

***MONMOUTH REGIONAL HIGH
SCHOOL DISTRICT***

***COMPREHENSIVE ANNUAL
FINANCIAL REPORT***

FISCAL YEAR ENDED JUNE 30, 2016

**SCHOOL DISTRICT
OF
MONMOUTH REGIONAL HIGH SCHOOL**

***Monmouth Regional High School Board of Education
Tinton Falls, New Jersey***

***Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2016***

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

of

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
TINTON FALLS, NEW JERSEY**

For the Fiscal Year Ended June 30, 2016

Prepared by

***Monmouth Regional High School District Board of Education
Finance Department***

STATE BOARD OF EDUCATION

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Secretary, State Board of Education**

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
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INTRODUCTORY SECTION

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT



(Welcome to Falcon Nation)

MONMOUTH REGIONAL HIGH SCHOOL
BOARD OF EDUCATION
TINTON FALLS, NEW JERSEY
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

MONMOUTH REGIONAL HIGH SCHOOL BOARD OF EDUCATION
Eatontown * Shrewsbury Township * Tinton Falls*Earle Weapons Naval Station

Mr. Andrew F. Teeple
 Superintendent

1 Norman J Field Way
 Tinton Falls NJ 07724

Maria A. Parry, CPA, PSA, SFO
 School Business
 Administrator/Secretary to the Board

50 Years of Falcon Pride 1960-2010

November 12, 2016

Honorable President and
 Members of the Board of Education
 Monmouth Regional High School District
 County of Monmouth
 Tinton Falls, New Jersey

Dear Board Members/Citizens:

The Comprehensive Annual Financial Report of the Monmouth Regional High School District (District) for the fiscal year ended June 30, 2016 is hereby submitted in accordance with Governmental Accounting Standards Board Statement 34 and 44. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Monmouth Regional High School Board of Education (Board.). To the best of our knowledge and belief, data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section includes this transmittal letter, the District's organizational chart, a list of principal officials, and a list of consultants and advisors.
- The Financial Section includes the basic financial statements and schedules, as well as the auditor's report thereon.
- The Statistical Section includes selected financial and demographic information, generally presented on a multi-year basis.

- The Single Audit Section which states that the District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

SCHOOL DISTRICT ORGANIZATION

The Monmouth Regional High School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 and Statement 34. All funds and account groups of the district as included in this report. The Monmouth Regional High School Board of Education constitutes the district's reporting entity.

The district provides a full range of educational services appropriate to grade levels 9 through 12. These include regular and vocational as well as special education for handicapped students. The District completed the 2015-2016 fiscal year with an average daily enrollment of 986.76 students. Enrollment is defined as students on roll and students placed out of district. Established in 1960, the district is one building which encompasses over 79 acres, 9 wings, 2 floors, 2 gymnasiums, full service cafeteria and state of the art fitness and performing arts centers comprise the district's school facilities.

The district receives students from three towns: Shrewsbury Township, Eatontown and Tinton Falls. In addition to the three towns, the district serves the students of Naval Weapons Station Earle. The district receives students from Naval Weapons Station Earle, located in Colts Neck NJ. Shrewsbury Township is the smallest of the three sending towns, spanning only about a few blocks in length. Eatontown is the next largest township and Tinton Falls has the largest square miles of the sending towns. In Spring of 2016, the district Administration was notified that effective July 1, 2016, Freehold Regional High School would be educating the NWS Earle Students. This ends an over fifty-year relationship between NWS Earle and Monmouth Regional High School.

The Board of Education is comprised of members from all three sending districts. In January 2013, due to reapportionment as directed by statute, the make-up of the board of education changed to: five members from Tinton Falls (was 4); three from Eatontown (was four); and one from Shrewsbury Township (unchanged). All receive equal weight votes and three are elected to three-year terms each November. The Board of Education meets on the first and third Tuesday of the month for regular board meetings. The meetings held on the third Tuesday are more financial in nature than on the first Tuesday of the month. The Board of Education also has two student representatives with non-voting rights on the board. A Junior Class Representative and a Senior Class Representative are selected from the membership of the Student Council to sit on the

board and give reports at each meeting. During its meetings the board determines district goals and priorities and conducts the business of the Board of Education. All Board meetings are open to the public and begin at 7:30 p.m., unless a time change is needed which is then properly advertised.

In early 2012, the State of New Jersey gave school districts the option to continue to vote on tax levies in April or waive the vote on the tax levy (move the election of board members to November) as long as the district did not go over the 2% cap. This decision was a four year decision of the Board of Education. At this time, it appears the Board of Education will continue with this option for the future.

The Monmouth Regional PTSA is very active in the District and provides community support for a variety of programs and activities for the students. Recently, the PTSA created grants for teachers to offset costs for items such as supplies and field trips. There are active booster/parent clubs for the band, and performing arts faction of the school. Additionally there are sixteen private scholarship funds offered to graduating students. All associations/clubs and scholarships are very supportive to the students and the district. In September 2007, a family donated monies towards a summer internship program in the technology department. This internship, funded for a minimum of five years, allows a current or recently graduated Monmouth Regional student to work in the district's information technology department. This same family also donated funds to purchase a \$25,000 projector which now is housed in the Performing Arts Center (PAC). In October 2012, the family donated an additional \$9,000 to the district to continue the technology internship for three more years, which concluded with summer 2015. The Monmouth Regional High School Board of Education is very grateful to this family for their generosity.

The students publish a student newspaper entitled *The Falconaire* which is published approximately eight times during the school year. This newspaper is also shown on the district's website: www.monmouthregional.net which houses various pieces of information about the district and has contact information for a user to navigate to. In the 2007-2008 school year, the *Falconaire Newspaper* went online and began to publish an online expanded version of the school newspaper. This has proven to be very successful for both students and the school. The newspaper continues to receive numerous awards for their journalistic efforts.

The current district website of www.monmouthregional.net was expanded to include public information and continues to be a source of all information for any individual who has internet access. In June of 2016 the website technology hosting company was changed and a new, user-friendly website made its debut in July 2016.

In 2008 the District instituted the Honeywell Instant Alert program, allowing for parents, staff and students to receive "instant alerts" via their cell phone, landline phone, and e-mail for events that pertain to Monmouth Regional High School. This program has replaced the "snow chain" of informing individuals of school closings. Due to the success of the Instant Alert System, the district uses it often for messages about

upcoming events at the school, and not just for emergencies. Staff and Administration can send messages to parents through Genesis, the district' student software program. Faculty are alerted in a one-way text message entitled "Remind"- a popular system for both students and staff. The district ended their long term relationship with Honeywell in the 2015-2016 school year and will be introducing the Blackboard system in the 2016-2017 school year.

EDUCATIONAL PROGRAM/REPORTING ENTITY AND ITS SERVICES

As stated earlier, the District completed the 2015-2016 fiscal year with an average daily enrollment of 983.76 students. Enrollment is defined as students on roll and students placed out of district. The following details the changes in the student enrollment of the District over the past few years.

| Average Daily Enrollment | | |
|---------------------------------|---------------------------|-----------------------|
| Fiscal Year | Student Enrollment | Percent Change |
| 2015-2016 | 983.76 | 3.78% |
| 2014-2015 | 947.90 | .0077% |
| 2013-2014 | 940.60 | (5.1)% |
| 2012-2013 | 991.10 | 1.2% |
| 2011-2012 | 979.00 | (3.79)% |
| 2010-2011 | 1,017.6 | (6.3)% |
| 2009-2010 | 1,086.5 | (3.3)% |
| 2008-2009 | 1,123.6 | (4.23)% |
| 2007-2008 | 1,173.2 | .23% |
| 2006-2007 | 1,170.4 | (4.22)% |

The District provides a full range of educational services appropriate to grade levels 9 through 12. The school follows the district-wide goals and educational approaches to the teaching of children, while maintaining a unique personality that make up that particular school. All curricula in our district have been aligned to the New Jersey Core Curriculum Content Standards.

High School: The building has one Principal, two Assistant-Principals, and two school nurses. The rest of the administrative team is made up of the following individuals:

- A. Supervisors:
 - a. Applied Technology
 - b. English
 - c. Math/Science
 - d. Social Studies/World Language/ESL
 - e. Music/Media Center (supervised by Assistant Principal)
- B. Director of Athletics/Supervisor of Physical Education
- C. Director of Guidance/Health Services
- D. Director of Child Study Team
 - a. Child Study Team
 - b. Special Education Instructional Supervisor

c. Basic Skills Instruction

The district continues to work to combine supervisor positions to create future savings, while maintaining effective and efficient educational leadership.



The award winning Monmouth Regional High School Marching Band

The school can be best described as a warm, friendly and a full of school spirit environment.

Monmouth Regional High School offers a comprehensive educational program that was developed to meet the needs of all students, whether they are in the need of advanced placement courses, remedial instruction, or something in between.

In 2011-2012 the district implemented Professional Learning Communities (PLC) to foster professional dialogue and writing portions of curriculum. This change in direction continues to save the district dollars spent in curriculum writing. All curriculum is now written in the Understanding by Design format. This is a living document which is updated constantly through the PLC environment. All teachers continue to maintain their own websites through the Monmouth Regional High School website. In 2012-2013 the new teacher evaluation system EE4NJ was embraced by the staff and administration.

The staff and administration spent the year training to get ready for its implementation for the 2013-2014 school year. The district is currently utilizing the evaluation system quite smoothly.

In 2008-2009, several departments developed a new program, the AP Academy in an effort to retain more high-performing students than losing them to the Vocational School Academies. This program was created without any strain on district funds. The students selected for entry into the program will have a four year course of rigorous study outlined for them that includes accelerated or Advanced Placement courses, senior capstone project, seminars and the potential to earn up to 30 college level credits. In June 2016 the fourth class of the AP Academy graduated- an accomplishment attributed to the hard work of the faculty and administration. Now that the program is established, students and parents are giving the program a serious look and the entrance into the program has become very competitive.

