

Comprehensive Annual Financial Report

of the

City of Brigantine Board of Education
(A component unit of the City of Brigantine)

Brigantine, New Jersey

For the Fiscal Year Ended June 30, 2016

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INTRODUCTORY SECTION



Brigantine Public School District

301 East Evans Boulevard
Brigantine, New Jersey 08203

November 11, 2016

Honorable President and
Members of the Board of Education
Brigantine School District
County of Atlantic

Dear Board Members:

The Comprehensive Annual Financial Report of the Brigantine School District for the Fiscal Year Ending June 30, 2016 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report 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 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 the Transmittal Letter, the District's Organizational Chart, and a list of principal officials. The Financial section includes the Management's Discussion and Analysis, Basic Financial Statements and Schedules, as well as the Auditor's Report thereon. The Statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996, OMB Circular Uniform Guidance and NJ OMB 15-08, *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 report.

1) **REPORTING ENTITY AND ITS SERVICES:** The Brigantine School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA statement No. 3. All funds of the District are included in this report. The Brigantine Board of Education and all its schools constitute the District's reporting entity. The District provides a full range of educational services appropriate to grade levels K through 8. These include regular, vocational, as well as special education for handicapped youngsters. The District completed the 2015-2016 fiscal year with an enrollment of 662 students, which is 22 students less than the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

Year	Enrollment	Change
2015-16	662	-3.22%
2014-15	684	-4.87%
2013-14	719	-4.01%
2012-13	749	-2.47%
2011-12	768	-0.26%
2010-11	770	-4.23%
2009-10	804	-3.94%
2008-09	837	-1.76%
2007-08	852	-5.23%
2006-07	899	-7.61%

2) **ECONOMIC CONDITION AND OUTLOOK:** Brigantine is a seashore community with a population that continues to be directly affected by the casino industry of Atlantic City and large scale construction projects of Southern New Jersey. The economic condition of the entire county has been severely affected by the casino closings in Atlantic City which has directly impacted employment opportunities throughout the area. These impacts have directly affected Brigantine's school population due to the relationship to demographic changes and family mobility based on employment opportunity in this service environment.

Brigantine is located adjacent to Atlantic City and affords parents the opportunity to raise their children in a small-town atmosphere. In addition to the construction trades, many Brigantine's Public School students have at least one parent working in the casino industry or service industry where they work in shifts during all hours of the day and night. The Brigantine Public School District is comprised of an economically diverse elementary and middle school student population. Eligibility for free and reduced lunch is approximately 55% of the total school population.

The island's year-round population of approximately 12,000 residents triples in number during the summer months, as the community is a barrier island and summer resort. Since the casino industry employs people of various skill levels, the children of Brigantine are very diverse.

3) **MAJOR INITIATIVES:** The Brigantine Board of Education continues to offer programs and services that best meet the students' individual needs while challenging children to meet and exceed the expectations contained in state standards. The District provides staff professional development opportunities to increase teacher effectiveness, remain current on education trends, and ultimately to service students and families within the community with the best education possible.

The District continued current program refinement as well as the implementation of new initiatives. ELA programmatic changes included Writer's Workshop and Leveled Reading pilots that have plans for expansion throughout the District within the next few years. Mathematics course sequencing was redesigned at the middle school to meet state standards changes. As always, intervention services were provided to students and have been instrumental in meeting the changing needs of our district. Science and Social Studies classes continue project-based learning activities, our specials and GT programs focused on technology application, meeting multiple learning styles within the classrooms, and cross-content projects. These courses include Art, Music, Instrumental Music, Industrial Technology, Computers, Spanish, Digital Camera, Microsoft Office, Bridge Building, Robotics, Video Production, Piano, Advanced Music Theory, Ceramics, Multicultural Art, Pop Art, Computer Troubleshooting, and Health/PE.

As our District implements all curricular requirements, technology-based instruction and student interaction with various devices and content continued. Smartboards, Apple TV, iPads, flat screen televisions, and newly implemented Google Chromebooks provide students technological application opportunities and remain an integral part of the District planning process.

The Brigantine Public Schools have continued the effort to support and enhance our facilities. We began our facilities' ROD Grant project work that was scheduled to be completed in the 2016-2017 school year. These projects will help extend the life-span of our facilities and improve the campus design with HVAC upgrades, ADA compliance work within restrooms, and building control systems as well as plumbing projects and updating of alarm systems.

The District professional development goals from our budget's Statement of Priorities encompassed many of our initiatives including training for administration and staff training on instructional excellence and the Rhode Island Model for staff evaluation. We worked with the District Evaluation Advisory Committee and School Improvement Panels to develop recommendations and support changes for the future, expanded staff development activities to assist the students with skill mastery and higher order thinking skills, and we continued to guide teachers in developing and implementing assessments that model the format of the PARCC, developing high-quality SGOs, and increasing staff's ability to incorporate data acquired from various student assessments into effective instructional practices and create appropriate individualized interventions for our students.

Our District forged ahead with major initiatives including the development and initial review of a new five year Strategic Plan. We continue to commit to providing excellence in all areas – instruction and learning, curriculum and athletics, facilities and technology, social development and awareness.

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 is compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (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 and the special revenue 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 to fund balance at June 30, 2016.

6) ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds 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 Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

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

9) **OTHER INFORMATION:**

A) Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Accounting firm of Ford, Scott and Associates, L.L.C., was selected by the Board's Finance Committee. In addition to meeting the requirements set forth in state statutes, the audit is designed to meet the requirements of the Single Audit Act of 1996 and the related State Treasury Circular Letter NJ OMB 15-08. The auditor's report on the basic financial statements 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 Brigantine 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 financial and accounting staff.

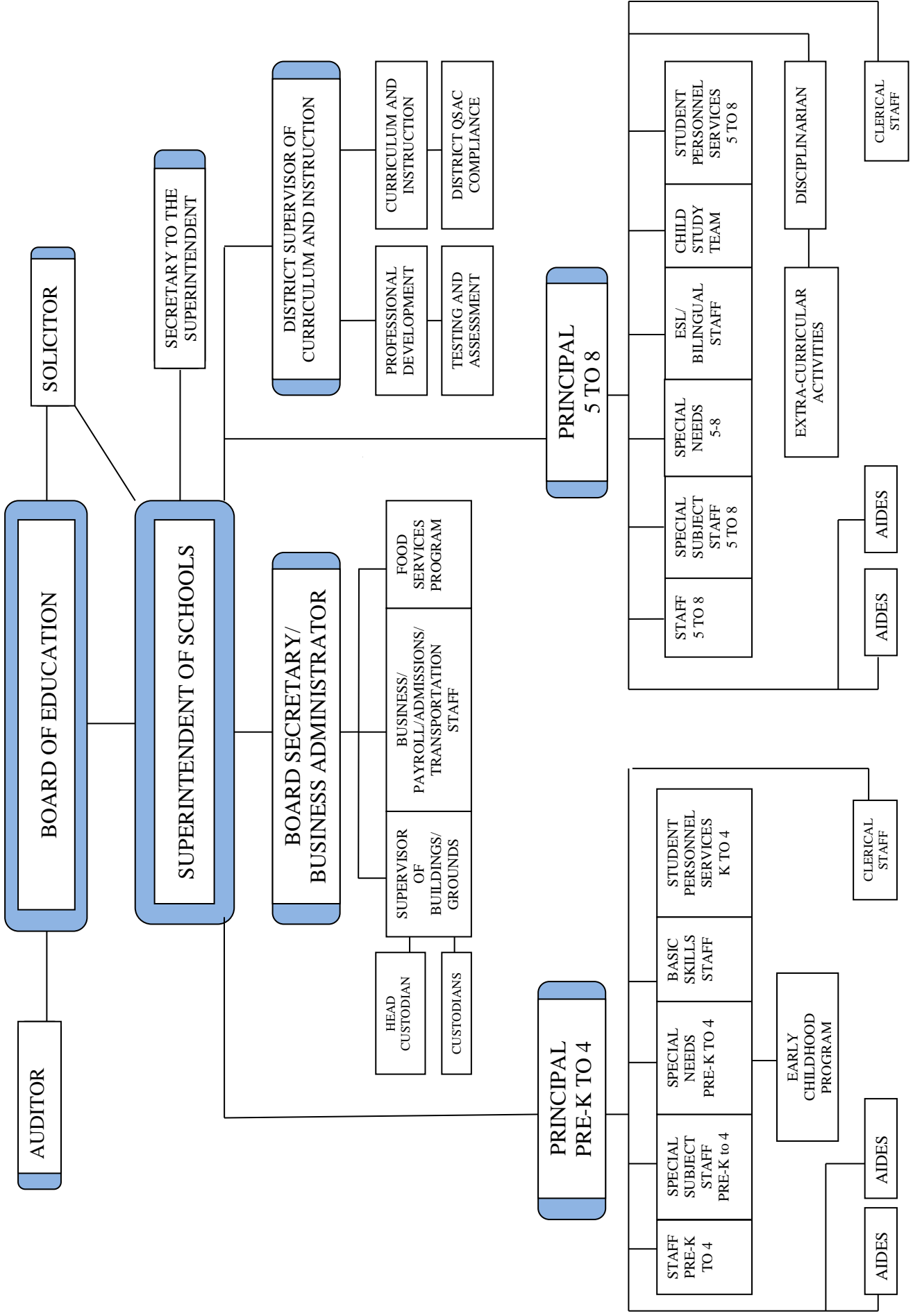
Respectfully submitted,



Brian M. Pruitt
Superintendent of Schools



Jonathan S. Houdart
Board Secretary/Business Administrator



**BRIGANTINE BOARD OF EDUCATION
(A component unit of the City of Brigantine)
BRIGANTINE, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2016**

Members of the Board of Education

Term Expires

Frank Koch, President	2018
Helen Coffman, Vice President	2017
Matthew Doran	2019
James Mackey	2018
David Borrone	2018
Stephen Bonanni	2019
Nancy Barbin	2017

Other Officials

Brian Pruitt, Superintendent

Jonathan Houdart, Board Secretary/Business Administrator

Louis Greco, Esquire, Solicitor

**BRIGANTINE BOARD OF EDUCATION
(A component unit of the City of Brigantine)
Consultants and Advisors**

Auditor

Ford, Scott and Associates, LLC
Certified Public Accountants
1535 Haven Avenue
Ocean City, NJ 08226

Attorney

Louis Greco, Esquire
800 Route 50, Suite 2B
Mays Landing, New Jersey 08330

Official Depository

TD Bank, N.A.
4200 Harbor Beach Blvd.
Brigantine, NJ 08203

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FINANCIAL SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

CERTIFIED PUBLIC ACCOUNTANTS

1535 HAVEN AVENUE • OCEAN CITY, NJ • 08226

PHONE 609.399.6333 • FAX 609.399.3710

www.ford-scott.com

Independent Auditor's Report

Honorable President and
Members of the Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
County of Atlantic
Brigantine, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brigantine School District (A component unit of the City of Brigantine), County of Atlantic, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *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. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity'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 entity'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 the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brigantine School District (A component unit of the City of Brigantine), County of Atlantic, State of New Jersey, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal 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 Required Supplementary Information identified 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 City of Brigantine School District's basic financial statements. The introductory section, combining and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of state financial assistance as required by NJ OMB Circular 15-08, and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory section, combining statements, and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of state financial assistance as required by NJ OMB Circular 15-08, and statistical information is the responsibility of management and was 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 and individual non-major fund financial statements, schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), the schedule of state financial assistance as required by NJ OMB Circular 15-08, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subject 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 11, 2016 on our consideration of the City of Brigantine School District's (A component unit of the City of Brigantine) internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Brigantine School District's (A component unit of the City of Brigantine) internal control over financial reporting and compliance.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello
Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 11, 2016

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REQUIRED SUPPLEMENTARY INFORMATION – PART I

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED

The discussion and analysis of Brigantine School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

Financial Highlights

Key financial highlights for 2016 are as follows:

- In total, net position increased \$1,346,615.23 which represents 9 percent increase from 2015.
- General revenues accounted for \$18,194,068.91 in revenue or 28 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$7,124,821.49 or 72 percent of total revenues of \$25,318,890.40.
- Cash and cash equivalents increased by \$514,605.94, receivables increased by \$1,059,210.85, capital assets decreased by \$1,336,898.74 and deferred outflows of resources increased by \$397,364.00. The increase in receivables is due to the start of capital projects in fiscal year 2016.
- The School District had \$23,972,275.17 in expenses; \$7,124,821.49 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of \$18,194,068.91 were adequate to provide for these programs.
- Among governmental funds, the General Fund had \$20,156,332.57 in revenues and \$19,784,265.46 in expenditures. The General Fund's fund balance increased \$372,067.11 over 2015.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Brigantine School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School district, presenting both an aggregate view of the School district's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School district's most significant funds with all other non-major funds presented in total in one column. In the case of Brigantine District, the General Fund is by far the most significant fund.

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BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and ask the question, "How did we do financially during 2016?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that, for the school district as a whole, the financial position of the School district have improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District is divided into two distinct kinds of activities:

- Governmental Activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity - This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting the School District's Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund and Capital Projects Fund.

Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School district's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and fund financial statements.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of the School District's net position for 2016 and 2015, for both Governmental Activities and Business-Type Activities.

Table 1
Net Position

	<u>2016</u>	<u>2015</u>
Assets		
Current and Other Assets	\$ 7,107,457.37	5,395,534.23
Capital Assets	<u>15,622,456.39</u>	<u>14,285,557.65</u>
Total Assets	<u>22,729,913.76</u>	<u>19,681,091.88</u>
Deferred Outflows of Resources		
Deferred Outflows Related to Pensions	<u>712,286.00</u>	<u>314,922.00</u>
Liabilities		
Long-Term Liabilities	6,006,317.00	5,003,895.00
Other Liabilities	<u>1,670,934.96</u>	<u>402,955.31</u>
Total Liabilities	<u>7,677,251.96</u>	<u>5,406,850.31</u>
Deferred Inflows of Resources		
Deferred Inflows Related to Pensions	<u>97,830.00</u>	<u>268,661.00</u>
Net Position		
Net Investment in Capital Assets	15,622,456.39	14,285,557.65
Restricted	4,946,816.26	4,609,627.99
Unrestricted	<u>(4,902,154.85)</u>	<u>(4,574,683.07)</u>
Total Net Position	<u>\$ 15,667,117.80</u>	<u>14,320,502.57</u>

Net position was \$15,472,840.68 for governmental activities and \$194,277.12 for business-type activities. There was a total increase in net position of 9 percent from the prior year.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

Table 2 shows changes in net position for fiscal year 2016 and 2015.

Table 2
Changes in Net Position

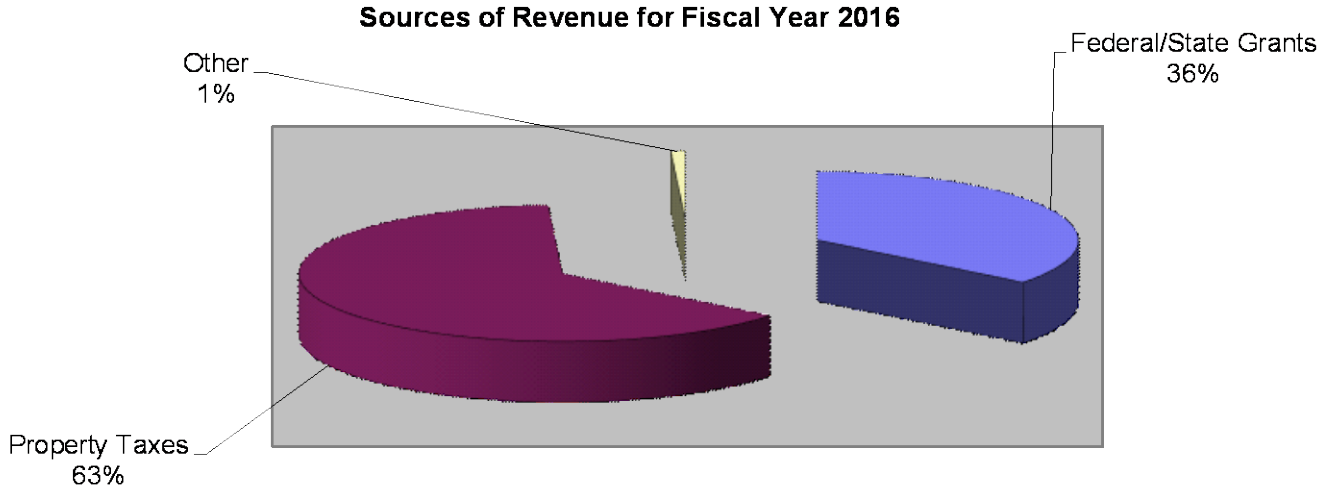
	2016	2015
Revenues		
Program Revenues:		
Charges for Services	\$ 121,819.87	163,465.80
Operating Grants and Contributions	7,003,001.62	4,974,083.70
General Revenues:		
Property Taxes	15,888,114.00	15,888,114.00
Grants and Entitlements	2,086,685.29	1,510,086.97
Other	219,269.62	116,152.68
Total Revenues	25,318,890.40	22,651,903.15
Program Expenses		
Instruction	12,274,452.45	10,883,740.07
Support Services:		
Pupils and Instructional Staff	6,657,117.04	6,453,788.57
General and School Administration,	1,349,216.47	1,010,680.77
Plant Operation and Maintenance of Facilities	1,737,529.93	1,645,608.68
Central Services	460,313.03	379,965.84
Pupil Transportation	778,132.29	811,079.80
Food Service	273,415.28	293,735.05
Other	441,971.88	464,063.33
Extraordinary Items:		
Loss on Disposal of Capital Assets	126.80	2,210.00
Total Expenses	23,972,275.17	21,944,872.11
(Decrease) in Net Position	\$ 1,346,615.23	707,031.04

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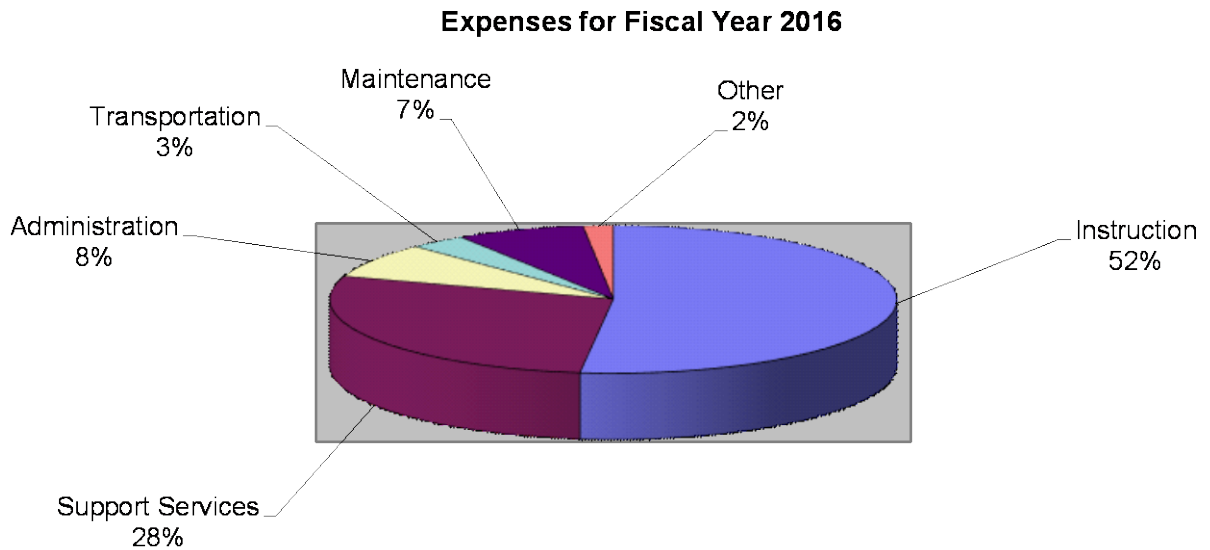
**BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)**

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for the School District operations. Property taxes made up 63 percent of revenues for governmental activities for the Brigantine District for fiscal year 2016. The District's total revenues for governmental activities were \$25,013,252.18 for the year ended June 30, 2016. Federal, state, and local grants accounted for another 36 percent of revenue.



