

Comprehensive Annual Financial Report

of the

Matawan-Aberdeen Regional School District

County of Monmouth

Aberdeen, New Jersey

For the Fiscal Year Ended June 30, 2016

Prepared by

**Matawan-Aberdeen Regional, Board of Education
Finance Department**

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INTRODUCTORY SECTION



Joseph G. Majka, J.D.
Superintendent of Schools

Matawan-Aberdeen Regional School District
Office of the School Business Administrator/Board Secretary

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Alex Ferreira
School Business Administrator/
Board Secretary

October 28, 2016

Honorable President and
Members of the Board of Education
Matawan-Aberdeen Regional School District
Aberdeen, New Jersey 07747

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report of the Matawan-Aberdeen Regional School District for the fiscal year ended June 30, 2016 is hereby submitted. This CAFR includes the District's Basic Financial Statement prepared in accordance with Governmental Accounting Standards Board Statement 34. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Matawan-Aberdeen Regional School District Board of Education. To the best of our knowledge and belief, the data presented in the auditor's 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 this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Federal Uniform Guidance and New Jersey OMB's Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments." Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES

Matawan-Aberdeen Regional School District is an independent reporting entity within the criteria adopted by G.A.S.B. (Governmental Accounting Standards Board) established by Statement No. 14. All funds of the District are included in this report. The Matawan-Aberdeen Regional School Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 12. These include regular, vocational and special needs students in and out of District. The District provides a variety of after school activities which include band, chorus, and computer club, interscholastic and extra-curricular activities. The District provides transportation for children required by law and also provides subscription busing, which allows the District to charge parents for empty seats on a route.

The District completed the 2015-2016 fiscal year with an enrollment of 3,767.5 students. The following details the changes in the student enrollment of the District over a five year period.

The District completed the 2015-2016 fiscal year with an enrollment of 3,767.5 students. The following details the changes in the student enrollment of the District over a five year period.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2015-2016	3,767.5	(1.48%)
2014-2015	3,824	1.08%
2013-2014	3,783	(1.52%)
2012-2013	3,842.5	(2.21%)
2011-2012	3,929.5	1.50%

2. ECONOMIC CONDITION AND OUTLOOK:

The Township of Aberdeen and the Borough of Matawan are located in the center of New Jersey, in the northern part of Monmouth County and are halfway between New York and Philadelphia. Within a forty-five minute drive to the north and east is the Manhattan Borough in New York City. Taking a westerly route, the semi-rural areas of New Jersey are a similar drive away. These municipalities are located near one of New Jersey’s largest commercial/industrial areas as well as close proximity to plane, highway, and public transportation access.

These municipalities are almost completely developed and are primarily residential communities. The Garden State Parkway, which passes through the District, provides access to all parts of the State because of its connections with the New Jersey Turnpike, which is in close proximity. A station operated by the New Jersey Transit located in the Borough of Matawan provides commercial and mass transit rail service.

There is an active degree of participation by parents and community members with the school system including making the facilities available for the recreation programs, Boys Scouts and Girls Scouts.

3. MAJOR INITIATIVES

The district engaged in and expanded upon several major initiatives to improve student achievement during the **2015-2016** school year, in the following areas:

- **Curriculum, programs, and student support**
 - Trained 6-12 science teachers on the NGSS and aligned 6-12 science curriculum guides to the Next Generation Science Standards
 - Continued to provide professional development training and embedded coaching to support integrative STEM education and updated K-5 curriculum guides to the NGSS
 - Increased non-fiction classroom libraries as part of the Guided Reading Program
 - Increased course offerings for the HS Biomedical (STEM) Academy to include a new “Introduction to Engineering Course” and revised the Academy requirements to allow for greater flexibility in course selection and pathways, and instituted additional academic supports for struggling students.
 - Planned and developed a new Global Humanities Academy and a new strand of the Visual and Performing Arts Academy at MRHS
 - Updated the K-5 Language Arts Literacy Curriculum to align with the Reader’s and Writer’s Workshop model, embedded targeted phonics and word study instruction and fully integrated Social Studies content and skills within the ELA curriculum.
 - Increased investments in educational technology, improving wired and wireless infrastructure and expanding use of classroom and personal electronic devices such as

- additional chrome book and laptops in preparation for PARCC testing, and refurbished desktop computers in classrooms.
- Instituted a new Peer/Civic Leadership Course for high school seniors that includes opportunities for community service projects
 - Expanded the Summer Literacy Program to include Title 1 students who utilized Scholastic programs, including Read180 and iRead.
 - Expanded the summer program to include a pilot STEM Academy for 2nd & 3rd grade G&T/Enrichment students
 - Established a G&T/Enrichment Committee to examine K-12 G&T programming which lead to the development of a comprehensive K-12 G&T/Enrichment program implementation plan that was presented to and approved by the Board of Education
 - Expanded partnerships with local colleges and universities to include Rider University and The College of New Jersey (TCNJ) for curricular supports in the area of science
 - Enhanced the district's technology curriculum to include formalized keyboarding instruction and PARCC preparation activities.
 - Implemented the use of Reflex Math at Title 1 schools to support basic math fact fluency and automaticity.
 - Implemented Explore Learning Gizmos, online math and science simulations for math and science teachers in grades 6-8.
 - Implemented a District Evaluation Advisory Committee (DEAC) and School Improvement Panels (SciPs) in accordance with AchieveNJ.
 - **Assessments for targeting instruction:**
 - Expanded use of the DRA2 for determining reading readiness and levels
 - Expanded the use of Performance Matters to include the utilization of the on-line and offline testing platform and the scan engine feature to allow for question by question item analysis.
 - Implemented a new online assessment system - Star Renaissance for Reading and Math benchmarking and progress monitoring for students in grades 1-8
 - Utilized Performance Matters for data analysis and offline testing using Scan Engine
 - **Community partnerships and communication**
 - Updated and expanded school and district web pages, including a Parent University section of the website to highlight parent education programs
 - Continued with established partnerships, including Monmouth University, Rider University, and The College of New Jersey, and Brookdale College
 - Implemented a STEM Family Night in which parents and students worked together to engage in engineering design challenges to promote hands-on design based teaching and learning.
 - **Special education initiatives**
 - Implemented new reading intervention programs (iread, Read180 and System44) for students across classroom settings to support reading achievement.
 - Continue to return students to district programs within Least Restrictive Environments; savings re-invested in Special Services programs, materials, supplies and personnel
 - Continued partnership with the Bay Area YMCA Partnership to provide our special needs students with meaningful, enriching opportunities during the school day and on weekends and holidays. The membership includes entry and participation for those aids and/or parents.
 - Targeted reduction of pull-out resource in favor of in-class resource with appropriate support and co-teacher training
 - Expanded Structured Learning Experience program to provide more work sites and more varied experiences for students eligible for the SLE program
 - Added second full time behaviorist position to support students with behavioral needs

- Physical education continues to be offered to all special education and vocational students at high school. Challenger PE, which is designed for inclusion and structures peer support is offered at the High School and Middle School.
- A new Introduction to Algebra course was developed for identified students at the high school level.
- **Expanded In-District Professional Development Academy Program**
 - Created meaningful and targeted professional development opportunities taking place on five full day staff development days
 - Created meaningful and targeted professional development opportunities to support our district initiatives and to improve learning and increasing student achievement
 - Continued in-district, teacher-initiated opportunities in Master Teacher Academy
 - Expanded opportunities for district staff to attend meaningful and targeted out of district workshops and turnkey information to colleagues
 - Offered a variety of professional development opportunities for teachers, administrators and parents focused on the use of Google Apps for Education (GAPE).
 - Partnered with Rich Kiker to offer Parent Workshops focused on the utilization of Google platforms.
- **Test Scores**
 - PARCC Reading and Math scores were analyzed to determine specific areas of strength and weakness, including performance by demographic subgroup
 - The district implemented Star Renaissance Online Benchmark Assessments for Reading and Math to progress monitor students in grades 1-8. Assessments were implemented three times per year (fall, winter, spring). Following each administration, the data was analyzed by teachers and administrators to identify at-risk students and provide targeted interventions. Quarterly data meetings were held with building principals for the purpose of data analysis.
 - The district places student achievement as its number one goal. We are continuing to expand targeted professional development opportunities for all staff designed to improve learning. The district continued to provide students with an online practice resource integrated into instructional assessment (Study Island) and online text-related resources, opportunities for targeted assistance during the school day and after school, and workshops for families.
 - The district also improved articulation and instruction through the state's AchieveNJ initiative, using the Danielson Framework for Teaching and Teachscape to develop a common language for effective practices and target professional development. Evaluators continued to engage in re-calibration activities to ensure interrater reliability.

Financial Highlights

During the 2015-2016 school year the district deposited \$1,450,000 into the Capital Reserve Fund for a total amount of \$3,457,994.66. The district also deposited \$500,000 into the Maintenance Reserve Fund for a total amount of \$3,456,894.76. There was an Emergency Reserve Fund balance of \$502,422.31.

The District continues to engage in shared service opportunities with other local governments. With the Borough of Matawan and the Township of Aberdeen the District has shared services arrangements for landscaping, fuel, and busing for summer recreation programs. The District also has a shared services arrangement with the Hazlet and Keyport Boards of Education for refuse/recycling pick-ups. The District engages in several purchasing cooperatives throughout the state for the purchase of school supplies and services. Finally, the District has an interlocal agreement for its School Resource Officer.

4. INTERNAL ACCOUNTING CONTROLS:

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (G.A.A.P.). An 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 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 program, as well as to determine that the District has complied with applicable laws and regulations.

5. BUDGETARY CONTROLS:

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as a reappropriation of fund balances in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2016.

Budgetary controls are part of a school district's complete internal control structure. As noted in item 4, problems noted at the time the Business Administrator was hired have been fully addressed to the satisfaction of the district's independent auditor.

6. ACCOUNTING SYSTEM AND REPORTS:

A District's accounting records must reflect generally accepted principles, as promulgated by the Governmental Accounting Standards Board (G.A.S.B.). 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.

An effective and efficient system of internal controls is essential to accurate, timely reporting of all relevant transactions on an accounting system and the resultant administrative and external reports generated from that system.

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 1. The District has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental

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

The District utilizes Bank of America as its main depository for district funds. The District also deposits in the State of New Jersey Cash Management Account.

8. RISK MANAGEMENT:

The District maintains a comprehensive insurance program, including but not limited to blanket building and contents property insurance, general liability, automobile liability and comprehensive/collision, umbrella liability and worker’s compensation. Annual reviews of the entire program are done in order to evaluate potential insurance changes. A schedule of insurance coverage is found in Schedule J-20.

9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The Board of Education selected the accounting firm of Suplee, Clooney & Company. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act and the Federal Uniform Guidance and New Jersey OMB’s Circular 15-08. The auditor’s report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of the report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS:

We would like to express our appreciation to the members of the Matawan-Aberdeen Regional School District Board of Education for its 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,



Joseph Majka
Superintendent of Schools



Alex Ferreira
School Business Administrator/Board Secretary

MATAWAN-ABERDEEN REGIONAL BOARD OF EDUCATION

ABERDEEN, NEW JERSEY

ROSTER OF OFFICIALS

JUNE 30, 2016

Members of the Board of Education

Term Expires

Anissa Esposito, President	2016
Jeff Delaney, Ed.D. Vice President	2016
Allison Friedman	2017
Kenneth Aitken	2018
Tara Martinez	2018
Kathleen Gentile	2018
Joelle Nappi	2016
Weyouth Brittingham	2017
Africa Nelson	2017

Other Officials

Dr. Joseph G. Majka, Superintendent of Schools

Dr. Karen Jones, Assistant Superintendent of Curriculum and Instruction

Mr. Thomas Venanzi, Interim School Business Administrator/Board Secretary

Mr. Brian Walsh, Director of Personnel

Mr. Kenneth Jannarone, Treasurer of School Monies

Mr. David B. Rubin, Esq., Board Counsel

MATAWAN-ABERDEEN REGIONAL BOARD OF EDUCATION

ABERDEEN, NEW JERSEY

CONSULTANTS AND ADVISORS

JUNE 30, 2016

Auditor/Audit Firm

Suplee, Clooney and Company
308 East Broad Street
Westfield, New Jersey 07090-2122

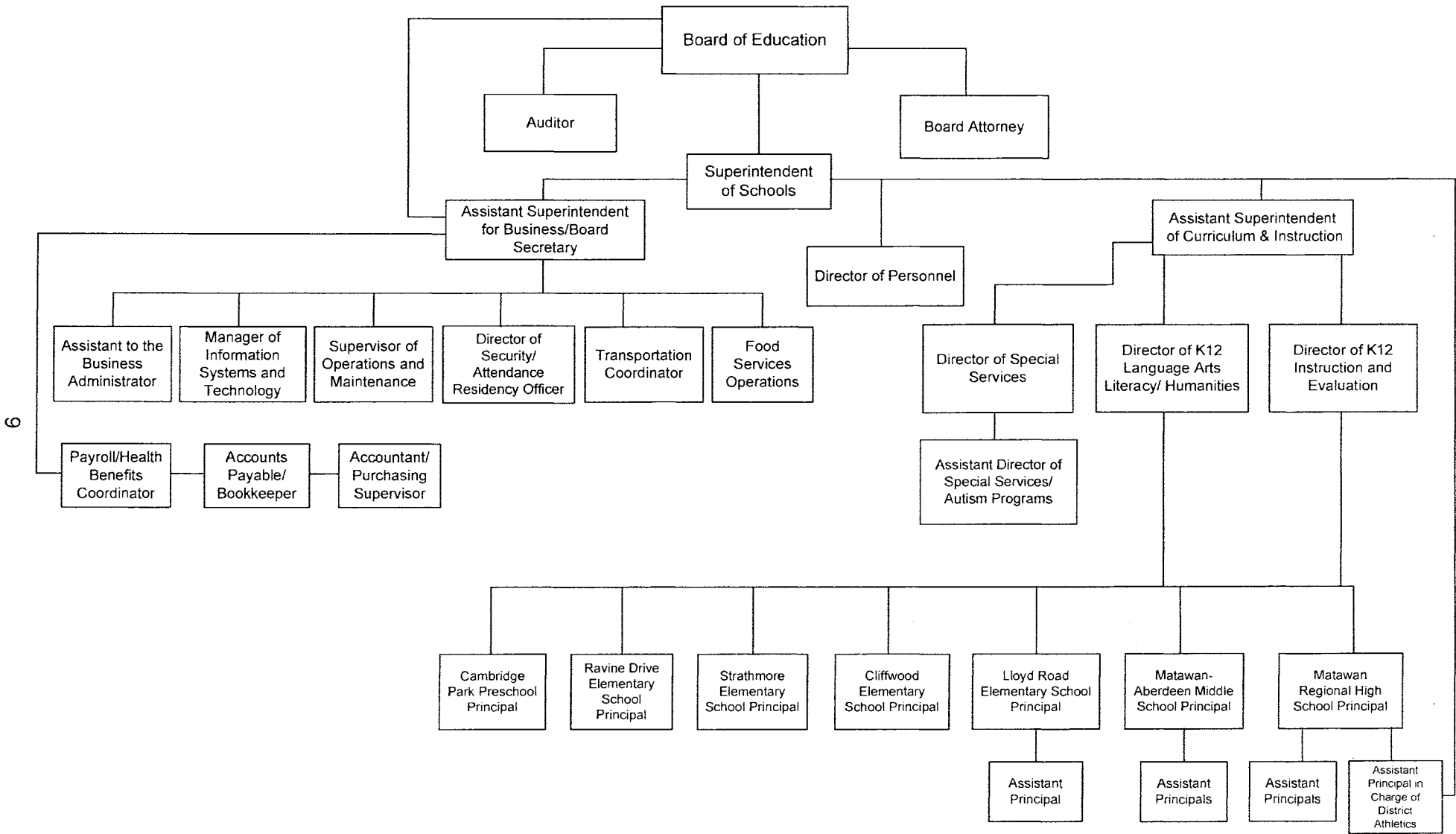
Attorney

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44 Bridge Street
P.O. Box 4579
Metuchen, New Jersey 08840

Official Depository

Bank of America
140 Main Street
Matawan, New Jersey 07747

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
District Organization Chart
2015 - 2016



Approved 5/18/15

FINANCIAL SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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INDEPENDENT AUDITOR'S REPORT

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, 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 Matawan-Aberdeen Regional School District, County of Monmouth, New Jersey as of and for the 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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the State of New Jersey *OMB Circular 15-08* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

SUPLEE, CLOONEY & COMPANY

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

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

Opinion

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 Matawan-Aberdeen Regional School District, County of Monmouth, New Jersey as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information in Exhibit C-1 through C-3 and the schedules related to accounting and reporting for pensions in Exhibit L-1 through L-4 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.

SUPLEE, CLOONEY & COMPANY

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Matawan-Aberdeen Regional School District's basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by the Uniform Guidance, New Jersey's OMB Circular 15-08, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting 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 accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 28, 2016 on our consideration of the Matawan-Aberdeen Regional School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Matawan-Aberdeen Regional School District's internal control over financial reporting and compliance.


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

October 28, 2016

REQUIRED SUPPLEMENTARY INFORMATION – PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

Management's Discussion and Analysis

For the Year ended June 30, 2016

This section of the Matawan-Aberdeen Regional School District's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on June 30, 2016. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments* issued in June 1999. Certain comparative information between the current fiscal year (2015-2016) and the prior fiscal year (2014-2015) is required to be presented in the MD&A.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

District-Wide Financial Statements. The District-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to private sector business.

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

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

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

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

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

The District maintains four individual government funds: the general fund, special revenue fund, capital projects fund and debt service fund. All are considered to be major funds. The basic governmental fund financial statements can be found as Exhibits B-1 through B-3 in this report.

Proprietary funds – The District maintains two proprietary fund types, and an enterprise fund. The enterprise fund is used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing the goods or services be financed through user charges. Included in the enterprise fund are the Food Services and Summer Theater operations. The basic proprietary fund statements can be found as Exhibits B-4 through B-6.

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

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

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2015-2016 fiscal year include the following:

On the District Wide Financial Statements:

In total, net assets increased \$1,609,929, which represents a 4.23 percent increase from 2015.

General revenues accounted for \$64,090,419 in revenue or 78 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$18,182,834 or 22 percent of total revenues.

The School District had \$80,663,324 in expenses; \$18,182,834 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$64,090,419 were adequate to provide for these programs.

On the Fund Financial Statements:

The General Fund local tax levy increased from 2014-2015 by \$942,605 to \$48,072,836 or 2.00 percent.

Among governmental funds, the General Fund had \$68,038,686 in revenues and \$70,201,862 in expenditures. Overall the General Fund's fund balance decreased \$2,163,176 from 2015.

District–Wide Financial Analysis

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

TABLE 1
Net Position

	2015-2016			2014-2015 (as Restated)		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
ASSETS						
Current & Other Assets	\$9,046,506	\$302,067	\$9,348,573	\$12,443,709	\$283,501	\$12,727,210
Capital Assets	61,435,233	24,944	61,460,176	57,301,365	30,370	57,331,735
TOTAL ASSETS	70,481,739	327,011	70,808,749	69,745,074	313,871	70,058,944
DEFERRED OUTFLOWS OF RESOURCES:						
Unamortized Premium on Refunding of Long-Term Debt	546,891		546,891	588,415		588,415
Pension Related	3,065,760		3,065,760	1,869,962		1,869,962
Total Deferred Outflow of Resources	3,612,651		3,612,651	2,458,377		2,458,377
LIABILITIES						
Long-Term Liabilities	31,682,860		31,682,860	30,888,561		30,888,561
Other Liabilities	2,208,088	58,114	2,266,202	2,613,112	32,487	2,645,599
TOTAL LIABILITIES	33,890,948	58,114	33,949,062	33,501,673	32,487	33,534,161
DEFERRED INFLOWS OF RESOURCES:						
Gain on Refunding of Long Term Debt	250,234		250,234	269,234		269,234
Pension Related	558,831		558,831	660,583		660,583
Total Deferred Inflow of Resources	809,065		809,065	929,817		929,817
NET POSITION						
Invested in capital assets, net of related debt	43,378,894	24,944	43,403,838	37,712,131	30,370	37,742,501
Restricted	5,361,767		5,361,767	9,991,342		9,991,342
Unrestricted	(9,346,284)	243,953	(9,102,332)	(9,931,513)	251,014	(9,680,499)
TOTAL NET POSITION	\$39,394,377	\$268,896	\$39,663,273	\$37,771,961	\$281,383	\$38,053,344

The District’s combined net assets were \$39,663,273 on June 30, 2016. The District’s investment in capital assets is shown net of any related debt used to acquire those assets.

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

**TABLE 2
CHANGES IN NET ASSETS**

	2015-2016			2014-2015 (as Restated)		
	Governmental Activities	Business Activities	Total	Governmental Activities	Business Activities	Total
Revenues:						
Program Revenues:						
Charges for Services	\$193,186	\$965,644	\$1,158,830	\$202,032	\$984,210	\$1,186,242
Operating Grants & Contributions	16,298,456	725,548	17,024,004	13,127,678	723,362	13,851,040
General Revenues						
Property Taxes	50,521,606		50,521,606	49,568,761		49,568,761
Grants (includes State Aid) and Entitlements	13,262,833		13,262,833	13,378,655		13,378,655
Other Revenues	305,980		305,980	438,502		438,502
Transfers and Other Adjustments				12,000		12,000
	80,582,061	1,691,191	82,273,253	76,727,628	1,707,572	78,435,200
Expenses:						
Instruction	27,745,803		27,745,803	31,352,941		31,352,941
Support Services/Undistributed Costs	48,502,471		48,502,471	39,224,656		39,224,656
Interest on Long-Term Debt	908,629		908,629	964,919		964,919
Business-Type		1,703,678	1,703,678		1,666,164	1,666,164
Unallocated depreciation	1,802,743		1,802,743	1,803,994		1,803,994
Total Expenses	78,959,645	1,703,678	80,663,324	73,346,510	1,666,164	75,012,674
Change in Assets	1,622,416	(12,487)	1,609,929	3,381,118	41,408	3,422,526
Net Position July 1, (as restated)	37,771,961	281,383	38,053,344	34,390,843	239,975	34,630,818
Net Position June 30,	\$39,394,377	\$268,896	\$39,663,273	\$37,771,961	\$281,383	\$38,053,344

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 total costs include compensating absences, unallocated benefits, and depreciation and is reduced by grants and specific state aid. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions. In accordance with GASB Statement 34, a comparison to fiscal year 2015 is presented.

**TABLE 3
NET COST OF SERVICES**

	Total Cost of Services <u>2016</u>	Total Cost of Services <u>2015</u>	Net Cost of Services <u>2016</u>	Net Cost of Services <u>2015</u>
Instruction	\$27,745,803	31,352,941	\$34,773,459	\$33,359,555
Support Services/Undistributed Costs	48,502,471	39,354,408	24,983,172	24,018,084
Special Schools				
Interest on Long-Term Debt	908,629	964,919	908,629	964,919
Business-Type	1,703,678	1,666,164	12,487	(41,408)
Unallocated depreciation	1,802,743	1,803,994	1,802,743	1,803,994
Total Expenses	<u>\$80,663,324</u>	<u>\$75,142,426</u>	<u>\$62,480,490</u>	<u>\$60,105,144</u>

General Fund Budgetary Highlights

The difference between the original budget and the final amended budget is comprised mainly of the June 30, 2015 encumbrances, which 'roll-over' into the subsequent year's budget (2015-2016) and are added to the original budget appropriations. In addition, the District amended the Budget to account for capital projects.

Throughout the year, as necessary, budget transfers are effectuated between budget accounts to re-align the 2015-2016 budget.

Capital Assets

At the end of the fiscal year 2016, the School District had \$57,188,367 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>
Land	\$12,323,200	\$12,323,200
Construction in Progress	4,331,653	1,672,473
Site Improvements	2,950,074	2,154,091
Buildings	40,438,011	39,848,501
Equipment	1,392,295	1,452,708
	<u>\$61,435,233</u>	<u>\$57,450,973</u>

Debt Administration

At June 30, 2016, the School District had \$19,532,753 of outstanding debt. Of this amount, \$1,726,648 is for compensated absences; \$101,104 in capital leases and \$17,705,000 of serial bonds for school construction.

Table 5 illustrates the balances of the District's various bonds issues outstanding at June 30, 2016 and June 30, 2015.

Table 5
Outstanding Debt at June 30,

	<u>2016</u>	<u>2015</u>
2002 Refunding Bonds	-0-	\$ 570,000
2011 Refunding Bonds	<u>17,705,000</u>	<u>18,750,000</u>
	<u>\$19,320,000</u>	<u>\$19,320,000</u>

For the Future:

On April 25, 2016, the 2015-2016 district budget was approved by the Board of Education. The certified general fund tax levy of \$50,596,991 represents an increase from 2015-2016 of \$2,524,155 or 5.25 percent. The Administration of the Matawan-Aberdeen Regional School District is determined to continue to address the educational needs of our students while delivering a fiscally responsible budget to the taxpayers of the community.

On March 8, 2016, the voters of the Borough of Matawan and Township of Aberdeen approved a \$19,856,000 referendum for HVAC projects throughout the district.

Contacting the District's Financial Management

The District's financial report is designed to provide citizen groups, taxpayers, parents, students, other local officials, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Questions regarding this report can be addressed to Mr. Alex Ferreira., Business Administrator/Board Secretary, Matawan-Aberdeen Regional School District, One Crest Way, Aberdeen, NJ 07747 or at (732) 705-4016.