The English Department presents a variety of activities within its course content. Reading discussions in both large and small group settings, short story and poetry writing, dramatic recitation, audio and video presentations, and other techniques enhance class format. Articulation between different high schools is encouraged in this department. Teachers have utilized the team teaching practice, implemented higher level thinking skills in its teaching practice, and developed longitudinal portfolios to support college application trends. The English Department has instituted a drop-in computer lab that is staffed by an English teacher. The English Department's website can be found at <http://www.monmouthregional.net/mrhs/Departments/English/>

The Mathematics Department offers a wide variety of courses, both in mathematics and computer science, to meet the needs of the students. To meet this need, the staff incorporates small group instruction as well as peer-to-peer tutoring. A double block period of Algebra 1 was added to give all students access to algebra. An additional course of study in Flash Technology was added in 2007-2008 due to the student's requests for the program. Students are given the opportunity to see mathematics in real-life applications through the addition of a Probability and Statistics course. In 2015, a course titled, College Math Topics was added to meet the needs of senior students who have post-secondary education aspirations, but who aren't ready for the rigors of Pre-calculus. The Math League competitive program is run through this department- challenging students to show off their math knowledge against other schools in the county. Monmouth Regional always fares well against competing schools. The department is committed to excellence in mathematics education and its desire to enlighten the students on the power of mathematics. The Math Department's website can be located at the following web address: <http://www.monmouthregional.net/mrhs/Departments/Mathematics/>

The Science Department offers courses at different levels allowing students of diverse abilities to enroll in science classes. The students are engaged in cooperative learning activities as well as research projects as part of their science experience. Innovative Forensics and Med-Tech programs meet the needs of students of all ability levels. With the popularity of television shows such as "CSI", "NCIS", and "Bones" (to name a few), the forensic science class has been a very popular one for students. In November 2012 the taxpayers voted to approve a \$6 million bond referendum- which 8 renovated science classrooms made up the majority cost of the project. These classrooms were completed in summer 2014 and are paying off with the renewed interest in the sciences. The Science Department's website can be located at the following web internet address: <http://www.monmouthregional.net/mrhs/Departments/Science/>

The Social Studies Department offers a wide variety of courses beyond the state mandated requirement of world history and United States history I&II. Students can chose from a variety of electives including: African Studies, Introduction to Economics, Holocaust, Genocide and Modern Humanity (college credit in conjunction with Kean University), and Introduction to Psychology, Sociology and Minorities in America. The department's Advanced Placement offerings include: American Government and Politics, English Literature& Humanities, European History, Psychology, United State History and World History. Additionally clubs and programs like Adopt a Survivor, Amnesty International, Key Club, Mock Trial, Model United Nations Psychology, R U Aware, and Student Council provide students opportunities to become involved in service learning and leadership development outside of the classroom. The Social Studies Department website can be located at the following web address: <http://www.monmouthregional.net/mrhs/Departments/Social%20Studies/>

The Special Education Department at Monmouth Regional High School is all-inclusive and consists of two separate child study teams. It offers a curriculum which has established priorities, objectives, and goals for all courses and units within the program that are based on clearly defined expectations for all students. The learning expectations of the special education curriculum address the diverse learning needs of the students without compromising the essential knowledge and skills students are expected to learn. The Special Education Department employs a multi-sensory and teacher-centered format for the learning disabled student. Individualized programs such as the Wilson Reading Program, Study Island, and the Career Training Program are used to address the unique needs of our classified high school students. In 2010-2011, an Alternate School Program (In-District) was created for students that are struggling during the day, but are capable to stay in-district rather than look for a placement elsewhere. This has been a successful program and the district, in 2012-2013 opened up the AIM program in-district to save additional tax dollars. Future plans include a self-contained Autism classroom for multiple grade levels. The Special Education Department website is at: <http://www.monmouthregional.net/mrhs/Departments/Special%20Services/>

The World Language Department offers programs that provide a core curriculum in four language skills: listening, speaking, reading, and writing. Its wide range of offerings promotes tolerance and embrace diversity. Students are encouraged to think beyond their own backgrounds and value the differences within the world community. Students have opportunities to expand their study of world languages beyond the state mandated year requirement. The department offers the following sequence of courses:

French I, II, III, IV, and Advanced Placement French

Spanish I, II, III, IV, Latin America, and Advanced Placement Spanish

Latin I, II, III, and IV.

Students can take Latin America and Advanced Placement Spanish for college credit through Seton Hall. French, Spanish, and Latin Clubs provide students with opportunities to explore the culture of their respective languages. Lastly our English as a Second Language program is comprised of students from Belize, Ecuador, Egypt, France, Haiti, India, Italy, St. Maarten, and Venezuela. The primary goal is to build on students' existing academic, social and cultural backgrounds to assist them in becoming proficient in English.

The World Language Department website can be located at the following address:

<http://www.monmouthregional.net/mrhs/Departments/World%20Language/>

The Physical Education Department offers a wide variety of activities that allow students to develop socially, emotionally, cognitively, and physically. Students are involved in many activities including the use of the fitness center and the Adventure Training course. The low elements course was built in 2005 while the high elements course was built in 2006. Students are taught teamwork, problem-solving, and motivational techniques throughout these activities. Included as part of the Physical Education Department are drivers' education and health. Additional equipment was purchased in 2008, 2009 and 2016 to add to the fitness center to expand the healthy lifestyle program. The Health curriculum was designed to teach students life skills. Activities in the classes foster communication skills and cooperative learning that teach, among other things, respect. The Physical Education Department website can be located at the following address:

<http://www.monmouthregional.net/mrhs/Departments/Physical%20Ed/>



Got National Academy of Future Scientists and Technologists? We do!

The Business Department identifies elective courses that begin with the required Financial Literacy and extend up through marketing and A/P Economics. All courses are infused with life skills designed to encourage problem-solving, critical thinking and intellectual inquiry. This is an extensive, practical program grounded in accomplishing the goals set before them. Students are afforded the opportunity to express themselves creatively and develop their own imagination while gaining a broad appreciation of the business world.

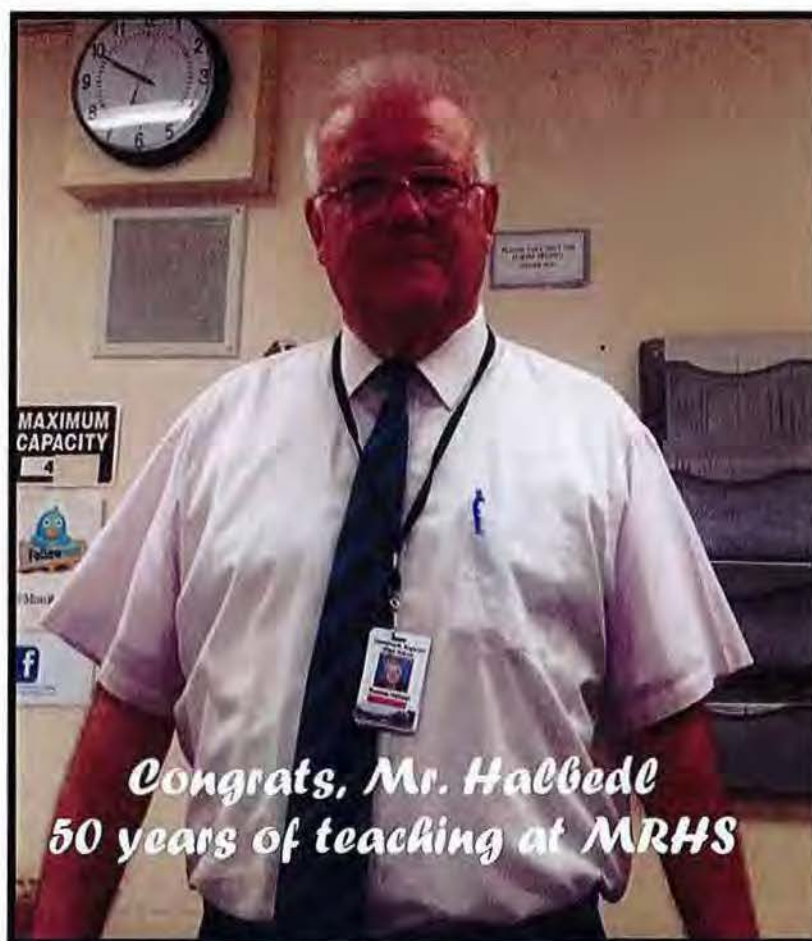
The Business Department website can be found at:

<http://www.monmouthregional.net/mrhs/Departments/Art%2C%20Business%2C%20Home%20Economics%20and%20Industrial%20Arts/>

The Family and Consumer Science Department offers courses across three broad areas: foods, child development, clothing, and fashion design. These programs were designed to prepare students for college in culinary, teaching and fashion, as well as providing life skills for the students. The program accommodates students from all ability levels. The learning is student-centered with the teacher in the role of facilitator. Students who have participated in this course of studies have won in competitions at the Regional, State and National levels. The FCS website can be found at the listed address above.

The Industrial Arts Department offers courses, strongly emphasizing and concentrating on current technology, in the fields of graphic arts, photography, electronics technology, and engineering graphics. Also, Robotics and Pre-Engineering are part of a new STEM course of study, integrating with advanced Math and Science Classes. The curricula are determined by skill level rather than grade level. The Cisco Networking Academy, housed under this department, teaches students to design, build, and maintain computer networks. Upon completion of Cisco II, students have the opportunity to take the Cisco Certified Network Association exam and receive certification upon passing. Students successfully completing Cisco I and II are also eligible for 12 credits at Brookdale Community College in Networking. The Industrial Arts website can be found at the listed address above.

The Music program at Monmouth Regional High School offers courses in band, entertainment techniques, chorus, and music theory. All curricula cover music of various cultures, eras, and styles. Both vocal and instrumental students are afforded the opportunity to receive individual instrumental lessons for more selective ensembles. The Music Department website can be found at the following address <http://www.monmouthregional.net/mrhs/Departments/Music.html/> top



A MRHS Treasure- Tom Halbedl

Student Activities and Athletics

Monmouth Regional High School is home to 22 sports teams and over 40 student activities clubs/organizations. Combined, these teams/clubs have brought distinction to Monmouth Regional High School by being the recipient of countless awards and recognition. A few examples of such honors are:

- **Count Basie Awards for drama productions**
- **Jazz and Marching Band Competition awards of 1st place**
- **Local, county and state champion sports teams**
- **Sportsmanship Awards for sports teams voted on by other coaches**
- **Winning the Physics Olympics**
- **DECA national and state awards**
- **FCCLA national and state awards**
- **FBLA national and state awards**



Monmouth Regional Girls Basketball Team goes pink in support of Breast Cancer Awareness



Senior Captain Joshua Jackson signs his letter of intent to play Baseball at Delaware State University.