The total cost of all program and services was \$23,662,894.01. Instruction comprises 52 percent of District expenses.



BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

Business-Type Activities

Revenues for the District's business-type activities (food service program and after school program) were comprised of charges for services and federal and state reimbursements.

- Food service expenses exceeded revenues by \$7,917.95. After School revenues exceeded expenses by \$4,175.01.
- Charges for services represent \$121,819.87 of revenue. This represents amounts paid by patrons for daily food service and fees collected by the after-school program.
- Federal and state reimbursement for meals, including payments for free and reduced lunches, and donated commodities was \$183,818.35.

Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

	<u>Total Cost of Services 2016</u>	<u>Net Cost of Services 2016</u>	<u>Total Cost of Services 2015</u>	<u>Net Cost of Services 2015</u>
Instruction	\$ 12,274,452.45	8,266,083.93	10,883,740.07	7,637,520.77
Support Services:				
Tuition	3,883,193.71	3,883,193.71	3,807,305.09	3,807,305.09
Pupils and Instructional Staff	2,773,923.33	1,801,251.76	2,646,483.48	1,808,719.04
General Administration and School Administration	1,349,216.47	1,240,911.31	1,010,680.77	923,672.99
Plant and Maintenance	1,737,529.93	547,097.58	1,645,608.68	1,536,470.03
Pupil Transportation	778,132.29	277,017.13	811,079.80	312,856.80
Central Services	460,313.03	422,022.52	379,965.84	345,487.77
Other	406,006.00	406,006.00	419,160.00	419,160.00
Total Expenses	<u>\$ 23,662,767.21</u>	<u>16,843,583.94</u>	<u>21,604,023.73</u>	<u>16,791,192.49</u>

Instruction expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities.

Tuition is predominately made up of charges from the Atlantic City School District for Brigantine's 9 – 12 Grade students.

Pupils and instructional staff include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

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BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

General administration, school administration, and business include expenses associated with administrative and financial supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings, and equipment in an effective working condition.

Pupil transportation includes activities involved with the conveyance of students to and from school, as well as to and from school activities, as provided by State law.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund and capital projects fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to \$22,741,540.18 and expenditures were \$22,376,281.79. The net change in fund balance for the year was an increase of \$365,258.39.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedules present a summary of the revenues of the governmental funds for the fiscal year ended June 30, 2016, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenue	Amount	Percent of Total	Increase (Decrease) from 2015	Percent of Increase (Decrease)
Local Sources	\$ 17,067,517.52	75.05%	890,572.12	5.51%
State Sources	5,127,194.94	22.55%	1,120,883.05	27.98%
Federal Sources	546,827.72	2.40%	(40,884.88)	-6.96%
Total	<u>\$ 22,741,540.18</u>	<u>100.00%</u>	<u>1,970,570.29</u>	<u>9.49%</u>

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BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

The following schedule represents a summary of general fund, special revenue fund and capital projects fund expenditures for the fiscal year ended June 30, 2016, and the percentage of increases and decreases in relation to prior year amounts.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2015	Percent of Increase (Decrease)
Current expense:				
Instruction	\$ 7,497,899.50	33.51%	895,500.11	13.56%
Undistributed expenditures	12,872,834.15	57.53%	124,149.40	0.97%
Capital Outlay	2,005,548.14	8.96%	1,759,489.33	715.07%
Total	<u>\$ 22,376,281.79</u>	<u>100.00%</u>	<u>2,779,138.84</u>	<u>14.18%</u>

Changes in expenditures were the results of varying factors. Undistributed expense decreased due to the increased activity in the capital projects fund.

General Fund Budgeting Highlights

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. There were no material modifications noted from the original adopted budget.

Capital Assets

At the end of the fiscal year 2016, the School District had \$15,622,456.39 invested in land, building, furniture and equipment, and vehicles. Table 4 shows fiscal year 2016 balances compared to 2015.

Table 4
Capital Assets (Net of Depreciation) at June 30,

	<u>2016</u>	<u>2015</u>
Site Improvements	\$ 147,600.00	147,600.00
Construction in Progress	1,758,481.50	
Building and Building Improvements	13,419,690.42	13,860,066.99
Machinery and Equipment	296,684.47	277,890.66
Total	<u>\$ 15,622,456.39</u>	<u>14,285,557.65</u>

Overall capital assets increased \$1,336,898.74 from fiscal year 2015 to fiscal year 2016. The increase in capital assets is due primarily to construction in progress. For more detailed information, please refer to the Notes to the Financial Statements.

BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2016
UNAUDITED (CONTINUED)

Debt Administration

New Jersey State Statutes governing Type I School Districts require the bonded debt be assumed by the City and provision for amortization of principal and interest on the outstanding debt is included in the City budget.

For the Future

The Brigantine School District is in good financial condition presently. The School District is proud of its community support of the public schools.

In conclusion, the Brigantine School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Jonathan Houdart, Business Administration at Brigantine Board of Education, 301 E. Evans Boulevard, Brigantine, NJ 08203. Please visit our website at www.brigantine.atlnet.org.

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BASIC FINANCIAL STATEMENTS

DISTRICT WIDE FINANCIAL STATEMENTS

The statement of net position and the statement of activities display information about the District. 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 activities of the District.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Statement of Net Position
June 30, 2016

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 5,471,599.66	127,218.70	5,598,818.36
Receivables, Net	1,355,214.14	10,496.57	1,365,710.71
SREC Investment	95,853.00		95,853.00
Inventory		4,360.70	4,360.70
Capital Assets:			
Land and Construction in Progress	1,906,081.50		1,906,081.50
Capital Assets being Depreciated, net	13,663,473.25	52,901.64	13,716,374.89
Total Assets	22,492,221.55	194,977.61	22,687,199.16
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Outflows Related to Pensions	712,286.00		712,286.00
Total Deferred Outflows of Resources	712,286.00	-	712,286.00
Accounts Payable	1,297,234.54		1,297,234.54
Unearned Revenue	127,871.93	700.49	128,572.42
Intergovernmental Payable	202,413.40		202,413.40
Noncurrent Liabilities:			
Due Beyond One Year	937,284.00		937,284.00
Net Pension Liability	5,069,033.00		5,069,033.00
Total Liabilities	7,633,836.87	700.49	7,634,537.36
DEFERRED INFLOWS OF RESOURCES			
Deferred Inflows Related to Pensions	97,830.00		97,830.00
NET POSITION			
Net Investment in Capital Assets	15,569,554.75	52,901.64	15,622,456.39
Restricted for:			
Other Purposes	4,946,816.26		4,946,816.26
Unrestricted	(5,043,530.33)	141,375.48	(4,902,154.85)
Total Net Position	\$ 15,472,840.68	194,277.12	15,667,117.80

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Statement of Activities
For the Year Ended June 30, 2016

Function/Programs	Expenses	Indirect Expense Allocation	Program Revenue			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:								
Instruction:								
Regular	\$ 7,296,246.28	2,231,619.42		2,817,218.56		(6,710,647.14)		(6,710,647.14)
Special Education	1,586,440.90	516,915.99		1,034,431.97		(1,068,924.92)		(1,068,924.92)
Other Special Instruction	486,880.64	156,349.22		156,717.99		(486,511.87)		(486,511.87)
Support Services:								
Tuition	3,883,193.71					(3,883,193.71)		(3,883,193.71)
Student & Instruction Related Services	2,205,346.69	568,576.64		972,671.57		(1,801,251.76)		(1,801,251.76)
School Administrative Services	609,008.07	185,933.25		77,588.51		(717,352.81)		(717,352.81)
General Administrative Services	480,665.71	73,609.44		30,716.65		(523,558.50)		(523,558.50)
Plant Operation and Maintenance	1,413,192.65	324,337.28		1,190,432.35		(547,097.58)		(547,097.58)
Pupil Transportation	773,353.47	4,778.82		501,115.16		(277,017.13)		(277,017.13)
Central Services	368,553.60	91,759.43		38,290.51		(422,022.52)		(422,022.52)
Unallocated Benefits	4,153,879.49	(4,153,879.49)				-		-
Transfer of Funds to Charter Schools	406,006.00					(406,006.00)		(406,006.00)
Total Governmental Activities	<u>23,662,767.21</u>	<u>-</u>	<u>-</u>	<u>6,819,183.27</u>	<u>-</u>	<u>(16,843,583.94)</u>	<u>-</u>	<u>(16,843,583.94)</u>
Business-Type Activities:								
Food Service	273,415.28		81,678.98	183,818.35		(7,917.96)		(7,917.96)
After School	35,965.88		40,140.89			4,175.01		4,175.01
Total Business-Type Activities	<u>309,381.16</u>	<u>-</u>	<u>121,819.87</u>	<u>183,818.35</u>	<u>-</u>	<u>(3,742.94)</u>	<u>(3,742.94)</u>	<u>(3,742.94)</u>
Total Primary Government	<u>\$ 23,972,148.37</u>	<u>-</u>	<u>121,819.87</u>	<u>7,003,001.62</u>	<u>-</u>	<u>(16,843,583.94)</u>	<u>(3,742.94)</u>	<u>(16,847,326.88)</u>
General Revenues:								
Taxes:								
Property Taxes, Levied for General Purposes, Net						\$ 15,888,114.00		15,888,114.00
Federal and State Aid Not Restricted						2,086,685.29		2,086,685.29
Miscellaneous Income						219,269.62		219,269.62
Extraordinary Items:								
Loss on Disposal of Assets						(126.80)		(126.80)
Total General Revenues, Special Items, Extraordinary Items and Transfers						<u>18,193,942.11</u>	<u>-</u>	<u>18,193,942.11</u>
Change in Net Position						1,350,358.17	(3,742.94)	1,346,615.23
Net Position - Beginning						14,122,482.51	198,020.06	14,320,502.57
Net Position - Ending						<u>\$ 15,472,840.68</u>	<u>194,277.12</u>	<u>15,667,117.80</u>

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

FUND FINANCIAL STATEMENTS

The individual fund financial statements present more detailed information for the individual funds in a format that segregates information by fund type.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 5,290,886.26		180,713.40	5,471,599.66
Due from Other Funds	24,682.47			24,682.47
Receivables from Other Governments	96,190.76	68,465.00	1,187,958.38	1,352,614.14
Other Accounts Receivable	2,600.00			2,600.00
Total Assets	<u>5,414,359.49</u>	<u>68,465.00</u>	<u>1,368,671.78</u>	<u>6,851,496.27</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	86,889.16	44,087.00	1,166,258.38	1,297,234.54
Interfund Payable		24,682.47		24,682.47
Intergovernmental Payable			202,413.40	202,413.40
Unearned Revenue	111,000.00	16,871.93		127,871.93
Total Liabilities	<u>197,889.16</u>	<u>85,641.40</u>	<u>1,368,671.78</u>	<u>1,652,202.34</u>
Fund Balances:				
Restricted for:				
Excess Surplus	1,509,635.42			1,509,635.42
Excess Surplus - Designated Subsequent Year	1,631,520.00			1,631,520.00
Capital Projects Fund			0.00	0.00
Committed to:				
Capital Reserve	1,275,043.84			1,275,043.84
Emergency Reserve	118,785.00			118,785.00
Maintenance Reserve	351,963.00			351,963.00
Assigned to:				
Designated by BOE for Subsequent Expenditures	42,254.00			42,254.00
Other Purposes	17,615.00			17,615.00
Unassigned, Reported in:				
General Fund	269,654.07			269,654.07
Special Revenue Fund		(17,176.40)		(17,176.40)
Total Fund Balances	<u>5,216,470.33</u>	<u>(17,176.40)</u>	<u>0.00</u>	<u>5,199,293.93</u>
Total Liabilities and Fund Balances	<u>\$ 5,414,359.49</u>	<u>68,465.00</u>	<u>1,368,671.78</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 \$28,866,016.33, and the accumulated depreciation is \$13,296,461.58	15,569,554.75
Pension Liabilities Net of Deferred Outflows & Inflows	(4,454,577.00)
Non current investment balances	95,853.00
Long-term liabilities, including compensated absences payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(937,284.00)
Net position of governmental activities	<u>\$ 15,472,840.68</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds
For the Year Ended June 30, 2016

	General Fund	Special Revenue Fund	Capital Projects Fund	Total Governmental Funds
REVENUES				
Local Sources:				
Local Tax Levy	\$ 15,888,114.00			15,888,114.00
Transportation Fees from Other LEA's	898.00			898.00
Miscellaneous	122,426.62			122,426.62
Total Local Sources	16,011,438.62	-	-	16,011,438.62
State Sources	4,130,443.34	293,359.00	703,392.60	5,127,194.94
Federal Sources	5,158.29	541,669.43		546,827.72
Total Revenues	<u>20,147,040.25</u>	<u>835,028.43</u>	<u>703,392.60</u>	<u>21,685,461.28</u>
EXPENDITURES				
Current:				
Regular Instruction	4,861,865.52	661,308.13		5,523,173.65
Special Education Instruction	1,200,301.34			1,200,301.34
Other Special Instruction	368,418.51			368,418.51
Support Services:				
Tuition	3,883,193.71			3,883,193.71
Student & Instruction Related Serv.	1,351,084.55	320,396.70		1,671,481.25
School Administrative Services	439,882.38			439,882.38
General Administrative Services	348,538.10			348,538.10
Plant Operation and Maintenance	1,336,038.69			1,336,038.69
Pupil Transportation	773,231.71			773,231.71
Central Services	266,588.82			266,588.82
Employee Benefits	4,153,879.49			4,153,879.49
Capital Outlay	247,066.64		1,758,481.50	2,005,548.14
Transfer of Funds to Charter Schools	406,006.00			406,006.00
Total Expenditures	<u>19,636,095.46</u>	<u>981,704.83</u>	<u>1,758,481.50</u>	<u>22,376,281.79</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>510,944.79</u>	<u>(146,676.40)</u>	<u>(1,055,088.90)</u>	<u>(690,820.51)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from the City Bonds			1,055,088.90	1,055,088.90
Cancellation of Prior Year Encumbrances	990.00			990.00
Local Contribution- Transfer to Special Revenue	(148,170.00)	148,170.00		-
Transfers In	8,302.32			8,302.32
Transfers Out			(8,302.32)	(8,302.32)
Total Other Financing Sources (Uses)	<u>(138,877.68)</u>	<u>148,170.00</u>	<u>1,046,786.58</u>	<u>1,056,078.90</u>
Net Changes in Fund Balance	372,067.11	1,493.60	(8,302.32)	365,258.39
Fund Balance - July 1	4,844,403.22	(18,670.00)	8,302.32	4,834,035.54
Fund Balance - June 30	<u>\$ 5,216,470.33</u>	<u>(17,176.40)</u>	<u>0.00</u>	<u>5,199,293.93</u>

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

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance
of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2016**

Total Net Change in Fund Balance - Governmental Funds (from B-2) \$ 365,258.39

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, on 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 depreciation exceeded capital outlays in the current fiscal year.

	Capital Outlay	1,936,657.76	
	Depreciation expense	(613,057.18)	
	Loss on Disposal of Fixed Assets	<u>(126.80)</u>	
			1,323,473.78

Governmental funds report district pension contributions as expenditures. However in the Statement of Activities, the cost of pension benefits earned net of of employee contributions is reported as pension expense.

District pension contributions - PERS			
Cost of benefits earned net of employee contributions	<u>(328,393.00)</u>		(328,393.00)

Non current SREC Investments 95,853.00

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) 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 (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation (-); when the paid amount exceeds the earned amount, the difference is an addition to the reconciliation (+). (105,834.00)

Change in Net Position of Governmental Activities \$ 1,350,358.17

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Net Position
June 30, 2016

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals
ASSETS			
Current Assets:			
Cash and Cash Equivalents	\$ 82,822.93	44,395.77	127,218.70
Accounts Receivable	10,417.13	79.44	10,496.57
Inventories	4,360.70		4,360.70
Total Current Assets	<u>97,600.76</u>	<u>44,475.21</u>	<u>142,075.97</u>
Noncurrent Assets:			
Furniture, Machinery & Equipment	222,311.00		222,311.00
Less: Accumulated Depreciation	<u>(169,409.36)</u>		<u>(169,409.36)</u>
Total Noncurrent Assets	<u>52,901.64</u>	<u>-</u>	<u>52,901.64</u>
Total Assets	<u><u>150,502.40</u></u>	<u><u>44,475.21</u></u>	<u><u>194,977.61</u></u>
LIABILITIES			
Current Liabilities:			
Unearned Revenue	700.49		700.49
Total Current Liabilities	<u>700.49</u>	<u>-</u>	<u>700.49</u>
NET POSITION			
Net Investment in Capital Assets	52,901.64		52,901.64
Unrestricted	96,900.27	44,475.21	141,375.48
Total Net Position	<u><u>\$ 149,801.91</u></u>	<u><u>44,475.21</u></u>	<u><u>194,277.12</u></u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Revenues, Expenses, and Changes in Fund Net Position
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals Enterprise
Operating Revenues:			
Charges for Services:			
Daily Sales - Reimbursable Programs	\$ 37,952.42		37,952.42
Daily Sales - Non-reimbursable Programs	36,998.74		36,998.74
After School Tuition		40,140.89	40,140.89
Other Income	6,727.82		6,727.82
Total Operating Revenue	<u>81,678.98</u>	<u>40,140.89</u>	<u>121,819.87</u>
Operating Expenses:			
Cost of Sales	103,559.49		103,559.49
Salaries	99,949.18	34,572.16	134,521.34
Employee Benefits	19,778.84		19,778.84
Other Expense	13,519.03		13,519.03
Other Purchased Professional Services	23,575.02		23,575.02
Insurance	4,897.49		4,897.49
General Supplies	536.19	1,393.72	1,929.91
Depreciation	7,600.04		7,600.04
Total Operating Expenses	<u>273,415.28</u>	<u>35,965.88</u>	<u>309,381.16</u>
Operating (Loss)	(191,736.30)	4,175.01	(187,561.29)
Nonoperating Revenues (Expenses):			
State Sources:			
State School Lunch Program	2,851.29		2,851.29
Federal Sources:			
National School Lunch Program	136,658.76		136,658.76
National School Breakfast Program	22,310.38		22,310.38
Food Distribution Program	21,997.92		21,997.92
Total Nonoperating Revenues (Expenses)	<u>183,818.35</u>	<u>-</u>	<u>183,818.35</u>
Income (Loss) before Contributions & Transfers	(7,917.95)	4,175.01	(3,742.94)
Changes in Net Position	(7,917.95)	4,175.01	(3,742.94)
Total Net Position - Beginning	<u>157,719.86</u>	<u>40,300.20</u>	<u>198,020.06</u>
Total Net Position - Ending	<u>\$ 149,801.91</u>	<u>44,475.21</u>	<u>194,277.12</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Proprietary Funds
Statement of Cash Flows
For the Year Ended June 30, 2016

	Business-Type Activities - Enterprise Fund Non Major Funds		
	Food Service	After School	Totals Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from Customers	\$ 81,490.22	40,180.61	121,670.83
Payments to Employees	(99,949.18)	(34,572.16)	(134,521.34)
Payments for Employee Benefits	(19,778.84)		(19,778.84)
Payments for Supplies	(146,410.19)	(1,393.72)	(147,803.91)
Net Cash (Used for) Operating Activities	<u>(184,647.99)</u>	<u>4,214.73</u>	<u>(180,433.26)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
State Sources	3,006.54		3,006.54
Federal Sources	162,258.72		162,258.72
Food Distribution Program	21,997.92		21,997.92
Net Cash Provided by Noncapital Financing Activities	<u>187,263.18</u>	<u>-</u>	<u>187,263.18</u>
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchase of Capital Assets	(21,025.00)		(21,025.00)
Net Cash (Used for) Capital and Related Financing Activities	<u>(21,025.00)</u>	<u>-</u>	<u>(21,025.00)</u>
CASH FLOW FROM INVESTING ACTIVITIES			
None	-		-
Net Cash Provided by (Used for) Investing Activities	<u>-</u>	<u>-</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	(18,409.81)	4,214.73	(14,195.08)
Balance - Beginning of Year	101,232.74	40,181.04	141,413.78
Balance - End of Year	<u>82,822.93</u>	<u>44,395.77</u>	<u>127,218.70</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	(191,736.30)	4,175.01	(187,561.29)
Adjustments to Reconcile Operating Income(Loss) to Net Cash Provided by (Used for) Operating Activities:			
Depreciation and Net Amortization	7,600.04		7,600.04
Increase in Accounts Payable	(784.22)		(784.22)
Decrease in Accounts Receivable		39.72	39.72
(Decrease) in Unearned Revenue	(188.76)		(188.76)
(Increase) in Inventories	461.25		461.25
Total Adjustments	<u>7,088.31</u>	<u>39.72</u>	<u>7,128.03</u>
Net Cash Provided by (Used for) Operating Activities	<u>\$ (184,647.99)</u>	<u>4,214.73</u>	<u>(180,433.26)</u>

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Statement of Net Position
June 30, 2016

	<u>Unemployment Compensation</u>	<u>Agency Fund</u>
ASSETS		
Cash and Cash Equivalents	\$ <u>293,788.95</u>	<u>86,136.39</u>
Total Assets	<u>293,788.95</u>	<u>86,136.39</u>
LIABILITIES		
Payable to Student Groups		29,424.00
Payroll Deductions and Withholdings		56,712.39
Accounts Payable	66.26	-
Total Liabilities	<u>66.26</u>	<u>86,136.39</u>
NET POSITION		
Held in Trust for Unemployment Claims and Other Purposes	\$ <u><u>293,722.69</u></u>	

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2016

	<u>Unemployment Compensation</u>
ADDITIONS	
Contributions:	
Plan Member	\$ 11,978.90
Total Contributions	<u>11,978.90</u>
Investment Earnings:	
Interest	297.33
Net Investment Earnings	<u>297.33</u>
Total Additions	<u>12,276.23</u>
DEDUCTIONS	
Unemployment Claims	25,847.32
Total Deductions	<u>25,847.32</u>
Changes in Net Position	(13,571.09)
Net Position - Beginning of the Year	307,293.78
Net Position - End of the Year	<u>\$ <u>293,722.69</u></u>

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

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Brigantine School District 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 financial statements of the Board of Education (Board) of the City of Brigantine School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. In its accounting and financial reporting, the District follows the pronouncements of the Governmental Accounting Standards Board (GASB). The more significant accounting policies established in GAAP and used by the District are discussed below.