BASIC FINANCIAL STATEMENTS

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2016

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.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2016

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$138,491.10	\$224,999.45	\$363,490.55
Receivables, net	1,490,703.25	56,493.88	1,547,197.13
Inventory		20,573.51	20,573.51
Restricted assets:			
Restricted cash and cash equivalents	7,417,311.73		7,417,311.73
Capital assets:			
Land and Construction in progress	16,654,853.17		16,654,853.17
Other Capital Assets net of depreciation	44,780,379.54	24,943.67	44,805,323.21
Total Assets	<u>70,481,738.79</u>	<u>327,010.51</u>	<u>70,808,749.30</u>
DEFERRED OUTFLOW OF RESOURCES:			
Unamortized Premium on Refunding of Long-Term Debt	546,891.18		546,891.18
Pension Related	3,065,760.00		3,065,760.00
Total Deferred Outflows	<u>3,612,651.18</u>		<u>3,612,651.18</u>
LIABILITIES:			
Interfunds Payable		2,023.50	2,023.50
Accounts payable	730,669.68	4,925.07	735,594.75
Payable to state government	5,997.10		5,997.10
Unearned revenue	38,661.02	51,165.71	89,826.73
Accrued Interest Payable	244,956.25		244,956.25
Noncurrent liabilities:			
Due within one year:			
Bonds and capital leases payable	1,187,803.87		1,187,803.87
Due beyond one year:			
Compensated absences payable	1,726,648.11		1,726,648.11
Bonds and capital leases payable	17,165,191.75		17,165,191.75
Net Pension Liability	12,791,020.00		12,791,020.00
Total liabilities	<u>33,890,947.78</u>	<u>58,114.28</u>	<u>33,949,062.06</u>
DEFERRED INFLOWS OF RESOURCES:			
Gain on Refunding Bonds	250,234.31		250,234.31
Pension Related	558,831.00		558,831.00
Total Deferred Inflows	<u>809,065.31</u>		<u>809,065.31</u>
NET POSITION:			
Net investment in capital assets	43,378,893.96	24,943.67	43,403,837.63
Restricted for:			
Debt service fund (Deficit)	(244,954.82)		(244,954.82)
Capital projects fund (Deficit)	(1,952,971.09)		(1,952,971.09)
Other purposes	7,559,693.02		7,559,693.02
Unrestricted (Deficit)	<u>(9,346,284.19)</u>	<u>243,952.56</u>	<u>(9,102,331.63)</u>
Total net position	<u>\$39,394,376.88</u>	<u>\$268,896.23</u>	<u>\$39,663,273.11</u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
JUNE 30, 2016

Functions/Programs	Expenses	Indirect Cost Allocation	Programs Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 19,183,784.11	\$ 13,457,231.54	\$ 115,147.50	\$ 8,885,619.17	\$ (23,640,248.98)		\$ (23,640,248.98)
Special	6,072,891.95	5,233,419.57		3,034,880.42	(8,271,431.10)		(8,271,431.10)
Other Instruction	2,489,126.45	857,163.11		484,510.78	(2,861,778.78)		(2,861,778.78)
Support services:							
Tuition	2,748,344.69				(2,748,344.69)		(2,748,344.69)
Student & instruction related services	6,640,007.93	4,093,029.12		2,829,305.67	(7,903,731.38)		(7,903,731.38)
General administrative services	1,428,420.10	351,535.38			(1,779,955.48)		(1,779,955.48)
School administrative services	2,347,961.67	1,835,801.63		1,064,140.24	(3,119,623.06)		(3,119,623.06)
Central service	567,492.52	201,927.02			(769,419.54)		(769,419.54)
Admin information technology	183,549.49	62,149.51			(245,699.00)		(245,699.00)
Plant operations and maintenance	4,797,563.78	288,643.02			(5,086,206.80)		(5,086,206.80)
Pupil transportation	2,711,153.16	697,077.30	78,038.67		(3,330,191.79)		(3,330,191.79)
Unallocated benefits	27,077,977.20	(27,077,977.20)					
Interest on Long-Term Debt	908,629.48				(908,629.48)		(908,629.48)
Unallocated depreciation	1,802,742.67				(1,802,742.67)		(1,802,742.67)
Total governmental activities	<u>78,959,645.20</u>	<u></u>	<u>193,186.17</u>	<u>16,298,456.28</u>	<u>(62,468,002.75)</u>	<u></u>	<u>(62,468,002.75)</u>
Business-type activities							
Food Service	1,670,171.96		933,213.12	725,547.68		(11,411.16)	(11,411.16)
Non-Major Funds	33,506.43		32,430.45			(1,075.98)	(1,075.98)
Total business-type activities	<u>1,703,678.39</u>	<u></u>	<u>965,643.57</u>	<u>725,547.68</u>	<u></u>	<u>(12,487.14)</u>	<u>(12,487.14)</u>
Total primary government	<u>\$ 80,663,323.59</u>	<u></u>	<u>\$ 1,158,829.74</u>	<u>\$ 17,024,003.96</u>	<u>\$ (62,468,002.75)</u>	<u>\$ (12,487.14)</u>	<u>\$ (62,480,489.89)</u>
General Revenues:							
Taxes:							
Property taxes, levied for general purposes, net					\$ 48,072,836.00		\$ 48,072,836.00
Taxes levied for debt service					2,448,770.00		2,448,770.00
Federal and state aid not restricted					12,782,832.47		12,782,832.47
Federal and state aid restricted					480,000.64		480,000.64
Miscellaneous income					305,979.86		305,979.86
Total general revenues					<u>64,090,418.97</u>		<u>64,090,418.97</u>
Change in net position					\$ 1,622,416.22	\$ (12,487.14)	\$ 1,609,929.08
Net Position - beginning (as restated)							
					\$ 37,771,960.66	\$ 281,383.37	\$ 38,053,344.03
					<u>\$ 39,394,376.88</u>	<u>\$ 268,896.23</u>	<u>\$ 39,663,273.11</u>

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

MAJOR FUND FINANCIAL STATEMENTS

The Individual Fund financial statements and schedules present more detailed information for the individual fund in a format that segregates information by fund type.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and cash equivalents	\$ 138,489.67	\$	\$	1.43	\$ 138,491.10
Cash, Capital Reserve	3,457,994.66				3,457,994.66
Cash, Emergency Reserve	502,422.31				502,422.31
Cash, Maintenance Reserve	3,456,894.76				3,456,894.76
Other receivables		8,982.10			8,982.10
Due from other funds	416,907.47				416,907.47
Receivables from other governments	643,967.59	231,695.78	604,034.28		1,479,697.65
Total assets	\$ 8,616,676.46	\$ 240,677.88	\$ 604,034.28	\$ 1.43	\$ 9,461,390.05
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	\$ 141,032.94	\$ 44,582.74	\$	\$	\$ 185,615.68
Payable to state government		5,997.10			5,997.10
Interfund payables		181,144.12	233,739.85		414,883.97
Unearned revenue	23,717.00	8,953.92	5,990.10		38,661.02
Total liabilities	164,749.94	240,677.88	239,729.95	1.43	645,157.77
Fund balances:					
Restricted:					
Capital reserve account	3,457,994.66				3,457,994.66
Emergency Reserve Account	502,422.31				502,422.31
Maintenance Reserve Account	3,456,894.76				3,456,894.76
Excess Surplus designated for subsequent years expenditures	135,028.22				135,028.22
Excess surplus	7,353.07				7,353.07
Capital Projects Fund (deficit)			(1,952,971.09)		(1,952,971.09)
Debt service fund				1.43	1.43
Committed:					
Encumbrances			2,317,275.42		2,317,275.42
Assigned:					
Encumbrances	493,434.52				493,434.52
Designated for subsequent years expenditures	2,252.78				2,252.78
Unassigned					
General fund	396,546.20				396,546.20
Total fund balances	8,451,926.52		364,304.33	1.43	8,816,232.28
Total liabilities and fund balances	\$ 8,616,676.46	\$ 240,677.88	\$ 604,034.28	\$ 1.43	\$ 9,461,390.05

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2016

Total Fund Balances (Brought Forward)		\$8,816,232.28
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.		
Cost of Assets	\$97,967,181.85	
Accumulated Depreciation	<u>(\$36,531,949.14)</u>	61,435,232.71
Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.		
Net Pension Liability	(12,791,020.00)	
Compensated Absences	(1,726,648.11)	
Capital Leases	(101,104.44)	
Bonds Payable	(17,705,000.00)	
Deferred Amount on Gain on Refunding Bonds	<u>(250,234.31)</u>	(32,574,006.86)
Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.		
Pensions:		
Deferred Outflows		3,065,760.00
Deferred Inflows		(558,831.00)
Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.		
Accounts Payable - Pension Related	(545,054.00)	
Accrued Interest Payable	<u>(244,956.25)</u>	<u>(790,010.25)</u>
Net Position of Governmental Activities		<u><u>\$39,394,376.88</u></u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
REVENUES:					
Local sources:					
Local tax levy	\$ 48,072,836.00			\$ 2,448,770.00	\$ 50,521,606.00
Tuition	115,147.50				115,147.50
Transportation	78,038.67				78,038.67
Interest on Capital Reserve	1,571.06				1,571.06
Interest on Maintenance Reserve	1,770.59				1,770.59
Interest on Emergency Reserve	284.01				284.01
Miscellaneous	302,354.20	44,086.66			346,440.86
Total - local sources	48,572,002.03	44,086.66		2,448,770.00	51,064,858.69
State sources	19,377,372.90	33,267.90	480,000.64		19,890,641.44
Federal sources	89,311.47	1,358,807.82			1,448,119.29
Total revenues	68,038,686.40	1,436,162.38	480,000.64	2,448,770.00	72,403,619.42
EXPENDITURES:					
Current expense:					
Regular instruction	19,183,784.11				19,183,784.11
Special instruction	5,015,242.97	1,057,648.98			6,072,891.95
Other Instruction	2,489,126.45				2,489,126.45
Support services:					
Tuition	2,748,344.69				2,748,344.69
Student & instruction related services	6,261,494.53	378,513.40			6,640,007.93
General administrative services	1,428,420.10				1,428,420.10
School administrative services	2,347,961.67				2,347,961.67
Central service	567,492.52				567,492.52
Administrative information technology services	183,549.49				183,549.49
Plant operations and maintenance	4,797,563.78				4,797,563.78
Pupil transportation	2,759,656.96				2,759,656.96
Unallocated benefits	18,219,390.21				18,219,390.21
Debt Service:					
Principal				1,615,000.00	1,615,000.00
Interest				833,770.00	833,770.00
Capital outlay	4,199,834.44		1,692,141.58		5,891,976.02
Total expenditures	70,201,861.92	1,436,162.38	1,692,141.58	2,448,770.00	75,778,935.88
Excess (deficiency) of revenues over (under) expenditures	(2,163,175.52)		(1,212,140.94)		(3,375,316.46)
Fund balances, July 1, 2015	\$ 10,615,102.04	\$ -0-	\$ 1,576,445.27	\$ 1.43	12,191,548.74
Fund balances, June 30, 2016	\$ 8,451,926.52	\$ -0-	\$ 364,304.33	\$ 1.43	8,816,232.28

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Total net change in fund balances - governmental funds (from B-2)		(\$3,375,316.46)
Amounts reported for governmental activities in the statement of activities (A-2) are different because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.		
Depreciation expense		(1,802,742.67)
Capital outlays	\$5,891,976.02	
Less: Capital Outlays not capitalized	<u>(104,974.00)</u>	5,787,002.02
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of Net Position and is not reported in the statement of activities.		
		1,615,000.00
Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net Position and is not reported in the statement of activities.		
Payment of capital lease payable		48,503.80
In the statement of activities, interest on long-term debt is accrued, regardless of when due. In governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation.		
		11,115.00
Bond Issue costs are reported in the Governmental Funds as expenditures in the year the bonds are issued. However, on the Statement of Activities the costs are amortized over the life of the Bonds.		
		18,999.52
District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.		
District pension contributions	\$489,881.00	
Less: Pension expense	<u>(953,899.00)</u>	(464,018.00)
In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In 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 (+).		
		<u>(216,126.99)</u>
Change in net position of governmental activities (A-2)		<u>\$1,622,416.22</u>

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

OTHER FUNDS

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS - ENTERPRISE FUNDS
JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>MAJOR FUND</u>	<u>NON-MAJOR</u>	<u>TOTAL</u>
	<u>FOOD SERVICE</u>	<u>SUMMER THEATER</u>	
	<u>FUND</u>	<u>FUND</u>	
ASSETS:			
Current assets:			
Cash and cash equivalents	\$200,551.37	\$24,448.08	\$224,999.45
Accounts receivable:			
State	1,357.24		1,357.24
Federal	55,136.64		55,136.64
Inventories	20,573.51		20,573.51
	<hr/>	<hr/>	<hr/>
Total current assets	277,618.76	24,448.08	302,066.84
Noncurrent assets:			
Furniture, machinery and equipment	298,388.80		298,388.80
Less accumulated depreciation	(273,445.13)		(273,445.13)
	<hr/>	<hr/>	<hr/>
Total noncurrent assets	24,943.67		24,943.67
	<hr/>	<hr/>	<hr/>
Total assets	302,562.43	24,448.08	327,010.51
LIABILITIES:			
Current liabilities:			
Interfund payables	2,023.50		2,023.50
Unearned revenue	27,100.71	24,065.00	51,165.71
Accounts payable	4,925.07		4,925.07
	<hr/>	<hr/>	<hr/>
Total current liabilities	34,049.28	24,065.00	58,114.28
	<hr/>	<hr/>	<hr/>
Total liabilities	34,049.28	24,065.00	58,114.28
NET POSITION:			
Net investment in capital assets	24,943.67		24,943.67
Unrestricted	243,569.48	383.08	243,952.56
	<hr/>	<hr/>	<hr/>
Total net position	\$268,513.15	\$383.08	\$268,896.23

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		
	<u>MAJOR FUNDS</u>	<u>NON-MAJOR</u>	
	<u>FOOD SERVICE</u>	<u>SUMMER THEATER</u>	
	<u>FUND</u>	<u>FUND</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Charges for services:			
Daily sales - reimburseable programs	\$547,784.65		\$547,784.65
Daily sales - non-reimbursable programs	366,623.02		\$366,623.02
Special functions	18,805.45		\$18,805.45
Fees - individuals		\$32,430.45	32,430.45
	<hr/>	<hr/>	<hr/>
Total operating revenues	933,213.12	32,430.45	965,643.57
OPERATING EXPENSES:			
Cost of sales-reimbursable programs	517,780.81		517,780.81
Cost of sales-non-reimbursable programs	176,229.91		176,229.91
Salaries and benefits	504,168.62	32,360.00	536,528.62
Employee benefits	149,722.66		149,722.66
Supplies and materials	191,257.11	546.43	191,803.54
Other purchased services	1,425.00	600.00	2,025.00
Management fee	68,554.00		68,554.00
Miscellaneous	55,607.94		55,607.94
Depreciation	5,425.91		5,425.91
	<hr/>	<hr/>	<hr/>
Total operating expenses	1,670,171.96	33,506.43	1,703,678.39
Operating (loss)	<hr/> (736,958.84)	<hr/> (1,075.98)	<hr/> (738,034.82)
NONOPERATING REVENUES (EXPENSES):			
State Sources			
State school lunch program	16,088.58		16,088.58
Federal Sources			
National school lunch program	503,276.09		503,276.09
School breakfast program	65,010.02		65,010.02
Special milk program	2,024.38		2,024.38
National food distribution commodities	139,148.61		139,148.61
Total nonoperating revenues (expenses)	<hr/> 725,547.68	<hr/>	<hr/> 725,547.68
Change in net position	(11,411.16)	(1,075.98)	(12,487.14)
Total net position - beginning	<hr/> 279,924.31	<hr/> 1,459.06	<hr/> 281,383.37
Total net position - ending	<hr/> <u>\$268,513.15</u>	<hr/> <u>\$383.08</u>	<hr/> <u>\$268,896.23</u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUSINESS-TYPE ACTIVITIES - ENTERPRISE FUND</u>		<u>TOTAL</u>
	<u>MAJOR FUNDS</u> <u>FOOD SERVICE</u> <u>FUND</u>	<u>NON-MAJOR</u> <u>SUMMER THEATER</u> <u>FUND</u>	
Cash flows from operating activities:			
Receipts from customers	\$938,402.35	\$44,403.96	\$982,806.31
Payments to employees	(653,891.28)	(32,360.00)	(686,251.28)
Payments to suppliers	(868,415.19)	(1,146.43)	(869,561.62)
Net cash provided by (used for) operating activities	<u>(583,904.12)</u>	<u>10,897.53</u>	<u>(573,006.59)</u>
Cash flows from noncapital financing activities:			
State sources	16,297.30		\$16,297.30
Federal sources	575,150.98		575,150.98
Net cash provided by noncapital financing activities	<u>591,448.28</u>		<u>591,448.28</u>
Net increase (decrease) in cash and cash equivalents	7,544.16	10,897.53	18,441.69
Cash and cash equivalents, July 1, 2015	<u>193,007.21</u>	<u>13,550.55</u>	<u>\$206,557.76</u>
Cash and cash equivalents, June 30, 2016	<u>\$200,551.37</u>	<u>\$24,448.08</u>	<u>\$224,999.45</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities			
Operating income (loss)	(\$736,958.84)	(\$1,075.98)	(\$738,034.82)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:			
Depreciation	5,425.91		5,425.91
Federal commodities	139,148.61		139,148.61
Change in assets and liabilities:			
Increase (decrease) in accounts payable	4,925.07	(141.49)	4,783.58
Increase (decrease) in unearned revenue	8,728.56	12,115.00	20,843.56
(Increase) decrease in inventories	(5,173.43)		(5,173.43)
	<u>153,054.72</u>	<u>11,973.51</u>	<u>165,028.23</u>
Net cash provided by (used for) operating activities	<u>(\$583,904.12)</u>	<u>\$10,897.53</u>	<u>(\$573,006.59)</u>

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	State Unemployment Insurance <u>Trust Fund</u>	<u>Total</u>
ADDITIONS:		
Contributions:		
Other	\$ 206,728.05	\$ 206,728.05
Total contributions	206,728.05	206,728.05
Total additions	206,728.05	206,728.05
DEDUCTIONS:		
Unemployment claims	206,785.96	206,785.96
Total deductions	206,785.96	206,785.96
Change in net position	(57.91)	(57.91)
Net position beginning of year	62,624.15	62,624.15
Net position end of year	\$ 62,566.24	\$ 62,566.24

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

The Matawan-Aberdeen Regional School District is a Type II District located in Monmouth County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board of Education of the Matawan-Aberdeen Regional School District, comprised of nine elected individuals, is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39), as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and meet *all* of the following criteria should be discretely presented as component units. These criteria are:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component unit, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include elementary schools, a middle school and a High School, located in the Matawan and Aberdeen. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

Basis of Presentation

The District's basic financial statements consist of District-wide statements, including a statement of net position and a statement of activities, and fund financial statements which provide a more detailed level of financial information.

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. 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 generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to certain District functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds, including its fiduciary funds. Separate statements are presented for each fund category—governmental, proprietary, and fiduciary. The New Jersey Department of Education (NJDOE) has elected to require New Jersey districts to treat each governmental fund as a major fund in accordance with the option noted in GASB No. 34, paragraph 76. The NJDOE as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

Governmental Funds

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

As required by the New Jersey Statement Department of Education, the District includes budgeted capital outlay in this fund. U.S. Generally Accepted Accounting Principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes, and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to the current expense by Board resolution; in certain instances approval by the County Superintendent of Schools may also be required.

Special Revenue Fund The special revenue fund is used to account for the proceeds of specific revenue sources from State and Federal Government (other than those for major capital projects, debt service or proprietary funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Proprietary Funds

Enterprise Fund The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service and Summer Theater program operations. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Fiduciary Funds

Agency Funds The agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District. The agency funds included are as follows:

Payroll and Student Activities Funds These are agency funds used to account for the assets that the District holds on behalf of others as their agent. Agency funds are custodial in nature and do not involve measurement of results of operations.

Unemployment Insurance Trust Funds An expendable trust fund used to account for unemployment compensation claims as they arise.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting-Measurement Focus

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation for expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey State Statute a municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified, prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available.

The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied. Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transactions can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds from the issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the school Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(f)1. Expenditures may not legally exceed budgeted appropriations at the line item level. All budget amendments and transfers must be approved by School Board resolution.

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

Appropriations, except remaining project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures. Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles (GAAP) with the exception of the legally mandated (NJSA 18A:22-44.2) revenue recognition of one or more deferred State Aid payments for budgetary purposes only due to the State deferral of such payments into the subsequent budget year and the accounting treatment of encumbrances in the special revenue fund as described below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets/Budgetary Control (Continued)

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 recognized 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 records.

Encumbrance Accounting

Under encumbrance accounting purchase orders, contracts and other commitments for the expenditures of resources are recorded to reserve a portion of the applicable appropriation. Open encumbrances in governmental funds other than the special revenue fund are reported as assigned fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

Open encumbrances in the special revenue for which the District has received advances are reflected in the balance sheet as unearned revenues at fiscal year end.

The encumbered appropriation authority carries over into the next fiscal year. An entry will be made at the beginning of the next fiscal year to increase the appropriation reflected in the certified budget by the outstanding encumbrance amount as of the current fiscal year end.

Interfunds

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available spendable resources.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventories and Prepaid Expenses

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Distribution Commodities, at stated value which approximates market.

Prepaid expenses which benefit future periods, other than those recorded in the enterprise fund, are recorded as expenditures in the year of purchase.

Capital Assets

The District has an established formal system of accounting for its capital assets. Capital Assets used for governmental purposes, which include land, buildings and improvements and furniture and equipment, are only reported in the district-wide financial statements. The District generally defines capital assets as assets with an initial cost of \$2,000.00 or more and an estimated useful life in excess of one year. Purchased or constructed capital assets are reported at cost. Donated capital assets are valued at their acquisition value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

In fiscal year 2016, the District implemented GASB 72. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. These improvements are based in part on the concepts and definitions established in Concepts Statement No. 6, Measurement of Elements of Financial Statements, and other relevant literature.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

	<u>Estimated Life</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and computer equipment	10
Instructional equipment	10
Grounds equipment	15

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 and/or collective bargaining unit contracts. Upon termination, employees are paid for accrued vacation. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after ten years of service and are only paid upon retirement.

The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments.

For the district-wide statements, the current portion is the amount estimated to be used in the following year. For the governmental funds in the fund financial statements, a liability is reported only for to the extent of the amount actually due at year end as a result of employee resignations/retirements. Compensated absences are a reconciling item between the fund level and district-wide presentations.

Fund Equity

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unearned Revenue

Unearned revenue in the General, Special Revenue and Proprietary funds represents funds which have been received but not yet earned.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the district-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, contractually required pension contributions and compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Long term debt is recognized as a liability on the fund financial statements when due.

Net Position

Net Position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

Fund Balance Reserves

In accordance with GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions" 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. The District reports the Capital Reserve, Maintenance Reserve, Emergency Reserve and Excess Surplus as Restricted Fund Balance.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance Reserves (Continued)

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. The District reports Year End Encumbrances and Designated for Subsequent Year's Expenditure as Assigned Fund Balance.

Unassigned - is the residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund. The general fund should be the only fund that reports a positive unassigned fund balance amount. In other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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.

Revenues Exchange and Non-exchange Transactions

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

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Revenues, Exchange and Non-exchange Transactions (Continued)

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, income taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from property taxes is recognized in the period in which the income is earned. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

Allocation of Indirect Expenses

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, workers compensation, and medical and dental benefits, were allocated based on salaries of the program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Extraordinary and Special Items

Extraordinary items are transactions or events that are unusual in nature and infrequent of occurrence. Special items are transactions or events that are within control of management and are either unusual in nature or infrequent in occurrence. Neither of these types of transactions occurred during the fiscal year.

Management Estimates

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

Accounting and Financial Reporting for Pensions

In the District-Wide Financial Statements 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 District's proportionate share of the New Jersey Public Employees Retirement System ("PERS") and the Teachers' Pension and Annuity Fund ("TPAF") and the additions to/deductions from these retirement systems' fiduciary net position have been determined on the same basis as they were reported by PERS and TPAF. 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.

In the Governmental Fund Financial Statements the year end Net pension liability is not required to be reflected. Pension related revenues and expenditures are reflected based on amounts that are normally expected to be liquidated with available financial resources for required pension contributions. Expenditures for PERS are recognized based upon billings made by the State of New Jersey due April 1st of each fiscal year. TPAF contributions are paid on the District's behalf by the State of New Jersey. The Governmental Fund Financial Statements reflects both a revenue and expenses for this pension contribution.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has two items that qualify for reporting in this category, deferred amounts from an original issue premium on refunding debt and deferred amounts that are pension related. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the District has two items that qualify for reporting in this category, deferred amounts from an original issue premium on refunding debt and deferred amounts that are pension related.

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS

The Board considers petty cash, change funds, cash in banks, and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

Deposits

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. Each depository participating in the GUDPA system must pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds. No collateral is required for amounts covered by FDIC insurance. The collateral which may be pledged to support these deposits includes obligations of the State and federal governments, insured securities and other collateral approved by the Department. When the capital position of the depository deteriorates or the depository takes an unusually large amount of public deposits, the Department of Banking and Insurance requires additional collateral to be pledged. Under (GUDPA), 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 the deposits to the governmental unit.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Deposits

The Matawan-Aberdeen Regional School District had the following cash and cash equivalents at June 30, 2016:

<u>Fund Type</u>	<u>Amount</u>
Cash in Bank:	
Governmental Funds	\$ 9,750,452.06
Proprietary Funds	293,217.19
Fiduciary Funds	585,923.89
Total Cash in Bank	\$ 10,629,593.14
Less: Reconciling Items	(2,330,073.98)
	\$ 8,299,519.16

Custodial Credit Risk- Deposits – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2016, based upon the coverage provided by FDIC and NJGUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank of \$10,629,593.14, \$250,000.00 was covered by Federal Depository Insurance, \$9,934,834.19 was covered under the provisions of NJGUDPA and \$444,758.95 was on deposit with the New Jersey Assets Rebate Management (NJARM).

Investments

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America;

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:20-37. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;
6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Investments (Continued)

7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
 - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
 - b. the custody of collateral is transferred to a third party;
 - c. the maturity of the agreement is not more than 30 days;
 - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
 - e. a master repurchase agreement providing for the custody and security of collateral is executed.