Hall of Fame

In 2010 the district restarted the Hall of Fame. There are two categories- Academic and Athletic. In 2012 and 2014 the honorees were included to be former employees of the district. The next induction will be Fall 2016. This program runs every 2 years and has been very successful. It is one of the many unique programs about Monmouth Regional High School.

Core Curriculum Contents Standards

Our district is in line with the New Jersey Core Curriculum Contents Standards. English and Math have converted to common core content standards and in summer 2015 Science was re-aligned to the next generation standards recently adopted by the NJ Department of Education. All district curricula have been aligned with the Standards.

Staff Development

The Monmouth Regional High School District provides its teaching staff with many opportunities for professional development. New teachers/staff have an additional day dedicated to new teacher training. A teacher's manual is given to all new teachers as well as an assigned mentor to provide support throughout the school year.

In the beginning of the year, two full days are dedicated to staff development. The teachers meet in the morning for sessions, have lunch, and then in the afternoon have breakout sessions regarding the training.

During the year there are three additional days dedicated to staff development. The topics can range from bullying, character education, technology diversification and assessment. The teachers spend the morning in workshops, have lunch and then in the afternoon have breakout sessions to work on their assessments. Throughout the school year teachers are afforded the opportunity for professional days as well as after school programs taught in-district. Technology has been rapidly changing in Monmouth Regional. The technology department has kept up with technology by offering Wednesday Technology Sessions- technology oriented sessions after school to teacher's dismissal time on a wide range of technology subjects- Laptops, Active Boards, Excel, Ipad usage, Word, and even Microsoft Access. This has been a success in the district.

Technology

The district technology plan, originally written in 1997, was re-approved for a three year period of July 1, 2013 to June 30, 2016. The plan can be found at this link: <http://www.monmouthregional.net/mrhs/Public%20Info/Public%20Information/District%20Technology%20Plan%202013%20-%202016.pdf>

With the mandate of PARCC (Partnership for Assessment of Readiness for College and Careers) online testing, the technology department has been very busy making sure Monmouth Regional High School's servers can handle the multiple users at one time taking the test.

The district has been upgrading technology for both staff and students. Updated laptops for the staff, with existing ones being put into circulation for the students, ipads and chrome books have all been purchased.

A reorganization of the department has allowed the students and staff to now be ahead of the technology curve instead of keeping up with it. New laptops for staff are planned in a future budget along with faster internet speed for all staff to continue to take advantage of all the infinite possibilities of technology.

This is a very exciting, innovative time for technology at Monmouth Regional High School.

Business Office

The business office is comprised of the following individuals: School Business Administrator, Part Time Clerk, Secretary to the Business Administrator, Accounts Payable, Payroll, and Transportation Supervisor. This office is responsible for financially running the school district. Increased workload due to challenges faced from State and Federal mandates, while maintaining current staff levels, continues to be a challenge. In January 2012 the district entered into a Business Service Agreement with the New Hanover Township Elementary School in Burlington County for School Business Administrator Services. This partnership has been successful and an alternate means of income for the district. The office is continually looking to streamline costs and find new opportunities for the district. The office continues to be a hard working component of the entire district.

ECONOMIC CONDITION AND OUTLOOK

The closing of Fort Monmouth on September 15, 2011 was a sad day for Eatontown, Tinton Falls and Shrewsbury Township. The reorganization of the Fort has begun with the building of a new office building off of Hope Road and new businesses moving in. In September 2014 auctions of equipment and property belonging to Fort Monmouth took place to make room for the second phase of the reorganization. Commvault, a successful technology company, moved into a new building in Tinton Falls. The district is establishing a relationship with Commvault for future internships for students. More buildings/offices are being approved for the former Fort Monmouth site which will add a boost to not only the economics of the three towns, but it will also help Monmouth Regional with families moving within the district boundaries.

The district was informed in May 2011 that it is no longer eligible for Federal Impact Aid dollars. These offsetting tax amounts were eliminated in the 2011-2012 budget. The district has received impact aid monies in the past two years, which are from prior years (2008, 2009) and are significantly less than 10 years ago.

In Tinton Falls, residential housing will increase for the next several years due to new communities being built and opened over the next few years. A new “premium outlet” shopping center opened November 2008, increasing opportunities for individuals to live in Tinton Falls, Eatontown and Shrewsbury Township. There has been increased development in Tinton Falls with new housing along Wyckoff Road. These new town homes will have an effect on the future enrollment of Monmouth Regional. The percent of share, the calculation based upon current enrollments for determining how Monmouth Regional High School’s tax levy is split for the past few years is listed below:

| | |
|-----------|------------|
| 2012-2013 | 57.2909531 |
| 2013-2014 | 55.5697071 |
| 2014-2015 | 57.3717316 |
| 2015-2016 | 57.989 |
| 2016-2017 | 59.1637102 |

While smaller geographically than Tinton Falls, Eatontown has a larger population and is more densely populated. Eatontown is 90% developed and has fewer than fifty lots available for residential development. Recently, a former mobile home site was renovated into town homes which will assist in bringing more students. The percent of share for Eatontown over the past few years is listed below:

| | |
|-----------|------------|
| 2012-2013 | 41.3552031 |
| 2013-2014 | 43.2261970 |
| 2014-2015 | 41.3758119 |
| 2015-2016 | 40.63 |
| 2016-2017 | 39.403898 |

Shrewsbury Township has no development planned and all shifts in enrollment are a result of family dynamics. Shrewsbury's percent of share is the final percentage to total 100% for the district. For 2016-2017, the percentage is 1.43, up from 1.37 over the past few years.

Earle Weapons Station is still an active military base. Military children that live on Naval Weapons Station Earle attend Monmouth Regional High School. The military base housing has undergone some changes from prior years which includes non-military families living in the housing. Because of this change, there has been litigation in the past few years regarding housing on Earle, but no concrete decisions have been made. As stated earlier, in Spring of 2016, the district Administration was notified that effective July 1, 2016, Freehold Regional High School would be educating the NWS Earle Students. This ends an over fifty-year relationship between NWS Earle and Monmouth Regional High School.

Future enrollment at Monmouth Regional High School, while it cannot be predicted accurately, is now a number that can be estimated at the district. Increased communication with both elementary schools and having a presence at 8th grade parent nights now enables administration to calculate the incoming class numbers for the future.

MAJOR INITIATIVES

On June 7, 2016, as part of the upcoming Middlestates Evaluation, Monmouth Regional High School approved the following:

Mission

What is our vision for a better future for the children of our school?

Monmouth Regional High School creates an environment that values collaboration and emphasizes the equality of our diverse community. We have established and embraced a learning environment that readies students for a global, information-based society through academics, extracurricular opportunities, and community outreach.

Beliefs

- *What beliefs or core values will guide our journey?*

All members of the Monmouth Regional Learning Community will commit to:

- Educating all children with respect, recognition, and appreciation of their individuality
- Developing partnerships between administration, faculty, staff, parents, and students through effective communication among all stakeholders
- Promoting student respect through valuing diversity; cultural backgrounds and customs; various ways of communicating; and acceptance of traditions and values.
- Transforming students into critical thinkers who succeed individually, and as members of a team through use of diverse critical analysis.
- Developing our students as lifelong learners with an emphasis on college, work, and life
- Providing challenges through rigorous academics that provide students with opportunities for post-high school success
- Effectively integrating technology as a tool of personal and communal betterment, and the development of 21st century competencies and digital citizenship

Graduate Profile:

- *What will our students have to know, be able to do, and to demonstrate for us to achieve our mission?*

A Monmouth Regional graduate will....

- Have a well-rounded education that prepares them to successfully transition and contribute to an ever-changing society.
- Have the foundation to think critically and solve problems.
- Be able to communicate effectively and collaboratively.
- Make authentic connections between what they have learned and the wider world.
- Understand the importance of digital citizenship in becoming a socially responsible and personally accountable adult.
- Participate in civil discourse and the democratic process.
- Learn to utilize self-reflection as a means of personal growth.
- Be effective personal and global advocates.

Monmouth Regional will undergo a full Middlestates Evaluation in February 2017. The committee and district have been working for over a year in preparation for this visit.

Monmouth Regional High School, with the leadership of both Mr. Teeple and Mr. Radisch, have increased the district's presence on Twitter, Facebook and various social media outlets.



Mr. Teeple's Twitter page with our new Principal and September 2015 Student of the Month.

On September 6, 2016, the following goals were approved by the Monmouth Regional High School Board of Education:

Board of Education Goals 2016-2017:

- Goal #1: Complete the Superintendent's evaluation within the statutory timelines
- Goal #2: Board members should continue to take an active part in supporting district initiatives within their respective communities and in the school community
- Goal #3: The Board will continue to maintain an active role in developing district goals collaboratively with the Superintendent.
- Goal #4: The Board will support the activities aligned with achieving Bronze status through Sustainable Schools for New Jersey.

District Goals 2015-2017

- 1. The Superintendent will transition into the new position by:**
 - a. Completing the New Superintendents' Residency Program
 - i. Scheduled for completion in August 2016
 - b. Formally present data and goal reviews to the BOE

- i. Preliminary reports in January 2016 and June 2016
 - c. Make certain that the 2016-2017 school budget is prepared on time while balancing fiscal responsibility and the educational needs of the district.
 - i. Notes from budget meetings with Business Administrator will be provided for both the 2016-2017 and 2017-2018 school years
- 2. All teachers will be trained in dual technology platforms. Teachers will incorporate this technology into their lessons; enhancing student learning.**
 - a. Google Docs: 2015-2016 school year
 - i. Dates of training with attendance will be provided for the 2015-2016 school year
 - b. Microsoft 365: 2016-2017 school year
 - i. Dates of training with attendance will be provided for the 2016-2017 school year
- 3. Increase Monmouth Regional's involvement in the community to promote student achievement, teacher recognition and programs which in turn should improve upon the positive perceptions of the school in the communities.**
 - a. Continue to write articles about the school district for The Today Paper
 - i. At least 15 articles will be written and copies provided as documentation
 - b. Continue to have information posted on the Monmouth Regional Facebook page and tweet information
 - i. Information will be posted to the MRHS Facebook page monthly
 - ii. Information will be disseminated via Twitter monthly
 - c. Attend community events, council meetings and outreach meetings
 - i. MRHS will be represented at no fewer than ten town council meetings per year
 - ii. MRHS will be represented at both Eatontown Community Day and Tinton Falls Community Day
 - iii. Outreach meetings will include meetings with local businesses/corporations and non-profit organizations such as Relay for Life.