A. Reporting Entity

The City of Brigantine School District is a Type I district located in the County of Atlantic, State of New Jersey. As a Type I district, the Board of Education members are appointed by the Mayor. The Board is comprised of seven members appointed to three-year terms. The purpose of the district is to educate students in grades K-8. The City of Brigantine School District had an approximate enrollment at June 30, 2016 of 824 students.

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 whether:

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

Based on the aforementioned criteria, the District has no component units but, as a Type I School District, would be considered a component unit of the City of Brigantine. The City however reports on a regulatory basis of accounting which does not recognize component units. If the City followed generally accepted accounting principles (GAAP) reporting, the Board of Education would be a component unit of the City of Brigantine.

B. BASIC FINANCIAL STATEMENTS – GOVERNMENT WIDE FINANCIAL STATEMENTS

The District's basic financial statements include both government-wide (reporting the District as a whole) and fund financial statements (reporting the District's major funds). Both the government-wide and fund financial statements categorize primary activities as either governmental or business type. The District's general and special revenue activities are classified as governmental activities. The District's Food Service and After School programs are classified as business-type activities.

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BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

In the governmental-wide Statement of Net Position, both the governmental and business-type activities columns (a) are presented on a consolidated basis by column, (b) and are reported on a full accrual, economic resource basis, which recognizes all long-term assets and receivables as well as long-term debt and obligations. The District's net position is reported in three parts-invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The District first utilizes restricted resources to finance qualifying activities.

The government-wide Statement of Activities reports both the gross and net cost of each of the District's functions and business-type activities (food service). The functions are also supported by general government revenues (property taxes, tuition, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues, operating and capital grants. Program revenues must be directly associated with the function (regular instruction, vocational programs, student & instruction related services, etc.) or a business-type activity. Operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

The net costs (by function or business-type activity) are normally covered by general revenue (property taxes, interest income, etc.).

- a. The District does allocate indirect costs such as depreciation expense, compensated absences, On-behalf TPAF Pension Contributions, and Reimbursed TPAF Social Security Contributions.

The government-wide focus is more on the sustainability of the District as an entity and the change in the District's net position resulting from the current year's activities. Fiduciary funds are not included in the government-wide statements.

B. BASIC FINANCIAL STATEMENTS – FUND FINANCIAL STATEMENTS

The financial transactions of the District are reported in individual funds in the fund financial statements. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, reserves, fund equity, revenues and expenditures/expenses. The various funds are reported by generic classification within the financial statements.

The emphasis in fund financial statements is on the major funds in either the governmental or business-type activities categories. Non-major funds by category are summarized into a single column. GASBS No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements. The State of New Jersey Department of Education has mandated that all New Jersey School Districts must report all governmental funds as major, regardless of the fund meeting the GASB definition of a major fund. However, the criteria are applied to proprietary funds.

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BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

The following fund types are used by the District:

1. Governmental Funds:

The focus of the governmental funds' measurement (in the fund statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The following is a description of the governmental funds of the District.

- a. **General Fund** is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.
- b. **Special Revenue** funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for a specific purpose. The special revenue fund is specifically used to account for state and federal grant monies that have been allocated to the District.
- c. **Capital Projects** funds are used to account for all financial resources to be used for the acquisition or construction of major capital facilities. The financial resources are derived from temporary notes or serial bonds. As a Type I School District all debt is borne by the municipality rather than the school district.

Fund Balances – Governmental Funds

In the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

The details of the fund balances are included in the Governmental Funds Balance Sheet. When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds and finally unassigned funds as needed.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

2. Proprietary Funds:

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

- a. **Enterprise Funds** are required to be used to account for operations for which a fee is charged to external users for goods or services and the activity (a) is financed with debt that is solely secured by a pledge of the net revenues, (b) has third party requirements that the cost of providing services, including capital costs, be recovered with fees and charges or (c) establishes fees and charges based on a pricing policy designated to recover similar costs. The District operates a food service fund to provide a child nutrition program for the students of the district.

The District's Enterprise Funds are comprised of the Food Service Fund and the After School Fund.

3. Fiduciary Funds:

Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore are not available to support District programs. The reporting focus is on net position and changes in net position, and is reported using accounting principles similar to proprietary funds.

The District's fiduciary funds are presented in the fiduciary fund financial statements by type (pension, private purpose and agency). Since by definition these assets are being held for the benefit of a third party (other local governments, private parties, pension participants, etc.), and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

D. BASIS OF ACCOUNTING

Basis of accounting refers to the point at which revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

1. Accrual:

Both governmental and business-type activities in the government-wide financial statements and the proprietary and fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

2. Modified Accrual:

The governmental fund financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term debt, if any, is recognized when due.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

E. FINANCIAL STATEMENT AMOUNTS

1. Cash and Cash Equivalents:

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.

For the purposes of determining cash equivalents the District considers all investments with an original maturity of three months or less as cash equivalents.

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:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

NJSA 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.

2. Investments:

Investments, including deferred compensation and pension funds, are stated at fair value, (quoted market price or the best available estimate). Interest earned on investments in the Capital Projects Fund is recognized as a reserve to pay future debt service or transferred to the general fund.

3. Inventories:

Inventories in the general fund consist of expendable supplies held for the District's use and are carried at cost using the first-in, first-out method. Inventories in the enterprise fund are valued at cost, which approximates market, using the first-in, first –out method. As of June 30, 2016, the District did not have inventory in the general fund and had the following inventory in the enterprise fund:

Food and Supplies	\$	4,360.70
	\$	4,360.70

The value of Federal donated commodities is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of non-operating revenue in the financial statements. The value of commodities included in the food inventory on June 30, 2016 is \$1,841.70.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

4. Capital Assets:

Capital assets purchased or acquired with an original cost of \$2,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings	20-50 years
Machinery and equipment	5-10 years
Improvements	10-20 years
Infrastructure Assets	50-65 years

Infrastructure assets include roads, parking lots, underground pipe, etc. The District includes all infrastructure assets as depreciable assets in the financial statements.

5. Revenues:

Substantially all governmental fund revenues are accrued. Property taxes are susceptible to accrual and under New Jersey State Statutes a municipality is required to remit to its school district the entire balance of taxes in the amount 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. Subsidies and grants to proprietary funds, which finance either capital or current operations, are reported as non-operating revenue. In respect to grant revenues, the provider recognizes liabilities and expenses and the recipient recognizes receivables and revenue when the applicable eligibility requirements, including time requirements are met. Resources transmitted before the eligibility requirements are met are reported as advances by the provider and unearned revenue by the recipient. Program revenues, including tuition revenue are reported as reductions to expenses in the statement of activities.

6. Expenditures:

Expenses are recognized when the related fund liability is incurred. Inventory costs are reported in the period when inventory items are used, rather than in the period purchased.

7. Compensated Absences:

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

In governmental and similar trust funds, compensated absences that are expected to be liquidated with expendable available financial resources are reported as both an expenditure and a fund liability in the fund that will pay for the compensated absences. The remainder of the compensated absences liability is reported in the District-wide Financial Statements as a Governmental Activity.

In proprietary and similar trust funds, compensated absences are recorded as an expense and liability of the fund that will pay for them.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

8. Interfund Activity:

Interfund activity is reported as loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related costs as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

9. 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 for approval and, as long as the District budget is within State mandated CAPs, there is no public vote on the budget. If the budget exceeds State mandated CAPs, the voters have an opportunity to approve or reject the budget at the regular election held in November. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:23-2(g). Transfers of appropriations may be made by School Board resolution at any time during the fiscal year and are subject to two-thirds majority vote by the School Board and under certain circumstances require approval by the County Superintendent of Schools.

Significant transfers approved by the Board of Education during the fiscal year were as follows:

Regular Programs - Instruction	
Grades 6 - 8 Salaries of Teachers	\$ 171,154.02
Resource Room/Resource Center	
Salaries of Teachers	105,447.66
Basic Skills/Remedial-Instruction	
Salaries of Teachers	128,898.72
Undistributed Expenditures	
Tuition to CSSD & Regional Day Schools	(175,615.00)
Tuition to Private Schools for the Disabled Within State	(139,500.00)
Unallocated Benefits - Employee Benefits - Health Benefits	(285,303.82)
Contr. Serv. - (Bet. Home & School) - Vendors	(72,649.71)
Contr. Serv. - (Sp Ed. Stds) - Vendor	57,449.71

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 payments 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 yearend.

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.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

10. Tuition Receivable:

Tuition charges were established by the Boards of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. As of June 30, 2016, there was no tuition receivable.

11. Tuition Payable:

Tuition charges for the fiscal years 2015-16 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

12. Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those results.

13. Allocation of Costs:

In the government-wide statement of activities, the District has allocated unallocated benefits to various programs based on the budgetary expenditures by program.

14. Pensions:

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers' Pension and Annuity Fund (TPAF) and Public Employee Retirement System (PERS) and additions to/deductions from the fiduciary net position have been determined on the same basis as they are reported by the TPAF and PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

F. RECENT ACCOUNTING PRONOUNCEMENTS NOT YET EFFECTIVE

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans". This statement is effective for fiscal periods beginning after June 30, 2016 establishes new accounting and financial reporting requirements for OPEB plans. It is anticipated that this statement will not have any effect on the District's financial reporting.

In June 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". This statement is effective for fiscal periods beginning after June 30, 2017. Although not determinable, the impact of this statement on the net position of the entity is anticipated to be significant.

In August 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 77, "Tax Abatement Disclosure". This statement is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

In December 2015, the Governmental Accounting Standards Board (GASB) issued Statement No. 78, "Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans". This statement is effective for fiscal periods beginning after December 15, 2015, will not have any effect on the District's financial reporting.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

In January 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 80, "Blending Requirements for Certain Component Units – an amendment of GASB Statement No. 14". This statement is effective for fiscal periods beginning after December 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 81, "Irrevocable Split-Interest Agreements". This statement is effective for fiscal periods beginning after December 15, 2016, will not have any effect on the District's financial reporting.

In March 2016, the Governmental Accounting Standards Board (GASB) issued Statement No. 82, "Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No.73". This statement is effective for fiscal periods beginning after June 15, 2016, will not have any effect on the District's financial reporting, however will affect the disclosure of pension related items.

NOTE 2 – CASH

Custodial Credit Risk—Deposits. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The district's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in the New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2016, \$156,140.91 of the government's bank balance of \$6,077,293.04 was exposed to custodial credit risk.

NOTE 3 – RECEIVABLES

Receivables at June 30, 2016, consisted of accounts (tuition), interfund, and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial Statements	Government Wide Financial Statements
State Aid	\$ 95,292.76	95,476.30
Federal Aid	68,465.00	78,698.59
Interfunds	24,682.47	-
Other	1,191,456.38	1,287,388.82
Gross Receivables	1,379,896.61	1,461,563.71
Less: Allowance for Uncollectibles		
Total Receivables, Net	\$ 1,379,896.61	1,461,563.71

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NOTE 4 – INTERFUND TRANSFERS AND BALANCES

Transfers between funds are used to (1) move investment income earned in the Capital Projects Fund that is required to be expended in the Debt Service Fund; (2) repay expenses paid by another fund; and (3) make a Board contribution to the Unemployment Compensation Trust Fund; and (4) transfer federal and state food subsidies received in the General Fund to the Food Service Fund.

The following interfund balances remained on the fund financial statements at June 30, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 24,682.47	
Special Revenue Fund		24,682.47
Total	<u>\$ 24,682.47</u>	<u>24,682.47</u>

The general fund receivable is comprised of an interfund due from the Special Revenue Fund in the amount of \$24,682.47. This receivable is a result of the general funds loan to cover the special revenue funds cash deficit.

NOTE 5 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2016, was as follows:

	<u>Beginning Balance</u>	<u>Transfers/ Additions</u>	<u>Deletions/ Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
Capital assets, not being depreciated:				
Land	\$ 147,600.00			147,600.00
Construction in Progress	-	1,758,481.50		1,758,481.50
Total capital assets not being depreciated	<u>147,600.00</u>	<u>1,758,481.50</u>	<u>-</u>	<u>1,906,081.50</u>
Capital assets being depreciated:				
Buildings and building improvements	25,955,619.03	117,572.26		26,073,191.29
Machinery and Equipment	829,707.54	60,604.00	(3,568.00)	886,743.54
Total capital assets being depreciated at historical cost	<u>26,785,326.57</u>	<u>178,176.26</u>	<u>(3,568.00)</u>	<u>26,959,934.83</u>
Less accumulated depreciation for:				
Buildings and improvements	(12,095,552.04)	(557,948.83)		(12,653,500.87)
Equipment	(591,293.56)	(55,108.35)	3,441.20	(642,960.71)
Total capital assets being depreciated, net of accumulated depreciation	<u>14,098,480.97</u>	<u>(434,880.92)</u>	<u>(126.80)</u>	<u>13,663,473.25</u>
Governmental activity capital assets, net	<u>14,246,080.97</u>	<u>1,323,600.58</u>	<u>(126.80)</u>	<u>15,569,554.75</u>
Business-type activities:				
Capital assets being depreciated:				
Equipment	201,286.00	21,025.00		222,311.00
Less accumulated depreciation	(161,809.32)	(7,600.04)		(169,409.36)
Enterprise Fund capital assets, net	<u>\$ 39,476.68</u>	<u>13,424.96</u>	<u>-</u>	<u>52,901.64</u>

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Depreciation expense was charged to governmental functions as follows:

Regular Instruction	\$ 344,865.43
Special Instruction	74,946.48
Other Special Instruction	23,003.95
Student & Instruction Related Services	104,366.83
Gen Administration Services	21,762.62
School Administration Services	27,466.13
Business and Other Support Services	16,645.74
	<u>\$ 613,057.18</u>

NOTE 6 – LONG-TERM OBLIGATIONS

Changes in long-term obligations for the year ended June 30, 2016 are as follows:

	Balance July 1, 2015	Issues or Additions	Payments or Expenditures	Balance June 30, 2016	Amounts Due Within One Year
Compensated Absences	\$ 831,450.00	105,834.00		937,284.00	
Net Pension Liability	4,172,445.00	1,503,478.00	606,890.00	5,069,033.00	
	<u>\$ 5,003,895.00</u>	<u>1,609,312.00</u>	<u>606,890.00</u>	<u>6,006,317.00</u>	<u>-</u>

A. Bonds Payable – The City of Brigantine School District is a Type I School District. In the State of New Jersey, all Type I school debt is borne by the municipality rather than the school district.

B. Bonds Authorized But Not Issued - As of June 30, 2016, the District had no authorized but not issued bonds.

NOTE 7 – PENSION PLANS

Description of Plans - All required employees of the District are covered by either the Public Employees' Retirement System or the Teachers' Pension and Annuity Fund which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pension and Benefits, PO Box 295, Trenton, New Jersey, 08625 or the reports can be accessed on the internet at <http://www.state.nj.us/treasury/pensions/annrpts/achive.htm>.

Teachers' Pension and Annuity Fund (TPAF)

The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related 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 unclassified, professional and certified.

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Public Employees' Retirement System (PERS)

The Public Employees' Retirement System (PERS) 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 Public Employees' Retirement System is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district, or public agency, provided the employee is not required to be a member of another state-administered retirement system or other state or local jurisdiction.

Defined Contribution Retirement Program (DCRP)

The Defined Contribution Retirement Program (DCRP) was established as of 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.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a 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.

Funding Policy

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 School District's contributions to TPAF for the years ending June 30, 2016, 2015 and 2014 were \$555,040.00, \$354,134.00 and \$281,007.00 respectively, and paid by the State of New Jersey on behalf of the board, equal to the required contributions for each year. The School District's contributions to PERS for the years ending June 30, 2016, 2015 and 2014 were \$194,138.00, \$183,718.00 and \$188,016.00 respectively, equal to the required contributions for each year.

During the fiscal years ended June 30, 2016, 2015 and 2014, the State of New Jersey contributed \$660,900.00, \$562,189.00 and \$460,744.00, respectively, to the TPAF for post-retirement medical benefits on behalf of the Board. Also, in accordance with NJSA 18A:66-66 the State of New Jersey reimbursed the Board \$517,441.94, \$471,744.89, and \$490,114.00, during the same fiscal years for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts, which are not required to be budgeted, have been included in the financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditures in accordance in GASB Standards.

For the DCRP, members contribute at a uniform rate of 5.5% of their base salary. Employers are required to contribute at a set rate of 3.0% of base salary. There were employees enrolled in the DCRP for the year ended June 30, 2016.

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Vesting and Benefit Provisions - The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43:3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 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.

Significant Legislation

Chapter 78, P.L. 2011, effective June 28, 2011 made various changes to the manner in which the Public Employees' Retirement System (PERS) and the Police and Firemen's Retirement System (PFRS) operate and to the benefit provisions of those systems.

Chapter 78's provisions impacting employee pension and health benefits include:

- New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years.
- Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.
- New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary.
- In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Chapter 1, P.L. 2010, effective May 21, 2010, made a number of changes to the State-administered retirement systems concerning eligibility, the retirement allowance formula, the definition of compensation, the positions eligible for service credit, the non-forfeitable right to a pension, the prosecutor's part of the PERS, special retirement under the PFRS, and employer contributions to the retirement systems.

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Also, Chapter 1, P.L. 2010 changed the membership eligibility criteria for new members of PERS from the amount of annual compensation to the number of hours worked weekly. Also, it returned the benefit multiplier for new members of PERS to 1/60th from 1/55th, and it provided that new members of PERS have the retirement allowance calculated using the average annual compensation for the last five years of service instead of the last three years of service. New members of PERS will no longer receive pension service credit from more than one employer. Pension service credit will be earned for the highest paid position only. For new members of the PFRS, the law capped the maximum compensation that can be used to calculate a pension from these plans at the annual wage contribution base for social security, and requires the pension to be calculated using a three-year average annual compensation instead of the last year's salary. This law also closed the Prosecutors Part of the PERS to new members and repealed the law for new members that provided a non-forfeitable right to receive a pension based on the laws of the retirement system in place at the time 5 years of pension service credit is attained. The law also requires the State to make its full pension contribution, defined a 1/7th of the required amount, beginning in fiscal years 2012.