As of June 30, 2016, the District has \$444,758.95 on deposit with NJARM. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1, and existing investment practices of NJARM, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 3: CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions & Transfers</u>	<u>Ending Balance</u>
Governmental Activities:				
Capital assets not being depreciated:				
Land	\$12,323,200.00			\$12,323,200.00
Construction in Progress	1,672,472.56	\$4,555,809.37	(1,896,628.76)	4,331,653.17
Total Capital Assets not being depreciated	<u>13,995,672.56</u>	<u>4,555,809.37</u>	<u>(1,896,628.76)</u>	<u>16,654,853.17</u>
Site improvements	2,702,442.22		949,218.00	3,651,660.22
Buildings & Building Improvements	69,705,417.09	958,562.90	947,410.76	71,611,390.75
Machinery & Equipment	5,776,647.96	272,629.75		6,049,277.71
Totals at historical cost	<u>78,184,507.27</u>	<u>1,231,192.65</u>	<u>1,896,628.76</u>	<u>81,312,328.68</u>
Gross Assets (Memo only)	<u>92,180,179.83</u>	<u>5,787,002.02</u>		<u>97,967,181.85</u>
Less: Accumulated Depreciation				
Site improvements	(548,350.79)	(153,235.99)		(701,586.78)
Buildings & Building Improvements	(29,856,915.44)	(1,316,464.48)		(31,173,379.92)
Machinery & Equipment	(4,323,940.24)	(333,042.20)		(4,656,982.44)
Total Depreciation	<u>(34,729,206.47)</u>	<u>(1,802,742.67)</u>		<u>(36,531,949.14)</u>
Total capital assets being depreciated, net of depreciation	<u>43,455,300.80</u>	<u>(571,550.02)</u>	<u>1,896,628.76</u>	<u>44,780,379.54</u>
Total Governmental Fund Activities	<u>\$57,450,973.36</u>	<u>\$3,984,259.35</u>		<u>\$61,435,232.71</u>
Proprietary Activities:				
Machinery & Equipment	\$298,388.80			\$298,388.80
Totals at historical cost	<u>298,388.80</u>			<u>298,388.80</u>
Less: Accumulated Depreciation				
Machinery & Equipment	(268,019.22)	(5,425.91)		(273,445.13)
Total Depreciation	<u>(268,019.22)</u>	<u>(5,425.91)</u>		<u>(273,445.13)</u>
Total Proprietary Fund Activities	<u>\$30,369.58</u>	<u>(\$5,425.91)</u>		<u>\$24,943.67</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 3: CAPITAL ASSETS (CONTINUED)

Depreciation expense was charged to functional expenses areas of the District as follows:

Direct Expense of various functions	<u>(\$1,802,742.67)</u>
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NOTE 4: LONG-TERM LIABILITIES

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

The following is a summary of transactions that affect long-term liabilities for the year ended June 30, 2016:

	Balance June 30, 2015 <u>(as restated)</u>	<u>Additions</u>	<u>Reductions</u>	Balance June 30, 2016	Amounts due Within <u>one year</u>
Bonds Payable	\$19,320,000.00		\$1,615,000.00	\$17,705,000.00	\$1,095,000.00
Unamortized Bond Premium	588,414.96		41,523.78	546,891.18	42,981.34
Capital Leases	149,608.24		48,503.80	101,104.44	49,822.53
Compensated Absences	1,510,521.12	216,126.99		1,726,648.11	
Net Pension Liability	11,084,625.00	1,706,395.00		12,791,020.00	
	<u>\$32,653,169.32</u>	<u>\$1,922,521.99</u>	<u>\$1,705,027.58</u>	<u>\$32,870,663.73</u>	<u>\$1,187,803.87</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Debt Service Requirements:

The annual requirements to amortize all debt outstanding as of June 30, 2016, including interest payments on issued debt, are as follows:

Fiscal Year	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<u>June 30,</u> FY2017	\$1,095,000.00	\$776,150.00	\$1,871,150.00
FY2018	1,145,000.00	731,350.00	1,876,350.00
FY2019	1,210,000.00	678,200.00	1,888,200.00
FY2020	1,275,000.00	616,075.00	1,891,075.00
FY2021	1,350,000.00	550,450.00	1,900,450.00
FY2022	1,425,000.00	484,637.50	1,909,637.50
FY2023	1,495,000.00	418,937.50	1,913,937.50
FY2024	1,575,000.00	345,925.00	1,920,925.00
FY2025	1,665,000.00	264,925.00	1,929,925.00
FY2026	1,745,000.00	188,400.00	1,933,400.00
FY2027	1,820,000.00	117,100.00	1,937,100.00
FY2028	1,905,000.00	40,350.00	1,945,350.00
	<u>\$17,705,000.00</u>	<u>\$5,212,500.00</u>	<u>\$22,917,500.00</u>

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

<u>Issue</u>	<u>Amount Outstanding June 30, 2016</u>	<u>Bonds Authorized But Not Issued</u>
\$20,530,000.00 in Refunding School Bonds dated September 15, 2011, due in remaining annual installments ranging between \$1,045,000.00 and \$1,905,000.00 beginning September 15, 2016 and ending September 15, 2027 with interest from 4.00% to 5.00%	<u>\$17,705,000.00</u>	<u>-0-</u>
	<u>\$17,705,000.00</u>	<u>-0-</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 4: LONG-TERM LIABILITIES (CONTINUED)

Refunding School Bonds

The district issued \$20,530,000.00 in Refunding School bonds to advance refund \$21,400,000.00 of the districts previously issued and outstanding school bonds. The net carrying amount exceeded the reacquisition price by \$870,000.00. The District also received a premium on the sale of \$1,901,399.25. These amounts are being amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued. The current year portion of the gain on the refunding debt charged to the Statement of Activities was \$18,999.52 leaving a balance of \$250,234.31. Under the escrow agreement, the escrow is irrevocably pledged to the payment of principal and interest on the refunded bonds. As a result, the \$21,400,000.00 of the refunded obligations are considered to be defeased and the liability for those bonds has been removed from the financial statements.

Bonds Authorized But Not Issued

On March 8, 2016 the District received approval on a referendum to issue \$19,856,000.00 in school bonds to finance Improvements to and replacement of the District's HVAC systems. These bonds were issued with a date of August 2, 2016. Therefore, as of June 30, 2016, the District had bonds authorized but not issued of \$19,856,000.00.

NOTE 5: PENSION PLANS

Description of Plans All required employees of the District are covered by the Public Employees' Retirement System, the Teachers' Pension and Annuity Fund or the Defined Contribution Retirement Program 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 each system will be assumed by the State of New Jersey should the system terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for each of the above systems. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625 or on line at www.state.nj.us/treasury/pensions.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 5: PENSION PLANS (CONTINUED)

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.

Public Employees' Retirement System (PERS) The Public Employees' Retirement System (PERS) was established as of January 1, 1955 under the provision 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 under the provision of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 to provide coverage elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one year of membership.

Significant Legislation

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

Pension Plan Design Changes

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 5: PENSION PLANS (CONTINUED)

Funding Changes

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

COLA Suspension

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

Vesting and Benefit Provisions The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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

Contribution Requirements The contribution policy is set by N.J.S.A. 43:15A 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.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of TPAF (i.e. the State of new Jersey makes the employer contribution on behalf of public school districts.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 5: PENSION PLANS (CONTINUED)

Three Year Trend Information for PERS

<u>Year Ended</u> <u>June 30,</u>	<u>Annual</u> <u>Pension Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2016	\$489,881.00	100%	\$489,881.00
2015	\$488,070.00	100%	\$488,070.00
2014	\$397,948.00	100%	\$397,948.00

Three Year Trend Information for TPAF (On-Behalf)

<u>Year Ended</u> <u>June 30,</u>	<u>Annual</u> <u>Pension Cost</u> <u>(APC)</u>	<u>Percentage</u> <u>of APC</u> <u>Contributed</u>	<u>Net Pension</u> <u>Obligation</u>
2016	\$2,123,598.00	100%	\$2,123,598.00
2015	\$1,443,220.00	100%	\$1,443,220.00
2014	\$1,095,130.00	100%	\$1,095,130.00

In accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District for the years ended June 30, 2016, 2015 and 2014 \$2,031,634.90, \$1,960,132.81 and \$1,964,541.45 respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the basic financial statements, and the combining and individual fund statements and schedules as a revenue and expenditure in accordance with GASB 68.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68

Public Employees Retirement System (PERS)

At June 30, 2016, the District reported a liability of \$12,791,020.00 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 July 1, 2014 which was rolled forward to June 30, 2015. 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 members, actuarially determined. At June 30, 2015, the District's proportion was 0.05698067767 percent, which was a decrease of 0.002223419 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$964,295.00. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Differences between expected and actual experience		\$305,149.00
Changes of assumptions		1,373,653.00
Net difference between projected and actual earnings on pension plan investments	\$205,655.00	
Changes in proportion and differences between District contributions and proportionate share of contributions	353,176.00	841,904.00
District contributions subsequent to the measurement date		<u>545,054.00</u>
	<u>\$558,831.00</u>	<u>\$3,065,760.00</u>

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

The \$545,054.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2016, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. 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	
<u>June 30</u>	<u>Amount</u>
2016	\$383,836.00
2017	\$383,836.00
2018	\$383,836.00
2019	\$548,982.00
Thereafter	\$261,385.00

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions

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

Inflation	3.04 Percent
Salary Increases	
2012-2021	2.15-4.40 Percent (based on age)
Thereafter	3.15-5.40 Percent (based on age)
Investment Rate of Return	7.90 Percent

The actuarial assumptions used in the June 30, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. 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.

Mortality Rates

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback one 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 Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback one year for females) are used to value disabled retirees.

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Long-Term Rate of Return

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-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%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation Indexed Bonds	1.50%	3.25%
Broad U.S. Equities	27.25%	8.52%
Developed Foreign Markets	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds/Absolute Returns	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
U.S. Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 4.90% and 5.39% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, 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. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

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

	June 30, 2015		
	1% Decrease <u>3.90%</u>	At Current Discount Rate <u>4.90%</u>	1% Increase <u>5.90%</u>
District's proportionate share of the pension liability	15,897,673.00	12,791,020.00	10,186,425.00

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Public Employees Retirement System (PERS) (Continued)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer.

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2016 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	\$168,722,700
	<u>\$168,722,700</u>

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

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 June 30, 2014. The net pension liability associated with the District 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 proportion of the TPAF net pension liability associated with the District was .2669482601% which was an increase of .0080774130 percent from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized on-behalf pension expense and revenue of \$10,302,040.00 for contributions provided by the State.

Actuarial Assumptions

The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as 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 actuarial assumptions, applied to all periods 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%

Mortality Rates

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. Pre-retirement mortality improvements for active members are projected using 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.

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Long-Term Expected Rate of Return

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-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 TPAF's target asset allocation as of June 30, 2015 are summarized in the table below:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
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%
High Yield Bonds	2.00%	4.57%
US Equities Markets	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%
Farmlands	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.50%
Hedge Funds - Multi Strategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%
	<u>100.00%</u>	

Matawan Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68
(CONTINUED)

Teachers Pensions and Annuity Fund (TPAF) (Continued)

Actuarial Assumptions (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 4.13% and 4.68% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, 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. 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. 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 Net Pension Liability to Changes in the Discount Rate

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Teachers Public and Annuity Fund (TPAF). The report may be obtained at State of New Jersey Division of Pensions and Benefits P.O. Box 295 Trenton, New Jersey 08625-0295 <http://www.state.nj.us/treasury/pensions>.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 7: GASB 45 – OTHER POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the District on for the years ended June 30, 2016, 2015 and 2014 were \$2,528,619.00, \$2,291,113.00 and \$1,795,602.00 respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

NOTE 8: LITIGATION

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the District and which might materially affect the District's financial position.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 9: CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2015-2016 fiscal year were subject to the Uniform Guidance and New Jersey OMB Circular 15-08 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$750,000.00 Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

NOTE 10: 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 insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

New Jersey Unemployment Compensation Insurance The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Contributory Method". Under this plan, the District is required to remit an employer's match to the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 11: COMPENSATED ABSENCES

The District accounts for compensated absences (e.g. unused vacation and 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 amount to subsequent years. Upon retirement, employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2016, a liability existed for compensated absences for governmental fund-types in the district- wide Statement of Net Position of \$1,726,648.11.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

NOTE 12: FUND BALANCE APPROPRIATED

General Fund The table below reflects the District's Fund Balance at June 30, 2016 on both a GAAP (Exhibit B-1) and Budgetary (Exhibit C-1) basis including the required adjustment related to the last two state aid payments which under GAAP are not recognized:

	Budgetary Basis (C-1)	<u>Adjustment</u>	GAAP Basis (B-1)
Restricted:			
Excess Surplus:			
Designated for Subsequent			
Year's Expenditures	\$ 135,028.22	\$	\$ 135,028.22
Current Year	7,353.07		7,353.07
Emergency Reserve	502,422.31		502,422.31
Maintenance Reserve	3,456,894.76		3,456,894.76
Capital Reserve	3,457,994.66		3,457,994.66
Assigned:			
Encumbrances	493,434.52		493,434.52
Designated for Subsequent			
Year's Expenditures	2,252.78		2,252.78
Unassigned	1,598,992.20	(1,202,446.00)	396,546.20
	<u>\$ 9,654,372.52</u>	<u>\$ (1,202,446.00)</u>	<u>\$ 8,451,926.52</u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 12: FUND BALANCE APPROPRIATED (CONTINUED)

Debt Service Fund The \$1.43 in Debt Service Fund Balance at June 30, 2016, is restricted in accordance with N.J.S.A. 18A:7F-41c(2).

NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

Calculation of Excess Surplus In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2007, c73 (S1701), the Restricted 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 fund balance at the fiscal year end of June 30 if the District did not appropriate a required minimum amount as budgeted fund balance in the subsequent year's budget.

General Fund Expenditures:		
Fiscal Year Ended, June 30 2016		\$70,201,861.92
Less:		
Reimb. TPAF Social Security Contributions	\$2,031,634.90	
Reimb. TPAF Pension Contributions	<u>4,652,217.00</u>	
		<u>6,683,851.90</u>
Adjusted General Fund Expenditures		\$63,518,010.02
Excess Surplus Percentage		2.00%
		<u>\$1,270,360.20</u>
Increased by:		
Non-Public Transportation Aid (unbudgeted)	16,356.00	
Extraordinary Aid (unbudgeted)	<u>312,276.00</u>	
		<u>328,632.00</u>
Maximum Unreserved/Undesignated General Fund Balance		\$1,598,992.20
Actual Unassigned General Fund Balance		<u>1,606,345.27</u>
Excess Surplus		<u><u>\$7,353.07</u></u>
Recapitulation of Excess Surplus, June 30, 2016:		
Reserved for Excess Surplus - Designated for Subsequent Year's Expenditure		\$135,028.22
Reserved for Excess Surplus		<u>7,353.07</u>
		<u><u>\$142,381.29</u></u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS

Based on the preceding calculation, as of June 30, 2016 \$135,028.22 is reported as Reserved Fund Balance Excess Surplus Designated for Subsequent Year's Expenditure and is required to be appropriated for property tax relief in the 2016-17 budget. \$7,353.07 is reported as Reserved Fund Balance Excess Surplus and is required to be appropriated for property tax relief in the 2017-18 budget.

NOTE 14: INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2016:

<u>Fund</u>	<u>Interfund Balance</u>	
	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 416,907.47	\$
Special Revenue Fund		181,144.12
Capital Projects Fund		233,739.85
Proprietary Fund		2,023.50
	\$ 416,907.47	\$ 416,907.47

All balances resulted from the time lag between the dates that short-term loans were disbursed and payments between funds were received.

NOTE 15: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Matawan-Aberdeen Regional Board of Education on October 16, 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 of Education, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line item appropriations, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special election dates authorized by N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 15: CAPITAL RESERVE ACCOUNT (CONTINUED)

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

Balance, July 1, 2015		\$4,740,015.60
Increased by:		
Board Resolution dated 06/27/16	\$1,450,000.00	
Interest	<u>1,521.06</u>	
		<u>1,451,521.06</u>
		6,191,536.66
Decreased by:		
FY2016 Budget Appropriation	<u>2,733,542.00</u>	
		<u>2,733,542.00</u>
Balance, June 30, 2016		<u><u>\$3,457,994.66</u></u>

NOTE 16: EMERGENCY RESERVE ACCOUNT

In accordance with N.J.S.A. 18A:7F-41c(1), an emergency reserve account was established by the District. The emergency reserve account is maintained in the general fund.

The funds in the reserve shall be used to finance unanticipated general fund current expense costs required for T&E. For the purpose of the emergency reserve account "unanticipated" shall mean reasonably unforeseeable and shall not include additional costs caused by poor planning or error.

The account balance is not to exceed \$250,000.00 or one percent of the district's general fund budget up to a maximum of \$1,000,000.00 whichever is greater. Withdrawals require approval by the Commissioner.

At June 30, 2015, the balance of the Emergency Reserve Account was \$502,422.31 and is within the statutory limitations.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 16: EMERGENCY RESERVE ACCOUNT (CONTINUED)

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

Balance, June 30, 2015		\$502,138.30
Increased by:		
Interest	\$284.01	
		284.01
Balance, June 30, 2016		\$502,422.31

NOTE 17: MAINTENANCE RESERVE ACCOUNT

In accordance with N.J.S.A. 18A:7G-13, a Maintenance reserve account was established by the District. The Maintenance reserve account is maintained in the general fund.

A district board of education or board of school estimate, as appropriate, may increase the balance in the maintenance reserve account by appropriating funds in the annual general fund budget certified for taxes.

A district board of education or board of school estimate, as appropriate, may by resolution withdraw such funds from the maintenance reserve account and appropriate into the required maintenance account lines at budget time or any time during the year for use on required maintenance activities for a school facility as reported in the comprehensive maintenance plan pursuant to N.J.A.C. 6A:26A-4.

The district board of education shall ensure that the maintenance reserve account balance does not, at any time, exceed four percent of the replacement cost of the school district's school facilities for the current year. If the account exceeds this maximum amount at June 30, the district board of education shall reserve and designate such excess in the subsequent year's budget.

At June 30, 2016, the balance of the Maintenance Reserve Account was \$3,456,894.76 and is within the statutory limitations.

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 17: MAINTENANCE RESERVE ACCOUNT (CONTINUED)

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

Balance, June 30, 2015		\$3,302,404.17
Increased by:		
Board Resolution dated 06/27/16	\$500,000.00	
Interest	<u>1,770.59</u>	
		<u>501,770.59</u>
		3,804,174.76
Decreased by:		
FY2016 Budget Appropriation		<u>347,280.00</u>
Balance, June 30, 2016		<u><u>\$3,456,894.76</u></u>

NOTE 18: INVENTORY

Inventory in the Food Service Fund at June 30, 2016 consisted of the following:

Food and Supplies	<u>\$20,573.51</u>
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The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Amendments of 1996) 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.

NOTE 19: PRIOR PERIOD ADJUSTMENTS

The adjustments below were reflected against the beginning Net Position balance on the District Wide Statements as follows:

		Governmental Activities
Beginning Net Position 06/30/15		\$ 37,642,208.70
Adjustments:		
	112,997.7	
Prior year leases not capitalized	\$ 9	
Reclassification - Special Revenue Fund	<u>16,754.14</u>	
		<u>129,751.93</u>
Beginning Net Position 06/30/15 (As restated)		<u><u>\$ 37,771,960.63</u></u>

Matawan-Aberdeen Regional School District
Notes to the Financial Statements
For the Fiscal Year Ending June 30, 2016

NOTE 20: DEFICIT FUND BALANCE

The District has an accumulated deficit of \$1,952,971.09 in the Capital Projects Fund as of June 30, 2016. This deficit is the result of the approval of a bond referendum on March 8, 2016 for HVAC Improvements and replacements. The bonds authorized by this referendum were not issued until August 2, 2016 at which point the District will realize the revenue from the proceeds of the financing. This deficit does not indicate that the District is facing financial difficulties and is a permitted practice under generally accepted accounting principles.

NOTE 21: SUBSEQUENT EVENTS

The Board of Education has evaluated subsequent events occurring after the financial statement date through October 28, 2016 which is the date the financial statements were available to be issued. The District has determined that the following subsequent events need to be disclosed:

As noted above, on August 2, 2016 the District issued \$19,856,000.00 in School Bonds to permanently finance the costs of various HVAC improvements and replacements. The bonds will be repaid over 24 year and bear interest of between 2.25 and 3.00%

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
REVENUES					
Local sources:					
Local tax levy	\$ 48,072,836.00		\$ 48,072,836.00	\$ 48,072,836.00	
Tuition from Individuals	150,442.00		150,442.00	115,147.50	(35,294.50)
Transportation fees from Individuals	153,308.00		153,308.00	78,038.67	(75,269.33)
Interest on Capital Reserve	50.00		50.00	1,571.06	1,521.06
Interest on Maintenance Reserve				1,770.59	1,770.59
Interest on Emergency Reserve				284.01	284.01
Miscellaneous	113,600.00		113,600.00	302,354.20	188,754.20
Total-local sources	48,490,236.00		48,490,236.00	48,572,002.03	81,766.03
State sources:					
Equalization Aid	9,282,899.00		9,282,899.00	9,282,899.00	
Categorical Special Education Aid	2,266,020.00		2,266,020.00	2,266,020.00	
Categorical Security Aid	97,858.00		97,858.00	97,858.00	
Categorical Transportation Aid	198,237.00		198,237.00	198,237.00	
Other State Aids	335,454.00		335,454.00	335,454.00	
Extraordinary Aid	189,417.00		189,417.00	501,693.00	312,276.00
Miscellaneous Unrestricted State Aid				16,356.00	16,356.00
On-behalf TPAF Pension (non-budgeted)				2,022,833.00	2,022,833.00
On-behalf TPAF Post Retirement Contributions (non-budgeted)				2,528,619.00	2,528,619.00
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				100,765.00	100,765.00
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,031,634.90	2,031,634.90
Total - state sources	12,369,885.00		12,369,885.00	19,382,368.90	7,012,483.90
Federal sources:					
Medicaid reimbursement	39,987.00		39,987.00	89,311.47	49,324.47
Total - federal sources	39,987.00		39,987.00	89,311.47	49,324.47
Total revenues	60,900,108.00		60,900,108.00	68,043,682.40	7,143,574.40

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
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FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
EXPENDITURES					
CURRENT EXPENSE:					
Instruction - regular programs:					
Salaries of teachers:					
Preschool	\$ 105,125.00	\$ 10,885.00	\$ 116,010.00	\$ 116,010.00	
Kindergarten	1,139,600.00	(130,419.63)	1,009,180.37	992,460.00	16,720.37
Grades 1-5	7,238,842.00	(1,135,726.66)	6,103,115.34	6,048,314.95	54,800.39
Grades 6-8	3,828,230.00	135,730.72	3,963,960.72	3,963,456.65	504.07
Grades 9-12	5,017,655.00	316,177.51	5,333,832.51	5,308,684.34	25,148.17
Total Teachers Salaries	17,329,452.00	(803,353.06)	16,526,098.94	16,428,925.94	97,173.00
Regular Programs - Home Instruction:					
Salaries of teachers	50,000.00	2,500.00	52,500.00	52,279.00	221.00
Purchased professional educational services	9,000.00	55,500.00	64,500.00	59,378.45	5,121.55
Total Regular Programs - Home Instruction:	59,000.00	58,000.00	117,000.00	111,657.45	5,342.55
Regular programs - undistributed instruction:					
Other salaries for instruction	155,141.00	73,266.60	228,407.60	136,876.35	91,531.25
Purchased Professional Educational Services	1,336,329.00	(15,918.99)	1,320,410.01	1,130,265.09	190,144.92
Purchased technical services		91,227.99	91,227.99	91,227.99	
Other purchased services(400-500 series)	224,319.00	(208,944.00)	15,375.00	7,426.00	7,949.00
Miscellaneous purchased services		124,080.80	124,080.80	124,079.27	1.53
General supplies	1,203,083.50	(57,684.02)	1,145,399.48	1,053,084.21	92,315.27
Textbooks	117,571.00	(23,456.00)	94,115.00	87,153.17	6,961.83
Other Objects	4,750.00	12,852.00	17,602.00	13,088.64	4,513.36
Total regular programs	3,041,193.50	(4,575.62)	3,036,617.88	2,643,200.72	393,417.16
Total Regular Programs - Instruction	20,429,645.50	(749,928.68)	19,679,716.82	19,183,784.11	495,932.71
Special education:					
Cognitive - Moderate					
Salaries of teachers	203,015.00	(48,940.00)	154,075.00	145,308.97	8,766.03
Other salaries for instruction	49,250.00	35,720.00	84,970.00	80,560.40	4,409.60
General supplies	11,430.00	(6,800.00)	4,630.00	4,431.93	198.07
Textbooks	3,000.00	(3,000.00)			
Total Cognitive- Moderate	266,695.00	(23,020.00)	243,675.00	230,301.30	13,373.70