REFERENDUM:

As stated earlier, in November 2012, the district approved a \$6.149M referendum for the following projects:

- 8 renovated science classrooms
- Asbestos removal
- Renovation of the girl's locker room
- Construction of new physical education/athletic storage room

A second question comprised of a 3rd gymnasium, paving of the parking lot and a new electrical panel barely failed.

This is an ambitious project for the district, with the last referendum being approved in 1998. Four science classrooms were completed over summer 2013. The locker room and storage room are set to be completed before December 31, 2013. The asbestos removal project is in a three phase plan with work planned for summer 2013, 2014 and 2015. The final four science classrooms were completed in summer 2014. All projects were completed in Summer 2015. The Board of Education continues to thank the taxpayers for their approval of these projects to help move Monmouth Regional forward educationally.

INTERNAL CONTROLS

Management of the district is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the district are protected from loss, theft, or misuse; and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally-accepted accounting principles (GAAP). The internal control system 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 state and federal awards, the district is also responsible for ensuring that an adequate internal control system is in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. This internal control system is also subject to periodic evaluation by the district management.

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

The district has an approved Standard Operating Procedure manual which is posted on the district website and also is in the process of finishing a Purchasing Manual for additional guidance on strong internal controls in the area of purchasing and cash receipts/disbursements.

BUDGETARY CONTROLS

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

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as re-appropriations of fund balance at fiscal year-end. Those amounts to be re-appropriated are reported as reservations of fund balance at June 30, 2016.

ACCOUNTING SYSTEM AND REPORTS

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

DEBT ADMINISTRATION

On November 6, 2012, the voters approved a referendum in the amount of \$6,149,000. This is the new amount outstanding in general obligation bonds which will be paid off over 11 years. Current balance as of June 30, 2016 was \$4,559,000.

CASH MANAGEMENT

The investment policy of the district is guided in large part by state statute as detailed in "Notes to the Basic Financial Statements", Note 3. The district has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provision 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 institute 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.

RISK MANAGEMENT

The Board carried various forms of insurance, including but not limited to general liability, automobile liability and comprehensive collision, hazard and theft insurance on property and contents, and fidelity bonds.

INDEPENDENT AUDIT

State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Cannone and Company was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet requirements of the Single Audit Act of 1984, as amended and the related OMB Circular A-133 and state Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements, combining, individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

ACKNOWLEDGEMENTS

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

Respectfully submitted,

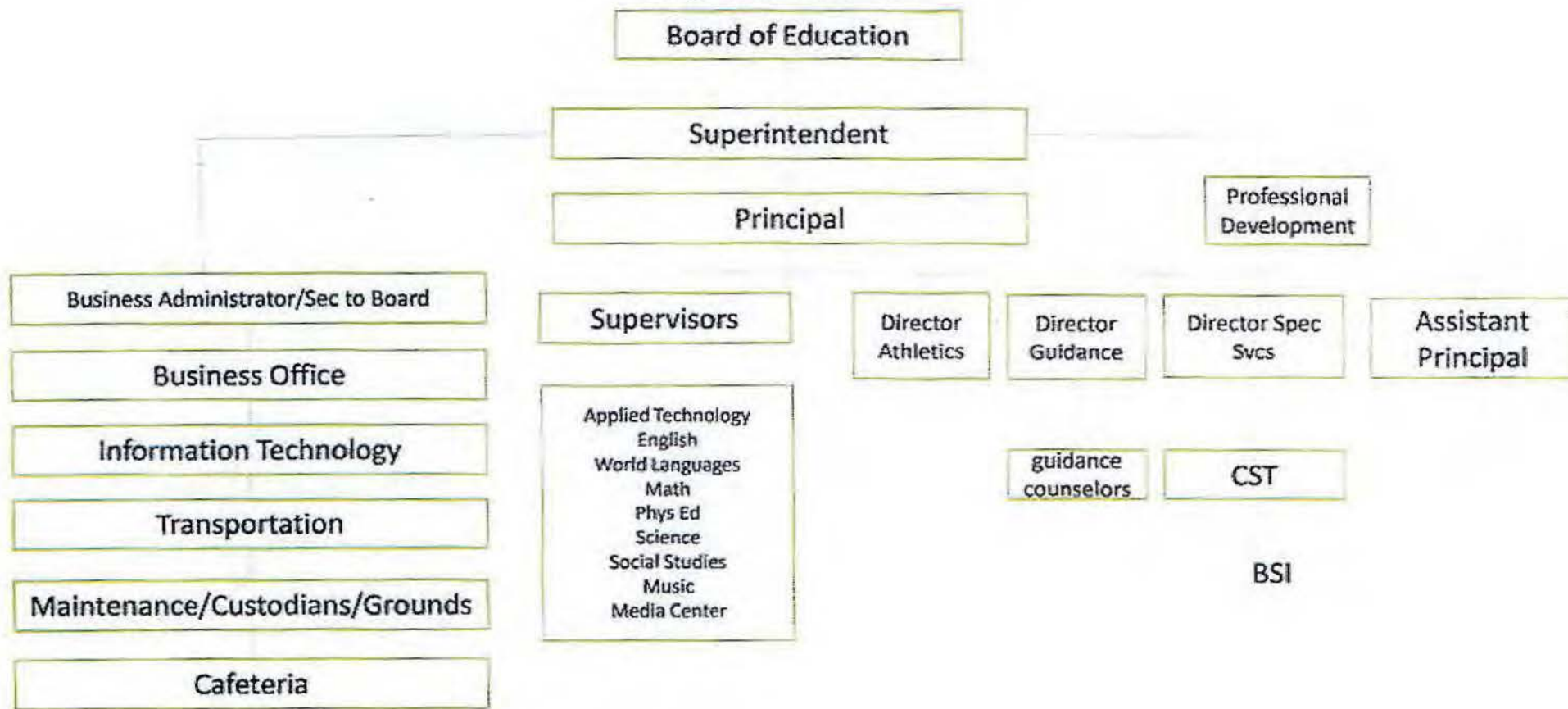


Mr. Andrew Teeple
Superintendent of Schools



Mrs. Maria Parry, CPA, PSA
School Business Administrator/
Secretary to the Board

Monmouth Regional High School
Organizational Chart



**MONMOUTH REGIONAL HIGH SCHOOL BOARD OF EDUCATION
TINTON FALLS, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2016**

| <u>Members of the Board of Education</u> | <u>Term Expires</u> |
|---|----------------------------|
| Jonathan Cohen, President | 2018 |
| Steven B. Seavey, Vice President | 2017 |
| Robert Mauro | 2016 |
| Nancy Britton | 2017 |
| Mary Anne Linder | 2016 |
| Susan Fisher | 2018 |
| Barbara Van Wagner | 2017 |
| Joseph Gaetano | 2018 |
| Andrew Mayer | 2016 |

Other Officials

Andrew F. Teeple, Superintendent

Maria Anne Parry, CPA, PSA, School Business Administrator/Board Secretary

Cindy Barr-Rague, CPA, Treasurer

Martin M. Barger, Esq. Solicitor

MONMOUTH REGIONAL HIGH SCHOOL BOARD OF EDUCATION
TINTON FALLS, NEW JERSEY

CONSULTANTS AND ADVISORS
June 30, 2016

Audit Firm

Cannone & Company, P.A.
485 Morris Avenue
Springfield, NJ 07081

Attorneys

Martin M. Barger, Esq.
The Reussille Law Firm
149 Avenue at the Common, Suite #1
Shrewsbury, NJ 07702

Official Depositories

Bank of America
Eatontown, NJ

TD Bank
500 Shrewsbury Avenue
Tinton Falls, NJ 07701

FINANCIAL SECTION

CANNONE AND COMPANY, P.A.*Certified Public Accountants*

485 Morris Avenue
Springfield, New Jersey 07081
(973) 379-6868
FAX (973) 379-6278

MEMBER:

American Society of Certified Public Accountants
New Jersey Society of Certified Public Accountants

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Monmouth Regional High School District Board of Education, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles general 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, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Monmouth Regional High School District Board of Education, in the County of Monmouth, State of 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

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information on pages 29 through 39 and 84 through 96 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.

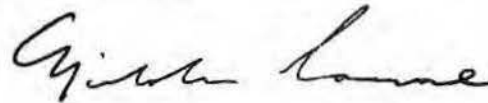
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Monmouth Regional High School District Board of Education's basic financial statements. The accompanying introductory section, combining fund financial statements, financial schedules and statistical information are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2016 on our consideration of Monmouth Regional High School District Board of Education'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 Monmouth Regional High School District Board of Education's internal control over financial reporting and compliance.



Nicholas A. Cannone
Licensed Public School Accountant
No. CS-02103
Cannone & Company, PA
Certified Public Accountants
Springfield, New Jersey

November 30, 2016

REQUIRED SUPPLEMENTARY INFORMATION
PART I

MANAGEMENT'S DISCUSSION AND ANALYSIS

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

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

The Management's Discussion and Analysis (MD&A) is a new element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments* issued in June 1999.

Financial Highlights

Key financial highlights for 2015 are as follows:

In total, net assets decreased **\$1,825,801** which represents an approximate 26 percent decrease from 2015.

Program specific revenues in the form of charges for services and operating grants and contributions including business type activities accounted for **\$2,838,035** 11 percent of total revenues of **\$26,371,524**.