Chapter 3, P.L. 2010, effective May 21, 2010, replaced the accidental and ordinary disability retirement for new members of the PERS with disability insurance coverage similar to that provided by the State to individuals enrolled in the State's Defined Contribution Retirement Program.

Chapter 92, P.L. 2007 implemented certain recommendations contained in the December 1, 2006 report of the Joint Legislative Committee on Public Employee Benefits Reform; established a DCRP for elected and certain appointed officials, effective July 1, 2007; the new pension loan interest rate became 4.69% per year, and an \$8.00 processing fee per loan was charged, effective January 1, 2008. The legislation also removed language from existing law that permits the State Treasurer to reduce employer pension contributions needed to fund the Funds and Systems when excess assets are available.

NOTE 8 – PUBLIC EMPLOYEES RETIREMENT SYSTEM

At June 30, 2016, the District reported a liability of \$5,069,033.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the District's proportion was 0.02258122810%, which was an increase of 0.00030% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$338,813.00. At June 30, 2016, 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 expended and actual experience	\$ 120,929	
Changes of assumptions	544,374	
Net difference between projected and actual earnings on pension plan investments		81,500
Changes in proportion and differences between District contributions and proportionate share of contributions	46,983	16,330
District contributions subsequent to the measurement date		
	\$ 712,286	97,830
Total		

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\$194,138.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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,			
2017	\$	114,862	
2018		114,862	
2019		114,862	
2020		172,421	
2021		97,449	
Total	\$	614,456	

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2014. This actuarial valuation used the following assumptions, applied to all period in the measurement:

Inflation rate	3.04%
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 males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projections Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

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In accordance with State statute, the long-term expected rate of return on plan investments (7.9% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees, and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	1.04%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Equities	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	0.40%
REIT	4.25%	5.12%

Discount Rate

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. 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 3.80% as of June 30, 2015, based on the 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 actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

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The following presents the collective net pension liability of the participated employers as of June 30, 2015, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	1% Decrease (3.90%)	Current Discount Rate (4.90%)	1% Increase (5.90%)
District's proportionate share of the net pension liability	\$ 6,115,566	5,069,033	4,193,084

Pension plan fiduciary net position.

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

NOTE 9 – TEACHERS PENSIONS AND ANNUITY FUND (TPAF)

At June 30, 2016, the District reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the District. The amount recognized by the District as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the District were as follows:

District's proportionate share of the net pension liability	\$	-
State's proportionate share of the net position liability associated with the District		41,400,788
Total	\$	41,400,788

The net pension liability was measured as of June 30, 2015 and the total pension liability to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2015, the District's proportion was 0.00%, which was no change from its proportion measured as of June 30, 2014.

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For the year ended June 30, 2016, the District recognized pension expense of \$2,527,891.00 and revenue of \$2,175,859.00 for support provided by the State. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to TPAF from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expensed and actual experience	\$ 210,412	12,472
Changes of assumptions	4,716,327	
Net difference between projected and actual earnings on pension plan investments		350,677
Changes in proportion and differences between District contributions and proportionate share of contributions	216,786	
District contributions subsequent to the measurement date		
	\$ 5,143,525	363,149
Total		

\$352,032.00 reported as deferred outflows of resources related to pensions resulting from district contributions subsequent to the measurement date (June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. 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,	
2017	\$ 561,566
2018	561,566
2019	561,566
2020	860,253
2021	728,072
Thereafter	1,507,353
Total	\$ 4,780,376

Actuarial assumptions. The total pension liability in the June 30, 2015 actuarial valuation was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. This actuarial valuation used the following assumptions, applied to all period included in the measurement:

Inflation Rate	2.50%
Salary increases	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.90%

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Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate with adjustments for mortality improvements based on Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimated ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return.
US Cash	5.00%	53.00%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US Equity Market	27.25%	5.63%
Foreign Developed Equity	12.00%	6.22%
Emerging market equities	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - Multi Strategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%

Discount rate. The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015, based on the 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 employers' 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 2027.

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Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.13% as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (3.13%) or 1-percentage point higher (5.13%) than the current rate:

	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
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 TPAF financial report.

NOTE 10 – 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 for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c. 62. Funding of post-retirement medical changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 c. 126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$214.1 million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

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BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

NOTE 11 – COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's 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 as long as it does not violate Title 18A. Upon retirement employees, shall be paid by the District for unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences for the governmental fund types is recorded in current and long-term liabilities. The current portion of the compensated absences balance of the governmental funds is not considered material to the applicable funds total liabilities, and therefore is not shown separately from the long-term liability of compensated absences.

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, 2016, there was no liability for compensated absences in the Food Service Enterprise Fund.

NOTE 12 – DEFERRED COMPENSATION

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

Lincoln Life	Equitable
Lincoln Investment	Ameriprise Financial
Kemper Investors Life Insurance Company	ING
Valic – The Variable Annuity Life Insurance Company	

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BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

NOTE 13 – CAPITAL RESERVE ACCOUNT

A capital reserve account was established by City of Brigantine Board of Education by the inclusion of \$1.00 on September 28, 2000 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. A 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. 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 LRFP.

Beginning balance, July 1, 2015	\$ 1,076,880.22
Deposits:	
June Transfer	300,000.00
Withdrawals:	
Board Resolutions	(101,836.38)
	<hr/>
Ending balance, June 30, 2016	\$ <u>1,275,043.84</u>

NOTE 14 – MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the City of Brigantine Board of Education for the accumulation of funds for use as required maintenance expenditures 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.

The activity of the Maintenance reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Beginning balance, July 1, 2015	\$ 341,963.00
Deposits:	
June Transfer	10,000.00
	<hr/>
Ending balance, June 30, 2016	\$ <u>351,963.00</u>

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

NOTE 15 – EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by the City of Brigantine Board of Education for the accumulation of funds for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education 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.

The activity of the emergency reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:

Beginning balance, July 1, 2015	\$	118,785.00
Increase:		
None		
<hr style="width: 20%; margin: 0 auto;"/>		
Ending balance, June 30, 2016	\$	<u>118,785.00</u>

NOTE 16 – RISK MANAGEMENT

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

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

New Jersey Unemployment Compensation Insurance - The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District's expendable trust fund for the current and prior year:

<u>Fiscal Year</u>	<u>Contributions</u>	<u>Interest on Investments</u>	<u>Unemployment Claims</u>	<u>Ending Balance</u>
2015-2016	\$ 11,978.90	297.33	25,847.32	293,722.69
2014-2015	13,638.22	294.10	286.60	307,293.78
2013-2014	37,561.27	272.50		293,648.06

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BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

NOTE 17 – CONTINGENT LIABILITIES

Federal and State Grants

The District participates in a number of federal and state grant programs. The grant 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 would result in the disallowance of program expenditures.

NOTE 18 – ECONOMIC DEPENDENCY

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

NOTE 19 – LITIGATION

From time to time, the District is a defendant in legal proceedings relating to its operations as a school district. In the best judgment of the District's management, the outcome of any legal proceedings will not have any adverse effect on the accompanying financial statements.

NOTE 20 – COMMITMENTS

The District does not have an encumbrance policy for the fiscal year end to determine significant encumbrances. All encumbrances are classified as Assigned Fund Balance in the General Fund and Special Revenue Fund. Significant encumbrances at June 30th are as follows:

Fund	Amount
General Fund Encumbered Orders	\$ 17,615.00
	\$ 17,615.00

NOTE 21 – FUND BALANCE APPROPRIATED

General Fund – Of the \$5,216,470.33 General Fund fund balance, at June 30, 2016, \$17,615.00 is reserved for encumbrances, \$3,141,155.42 is reserved as excess surplus in accordance with NJSA 18A:7F-7 (\$1,631,520.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2017), \$1,275,043.84 has been reserved in the Capital Reserve Account; \$118,785.00 has been reserved in an Emergency Reserve Account; \$351,963.00 has been reserved in a Maintenance Reserve; \$42,254.00 is designated by BOE for subsequent expenditures; and \$269,657.07 is classified as unassigned.

NOTE 22 – CALCULATION OF EXCESS SURPLUS

In accordance with N.J.S.A. 18A:7F-7, the designation for Reserved Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to reserve General Fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount of budgeted fund balance in their subsequent years' budget. The excess fund balance generated in June 30, 2016 is \$1,509,635.42.

BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2016
(CONTINUED)

NOTE 23 – DEFICIT FUND BALANCE

The District has a deficit fund balance of \$17,176.40 in the Special Revenue Fund as of June 30, 2016 as reported in the fund statements (modified accrual basis). P.L. 2003, c. 97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last payment as revenue, for budget purposes only, in the current school budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the last state aid payment in the subsequent fiscal year, the school district cannot recognize the last state aid payment on the GAAP financial statements until the year the state records the payable. Due to the timing difference of recording the last state aid payment, the Special Revenue Fund balance deficit does not alone indicate that the district is facing financial difficulties. The District deficit in the General fund and Special revenue fund in the GAAP fund statements is less than or equal to the last state aid payment for that respective fund.

NOTE 24 – SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2016 through November 11, 2016, the date that the financial statements were available to be issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

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REQUIRED SUPPLEMENTARY INFORMATION – PART II

BUDGETARY COMPARISON SCHEDULES

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 15,888,114.00		15,888,114.00	15,888,114.00	-
Transportation Fees from Other LEA's			-	898.00	(898.00)
Unrestricted Miscellaneous Revenue	5,000.00		5,000.00	122,426.62	(117,426.62)
Total Local Sources	15,893,114.00	-	15,893,114.00	16,011,438.62	(118,324.62)
State Sources:					
Categorical Transportation Aid	498,223.00		498,223.00	498,223.00	-
Categorical Special Education Aid	520,704.00		520,704.00	520,704.00	-
Categorical Security Aid	195,858.00		195,858.00	195,858.00	-
Adjustment Aid	1,059,602.00		1,059,602.00	1,059,602.00	-
PARCC Readiness Aid	8,560.00		8,560.00	8,560.00	-
Per Pupil Growth Aid	8,560.00		8,560.00	8,560.00	-
Nonpublic Transportation			-	9,954.00	(9,954.00)
Extraordinary Aid			-	85,114.00	(85,114.00)
TPAF Post Retirement Pension (On-Behalf - Non-Budgeted)			-	660,900.00	660,900.00
TPAF Pension (On-Behalf - Non-Budgeted)			-	555,040.00	555,040.00
TPAF Social Security (Reimbursed- Non-Budgeted)			-	517,441.94	517,441.94
Total State Sources	2,291,507.00	-	2,291,507.00	4,119,956.94	1,638,313.94
Federal Sources:					
Medical Assistance Program (SEMI)	17,567.00		17,567.00	5,158.29	12,408.71
Total Federal Sources	17,567.00	-	17,567.00	5,158.29	12,408.71
Total Revenues	18,202,188.00	-	18,202,188.00	20,136,553.85	1,532,398.03
EXPENDITURES:					
CURRENT EXPENSE					
Kindergarten - Salaries of Teachers	343,515.00	30,096.82	373,611.82	373,556.82	55.00
Grades 1 - 5 Salaries of Teachers	2,369,788.00	43,384.31	2,413,172.31	2,398,212.81	14,959.50
Grades 6 - 8 Salaries of Teachers	1,668,443.00	171,154.02	1,839,597.02	1,839,597.02	-
Regular Programs - Home Instruction					
Salaries of Teachers	14,000.00	220.00	14,220.00	14,218.86	1.14
Other Purchased Services (400-500 series)		6,700.00	6,700.00	5,790.00	910.00
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	1,510.00	7,533.00	9,043.00	9,043.00	-
Purchased Technical Services	2,000.00		2,000.00		2,000.00
Other Purchased Services (400-500 series)	50,000.00	(2,980.00)	47,020.00	39,772.12	7,247.88
General Supplies	214,725.00	(2,700.00)	212,025.00	164,325.55	47,699.45
Textbooks	47,000.00	-	47,000.00	17,349.34	29,650.66
TOTAL REGULAR PROGRAMS - INSTRUCTION	4,710,981.00	253,408.15	4,964,389.15	4,861,865.52	102,523.63
Multiple Disabilities					
Salaries of Teachers	173,675.00	3,744.16	177,419.16	177,419.16	-
Other Salaries for Instruction	238,021.00	(2,076.93)	235,944.07	235,941.89	2.18
Purchased Professional - Educational Services	500.00		500.00		500.00
Purchased Technical Services	14,000.00	(6,685.00)	7,315.00	4,500.00	2,815.00
General Supplies	8,000.00	(1,000.00)	7,000.00	1,630.25	5,369.75
Total Multiple Disabilities	434,196.00	(6,017.77)	428,178.23	419,491.30	8,686.93
Resource Room/Resource Center					
Salaries of Teachers	472,649.00	105,447.66	578,096.66	578,096.66	-
General Supplies	6,000.00	(1,000.00)	5,000.00	893.20	4,106.80
Total Resource Room/Resource Center	478,649.00	104,447.66	583,096.66	578,989.86	4,106.80

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Special Education Instruction - Autism					
Salaries of Teachers	62,271.00	6,010.92	68,281.92	68,281.92	-
Other Salaries for Instruction	28,090.00	2,614.16	30,704.16	30,704.16	-
Purchased Professional - Educational Services	3,500.00		3,500.00		3,500.00
General Supplies	1,200.00		1,200.00		1,200.00
Total Autism	95,061.00	8,625.08	103,686.08	98,986.08	4,700.00
Preschool Disabilities - Part-Time					
Salaries of Teachers	59,602.00	(12,000.00)	47,602.00	47,106.68	495.32
Other Salaries for Instruction	273.32	30,171.74	30,445.06	30,445.06	-
Purchased Professional - Educational Services	800.00		800.00		800.00
General Supplies	2,500.00		2,500.00	372.36	2,127.64
Total Preschool Disabilities - Part-Time	63,175.32	18,171.74	81,347.06	77,924.10	3,422.96
Home Instruction					
Salaries of Teachers	10,000.00	(5,000.00)	5,000.00		5,000.00
Other Purchased Services (400-500 series)	12,500.00	36,500.00	49,000.00	24,910.00	24,090.00
Total Home Instruction	22,500.00	31,500.00	54,000.00	24,910.00	29,090.00
TOTAL SPECIAL EDUCATION - INSTRUCTION	1,093,581.32	156,726.71	1,250,308.03	1,200,301.34	50,006.69
Basic Skills/Remedial - Instruction					
Salaries of Teachers	30,804.00	128,898.72	159,702.72	159,702.72	-
Other Salaries for Instruction	41,507.00	1,580.32	43,087.32	43,087.32	-
Other Purchased Services (400-500 series)	500.00		500.00		500.00
General Supplies	8,000.00	(1,500.00)	6,500.00	776.38	5,723.62
Textbooks	500.00		500.00		500.00
Total Basic Skills/Remedial - Instruction	81,311.00	128,979.04	210,290.04	203,566.42	6,723.62
School-Spon. Cocurricular Activities - Instruction					
Salaries	66,240.00		66,240.00	57,723.62	8,516.38
Purchased Services (300-500 series)	14,000.00		14,000.00	12,000.85	1,999.15
Supplies & Materials	7,000.00		7,000.00	48.00	6,952.00
Total School-Spon. Cocurricular Activities - Inst.	87,240.00	-	87,240.00	69,772.47	17,467.53
School-Spon. Cocurricular Athletics - Instruction					
Salaries	45,450.00		45,450.00	42,780.76	2,669.24
Purchased Services (300-500 series)	8,500.00		8,500.00	2,315.00	6,185.00
Supplies and Materials	4,000.00		4,000.00		4,000.00
Total School-Spon. Cocurricular Athletics - Inst.	57,950.00	-	57,950.00	45,095.76	12,854.24
Before/After School Programs- Instruction					
Salaries of Teachers	18,000.00		18,000.00	4,595.10	13,404.90
Total Before/After School Programs- Instruction	18,000.00	-	18,000.00	4,595.10	13,404.90
Summer School Instruction					
Salaries of Teachers	50,400.00		50,400.00	39,578.60	10,821.40
Other Salaries of Instruction	12,000.00		12,000.00	5,810.16	6,189.84
Salaries of Reading Specialists			-		-
Total Summer School- Instruction	62,400.00	-	62,400.00	45,388.76	17,011.24
TOTAL INSTRUCTION	6,111,463.32	539,113.90	6,650,577.22	6,430,585.37	219,991.85
UNDISTRIBUTED EXPENDITURES					
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State-Regular	2,785,364.00		2,785,364.00	2,765,237.09	20,126.91
Tuition to Other LEAs Within the State-Special	532,048.00		532,048.00	532,048.00	-
Tuition to Vocational School- Regular	310,031.00	(9,356.00)	300,675.00	300,675.00	-
Tuition to Vocational School- Special	46,644.00		46,644.00	46,644.00	-
Tuition to CSSD & Regional Day Schools	412,958.00	(175,615.00)	237,343.00	128,746.00	108,597.00
Tuition to Private Schools for the Disabled - Within State	304,588.00	(139,500.00)	165,088.00	68,181.62	96,906.38
Tuition - State Facilities	32,306.00		32,306.00	32,306.00	-
Total Undistributed Expenditures - Instruction	4,423,939.00	(315,115.00)	4,108,824.00	3,883,193.71	225,630.29

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undistributed Expend. - Attendance & Social Worker					
Salaries	20,690.00		20,690.00	19,110.45	1,579.55
Purchased Professional and Technical Services	19,000.00		19,000.00	17,520.41	1,479.59
Supplies & Materials	3,000.00		3,000.00	1,511.12	1,488.88
Total Undist. Expend. - Attend. & Social Worker	42,690.00	-	42,690.00	38,141.98	4,548.02
Undistributed Expend. - Health Services					
Salaries	145,890.00	4,230.32	150,120.32	137,721.32	12,399.00
Purchased Professional and Technical Services	8,130.00	(130.00)	8,000.00	7,265.25	734.75
Other Purchased Services (400-500 series)	500.00	100.00	600.00	518.00	82.00
Supplies & Materials	4,000.00	(100.00)	3,900.00	2,544.13	1,355.87
Total Undistributed Expend. - Health Services	158,520.00	4,100.32	162,620.32	148,048.70	14,571.62
Undist. Expend. - Speech, OT, PT & Related Services					
Salaries of Other Professional Staff	184,139.00	51,005.91	235,144.91	230,624.91	4,520.00
Purchased Professional- Educational Services	94,052.07	(50,000.00)	44,052.07	20,380.88	23,671.19
Supplies & Materials	2,500.00		2,500.00	284.95	2,215.05
Total Speech, OT, PT & Related Services	280,691.07	1,005.91	281,696.98	251,290.74	30,406.24
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	171,903.00	17,952.91	189,855.91	189,855.91	-
Salaries of Secretarial and Clerical Assistants	51,537.00	11,239.30	62,776.30	62,776.30	-
Supplies & Materials	1,500.00	(1,134.00)	366.00		366.00
Total Undist. Expend. -Guidance	224,940.00	28,058.21	252,998.21	252,632.21	366.00
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	339,044.00	16,893.64	355,937.64	342,928.64	13,009.00
Salaries of Secretarial and Clerical Assistants	20,036.04		20,036.04	18,176.68	1,859.36
Purchased Professional - Education Services	102,722.56	(1,200.00)	101,522.56	56,712.50	44,810.06
Misc Pur Serv (400-500 series o/than Resid Costs)	4,000.00	1,200.00	5,200.00	4,416.74	783.26
Supplies & Materials	4,000.00		4,000.00	3,703.78	296.22
Total Undist. Expend. - Child Study Teams	469,802.60	16,893.64	486,696.24	425,938.34	60,757.90
Undist. Expend. - Improv. of Instr. Serv.					
Salary of Supervisor of Instruction	86,730.00	2,492.58	89,222.58	89,222.58	-
Supplies & Materials	500.00		500.00	371.76	128.24
Total Undist. Expend. - Improv. Of Instr. Serv.	87,230.00	2,492.58	89,722.58	89,594.34	128.24
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	52,464.00	824.74	53,288.74	53,288.74	-
Salaries of Technology Coordinators	71,545.00	(35,220.00)	36,325.00	1,545.00	34,780.00
Purchased Professional and Technical Services	3,000.00	35,220.00	38,220.00	35,035.00	3,185.00
Other Purchased Services (400-500 series)	10,000.00	(3,340.00)	6,660.00	2,000.00	4,660.00
Supplies & Materials	7,500.00		7,500.00	636.90	6,863.10
Total Undistributed Expenditures - Educational Media Services - School Library	144,509.00	(2,515.26)	141,993.74	92,505.64	49,488.10
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors of Instruction	2,339.79		2,339.79	2,339.79	-
Other Salaries	28,200.00	(2,000.00)	26,200.00	23,018.69	3,181.31
Purchased Professional - Education Services	20,000.00	7,000.00	27,000.00	25,888.00	1,112.00
Other Purchased Services (400-500 series)	10,000.00	(9,160.00)	840.00	840.00	-
Supplies & Materials	1,000.00		1,000.00	846.12	153.88
Total Undistributed Expenditures - Instructional Staff Training Services	61,539.79	(4,160.00)	57,379.79	52,932.60	4,447.19
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	163,445.00	11,644.00	175,089.00	166,323.93	8,765.07
Legal Services	33,000.00	(400.00)	32,600.00	19,696.73	12,903.27
Audit Fees	24,000.00		24,000.00	21,000.00	3,000.00
Other Purchased Professional Services	9,600.00		9,600.00	8,053.62	1,546.38
Communications/Telephone	65,400.00	14,100.00	79,500.00	76,836.67	2,663.33
Other Purchased Services (400-500 series)	41,295.00	(400.00)	40,895.00	40,303.08	591.92
General Supplies	4,350.59	1,450.00	5,800.59	5,798.71	1.88
BOE In House Training/Meeting Supplies	500.00	100.00	600.00	579.41	20.59
BOE Membership Dues and Fees	10,000.00		10,000.00	9,945.95	54.05
Total Undistributed Expenditures - Support Services - General Administration	351,590.59	26,494.00	378,084.59	348,538.10	29,546.49