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
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	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Learning and / or Language Disabilities:					
Salaries of teachers	\$ 301,150.00	\$ 2,453.76	\$ 303,603.76	\$ 303,602.97	\$ 0.79
Other salaries for instruction	11,340.00	8,825.00	20,165.00	20,165.00	
General supplies	10,690.00	(2,600.00)	8,090.00	8,069.59	20.41
Textbooks	500.00		500.00		500.00
Total Learning and / or Language Disabilities	<u>323,680.00</u>	<u>8,678.76</u>	<u>332,358.76</u>	<u>331,837.56</u>	<u>521.20</u>
Auditory Impairments:					
Salaries of teachers		100.00	100.00	100.00	
Total Auditory Impairments		<u>100.00</u>	<u>100.00</u>	<u>100.00</u>	
Behavioral Disabilities:					
Salaries of teachers	230,940.00	(92,080.00)	138,860.00	138,860.00	
Other salaries for instruction	3,240.00	8,153.24	11,393.24	11,393.24	
General Supplies	9,330.00	(3,500.00)	5,830.00	5,315.55	514.45
Other Objects	2,000.00	(1,500.00)	500.00		500.00
Total Behavioral Disabilities:	<u>245,510.00</u>	<u>(88,926.76)</u>	<u>156,583.24</u>	<u>155,568.79</u>	<u>1,014.45</u>
Multiple Disabilities:					
Salaries of teachers	101,820.00	1,530.00	103,350.00	103,350.00	
Other salaries for instruction	76,450.00	12,875.00	89,325.00	88,779.34	545.66
General Supplies	4,220.00	(3,300.00)	920.00	839.53	80.47
Total Multiple Impairments	<u>182,490.00</u>	<u>11,105.00</u>	<u>193,595.00</u>	<u>192,968.87</u>	<u>626.13</u>
Resource room/resource center:					
Salaries of teachers	2,740,925.00	169,733.98	2,910,658.98	2,867,207.37	43,451.61
Other salaries for instruction	45,225.00	2,825.00	48,050.00	48,050.00	
General supplies	18,475.00	(4,762.54)	13,712.46	13,407.44	305.02
Total resource room	<u>2,804,625.00</u>	<u>167,796.44</u>	<u>2,972,421.44</u>	<u>2,928,664.81</u>	<u>43,756.63</u>
Autism:					
Salaries of teachers	390,420.00	79,642.58	470,062.58	469,946.20	116.38
Other salaries for instruction	267,630.00	23,881.28	291,511.28	291,068.41	442.87
General supplies	13,150.00	(4,700.00)	8,450.00	7,327.03	1,122.97
Other Objects	5,000.00	(500.00)	4,500.00	4,358.74	141.26
Total Autism	<u>676,200.00</u>	<u>98,323.86</u>	<u>774,523.86</u>	<u>772,700.38</u>	<u>1,823.48</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Preschool disabilities-part -time:					
General supplies	\$ 1,750.00	\$	\$ 1,750.00	\$ 1,261.02	\$ 488.98
Total preschool handicapped - part-time	<u>1,750.00</u>		<u>1,750.00</u>	<u>1,261.02</u>	<u>488.98</u>
Preschool disabilities-full -time:					
Salaries of teachers	201,600.00	(36,359.10)	165,240.90	164,973.15	267.75
Other salaries for instruction	202,813.00	40,944.10	243,757.10	235,562.19	8,194.91
General supplies	3,150.00	(800.00)	2,350.00	1,304.90	1,045.10
Total preschool handicapped - part-time	<u>407,563.00</u>	<u>3,785.00</u>	<u>411,348.00</u>	<u>401,840.24</u>	<u>9,507.76</u>
Total special education	<u>4,908,513.00</u>	<u>177,842.30</u>	<u>5,086,355.30</u>	<u>5,015,242.97</u>	<u>71,112.33</u>
Basic skills/remedial:					
Salaries of teachers	797,445.00	165,607.60	963,052.60	933,259.84	29,792.76
General supplies	10,473.00	(3,088.22)	7,384.78	6,268.85	1,115.93
Total basic skills/remedial	<u>807,918.00</u>	<u>162,519.38</u>	<u>970,437.38</u>	<u>939,528.69</u>	<u>30,908.69</u>
Bilingual education:					
Salaries of teachers	275,974.00	22,300.00	298,274.00	298,274.00	
General supplies	69.00	3,088.22	3,157.22	2,700.22	457.00
Total bilingual education	<u>276,043.00</u>	<u>25,388.22</u>	<u>301,431.22</u>	<u>300,974.22</u>	<u>457.00</u>
School sponsored cocurricular activities:					
Salaries	243,970.00	490.00	244,460.00	243,631.50	828.50
Purchased Services(300-500 series)	9,484.00	(1,530.00)	7,954.00	6,550.00	1,404.00
Supplies and Materials	28,400.00	2,650.00	31,050.00	20,437.17	10,612.83
Other Objects	15,105.00	90.00	15,195.00	10,838.29	4,356.71
Total school sponsored cocurricular activities	<u>296,959.00</u>	<u>1,700.00</u>	<u>298,659.00</u>	<u>281,456.96</u>	<u>17,202.04</u>
School sponsored athletics:					
Salaries	653,032.00	10,000.00	663,032.00	659,449.21	3,582.79
Purchased Services(300-500 series)	44,505.00	300.00	44,805.00	32,174.18	12,630.82
Supplies and Materials	104,967.00	(1,887.27)	103,079.73	85,235.19	17,844.54
Other Objects	26,350.00	1,000.00	27,350.00	26,540.14	809.86
Transfers to Cover Deficit (Agency Funds)	60,000.00	(16,000.00)	44,000.00	38,006.32	5,993.68
Total school sponsored athletics	<u>888,854.00</u>	<u>(6,587.27)</u>	<u>882,266.73</u>	<u>841,405.04</u>	<u>40,861.69</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Before/After School Programs - Instruction					
Salaries of Teacher Tutors	\$ 121,375.00	\$ 9,410.00	\$ 130,785.00	\$ 125,761.54	\$ 5,023.46
Total Before/After School Programs	<u>121,375.00</u>	<u>9,410.00</u>	<u>130,785.00</u>	<u>125,761.54</u>	<u>5,023.46</u>
 Total other instructional programs	 <u>2,391,149.00</u>	 <u>192,430.33</u>	 <u>2,583,579.33</u>	 <u>2,489,126.45</u>	 <u>94,452.88</u>
 Total - instruction	 <u>27,729,307.50</u>	 <u>(379,656.05)</u>	 <u>27,349,651.45</u>	 <u>26,688,153.53</u>	 <u>661,497.92</u>
 Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-special	401,547.00	(103,557.00)	297,990.00	286,118.92	11,871.08
Tuition to county vocational school district-regular	289,425.00	16,715.00	306,140.00	306,072.50	67.50
Tuition to county vocational school district-special	247,100.00	(6,975.00)	240,125.00	240,005.00	120.00
Tuition to private schools for the disabled wi state	1,563,200.00	287,955.79	1,851,155.79	1,816,043.27	35,112.52
Tuition - Other	65,915.00	34,190.00	100,105.00	100,105.00	
Total undistributed expenditures - instruction	<u>2,567,187.00</u>	<u>228,328.79</u>	<u>2,795,515.79</u>	<u>2,748,344.69</u>	<u>47,171.10</u>
 Attendance and social work services:					
Salaries	25,625.00	(2,655.00)	22,970.00	22,969.78	0.22
Other purchased services (400-500) series	1,050.00		1,050.00		1,050.00
Supplies and materials	200.00		200.00		200.00
Total attendance and social work services	<u>26,875.00</u>	<u>(2,655.00)</u>	<u>24,220.00</u>	<u>22,969.78</u>	<u>1,250.22</u>
 Health services:					
Salaries	587,411.00	45,911.27	633,322.27	630,599.61	2,722.66
Purchased professional and technical services	27,000.00	34,000.00	61,000.00	60,064.64	935.36
Purchased Technical services		13,570.00	13,570.00	13,570.00	
Other Purchased Services (400-500 series)	7,001.00	281.50	7,282.50	7,282.31	0.19
Supplies and materials	17,141.00	(8,628.76)	8,512.24	6,698.11	1,814.13
Other Objects		500.00	500.00	25.00	475.00
Total health services	<u>638,553.00</u>	<u>85,634.01</u>	<u>724,187.01</u>	<u>718,239.67</u>	<u>5,947.34</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
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IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Other support services - student related services:					
Salaries	\$ 673,880.00	\$ 5,005.10	\$ 678,885.10	\$ 678,885.10	
Purchased Professional - Educational Services	100,973.00	(536.90)	100,436.10	85,385.50	15,050.60
Supplies and Materials	5,500.00	536.90	6,036.90	5,761.78	275.12
Total other support services - students related services	780,353.00	5,005.10	785,358.10	770,032.38	15,325.72
Other support services- Students- Extra Services					
Salaries	237,873.00	74,132.92	312,005.92	311,894.92	111.00
Purchased Professional - Educational Services	394,321.00	(12,552.60)	381,768.40	338,867.00	42,901.40
Total other support services- Students- Extra Services	632,194.00	61,580.32	693,774.32	650,761.92	43,012.40
Other support services - students - regular:					
Salaries of other professional staff	778,610.00	(5,307.25)	773,302.75	772,886.92	415.83
Salaries of secretarial and clerical assistants	66,470.00	3,706.72	70,176.72	70,048.10	128.62
Purchased Professional - Educational Services	146,563.00	(36,718.72)	109,844.28	109,823.75	20.53
Other Purchased Services (400-500 series)	48,000.00	2,166.00	50,166.00	49,948.57	217.43
Supplies and Materials	20,895.00	2,970.26	23,865.26	23,540.14	325.12
Other objects	8,780.00	(6,280.00)	2,500.00	1,903.00	597.00
Total other support services - students - regular	1,069,318.00	(39,462.99)	1,029,855.01	1,028,150.48	1,704.53
Other support services - students - Child Study Teams:					
Salaries of other professional staff	1,376,675.00	141,764.04	1,518,439.04	1,518,092.26	346.78
Salaries of secretarial and clerical assistants	25,670.00	(380.16)	25,289.84	25,194.43	95.41
Other Salaries		315.84	315.84	315.84	
Purchased Professional - Educational Services	15,000.00	(10,570.00)	4,430.00	3,201.00	1,229.00
Other Purchased Professional and Tech Services	10,037.00		10,037.00	10,037.00	
Misc. Pur Serv (400-500 series or/ than resid. Costs)	14,400.00	(1,207.50)	13,192.50	6,040.39	7,152.11
Residential Costs	114,975.00		114,975.00	113,094.00	1,881.00
Supplies and Materials	17,600.00	(9,000.00)	8,600.00	7,847.93	752.07
Other objects		500.00	500.00	200.00	300.00
Total other support services - students - Child Study Teams	1,574,357.00	121,422.22	1,695,779.22	1,684,022.85	11,756.37

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Improvement of instruction services/ other support services-instructional staff:					
Salaries of Supervisors of Instruction	\$ 227,278.00	\$ 14,638.11	\$ 241,916.11	\$ 241,916.11	
Salaries of other professional staff	85,380.00	(15,215.00)	70,165.00	56,460.00	13,705.00
Salary Literacy Coach	201,890.00	29,640.00	231,530.00	231,530.00	
Purchased Professional	145,500.00	(29,676.96)	115,823.04	113,494.00	2,329.04
Other Purchased Services (400-500)	34,000.00	2,000.00	36,000.00	18,935.93	17,064.07
Supplies and Materials	37,797.00	(24,900.15)	12,896.85	6,947.86	5,948.99
Other Objects	24,600.00	(8,381.00)	16,219.00	16,218.93	0.07
Total improvement of instruction services/ other support services-instructional staff	756,445.00	(31,895.00)	724,550.00	685,502.83	39,047.17
Educational media services/school library:					
Salaries	391,210.00	(9,343.65)	381,866.35	380,049.51	1,816.84
Salaries of Technology Coordinators	116,409.00	2,909.88	119,318.88	119,318.88	
Purchased Professional and Technical Services	14,680.00	(2,309.88)	12,370.12	11,416.24	953.88
Supplies and Materials	31,087.00	(2,450.00)	28,637.00	27,750.16	886.84
Total educational media services/school library	553,386.00	(11,193.65)	542,192.35	538,534.79	3,657.56
Instructional Staff Training Services:					
Salaries of Supervisors of Instruction	141,647.00	3,387.88	145,034.88	142,232.04	2,802.84
Purchased Professional - Educational Services	9,500.00	(3,387.88)	6,112.12	4,331.00	1,781.12
Other Purchased Services (400-500)	34,750.00	(12,300.00)	22,450.00	16,716.79	5,733.21
Total instructional staff training services:	185,897.00	(12,300.00)	173,597.00	163,279.83	10,317.17
Support services general administration:					
Salaries	719,562.00	17,761.38	737,323.38	735,342.01	1,981.37
Legal services	142,973.82	45,188.48	188,162.30	158,509.13	29,653.17
Audit Fees	30,815.00		30,815.00	30,815.00	
Other purchased professional services		8,500.00	8,500.00	8,500.00	
Purchased technical services	8,501.00	2,952.00	11,453.00	11,279.40	173.60

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Support services general administration (continued):					
Communications/telephone	154,228.00	(15,226.43)	139,001.57	128,845.67	10,155.90
BOE Other purchased services	5,000.00		5,000.00	3,291.00	1,709.00
Other purchased services (400-500)	252,532.00	52,343.59	304,875.59	301,390.02	3,485.57
General supplies	12,050.00	6,581.55	18,631.55	12,959.77	5,671.78
In house Training/Meeting Supplies	500.00	2,283.00	2,783.00	2,706.00	77.00
Judgments	10,000.00	(10,000.00)			
Miscellaneous Expenditures	10,200.00	(1,488.00)	8,712.00	8,119.40	592.60
BOE membership dues and fees	27,000.00		27,000.00	26,662.70	337.30
Total support services general administration	1,373,361.82	108,895.57	1,482,257.39	1,428,420.10	53,837.29
Support services school administration:					
Salaries of principals/asst. principals	1,732,199.00	(28,626.40)	1,703,572.60	1,697,933.40	5,639.20
Salaries of secretarial and clerical assistants	579,138.00	(12,873.60)	566,264.40	561,659.05	4,605.35
Purchased Professional - Technical Services	19,150.00		19,150.00	18,150.00	1,000.00
Other Purchased Services (400-500 series)	10,750.00	3,017.00	13,767.00	12,775.50	991.50
Supplies and Materials	60,341.00	(1,583.00)	58,758.00	52,976.22	5,781.78
Other objects	6,000.00		6,000.00	4,467.50	1,532.50
Total support services school administration	2,407,578.00	(40,066.00)	2,367,512.00	2,347,961.67	19,550.33
Central Services:					
Salaries	457,874.00	(17,076.00)	440,798.00	432,784.34	8,013.66
Purchased professional services	17,924.00	2,076.00	20,000.00	20,000.00	
Purchased Technical services	40,251.00	22,829.37	63,080.37	63,080.37	
Misc. purchased services (400-500 series)	44,754.00	(12,876.34)	31,877.66	27,272.01	4,605.65
Supplies and Materials	22,000.00	(3,524.03)	18,475.97	17,243.71	1,232.26
Misc. Expenditures	5,009.00	2,104.00	7,113.00	7,112.09	0.91
Total central services	587,812.00	(6,467.00)	581,345.00	567,492.52	13,852.48

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Admin. Info. Tech.					
Salaries	\$ 128,525.00	\$ (3,000.00)	\$ 125,525.00	\$ 111,946.00	\$ 13,579.00
Purchased technical services	48,008.00	8,206.20	56,214.20	38,758.89	17,455.31
Other Purchased Services (400- 500 series)	2,799.00	144.80	2,943.80	2,195.49	748.31
Supplies and Materials	<u>23,562.58</u>	<u>10,600.00</u>	<u>34,162.58</u>	<u>30,649.11</u>	<u>3,513.47</u>
Total admin. Info. Technology	<u>202,894.58</u>	<u>15,951.00</u>	<u>218,845.58</u>	<u>183,549.49</u>	<u>35,296.09</u>
Required Maintenance for School Facilities:					
Salaries	453,959.00	63,910.59	517,869.59	517,594.61	274.98
Cleaning, Repair and Maintenance Services	373,022.40	(79,149.15)	293,873.25	277,250.58	16,622.67
General supplies	113,869.85	42,945.00	156,814.85	153,747.18	3,067.67
Other Objects	<u>11,425.00</u>	<u>(1,835.00)</u>	<u>9,590.00</u>	<u>9,482.61</u>	<u>107.39</u>
Total Allowable Maintenance for School Facilities	<u>952,276.25</u>	<u>25,871.44</u>	<u>978,147.69</u>	<u>958,074.98</u>	<u>20,072.71</u>
Other operation and maint. of plant :					
Salaries of Non-Instructional Aides	76,083.00		76,083.00	70,848.94	5,234.06
Purchased professional and technical services	22,500.00	(15,900.00)	6,600.00	5,030.00	1,570.00
Cleaning, repair and maint. services	1,862,947.00	27,817.09	1,890,764.09	1,842,634.60	48,129.49
Other purchased property services	367,200.00	25,883.11	393,083.11	393,083.11	
Insurance	389,803.00	(1,521.94)	388,281.06	388,142.46	138.60
Misc. Purchased Services	4,000.00	(3,706.00)	294.00	294.00	
General supplies	100,000.00	22,000.00	122,000.00	118,416.18	3,583.82
Energy (heat and electricity)	625,000.00	(87,258.03)	537,741.97	523,130.63	14,611.34
Energy (Natural Gas)	327,495.98	(55,500.00)	271,995.98	236,241.32	35,754.66
Energy (Oil)	25,000.00	(17,500.00)	7,500.00	4,732.64	2,767.36
Other objects	<u>3,500.00</u>	<u>(3,500.00)</u>	<u></u>	<u></u>	<u></u>
Total other operation and maint. of plant	<u>3,803,528.98</u>	<u>(109,185.77)</u>	<u>3,694,343.21</u>	<u>3,582,553.88</u>	<u>111,789.33</u>
Care & Upkeep of Grounds					
Salaries	20,000.00	(8,000.00)	12,000.00	1,183.00	10,817.00
Cleaning, Repair and Maintenance Services	97,475.00	23,090.00	120,565.00	118,626.18	1,938.82
General Supplies	<u>35,000.00</u>	<u>5,439.00</u>	<u>40,439.00</u>	<u>40,381.47</u>	<u>57.53</u>
Total Care and Upkeep of Grounds	<u>152,475.00</u>	<u>20,529.00</u>	<u>173,004.00</u>	<u>160,190.65</u>	<u>12,813.35</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Security					
Salaries	\$ 25,625.00	\$ (2,499.96)	\$ 23,125.04	\$ 22,899.75	\$ 225.29
Purchased Professional and Technical Services	3,000.00	(500.00)	2,500.00	2,402.75	97.25
Purchased professional educational services		1,791.77	1,791.77	1,791.77	
Cleaning, Repair and Maintenance Services	67,500.00		67,500.00	67,500.00	
General Supplies	1,350.00	999.96	2,349.96	2,110.00	239.96
Other Objects	4,950.00	(4,491.77)	458.23	40.00	418.23
	<u>102,425.00</u>	<u>(4,700.00)</u>	<u>97,725.00</u>	<u>96,744.27</u>	<u>980.73</u>
Total Security					
	<u>102,425.00</u>	<u>(4,700.00)</u>	<u>97,725.00</u>	<u>96,744.27</u>	<u>980.73</u>
Total operation and maintenance of plant services	<u>5,010,705.23</u>	<u>(67,485.33)</u>	<u>4,943,219.90</u>	<u>4,797,563.78</u>	<u>145,656.12</u>
Student transportation services:					
Salaries of Non-Instructional Aides	158,497.00	4,519.00	163,016.00	162,626.94	389.06
Salaries for pupil transportation (between home and school)-regular	685,938.00	205,460.57	891,398.57	883,804.44	7,594.13
Salaries for pupil transportation (between home and school)-Special Ed	380,108.00	12,938.77	393,046.77	386,930.36	6,116.41
Salaries for pupil transportation (other than between home & school)	132,485.00	(74,356.48)	58,128.52	56,925.93	1,202.59
Other purchased prof. services	300.00		300.00		300.00
Cleaning, Repair and Maintenance Services	246,400.00	(60,930.71)	185,469.29	185,467.80	1.49
Rental Payments		4,000.00	4,000.00	3,412.50	587.50
Lease Purchase Payments - School Buses	52,205.00	383.66	52,588.66	52,327.60	261.06
Contracted Services - between home and school vendor	135,420.00	(54,437.48)	80,982.52	80,611.20	371.32
Contracted services (other than between home and school)-vendors	117,500.00	(47,494.32)	70,005.68	69,341.16	664.52
Jointures- Regular Students		33,600.00	33,600.00	33,520.68	79.32
Contracted services (special education students) vendors	401,339.00	157,951.50	559,290.50	559,237.24	53.26
Contracted services (special education students) Joint Agrmnts	44,041.00	(2,000.00)	42,041.00	41,718.60	322.40
Contract. Serv - Aid in Lieu Pymts-NonPub Sch	79,560.00	23,000.00	102,560.00	100,129.65	2,430.35
Miscellaneous purchased services - Transportation	48,136.00	(10,060.00)	38,076.00	37,405.76	670.24
Transportation Supplies	179,498.00	(82,809.29)	96,688.71	96,688.71	
Miscellaneous Expenditures	15,875.00	(5,000.00)	10,875.00	9,508.39	1,366.61
	<u>2,677,302.00</u>	<u>104,765.22</u>	<u>2,782,067.22</u>	<u>2,759,656.96</u>	<u>22,410.26</u>
Total student transportation services					
	<u>2,677,302.00</u>	<u>104,765.22</u>	<u>2,782,067.22</u>	<u>2,759,656.96</u>	<u>22,410.26</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS	FINAL BUDGET	ACTUAL	(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	\$ 609,578.00	\$ (22,381.23)	\$ 587,196.77	\$ 570,796.35	16,400.42
Other retirement contributions - regular	538,021.00	(24,177.00)	513,844.00	489,881.00	23,963.00
Unemployment Compensation	153,938.00	(5,000.00)	148,938.00	128,630.38	20,307.62
Workers Compensation	305,136.00	(29,804.00)	275,332.00	264,299.00	11,033.00
Health Benefits	10,210,161.00	(344,170.77)	9,865,990.23	9,640,820.21	225,170.02
Tuition Reimbursements	110,650.00	(6,000.00)	104,650.00	82,436.20	22,213.80
Other Employee Benefits	416,689.00	32,300.00	448,989.00	358,675.17	90,313.83
Total Unallocated Benefits - Employee Benefits:	12,344,173.00	(399,233.00)	11,944,940.00	11,535,538.31	409,401.69
On-behalf TPAF Pension (non-budgeted)				2,022,833.00	(2,022,833.00)
On-behalf TPAF Post Retirement Contributions (non-budgeted)				2,528,619.00	(2,528,619.00)
On-behalf TPAF Non-Contributory Insurance (non-budgeted)				100,765.00	(100,765.00)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,031,634.90	(2,031,634.90)
Total Undistributed Expenditures	33,388,391.63	120,824.26	33,509,215.89	39,313,873.95	(5,804,658.06)
TOTAL EXPENDITURES - CURRENT EXPENSE FUND 11	61,117,699.13	(258,831.79)	60,858,867.34	66,002,027.48	(5,143,160.14)
CAPITAL OUTLAY:					
Interest Deposit to Capital reserve					
Equipment:					
Grades 1-5	12,500.00	6,041.32	18,541.32	16,581.87	1,959.45
Grades 6-8	7,040.00		7,040.00	7,040.00	
Grades 9-12	7,095.60	8,388.70	15,484.30	15,484.30	
Preschool Disabilities - Full Time		11,659.44	11,659.44	11,659.44	
School-Sponsored and Other Instructional Program		4,945.00	4,945.00	4,944.95	0.05
Undistributed Expenditures - Instruction		2,796.00	2,796.00	2,795.35	0.65
Undistributed Expenditures- Students- Extra Services		4,940.00	4,940.00	4,940.00	
Undistributed Expenditures - Admin info tech	98,000.00	51,288.00	149,288.00	149,044.10	243.90
Undistributed Expenditures - Required Maintenance		43,289.00	43,289.00	43,289.00	
Undistributed Expenditures - Care and Unkeep of Grounds		11,190.83	11,190.83	11,190.83	
School Buses - Regular		57,478.50	57,478.50	1,350.00	56,128.50
School Buses - Special		39,900.00	39,900.00	39,900.00	
Total Equipment	124,635.60	241,916.79	366,552.39	308,219.84	58,332.55
Facilities acquisition and construction services:					
Architectural/Engineering Services	823,830.00	(473,154.00)	350,676.00	170,173.00	180,503.00
Construction Services	3,634,011.01	490,069.00	4,124,080.01	3,616,467.60	507,612.41
Assessment for debt service on SDA funding	104,974.00		104,974.00	104,974.00	
Total facilities acquis. and const. services	4,562,815.01	16,915.00	4,579,730.01	3,891,614.60	688,115.41

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

		<u>ORIGINAL BUDGET</u>		<u>BUDGET TRANSFERS</u>		<u>FINAL BUDGET</u>		<u>ACTUAL</u>		<u>(GAAP) VARIANCE FAVORABLE/ (UNFAVORABLE)</u>
Interest Deposit to Capital Reserve	\$	50.00	\$		\$	50.00	\$	50.00	\$	50.00
TOTAL CAPITAL OUTLAY		<u>4,687,500.61</u>		<u>258,831.79</u>		<u>4,946,332.40</u>		<u>4,199,834.44</u>		<u>746,497.96</u>
TOTAL EXPENDITURES		<u>65,805,199.74</u>		<u>(0.00)</u>		<u>65,805,199.74</u>		<u>70,201,861.92</u>		<u>(4,396,662.18)</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(4,905,091.74)</u>		<u>0.00</u>		<u>(4,905,091.74)</u>		<u>(2,158,179.52)</u>		<u>2,746,912.22</u>
Fund balances, July 1 (as restated)		<u>11,812,552.04</u>				<u>11,812,552.04</u>		<u>11,812,552.04</u>		
Fund balances, June 30	\$	<u><u>6,907,460.30</u></u>	\$	<u><u>0.00</u></u>	\$	<u><u>6,907,460.30</u></u>	\$	<u><u>9,654,372.52</u></u>	\$	<u><u>2,746,912.22</u></u>
Recapitulation:										
Assigned:										
Year End Encumbrances							\$	493,434.52		
Designated for Subsequent Year's Expenditures								2,252.78		
Restricted:										
Excess Surplus -Designated for Subsequent Year's Expenditures								135,028.22		
Excess Surplus								7,353.07		
Emergency Reserve								502,422.31		
Maintenance Reserve								3,456,894.76		
Capital Reserve								3,457,994.66		
Unassigned								<u>1,598,992.20</u>		
							\$	<u>9,654,372.52</u>		
Reconciliation to Governmental Funds Statements (GAAP):										
Last State aid payments not recognized on GAAP basis								<u>(1,202,446.00)</u>		
Fund Balance per Governmental Funds (GAAP)							\$	<u><u>8,451,926.52</u></u>		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	ORIGINAL BUDGET	BUDGET TRANSFERS/ AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FINAL TO ACTUAL
REVENUES:					
Federal sources	\$ 1,061,907.00	\$ 346,445.00	\$ 1,408,352.00	\$ 1,349,860.78	\$ (58,491.22)
State sources		39,265.00	39,265.00	33,267.90	(5,997.10)
Other sources		45,282.94	45,282.94	43,263.88	(2,019.06)
Total revenues	1,061,907.00	430,992.94	1,492,899.94	1,426,392.56	(66,507.38)
EXPENDITURES:					
Instruction:					
Salaries of teachers	203,770.00	123,696.16	327,466.16	313,831.41	13,634.75
Other salaries for instruction	276,020.00	195,108.00	471,128.00	470,280.28	847.72
Other Purchased Services		4,766.40	4,766.40	4,680.00	86.40
Other purchased professional services	34,720.00	(32,188.16)	2,531.84	2,531.84	
Tuition	77,525.00	(77,525.00)			
Supplies and materials	22,429.00	243,663.78	266,092.78	253,527.45	12,565.33
Textbooks	26,014.00	(7,468.18)	18,545.82	10,278.00	8,267.82
Miscellaneous Expenditures	850.00	4,650.00	5,500.00	2,520.00	2,980.00
Total instruction	641,328.00	454,703.00	1,096,031.00	1,057,648.98	38,382.02
Support services:					
Salaries of Secretarial and Clerical Assistants	85,740.00	3,500.00	89,240.00	88,936.64	303.36
Other salaries for instruction	170,085.00	(163,988.00)	6,097.00	300.00	5,797.00
Personal services - employee benefits	66,966.00	(10,643.00)	56,323.00	50,608.34	5,714.66
Purchased professional - educational services	42,514.00	171,153.94	213,667.94	211,982.19	1,685.75
Other purchased services	35,785.00	(27,978.00)	7,807.00	7,325.00	482.00
Supplies and materials	16,364.00	5,570.00	21,934.00	8,232.66	13,701.34
Miscellaneous expenditures	850.00	950.00	1,800.00	1,358.75	441.25
Total support services	418,304.00	(21,435.06)	396,868.94	368,743.58	28,125.36
Facilities acquisition and construction services:					
Instructional equipment	2,275.00	(2,275.00)			
Total facilities acquisition and construction serv.	2,275.00	(2,275.00)			
Total expenditures	1,061,907.00	430,992.94	1,492,899.94	1,426,392.56	66,507.38
Excess (deficiency) of revenues over (under) expenditures	\$	\$	\$	\$	\$