Breaking down the detail of the statement of net assets, for governmental activities one will see that total assets of such governmental activities decreased by \$1,077,515 as cash and cash equivalents and investments decreased by \$1,755,878, receivables decreased by \$129,168, and capital assets decreased by \$277,569.

Monmouth Regional High School had **\$28,197,325** in expenses; only **\$2,838,035** of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily taxes) of **\$25,533,489** and fund balance were adequate to provide for these programs.

Among governmental funds, the General Fund had **\$26,616,313** in revenues and **\$27,187,900** in expenditures. The General Fund's fund balance decreased **\$571,587** over 2015.

Using this Comprehensive Annual Financial Report (CAFR)

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

This annual report consists of three parts—management's discussion and analysis (this section), the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of Monmouth Regional High School:

District-Wide Financial Statements (Statement of Net Assets and Statement of Activities)

- The first two statements are district-wide financial statements that provide both short-term and long-term information about the Monmouth Regional’s overall financial status.

Fund Financial Statements

- The remaining statements are fund financial statements that focus on individual parts of Monmouth Regional, reporting Monmouth Regional’s operations in more detail than the district-wide statements.
- The governmental funds statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.
- Proprietary funds statements offer short and long-term financial information about the activities Monmouth Regional operates like businesses, such as food services.
- Fiduciary funds statements provide information about the financial relationships in which Monmouth Regional High School acts solely as a trustee or agent for the benefit of others.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of Monmouth Regional High School Board of Education’s budget for the year.

**Figure A-1
Major Features of District-Wide and Fund Financial Statements**

| | District-wide Statements | Fund Financial Statements | | |
|--|--|---|--|--|
| | | Governmental Funds | Proprietary Funds | Fiduciary Funds |
| Scope | Entire district (except fiduciary funds) | The activities of the district that are not proprietary or fiduciary, such as special education and building maintenance | Activities the district operates similar to private businesses: food services | Instances in which the district administers resources on behalf of someone else, such as scholarship programs and student activities monies |
| Required financial statements | •Statement of net assets •Statement of activities | •Balance sheet •Statement of revenues, expenditures, and changes in fund balances | •Statement of net assets •Statement of revenues, expenses, and changes in fund net assets •Statement of cash flows | •Statement of fiduciary net assets •Statement of changes in fiduciary net assets |
| Accounting basis and measurement focus | Accrual accounting and economic resources focus | Modified accrual accounting and current financial resources focus | Accrual accounting and economic resources focus | Accrual accounting and economic resources focus |
| Type of assets/liability information | All assets and liabilities, both financial and capital, short-term and long-term | Generally assets expected to be used up and liabilities that come due during the year or soon thereafter, no capital assets or long-term liabilities included | All assets and liabilities, both financial and capital, and short-term and long-term | All assets and liabilities, both short-term, and long-term. Monmouth Regional's funds do not currently contain capital assets, although they can |
| Type of inflow/outflow information | All revenues and expenses during year, regardless of when cash is received or paid | Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received and the related liability is due and payable | All revenues and expenses during the year, regardless of when cash is received or paid | All additions and deductions, during the year, regardless of when cash is received or paid |

Figure A-1 summarizes the major features of Monmouth Regional High School’s financial statements, including the portion of Monmouth Regional’s activities they cover and the types of information they contain. The remainder of this overview section of management’s discussion and analysis highlights the structure and contents of each of the statements.

Continued

Fund Financial Statements (Continued)

The Statement of Net Assets and Statement of Activities provide information about the activities of the whole School District, Monmouth Regional High School, presenting both an aggregate view of Monmouth Regional's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental fund, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Monmouth Regional High School District, the General Fund is by far the most significant fund.

Reporting the School District as a Whole Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by Monmouth Regional to provide programs and activities, the view of Monmouth Regional High School, as a whole looks at all financial transactions and asks the question, "How did we do financially during 2014-2015?" The Statement of Net Assets and the Statement of Activities answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. These bases of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Assets and the Statement of Activities, Monmouth Regional High School is divided into two district kinds of activities:

Governmental activities – All of Monmouth Regional High School's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activity – This service is provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service enterprise fund is reported as a business activity.

Reporting Monmouth Regional High School's Most Significant Funds Fund Financial Statements

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

Governmental Funds

The District's activities are reported in governmental funds, which focus on how money flows in and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of Monmouth Regional

Continued

Governmental Funds (Continued)

District's general government operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Enterprise Fund

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

Notes to the Financial Statements

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

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of Monmouth Regional High School as a whole. Net assets may serve over time as a useful indicator of a government's financial position. Monmouth Regional's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets.

Table 1 provides a summary of Monmouth Regional High School's net assets for 2016 with comparative amounts for 2015.

**Table A-1
Summary of Net Assets**

| | <u>MRHS Total 2016</u> | <u>MRHS Total 2015</u> | <u>Increase (Decrease) From 2015</u> | <u>Total Percentage Change 2016-2015</u> |
|---|--------------------------------|--------------------------------|--|--|
| Current and Other Assets | \$ 3,698,866 | \$ 4,511,910 | \$ (813,044) | -18.02% |
| Capital Assets | 16,447,443 | 16,726,445 | (279,002) | -1.67% |
| Total Assets | \$ 20,146,309 | \$ 21,238,355 | \$ (1,092,046) | -5.14% |
| Long-Term Debt Outstanding | \$ 5,666,159 | \$ 6,288,609 | \$ (622,450) | -9.90% |
| Pension Liability | 8,234,614 | 6,460,365 | \$ 1,774,249 | 27.46% |
| Other Liabilities | 1,177,889 | 1,595,933 | (418,044) | -26.19% |
| Total Liabilities | \$ 15,078,662 | \$ 14,344,907 | \$ 733,755 | 5.12% |
| Net Assets: | | | | |
| Invested in capital assets, net of related debt | \$ 11,676,614 | \$ 11,251,393 | \$ 425,221 | 3.78% |
| Restricted | 1,312,959 | 2,297,505 | (984,546) | -42.85% |
| Unrestricted | (7,921,926) | (6,655,450) | (1,266,476) | 19.03% |
| Total Net Assets | \$ 5,067,647 | \$ 6,893,448 | \$ (1,825,801) | -26.49% |

Continued

The School District as a Whole (Continued)

Table 2 shows changes in net assets for fiscal year 2016 with comparative amounts for 2015.

Table A-2
Summary of Changes in Net Assets

| | MRHS Total 2016 | MRHS Total 2015 | Increase (Decrease) From 2015 | Percentage Change 2016-2015 |
|--|--------------------------------|--------------------------------|--|--|
| REVENUES | | | | |
| Program Revenues: | | | | |
| Charges for Services | \$ 731,504 | \$ 840,942 | \$ (109,438) | -13.01% |
| Federal and State | | | | |
| Categorical Grants | 2,106,531 | 2,646,708 | (540,177) | -20.41% |
| General Revenues: | | | | |
| Property Taxes | 20,908,749 | 20,490,729 | 418,020 | 2.04% |
| State Formula Aid | 4,262,993 | 3,610,573 | 652,420 | 18.07% |
| Other | (1,638,253) | (5,404,090) | 3,765,837 | -69.68% |
| Total Revenues | \$ 26,371,524 | \$ 22,184,862 | \$ 4,186,662 | 18.87% |
| EXPENSES | | | | |
| Instruction | \$ 12,216,108 | \$ 12,216,108 | \$ - | 0.00% |
| Student Support Services | 14,776,955 | 15,053,800 | (276,845) | -1.84% |
| Other | 851,399 | 851,399 | - | 0.00% |
| Total | \$ 27,844,462 | \$ 28,121,307 | \$ (276,845) | -0.98% |
| Increase (Decrease) in Net Assets | \$ (1,472,938) | \$ (5,936,445) | \$ 4,463,507 | -75.19% |

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek over approval for Monmouth Regional High School District operations. Property taxes made up 70 percent of revenues for governmental activities for Monmouth Regional High School District for fiscal year 2016. Monmouth Regional's total revenues were \$26,616,313 for the year ended June 30, 2016. Federal, state, local grants, other and state aid accounted for another 30 percent of revenue.

Business-Type Activities

Revenues for Monmouth Regional's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.

Food service expenses exceeded revenues by **\$11,853**.

Charges for services represent **\$254,730** of revenue. This represents amounts paid by patrons for daily food service.

Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was **\$135,455**.

Continued

Governmental Activities

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

Table A-3
Cost of Services vs Net Cost of Services

| | Total Cost of Services 2016 | Net Cost of Services 2016 | Total Cost of Services 2015 | Net Cost of Services 2015 |
|--|--|--|--|--|
| Instruction | \$ 12,626,291 | \$ 11,472,212 | \$ 12,216,108 | \$ 10,782,827 |
| Support Services: | | | | |
| Pupil and Instructional Staff | 6,957,986 | 6,549,632 | 6,640,422 | 6,118,670 |
| Administration | 2,038,680 | 1,915,058 | 2,259,778 | 2,106,542 |
| Operation and Maintenance of Facilities | 3,436,621 | 3,215,189 | 3,587,780 | 3,307,778 |
| Pupil Transportation | 2,662,256 | 2,121,896 | 2,621,475 | 1,956,973 |
| Debt Service | - | - | - | - |
| Interest on Long Term Debt; transfer f/s | 73,450 | 73,450 | 129,189 | 129,189 |
| Total Expenses | \$ 27,795,284 | \$ 25,347,437 | \$ 27,454,752 | \$ 24,401,979 |

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

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

General administration, school administration, and business include expenses associated with administrative and financial supervision of Monmouth Regional High School District.

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

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of Monmouth Regional High School District.

The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to **\$27,655,089** and expenditures were **\$30,647,200**. The net change in fund balance for the year was most significant in the Capital Projects Fund, a decrease of **\$2,420,525**. This is attributed to the payment for capital projects associated with the 2012 bond referendum.