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
Undist. Expend. - Supp. Serv. - School Admin.					
Salaries of Principals/Assistant Principals	231,148.33	27,442.14	258,590.47	258,589.74	0.73
Salaries of Secretarial and Clerical Assistants	159,318.00	2,217.02	161,535.02	161,535.02	-
Other Purchased Services (400-500 series)	10,800.00		10,800.00	7,626.90	3,173.10
Supplies & Materials	8,000.00	4,250.00	12,250.00	12,130.72	119.28
Total Undistributed Expenditures - Support Services - School Administration	<u>409,266.33</u>	<u>33,909.16</u>	<u>443,175.49</u>	<u>439,882.38</u>	<u>3,293.11</u>
Undist. Expend. - Central Services					
Salaries	210,195.00	566.00	210,761.00	207,334.67	3,426.33
Purchased Technical Services	12,000.00	6,500.00	18,500.00	18,026.48	473.52
Supplies & Materials	3,064.03	1,600.00	4,664.03	4,594.79	69.24
Miscellaneous Expenditures	2,000.00		2,000.00	1,792.87	207.13
Total Undist. Expend. - Central Services	<u>227,259.03</u>	<u>8,666.00</u>	<u>235,925.03</u>	<u>231,748.81</u>	<u>4,176.22</u>
Undist. Expend. - Administrative Information Technology					
Purchased Professional Services	37,000.00		37,000.00	34,840.01	2,159.99
Supplies & Materials	2,000.00	(2,000.00)	-	-	-
Total Undist. Expend. - Admin. Info. Tech	<u>39,000.00</u>	<u>(2,000.00)</u>	<u>37,000.00</u>	<u>34,840.01</u>	<u>2,159.99</u>
Undist. Expend. - Required Maint. School Facilities					
Salaries	217,984.59	11,210.81	229,195.40	229,191.72	3.68
Cleaning, Repair and Maintenance Service	125,800.00	(21,670.00)	104,130.00	88,181.67	15,948.33
General Supplies	59,000.00		59,000.00	15,334.70	43,665.30
Total Undistributed Expenditures - Allowable Maintenance for School Facilities	<u>402,784.59</u>	<u>(10,459.19)</u>	<u>392,325.40</u>	<u>332,708.09</u>	<u>59,617.31</u>
Undist. Expend. - Custodial Services					
Salaries	499,733.93	12,319.55	512,053.48	503,663.34	8,390.14
Other Purchased Property Services	24,200.00	2,800.00	27,000.00	19,380.45	7,619.55
Insurance	130,000.00	(12,800.00)	117,200.00	111,629.00	5,571.00
General Supplies	68,000.00	(10,000.00)	58,000.00	41,626.39	16,373.61
Energy (Natural Gas)	120,000.00		120,000.00	66,407.88	53,592.12
Energy (Electricity)	315,000.00	(15,000.00)	300,000.00	260,623.54	39,376.46
Total Undistributed Expenditures - Custodial Services	<u>1,156,933.93</u>	<u>(22,680.45)</u>	<u>1,134,253.48</u>	<u>1,003,330.60</u>	<u>130,922.88</u>
Total Undistributed Expenditures Operations and Maintenance of Plant	<u>1,559,718.52</u>	<u>(33,139.64)</u>	<u>1,526,578.88</u>	<u>1,336,038.69</u>	<u>190,540.19</u>
Undist. Expend. - Student Transportation Serv.					
Salaries of Non-Instructional Aides	11,000.00		11,000.00	10,797.96	202.04
Contr. Serv (Oth than Bet. Home & Sch) - Reg.	16,782.00		16,782.00	10,640.18	6,141.82
Other Purchased Professional and Technical Serv	10,000.00		10,000.00	10,000.00	-
Contr. Serv. - Aid in Lieu Payments - NonPub Sch	10,000.00	500.00	10,500.00	10,057.68	442.32
Contr. Serv. - Aid in Lieu Payments - Charter Sch	3,000.00	(500.00)	2,500.00	2,500.00	-
Contr. Serv. - Aid in Lieu Payments - Choice Sch	3,000.00		3,000.00	1,768.00	1,232.00
Contr. Serv.Trans. (Bet. Home & School) - Vendors	660,000.00	(72,649.71)	587,350.29	496,621.51	90,728.78
Contr. Serv (Oth than Bet. Home & Sch) - Vend	30,000.00	7,200.00	37,200.00	36,969.94	230.06
Contr. Serv. - (Bet. Home & School) - Joint Agrmt	65,000.00		65,000.00	39,422.71	25,577.29
Contr. Serv. - (Sp Ed. Stds) - Vendor	57,449.71		57,449.71	57,363.45	86.26
Contr. Serv. - (Sp Ed. Stds) - Joint Agrmt	275,000.00	(2,000.00)	273,000.00	109,590.28	163,409.72
General Supplies	1,500.00		1,500.00	1,500.00	-
Total Undistributed Expenditures - Student Transportation Services	<u>1,085,282.00</u>	<u>(10,000.00)</u>	<u>1,075,282.00</u>	<u>773,231.71</u>	<u>302,050.29</u>
Unallocated Benefits - Employee Benefits					
Social Security Contribution	194,000.00		194,000.00	163,536.84	30,463.16
Other Retirement Contributions - PERS	203,800.00		203,800.00	194,138.00	9,662.00
Unemployment Compensation	60,000.00	(10,000.00)	50,000.00	50,000.00	-
Workmen's Compensation	115,000.00		115,000.00	108,085.00	6,915.00
Health Benefits	2,484,565.00	(285,303.82)	2,199,261.18	1,929,436.49	269,824.69
Tuition Reimbursement	27,000.00		27,000.00	8,115.00	18,885.00
Other Employee Benefits	3,000.00	3,000.00	6,000.00	5,486.22	513.78
Unused Sick Payment to Terminated/Retired Staff	30,000.00	(1,500.00)	28,500.00	11,700.00	16,800.00
Total Unallocated Benefits	<u>3,117,365.00</u>	<u>(293,803.82)</u>	<u>2,823,561.18</u>	<u>2,420,497.55</u>	<u>403,063.63</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
General Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
On-Behalf Contributions					
On-Behalf TPAF Post Retirement Pension Contribution (non-bud)				660,900.00	(660,900.00)
On-Behalf TPAF Pension Contribution (non-bud)				555,040.00	(555,040.00)
Reimbursed TPAF Social Security Cont.(non-bud)				517,441.94	(517,441.94)
Total On-Behalf Contributions	-	-	-	1,733,381.94	(1,733,381.94)
Total Personal Services - Employee Benefits	3,117,365.00	(293,803.82)	2,823,561.18	4,153,879.49	(1,330,318.31)
TOTAL UNDISTRIBUTED EXPENDITURES	12,683,342.93	(539,113.90)	12,144,229.03	12,552,437.45	(408,208.42)
TOTAL GENERAL CURRENT EXPENSE	18,794,806.25	-	18,794,806.25	18,983,022.82	(188,216.57)
CAPITAL OUTLAY					
Equipment					
Grades 1-5	12,717.63	1,200.00	13,917.63	13,762.97	154.66
Grades 6-8	59,100.00	(1,200.00)	57,900.00	54,873.04	3,026.96
Undis. Expend.- Custodial Services	8,500.00		8,500.00	7,976.84	523.16
Total Equipment	80,317.63	-	80,317.63	76,612.85	3,704.78
Facilities Acquisition and Construction Services					
Construction Services	102,100.00	101,836.38	203,936.38	168,001.79	35,934.59
Assessment for Debt Service on SDA Funding	2,452.00		2,452.00	2,452.00	-
Total Facilities Acquisition and Construction Services	104,552.00	101,836.38	206,388.38	170,453.79	35,934.59
TOTAL CAPITAL OUTLAY	184,869.63	101,836.38	286,706.01	247,066.64	39,639.37
Transfer of Funds to Charter Schools	475,788.00		475,788.00	406,006.00	69,782.00
TOTAL EXPENDITURES	19,455,463.88	101,836.38	19,557,300.26	19,636,095.46	(78,795.20)
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,253,275.88)	(101,836.38)	(1,355,112.26)	500,458.39	1,453,602.83
Other Financing Sources/(Uses):					
Transfer in from Capital Projects Fund			-	8,302.32	(8,302.32)
Cancellation of Prior Year Encumbrances	(39,034.00)		(39,034.00)	990.00	(40,024.00)
Local Contribution- Transfer to Special Revenue	(148,170.00)		(148,170.00)	(148,170.00)	-
Total Other Financing Sources/(Uses)	(187,204.00)	-	(187,204.00)	(138,877.68)	(48,326.32)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(1,440,479.88)	(101,836.38)	(1,542,316.26)	361,580.71	1,405,276.51
Fund Balance July 1	5,041,321.22		5,041,321.22	5,041,321.22	-
Fund Balance June 30	3,600,841.34	(101,836.38)	3,499,004.96	5,402,901.93	1,405,276.51
Recapitulation:					
Nonspendable Fund Balance				\$ -	
None					
Restricted Fund Balance:					
Excess Surplus - Current Year				1,509,635.42	
Excess Surplus - Designated for Subsequent Year's Expenditures				1,631,520.00	
Committed Fund Balance:					
Capital Reserve				1,275,043.84	
Emergency Reserve				118,785.00	
Maintenance Reserve				351,963.00	
Assigned Fund Balance:					
Designated for Subsequent Year's Expenditures				42,254.00	
Other Purposes				17,615.00	
Unassigned Fund Balance				456,085.67	
				5,402,901.93	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP Basis				186,431.60	
				<u>\$ 5,216,470.33</u>	

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)

Special Revenue Fund
Budgetary Comparison Schedule
For the Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance with Under/(Over) Final Budget to Actual
REVENUES:					
State Sources	\$ 361,953.00	-	361,953.00	291,865.40	(70,087.60)
Federal Sources	465,632.00	97,611.00	563,243.00	541,471.00	(21,772.00)
Total Revenues	827,585.00	97,611.00	925,196.00	833,336.40	(91,859.60)
EXPENDITURES:					
Instruction:					
Salaries of Teachers	410,125.00	(16,896.14)	393,228.86	357,853.14	35,375.72
Other Salaries for Instruction	59,581.00		59,581.00	49,965.42	9,615.58
Other Purchased Services (400-500 series)	205,858.00	35,794.00	241,652.00	241,652.00	-
General Supplies	4,000.00	11,095.78	15,095.78	11,639.14	3,456.64
Total Instruction	679,564.00	29,993.64	709,557.64	661,109.70	48,447.94
Support Services:					
Salaries Other Professional Staff	28,797.00	1,131.00	29,928.00	29,928.00	-
Salaries of Program Directors	68,295.00	(2,518.10)	65,776.90	65,776.90	-
Salaries of Secretaries & Clerical Assistants	9,522.00	525.26	10,047.26	10,047.26	-
Other Salaries	8,158.00	206.00	8,364.00	8,364.00	-
Personal Services - Employee Benefits	109,819.00	59,588.00	169,407.00	126,036.00	43,371.00
Other Purchased Professional Services	1,100.00	650.00	1,750.00	1,750.00	-
Contr Serv-Trans. (Bet. Home & School)	70,000.00	666.20	70,666.20	70,666.20	-
Contr Serv-Trans. (Fieldtrips)	500.00	(500.00)	-	-	-
Other Purchased Services (400-500 series)		7,869.00	7,869.00	7,828.34	40.66
Supplies & Materials			-	-	-
Total Support Services	296,191.00	67,617.36	363,808.36	320,396.70	43,411.66

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (cont'd):					
Facilities Acquisitions and Construction Services:					
None	-		-	-	-
Total Facilities Acquisitions and Const. Services:					
Total Outflows	975,755.00	97,611.00	1,073,366.00	981,506.40	91,859.60
Other Financing Sources (Uses)					
Transfer from Operating Budget - PreK	148,170.00		148,170.00	148,170.00	-
Total Other Financing Sources (Uses)	148,170.00	-	148,170.00	148,170.00	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) \$	-	-	-	(0.00)	(0.00)

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NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Required Supplementary Information
Budget-to-GAAP Reconciliation
Note to RSI
For the Year Ended June 30, 2016

Note A - Explanation of Differences Between Budgetary Inflows and Outflows GAAP Revenue and Expenditures

		General Fund		Special Revenue Fund
Sources / inflows of resources				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]	\$ 20,136,553.85	[C-2]	\$ 833,336.40
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. Prior Year				198.43
Prior year final State Aid payment was delayed until July 2015 and is recorded as revenue in current year under GAAP.		196,918.00		18,670.00
Final State Aid payment was delayed until July 2016 is recorded as budgetary revenue but is not recognized under GAAP.		(186,431.60)		(17,176.40)
	[B-2]	\$ 20,147,040.25	[B-2]	\$ 835,028.43
Uses / outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	\$ 19,636,095.46	[C-2]	\$ 981,506.40
Difference - budget to GAAP:				
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. Prior Year				198.43
Total expenditures as reported on the statement of revenues, expenditures and changes in fund balance - governmental funds.	[B-2]	\$ 19,636,095.46	[B-2]	\$ 981,704.83

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REQUIRED SUPPLEMENTARY INFORMATION – PART III

CITY OF BRIGANTINE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Public Employee Retirement System
Last Three Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.02258122810%	0.0222854457%	0.0224093666%
District's proportionate of the net pension liability (asset)	\$ 5,069,033.00	\$ 4,172,445.00	\$ 4,282,875.00
District's covered payroll	\$ 1,528,283.00	\$ 1,552,485.00	\$ 1,531,566.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	331.68%	268.76%	279.64%
Plan fiduciary net position as a percentage of the total pension liability	47.93%	52.08%	48.72%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only currently available for three years. Additional years will be presented as they become available.

CITY OF BRIGANTINE SCHOOL DISTRICT
Schedule of District Contributions
Public Employee Retirement System
Last Three Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Contractually required contribution	\$ 194,138.00	\$ 183,718.00	\$ 168,850.00
Contributions in relation to the contractually required contribution	<u>\$ 194,138.00</u>	<u>\$ 183,718.00</u>	<u>\$ 168,850.00</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,528,283.00	\$ 1,552,485.00	\$ 1,531,566.00
Contributions as a percentage of covered-employee payroll	12.70%	11.83%	11.02%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period.
However, information is only currently available for three years.
Additional years will be presented as they become available.

CITY OF BRIGANTINE SCHOOL DISTRICT
Schedule of the District's Proportionate Share of the Net Pension Liability
Teachers' Pension and Annuity Fund
Last Three Fiscal Years

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the net pension liability (asset)	0.00%	0.00%	0.00%
District's proportionate of the net pension liability (asset)	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	<u>41,400,788.00</u>	<u>35,502,143.00</u>	<u>33,170,504.00</u>
Total	<u>\$ 41,400,788.00</u>	<u>\$ 35,502,143.00</u>	<u>\$ 33,170,504.00</u>
District's covered payroll	\$ 6,631,646.00	\$ 6,723,686.00	\$ 6,501,283.00
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%

Source: GASB 68 report on Public Employees' Retirement System; District records

Note: This schedule is required by GASB 68 to show information for a 10 year period. However, information is only currently available for three years. Additional years will be presented as they become available.

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OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND DETAIL STATEMENTS

The Special Revenue Fund is used to account for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Year Ended June 30, 2016

	IDEA Basic	IDEA Preschool	Title I	Title IIA	Preschool Education Aid	Totals 2016
REVENUES:						
State Sources	\$ 234,841.00	6,811.00	257,046.00	42,773.00	291,865.40	291,865.40
Federal Sources	234,841.00	6,811.00	257,046.00	42,773.00	291,865.40	541,471.00
Total Revenues						833,336.40
EXPENDITURES:						
Instruction:						
Salaries of Teachers			207,501.34		150,351.80	357,853.14
Other Salaries for Instruction					49,965.42	49,965.42
Other Purchased Services (400-500 series)	234,841.00	6,811.00	8,191.32		3,447.82	241,652.00
General Supplies						11,639.14
Total Instruction	234,841.00	6,811.00	215,692.66	-	203,765.04	661,109.70
Support Services:						
Salaries Other Professional Staff					29,928.00	29,928.00
Salaries of Program Directors				30,141.00	35,635.90	65,776.90
Salaries of Secr. and Clerical Assistants					10,047.26	10,047.26
Other Salaries					8,364.00	8,364.00
Personal Services - Employee Benefits			36,570.00	7,837.00	81,629.00	126,036.00
Other Purchased Professional Services				1,750.00	-	1,750.00
Contr Serv-Trans. (Bet. Home & School)					70,666.20	70,666.20
Contr Serv-Trans. (Fieldtrips)					-	-
Other Purchased Services (400-500 series)			4,783.34	3,045.00		7,828.34
Supplies & Materials						-
Total Support Services			41,353.34	42,773.00	236,270.36	320,396.70
Facilities Acquisition and Constr. Services:						
None						-
Total Facilities Acquisition and Constr. Services						-
Total Outflows	234,841.00	6,811.00	257,046.00	42,773.00	440,035.40	981,506.40
Other Financing Sources (Uses)						
Transfer from Operating Budget - PreK					148,170.00	148,170.00
Total Other Financing Sources (Uses)					148,170.00	148,170.00
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	-	-	-	-	-

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Schedule of Preschool Education Aid
Budgetary Basis
For the Year Ended June 30, 2016

<u>District-Wide Total</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 182,081.64	150,351.80	31,729.84
Other Salaries for Instruction	59,581.00	49,965.42	9,615.58
General Supplies	4,000.00	3,447.82	552.18
Total Instruction	<u>245,662.64</u>	<u>203,765.04</u>	<u>41,897.60</u>
Support Services:			
Salaries Other Professional Staff	29,928.00	29,928.00	-
Salaries of Program Directors	35,635.90	35,635.90	-
Salaries of Secr. and Clerical Assistants	10,047.26	10,047.26	-
Other Salaries	8,364.00	8,364.00	-
Personal Services - Employee Benefits	109,819.00	81,629.00	28,190.00
Other Purchased Professional Services	-	-	-
Contr Serv-Trans. (Bet. Home & School)	70,666.20	70,666.20	-
Contr Serv-Trans. (Fieldtrips)	-	-	-
Total Support Services	<u>264,460.36</u>	<u>236,270.36</u>	<u>28,190.00</u>
Total Expenditures	<u>\$ 510,123.00</u>	<u>440,035.40</u>	<u>70,087.60</u>