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
BUDGET TO GAAP RECONCILIATION
NOTE TO RSI
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Note A - Explanation of difference between budgetary inflows and outflows and GAAP Revenues and Expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$68,043,682.40	\$1,426,392.56
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Adjust for encumbrances:		
Add prior year encumbrances		10,264.16
Less current year encumbrances		(494.34)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year	(1,202,446.00)	
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	1,197,450.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	\$68,038,686.40	\$1,436,162.38
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule.	\$70,201,861.92	\$1,426,392.56
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.		
Adjust for encumbrances:		
Add prior year encumbrances		10,264.16
Less current year encumbrances		(494.34)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	\$70,201,861.92	\$1,436,162.38

REQUIRED SUPPLEMENTARY INFORMATION - PART III

SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)

MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

<u>Ending June 30,</u>	<u>District's Proportion of the Net Pension Liability (Asset)</u>	<u>District's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>District's Covered-Employee Payroll</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2013	0.0528147030%	\$ 10,093,939	\$ 3,893,593	259.24%	48.72%
2014	0.0592040926%	11,084,625	3,900,890	284.16%	52.08%
2015	0.0569806767%	12,791,020	4,031,866	317.25%	47.92%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
PUBLIC EMPLOYEES RETIREMENT SYSTEM
LAST TEN YEARS

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2014	\$ 397,948	\$ 397,948	\$ -0-	\$ 3,900,890	10.20%
2015	488,070	488,070	-0-	4,031,866	12.11%
2016	489,881	489,881	-0-	4,286,208	11.43%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
TEACHERS PENSION AND ANNUITY FUND
LAST TEN YEARS

<u>Ending June 30,</u>	<u>District's Proportion of the Net Pension Liability (Asset)</u>	<u>District's Proportionate Share of the Net Pension Liability (Asset)</u>	<u>District's Covered-Employee Payroll</u>	<u>District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- Employee Payroll</u>	<u>Plan Fiduciary Net Position as a percentage of the total Pension Liability</u>
2013	0.2643382202%	\$ -0-	\$ 25,970,782	-0-	33.76%
2014	0.2588708471%	-0-	26,871,307	-0-	33.64%
2015	0.2669482601%	-0-	26,408,945	-0-	28.71%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

Matawan-Aberdeen Regional School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2016

Public Employees Retirement System

Change in benefit terms: None

Change in assumptions: The discount rate changed from 5.39% to 4.90% as of June 30, 2015.

Teacher Pension and Annuity Fund

Change in benefit terms: None

Change in assumptions: The discount rate changed from 4.68% to 4.13% as of June 30, 2015.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	TITLE I	TITLE II A	TITLE III	IDEA PART B	IDEA PRESCHOOL
REVENUES:					
Federal sources	\$ 337,744.45	81,539.00	27,676.00	881,194.33	21,707.00
State sources					
Other sources					
Total revenues	\$ 337,744.45	\$ 81,539.00	\$ 27,676.00	\$ 881,194.33	\$ 21,707.00
EXPENDITURES:					
Instruction:					
Salaries of teachers	258,275.52	22,694.00	5,365.00	27,496.89	
Other salaries for instruction				449,422.28	20,858.00
Other Purchased Services					
Other purchased professional-educational services	2,081.84		450.00		
Supplies and materials	6,544.00		19,139.00	193,763.67	
Textbooks					
Miscellaneous Expenditures	2,520.00				
Total instruction	269,421.36	22,694.00	24,954.00	670,682.84	20,858.00
Support services:					
Salaries of Secretarial and Clerical Assistants				88,936.64	
Other Salaries for Instruction			300.00		
Personal services - employee benefits	48,237.34	1,736.00	635.00		
Purchased professional - educational services	17,113.00	50,100.00		117,276.19	
Other purchased services		6,638.00	687.00		
Supplies and materials	2,714.00	371.00		4,298.66	849.00
Miscellaneous expenditures	258.75		1,100.00		
Total support services	68,323.09	58,845.00	2,722.00	210,511.49	849.00
Total expenditures	\$ 337,744.45	\$ 81,539.00	\$ 27,676.00	\$ 881,194.33	\$ 21,707.00

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MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>NON- PUBLIC</u> <u>TEXTBOOKS</u>	<u>NON - PUBLIC</u> <u>NURSING</u>	<u>NON - PUBLIC</u> <u>TECHNOLOGY</u>	<u>NON - PUBLIC</u> <u>SECURITY</u>
REVENUES:				
Federal sources	\$	\$	\$	\$
State sources	8,554.18	15,910.06	4,593.60	4,210.06
Other sources	_____	_____	_____	_____
Total revenues	\$ <u>8,554.18</u>	\$ <u>15,910.06</u>	\$ <u>4,593.60</u>	\$ <u>4,210.06</u>
EXPENDITURES:				
Instruction:				
Salaries of teachers				
Other salaries for instruction				
Other Purchased Services			4,593.60	
Other purchased professional-educational services				
Supplies and materials				4,210.06
Textbooks	8,554.18			
Miscellaneous Expenditures	_____	_____	_____	_____
Total instruction	8,554.18	_____	4,593.60	4,210.06
Support services:				
Salaries of Secretarial and Clerical Assistants				
Other Salaries for Instruction				
Personal services - employee benefits				
Purchased professional - educational services		15,910.06		
Other purchased services				
Supplies and materials				
Miscellaneous expenditures	_____	_____	_____	_____
Total support services	_____	15,910.06	_____	_____
Total expenditures	\$ <u>8,554.18</u>	\$ <u>15,910.06</u>	\$ <u>4,593.60</u>	\$ <u>4,210.06</u>

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MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SPECIAL REVENUE FUND
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>NJSBAIG SAFETY</u> <u>GRANT</u>	<u>MOESC</u>	<u>OTHER</u> <u>LOCAL GRANTS</u>	<u>TOTAL 2016</u>
REVENUES:				
Federal sources	\$	\$	\$	\$ 1,349,860.78
State sources				33,267.90
Other sources	<u>7,686.00</u>	<u>5,997.10</u>	<u>29,580.78</u>	<u>43,263.88</u>
Total revenues	\$ <u>7,686.00</u>	\$ <u>5,997.10</u>	\$ <u>29,580.78</u>	\$ <u>1,426,392.56</u>
EXPENDITURES:				
Instruction:				
Salaries of teachers				313,831.41
Other salaries for instruction				470,280.28
Other Purchased Services		86.40		4,680.00
Other purchased professional-educational services				2,531.84
Supplies and materials		289.94	29,580.78	253,527.45
Textbooks		1,723.82		10,278.00
Miscellaneous Expenditures				<u>2,520.00</u>
Total instruction		<u>2,100.16</u>	<u>29,580.78</u>	<u>1,057,648.98</u>
Support services:				
Salaries of Secretarial and Clerical Assistants				88,936.64
Other Salaries for Instruction				300.00
Personal services - employee benefits				50,608.34
Purchased professional - educational services	7,686.00	3,896.94		211,982.19
Other purchased services				7,325.00
Supplies and materials				8,232.66
Miscellaneous expenditures				<u>1,358.75</u>
Total support services	<u>7,686.00</u>	<u>3,896.94</u>		<u>368,743.58</u>
Total expenditures	\$ <u>7,686.00</u>	\$ <u>5,997.10</u>	\$ <u>29,580.78</u>	\$ <u>1,426,392.56</u>

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES - BUDGETARY BASIS
AS OF JUNE 30, 2016

ISSUE/PROJECT TITLE	ORIGINAL DATE	APPROPRIATIONS	EXPENDITURES TO DATE		(MEMO ONLY) UNEXPENDED PROJECT BALANCE
			PRIOR YEAR	CURRENT YEAR	
2014 Capital Improvements:					
Cambridge Park Elementary - HVAC Building Upgrades	6/13/2014	\$ 67,571.34	\$ 16,402.50	\$ 30,495.00	\$ 20,673.84
Matawan High School - Boiler & Fire Alarm Ssystem Replacement	6/13/2014	714,435.79	535,925.79	162,410.00	16,100.00
Matawan Ave Middle School - Boiler & Fire Alarm System Replacement	6/13/2014	618,858.92	451,398.92	127,460.00	40,000.00
Cliffwood Middle School- HVAC, Fire Alarm & Fire Door Replacement	6/13/2014	1,107,897.20	235,013.05	871,468.45	1,415.70
Lloyd Road Elementary School - HVAC & Fire Alarm System Replacement	6/13/2014	1,575,162.75	241,577.95	1,332,139.55	1,445.25
Ravine Drive Elementary School - Fire Alarm System Replacement	6/13/2014	134,394.00	121,740.00	9,075.50	3,578.50
Strathmore Elementary School - Fire Alarm System Replacement	6/13/2014	116,680.00	105,533.00	7,568.50	3,578.50
2016 Bond Referendum:					
Various Improvements and Replacements of HVAC					
Question #1:					
Cambridge Park Elementary	3/8/2016	852,000.00		55,200.00	796,800.00
Matawan Regional High School	3/8/2016	1,911,000.00		297,310.00	1,613,690.00
Matawan - Aberdeen Middle School	3/8/2016	2,640,000.00		172,050.00	2,467,950.00
Cliffwood Avenue Elementary	3/8/2016	1,280,000.00		83,250.00	1,196,750.00
Lloyd Road Elementary School	3/8/2016	2,094,000.00		136,700.00	1,957,300.00
Ravine Drive Elementary School	3/8/2016	2,045,000.00		133,250.00	1,911,750.00
Strathmore Elementary School	3/8/2016	2,578,000.00		168,050.00	2,409,950.00
Question #2					
Cambridge Park Elementary	3/8/2016	1,098,000.00		71,200.00	1,026,800.00
Matawan Regional High School	3/8/2016	1,488,000.00		100,990.00	1,387,010.00
Matawan - Aberdeen Middle School	3/8/2016	1,855,000.00		120,850.00	1,734,150.00
Cliffwood Avenue Elementary	3/8/2016	275,000.00		17,650.00	257,350.00
Lloyd Road Elementary School	3/8/2016	808,000.00		52,200.00	755,800.00
Ravine Drive Elementary School	3/8/2016	514,000.00		33,250.00	480,750.00
Strathmore Elementary School	3/8/2016	418,000.00		26,850.00	391,150.00
Totals		\$ 24,191,000.00	\$ 1,707,591.21	\$ 4,009,417.00	\$ 18,473,991.79

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGETARY BASIS
FOR THE YEAR ENDED JUNE 30, 2016

Revenues and Other Financing Sources:	
Bond proceeds	\$19,856,000.00
Total revenues	<u>19,856,000.00</u>
Expenditures and Other Financing Uses:	
Legal Services	3,500.00
Architectual/Engineering Services	1,288,300.00
Purchased professional and technical services	42,445.00
Construction services	2,675,172.00
Total expenditures	<u>4,009,417.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$15,846,583.00
Fund balance - beginning	<u>2,627,408.79</u>
Fund balance - ending	<u><u>\$18,473,991.79</u></u>
<u>Reconciliation to Governmental Fund Statements (GAAP):</u>	
Fund Balance - budgetary basis	\$18,473,991.79
Add: Current Year Encumbrances	\$2,317,275.44
Less: Bonds Authorized but not Issued	(\$19,856,000.00)
Less: ROD Grants not recognized under GAAP	<u>(570,962.90)</u>
Fund Balance - GAAP basis (B-1)	<u><u>\$364,304.33</u></u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CAMBRIDGE PARK ELEMENTARY - HVAC BUILDING UPGRADES - CONTROLS
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 107,000.00	\$ (79,941.46)	\$ 27,058.54	\$ 27,058.54
Transfer from capital reserve	160,500.00	(119,987.20)	40,512.80	40,512.80
Total revenues	<u>267,500.00</u>	<u>(199,928.66)</u>	<u>67,571.34</u>	<u>67,571.34</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	16,402.50	3,495.00	19,897.50	19,897.50
Construction services	16,402.50	27,000.00	27,000.00	47,673.84
Total expenditures	<u>16,402.50</u>	<u>30,495.00</u>	<u>46,897.50</u>	<u>67,571.34</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>251,097.50</u>	\$ <u>(230,423.66)</u>	\$ <u>20,673.84</u>	<u> </u>
Additional project information:				
Project Number		3040-040-14-G2CS		
Grant Date		6/13/2014		
Original Authorized Cost		\$267,500.00		
Additional Authorized Cost		(\$199,928.66)		
Revised Authorized Cost		\$67,571.34		
Percentage Increase over Original Authorized Cost		-74.74%		
Percentage completion		100.00%		
Original target completion date		FY2016		
Revised target completion date		FY2016		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN HIGH SCHOOL - BOILER & FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 460,000.00	\$ (174,225.68)	285,774.32	\$ 285,774.32
Transfer from capital reserve	690,000.00	(261,338.53)	428,661.47	428,661.47
Total revenues	<u>1,150,000.00</u>	<u>(435,564.21)</u>	<u>714,435.79</u>	<u>714,435.79</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	17,033.93	6,260.00	23,293.93	23,293.93
Construction services	518,891.86	156,150.00	675,041.86	691,141.86
Total expenditures	<u>535,925.79</u>	<u>162,410.00</u>	<u>698,335.79</u>	<u>714,435.79</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 614,074.21</u>	<u>\$ (597,974.21)</u>	<u>16,100.00</u>	<u>\$</u>
Additional project information:				
Project Number		3040-050-14-G2CT		
Grant Date		6/13/2014		
Original Authorized Cost		\$1,150,000.00		
Additional Authorized Cost		(\$435,564.21)		
Revised Authorized Cost		\$714,435.79		
Percentage Increase over Original Authorized Cost		-37.88%		
Percentage completion		100.00%		
Original target completion date		FY2016		
Revised target completion date		FY2016		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN AVE MIDDLE SCHOOL - BOILER & FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 351,600.00	\$ (104,056.43)	\$ 247,543.57	\$ 247,543.57
Transfer from capital reserve	527,400.00	(156,084.65)	371,315.35	371,315.35
Total revenues	<u>879,000.00</u>	<u>(260,141.08)</u>	<u>618,858.92</u>	<u>618,858.92</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	15,373.92	5,660.00	21,033.92	21,033.92
Construction services	436,025.00	121,800.00	557,825.00	597,825.00
Total expenditures	<u>451,398.92</u>	<u>127,460.00</u>	<u>578,858.92</u>	<u>618,858.92</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>427,601.08</u>	\$ <u>(387,601.08)</u>	\$ <u>40,000.00</u>	\$ <u>40,000.00</u>
Additional project information:				
Project Number		3040-053-14-G2CU		
Grant Date		6/13/2014		
Original Authorized Cost		\$879,000.00		
Additional Authorized Cost		(\$260,141.08)		
Revised Authorized Cost		\$618,858.92		
Percentage Increase over Original Authorized Cost		-29.60%		
Percentage completion		100.00%		
Original target completion date		FY2016		
Revised target completion date		FY2016		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CLIFFWOOD MIDDLE SCHOOL- HVAC VENTILATORS, FIRE ALARM & STAIR TOWER FIRE DOOR REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2015

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 292,200.00	\$	292,200.00	292,200.00
Transfer from capital reserve	<u>438,300.00</u>	<u>377,397.20</u>	<u>815,697.20</u>	<u>815,697.20</u>
Total revenues	<u>730,500.00</u>	<u>377,397.20</u>	<u>1,107,897.20</u>	<u>1,107,897.20</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	34,732.00	10,730.00	45,462.00	45,627.25
Construction services	<u>200,281.05</u>	<u>860,738.45</u>	<u>1,061,019.50</u>	<u>1,062,269.95</u>
Total expenditures	<u>235,013.05</u>	<u>871,468.45</u>	<u>1,106,481.50</u>	<u>1,107,897.20</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u><u>495,486.95</u></u>	\$ <u><u>(494,071.25)</u></u>	\$ <u><u>1,415.70</u></u>	\$
Additional project information:				
Project Number		3040-060-14-G2CV		
Grant Date		6/13/2014		
Original Authorized Cost		\$730,500.00		
Additional Authorized Cost		\$377,397.20		
Revised Authorized Cost		\$1,107,897.20		
Percentage Increase over Original Authorized Cost		51.66%		
Percentage completion		99.00%		
Original target completion date		FY2016		
Revised target completion date		FY2017		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL- HVAC VENTILATORS, FIRE ALARM & STAIR TOWER FIRE DOOR REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 406,000.00	\$	\$ 406,000.00	\$ 406,000.00
Transfer from capital reserve	<u>609,000.00</u>	<u>560,162.75</u>	<u>1,169,162.75</u>	<u>1,169,162.75</u>
Total revenues	<u>1,015,000.00</u>	<u>560,162.75</u>	<u>1,575,162.75</u>	<u>1,575,162.75</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	54,342.00	15,500.00	69,842.00	70,037.25
Construction services	<u>187,235.95</u>	<u>1,316,639.55</u>	<u>1,503,875.50</u>	<u>1,505,125.50</u>
Total expenditures	<u>241,577.95</u>	<u>1,332,139.55</u>	<u>1,573,717.50</u>	<u>1,575,162.75</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u><u>773,422.05</u></u>	\$ <u><u>(771,976.80)</u></u>	\$ <u><u>1,445.25</u></u>	\$ <u><u></u></u>

Additional project information:

Project Number	3040-065-14-G2CW
Grant Date	6/13/2014
Original Authorized Cost	\$1,015,000.00
Additional Authorized Cost	\$560,162.75
Revised Authorized Cost	\$1,575,162.75
Percentage Increase over Original Authorized Cost	55.19%
Percentage completion	100.00%
Original target completion date	FY2016
Revised target completion date	FY2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
RAVINE DRIVE ELEMENTARY SCHOOL - FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 51,200.00	\$	51,200.00	\$ 51,200.00
Transfer from capital reserve	<u>76,800.00</u>	<u>6,394.00</u>	<u>83,194.00</u>	<u>83,194.00</u>
Total revenues	<u>128,000.00</u>	<u>6,394.00</u>	<u>134,394.00</u>	<u>134,394.00</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	1,000.00	400.00	1,400.00	1,400.00
Construction services	<u>120,740.00</u>	<u>8,675.50</u>	<u>129,415.50</u>	<u>132,994.00</u>
Total expenditures	<u>121,740.00</u>	<u>9,075.50</u>	<u>130,815.50</u>	<u>134,394.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>6,260.00</u>	\$ <u>(2,681.50)</u>	\$ <u>3,578.50</u>	\$
Additional project information:				
Project Number		3040-075-14-G2CX		
Grant Date		6/13/2014		
Original Authorized Cost		\$128,000.00		
Additional Authorized Cost		\$6,394.00		
Revised Authorized Cost		\$134,394.00		
Percentage Increase over Original Authorized Cost		5.00%		
Percentage completion		100.00%		
Original target completion date		FY2016		
Revised target completion date		FY2016		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STRATHMORE ELEMENTARY SCHOOL - FIRE ALARM SYSTEM REPLACEMENT
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
State sources - ROD grant	\$ 66,000.00	\$ (19,328.00)	\$ 46,672.00	\$ 46,672.00
Transfer from capital reserve	99,000.00	(28,992.00)	70,008.00	70,008.00
Total revenues	<u>165,000.00</u>	<u>(48,320.00)</u>	<u>116,680.00</u>	<u>116,680.00</u>
Expenditures and other financing uses:				
Other Purchased Professional & Technical Services	1,430.00	400.00	1,830.00	1,830.00
Construction services	104,103.00	7,168.50	111,271.50	114,850.00
Total expenditures	<u>105,533.00</u>	<u>7,568.50</u>	<u>113,101.50</u>	<u>116,680.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$ <u>59,467.00</u>	\$ <u>(55,888.50)</u>	\$ <u>3,578.50</u>	
Additional project information:				
Project Number		3040-080-14-G2CY		
Grant Date		6/13/2014		
Original Authorized Cost		\$165,000.00		
Additional Authorized Cost		(\$48,320.00)		
Revised Authorized Cost		\$116,680.00		
Percentage Increase over Original Authorized Cost		-29.28%		
Percentage completion		100.00%		
Original target completion date		FY2016		
Revised target completion date		FY2016		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CAMBRIDGE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 852,000.00	\$ 852,000.00	\$ 852,000.00
Total revenues		852,000.00	852,000.00	852,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		54,950.00	54,950.00	77,500.00
Construction services				764,500.00
Total expenditures		55,200.00	55,200.00	852,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 796,800.00	\$ 796,800.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$852,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$852,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$852,000.00		
Percentage Increase over Original Authorized Cost		.N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN REGIONAL HIGH SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 1,911,000.00	\$ 1,911,000.00	\$ 1,911,000.00
Total revenues	_____	1,911,000.00	1,911,000.00	1,911,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		120,060.00	120,060.00	185,000.00
Other Purchased Professional & Technical Services				
Construction services	_____	177,000.00	177,000.00	1,716,000.00
Total expenditures	_____	297,310.00	297,310.00	1,911,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,613,690.00	\$ 1,613,690.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$1,911,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$1,911,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$1,911,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion		10.00%		
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CAMBRIDGE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 1,098,000.00	\$ 1,098,000.00	\$ 1,098,000.00
Total revenues	_____	1,098,000.00	1,098,000.00	1,098,000.00
 Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		70,950.00	70,950.00	103,500.00
Construction services	_____	_____	_____	984,500.00
Total expenditures	_____	71,200.00	71,200.00	1,098,000.00
 Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,026,800.00	\$ 1,026,800.00	\$ _____
 Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$1,098,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$1,098,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$1,098,000.00		
 Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN REGIONAL HIGH SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 1,488,000.00	\$ 1,488,000.00	\$ 1,488,000.00
Total revenues		1,488,000.00	1,488,000.00	1,488,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		100,740.00	100,740.00	141,500.00
Other Purchased Professional & Technical Services				
Construction services	_____	_____	_____	1,336,500.00
Total expenditures		100,990.00	100,990.00	1,488,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,387,010.00	\$ 1,387,010.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$1,488,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$1,488,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$1,488,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN-ABERDEEN MIDDLE SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 2,640,000.00	\$ 2,640,000.00	\$ 2,640,000.00
Total revenues		2,640,000.00	2,640,000.00	2,640,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		171,800.00	171,800.00	259,500.00
Other Purchased Professional & Technical Services				
Construction services	_____	_____	_____	2,370,500.00
Total expenditures		172,050.00	172,050.00	2,640,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 2,467,950.00	\$ 2,467,950.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$2,640,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$2,640,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$2,640,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
MATAWAN-ABERDEEN MIDDLE SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 1,855,000.00	\$ 1,855,000.00	\$ 1,855,000.00
Total revenues		1,855,000.00	1,855,000.00	1,855,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectural/Engineering Services		120,600.00	120,600.00	178,500.00
Other Purchased Professional & Technical Services				
Construction services				1,666,500.00
Total expenditures		120,850.00	120,850.00	1,855,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,734,150.00	\$ 1,734,150.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$1,855,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$1,855,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$1,855,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CLIFFWOOD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 1,280,000.00	\$ 1,280,000.00	\$ 1,280,000.00
Total revenues		1,280,000.00	1,280,000.00	1,280,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		83,000.00	83,000.00	120,500.00
Other Purchased Professional & Technical Services				
Construction services	_____	_____	_____	1,149,500.00
Total expenditures		83,250.00	83,250.00	1,280,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,196,750.00	\$ 1,196,750.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$1,280,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$1,280,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$1,280,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
CLIFFWOOD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 275,000.00	\$ 275,000.00	\$ 275,000.00
Total revenues		275,000.00	275,000.00	275,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		17,400.00	17,400.00	17,500.00
Other Purchased Professional & Technical Services				
Construction services				247,500.00
Total expenditures		17,650.00	17,650.00	275,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 257,350.00	\$ 257,350.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$275,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$275,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$275,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 2,094,000.00	\$ 2,094,000.00	\$ 2,094,000.00
Total revenues		2,094,000.00	2,094,000.00	2,094,000.00
 Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		136,450.00	136,450.00	203,000.00
Other Purchased Professional & Technical Services				
Construction services				1,881,000.00
Total expenditures		136,700.00	136,700.00	2,094,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 1,957,300.00	\$ 1,957,300.00	\$ _____
 Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$2,094,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$2,094,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$2,094,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
LLOYD ROAD ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$ _____	\$ 808,000.00	\$ 808,000.00	\$ 808,000.00
Total revenues		808,000.00	808,000.00	808,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architctual/Engineering Services		51,950.00	51,950.00	72,000.00
Other Purchased Professional & Technical Services				
Construction services	_____	_____	_____	726,000.00
Total expenditures		52,200.00	52,200.00	808,000.00
Excess (deficiency) of revenues over (under) expenditures	\$ _____	\$ 755,800.00	\$ 755,800.00	\$ _____
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$808,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$808,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$808,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
RAVINE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$	2,045,000.00	\$ 2,045,000.00	\$ 2,045,000.00
Total revenues		2,045,000.00	2,045,000.00	2,045,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		133,000.00	133,000.00	198,000.00
Other Purchased Professional & Technical Services				
Construction services				1,837,000.00
Total expenditures		133,250.00	133,250.00	2,045,000.00
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 1,911,750.00	\$ 1,911,750.00	\$
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$2,045,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$2,045,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$2,045,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
RAVINE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$	514,000.00	\$ 514,000.00	\$ 514,000.00
Total revenues		514,000.00	514,000.00	514,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		33,000.00	33,000.00	42,000.00
Other Purchased Professional & Technical Services				
Construction services				462,000.00
Total expenditures		33,250.00	33,250.00	514,000.00
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 480,750.00	\$ 480,750.00	\$
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$514,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$514,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$514,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STRATHMORE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #1
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$	2,578,000.00	\$ 2,578,000.00	2,578,000.00
Total revenues		2,578,000.00	2,578,000.00	2,578,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		167,800.00	167,800.00	252,500.00
Other Purchased Professional & Technical Services				
Construction services				2,315,500.00
Total expenditures		168,050.00	168,050.00	2,578,000.00
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 2,409,950.00	\$ 2,409,950.00	\$
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$2,578,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$2,578,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$2,578,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE AND PROJECT STATUS - BUDGETARY BASIS
STRATHMORE DRIVE ELEMENTARY SCHOOL - VARIOUS IMPROVEMENTS AND REPLACEMENTS OF HVAC - QUESTION #2
FOR THE YEAR ENDED JUNE 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
Revenues and other financing sources:				
Bond proceeds	\$	418,000.00	\$ 418,000.00	\$ 418,000.00
Total revenues		418,000.00	418,000.00	418,000.00
Expenditures and other financing uses:				
Legal Services		250.00	250.00	10,000.00
Architectual/Engineering Services		26,600.00	26,600.00	34,000.00
Other Purchased Professional & Technical Services				
Construction services				374,000.00
Total expenditures		26,850.00	26,850.00	418,000.00
Excess (deficiency) of revenues over (under) expenditures	\$	\$ 391,150.00	\$ 391,150.00	\$
Additional project information:				
Project Number				
Bond Authorization Date		3/8/2016		
Bonds Authorized		\$418,000.00		
Bonds Issued		-0-		
Original Authorized Cost		\$418,000.00		
Additional Authorized Cost		-0-		
Revised Authorized Cost		\$418,000.00		
Percentage Increase over Original Authorized Cost		N/A		
Percentage completion				
Original target completion date		FY2020		
Revised target completion date		FY2020		

FIDUCIARY FUNDS DETAIL STATEMENTS

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

Unemployment Compensation Insurance Trust Fund: This expendable trust fund is used to pay unemployment compensation claims as they arise.