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

Continued

The School District's Funds (Continued)

**Table A-4
Summary of Revenues-Governmental Funds**

| <u>Revenue</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) from 2015</u> | <u>Percent of Increase (Decrease)</u> |
|-----------------|----------------------|-------------------------|--------------------------------------|---------------------------------------|
| Local Sources | \$ 21,424,203 | 77.47% | \$ 226,147 | 1.14% |
| State Sources | 5,895,461 | 21.32% | \$ 243,085 | 4.37% |
| Federal Sources | 335,425 | 1.21% | \$ (85,404) | -14.54% |
| Total | \$ 27,655,089 | 100.00% | \$ 383,828 | 1.42% |

The increase in Local Sources is mostly attributed to an increase in tax levy, capital leases, miscellaneous revenue and rental fees.

The increase in state sources is mostly attributed to an increase in state grants and state aid.

The decrease in Federal Sources is mostly due to an increase in federal special revenue grants.

The following schedule presents a summary of General Fund, Special Revenue Fund and Debt Service Fund expenditures for the fiscal year ended June 30, 2016 and the percentage of increases and decreases in relation to prior year amounts.

**Table A-5
Summary of Expenditures-Governmental Funds**

| <u>Expenditures</u> | <u>Amount</u> | <u>Percent of Total</u> | <u>Increase (Decrease) from 2015</u> | <u>Percent of Increase (Decrease)</u> |
|----------------------------|----------------------|-------------------------|--------------------------------------|---------------------------------------|
| Current Expense: | | | | |
| Instruction | \$ 8,798,239 | 28.71% | \$ 219,573 | 2.64% |
| Undistributed Expenditures | 18,822,200 | 61.42% | 1,263,179 | 7.57% |
| Capital Outlay | 2,420,525 | 7.90% | (291,252) | -49.44% |
| Debt Service | 606,236 | 1.98% | (160) | -0.02% |
| Total | \$ 30,647,200 | 100.00% | \$ 1,191,340 | 4.32% |

Changes in expenditures were the results of varying factors. Current expense increased due to changes in staff, a lower contribution to capital reserve, and additional student expenditures than 2014-2015.

Continued

General Fund Budgeting Highlights

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

Over the course of the year, Monmouth Regional High School revised the annual operating budget several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- Personnel changes that took place after the budget was approved.
- Facilities maintenance and upkeep items that needed repair and not planned.
- Purchases for Technology to bring the district in line with testing requirements and curriculum standards.
- Extraordinary aid, which is state aid for special education students whose individual program cost exceeds \$40,000 per year, was not anticipated as there is no guarantee from the Department of Education that these funds would be available.
- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditure item to the district but is required to be reflected in the financial statements.
- Tuition for special education students over or under what has been estimated during budget preparation.
- Student transportation is provided using a blend of in-house and vendor services. Depending on the type of service, transfers to various accounts were needed to pay these costs.
- An increase in capital outlay purchases for the instructional programs and the operations/maintenance department.

Capital Assets

At the end of the fiscal year 2016 the School District had \$16,442,073 invested in land, building, furniture and equipment, and vehicles. Table A-6 shows fiscal year 2016 balances compared to 2015.

Continued

**Table A-6
Summary of Capital Assets
(Net of Depreciation)**

| | <u>Total 2016</u> | <u>Total 2015</u> | <u>(Decrease) From 2015</u> | <u>Change 2015-2016</u> |
|--------------------------|-----------------------|-----------------------|---------------------------------|-----------------------------|
| Land | \$ 120,340 | \$ 120,340 | \$ - | - |
| Construction in Progress | \$ 485,202 | \$ 2,081,429 | \$ (1,596,227) | - |
| Site Improvements | 1,213,525 | 1,285,767 | (72,242) | -5.62% |
| Buildings | 13,653,672 | 12,318,742 | 1,334,930 | 10.84% |
| Machinery and Equipment | 969,334 | 913,364 | 55,970 | 6.13% |
| Total | \$ 16,442,073 | \$ 16,719,642 | \$ (277,569) | -1.66% |

Debt Administration

At June 30, 2016, Monmouth Regional High School had **\$6,282,490** of outstanding debt. Of this amount **\$1,511,661** is for compensated absences; **\$211,829** for various capital leases; and **\$4,559,000** of serial bonds for school construction dated 2013.

**Table A-7
Summary of Outstanding Long-Term Debt**

| | <u>MRHS 2016</u> | <u>MRHS 2015</u> | <u>Change 2016-2015</u> |
|--|----------------------|----------------------|-----------------------------|
| General Obligation Bonds (Financed with Property Taxes) | \$ 4,559,000 | \$ 5,089,000 | -10.41% |
| Other | 1,723,490 | 1,903,832 | -9.47% |
| Total | \$ 6,282,490 | \$ 6,992,832 | -10.16% |

For the Future

The Monmouth Regional High School District is in good financial condition presently. The School District is proud of its community support of the public schools. A major concern is the loss of Impact Aid, the closing of Fort Monmouth and how the redevelopment will impact the District. However, future finances are not without challenges as the district administrators are sensitive to the economic changes in the community and how those conditions will directly impact the district's retaining of programs, especially due to changes in state and federal funding.

With the recent passage and completion of the of the six-million-dollar referendum, the district is very pleased to have moved forward in making the school more competitive amongst other school districts. Additionally, the recent move to non-voting on the tax levy will allow the administration to plan accordingly in light of changing economic times. A new administration With new administrators in place (Superintendent, Principal, Child Study Team and a redesigned Information Technology Department), the district is focused on bringing students back from choosing a private school to choosing Monmouth Regional High School. In conclusion, the

Monmouth Regional High School District has committed itself to financial excellence for many years. Additionally, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. Monmouth Regional High School District plans to continue its sound fiscal management to meet the challenge of the future.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of Monmouth Regional High School District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Mrs. Maria Parry, School Business Administrator, at Monmouth Regional High School, Administration Building, 1 Norman J. Field Way, Tinton Falls, NJ 07724. Please visit our website at www.monmouthregional.net.

Concluded

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of net assets 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.

Monmouth Regional High School District
Statement of Net Position
6/30/2016

| | <u>Governmental Activities</u> | <u>Business-type Activities</u> | <u>Total</u> |
|--|------------------------------------|-------------------------------------|---------------------|
| ASSETS | | | |
| Cash and cash equivalents | \$ 1,380,035 | \$ 39,758 | \$ 1,419,793 |
| Investments | 758 | | 758 |
| Receivables, net | 397,607 | | 397,607 |
| Interfund receivable | | | - |
| Inventory | | 7,511 | 7,511 |
| Restricted assets: | | | - |
| Cash and cash equivalents | 50,000 | | 50,000 |
| Capital reserve account - cash | 396,516 | | 396,516 |
| Capital assets, net (Note 4) | 16,442,073 | 5,370 | 16,447,443 |
| Deferred outflows of resources related to pensions | 1,426,681 | | 1,426,681 |
| Total Assets | <u>20,093,670</u> | <u>52,639</u> | <u>20,146,309</u> |
| LIABILITIES | | | |
| Cash Overdraft | | | - |
| Accounts payable | 72,573 | 19,510 | 92,083 |
| Accrued Interest Expense | 28,883 | | 28,883 |
| Interfund payable | | | - |
| Payable to federal government | | | - |
| Payable to state government | 54,063 | | 54,063 |
| Payable to local government | | | - |
| Deferred inflows of resources related to pensions | 378,315 | | 378,315 |
| Pension liability for PERS - non current | 8,234,614 | | 8,234,614 |
| Deferred revenue | 6,480 | 1,734 | 8,214 |
| Noncurrent liabilities (Note 5): | | | |
| Due within one year | 616,331 | | 616,331 |
| Due beyond one year | 5,666,159 | | 5,666,159 |
| Total liabilities | <u>15,057,418</u> | <u>21,244</u> | <u>15,078,662</u> |
| NET ASSETS | | | |
| Invested in capital assets, net of related debt | 11,671,244 | 5,370 | 11,676,614 |
| Restricted for: | | | - |
| Debt service | 4,951 | | 4,951 |
| Capital projects | 645,226 | | 645,226 |
| Other purposes | 662,782 | | 662,782 |
| Unrestricted | (7,947,951) | 26,025 | (7,921,926) |
| Total net assets | <u>\$ 5,036,252</u> | <u>\$ 31,395</u> | <u>\$ 5,067,647</u> |

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

Monmouth Regional High School District
Statement of Activities
For the Year Ended June 30, 2016