CALCULATION OF BUDGET & CARRYOVER

Total Revised 2015-16 Preschool Education Aid	\$ 171,764.00
Add: Actual ECPA/PEA Carryover (June 30, 2015)	136,973.33
Add: Budgeted transfer from the General Fund	148,170.00
Total Preschool Education Aid Funds Available for 2015-16 Budget	<u>456,907.33</u>
Less: 2015-16 Budgeted Preschool Education Aid (Including)	
Prior year budget carryover	(510,123.00)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2016	<u>(53,215.67)</u>
Add: June 30, 2016 Unexpended Preschool Education Aid	70,087.60
2015-16 Actual Carryover - Preschool Education Aid	<u>16,871.93</u>
2015-16 Preschool Education Aid Carryover Budgeted in 2016-17	<u>\$ 136,973.00</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Special Revenue Fund
Preschool Education Aid Schedule of Expenditures
Budgetary Basis
For the Year Ended June 30, 2016

<u>Program: Preschool - Half-Day</u>	<u>Total</u>		
	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of Teachers	\$ 182,081.64	150,351.80	31,729.84
Other Salaries for Instruction	59,581.00	49,965.42	9,615.58
General Supplies	4,000.00	3,447.82	552.18
Total Instruction	<u>245,662.64</u>	<u>203,765.04</u>	<u>41,897.60</u>
Support Services:			
Salaries of Other	29,928.00	29,928.00	-
Salaries of Program Directors	35,635.90	35,635.90	-
Salaries of Secr. and Clerical Assistants	10,047.26	10,047.26	-
Other Salaries	8,364.00	8,364.00	-
Personal Services - Employee Benefits	109,819.00	81,629.00	28,190.00
Other Purchased Professional Services	-	-	-
Contr Serv-Trans. (Bet. Home & School)	70,666.20	70,666.20	-
Contr Serv-Trans. (Fieldtrips)	-	-	-
Total Support Services	<u>264,460.36</u>	<u>236,270.36</u>	<u>28,190.00</u>
Total Expenditures	<u>\$ 510,123.00</u>	<u>440,035.40</u>	<u>70,087.60</u>

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CAPITAL PROJECTS FUND DETAIL STATEMENTS

The Capital Projects Fund is used to account for the acquisition and construction of major capital facilities and equipment purchases other than those financed by proprietary funds.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Summary Statement of Project Expenditures
June 30, 2016

Project Title/Issue	Date	Original Appropriations	GAAP Expenditures to Date		Transferred to General Fund	Unexpended Balance June 30, 2016
			Prior Years	Current Years		
Capital Improvements	2008	\$ 1,423,482.23	1,440,280.10	-	(16,797.87)	0.00
Capital Improvements	2008	4,119,621.78	4,094,521.59	-	25,100.19	0.00
Brigantine Elementary School Various Upgrades	2015	3,727,072.00	1,494.70	1,315,104.72		2,410,472.58
Brigantine North School Various Upgrades	2015	1,333,261.84	525.30	443,376.78		889,359.76
		\$ <u>10,603,437.85</u>	<u>5,536,821.69</u>	<u>1,758,481.50</u>	<u>8,302.32</u>	<u>3,299,832.34</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Summary Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2016

Revenues and Other Financing Sources:

Reimbursements - funded by	
Type I District Bond Proceeds	\$ 1,792,210.00
Unused Bond Proceeds - Reappropriated	1,241,969.84
	<hr/>
Total Revenues	3,034,179.84
	<hr/>

Expenditures and Other Financing Uses:

Purchased Professional and	
Technical Services	241,133.19
Construction Services	1,517,348.31
	<hr/>
Total Expenditures	1,758,481.50
	<hr/>

Other Financing Sources(Uses):

Operating Transfers Out:	
Transfer to General Fund	(8,302.32)
	<hr/>

Excess (deficiency) of revenues over (under) expenditures and Other Financing Uses	<hr/> 1,267,396.02
Fund balance - beginning	2,032,436.32
Fund balance - ending	\$ <hr/> <hr/> 3,299,832.34

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Capital Improvements
From Inception and for the Year Ended June 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 1,423,482.23		1,423,482.23	1,520,000.00
Unused Bond Proceeds - Reappropriated			-	(96,517.77)
Total Revenues	<u>1,423,482.23</u>	<u>-</u>	<u>1,423,482.23</u>	<u>1,423,482.23</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	164,958.20		164,958.20	164,958.20
Construction Services	1,275,321.90		1,275,321.90	1,241,982.23
Total Expenditures	<u>1,440,280.10</u>	<u>-</u>	<u>1,440,280.10</u>	<u>1,406,940.43</u>
Other Financing Sources(Uses):				
Operating Transfers Out:				
Transfer to General Fund		16,797.87	16,797.87	
Excess (deficiency) of revenues over (under) expenditures and Other Financing Uses	<u>\$ (16,797.87)</u>	<u>16,797.87</u>	<u>0.00</u>	<u>16,541.80</u>

Additional Project Information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	3/5/2008
Bonds Authorized	1,520,000.00
Bonds Issued	N/A
Original Authorized Cost	1,520,000.00
Additional Authorized Cost	(96,517.77)
Revised Authorized Cost	1,423,482.23
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100.00%
Original Target Completion Date	N/A
Revised Target Completion Date	N/A

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Capital Improvements
From Inception and for the Year Ended June 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 4,119,621.78		4,119,621.78	4,900,000.00
Unused Bond Proceeds - Reappropriated			-	(780,378.22)
Total Revenues	4,119,621.78	-	4,119,621.78	4,119,621.78
Expenditures and Other Financing Uses:				
Purchased Professional and				
Technical Services	173,339.00		173,339.00	173,339.00
Construction Services	3,921,182.59		3,921,182.59	3,921,182.59
Total Expenditures	4,094,521.59	-	4,094,521.59	4,094,521.59
Other Financing Sources(Uses):				
Operating Transfers Out:				
Transfer to General Fund		(25,100.19)	(25,100.19)	
Excess (deficiency) of revenues over (under) expenditures and Other Financing Uses	\$ 25,100.19	(25,100.19)	(0.00)	25,100.19
Additional Project Information:				
Project Number	N/A			
Grant Date	N/A			
Bond Authorization Date	3/5/2008			
Bonds Authorized	4,900,000.00			
Bonds Issued	N/A			
Original Authorized Cost	4,900,000.00			
Additional Authorized Cost	(780,378.22)			
Revised Authorized Cost	4,119,621.78			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	100.00%			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Brigantine Elementary School Various Upgrades
From Inception and for the Year Ended June 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 936.00	1,319,904.00	1,320,840.00	1,320,840.00
State Sources - SDA Grant	1,490,829.00		1,490,829.00	1,490,829.00
Unused Bond Proceeds - Reappropriated	558.70	914,844.30	915,403.00	915,403.00
Total Revenues	1,492,323.70	2,234,748.30	3,727,072.00	3,727,072.00
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	1,494.70	174,581.11	176,075.81	435,000.00
Construction Services		1,140,523.61	1,140,523.61	3,292,072.00
Total Expenditures	1,494.70	1,315,104.72	1,316,599.42	3,727,072.00
Excess (deficiency) of revenues over (under) expenditures	\$ 1,490,829.00	919,643.58	2,410,472.58	-
Additional Project Information:				
Project Number	0570-010-14-1001			
Grant Date				
Bond Authorization Date				
Bonds Authorized	1,320,840.00			
Bonds Issued	N/A			
Original Authorized Cost	3,727,072.00			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	35.33%			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Capital Projects Funds
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Brigantine North School Various Upgrades
From Inception and for the Year Ended June 30, 2016

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources:				
Reimbursements - funded by				
Type I District Bond Proceeds	\$ 329.00	472,306.00	472,635.00	472,635.00
State Sources - SDA Grant	533,305.00		533,305.00	533,305.00
Unused Bond Proceeds - Reappropriated	196.30	327,125.54	327,321.84	327,321.84
Total Revenues	533,830.30	799,431.54	1,333,261.84	1,333,261.84
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	525.30	66,552.08	67,077.38	157,000.00
Construction Services		376,824.70	376,824.70	1,176,261.84
Total Expenditures	525.30	443,376.78	443,902.08	1,333,261.84
Excess (deficiency) of revenues over (under) expenditures	\$ 533,305.00	356,054.76	889,359.76	-
Additional Project Information:				
Project Number	0570-030-14-1002			
Grant Date				
Bond Authorization Date	N/A			
Bonds Authorized	472,635.00			
Bonds Issued	N/A			
Original Authorized Cost	1,333,261.84			
Percentage Increase over Original Authorized Cost	N/A			
Percentage Completion	33.29%			
Original Target Completion Date	N/A			
Revised Target Completion Date	N/A			

Note: Brigantine School District is a Type I school district. As such, bonds are issued by the City, and control of the bond proceeds is maintained by the City. Upon disbursement for project expenditures, the school district is reimbursed by the City.

FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

Agency Funds are used to account for assets held by the school district as an agent for individuals, private organizations, other governments and/or other funds.

Student Activity Fund – This agency fund is used to account for student funds held at the schools.

Payroll Fund – This agency fund is used to account for the payroll transactions of the school district.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2016

	Unemployment Compensation Trust	Agency Funds	Totals
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and Cash Equivalents	\$ 293,788.95	86,136.39	379,925.34
Total Assets	<u>293,788.95</u>	<u>86,136.39</u>	<u>379,925.34</u>
LIABILITIES			
Payable to Student Groups		29,424.00	29,424.00
Payroll Deductions & Withholdings		56,712.39	56,712.39
Accounts Payable	66.26		66.26
Total Liabilities	<u>66.26</u>	<u>86,136.39</u>	<u>86,202.65</u>
NET POSITION			
Held in Trust for Unemployment Claims and Other Purposes	\$ <u><u>293,722.69</u></u>		

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Year Ended June 30, 2016

	Unemployment Compensation Trust	Totals
	<u>Trust</u>	<u>Totals</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 11,978.90	11,978.90
Total Contributions	<u>11,978.90</u>	<u>11,978.90</u>
Investments Earnings:		
Interest	297.33	297.33
Net Investment Earnings	<u>297.33</u>	<u>297.33</u>
Total Additions	<u>12,276.23</u>	<u>12,276.23</u>
Deductions		
Unemployment Claims	25,847.32	25,847.32
Total Deductions	<u>25,847.32</u>	<u>25,847.32</u>
Change in Net Position	(13,571.09)	(13,571.09)
Net Position - Beginning of the Year	<u>307,293.78</u>	<u>307,293.78</u>
Net Position - End of the Year	<u>\$ 293,722.69</u>	<u>293,722.69</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Student Activity Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2016

	Balance July 1, 2015	Additions	Deletions	Balance June 30, 2016
STUDENT ACTIVITIES	\$ 6,279.07	24,950.98	23,054.88	8,175.17
STOKES	21,562.83	15,228.00	15,542.00	21,248.83
	<u>\$ 27,841.90</u>	<u>40,178.98</u>	<u>38,596.88</u>	<u>29,424.00</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Payroll Agency Fund
Schedule of Receipts and Disbursements
As of June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2016</u>
ASSETS:				
Cash and Cash Equivalents	\$ 3,465.01	10,334,908.09	10,281,660.71	56,712.39
Total Assets	<u>3,465.01</u>	<u>10,334,908.09</u>	<u>10,281,660.71</u>	<u>56,712.39</u>
LIABILITIES:				
Payroll Deductions & Withholding	3,465.01	10,334,908.09	10,281,660.71	56,712.39
Total Liabilities	<u>\$ 3,465.01</u>	<u>10,334,908.09</u>	<u>10,281,660.71</u>	<u>56,712.39</u>

STATISTICAL SECTION

CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
Net Position by Component,
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014 *	2015	2016
Governmental activities										
Net Investment in Capital Assets	\$ 6,244,538.05	6,753,322.20	7,664,297.94	9,739,666.33	11,011,219.72	15,820,145.15	15,270,657.48	14,652,867.75	14,246,080.97	15,569,554.75
Restricted	1,912,367.00	1,988,535.00	2,233,884.00	1,464,220.00	(2,446,423.86)	3,011,236.55	3,436,683.83	2,654,834.32	4,609,627.99	4,946,816.26
Unrestricted	377,387.09	319,689.61	159,621.68	(624,134.86)	(468,994.30)	(577,002.85)	(509,482.08)	(3,887,610.72)	(4,733,226.45)	(5,043,530.33)
Total governmental activities net position	8,534,292.14	9,061,746.81	10,057,803.62	10,579,751.47	8,085,801.56	18,254,378.85	18,197,859.23	13,400,091.35	14,122,482.51	15,472,840.68
Business-type activities										
Net Investment in Capital Assets	49,176.89	43,311.95	46,541.00	40,830.56	35,372.90	29,211.96	45,125.82	48,762.55	39,476.68	52,901.64
Restricted	147,745.88	130,178.35	130,514.73	150,641.45	133,732.59	152,787.32	160,331.91	164,617.63	158,543.38	141,375.48
Unrestricted	196,922.77	173,490.30	177,055.73	191,472.01	169,105.49	181,989.28	205,457.73	213,380.18	188,020.06	194,277.12
Total business-type activities net position	444,845.54	346,980.60	354,146.73	382,944.02	338,211.08	364,000.54	400,925.46	426,760.26	386,610.12	488,554.24
District-wide										
Net Investment in Capital Assets	6,293,714.94	6,796,634.15	7,710,838.94	9,780,496.89	11,046,592.62	15,849,357.11	15,315,783.30	14,701,630.30	14,285,557.65	15,622,456.39
Restricted	1,912,367.00	1,988,535.00	2,233,884.00	1,464,220.00	(2,446,423.86)	3,011,236.55	3,436,683.83	2,654,834.32	4,609,627.99	4,946,816.26
Unrestricted	525,132.97	450,067.96	290,136.41	(473,493.41)	(335,261.71)	(424,215.53)	(349,150.17)	(3,722,993.09)	(4,574,683.07)	(4,902,154.85)
Total district net position	8,731,214.91	9,235,237.11	10,234,859.35	10,771,223.48	8,284,907.05	18,436,378.13	18,403,316.96	13,613,471.53	14,320,502.57	15,667,117.80

* as restated

Source: CAFR Schedule A-1

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities:										
Instruction:										
Regular	6,801,251.49	6,860,614.50	6,399,554.83	7,157,506.96	7,727,743.34	7,321,813.72	7,770,197.62	7,854,127.30	8,597,946.42	9,527,865.70
Special education	1,277,374.24	1,144,057.00	1,281,881.15	1,293,302.52	1,410,832.71	1,511,832.08	1,532,343.89	1,475,444.76	1,758,738.30	2,103,356.89
Other special education	320,345.15	389,851.00	437,700.70	481,747.42	475,937.86	545,862.29	561,996.74	524,271.36	527,055.35	643,229.86
Support Services:										
Tuition	3,824,933.43	3,748,211.71	3,937,298.34	5,043,827.17	4,944,227.99	4,051,642.14	4,603,152.24	4,320,447.19	3,807,305.09	3,883,193.71
Student & Instruction Related Services	2,219,089.80	2,398,602.46	2,179,472.45	2,004,955.57	1,888,280.19	2,115,350.01	2,089,428.14	2,214,841.97	2,646,483.48	2,773,923.33
General Administrative Services	494,127.15	513,793.79	502,708.58	485,817.39	455,716.73	473,897.78	446,170.35	412,993.37	598,912.60	554,275.15
School Administrative Services	608,975.63	570,071.70	538,411.06	523,248.07	547,354.43	603,706.85	562,377.32	541,845.66	410,768.17	794,941.32
Central Services	302,616.02	309,072.87	321,942.52	343,811.11	339,034.03	390,462.02	397,846.57	444,612.88	379,965.84	480,313.03
Plant Operations and Maintenance	1,723,770.82	1,648,681.17	1,715,179.76	1,760,752.52	5,097,017.60	436,202.01	1,778,832.75	1,844,572.49	1,645,608.68	1,737,529.93
Pupil Transportation	867,876.29	882,060.15	889,248.89	814,560.42	780,461.59	865,662.91	795,222.65	778,735.13	811,079.80	778,132.29
Charter Schools	84,236.00	89,451.00	160,322.00	221,066.00	345,274.00	406,916.00	408,670.00	289,044.00	419,160.00	406,006.00
Unallocated Depreciation	455,156.74	519,860.17	532,540.37	543,364.47	543,364.47	543,364.47	543,364.47	543,364.47	543,364.47	543,364.47
Total Governmental Activities Expenses	19,019,152.76	19,074,447.52	18,366,570.65	20,673,954.62	24,011,880.47	18,723,387.81	20,946,237.27	20,700,936.21	21,604,023.73	23,662,767.21
Business-Type Activities:										
Food Service	329,520.35	345,931.02	330,111.63	301,449.41	327,394.98	307,617.25	306,157.13	307,455.73	293,735.05	279,415.28
Child Care	46,864.30	39,413.11	39,200.22	40,598.82	41,768.38	41,854.52	42,980.39	46,648.24	44,903.33	35,985.88
Total Business-Type Activities	376,384.65	385,344.13	369,311.85	342,048.23	369,163.36	349,471.77	349,137.52	354,103.97	338,638.38	309,381.16
Total Primary Government	19,395,537.41	19,459,791.65	18,735,882.50	21,016,002.85	24,381,043.83	19,072,861.58	21,295,354.79	21,055,040.18	21,942,662.11	23,972,148.37

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Program Revenues										
Governmental activities:										
Operating grants and contributions	4,751,390.08	4,965,784.05	2,726,538.80	3,823,174.65	895,237.44	6,548,672.93	3,058,064.35	2,831,770.60	4,795,707.24	6,819,183.27
Charges for services	4,751,390.08	4,965,784.05	2,726,538.80	3,823,174.65	1,600.00	9,037.14	16,671.00	17,653.00	17,124.00	-
Total governmental activities program revenues					896,837.44	6,557,710.07	3,074,735.35	2,949,403.60	4,812,831.24	6,819,183.27
Business-type activities:										
Charges for services:										
Food service	180,219.23	180,336.93	178,813.35	161,302.51	160,796.07	150,579.56	135,698.37	126,728.68	104,153.24	81,678.98
Child care	53,037.82	38,490.31	46,571.06	43,395.99	37,625.74	40,657.53	42,250.50	49,488.41	42,188.56	40,140.89
Operating grants and contributions	134,754.43	140,213.76	146,576.21	151,574.66	148,197.03	171,082.69	194,627.10	165,809.33	178,376.46	183,818.35
Total business-type activities program revenue	368,011.48	359,041.00	372,960.64	356,273.16	346,623.84	362,319.78	372,575.97	362,026.42	324,718.26	305,638.22
Total District program revenue	5,119,391.56	5,324,825.05	3,099,499.44	4,179,447.81	1,243,461.28	6,920,029.85	3,447,311.32	3,311,430.02	5,137,549.50	7,124,821.49
Net (Expense)/Revenue										
Governmental activities	(14,268,372.68)	(14,108,663.47)	(16,140,021.85)	(16,850,779.97)	(23,115,043.09)	(12,165,677.74)	(17,871,501.92)	(17,751,552.61)	(16,791,192.49)	(16,843,583.94)
Business-type activities	(6,173,117)	(25,203.13)	3,128.79	14,224.93	(22,537.52)	12,846.01	23,458.45	7,822.45	(13,920.12)	(3,742.94)
Total District-wide net expense	(14,278,545.85)	(14,133,866.60)	(16,136,893.06)	(16,836,555.04)	(23,137,580.61)	(12,152,831.73)	(17,848,043.47)	(17,743,730.16)	(16,805,112.61)	(16,847,326.88)

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Net Position,
Last Ten Fiscal Years
(accrual basis of accounting)
(Unaudited)