Agency Funds are used to account for assets held by the district as an agent for another party:

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.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2016

	<u>AGENCY FUNDS</u>			<u>STATE</u>	<u>TOTAL</u>
	<u>STUDENT</u>	<u>PAYROLL</u>	<u>TOTAL</u>	<u>UNEMPLOYMENT</u>	<u>JUNE 30</u>
	<u>ACTIVITY</u>	<u>AGENCY</u>	<u>AGENCY</u>	<u>TRUST FUND</u>	<u>2016</u>
ASSETS:					
Cash and cash equivalents	\$136,646.95	\$319,503.69	\$456,150.64	\$62,566.24	\$518,716.88
Total assets	<u>\$136,646.95</u>	<u>\$319,503.69</u>	<u>\$456,150.64</u>	<u>\$62,566.24</u>	<u>\$518,716.88</u>
LIABILITIES:					
Payroll deductions and withholdings		\$319,503.69	\$319,503.69		\$319,503.69
Due to student groups	\$136,646.95		136,646.95		136,646.95
Total liabilities	<u>136,646.95</u>	<u>319,503.69</u>	<u>456,150.64</u>		<u>456,150.64</u>
NET POSITION:					
Held in trust for State Unemployment Insurance claims and other purposes				\$62,566.24	\$62,566.24
Total net position	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>\$62,566.24</u>	<u>\$62,566.24</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	STATE UNEMPLOYMENT INSURANCE <u>TRUST FUND</u>	<u>TOTAL</u>
ADDITIONS:		
Contributions:		
Other	\$206,728.05	\$206,728.05
Total contributions	<u>206,728.05</u>	<u>206,728.05</u>
Total additions	<u>206,728.05</u>	<u>206,728.05</u>
DEDUCTIONS:		
Unemployment claims	206,785.96	206,785.96
Total deductions	<u>206,785.96</u>	<u>206,785.96</u>
Change in net assets	(57.91)	(57.91)
Net position beginning of year	<u>62,624.15</u>	<u>\$62,624.15</u>
Net position end of year	<u>\$62,566.24</u>	<u>\$62,566.24</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
STUDENT ACTIVITY AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BALANCE</u> <u>JULY 1, 2014</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSE-</u> <u>MENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2015</u>
Elementary Schools:				
Ravine	\$3,595.19	\$837.84	\$1,788.95	\$2,644.08
Cliffwood	1,627.79	70.67	805.00	893.46
Strathmore	5,031.24	3,240.00	3,496.00	4,775.24
Lloyd Road	7,956.33	6,097.40	10,022.78	4,030.95
Total Elementary Schools	<u>\$18,210.55</u>	<u>\$10,245.91</u>	<u>\$16,112.73</u>	<u>\$12,343.73</u>
Middle School:				
Matawan Avenue	\$40,104.61	\$88,333.20	\$88,465.47	\$39,972.34
Total Middle School	<u>\$40,104.61</u>	<u>\$88,333.20</u>	<u>\$88,465.47</u>	<u>\$39,972.34</u>
High School:				
Matawan Regional	\$72,516.06	\$133,120.45	\$121,305.63	\$84,330.88
Athletic Account		60,557.68	60,557.68	
Total High School	<u>\$72,516.06</u>	<u>\$193,678.13</u>	<u>\$181,863.31</u>	<u>\$84,330.88</u>
Total all schools	<u>\$130,831.22</u>	<u>\$292,257.24</u>	<u>\$286,441.51</u>	<u>\$136,646.95</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
PAYROLL AGENCY FUNDS
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
ASSETS:				
Cash and cash equivalents	\$51,834.46	\$51,108,230.34	\$50,840,561.11	\$319,503.69
Total assets	<u>\$51,834.46</u>	<u>\$51,108,230.34</u>	<u>\$50,840,561.11</u>	<u>\$319,503.69</u>
LIABILITIES:				
Interfunds payable		\$33,148,712.89	\$33,148,712.89	
Payroll deductions and withholdings	\$51,834.46	17,959,517.45	17,691,848.22	\$319,503.69
Total liabilities	<u>\$51,834.46</u>	<u>\$51,108,230.34</u>	<u>\$50,840,561.11</u>	<u>\$319,503.69</u>

LONG-TERM DEBT SCHEDULES

The Long-Term schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
 LONG-TERM DEBT
 SCHEDULE OF SERIAL BONDS
 JUNE 30, 2016

ISSUE	DATE OF ISSUE	AMOUNT OF ISSUE	MATURITIES		RATE OF INTEREST	BALANCE JULY 1, 2015	RETIRE	BALANCE JUNE 30, 2016
			DATE	AMOUNT				
2002 Refunding Bonds	12/30/2002	\$ 5,665,000.00		\$	4.500%	\$ 570,000.00	\$ 570,000.00	
2011 Refunding Bonds	9/15/2011	20,530,000.00	9/15/2016	1,095,000.00	4.00%			
			9/15/2017	1,145,000.00	4.00%			
			9/15/2018	1,210,000.00	5.00%			
			9/15/2019	1,275,000.00	5.00%			
			9/15/2020	1,350,000.00	5.00%			
			9/15/2021	1,425,000.00	4.50%			
			9/15/2022	1,495,000.00	4.50%			
			9/15/2023	1,575,000.00	5.00%			
			9/15/2024	1,665,000.00	5.00%			
			9/15/2025	1,745,000.00	4.00%			
			9/15/2026	1,820,000.00	4.00%			
	9/15/2027	1,905,000.00	4.24%					
						<u>18,750,000.00</u>	<u>1,045,000.00</u>	<u>17,705,000.00</u>
						<u>\$ 19,320,000.00</u>	<u>\$ 1,615,000.00</u>	<u>\$ 17,705,000.00</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2016

<u>SERIES</u>	<u>INTEREST RATE PAYABLE</u>	<u>AMOUNT OF ORIGINAL LEASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2015</u>	<u>DECREASE</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2016</u>
<u>Governmental Funds</u>					
School Bus	2.230%	85,209.10 \$	35,367.63 \$	17,488.81 \$	17,878.82
School Bus	2.230%	42,866.72	14,240.61	7,041.80	7,198.81
School Buses	2.395%	134,530.21	<u>100,000.00</u>	<u>23,973.19</u>	<u>76,026.81</u>
			\$ <u>149,608.24</u> \$	<u>48,503.80</u> \$	<u>101,104.44</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

	<u>BUDGET</u>	<u>BUDGET TRANSFERS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
REVENUES:					
Local sources:					
Local tax levy	\$2,448,770.00		\$2,448,770.00	\$2,448,770.00	
Total revenues	2,448,770.00		2,448,770.00	2,448,770.00	
EXPENDITURES:					
Regular debt service:					
Interest	833,770.00		833,770.00	833,770.00	
Redemption of principal	1,615,000.00		1,615,000.00	1,615,000.00	
Total regular debt service-expenditures	2,448,770.00		2,448,770.00	2,448,770.00	
Excess (deficiency) of revenues over (under) expenditures					
Fund balance, July 1	1.43		1.43	1.43	
Fund balance, June 30	\$1.43		\$1.43	\$1.43	

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STATISTICAL SECTION - UNAUDITED

MATAWAN ABERDEEN REGIONAL SCHOOL DISTRICT
STATISTICAL SECTION

Contents

Page

Financial Trends:

These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.

J-1 to J-4

Revenue Capacity:

These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.

J-5 to J-9

Debt Capacity:

These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.

J-10 to J-13

Demographic and Economic Information:

These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.

J-14 to J-15

Operating Information:

These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.

J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

NET POSITION BY COMPONENT

LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Government Activities:									
Net Investment in capital assets	\$ 15,943,464.00	\$ 13,836,947.00	13,951,213.00	\$ 13,897,770.00	\$ 27,216,151.59	\$ 31,011,303.83	\$ 34,718,497.02	\$ 37,599,133.47	\$ 43,378,893.96
Restricted	2,055,338.00	2,875,586.00	2,509,638.00	6,131,370.00	9,626,184.43	13,792,360.48	8,668,028.44	9,991,342.03	5,361,767.11
Unrestricted (deficit)	(788,619.00)	(1,028,813.00)	(71,581.00)	(960,477.00)	(835,518.36)	(2,431,923.11)	1,044,727.93	(9,948,266.80)	(9,346,284.19)
Total Government Activities Net Position	\$ <u>17,210,183.00</u>	\$ <u>15,683,720.00</u>	<u>16,389,270.00</u>	\$ <u>19,068,663.00</u>	\$ <u>36,006,817.66</u>	\$ <u>42,371,741.20</u>	\$ <u>44,431,253.39</u>	\$ <u>37,642,208.70</u>	\$ <u>39,394,376.88</u>
Business-Type Activities:									
Net Investment in capital assets	99,449.00	57,689.00	56,469.00	49,040.00	41,611.43	34,289.40	34,937.88	30,369.58	24,943.67
Unrestricted	\$ <u>487.00</u>	\$ <u>173,770.00</u>	<u>211,240.00</u>	\$ <u>239,266.00</u>	\$ <u>211,225.61</u>	\$ <u>136,714.60</u>	\$ <u>205,037.12</u>	\$ <u>251,013.79</u>	\$ <u>243,952.56</u>
Total Business-Type Activities Net Position	\$ <u>99,936.00</u>	\$ <u>231,459.00</u>	<u>267,709.00</u>	\$ <u>288,306.00</u>	\$ <u>252,837.04</u>	\$ <u>171,004.00</u>	\$ <u>239,975.00</u>	\$ <u>281,383.37</u>	\$ <u>268,896.23</u>
District-wide:									
Net Investment in capital assets	\$ 16,042,913.00	\$ 13,894,636.00	14,007,682.00	\$ 13,946,810.00	\$ 27,257,763.02	\$ 31,045,593.23	\$ 34,753,434.90	\$ 37,629,503.05	\$ 43,403,837.63
Restricted	2,055,338.00	2,875,586.00	2,509,638.00	6,131,370.00	9,626,184.43	13,792,360.48	8,668,028.44	9,991,342.03	5,361,767.11
Unrestricted (Deficit)	(788,132.00)	(855,043.00)	139,659.00	(721,211.00)	(624,292.75)	(2,295,208.51)	1,249,765.05	(9,697,253.01)	(9,102,331.63)
Total District Net Position	\$ <u>17,310,119.00</u>	\$ <u>15,915,179.00</u>	<u>16,656,979.00</u>	\$ <u>19,356,969.00</u>	\$ <u>36,259,654.70</u>	\$ <u>42,542,745.20</u>	\$ <u>44,671,228.39</u>	\$ <u>37,923,592.07</u>	\$ <u>39,663,273.11</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST NINE FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Expenses:									
Governmental Activities:									
Instruction:									
Regular	(18,538,833.00)	(18,307,683.00) \$	(18,205,392.00) \$	(17,468,715.00) \$	(17,407,671.16) \$	(18,210,424.22) \$	(26,402,937.94) \$	(30,576,988.32) \$	(27,970,562.39)
Special Education	(2,608,139.00)	(3,607,136.00)	(4,573,144.00)	(4,895,479.00)	(5,496,733.86)	(5,095,002.80)	(7,433,190.35)	(9,106,753.32)	(9,495,590.89)
Other Instruction	(2,871,535.00)	(3,391,977.00)	(1,395,431.00)	(2,372,717.00)	(2,222,570.65)	(2,285,794.42)	(3,154,911.27)	(3,737,195.65)	(3,057,212.72)
Support Services:									
Tuition	(4,843,586.00)	(4,938,097.00)	(4,877,910.00)	(4,396,674.00)	(3,639,959.86)	(3,029,097.85)	(2,396,195.41)	(2,499,060.76)	(2,748,344.69)
Student & instruction related services	(5,215,226.00)	(5,034,745.00)	(5,008,238.00)	(4,122,057.00)	(5,385,756.83)	(5,788,693.14)	(8,453,847.45)	(9,820,682.85)	(9,270,804.76)
General Administrative Services	(3,397,182.00)	(3,560,268.00)	(3,536,825.00)	(3,317,299.00)	(884,535.66)	(999,921.92)	(2,069,753.29)	(1,599,392.97)	(1,779,955.48)
Central Services					(2,257,673.48)	(2,239,359.00)	(2,755,320.65)	(4,019,175.77)	(3,548,858.32)
School Administrative Services	(1,014,565.00)	(1,079,096.00)	(912,726.00)	(758,311.00)	(453,032.02)	(484,258.51)	(654,633.85)	(693,080.86)	(769,419.54)
Admin. Information Technology					(235,185.19)	(152,443.59)	(150,468.43)	(206,024.95)	(245,699.00)
Plant Operations and Maintenance	(5,473,257.00)	(6,587,213.00)	(5,367,081.00)	(4,920,803.00)	(4,372,463.78)	(4,575,267.07)	(5,310,910.77)	(5,014,146.43)	(5,086,206.80)
Student Transportation Services	(2,654,973.00)	(2,570,611.00)	(2,556,743.00)	(2,728,276.00)	(2,660,672.92)	(2,749,771.83)	(3,369,277.60)	(3,434,847.16)	(3,408,230.46)
Unallocated Employee Benefits	(16,188,685.00)	(12,361,936.00)	(13,544,811.00)	(12,524,392.00)	(13,314,815.57)	(14,920,545.76)			
Summer School	(112,594.00)	(59,358.00)	(88,404.00)	(120,282.00)	(105,193.15)				
Interest on Long-Term Debt	(1,248,209.00)	(1,224,629.00)	(1,153,524.00)	(1,112,819.00)	(1,129,037.29)	(1,094,259.82)	(768,949.08)	(964,918.80)	(908,629.48)
ARRA			(1,710,066.00)						
Unallocated Depreciation and Amortization	(531,091.00)	(3,739,092.00)	(1,599,508.00)	(1,520,140.00)	(1,487,444.68)	(1,910,958.47)	(1,755,145.58)	(1,803,994.29)	(1,802,742.67)
Total Governmental Activities Expenses	<u>(64,697,875.00)</u>	<u>(66,461,841.00)</u>	<u>(64,529,803.00)</u>	<u>(60,257,964.00)</u>	<u>(61,052,746.10)</u>	<u>(63,535,798.40)</u>	<u>(64,675,541.67)</u>	<u>(73,476,262.13)</u>	<u>(70,092,257.20)</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Business-Type Activities:									
Food Service	(1,446,645.00)	(1,476,106.00)	(1,600,876.00)	(1,585,102.00)	(1,603,886.92)	(1,598,194.04)	(1,522,971.29)	(1,628,414.71)	(1,670,171.96)
Other Activities	(25,251.00)	(38,887.00)	(47,484.00)	(37,936.00)	(36,554.04)	(35,543.52)	(36,913.92)	(37,748.88)	(33,506.43)
Total Business-Type Activities Expenses	(1,471,896.00)	(1,514,993.00)	(1,648,360.00)	(1,623,038.00)	(1,640,440.96)	(1,633,737.56)	(1,559,885.21)	(1,666,163.59)	(1,703,678.39)
Total District Expenses	\$ (66,169,771.00)	\$ (67,976,834.00)	\$ (66,178,163.00)	\$ (61,881,002.00)	\$ (62,693,187.06)	\$ (65,169,535.96)	\$ (66,235,426.88)	\$ (75,142,425.72)	\$ (71,795,935.59)
Program Revenues:									
Governmental Activities:									
Charges for Services:									
Instruction (Tuition)				\$ 121,211.00	\$ 105,994.46	\$ 90,686.00	\$ 105,195.20	\$ 113,801.50	\$ 115,147.50
Pupil Transportation					99,099.47	122,583.89	106,837.10	88,230.17	78,038.67
Operating Grants and Contributions	1,696,747.00	1,476,845.00	1,804,257.00	1,769,685.00	6,255,615.07	6,881,736.97	6,237,529.41	13,127,677.98	7,431,068.28
Total Governmental Activities Program Revenues	1,696,747.00	1,476,845.00	1,804,257.00	1,890,896.00	6,460,709.00	7,095,006.86	6,449,561.71	13,329,709.65	7,624,254.45
Business-Type Activities:									
Charges for Services:									
Food Service	1,016,353.00	1,042,034.00	1,032,201.00	994,623.00	973,945.47	896,275.13	928,747.72	947,758.19	933,213.12
Other Activities	19,684.00	31,348.00	39,525.00	33,869.00	38,756.00	41,433.75	33,600.00	36,452.00	32,430.45
Operating Grants and Contributions	411,702.00	490,791.00	606,561.00	607,815.00	716,882.52	614,195.64	658,373.49	723,361.77	725,547.68
Total Business-Type Activities Program Revenues	1,447,739.00	1,564,173.00	1,678,287.00	1,636,307.00	1,729,583.99	1,551,904.52	1,620,721.21	1,707,571.96	1,691,191.25
Total District Program Revenues	\$ 3,144,486.00	\$ 3,041,018.00	\$ 3,482,544.00	\$ 3,527,203.00	\$ 8,190,292.99	\$ 8,646,911.38	\$ 8,070,282.92	\$ 15,037,281.61	\$ 9,315,445.70
Net (Expense)/Revenue:									
Governmental Activities	\$ (63,001,128.00)	\$ (64,984,996.00)	\$ (62,725,546.00)	\$ (58,367,068.00)	\$ (54,592,037.10)	\$ (56,440,791.54)	\$ (58,225,979.96)	\$ (60,146,552.48)	\$ (62,468,002.75)
Business-Type Activities	(24,157.00)	49,180.00	29,927.00	13,269.00	89,143.03	(81,833.04)	60,836.00	41,408.37	(12,487.14)
Total District-wide Net (Expense)/Revenue	\$ (63,025,285.00)	\$ (64,935,816.00)	\$ (62,695,619.00)	\$ (58,353,799.00)	\$ (54,502,894.07)	\$ (56,522,624.58)	\$ (58,165,143.96)	\$ (60,105,144.11)	\$ (62,480,489.89)

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

CHANGES IN NET POSITION

LAST SIX FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Assets:									
Governmental Activities:									
Property Taxes Levied for General Purposes, Net	43,449,970.00	43,826,599.00	43,801,859.00	44,105,926.00	44,850,503.00	45,523,260.00	46,206,109.00	47,130,231.00	48,072,836.00
Taxes Levied for Debt Service	2,427,268.00	2,478,605.00	2,471,625.00	2,317,367.00	2,476,720.00	2,443,473.00	2,420,553.00	2,438,530.00	2,448,770.00
Unrestricted Grants and Contributions	18,015,034.00	16,795,524.00	16,745,405.00	14,772,491.00	12,092,970.61	12,527,494.95	12,457,914.69	12,695,618.18	12,782,832.47
Restricted Grants and Contributions					13,352.00	10,630.03	13,512.99	683,036.48	480,000.64
Tuition Received	83,724.00	74,491.00	114,095.00	121,211.00					
Miscellaneous Income	277,801.00	388,685.00	296,007.00	55,711.00	105,755.22	525,902.15	341,192.30	438,502.41	305,979.86
Investment Earnings	209,731.00	39,393.00	7,245.00	3,541.00	6,003.51	11,487.33			
Transfers and Other Adjustments							(8,135.00)	12,000.00	
Total Governmental Activities	64,463,528.00	63,603,297.00	63,436,236.00	61,376,247.00	59,545,304.34	61,042,247.46	61,431,146.98	63,397,918.07	64,090,418.97
Business-Type Activities:									
Other				7,328.00					
Transfers		82,343.00					8,135.00		
Total Business-Type Activities		82,343.00		7,328.00			8,135.00		
Total District-wide	\$ 64,463,528.00	\$ 63,685,640.00	\$ 63,436,236.00	\$ 61,383,575.00	\$ 59,545,304.34	\$ 61,042,247.46	\$ 61,439,281.98	\$ 63,397,918.07	\$ 64,090,418.97
Changes in Net Assets:									
Governmental Activities	\$ 1,462,400.00	\$ (1,381,699.00)	\$ 710,690.00	\$ 3,009,179.00	\$ 4,953,267.24	\$ 4,601,455.92	\$ 3,205,167.02	\$ 3,251,365.59	\$ 1,622,416.22
Business-Type Activities	(24,157.00)	131,523.00	29,927.00	20,597.00	89,143.03	(81,833.04)	68,971.00	41,408.37	(12,487.14)
Total District	\$ 1,438,243.00	\$ (1,250,176.00)	\$ 740,617.00	\$ 3,029,776.00	\$ 5,042,410.27	\$ 4,519,622.88	\$ 3,274,138.02	\$ 3,292,773.96	\$ 1,609,929.08

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

FUND BALANCES, GOVERNMENTAL FUNDS

LAST NINE FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund:									
Restricted				\$ 4,141,147.00	\$ 9,938,971.64	\$ 14,087,203.56	\$ 8,943,379.26	\$ 9,183,044.23	\$ 7,559,693.02
Assigned				1,990,219.00	683,066.14	285,498.06	682,422.79	1,320,811.74	493,434.52
Committed							2,609,195.00	0.06	2,252.78
Unassigned				257,969.00	121,177.68	107,964.79	49,560.88	94,491.87	396,546.20
Reserved	1,734,710.00	2,706,474.00	2,827,016.00						
Unreserved	<u>842,783.00</u>	<u>298,074.00</u>	<u>519,696.00</u>						
Total General Fund	\$ <u>2,577,493.00</u>	\$ <u>3,004,548.00</u>	\$ <u>3,346,712.00</u>	\$ <u>6,389,335.00</u>	\$ <u>10,743,215.46</u>	\$ <u>14,480,666.41</u>	\$ <u>12,284,557.93</u>	\$ <u>10,598,347.90</u>	\$ <u>8,451,926.52</u>
All Other Governmental Funds:									
Committed	\$	\$	\$	\$	12,187.00	\$	\$	512,077.65	2,317,275.42
Reserved	337,047.00	6,378.00							
Unreserved, Reported In:									
Special Revenue Fund	(25,696.00)								
Capital Projects Fund								1,064,367.62	(1,952,971.09)
Debt Service Fund	<u>5,315.00</u>	<u>162,734.00</u>	<u>162,738.00</u>	<u>4.00</u>	<u>0.27</u>	<u>1.34</u>	<u>1.43</u>	<u>1.43</u>	<u>1.43</u>
Total All Other Governmental Funds	\$ <u>316,666.00</u>	\$ <u>169,112.00</u>	\$ <u>162,738.00</u>	\$ <u>4.00</u>	\$ <u>12,187.27</u>	\$ <u>1.34</u>	\$ <u>1.43</u>	\$ <u>1,576,446.70</u>	\$ <u>364,305.76</u>

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
 LAST NINE FISCAL YEARS
 (MODIFIED ACCRUAL BASIS OF ACCOUNTING)
 (UNAUDITED)