| Functions/Programs | Expenses | Program Revenues | | | Net (Expense) Revenue and Changes in Net Assets | | |
|--|----------------------|----------------------|------------------------------------|----------------------------------|---|--------------------------|------------------------|
| | | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| Governmental activities: | | | | | | | |
| Instruction: | | | | | | | |
| Regular | \$ 11,386,537 | \$ 20,025 | \$ 1,106,764 | | \$ (10,259,748) | | \$ (10,259,748) |
| Special education | 284,642 | | 27,293 | | (257,349) | | (257,349) |
| Other special instruction | 955,115 | | | | (955,115) | | (955,115) |
| Vocational | | | | | - | | - |
| Other instruction | | | | | - | | - |
| Nonpublic school programs | | | | | - | | - |
| Adult/continuing education programs | | | | | - | | - |
| Support services: | | | | | | | |
| Tuition | 2,659,085 | | | | (2,659,085) | | (2,659,085) |
| Student & instruction related services | 4,298,901 | | 408,354 | | (3,890,547) | | (3,890,547) |
| School administrative services | 643,380 | | 16,055 | | (627,325) | | (627,325) |
| General and business administrative serv | 682,840 | | 36,926 | | (645,914) | | (645,914) |
| Central services | 676,232 | | 70,641 | | (605,591) | | (605,591) |
| Administrative information technology | 36,228 | | | | (36,228) | | (36,228) |
| Plant operations and maintenance | 3,436,621 | 60,883 | 160,549 | | (3,215,189) | | (3,215,189) |
| Pupil transportation | 2,662,256 | 395,866 | 144,494 | | (2,121,896) | | (2,121,896) |
| Business and other support services | | | | | - | | - |
| Special schools | | | | | - | | - |
| Interest on long-term debt | 73,450 | | | | (73,450) | | (73,450) |
| Transfer to Food Service | | | | | - | | - |
| Total governmental activities | <u>27,795,287</u> | <u>476,774</u> | <u>1,971,076</u> | <u>-</u> | <u>(25,347,437)</u> | <u>-</u> | <u>(25,347,437)</u> |
| Business-type activities: | | | | | | | |
| Food Service | 402,038 | 254,730 | 135,455 | | | (11,853) | (11,853) |
| Before/After Care | | | | | | - | - |
| Total business-type activities | <u>402,038</u> | <u>254,730</u> | <u>135,455</u> | <u>-</u> | <u>-</u> | <u>(11,853)</u> | <u>(11,853)</u> |
| Total primary government | <u>\$ 28,197,325</u> | <u>\$ 731,504</u> | <u>\$ 2,106,531</u> | <u>\$ -</u> | <u>\$ (25,347,437)</u> | <u>\$ (11,853)</u> | <u>\$ (25,359,290)</u> |
| General revenues: | | | | | | | |
| Taxes: | | | | | | | |
| Property taxes, levied for general purposes, net | | | | | \$ 20,302,512 | | \$ 20,302,512 |
| Taxes levied for debt service | | | | | 606,237 | | 606,237 |
| Federal aid not restricted | | | | | | - | - |
| State aid not restricted | | | | | 4,262,993 | | 4,262,993 |
| Miscellaneous Revenues | | | | | 33,752 | | 33,752 |
| Interest Income | | | | | 1,745 | | 1,745 |
| Adjustments: | | | | | | | |
| Prior Period Adjustment - Fund 20 | | | | | (52,479) | | (52,479) |
| Contribution to Capital Reserve | | | | | 753,114 | | 753,114 |
| Fixed assets | | | | | (2,548,608) | | (2,548,608) |
| Capital Leases | | | | | 174,223 | | 174,223 |
| Total general revenues, special items, extraordinary items and transfers | | | | | <u>23,533,489</u> | <u>-</u> | <u>23,533,489</u> |
| Change in Net Assets | | | | | <u>(1,813,948)</u> | <u>(11,853)</u> | <u>(1,825,801)</u> |
| Net Assets—beginning | | | | | <u>6,843,919</u> | <u>49,529</u> | <u>6,893,448</u> |
| Net Assets—ending | | | | | <u>\$ 5,029,971</u> | <u>\$ 37,676</u> | <u>\$ 5,067,647</u> |

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

Monmouth Regional High 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 | 1,003,754 | 53,811 | 317,519 | 4,951 | 1,380,035 |
| Investments | 758 | | | | 758 |
| Receivables, net | | | | | 0 |
| Due from other funds | | | | | 0 |
| Receivables - State | 265,383 | 10,496 | | | 275,879 |
| Accounts Receivable - Other | 121,728 | | | | 121,728 |
| Interest receivable on investments | | | | | 0 |
| Inventory | | | | | 0 |
| Restricted cash and cash equivalents | 446,516 | | | | 446,516 |
| Other assets | | | | | 0 |
| | <u>1,838,139</u> | <u>64,307</u> | <u>317,519</u> | <u>4,951</u> | <u>2,224,916</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | | 3,764 | 68,809 | | 72,573 |
| Accrued Interest | | | | | 0 |
| Interfund payable | 6,281 | | | | 6,281 |
| Payable to federal government | | | | | 0 |
| Payable to state government | | 54,063 | | | 54,063 |
| Payable to local government | | | | | 0 |
| Deferred revenue | | 6,480 | | | 6,480 |
| Total liabilities | <u>6,281</u> | <u>64,307</u> | <u>68,809</u> | <u>0</u> | <u>139,397</u> |
| Fund Balances: | | | | | |
| Restricted Fund Balance: | | | | | |
| Reserved Excess Surplus - Designated for Subsequent Year's Expenditures | 530,245 | | | | 530,245 |
| Reserve for Excess Surplus | 82,537 | | | | 82,537 |
| Reserve for Capital Reserve | 396,516 | | | | 396,516 |
| Reserve for Maintenance | 50,000 | | | | 50,000 |
| Committed Fund Balance: | | | | | |
| Reserve for Impact Aid | | | | | 0 |
| Reserve for encumbrances | 184,950 | | | | 184,950 |
| Assigned Fund Balance: | | | | | |
| Designated for Subsequent Year's Expenditures | 178,865 | | | | 178,865 |
| Unrestricted Fund Balance | 408,745 | | 248,710 | 4,951 | 662,406 |
| Total Fund balances | <u>1,831,858</u> | <u>0</u> | <u>248,710</u> | <u>4,951</u> | <u>2,085,519</u> |
| Total liabilities and fund balances | <u>1,838,139</u> | <u>64,307</u> | <u>317,519</u> | <u>4,951</u> | |

Amounts reported for *governmental activities* in the statement of net assets (A-1) are different because:

The net pension liability for PERS is not due and payable in the current period and is not reported in the governmental funds (8,234,614)

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

Deferred outflows of resources related to pensions 1,426,681
Deferred inflows of resources related to pensions (378,315)

Interest expense in the governmental funds is reported when due. In the statement of activities, interest on long-term debt is accrued. (28,883)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$27,588,208 and the accumulated depreciation is \$11,146,135 (see Note 3). 16,442,073

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 4). (6,282,490)

Net assets of governmental activities \$ 5,029,971

Monmouth Regional High School District
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the 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 | \$ 20,302,512 | | | \$ 606,237 | \$ 20,908,749 |
| Transportation Fees | 395,866 | | | | 395,866 |
| Rental Facilities | 60,883 | | | | 60,883 |
| Interest on Investments | 1,745 | | | | 1,745 |
| Tuition charges | 20,025 | | | | 20,025 |
| Miscellaneous | 33,752 | 3,183 | | | 36,935 |
| Total - Local Sources | 20,814,783 | 3,183 | - | 606,237 | 21,424,203 |
| State sources | 5,801,530 | 93,931 | | | 5,895,461 |
| Federal sources | - | 335,425 | | | 335,425 |
| Total revenues | 26,616,313 | 432,539 | - | 606,237 | 27,655,089 |
| EXPENDITURES | | | | | |
| Current: | | | | | |
| Regular instruction | 7,365,305 | 320,076 | | | 7,685,381 |
| Special education instruction | 157,743 | | | | 157,743 |
| Other special instruction | 955,115 | | | | 955,115 |
| Vocational education | | | | | - |
| Other instruction | | | | | - |
| Nonpublic school programs | | | | | - |
| Adult/continuing education programs | | | | | - |
| Support services and undistributed costs: | | | | | |
| Tuition | 2,659,085 | | | | 2,659,085 |
| Student & instruction related services | 2,810,705 | 112,463 | | | 2,923,168 |
| School administrative services | 567,466 | | | | 567,466 |
| General administrative services | 509,868 | | | | 509,868 |
| Central services | 299,066 | | | | 299,066 |
| Administrative information technology | 17,899 | | | | 17,899 |
| Plant operations and maintenance | 1,905,736 | | | | 1,905,736 |
| Pupil transportation | 1,878,600 | | | | 1,878,600 |
| Personal services employee benefits | 7,201,452 | | | | 7,201,452 |
| Undistributed expenditures - Food Services | | | | | - |
| Unallocated benefits | | | | | - |
| Special schools | | | | | - |
| ARRA - Equalization Stabilization Fund (ESF) | | | | | - |
| ARRA - Government Services Fund (GSF) | | | | | - |
| Transfer to charter school | | | | | - |
| Debt service: | | | | | |
| Principal | | | | 530,000 | 530,000 |
| Interest and other charges | | | | 76,236 | 76,236 |
| Capital outlay | 859,860 | | 2,420,525 | - | 3,280,385 |
| Total expenditures | 27,187,900 | 432,539 | 2,420,525 | 606,236 | 30,647,200 |
| Excess (Deficiency) of revenues over expenditures | (571,587) | - | (2,420,525) | 1 | (2,992,111) |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Capital leases (non-budgeted) | | | | | - |
| Prior period adjustment - Fund 20 expenditures | (52,479) | | | | (52,479) |
| Transfers in | (1,377,000) | | 1,377,000 | - | - |
| Transfers out | 282,141 | | (282,141) | - | - |
| Capital reserve contribution | 753,114 | | | | 753,114 |
| Total other financing sources and uses | (394,224) | - | 1,094,859 | - | 700,635 |
| Net change in fund balances | (965,811) | - | (1,325,666) | 1 | (2,291,476) |
| Fund balance—July 1 | 2,797,669 | | 1,574,376 | 4,950 | 4,376,995 |
| Fund balance—June 30 | \$ 1,831,858 | \$ - | \$ 248,710 | \$ 4,951 | \$ 2,085,519 |

**Monmouth Regional High School District
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2016**

| | | |
|---|--|------------------------------|
| Total net change in fund balances - governmental funds (from B-2) | | \$ (2,291,476) |
| 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 | (1,009,346) |
| | Fixed assets adjustment | (2,548,608) |
| | Capital outlays | <u>3,280,385</u> |
| | | (277,569) |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities. | | |
| | | 530,000 |
| Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets. | | |
| | Proceeds of long-term debt | |
| | Accrued interest received on bond insurance | |
| | Capital lease proceeds | |
| The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the governmental funds: | | |
| | Change in pension liability(net) | (1,774,233) |
| | Change in pension plan expense(net) | <u>1,816,202</u> |
| | | 41,969 |
| In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is a deduction in the reconciliation. | | |
| In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+). | | |
| | Prior year accrued interest on long term debt which was paid in the current year | 31,669 |
| | Current year accrued interest on long term debt which was not paid in the current year | (28,883) |
| | Change in compensated absences payable | 6,119 |
| | Capital lease payments | <u>174,223</u> |
| | | 183,128 |
| Revenues in the statement of activities which do not provide current financial resources are not reported as revenues in the funds. (+) | | |
| Change in net assets of governmental activities | | <u><u>\$ (1,813,948)</u></u> |