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	13,665,336.00	13,357,427.00	13,657,427.00	14,630,904.00	16,271,692.00	16,284,269.00	16,278,361.00	15,674,810.00	15,888,114.00	15,888,114.00
Unrestricted grants and contributions	211,440.14	306,234.57	1,995,277.91	1,399,394.34	3,139,863.35	2,013,044.18	1,323,287.01	1,308,609.91	1,510,086.97	2,088,685.29
Miscellaneous income	189,857.60	134,351.83	198,089.01	27,644.75	47,819.38	44,412.16	214,323.15	84,369.82	116,152.68	219,269.62
Transfers	1,279,894.74	840,784.74	1,285,284.74	1,314,784.73	1,183,784.73	1,354,784.73				
Special items:										
Insurance Recovery Related to Impaired Capital Assets	-	(2,680.00)	-	-	(11,866.34)	(1,824.50)	8,697.00		(770.00)	(126.80)
Loss on Disposal of Capital Assets	-	14,636,118.14	17,136,078.66	17,372,727.82	20,631,093.12	19,694,695.57	17,814,982.30	17,067,769.73	17,513,583.65	18,193,942.11
Total governmental activities	15,346,618.48	14,636,118.14	17,136,078.66	17,372,727.82	20,631,093.12	19,694,695.57	17,814,982.30	17,067,769.73	17,513,583.65	18,193,942.11
Business-type activities:										
Investment earnings	2,844.93	1,770.66	436.64	191.35	171.00	47.78				
Special items:										
Loss on Disposal of Capital Assets	2,844.93	1,770.66	436.64	191.35	171.00	47.78			(1,440.00)	
Total business-type activities	5,689,463.41	3,541,837.32	4,873,117.30	1,722,913.17	2,063,264.10	1,894,731.39	17,814,982.30	17,067,769.73	17,513,583.65	18,193,942.11
Changes in Net Position	1,078,246.80	527,454.67	996,056.81	521,947.85	(2,483,949.91)	7,529,007.83	(66,518.02)	(893,742.88)	722,391.16	1,350,358.17
Governmental activities	(5,326,294)	(23,432,477)	3,895,443	14,416,226	(12,366,352)	12,693,79	23,488.45	(19,380.12)	(19,380.12)	(8,742.94)
Business-type activities	1,072,917.56	504,022.23	999,622.24	536,364.13	(2,506,916.49)	7,541,801.62	(63,061.17)	(679,820.45)	707,031.04	1,346,613.23
Total District	\$ 1,078,246.80	\$ 527,454.67	\$ 996,056.81	\$ 521,947.85	\$ (2,483,949.91)	\$ 7,529,007.83	\$ (66,518.02)	\$ (893,742.88)	\$ 722,391.16	\$ 1,350,358.17

Source: CAFR Schedule A-2

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Unaudited)

Exhibit J-3

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Restricted										
Committed					297,398.38	1,799,137.55	2,303,111.23	2,326,363.44	2,807,167.89	3,141,155.42
Assigned					1,012,099.00	1,112,099.00	987,128.22	1,087,628.00	1,537,628.22	1,745,791.84
Unassigned					203,719.40	100,000.00	117,915.53	33,904.56	264,831.88	59,869.00
Reserved			2,983,504.28	1,464,220.00	203,071.70	188,419.18	233,770.54	226,414.28	234,775.23	269,654.07
Unreserved	2,700,899.52	2,718,188.11	2,983,504.28	1,464,220.00	203,071.70	188,419.18	233,770.54	226,414.28	234,775.23	269,654.07
Total general fund	2,700,899.52	2,718,188.11	2,983,504.28	1,464,220.00	203,071.70	188,419.18	233,770.54	226,414.28	234,775.23	269,654.07
	231,579.07	234,186.48	94,166.80	123,866.73						
	2,932,478.59	2,952,374.59	3,077,671.08	1,588,086.73	1,716,288.48	3,199,655.73	3,641,925.52	3,674,310.28	4,844,403.22	5,216,470.33
All Other Governmental Funds										
Restricted										
Committed					(3,959,640.64)	(87,127.95)	8,302.32	8,302.32	8,302.32	-
Assigned										
Unassigned										
Reserved					(21,426.00)	(22,854.08)	(14,336.09)	(22,404.00)	(18,670.00)	(17,176.40)
Unreserved, reported in:										
Special revenue fund	(39,430.50)	(48,809.98)	(18,658.40)	(16,265.94)						
Total all other governmental funds	(39,430.50)	(48,809.98)	(18,658.40)	(16,265.94)	(3,981,066.64)	(109,982.03)	(6,033.77)	(14,101.68)	(10,367.68)	(17,176.40)

Sources: CAFR Schedule E-1

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-4

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues										
Tax Levy	\$ 13,665,336.00	13,357,427.00	13,657,427.00	14,630,904.00	16,271,692.00	16,294,269.00	16,278,361.00	15,650,717.00	15,888,114.00	15,888,114.00
Transportation Fees from Other LEAs					1,600.00	9,037.14	16,671.00	17,633.00	17,124.00	898.00
Tuition charges	189,867.60	139,566.83	198,089.01	27,644.76	23,765.84	41,400.24	82,070.13	84,369.82	116,335.72	122,426.62
Miscellaneous	4,313,662.09	4,532,606.77	4,056,302.79	3,249,544.39	3,332,158.29	3,869,052.06	3,907,266.95	3,643,359.83	4,006,311.69	5,127,194.94
State sources	635,928.86	569,307.26	548,020.06	617,231.00	652,698.87	706,562.39	473,930.41	618,573.68	741,064.28	546,827.72
Federal sources	13,029.27	91,000.00	8,143.00	74,645.59	50,043.63	25,953.36	5,000.00	2,500.00	-	-
Transfer From general fund	18,818,013.82	18,689,906.86	18,467,981.86	18,599,969.74	20,331,958.63	20,936,274.19	20,763,299.49	20,017,193.33	20,768,949.89	21,685,461.28
Total revenue										
Expenditures										
Instruction:										
Regular instruction	4,971,154.78	5,126,629.87	4,724,540.70	5,275,199.41	5,377,203.52	5,418,068.82	5,206,621.87	5,410,964.09	5,237,596.91	5,523,173.65
Special Education Instruction	838,991.99	768,199.10	914,931.64	892,289.90	928,425.08	1,037,484.06	1,001,439.88	994,509.37	1,047,586.82	1,200,301.34
Other Special Education Instruction	221,423.93	271,230.56	317,394.62	342,448.23	333,055.87	345,439.10	371,729.09	356,894.81	317,205.66	368,418.51
Support Services:										
Tuition	3,824,933.43	3,749,211.71	3,937,298.34	5,043,827.17	4,944,227.99	4,051,642.14	4,603,152.24	4,320,447.19	3,807,305.09	3,883,193.71
Student & Instruction Related Services	1,675,766.20	1,853,790.85	1,701,184.76	1,458,763.02	1,318,390.33	1,342,649.32	1,411,881.41	1,576,631.04	1,678,758.72	1,671,481.25
General Administrative Services	383,895.31	405,206.52	409,214.58	417,964.44	348,038.46	339,679.44	334,217.48	314,333.54	317,071.93	348,538.10
School Administrative Services	401,773.93	383,422.54	382,020.92	337,473.03	360,863.60	369,348.94	370,238.87	367,472.36	401,223.88	439,882.38
Central Services	201,333.06	212,062.00	234,038.55	246,146.84	242,199.51	249,311.64	272,768.30	312,390.34	265,595.67	266,588.82
Plant Operations and Maintenance	1,411,091.27	1,349,334.95	1,448,038.71	1,407,156.23	1,410,576.73	1,291,332.93	1,339,341.80	1,359,964.27	1,314,180.74	1,336,038.69
Pupil Transportation	857,163.50	879,601.28	857,465.29	811,021.11	776,719.52	860,616.74	794,744.87	778,735.13	811,079.80	773,231.71
Unallocated Employee Benefits	3,596,441.69	3,479,571.49	3,180,530.90	3,584,616.04	3,773,506.15	3,666,505.53	4,046,679.21	3,728,244.54	3,734,308.92	4,153,879.49
Charter Schools	84,236.00	89,451.00	160,922.00	221,065.00	345,274.00	406,916.00	408,670.00	289,044.00	419,160.00	406,006.00
Capital outlay	96,126.66	185,569.06	154,305.64	1,330,339.21	4,034,130.36	165,988.89	191,700.44	183,245.80	246,058.81	2,005,548.14
Total Expenditures	18,564,331.75	18,753,280.93	18,421,884.65	21,368,309.63	24,192,611.12	19,544,963.55	20,353,185.46	19,992,876.48	19,597,142.95	22,376,281.79
Excess (Deficiency) of revenues over (under) expenditures	253,682.07	(63,374.07)	46,097.21	(2,768,339.89)	(3,860,662.49)	1,391,290.64	410,114.03	24,316.85	1,171,806.94	(690,820.51)
Other Financing Sources (Uses)										
Proceeds from bonds issued by City	11,200.00	73,890.59	109,350.86	1,281,148.00	24,053.54	3,963,161.22	127,407.02		2,020.00	1,055,088.90
Insurance Recoveries for Storm Damage							1,193,715.50			
Expenses related to Storm Damage							(1,193,715.50)			
Insurance Recovery Related to Impaired Capital Assets							8,697.00			
Cancellation of Prior Year Encumbrances										990.00
Total other financing sources (uses)	11,200.00	73,890.59	109,350.86	1,281,148.00	24,053.54	3,963,161.22	136,104.02	-	2,020.00	1,056,078.90
Net change in fund balances	264,882.07	10,516.52	155,448.07	(1,487,191.89)	(3,836,598.95)	5,354,451.86	546,218.05	24,316.85	1,173,826.94	365,258.39
Type 1 School district										
Debt service is part of the Municipality										

Source: CAFR Schedule B-2

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 General Fund Other Local Revenue by Source,
 Last Ten Fiscal Years
 (Unaudited)**

Exhibit J-5

Fiscal Year Ended June 30,	Interest on		Totals
	Investments	Miscellaneous	
2007	169,479.17	20,378.43	189,857.60
2008	106,323.72	28,028.11	134,351.83
2009	23,179.82	174,909.19	198,089.01
2010	14,036.24	13,608.52	27,644.76
2011	5,062.26	18,703.58	23,765.84
2012	2,241.78	39,158.46	41,400.24
2013	-	82,070.13	82,070.13
2014	-	84,369.82	84,369.82
2015	3,826.24	112,326.44	116,152.68
2016	5,756.98	116,669.64	122,426.62

Source: District Records

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Regular	Q Farm	Commercial	Industrial	Apartment	Total Assessed Value	Less Tax-exempt Property	Public Utilities	Net Valuation Taxable	Total District School Tax Rate	Estimated County Equalized Value
2007	122,550,100	4,443,305,200			95,193,900		4,502,800	4,665,552,000		1,870,755	4,667,422,755	0.323	4,262,941,273
2008	100,178,900	4,499,661,000			94,761,900		3,309,000	4,697,910,800		1,929,768	4,699,840,568	0.320	4,581,730,946
2009	81,086,300	4,524,043,600			94,734,700		3,309,000	4,703,173,600		1,989,400	4,705,163,000	0.333	4,554,986,034
2010	76,346,600	4,489,202,400			92,716,600		3,309,000	4,661,574,600		1,948,692	4,663,523,292	0.364	4,346,611,259
2011	79,386,100	4,414,725,100			91,501,900		3,309,000	4,588,922,100		1,764,264	4,590,686,364	0.388	4,168,739,696
2012	74,996,400	4,268,649,800			97,486,600		3,309,000	4,444,441,800		1,761,220	4,446,203,020	0.400	3,852,983,302
2013	71,758,800	4,082,642,200			94,821,800		3,309,000	4,252,531,800		1,570,162	4,254,101,962	0.413	3,501,047,366
2014	60,685,200	3,077,615,100			88,200,900		2,719,000	3,229,220,200	-	-	3,229,220,200	0.521	3,323,001,244
2015	63,428,600	3,077,052,000			88,177,400		2,719,000	3,231,377,000	-	-	3,231,377,000	0.522	3,504,556,522
2016	64,323,400	3,081,621,100			85,866,200		2,719,000	3,234,529,700	-	-	3,234,529,700	0.520	3,304,586,943

**

Source: County Abstract of Ratables & Municipal Tax Assessor
** Revalued

Exhibit J-7

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Direct and Overlapping Property Tax Rates,
Last Ten Fiscal Years
(rate per \$100 of assessed value)
(Unaudited)**

Fiscal Year Ended June 30,	Brigantine Board of Education General			Overlapping Rates				Total Direct	Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	Obligation Debt Service (a)		County General	County Open Space	County Other	Other		Municipal Local Purpose			
2007	0.290	0.033		0.219	0.018	0.039		0.351	0.950			
2008	0.288	0.032		0.219	0.020	0.040		0.388	0.987			
2009	0.301	0.032		0.240	0.005	0.045		0.409	1.032			
2010	0.331	0.033		0.247	0.005	0.043		0.432	1.091			
2011	0.355	0.033		0.275	0.005	0.045		0.446	1.159			
2012	0.366	0.034		0.266	0.005	0.044		0.488	1.203			
2013	0.375	0.038		0.325	0.005	0.043		0.522	1.308			
2014	0.488	0.033		0.399	0.005	0.071		0.711	1.707			
2015	0.491	0.031		0.493	0.002	0.046		0.710	1.773			
2016	0.491	0.029		0.485	0.002	0.058		0.699	1.764			

(a) Rates for debt service are based on each year's requirements. The District is a Type I District and does not issue debt directly.

Source: District Records and Municipal Tax Collector

Exhibit J-9

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Property Tax Levies and Collections,
 Last Ten Fiscal Years
 (Unaudited)**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	13,665,336.00	13,665,336.00	100%	-
2008	13,357,427.00	13,357,427.00	100%	-
2009	13,657,427.00	13,657,427.00	100%	-
2010	14,630,904.00	14,630,904.00	100%	-
2011	16,271,692.00	16,271,692.00	100%	-
2012	16,284,269.00	16,284,269.00	100%	-
2013	16,278,361.00	16,278,361.00	100%	-
2014	15,650,717.00	15,650,717.00	100%	-
2015	15,888,114.00	15,888,114.00	100%	-
2016	15,888,114.00	15,888,114.00	100%	-

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

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 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	Per Capita Personal Income
	General Obligation Bonds (a)	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANS) (a)	Capital Leases			
2007	8,608,993					8,608,993	0.44%	38,110
2008	7,768,208					7,768,208	0.50%	39,106
2009	6,482,924					6,482,924	0.60%	39,153
2010	5,168,139					5,168,139	0.77%	39,545
2011	3,984,354					3,984,354	1.04%	41,338
2012	2,629,569					2,629,569	1.59%	41,927
2013	7,599,785					7,599,785	0.55%	41,659
2014	6,190,000					6,190,000	0.70%	43,336
2015	5,150,000					5,150,000	0.84%	43,336
2016	4,600,000			3,800,000		8,400,000	0.52%	43,336

(a) The District is a Type I District and does not directly issue debt. Bonds and Notes are issued by the City of Brigantine.

Exhibit J-11

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Ratios of Net General Bonded Debt Outstanding,
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year Ended June 30,	Governmental Activities				Percentage of Actual Taxable Value of Property	Per Capita Personal Income
	General Obligation Bonds (a)	Bond Anticipation Notes (BANs) (a)	Net General Bonded Debt Outstanding			
2007	8,608,993	-	8,608,993		0.18%	38,110
2008	7,768,208	-	7,768,208		0.17%	39,106
2009	6,482,924	-	6,482,924		0.14%	39,153
2010	5,168,139	-	5,168,139		0.11%	39,545
2011	3,984,354	-	3,984,354		0.09%	41,338
2012	2,629,569	-	2,629,569		0.06%	41,927
2013	7,599,785	-	7,599,785		0.18%	41,659
2014	6,190,000	-	6,190,000		0.19%	43,336
2015	5,150,000	-	5,150,000		0.16%	43,336
2016	4,600,000	3,800,000	8,400,000		0.26%	43,336

(a) The District is a Type I District and does not directly issue debt. Bonds and Notes are issued by the City of Brigantine.

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Direct and Overlapping Governmental Activities Debt,
 As of December 31, 2015
 (Unaudited)**

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated of Overlapping Debt</u>	<u>Share of Overlapping Debt</u>
Debt Repaid with Property Taxes				
Brigantine Municipality - (December 31, 2015)	\$ 27,200,259.54	100.00%	\$ 27,200,259.54	
Other Debt				
County of Atlantic (December 31, 2015)	164,136,199.00	Not Available	Not Available	
Subtotal, Overlapping Debt			27,200,259.54	
Brigantine School District Direct Debt			8,400,000.00	
Total Direct and Overlapping Debt			\$ 35,600,259.54	

Sources: City of Brigantine and County of Atlantic.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District.

This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Brigantine City. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

- a** For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Legal Debt Margin Information,
 Last Ten Fiscal Years
 (Unaudited)

Exhibit J-13

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Debt limit	\$ 103,041,107	\$ 121,604,670	\$ 133,972,579	\$ 134,714,404	\$ 131,563,788	\$ 125,844,318	\$ 121,579,069	\$ 111,593,450	\$ 106,857,297	\$ 104,542,548
Total net debt applicable to limit	8,608,993	7,768,208	6,482,924	5,168,139	3,984,354	2,629,569	7,599,785	6,190,000	5,150,000	8,400,000
Legal debt margin	\$ 94,432,114	\$ 113,836,462	\$ 127,489,655	\$ 129,546,265	\$ 127,579,434	\$ 123,214,749	\$ 113,979,284	\$ 105,403,450	\$ 101,707,297	\$ 96,142,548
Total net debt applicable to the limit as a percentage of debt limit	8.35%	6.39%	4.84%	3.84%	3.03%	2.09%	6.25%	5.55%	4.82%	8.04%

Equalized valuation basis	
2015	\$ 3,423,794,236
2014	3,500,509,702
2013	3,529,950,859
	<u>\$ 10,454,254,797</u>

Average equalized valuation of taxable property	
	\$ 3,484,751,599
Debt limit (3% of average)	104,542,548
Net bonded school debt	8,400,000
Legal debt margin	<u>\$ 96,142,548</u>

Source: Abstract of Ratables and District Records CAFR Schedule J-7

Exhibit J-14

Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Demographic and Economic Statistics,
 Last Ten Fiscal Years
 (Unaudited)

Fiscal Year Ended June 30,	Population	Personal Income (thousands of dollars)	** Per Capita Personal Income	Unemployment Rate
2007	12,695	-	38,110	4.3%
2008	12,633	-	39,106	5.3%
2009	12,643	-	39,153	9.6%
2010	9,449	-	39,545	9.9%
2011	9,437	-	41,338	10.0%
2012	9,437	-	41,927	10.4%
2013	9,400	-	41,659	11.1%
2014	9,296	-	43,336	9.1%
2015	9,204	-	43,336	8.5%
2016	9,204	-	43,336	Not Available

** County wide information

Source:

U.S. Department of Commerce, Bureau of Economic Analysis,
 Regional Economic Information System; New Jersey Department of Labor,
 Bureau of Labor Force Statistics; U.S. Bureau of Census, Population Division

**Brigantine Board of Education
 (A Component Unit of the City of Brigantine)
 Principal Employers,
 Current Year and Nine Years Ago
 (Unaudited)**

Exhibit J-15

Employer	2016			2007		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
		1				
		2				
		3				
		4				
		5				
		6				
		7				
		8				
		9				
		10				
INFORMATION NOT AVAILABLE						
Totals	-		0.00%	-		0.00%

CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years
 (Unaudited)

<u>Function/Program</u>	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Instruction:										
Regular instruction	84	82	75	73	73	71	69	69	65	61
Special education instruction	19	22	21	21	21	21	23	23	21	19
Other special education instruction										
Vocational education										
Other instruction										
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Tuition										
Student & instruction related services	16	16	14	14	13	13	13	13	14	14
General administrative services	2	2	2	2	2	2	2	2	2	2
School administrative services	6	6	6	6	6	6	6	6	6	6
Business administrative services	4	4	4	4	4	4	4	4	4	4
Plant operations and maintenance	19	19	19	19	17	19	19	19	19	18
Pupil transportation										
Special schools										
Food Service										
Child Care										
Total	150	151	141	139	136	136	136	136	131	124

Source: District Personnel Records

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Operating Statistics,
Last Ten Fiscal Years
(Unaudited)

Exhibit J-17

Fiscal Year Ended June 30,	a		Cost per Pupil	% Change	b		Pupil/Teacher Ratio		Average Daily Enrollment (ADE)	Average Daily Attendance (ADA)	% Change in Average Daily Enrollment	Student Attendance Percentage
	Enrollment	Operating Expenditures			Teaching Staff	Elementary School	Middle School					
2007	1,049	16,849,191	16,070	8.11%	91	1:11	1:9	899	846	-5.85%	94.17%	
2008	1,053	16,833,682	15,994	-0.47%	89	1:10	1:9	855	811	-4.18%	94.85%	
2009	990	17,467,220	17,644	9.35%	74	1:12	1:11	839	782	-3.58%	93.21%	
2010	988	19,171,128	19,404	9.07%	73	1:13	1:9	810	763	-2.46%	94.17%	
2011	956	19,308,519	20,197	3.93%	73	1:13	1:9	796	753	-1.28%	94.60%	
2012	971	18,548,366	19,102	-5.73%	71	1:11	1:9	773	733	-2.66%	94.83%	
2013	931	19,593,066	21,045	9.23%	69	1:10	1:13	752	708	-3.41%	94.15%	
2014	872	19,066,659	21,865	3.75%	69	1:10	1:13	709	670	-5.37%	94.50%	
2015	868	19,351,084	22,294	1.92%	69	1:11	1:10	684	643	-4.03%	94.01%	
2016	824	20,370,734	24,722	9.82%	67	1:10	1:10	668	632	-1.64%	94.61%	

Source: District records

- a Operating expenditures equal total expenditures less 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).