	2008	2009	2010	2011	2012	2013	2014	2015	2016
Revenues									
Tax Levy	45,877,238.00 \$	46,305,204.00 \$	46,273,484.00 \$	46,423,293.00 \$	47,327,223.00 \$	47,966,733.00 \$	48,626,662.00 \$	49,568,761.00 \$	50,521,606.00
Tuition Charges	83,724.00	74,491.00	114,095.00	121,211.00	105,994.46	90,686.00	105,195.20	113,801.50	115,147.50
Transportation Fees	92,032.00	112,047.00	118,583.00	125,580.00	99,099.47	122,583.89	106,837.10	88,230.17	78,038.67
Miscellaneous	408,032.00	420,577.00	217,960.00	102,300.00	149,687.67	567,086.32	379,397.02	510,801.42	350,066.52
State Sources	18,543,078.00	16,874,024.00	15,067,138.00	14,803,882.00	16,231,107.43	18,161,878.33	17,322,995.40	19,017,498.29	19,890,641.44
Federal Sources	1,156,171.00	1,398,345.00	3,449,233.00	1,690,877.00	2,092,901.31	1,228,286.78	1,347,756.97	1,414,793.34	1,448,119.29
Total Revenues	66,160,275.00	65,184,688.00	65,240,493.00	63,267,143.00	66,006,013.34	68,137,254.32	67,888,843.69	70,713,885.72	72,403,619.42
Expenditures:									
Instruction:									
Regular	18,565,643.00	18,608,236.00	18,460,986.00	17,321,662.00	17,410,361.25	18,210,424.22	18,954,329.42	18,687,500.03	19,183,784.11
Special	2,608,139.00	3,607,136.00	4,573,144.00	4,895,479.00	5,496,733.86	5,095,002.80	5,353,137.75	5,780,109.50	6,072,891.95
Other	2,871,535.00	3,391,977.00	1,395,431.00	2,372,717.00	2,222,570.65	2,285,794.42	2,223,951.66	2,268,791.17	2,489,126.45
Support Services:									
Tuition	4,843,586.00	4,938,097.00	4,877,910.00	4,396,674.00	3,639,959.86	3,029,097.85	2,396,195.41	2,499,060.76	2,748,344.69
Student & instruction related services	5,215,226.00	5,034,745.00	5,008,238.00	4,122,057.00	5,385,756.83	5,788,693.14	6,188,651.98	6,440,672.38	6,640,007.93
General Administrative Services					884,535.66	999,921.92	1,372,841.74	1,339,108.35	1,428,420.10
School Administrative Services	1,014,565.00	1,079,096.00	912,726.00	758,311.00	2,257,673.48	2,239,359.00	2,342,556.71	2,351,340.43	2,347,961.67
Central Services					453,032.02	484,258.51	484,733.31	517,277.81	567,492.52
Admin. Information Technology					235,185.19	152,443.59	150,468.43	167,293.04	183,549.49
Other Administrative Services	3,397,182.00	3,560,268.00	3,536,825.00	3,317,299.00					
Plant Operations and Maintenance	5,473,257.00	6,587,213.00	5,367,081.00	4,920,803.00	4,372,463.78	4,575,267.07	5,023,773.22	4,761,512.64	4,797,563.78
Student Transportation Services	2,654,973.00	2,570,611.00	2,556,743.00	2,728,276.00	2,660,672.92	2,749,771.83	2,697,326.83	2,836,086.37	2,759,656.96
Unallocated Employee Benefits	16,188,685.00	12,361,936.00	13,544,811.00	12,524,392.00	13,371,312.79	14,880,401.77	14,979,122.25	16,461,597.18	18,219,390.21
Summer School	112,594.00	59,358.00	88,404.00	120,282.00	105,193.15				
ARRA			1,710,066.00						
Debt Service:									
Principal	1,209,737.00	1,259,737.00	1,304,737.00	1,354,737.00	1,404,736.84	1,464,736.84	1,484,736.91	1,540,000.00	1,615,000.00
Interest and Other Charges	1,281,979.00	1,241,308.00	1,194,327.00	1,143,909.00	1,078,081.38	1,008,939.09	953,568.00	898,530.00	833,770.00
Capital Outlay	1,420,826.00	500,923.00	373,274.00	410,656.00	661,688.86	1,447,877.25	5,479,558.46	4,274,770.82	5,891,976.02
Total Expenditures	66,857,927.00	64,800,641.00	64,904,703.00	60,387,254.00	61,639,958.52	64,411,989.30	70,084,952.08	70,823,650.48	75,778,935.88
Excess/(Deficiency) of Revenues Over/(Under) Expenditures									
	(697,652.00)	384,047.00	335,790.00	2,879,889.00	4,366,054.82	3,725,265.02	(2,196,108.39)	(109,764.76)	(3,375,316.46)
Other Financing Sources/(Uses):									
Transfers In		155,459.00							
Transfers Out		(257,416.00)							
Accounts Receivable Cancelled		(2,589.00)							
Proceeds from Refunding Bonds					20,530,000.00				
Original Issue Premium					1,901,399.25				
Bonds Refunded					(21,400,000.00)				
Payment to Refunding Escrow Agent					(893,467.38)				
Cost of Issuance of Refunding Bonds					(137,931.87)				
Total Other Financing Sources/(Uses)		(104,546.00)							
Net Change in Fund Balances	(697,652.00)	279,501.00	335,790.00 \$	2,879,889.00 \$	4,366,054.82 \$	3,725,265.02 \$	(2,196,108.39) \$	(109,764.76) \$	(3,375,316.46)
Debt Service as a Percentage of Noncapital Expenditures									
	3.81%	3.89%	3.87%	4.17%	4.07%	3.93%	3.77%	3.66%	3.50%

Source: District records

Note: Noncapital expenditures are total expenditures less Capital Outlay.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Tuition</u>	<u>Transportation</u>	<u>Interest on</u> <u>Investments</u>	<u>Accounts</u> <u>Payable</u> <u>Cancelled</u>	<u>Miscellaneous</u>	<u>Annual</u> <u>Totals</u>
2007	\$ 68,326.00	\$ 122,326.00	\$ 258,343.00	- \$	\$ 162,513.00	611,508.00
2008	83,724.00	92,032.00	11,526.00	-	396,506.00	583,788.00
2009	74,491.00	112,047.00	39,393.00	-	381,184.00	607,115.00
2010	114,095.00	118,583.00	7,245.00	-	210,715.00	450,638.00
2011	121,211.00	125,580.00	3,541.00	-	51,342.00	301,674.00
2012	105,994.46	99,099.47	7,428.13	-	104,330.60	316,852.66
2013	90,686.00	122,583.89	14,856.95	390,624.75	131,907.78	750,659.37
2014	105,195.20	106,837.10	8,156.69	-	328,289.37	548,478.36
2015	113,801.50	88,230.17	5,757.03	54,159.57	373,267.06	635,215.33
2016	115,147.50	78,038.67	4,764.52	241.50	297,348.18	495,540.37

Source: District records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

ABERDEEN TOWNSHIP

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ending June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment
2007	\$ 14,668,230	\$ 711,414,730	\$ 861,700	\$ 94,800	\$ 87,610,300	\$ 11,849,700	\$ 15,392,900
2008	14,636,030	713,846,480	706,700	89,500	86,394,000	11,849,700	15,392,900
2009*	50,114,700	1,744,702,500	1,950,700	56,900	234,349,900	9,695,700	45,556,600
2010	52,040,200	1,743,737,100	1,665,800	59,500	232,811,300	9,695,700	45,979,900
2011	51,016,100	1,746,861,700	1,665,800	59,500	234,030,300	9,695,700	45,979,900
2012	36,662,900	1,746,720,800	1,671,200	67,800	233,402,500	9,695,700	40,400,800
2013	35,814,450	1,745,296,900	1,671,200	54,600	232,175,600	9,695,700	40,400,800
2014	42,063,400	1,668,574,650	1,622,700	54,900	231,509,900	9,710,700	37,372,000
2015	34,997,400	1,696,513,500	1,636,300	38,200	225,377,800	9,710,700	37,386,000

	Total Assessed Value	Less: Tax-Exempt Property	Public Utilities ^a	Net Valuation Taxable	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate ^b
2007	841,892,360	-	1,049,416	842,941,776	N/A	3.605
2008	842,915,310	-	1,069,982	843,985,292	2,233,718,408	3.685
2009*	2,086,427,000	-	2,922,012	2,089,349,012	2,226,665,921	1.489
2010	2,085,989,500	-	2,804,792	2,088,794,292	2,190,617,190	1.487
2011	2,089,309,000	-	2,869,478	2,092,178,478	2,159,909,536	1.508
2012	2,068,621,700	-	3,160,148	2,071,781,848	2,110,772,680	1.563
2013	2,065,109,250	-	-0-	2,065,109,250	2,028,395,295	1.598
2014	1,990,908,250	(28,300.00)	-0-	1,990,879,950	1,999,678,536	1.691
2015	2,005,659,900	(28,300.00)	-0-	2,005,631,600	2,076,708,282	1.714

Source: Abstract of Ratables

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

* Aberdeen Township underwent a revaluation in 2009

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

b Tax rates are per \$100

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

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY

MATAWAN BOROUGH

LAST TEN FISCAL YEARS

(UNAUDITED)

Fiscal Year Ending June 30,	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Partial Exemptions and Abatements</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>
2007	\$ 4,178,775	\$ 333,933,659	\$ -	\$ -	\$ 61,175,500	\$ 4,481,200	\$ 28,043,000
2008*	8,867,500	803,708,700	-	1,141,800	132,252,700	9,729,100	79,655,900
2009	14,762,100	803,358,500	-	1,255,600	133,313,800	9,729,100	78,493,600
2010	13,112,200	811,496,200	-	981,100	133,623,900	9,729,100	77,906,400
2011	8,561,900	821,454,800	-	809,000	136,553,300	8,854,000	76,764,800
2012	6,565,100	821,597,000	-	202,300	133,891,900	8,854,000	71,323,100
2013	5,166,300	822,359,100	-	222,300	133,916,700	8,854,000	69,394,100
2014	4,492,700	733,473,400	-	273,900	131,837,800	8,854,000	67,274,700
2015	10,110,500	737,787,300	-	196,100	136,005,600	5,144,200	76,687,800
	<u>Total Assessed Value</u>	<u>Less: Tax-Exempt Property</u>	<u>Public Utilities^a</u>	<u>Net Valuation Taxable</u>	<u>Estimated Actual (County Equalized) Value</u>	<u>Total Direct School Tax Rate^b</u>	
2007	431,812,134	-	731,572	432,543,706	1,013,331,556	3.37	
2008*	1,035,355,700	(1,141,800.00)	1,742,227	1,035,956,127	1,086,125,096	1.447	
2009	1,040,912,700	(1,255,600)	3,348,712	1,043,005,812	1,089,967,721	1.456	
2010	1,046,848,900	(981,100)	1,785,231	1,047,653,031	1,082,020,202	1.459	
2011	1,052,997,800	(809,000)	1,978,012	1,054,166,812	1,006,262,445	1.453	
2012	1,042,433,400	(202,300)	2,047,771	1,044,278,871	975,095,199	1.463	
2013	1,039,912,500	(222,300)	-	1,039,690,200	923,922,687	1.472	
2014	946,206,500	(273,900)	-	945,932,600	911,390,885	1.632	
2015	965,931,500	(196,100)	-	965,735,400	1,016,280,693	1.622	

Source: Abstract of Ratables

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each County Board of Taxation. Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

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

b Tax rates are per \$100

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

* Matawan Boro underwent a revaluation for 2008

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS
(RATE PER \$100 OF ASSESSED VALUE)
(UNAUDITED)

Fiscal Year Ending June 30,	Matawan-Aberdeen Regional School District Direct Rate						Overlapping Rates				Total Direct and Overlapping Tax Rate	
	Basic Rate ^a		General Obligation Debt Service ^a		Total Direct School Tax Rate		Municipality of		Monmouth County		Municipality of	
	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough	Aberdeen Township	Matawan Borough
2007	3.555	3.220			3.605	3.367	0.829	1.303	0.633	0.610	5.067	5.280
2008	3.605	1.370	0.195	0.077 **	3.685	1.447 **	0.926	0.597 *	0.649	0.257	5.260	2.301
2009	3.685	1.378 **	0.080	0.078	1.489 **	1.456	0.393 **	0.623	0.263	0.260	2.145	2.339
2010	1.489 **	1.381	0.079 **	0.078	1.487	1.459	0.437	0.673	0.275	0.269	2.199	2.401
2011	1.433	1.380	0.075	0.073	1.508	1.453	0.440	0.707	0.281	0.267	2.229	2.427
2012	1.481	1.386	0.082	0.077	1.563	1.463	0.487	0.742	0.288	0.263	2.338	2.468
2013	1.517	1.397	0.081	0.075	1.598	1.472	0.505	0.752	0.297	0.272	2.400	2.496
2014	1.607	1.551	0.084	0.081	1.691	1.632	0.533	0.832	0.290	0.261	2.514	2.725
2015	1.630	1.542	0.084	0.080	1.714	1.622	0.550	0.836	0.296	0.277	2.560	2.735
2016	1.639	1.555	0.084	0.079	1.723	1.634	0.536	0.838	0.290	0.284	2.549	2.756

Source: Abstract of Ratables

Note: N.J.S.A. 18A:7F-5d limits the amount that the District can submit for a general fund tax levy. The levy, when added to other components of the District's net budget, may not exceed the prebudget year net budget by more than the spending growth limitation calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

- a The District's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net Valuation taxable.
- b Rates for debt service are based on each year's requirements.
- * The Borough of Matawan underwent a revaluation during 2008.
- ** The Township of Aberdeen underwent a revaluation during 2009.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICTPRINCIPAL PROPERTY TAXPAYERSCURRENT YEAR AND NINE YEARS AGO
(UNAUDITED)ABERDEEN TOWNSHIP

	2016			2007		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1	\$ 20,918,800	1	1.04%	\$ N/A	1	0%
Taxpayer 2	15,232,500	2	0.76%	N/A	2	0%
Taxpayer 3	13,557,400	3	0.68%	N/A	3	0%
Taxpayer 4	12,700,000	4	0.63%	N/A	4	0%
Taxpayer 5	10,071,600	5	0.50%	N/A	5	0%
Taxpayer 6	9,871,500	6	0.49%	N/A	6	0%
Taxpayer 7	9,092,200	7	0.45%	N/A	7	0%
Taxpayer 8	8,725,000	8	0.44%	N/A	8	0%
Taxpayer 9	6,694,400	9	0.33%	N/A	9	0%
Taxpayer 10	6,475,900	10	0.32%	N/A	10	0%
Total	<u>\$ 113,339,300</u>		<u>5.64%</u>	<u>\$ N/A</u>		<u>0%</u>

MATAWAN BOROUGH

	2016			2007		
	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value	Taxable Assessed Value	Rank (Optional)	% of Total District Net Assessed Value
Taxpayer 1	\$ 22,214,000	1	2.30%	\$ N/A	1	0%
Taxpayer 2	18,810,000	2	1.95%	N/A	2	0%
Taxpayer 3	11,205,800	3	1.16%	N/A	3	0%
Taxpayer 4	10,986,400	4	1.14%	N/A	4	0%
Taxpayer 5	9,231,600	5	0.96%	N/A	5	0%
Taxpayer 6	7,540,000	6	0.78%	N/A	6	0%
Taxpayer 7	6,552,000	7	0.68%	N/A	7	0%
Taxpayer 8	6,474,000	8	0.67%	N/A	8	0%
Taxpayer 9	5,162,200	9	0.53%	N/A	9	0%
Taxpayer 10	5,140,800	10	0.53%	N/A	10	0%
Total	<u>\$ 103,316,800</u>		<u>10.70%</u>	<u>\$ N/A</u>		<u>0%</u>

N/A Not Available

Source: Municipal Tax Assessor

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

PROPERTY TAX LEVIES AND COLLECTIONS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended <u>June 30,</u>	Taxes Levied for the Fiscal Year	Collected Within the Fiscal Year of the Levy ^a		Collections in Subsequent Years
		<u>Amount</u>	<u>Percentage of Levy</u>	
2007	\$ 44,821,367	\$ 44,821,367	100.00%	\$ -
2008	45,877,238	45,877,238	100.00%	-
2009	46,305,204	46,305,204	100.00%	-
2010	46,273,484	46,273,484	100.00%	-
2011	46,423,293	46,423,293	100.00%	-
2012	47,327,223	47,327,223	100.00%	-
2013	47,966,733	47,966,733	100.00%	-
2014	48,571,807	48,516,952	99.00%	\$ 54,855
2015	49,568,761	49,568,761	100.00%	
2016	50,521,606	50,521,606	100.00%	

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

- a School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance, in the amount voted upon or certified prior to the end of the school year.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Governmental Activities</u>		<u>Total</u> <u>District</u>	<u>Percentage of</u> <u>Personal</u> <u>Income^a</u>	<u>Per</u> <u>Capita^a</u>
	<u>General</u> <u>Obligation</u> <u>Bonds^b</u>	<u>Capital</u> <u>Leases</u>			
2007	\$ 31,213,156.00	\$ 1,939,099.00	\$ 33,152,255.00	2.08%	\$ 58,503.00
2008	30,003,421.00	1,119,707.00	31,123,128.00	1.94%	59,215.00
2009	28,743,684.00	131,844.00	28,875,528.00	1.85%	56,965.00
2010	27,438,947.00	67,230.65	27,506,177.65	1.77%	57,387.00
2011	26,084,210.00	-	26,084,210.00	1.62%	59,875.00
2012	23,809,473.68	-	23,809,473.68	1.43%	61,997.00
2013	22,344,736.88	-	22,344,736.88	1.32%	62,901.00
2014	20,860,000.00	-	20,860,000.00	1.17%	66,019.00
2015	19,320,000.00	-	19,320,000.00	N/A	N/A
2016	17,705,000.00	101,104.44	17,806,104.44	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

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

b Includes Early Retirement Incentive Plan ("ERIP") refunding

N/A Not available at the time of audit

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>General Bonded Debt Outstanding</u>			<u>Percentage of</u> <u>Actual Taxable</u> <u>Value^a of</u> <u>Property</u>	<u>Per</u> <u>Capita^b</u>
	<u>General</u> <u>Obligation</u> <u>Bonds</u>	<u>Deductions</u>	<u>Net</u> <u>General</u> <u>Bonded Debt</u> <u>Outstanding</u>		
2007	\$ 31,213,156.00	\$ 4,245,000.00	\$ 26,968,156.00	2.11%	\$ 989.84
2008	28,743,684.00	3,855,000.00	24,888,684.00	1.32%	917.49
2009	27,438,947.00	3,450,000.00	23,988,947.00	0.77%	873.21
2010	26,084,210.00	3,025,000.00	23,059,210.00	0.74%	853.38
2011	23,809,473.68	2,580,000.00	21,229,473.68	0.68%	787.36
2012	23,809,473.68	2,115,000.00	21,694,473.68	0.70%	805.44
2013	22,344,736.88	1,625,000.00	20,719,736.88	0.67%	768.28
2014	20,860,000.00	1,110,000.00	19,750,000.00	0.67%	731.21
2015	19,320,000.00	570,000.00	18,750,000.00	0.63%	685.41
2016	17,705,000.00	-0-	17,705,000.00	N/A	N/A

Note: Details regarding the District's outstanding debt can be found in the Notes to the Financial Statements.

- a See Exhibit NJ J-6 for property tax data.
- b Population data can be found in Exhibit NJ J-14.
- N/A Not available at the time of audit.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF DECEMBER 31, 2015

(UNAUDITED)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Gross Debt Repaid with Property Taxes:			
Aberdeen Township	\$ 36,978,885	100%	\$ 36,978,885
Matawan Borough	28,426,668	100%	28,426,668
Monmouth County General Obligation Debt -Aberdeen Township	932,810,000	1.792%	16,717,361
Monmouth County General Obligation Debt -Matawan Borough	932,810,000	0.810%	7,560,320
Subtotal, Overlapping Debt			<u>89,683,235</u>
Matawan-Aberdeen Regional School District Direct Debt			<u>18,275,000</u>
Total Direct and Overlapping Debt			<u>\$ 107,958,235</u>

Sources: Assessed value data used to estimate applicable percentages provided by the Monmouth County Board of Taxation.
 Debt Outstanding data provided by each governmental unit.
 Overlapping County Debt provided by the County Finance Department.

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 Aberdeen Township and Matawan Borough. 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.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS
(UNAUDITED)

Legal Debt Margin Calculation for Fiscal Year 2015

Equalized Valuation Basis

	2015	\$ 3,092,988,975
	2014	2,911,069,421
	2013	<u>2,952,317,982</u>
	(A)	<u>\$ 8,956,376,378</u>
Average Equalized Valuation of Taxable Property	(A/3)	\$ 2,985,458,793
Debt Limit (4% of Average Equalization Value)	(B)	119,418,352
Total Net Debt Applicable To Limit	(C)	<u>17,705,000</u>
Legal Debt Margin	(B-C)	<u>\$ 101,713,352</u>

	Fiscal Year				
	2006	2007	2008	2009	2010
Debt Limit	\$ 95,138,795	\$ 109,061,137	\$ 121,814,306	\$ 129,007,984	\$ 130,943,029
Total Net Debt Applicable To Limit	<u>32,392,893</u>	<u>31,213,156</u>	<u>30,003,421</u>	<u>28,743,684</u>	<u>27,438,947</u>
Legal Debt Margin	<u>\$ 62,745,902</u>	<u>\$ 77,847,981</u>	<u>\$ 91,810,885</u>	<u>\$ 100,264,300</u>	<u>\$ 103,504,082</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	34.05%	28.62%	24.63%	22.28%	20.95%
	2011	2012	2013	2014	2015
Debt Limit	\$ 127,795,314	\$ 125,553,347	\$ 122,590,699	\$ 119,253,965	\$ 119,418,352
Total Net Debt Applicable To Limit	<u>23,504,210</u>	<u>20,719,737</u>	<u>19,750,000</u>	<u>18,750,000</u>	<u>17,705,000</u>
Legal Debt Margin	<u>\$ 100,264,300</u>	<u>\$ 103,504,082</u>	<u>\$ 102,840,699</u>	<u>\$ 100,503,965</u>	<u>\$ 101,713,352</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.28%	20.95%	18.39%	16.50%	14.83%

Source: Equalized valuation bases were obtained from the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation.

- a Limit set by N.J.S.A. 18A:24-19 for a K through 12 District; other percentage limits would be applicable for other District types.
- b Equalized valuations utilized are from the annual debt statements as of December 31, 2015

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICTDEMOGRAPHIC AND ECONOMIC STATISTICSLAST TEN FISCAL YEARS(UNAUDITED)

<u>Year</u>	<u>Population^a</u>	<u>Personal Income^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>	
				<u>Matawan</u>	<u>Aberdeen</u>
2006	27,461	1,505,494,403	54,823	4.50%	3.40%
2007	27,245	1,593,914,235	58,503	4.10%	3.10%
2008	27,127	1,606,325,305	59,215	5.30%	4.00%
2009	27,472	1,564,942,480	56,965	8.70%	6.60%
2010	27,021	1,550,654,127	57,387	8.80%	6.70%
2011	26,963	1,614,409,625	59,875	8.90%	6.80%
2012	26,935	1,669,889,195	61,997	9.20%	7.10%
2013	26,969	1,696,377,069	62,901	8.40%	8.30%
2014	27,010	1,783,173,190	66,019	6.60%	6.20%
2015	27,356	N/A	N/A	5.40%	5.00%

Source:

^a Population information provided by the NJ Department of Labor and Workforce Development.^b Personal income has been estimated based upon the municipal population and per capita personal income presented.^c Per capita personal income by municipality estimated based upon the 2000 Census published by the US Bureau of Economic Analysis and includes both the Borough of Matawan And Township of Aberdeen^d Unemployment data provided by the NJ Department of Labor and Workforce Development.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

PRINCIPAL EMPLOYERS

CURRENT YEAR AND TEN YEARS AGO
(UNAUDITED)

ABERDEEN TOWNSHIP

<u>Employer</u>	<u>2016</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
UNAVAILABLE		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

MATAWAN BOROUGH

<u>Employer</u>	<u>2016</u>			<u>2006</u>		
	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>	<u>Employees</u>	<u>Rank (Optional)</u>	<u>Percentage of Total Municipal Employment</u>
UNAVAILABLE		1			1	
		2			2	
		3			3	
		4			4	
		5			5	
		6			6	
		7			7	
		8			8	
		9			9	
		10			10	
<u>Total</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Information not available at time of CAFR preparation

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS
(UNAUDITED)

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instruction:										
Regular	344	329	304	308	316	300	310	306	309	306
Special Education	40	42	39	33	60	57	62	64	67	81
Other Instruction										
Support Services:										
Student and Instruction Related Services	68	68	92	65	59	58	58	65	63	73
General Administration	7	7	7	13	18	20	19	21	21	12
School Administrative Services	35	35	38	38	28	34	33	34	38	34
Central Services	7	7	7	3	2	2	2	2	2	6
Administrative Information Technology			6	2	2	4	3	3	3	4
Plant Operations and Maintenance	45	44	43	38	6	6	7	7	7	13
Pupil Transportation	22	22	26	33	29	34	28	33	27	30
Total	<u>568</u>	<u>554</u>	<u>562</u>	<u>533</u>	<u>520</u>	<u>515</u>	<u>522</u>	<u>535</u>	<u>537</u>	<u>559</u>

Source: District Personnel Records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS
(UNAUDITED)

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^d	Percentage Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2007	3,828.0	\$ 60,750,522	15,870	4.87%	384	1:14	1:12	1:12	3,735.3	3,677.0	-2.37%	98.44%
2008	3,840.0	61,706,025	16,069	1.26%	371	1:14	1:12	1:12	3,713.4	3,546.1	-0.59%	95.49%
2009	3,861.0	61,798,673	16,006	-0.39%	374	1:10	1:11	1:10	3,740.3	3,524.8	0.72%	94.24%
2010	3,860.0	62,032,365	16,071	0.40%	374	1:10	1:11	1:10	3,802.2	3,551.6	1.65%	93.41%
2011	3,871.5	57,477,952	14,846	-7.62%	376	1:10	1:11	1:10	3,783.0	3,625.6	-0.50%	95.84%
2012	3,839.5	58,495,451	15,235	2.62%	357	1:9	1:10	1:9	3,863.2	3,598.4	2.12%	93.15%
2013	3,841.5	60,490,436	15,747	3.36%	372	1:11	1:10	1:10	3,770.0	3,689.5	-2.41%	97.86%
2014	3,783.0	62,167,089	16,433	4.36%	370	1:11	1:9	1:9	3,803.6	3,595.8	0.89%	94.54%
2015	3,824.0	64,110,350	16,765	2.02%	376	1:11	1:10	1:9	3,846.9	3,631.4	1.14%	94.40%
2016	3,767.5	67,438,190	17,900	6.77%	387	1:10	1:10	1:10	3,770.3	3,597.5	-1.99%	95.42%

Source: District records

Note: Enrollment based on annual October District count.

