,802	(35,841)	-	35,841	-	-	-	-	-
NCLB Title IA	84.009	7/1/14-6/30/15	45,983	-	-	16,346	(45,983)	-	(29,637)	-	-
NCLB Title IA	84.009	7/1/13-6/30/14	26,402	-	-	-	-	-	-	-	-
Title II, Part A	84.367A	7/1/14-6/30/15	18,108	-	-	16,563	(18,108)	-	(1,545)	-	-
Title II, Part A	84.367A	7/1/13-6/30/14	18,182	-	-	-	-	-	-	-	-
Total Special Education				(35,841)	-	107,800	(140,186)	-	(68,227)	-	-
Total Expenditures of Federal Awards				<u>\$ (35,841)</u>	<u>\$ -</u>	<u>\$ 107,800</u>	<u>\$ (140,186)</u>	<u>\$ -</u>	<u>\$ (68,227)</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to schedules of expenditures.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT
 Schedule of Expenditures of State Awards, Schedule B
 for the Fiscal Year ended June 30, 2015

State Grantor/ Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2014			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Accounts Receivable at June 30, 2015	Deferred Revenue at June 30, 2015	Due to Grantor at June 30, 2015	Memo	
				Deferred Revenue (Accounts Receivable)	Due to Grantor	Carryover Amount							Budgetary Receivable	Cumulative Total Expenditures
State Department of Education														
Transportation Cat. Aid	15-495-034-5120-100	7/1/14-6/30/15	\$ 68,851	\$ -	\$ -	\$ -	\$ 68,851	\$ (68,851)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68,851
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	119,540	-	-	-	119,540	(119,540)	-	-	-	-	-	119,540
Extraordinary Aid	15-495-034-5120-044	7/1/13-6/30/14	10,831	(10,831)	-	-	10,831	-	-	-	-	-	-	-
Non-public transportation aid	15-495-034-5120-014	7/1/14-6/30/15	-	-	-	-	-	-	-	-	-	-	-	-
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	23,138	-	-	-	23,138	(23,138)	-	-	-	-	-	23,138
School Choice Aid	15-495-034-5120-068	7/1/14-6/30/15	494,760	-	-	-	425,463	(494,760)	-	-	-	-	69,297	494,760
PRCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	2,250	-	-	-	2,250	(2,250)	-	-	-	-	-	2,250
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	2,250	-	-	-	2,250	(2,250)	-	-	-	-	-	2,250
Reimbursed TPAF Social Security Contributions	14-495-034-5094-003	7/1/13-6/30/14	173,519	(8,951)	-	-	8,951	-	-	-	-	-	-	-
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	7/1/14-6/30/15	182,003	-	-	-	172,828	(182,003)	-	(9,175)	-	-	-	182,003
Total State Department of Education for Single Audit				\$ (19,782)	\$ -	\$ -	\$ 834,102	\$ (892,792)	\$ -	\$ (9,175)	\$ -	\$ -	\$ 69,297	\$ 892,792
On-behalf TPAF Pension	15-495-034-5094-001	7/1/14-6/30/15	337,742	-	-	-	337,742	(337,742)	-	-	-	-	-	337,742
Total State Department of Education				\$ (19,782)	\$ -	\$ -	\$ 1,171,844	\$ (1,230,534)	\$ -	\$ (9,175)	\$ -	\$ -	\$ 69,297	\$ 1,230,534

See accompanying notes to schedules of expenditures.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 Long Beach Island Consolidated 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 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 \$(135,036) for the general fund and \$(8,460) 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>Local</u>	<u>Total</u>
General Fund	\$ -	1,226,026	5,909,491	7,135,517
Special Revenue Fund	131,726	-	-	131,726
Debt Service Fund	-	-	-	-
Food Service Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total awards and financial assistance	<u>\$ 131,726</u>	<u>1,226,026</u>	<u>5,909,491</u>	<u>\$ 7,267,243</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

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions respectively. 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.

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

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 no
- 2) Significant deficiencies identified that are not considered to be material weaknesses? yes none reported

Noncompliance material to general-purpose financial statements noted? yes no

Federal Awards Section - N/A

Internal Control over major programs: N/A

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

Type of auditor's report issued on compliance for major programs: N/A

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

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
N/A	

Dollar threshold used to distinguish between type A and type B programs: N/A

Auditee qualified as low-risk auditee? yes no

LONG BEACH ISLAND CONSOLIDATED SCHOOL DISTRICT

Summary Schedule of Prior Audit Findings

June 30, 2015

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