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
School Building Information,
Last Ten Fiscal Years
(Unaudited)**

Exhibit J-18

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>District Buildings</u>										
<u>Elementary</u>										
Square Feet	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794	124,794
Capacity (students)	933	933	933	933	933	933	933	933	933	933
Enrollment	500	467	456	480	478	473	446	445	412	375
<u>Middle School</u>										
Square Feet	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087	102,087
Capacity (students)	621	621	621	621	621	621	621	621	621	621
Enrollment	385	385	381	333	319	295	303	274	274	287

Number of Schools at June 30, 2015
Elementary - 1
Middle - 1

Source: District Records, ASSA

CITY OF BRIGANTINE SCHOOL DISTRICT
 (A Component Unit of the City of Brigantine)
 Schedule of Required Maintenance for School Facilities,
 Last Ten Fiscal Years
 (Unaudited)

Undistributed Expenditures - Required Maintenance for School Facilities

School Facilities	Project # (s)	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary School	N/A	\$ 178,405	147,091	177,717	191,692	175,769	174,090	216,246	186,799	169,893	183,003
Middle school	N/A	146,485	120,348	145,381	156,839	143,811	142,437	176,929	152,835	139,004	149,705
Grand Total		\$ 324,890	267,439	323,098	348,532	319,580	316,527	393,175	339,634	308,897	332,708

Source: District Records

**Brigantine Board of Education
(A Component Unit of the City of Brigantine)
Insurance Schedule
For the Fiscal Year Ended June 30, 2016
(Unaudited)**

Exhibit J-20

	<u>Coverage</u>	<u>Deductible</u>
Property, Inland Marine and Automobile Physical Damages		
A. Limit of Liability	150,000,000	
ACCASBOJIF Self Insured Retention, per occurrence	250,000	
Members District Deductible, per occurrence		500
Perils Included	"All Risk"	
B. Property Valuation		
Buildings and Contents	Replacement Cost	
Contractors Equipment	Actual Cash Value	
Automobiles	Replacement Cost	
Boiler and Machinery		
A. Limit of Liability	125,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		1,000
Crime		
A. Limit of Liability	500,000	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		500
General and Automobile Liability		
A. Limit of Liability	20,000,000	
ACCASBOJIF Self Insured Retention	250,000	
Members District Deductible		None
Workers' Compensation		
A. Limit of Liability	Statutory	
ACCASBOJIF Self Insured Retention	250,000	None
Members District Deductible		
Educator's Legal Liability		
A. Limit of Liability	20,000,000	
ACCASBOJIF Self Insured Retention	175,000	
Members District Deductible		None
Pollution Legal Liability/Mold Legal Liability		
A. Limit of Liability	3,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		25,000
Cyber Liability		
A. Limit of Liability	1,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		25,000
Violent Malicious Acts		
A. Limit of Liability	1,000,000	
ACCASBOJIF Self Insured Retention	None	
Members District Deductible		15,000

Source: District Records (Coverage is through the Atlantic & Cape May Counties Association of School Business Officials Joint Insurance Fund (ACCASBOJIF))

SINGLE AUDIT SECTION



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-1 INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
County of Atlantic
Brigantine, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Brigantine School District (A component unit of the City of Brigantine), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the City of Brigantine School District's (A component unit of the City of Brigantine) basic financial statements, and have issued our report thereon dated November 11, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Brigantine School Districts' (A component unit of the City of Brigantine) 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 City of Brigantine School Districts' (A component unit of the City of Brigantine) internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Brigantine School Districts (A component unit of the City of Brigantine) basic financial statements are free of 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 basic 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 prescribed by the Division of Finance, Department of Education, and 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
CERTIFIED PUBLIC ACCOUNTANTS

Leon P. Costello

Leon P. Costello
Certified Public Accountant
Licensed Public School Accountant
No. 767

November 11, 2016



FORD - SCOTT

& ASSOCIATES, L.L.C.

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K-2 INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE FOR EACH MAJOR PROGRAM; ON INTERNAL CONTROL OVER COMPLIANCE;
AND ON SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL
ASSISTANCE

The Honorable President and
Members of Board of Education
City of Brigantine School District
(A component unit of the City of Brigantine)
Brigantine, New Jersey
County of Atlantic

Report on Compliance for Each Major State Program

We have audited the City of Brigantine School District (A component unit of the City of Brigantine), County of Atlantic, State of New Jersey compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of its major state programs for the year ended June 30, 2016. The City of Brigantine School District's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Brigantine School District's (A component unit of the City of Brigantine) major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and New Jersey OMB 15-08. Those standards, the Uniform Guidance and NJ OMB 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 program occurred. An audit includes examining, on a test basis, evidence about the City of Brigantine School District's (A component unit of the City of Brigantine) 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 program. However, our audit does not provide a legal determination of the City of Brigantine School District's (A component unit of the City of Brigantine) compliance.

Opinion on Each Major Program

In our opinion, the City of Brigantine School District (A component unit of the City of Brigantine) 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 state programs for the year ended June 30, 2016.

Report on Internal Control over Compliance

Management of the City of Brigantine School District (A component unit of the City of Brigantine) is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Brigantine School District's (A component unit of the City of Brigantine) internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 program and to test and report on internal control over compliance in accordance with the Uniform Guidance and NJ OMB 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Brigantine School District's (A component unit of the City of Brigantine) internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and NJ OMB 15-08. Accordingly, this report is not suitable for any other purpose.

Report on Schedules of Expenditures of Federal Awards Required by the Uniform Guidance and Expenditures of State Financial Assistance Required by NJ OMB 15-08

We have audited the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund of the City of Brigantine School District (A component unit of the City of Brigantine) as of and for the year ended June 30, 2016, and have issued our report thereon dated November 11, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis as required by the Uniform Guidance and NJ Circular 15-08 and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

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

Ford, Scott & Associates, L.L.C.
FORD, SCOTT & ASSOCIATES, L.L.C.
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Licensed Public School Accountant
No. 767

November 11, 2016

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Schedule of Expenditures of Federal Awards
for the Year ended June 30, 2016

Federal Grant or Pass-Through Grant/ Program Title	Federal CFDA Number	Federal FIM Number	Grant or State Project Number	Grant Period From To	Program or Amount	Balance June 30, 2015	Commer/ Amount	Cash Received	Budgetary Expenditures		Repayment of Prior Period Balances	Accounts Payable June 30, 2016	Due to Creditors June 30, 2016
									Pass Through Source	Total			
U.S. Department of Education Passed-Through State Department of Education:													
General Fund:													
Medical Assistance Program (SEM)	93.778	1606NLSMAP	N/A	7/1/2015	\$ 5,158.29	-	5,158.29	(5,158.29)	-	-	-	-	-
Total General Fund							5,158.29	(5,158.29)	-	-	-	-	-
U.S. Department of Education Passed-Through State Department of Education:													
Special Revenue Fund:													
Special Education Cluster (IDEA):													
IDEA Part B Preschool	84.173	H173A150114	PT-0570-15	7/1/2014	13,729.00	(13,729.00)	-	-	-	-	-	-	-
IDEA Part B Preschool	84.173	H173A150114	PT-0570-16	7/1/2015	8,811.00	(74,599.00)	6,811.00	(6,811.00)	(6,811.00)	-	-	-	-
IDEA Part B Basic	84.027	H027A150100	FT-0570-15	7/1/2015	234,841.00	-	234,841.00	(234,841.00)	(234,841.00)	-	-	-	-
IDEA Part B Basic	84.027	H027A150100	FT-0570-16	7/1/2015	234,841.00	-	234,841.00	(234,841.00)	(234,841.00)	-	-	-	-
Total Special Education Cluster						(88,528.00)	328,383.00	(241,652.00)	-	-	-	-	-
Title I, Part A Cluster:													
Title I	84.010A	S010A150030	NCLB-0570-15	7/1/2014	307,298.00	(84,493.74)	84,493.00	-	-	0.74	-	(0.00)	-
Title I	84.010A	S010A150030	NCLB-0570-16	7/1/2015	279,819.00	(84,493.74)	195,379.00	(257,046.00)	(257,046.00)	-	-	(57,867.00)	-
Total Title I, Part A Cluster						(84,493.74)	283,872.00	(257,046.00)	-	0.74	-	(57,867.00)	-
No Child Left Behind (NCLB):													
Title I - Part A	84.367A	S367A150029	NCLB-0570-15	7/1/2014	42,553.00	(13,866.00)	13,865.00	-	-	-	-	-	-
Title I - Part A	84.367A	S367A150029	NCLB-0570-16	7/1/2015	42,773.00	(13,866.00)	31,975.00	(42,773.00)	(42,773.00)	-	-	(10,798.00)	-
Total Special Revenue Fund						(188,687.74)	665,695.00	(541,471.00)	-	0.74	-	(68,665.00)	-
U.S. Department of Education Passed-Through State Department of Education:													
Enterprise Fund:													
Food Distribution Program													
Child Nutrition Cluster:													
School Nutrition Program	10.550	1616NLS30AN1099	N/A	7/1/2015	21,997.92	(2,163.13)	21,997.92	(21,997.92)	(21,997.92)	-	-	-	-
School Breakfast Program	10.553	1616NLS30AN1099	N/A	7/1/2014	26,053.82	(2,163.13)	2,163.13	-	-	-	-	-	-
School Breakfast Program	10.553	1616NLS30AN1099	N/A	7/1/2015	22,310.38	(11,380.04)	20,892.39	(22,310.38)	(22,310.38)	-	-	(1,417.99)	-
National School Lunch Program	10.555	1616NLS30AN1099	N/A	7/1/2014	129,240.70	(13,658.76)	11,360.04	-	-	-	-	-	-
National School Lunch Program	10.555	1616NLS30AN1099	N/A	7/1/2015	136,638.76	(13,658.76)	122,983.76	(136,638.76)	(136,638.76)	-	-	(8,815.60)	-
Total Child Nutrition Cluster						(13,658.76)	625,297.12	(136,638.76)	-	-	-	(10,233.59)	-
Total Enterprise Fund						(13,658.76)	625,297.12	(136,638.76)	-	-	-	(10,233.59)	-
Total Federal Financial Awards					\$ (200,210.91)		843,107.93	(727,596.35)	-	0.74	-	(78,668.59)	-

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance is an integral part of this schedule.

CITY OF BRIGANTINE SCHOOL DISTRICT
(A Component Unit of the City of Brigantine)
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2016

State Grantor/Program Title	Grant or State Project Number	From	To	Program or Award Amount	Balance at June 30, 2015		Due to Grantor	Carryover Amount	Cash Received	Budgetary Expenditures	Adjustments / Reimbursement of Prior Years' Balances	Balance at June 30, 2016		MEMO		
					Deferred Revenue (Accounts Receivable)	Revenue (Accounts Receivable)						Deferred Revenue	Revenue	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund:																
State Aid Public Cluster:																
Special Education Aid	16-495-034-5120-089	7/1/2015	6/30/2016	\$ 520,704.00	-	520,704.00	-	-	520,704.00	(520,704.00)	-	-	-	42,246.04	520,704.00	
Adjustment Aid	16-495-034-5120-085	7/1/2015	6/30/2016	1,059,602.00	-	1,059,602.00	-	-	1,059,602.00	(1,059,602.00)	-	-	-	86,306.88	1,059,602.00	
PARCC Readiness	16-495-034-5120-098	7/1/2015	6/30/2016	8,560.00	-	8,560.00	-	-	8,560.00	(8,560.00)	-	-	-	856.00	8,560.00	
Per-Pupil Growth Aid	16-495-034-5120-097	7/1/2015	6/30/2016	8,560.00	-	8,560.00	-	-	8,560.00	(8,560.00)	-	-	-	856.00	8,560.00	
Security Aid	16-495-034-5120-084	7/1/2015	6/30/2016	195,858.00	-	195,858.00	-	-	195,858.00	(195,858.00)	-	-	-	15,741.49	195,858.00	
Total State Aid Public Cluster						1,793,284.00			1,793,284.00	(1,793,284.00)				146,006.51	1,793,284.00	
Transportation Aid	16-495-034-5120-014	7/1/2015	6/30/2016	498,223.00	-	498,223.00	-	-	498,223.00	(498,223.00)	-	-	-	40,425.09	498,223.00	
Non Public Transportation Aid	15-495-034-5120-014	7/1/2014	6/30/2015	4,605.00	(4,605.00)	-	-	4,605.00	-	-	-	-	-	-	-	
Non Public Transportation Aid	16-495-034-5120-014	7/1/2015	6/30/2016	9,954.00	-	9,954.00	-	-	9,954.00	(9,954.00)	-	-	-	9,954.00	9,954.00	
Extraordinary Aid	15-100-034-5120-473	7/1/2014	6/30/2015	79,482.00	(79,482.00)	-	-	79,482.00	-	-	-	-	-	-	-	
Extraordinary Aid	16-100-034-5120-473	7/1/2015	6/30/2016	85,114.00	-	85,114.00	-	-	85,114.00	(85,114.00)	-	-	-	85,114.00	85,114.00	
TPAF Social Security (Reimbursed-Non-Budgeted)	16-495-034-5094-003	7/1/2015	6/30/2016	517,441.94	-	517,441.94	-	-	517,441.94	(517,441.94)	-	-	(224.76)	517,441.94	517,441.94	
Total General Fund					(84,087.00)	2,892,811.18			2,892,811.18	(2,904,016.94)				186,431.60	2,904,016.94	
Special Revenue Fund:																
Preschool Education Aid	15-495-034-5120-086	7/1/2014	6/30/2015	186,700.00	1,36,973.33	-	(136,973.33)	319,934.00	-	-	-	-	16,871.93	17,176.40	440,035.40	
Preschool Education Aid	16-495-034-5120-086	7/1/2015	6/30/2016	171,764.00	-	171,764.00	-	-	171,764.00	(171,764.00)	-	-	-	-	-	
Total Special Revenue Fund					136,973.33			319,934.00		(440,035.40)			16,871.93	17,176.40	440,035.40	
Capital Projects Fund:																
ROD Grant - Various Upgrades	0570-010-14-1001	Open		1,480,829.00	-	1,480,829.00	-	-	1,480,829.00	(626,041.89)	-	-	-	-	526,041.89	
ROD Grant - North Middle School Various Upgrades	0570-030-14-1002	Open		533,305.00	-	533,305.00	-	-	533,305.00	(177,350.71)	-	-	(124,020.21)	177,350.71	177,350.71	
Total Capital Projects Fund						2,022,413.40			2,022,413.40	(703,392.60)				-	703,392.60	
State Department of Agriculture:																
Child Nutrition Cluster:																
State School Lunch Program	15-100-010-3350-023	7/1/2014	6/30/2015	3,032.81	(338.79)	3,387.90	-	-	3,387.90	(2,851.29)	(0.00)	-	-	-	2,851.29	
State School Lunch Program	16-100-010-3350-023	7/1/2015	6/30/2016	2,851.29	-	2,851.29	-	-	2,851.29	(2,851.29)	-	-	-	-	2,851.29	
Total Child Nutrition Cluster					(338.79)	6,239.19			6,239.19	(5,702.58)					5,702.58	
Total Enterprise Fund					52,547.54	3,418,165.12			3,418,165.12	(4,059,296.23)			16,871.93	209,608.00	4,059,296.23	
Total State Financial Assistance																

The accompanying Notes to Schedules of Expenditures of Awards and Financial Assistance is an integral part of this schedule.

**CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-5 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016**

Note 1: General

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Board of Education, City of Brigantine School District (A component unit of the City of Brigantine). The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, is included on the schedule of federal awards and state financial assistance.

Note 2: Basis of Accounting

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements. The District has elected not to use the 10% de minimis indirect cost rate.

Note 3: Relationship to Basic Financial Statements

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

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$10,486.40 for the general fund and \$1,692.03 for the Special Revenue Fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis:

	Federal	State	TPAF Pension	Total
General Fund	\$ 5,158.29	2,904,016.94	1,215,940.00	4,125,115.23
Special Revenue Fund	541,471.00	440,035.40		981,506.40
Capital Projects Fund		703,392.60		703,392.60
Food Service Fund	180,967.04	2,851.29		183,818.33
	<u>\$ 727,596.33</u>	<u>4,050,296.23</u>	<u>1,215,940.00</u>	<u>5,993,832.56</u>

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-5 NOTES TO SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016
(CONTINUED)

The On-Behalf Pension Contributions made for the district by the State of New Jersey are recognized as revenue in the basic financial statements, but are not considered in the major program determination.

Note 4: Relationship to Federal and State Financial Reports

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

Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

Note 6: Adjustments

Both favorable and unfavorable differences incurred as a result of final grant payments being rounded by the grantor and are included in the schedule(s) of financial assistance in a column entitled "Adjustments."

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part I -- Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
1) Material weakness(es) identified?	_____ yes <u> X </u> no
2) Significant deficiencies identified that are not considered to be material weaknesses?	_____ yes <u> X </u> none reported
Noncompliance material to basic financial statements noted?	_____ yes <u> X </u> no

Federal Awards Section

Not Applicable

Internal Control over major programs:	
1) Material weakness(es) identified?	_____ yes _____ no
2) Significant deficiencies identified	_____ yes _____ none reported
Type of auditor's report on compliance for major programs	_____
Any audit findings disclosed that are required to be reported in accordance with Uniform Guidance	_____ yes _____ no

Identification of major programs:

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

Dollar threshold used to determine Type A programs: _____

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

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part I -- Summary of Auditor's Results

State Awards Section

Internal Control over major programs:

- 1) Material weakness(es) identified? _____ yes X no
- 2) Significant deficiencies identified _____ yes X none reported

Type of auditor's report on compliance for major programs

_____ Unmodified _____

Any audit findings disclosed that are required to be reported in accordance NJOMB Circular Letter 15-08?

_____ yes X no

Identification of major programs:

<u>GMIS Number(s)</u>	<u>Name of State Program</u>
State Aid Public Cluster:	
16-495-034-5120-089	Special Education Aid
16-495-034-5120-085	Adjustment Aid
16-495-034-5120-098	PARCC Readiness
16-495-034-5120-097	Per Pupil Growth Aid
16-495-034-5120-084	Security Aid
ROD Grant:	
0570-010-14-1001	Various Upgrades
0570-030-14-1002	North Middle School Various Upgrades

- N) Dollar threshold used to determine Type A programs: \$750,000
- O) Auditee qualified as low-risk auditee? X yes _____ no

CITY OF BRIGANTINE SCHOOL DISTRICT
(A component unit of the City of Brigantine)
K-6 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part II -- Financial Statement Findings

In accordance with *Government Auditing Standards*, our audit disclosed no findings relating to the financial statements that are required to be reported under this section.

Part III -- Federal Awards and State Financial Assistance Findings and Questioned Costs

STATE AWARDS

Our audit disclosed no matters to be reported.

STATUS OR PRIOR YEAR FINDINGS

There were no prior year findings.