- a Operating expenditures equal total expenditures less debt service and capital outlay.
- b Teaching staff includes only full-time equivalents of certificated staff.
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

SCHOOL BUILDING INFORMATION

LAST SEVEN FISCAL YEARS
(UNAUDITED)

<u>District/Building</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Elementary:							
Cambridge Park Elementary							
Square Feet	21,800	21,800	21,800	21,800	21,800	21,800	46,500
Capacity (Students)	86	86	120	120	120	120	120
Enrollment	86	86	118	80	82	79	80
Cliffwood Elementary School							
Square Feet	66,376	66,376	66,376	66,376	66,376	66,376	67,300
Capacity (Students)	342	342	342	342	342	342	342
Enrollment	340	340	337	325	318	364	353
Lloyd Road School							
Square Feet	70,581	70,581	70,581	70,581	70,581	70,581	102,300
Capacity (Students)	621	621	621	621	621	621	621
Enrollment	556	556	592	586	596	563	593
Ravine Drive School							
Square Feet	46,879	46,879	46,879	46,879	46,879	46,879	46,800
Capacity (Students)	355	355	400	400	400	400	400
Enrollment	352	352	390	390	398	408	377
Strathmore Elementary School							
Square Feet	58,513	58,513	58,513	58,513	58,513	58,513	63,000
Capacity (Students)	463	463	463	463	463	463	463
Enrollment	470	470	516	504	502	516	464
Middle School:							
Matawan Avenue Middle School							
Square Feet	136,032	136,032	136,032	136,032	136,032	136,032	136,000
Capacity (Students)	1,225	1,225	1,225	1,225	1,225	1,225	1,225
Enrollment	903	903	847	870	866	898	888
High School:							
Matawan Regional High School							
Square Feet	161,388	161,388	161,388	161,388	161,388	161,388	153,900
Capacity (Students)	1,509	1,509	1,509	1,509	1,509	1,509	1,509
Enrollment	1,153	1,153	1,047	1,073	1,040	1,034	1,030

Number of Schools at June 30, 2016

- Elementary = 5
- Middle School = 1
- Senior High School = 1
- Other = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October District count.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

SCHEDULE OF REQUIRED MAINTENANCE

LAST EIGHT FISCAL YEARS
(UNAUDITED)

UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES

	*School Facilities Project # (s)	Cliffwood Elementary	Lloyd Road Elementary	Ravine Drive Elementary	Strathmore Elementary	Matawan Avenue Middle School	Matawan Regional High School	Other Facilities	Total
2007	N/A	\$ 71,004.00	\$ 111,407.00	\$ 71,722.00	\$ 73,588.00	\$ 150,716.00	\$ 216,672.00	\$ 45,185.00	\$ 740,294.00
2008	N/A	76,928.00	83,921.00	55,947.00	69,934.00	160,849.00	195,816.00	55,947.00	699,342.00
2009	N/A	87,584.00	95,547.00	63,698.00	79,622.00	183,131.00	222,942.00	63,697.00	796,221.00
2010	N/A	99,357.00	108,390.00	72,260.00	90,325.00	207,747.00	252,909.00	72,259.00	903,247.00
2011	N/A	83,739.00	88,881.00	58,765.00	73,456.00	171,151.00	203,472.00	55,091.00	734,555.00
2012	N/A	68,347.00	72,544.00	47,962.00	59,953.00	139,691.00	166,071.00	44,965.00	599,533.00
2013	N/A	111,099.00	117,921.00	77,964.00	97,455.00	227,070.00	269,951.00	73,091.00	974,551.00
2014	N/A	111,495.00	118,341.00	78,242.00	97,803.00	227,880.00	270,913.00	73,352.00	978,026.00
2015	N/A	96,823.00	102,769.00	67,946.00	84,933.00	197,893.00	235,263.00	63,699.00	849,326.00
2016	N/A	104,430.00	159,040.00	75,688.00	97,723.00	210,777.00	238,561.00	71,856.00	958,075.00
Total School Facilities		<u>\$ 910,806.00</u>	<u>\$ 1,058,761.00</u>	<u>\$ 670,194.00</u>	<u>\$ 824,792.00</u>	<u>\$ 1,876,905.00</u>	<u>\$ 2,272,570.00</u>	<u>\$ 619,142.00</u>	<u>\$ 8,233,170.00</u>

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

Source: District records

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT

INSURANCE SCHEDULE

JUNE 30, 2016
(UNAUDITED)

	<u>Carrier</u>	<u>Coverage</u>	<u>Deductible</u>
School Package Policy:			
Property - Blanket Building and Contents	(1)	\$ 165,778,378	\$ 5,000
EDP Hardware/Software	(1)	2,250,000	1,000
Extra Expense	(1)	50,000,000	5,000
Valuable Papers and Records	(1)	10,000,000	5,000
Flood Zones A&V	(1)	75,000,000	500,000
Flood Zone B	(1)	75,000,000	10,000
Earthquake	(1)	50,000,000	5,000
CRIME Public Employee Dishonesty	(1)	1,000,000	1,000
Loss of Money & Securities	(1)	50,000	500
Money Orders & Counterfeit	(1)	50,000	500
Forgery or Alteration	(1)	1,000,000	1,000
Computer Fraud	(1)	1,000,000	1,000
GENERAL LIABILITY - Each Occurrence	(1)	11,000,000	
Products/Completed Operations	(1)	11,000,000	
Sexual Abuse	(1)	11,000,000	
Personal & Advertising Injury	(1)	11,000,000	
Employee Benefits	(1)	11,000,000	1,000
Medical Payments	(1)	10,000	
Boiler & Machinery - Energy Systems	(1)	100,000,000	5,000
Automobile Policy - Auto Liability - General Security	(1)	11,000,000	
Garage Liability	(1)	Included	
Collision & Comprehensive	(1)		1,000
Uninsured/Underinsured	(1)	1,000,000	
Personal Injury Protection	(1)	250,000	
Medical Payments	(1)	10,000	
Hired Car Physical Damage	(1)	110,000	
Hired & Non-Owned Auto Liability	(1)	1,000,000	
School Board Legal Liability (E&O)	(1)	11,000,000	5,000
Extended Reporting Option	(1)		
Workers' Compensation - ERIC/NJSBAIG	(1)	Statutory	
Bodily Injury By Accident	(1)	2,000,000	
Bodily Injury By Disease	(1)	2,000,000	
Supplemental Workers' Compensation Policy	(1)	52 weeks	7 days
Pollution Legal Liability - Environmental Impairment	(1)	1,000,000	10,000
Catastrophic Excess Umbrella Policy	(3)	50,000,000	
Compulsory Student Accident - Incl Athletics	(2)	5,000,000	
Compulsory Student Accident - Excl Athletics	(2)	1,000,000	
Surety Bonds:			
Treasurer	(1)	350,000	1,000
Board Secretary/Business Administrator	(4)	150,000	

List Insurance Company:

- (1) NJSBAIG
- (2) Bollinger Insurance Co.
- (3) Fireman's Fund
- (4) Selective

Source: District records

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SINGLE AUDIT SECTION



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF BASIC FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, 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, the financial statements of Matawan-Aberdeen Regional School District (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated October 28, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Matawan-Aberdeen Regional School 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 District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

SUPLEE, CLOONEY & COMPANY

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 District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*

Purpose of This Report

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


CERTIFIED PUBLIC ACCOUNTANTS


PUBLIC SCHOOL ACCOUNTANT NO. 948

October 28, 2016



SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
WITH REQUIREMENTS APPLICABLE TO EACH MAJOR FEDERAL
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE
WITH THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08**

Honorable President and Members
of the Board of Education
Matawan-Aberdeen Regional School District
County of Monmouth
Aberdeen, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Matawan-Aberdeen Regional School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Matawan-Aberdeen Regional School District's major federal and state programs for the year ended June 30, 2016. The District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Matawan-Aberdeen Regional School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of 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 *New Jersey 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 federal or state program occurred. An audit includes examining, on a test basis, evidence about the Matawan-Aberdeen Regional School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the Matawan-Aberdeen Regional School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Matawan-Aberdeen Regional School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2016.

Report on Internal Control Over Compliance

Management of the Matawan-Aberdeen Regional School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Matawan-Aberdeen Regional School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with *the Uniform Guidance* and New Jersey 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 Matawan-Aberdeen Regional School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal 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 State of New Jersey OMB 15-08. Accordingly, this report is not suitable for any other purpose.



CERTIFIED PUBLIC ACCOUNTANTS



PUBLIC SCHOOL ACCOUNTANT NO. 948

October 28, 2016

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEARS ENDED JUNE 30, 2016

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FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT PERIOD		AWARD AMOUNT	BALANCE AT JUNE 30, 2015	PRIOR YEAR ADJUSTMENT	ADJUSTED BALANCE AT JUNE 30, 2015	CASH RECEIVED	BUDGETARY EXPENDITURES	BALANCE JUNE 30, 2016		
		FROM	TO							(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE GRANTOR
General Fund:												
U.S. Department of Education												
Passed-through State Department of Education:												
Medical Assistance Program (SEMI)	93.778	7/1/2015	6/30/2016	89,311.47	\$	\$	\$	\$ 89,311.47	\$ (89,311.47)	\$	\$	\$
Total General Fund								89,311.47	(89,311.47)			
Special Revenue Fund:												
U.S. Department of Education												
Passed-through State Department of Education:												
Title I	84.010	9/1/14	8/31/15	319,756.00		(129,574.91)	3,654.60	(125,920.31)	129,576.00			3,655.69
Title I	84.010	9/1/15	8/31/16	357,174.00				244,455.00	(337,744.45)	(93,289.45)		
Title II Part A	84.367	9/1/14	8/31/15	128,373.00	(35,632.78)		249.00	(35,383.78)	35,782.00			398.22
Title II Part A	84.367	9/1/15	8/31/16	81,908.00				45,385.00	(81,539.00)	(36,154.00)		
Title III Elementary	84.365	9/1/14	8/31/15	31,502.29	(5,429.89)		24.00	(5,405.89)	5,430.00			24.11
Title III Elementary	84.365	9/1/15	8/31/16	30,424.00				21,406.00	(27,676.00)	(6,270.00)		
I.D.E.A. Part B Special Education Cluster												
I.D.E.A. Part B	84.027	9/1/14	8/31/15	913,534.48	(75,921.38)		13,538.00	(62,383.38)	59,723.00		(2,660.38)	
I.D.E.A. Part B	84.027	9/1/15	8/31/16	917,139.00				788,173.00	(881,194.33)	(93,021.33)		
I.D.E.A. Preschool	84.173	9/1/14	8/31/15	19,676.00	(2,501.00)			(2,501.00)	2,501.00			
I.D.E.A. Preschool	84.173	9/1/15	8/31/16	21,707.00				18,746.00	(21,707.00)	(2,961.00)		
Total I.D.E.A. Part B Special Education Cluster					(78,422.38)		13,538.00	(64,884.38)	869,143.00	(902,901.33)	(98,642.71)	
Total U.S. Department of Education					(249,059.96)		17,465.60	(231,594.36)	1,351,177.00	(1,349,860.78)	(234,356.16)	4,078.02
Total Special Revenue Fund					(249,059.96)		17,465.60	(231,594.36)	1,351,177.00	(1,349,860.78)	(234,356.16)	4,078.02
Enterprise Fund:												
U.S. Department of Agriculture												
Passed-through State Department of Education:												
Child Nutrition Cluster:												
U.S.D.A. Commodities Program	10.555	7/1/14	6/30/15	129,308.34		8,004.89		8,004.89		(8,004.89)		
U.S.D.A. Commodities Program	10.555	7/1/13	6/30/14	109,708.42					142,687.94	(131,143.72)		11,544.22
National School Breakfast Program	10.553	7/1/14	6/30/15	59,915.74	(7,698.16)			(7,698.16)	7,698.16			
National School Breakfast Program	10.553	7/1/13	6/30/14	48,741.49					57,165.18	(65,010.02)	(7,844.84)	
National School Lunch Program	10.555	7/1/14	6/30/15	517,344.06	(52,088.46)			(52,088.46)	52,088.46			
National School Lunch Program	10.555	7/1/14	6/30/16	503,276.09				456,191.99	(503,276.09)	(47,084.10)		
Special Milk Program	10.556	7/1/14	6/30/15	1,873.71	(190.51)			(190.51)	190.51			
Special Milk Program	10.556	7/1/13	6/30/14	1,998.57				1,816.68	(2,024.38)	(207.70)		
Total Child Nutrition Cluster					(51,972.24)			(51,972.24)	717,838.92	(709,459.10)	(55,136.64)	11,544.22
Total Enterprise Fund					(51,972.24)			(51,972.24)	717,838.92	(709,459.10)	(55,136.64)	11,544.22
Total Federal Financial Assistance					\$ (301,032.20)	\$ 17,465.60	\$ (283,566.60)	\$ 2,158,327.39	\$ (2,148,631.35)	\$ (289,492.80)	\$ 15,622.24	\$

See accompanying notes to schedules of financial assistance.

MATAWAN-ABERDEEN REGIONAL SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE JUNE 30, 2015		BUDGETARY EXPENDITURES	ADJUSTMENTS/ REPAYMENT OF PRIOR YEAR'S BALANCES	BALANCE JUNE 30, 2016			MEMO CUMULATIVE		
				DUE STATE/ (ACCTS REC)	CASH RECEIVED			(ACCOUNTS RECEIVABLE)	UNEARNED REVENUE	DUE GRANTOR	BUDGETARY RECEIVABLE	TOTAL EXPENDITURES	
State Department of Education													
General Funds:													
State Aid Public - Cluster													
Equalization Aid	16-495-034-5120-078	7/1/15-6/30/16	\$ 9,282,899.00		\$ 8,366,499.00	\$ (9,282,899.00)	\$ 916,400.00				\$ 916,400.00	\$ 9,282,899.00	
Categorical Special Education Aid	16-495-034-5120-089	7/1/15-6/30/16	2,266,020.00		2,042,321.00	(2,266,020.00)	223,699.00				223,699.00	2,266,020.00	
Categorical Security Aid	16-495-034-5120-084	7/1/15-6/30/16	97,858.00		88,198.00	(97,858.00)	9,660.00				9,660.00	97,858.00	
Adjustment Aid	16-495-034-5120-085	7/1/15-6/30/16	259,694.00		234,057.00	(259,694.00)	25,637.00				25,637.00	259,694.00	
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	37,880.00		34,140.00	(37,880.00)	3,740.00				3,740.00	37,880.00	
PARCC Readiness	16-495-034-5120-098	7/1/15-6/30/16	37,880.00		34,140.00	(37,880.00)	3,740.00				3,740.00	37,880.00	
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	9,282,899.00		912,592.00	(912,592.00)						9,282,899.00	
Categorical Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	2,266,020.00		222,771.00	(222,771.00)						2,266,020.00	
Categorical Security Aid	15-495-034-5120-084	7/1/14-6/30/15	97,858.00		9,620.00	(9,620.00)						97,858.00	
Adjustment Aid	15-495-034-5120-085	7/1/14-6/30/15	259,694.00		25,531.00	(25,531.00)						259,694.00	
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	37,880.00		3,724.00	(3,724.00)						37,880.00	
PARCC Readiness	15-495-034-5120-098	7/1/14-6/30/15	37,880.00		3,724.00	(3,724.00)						37,880.00	
Total State Aid - Public Cluster					11,977,317.00	(11,982,231.00)	4,914.00				1,182,876.00	23,864,462.00	
Categorical Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	198,237.00		178,667.00	(198,237.00)	19,570.00				19,570.00	198,237.00	
Categorical Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	198,237.00		19,488.00	(19,488.00)						198,237.00	
Extraordinary Aid	100-034-5120-473	7/1/14-6/30/15	401,723.00	(401,723.00)	401,723.00							401,723.00	
Extraordinary Aid	100-034-5120-473	7/1/15-6/30/16	501,693.00			(501,693.00)		(501,693.00)			501,693.00	501,693.00	
Non-Public Transportation Aid	16-495-034-5120-014	7/1/14-6/30/15	17,723.00	(17,723.00)	17,723.00							17,723.00	
Non-Public Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	16,356.00			(16,356.00)		(16,356.00)			16,356.00	16,356.00	
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	7/1/14-6/30/15	1,960,132.81	(95,637.34)	95,637.34							1,960,132.81	
Reimbursed TPAF Social Security Contributions	16-495-034-5094-003	7/1/15-6/30/16	2,031,634.90		1,931,172.18	(2,031,634.90)		(100,462.72)			100,462.72	2,031,634.90	
Total General Funds				(515,063.34)	14,621,727.52	(14,730,151.90)	4,996.00		(618,511.72)		1,820,957.72	29,290,198.71	
Special Revenue Fund:													
Non-Public Textbooks	15-100-034-5120-064	7/1/14-6/30/15	12,154.00	303.00			(303.00)					12,154.00	
Non-Public Textbooks	16-100-034-5120-064	7/1/15-6/30/16	10,278.00		10,278.00	(8,554.18)				1,723.82		10,278.00	
Non-Public Corrective Speech	15-100-034-5120-066	7/1/14-6/30/15	3,180.00	1,896.00			(1,896.00)					3,180.00	
Non-Public Corrective Speech	16-100-034-5120-066	7/1/15-6/30/16	1,672.00		1,672.00				1,672.00			1,672.00	
Non-Public Examination & Classification	15-100-034-5120-066	7/1/14-6/30/15	2,520.00									2,520.00	
Non-Public Examination & Classification	16-100-034-5120-066	7/1/15-6/30/16	1,192.00		1,192.00					1,192.00		1,192.00	
Non-Public Supplemental Instruction	16-100-034-5120-066	7/1/15-6/30/16	743.00		743.00					743.00		743.00	
Non-Public Nursing	15-100-034-5120-070	7/1/14-6/30/15	19,349.00	187.00			(187.00)					19,349.00	
Non-Public Nursing	16-100-034-5120-070	7/1/15-6/30/16	16,200.00		16,200.00	(15,910.06)				289.94		16,200.00	
Non-Public Technology	15-100-034-5120-373	7/1/14-6/30/15	6,528.00	8.00			(8.00)				86.40	6,528.00	
Non-Public Technology	16-100-034-5120-373	7/1/15-6/30/16	4,680.00		4,680.00	(4,593.60)						4,680.00	
Non-Public Security	16-100-034-5120-016	7/1/15-6/30/16	4,500.00		4,500.00	(4,210.06)				289.94		4,500.00	
Total Special Revenue Fund				2,384.00	39,265.00	(33,267.90)	(2,394.00)			5,997.10		66,342.00	
Capital Projects Funds													
State of New Jersey School Development Authority													
Cambridge Park Elementary - HVAC Building Upgrades	3040-040-14-G2CS	7/1/14-6/30/16	107,000.00	(6,561.00)			(11,658.00)		(18,219.00)			11,658.00	
Matawan High School - Boiler & Fire Alarm System Replacement	3040-050-14-G2CT	7/1/14-6/30/16	460,000.00	(30,370.32)	68,102.24	(64,964.00)			(27,232.08)			64,964.00	
Matawan Ave Middle School - Boiler & Fire Alarm System Replacement	3040-053-14-G2CU	7/1/14-6/30/16	351,600.00	(145,399.57)	105,480.00	(50,984.00)			(90,903.57)			50,984.00	
Cliffwood Middle School - HVAC, Fire Alarm & Fire Door Replacement	3040-060-14-G2CV	7/1/14-6/30/16	292,200.00	(64,785.22)			(139,171.10)		(203,956.32)			139,171.10	
Lloyd Road Elementary School - HVAC & Fire Alarm System Replacement	3040-065-14-G2CW	7/1/14-6/30/16	406,000.00	(56,031.18)			(208,565.93)		(262,597.11)			208,565.93	
Ravine Drive Elementary School - Fire Alarm System Replacement	3040-075-14-G2CX	7/1/14-6/30/16	51,200.00	(22,840.00)	25,344.00	(3,630.20)			(1,126.20)			3,630.20	
Strathmore Elementary School - Fire Alarm System Replacement	3040-080-14-G2CY	7/1/14-6/30/16	66,000.00	(8,883.20)	17,900.71	(3,027.41)				5,990.10		3,027.41	
				(334,870.48)	216,826.95	(480,000.64)			(604,034.27)		5,990.10	480,000.64	
Enterprise Fund:													
National School Lunch Program (State Share)	15-100-034-5120-122	7/1/14-6/30/15	17,180.19	(1,565.96)	1,565.96							17,180.19	
National School Lunch Program (State Share)	16-100-034-5120-122	7/1/15-6/30/16	16,088.58		14,731.34	(16,088.58)					1,357.24	16,593.16	
Total Enterprise Fund				(1,565.96)	16,297.30	(16,088.58)			(1,357.24)			33,773.35	
Total State Financial Assistance Subject to OMB 04-04				\$ (849,125.78)	\$ 14,894,116.77	\$ (15,259,509.02)	\$ 2,602.00		\$ (1,223,903.23)	\$ 5,990.10	\$ 5,997.10	\$ 1,622,314.96	\$ 29,670,314.70
On-behalf TPAF Pension (non-budgeted)													
					\$ 2,022,833.00	(2,022,833.00)							
On-behalf TPAF Post Retirement Contributions (non-budgeted)													
					2,528,619.00	(2,528,619.00)							
On-behalf TPAF Non-Contributory Insurance (non-budgeted)													
					100,765.00	(100,765.00)							
Total State Financial Assistance					\$ 19,546,333.77	(19,911,726.02)							

Matawan-Aberdeen Regional School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2016

NOTE 1: GENERAL

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state activity of the Matawan-Aberdeen Regional School District ("the District"). The District is defined in Note 1 to the basic financial statements. All federal and state awards received directly from the federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

NOTE 2: BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exceptions 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 of the District'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* ("Uniform Guidance"), Audits of States, Local Governments, and Non-Profit Organizations. 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 percent *de minimis* indirect cost rate as allowed under the Uniform Guidance.

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 schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

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

Matawan-Aberdeen Regional School District
Notes to the Schedules of Expenditures of Federal Awards
and State Financial Assistance
Year Ended June 30, 2016

NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$4,966.00 for the general fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$9,769.82 for the special revenue fund. See the notes to the required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$89,311.47	\$19,382,368.90	\$19,471,680.37
Special Revenue Fund	1,349,860.78	33,267.90	1,383,128.68
Capital Projects Fund		480,000.64	480,000.64
Food Service Fund	709,459.10	16,088.58	725,547.68
Total Awards & Financial Assistance	<u>\$2,148,631.35</u>	<u>\$19,911,726.02</u>	<u>\$22,060,357.37</u>

NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5: OTHER

Revenues and expenditures reported in 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 represent 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.

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section I – Summary of Auditor’s Results

Financial Statements

- | | | |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued: | Unmodified |
| (2) | Internal Control Over Financial Reporting: | |
| | (a) Material weakness(es) identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (3) | Noncompliance material to the basic financial statements noted during the audit? | No |

Federal Program(s)

- | | | |
|-----|--|------------|
| (1) | Internal Control Over Major Federal Programs: | |
| | (a) Material weaknesses identified? | No |
| | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)? | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular OMB Uniform Guidance? | No |
| (4) | Identification of Major Federal Program(s): | |

<u>Program</u>	<u>CFDA</u>
IDEA Part B Basic	84.027
IDEA Part B Preschool	84.173

- | | | |
|-----|---|-----|
| (5) | Program Threshold Determination:
Type A Federal Program Threshold > \$750,000.00
Type B Federal Program Threshold <= \$750,000.00 | |
| (6) | Auditee qualified as a low-risk auditee under OMB Circular Uniform Guidance? | Yes |

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section I – Summary of Auditor’s Results (Continued)

State Program(s)

- (1) Internal Control Over Major State Programs:
- (a) Material weakness(es) identified? No
- (b) Significant deficiencies identified that are not considered to be material weaknesses? No
- (2) Type of Auditor’s Report issued on compliance for major state program(s)? Unmodified
- (3) Any audit findings disclosed that are required to be reported in accordance with N.J. OMB Circular 15-08? No
- (4) Identification of Major State Program(s):
- | <u>Program Title</u> | <u>Project Number</u> |
|-----------------------------------|-----------------------|
| Equalization Aid | 16-495-034-5120-078 |
| Categorical Special Education Aid | 16-495-034-5120-089 |
| Categorical Security Aid | 16-495-034-5120-084 |
| Adjustment Aid | 16-495-034-5120-085 |
| Per Pupil Growth Aid | 16-495-034-5120-097 |
| PARCC Readiness | 16-495-034-5120-098 |
| Extraordinary Aid | 16-100-034-5120-473 |
- (5) Program Threshold Determination:
Type A State Program Threshold > \$750,000.00
Type B State Program Threshold <= \$750,000.00
- (6) Auditee qualified as a low-risk auditee under OMB Circular 15-08? Yes

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2016

Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards

Internal Control Findings – None Reported

Compliance Findings – None Reported

Section III – Findings and Questioned Costs Relative to Major Federal and State Programs

Federal Programs – None Reported

State Programs – None Reported

Matawan-Aberdeen Regional School District
Monmouth County, New Jersey

Schedule of Prior Year Audit Findings

Not Applicable