PROPRIETARY FUNDS

Monmouth Regional High School District
Statement of Net Position
Proprietary Funds
June 30, 2016

| | Business-type Activities - Enterprise Funds | |
|---|--|------------------|
| | Food Service | Totals |
| ASSETS | | |
| Current assets: | | |
| Cash and cash equivalents | \$ 39,758 | \$ 39,758 |
| Investments | | - |
| Accounts receivable | 6,281 | 6,281 |
| Other receivables | | - |
| Inventories: | | |
| Commodities | 796 | 796 |
| Regular | 6,715 | 6,715 |
| Total current assets | <u>53,550</u> | <u>53,550</u> |
| Noncurrent assets: | | |
| Furniture, machinery & equipment | 164,479 | 164,479 |
| Less accumulated depreciation | (159,109) | (159,109) |
| Total noncurrent assets | <u>5,370</u> | <u>5,370</u> |
| Total assets | <u>58,920</u> | <u>58,920</u> |
| LIABILITIES | | |
| Current liabilities: | | |
| Accounts payable | 19,510 | 19,510 |
| Interfund payable | | - |
| Unearned Income | 1,734 | 1,734 |
| Compensated absences | | - |
| Total current liabilities | <u>21,244</u> | <u>21,244</u> |
| Noncurrent Liabilities: | | |
| Compensated absences | | - |
| Total noncurrent liabilities | <u>-</u> | <u>-</u> |
| Total liabilities | <u>21,244</u> | <u>21,244</u> |
| NET ASSETS | | |
| Invested in capital assets net of related debt | 5,370 | 5,370 |
| Restricted for: | | |
| Capital projects | | - |
| Unrestricted | 32,306 | 32,306 |
| Total net assets | <u>\$ 37,676</u> | <u>\$ 37,676</u> |

Exhibit B-5

Monmouth Regional High School District
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2016

| | <u>Business-type Activities - Enterprise Fund</u> | |
|---|---|-----------------------------|
| | <u>Food Service</u> | <u>Total Enterprise</u> |
| Operating revenues: | | |
| Charges for services: | | |
| Daily sales - reimbursable programs | \$ 62,029 | \$ 62,029 |
| Daily sales - non-reimbursable programs | 172,463 | 172,463 |
| Special functions | | - |
| Community service activities | | - |
| Transportation fees from other LEA's within the state | | - |
| Deductions from employees' salaries | | - |
| Food Distribution Program | 20,238 | 20,238 |
| Total operating revenues | <u>254,730</u> | <u>254,730</u> |
| | | |
| Operating expenses: | | |
| Cost of sales | 183,822 | 183,822 |
| Salaries | 143,932 | 143,932 |
| Employee benefits | | - |
| Purchased property service | | - |
| Other purchased professional services | | - |
| Cleaning, repair and maintenance services | 4,521 | 4,521 |
| Management Fees | 11,016 | 11,016 |
| Rentals | | - |
| Insurance | 9,390 | 9,390 |
| Uniforms | 813 | 813 |
| General supplies | 16,585 | 16,585 |
| Miscellaneous expense | 10,288 | 10,288 |
| Depreciation | 1,433 | 1,433 |
| Food distribution program Expense | 20,238 | 20,238 |
| Total Operating Expenses | <u>402,038</u> | <u>402,038</u> |
| Operating income (loss) | <u>(147,308)</u> | <u>(147,308)</u> |
| | | |
| Nonoperating revenues (expenses): | | |
| State sources: | | |
| State school lunch program | 2,651 | 2,651 |
| Federal sources: | | |
| National school lunch and breakfast program | 132,763 | 132,763 |
| Interest and investment revenue | 41 | 41 |
| Subsidy Operating - General Fund | | - |
| Total nonoperating revenues (expenses) | <u>135,455</u> | <u>135,455</u> |
| Income (loss) before contributions & transfers | <u>(11,853)</u> | <u>(11,853)</u> |
| | | |
| Capital contributions | | - |
| Change in net assets | (11,853) | (11,853) |
| Total net assets—beginning | 49,529 | 49,529 |
| Total net assets—ending | <u>\$ 37,676</u> | <u>\$ 37,676</u> |

Monmouth Regional High School District
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2016

| | Business-type Activities - | |
|--|-----------------------------------|---------------------|
| | Food | Total |
| | Service | Enterprise |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Receipts from customers | \$ (148,747) | \$ (148,747) |
| Payments to employees | | - |
| Payments for employee benefits | | - |
| Payments to suppliers | | - |
| Net cash provided by (used for) operating activities | <u>(148,747)</u> | <u>(148,747)</u> |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES | | |
| State Sources | 2,651 | 2,651 |
| Federal Sources | 132,763 | 132,763 |
| Operating subsidies and transfers from other funds | | - |
| Net cash provided by (used for) non-capital financing activities | <u>135,414</u> | <u>135,414</u> |
| CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES | | |
| Change in capital contributions | | - |
| Purchases of capital assets | | - |
| Gain/Loss on sale of fixed assets (proceeds) | | - |
| Net cash provided by (used for) capital and related financing activities | <u>-</u> | <u>-</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Interest and dividends | 41 | 41 |
| Proceeds from sale/maturities of investments | | - |
| Net cash provided by (used for) investing activities | <u>41</u> | <u>41</u> |
| Net increase (decrease) in cash and cash equivalents | (13,292) | (13,292) |
| Balances—beginning of year | 53,050 | 53,050 |
| Balances—end of year | <u>39,758</u> | <u>39,758</u> |
| Reconciliation of operating income (loss) to net cash provided (used) by operating activities: | | |
| Operating income (loss) | (147,308) | (147,308) |
| Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities | | - |
| Depreciation and net amortization | 1,433 | 1,433 |
| (Increase) decrease in accounts receivable, net | 823 | 823 |
| (Increase) decrease in inventories | (194) | (194) |
| (Increase) decrease in other current assets | | - |
| Increase (decrease) in accounts payable | (1,203) | (1,203) |
| Increase (decrease) in unearned income | (2,298) | (2,298) |
| Total adjustments | <u>(1,439)</u> | <u>(1,439)</u> |
| Net cash provided by (used for) operating activities | <u>\$ (148,747)</u> | <u>\$ (148,747)</u> |

FIDUCIARY FUNDS

Monmouth Regional High School District
Statement of Fiduciary Net Position
Fiduciary Funds
6/30/2016

| | <u>Unemployment Compensation Trust</u> | <u>Private Purpose Scholarship Fund</u> | <u>Other Trusts</u> | <u>Agency Fund</u> |
|---|--|---|-------------------------|------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 391,846 | \$ 42,304 | \$ 108 | \$ 155,141 |
| Investments, at fair value: | | | | |
| U.S. government obligations | | | | |
| NJ municipal bonds | | | | |
| Total investments | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total assets | <u>391,846</u> | <u>42,304</u> | <u>108</u> | <u>\$ 155,141</u> |
| LIABILITIES | | | | |
| Accounts payable | | | | |
| Payable to student groups | | | | 114,165 |
| Payroll deductions and withholdings | | | | 40,976 |
| Payable to teachers | | | | |
| Total liabilities | <u>-</u> | <u>-</u> | <u>-</u> | <u>\$ 155,141</u> |
| NET ASSETS | | | | |
| Held in trust for unemployment claims and other purposes | <u>\$ 391,846</u> | | | |
| Reserved for scholarships | | <u>\$ 42,304</u> | | |
| Reserved for other trusts | | | <u>\$ 108</u> | |

Exhibit B-8

Monmouth Regional High School District
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2016

| | <u>Unemployment Compensation Trust</u> | <u>Private Purpose Scholarship Fund</u> | <u>Other Trusts</u> |
|---|--|---|-------------------------|
| ADDITIONS | | | |
| Contributions: | | | |
| Plan member | \$ 35,174 | \$ 51,870 | |
| Other | | | |
| Total Contributions | <u>35,174</u> | <u>51,870</u> | <u>-</u> |
| Investment earnings: | | | |
| Net increase (decrease) in fair value of investments | | | |
| Interest | 312 | 20 | |
| Dividends | | | |
| Less investment expense | | | |
| Net investment earnings | <u>312</u> | <u>20</u> | <u>-</u> |
| Total additions | <u>35,486</u> | <u>51,890</u> | <u>-</u> |
| DEDUCTIONS | | | |
| Quarterly contribution reports | 40,828 | | |
| Unemployment claims | | | |
| Scholarships awarded | | 52,932 | 3,183 |
| Refunds of contributions | | | |
| Administrative expenses | | | |
| Total deductions | <u>40,828</u> | <u>52,932</u> | <u>3,183</u> |
| Change in net assets | <u>(5,342)</u> | <u>(1,042)</u> | <u>(3,183)</u> |
| Net assets—beginning of the year | <u>397,187</u> | <u>43,346</u> | <u>3,291</u> |
| Net assets—end of the year | <u>\$ 391,845</u> | <u>\$ 42,304</u> | <u>\$ 108</u> |

NOTES TO THE FINANCIAL STATEMENTS

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Monmouth Regional High School Board of Education have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). In June 1999 the GASB issued Statement 34 *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*. This statement established new financial reporting requirements for state and local governmental entities throughout the United States. They require new information and restructure much of the information that governments have presented in the past. Comparability with reports issued in prior years is affected.

The District implemented these standards starting with the fiscal year-ending June 30, 2004. With the implementation of GASB Statement 34, the District has prepared required supplementary information titled *Management's Discussion and Analysis*, which precedes the basic financial statements.

Other GASB Statements are required to be implemented in conjunction with GASB Statement 34. The District implemented the following other GASB Statements: Statement 33 -*Accounting and Financial & Reporting for Nonexchange Transactions*; Statement 36 – *Recipient Reporting for Certain Shared Nonexchange Revenues*; Statement 37 - *Basic Financial Statements – and Management's Discussion and Analysis -for State and Local Governments: Omnibus* and Statement 38 – *Certain Financial Statement Note Disclosures*; Statement 40 – *Deposit and Investment Risk Disclosures* and Statement 44 - *Economic Condition Reporting-The Statistical Section*; Statement 45 -*Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions* and Statement 54 - *Fund Balance Reporting and Governmental Fund Type Definitions*.

The accompanying financial statements present the financial position of the District and the various funds and fund types, the result of operations of the District and the various fund and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2016.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A. Reporting Entity:

The Monmouth Regional High School District is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the District functions independently through a Board of Education (Board). The Board consists of elected officials and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

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

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net assets 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 between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of net assets presents the financial condition of the governmental and business-type activity of the School 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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (Continued):

governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function or business segment is self-financing or draws from the general revenues of the School District.

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

Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

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.

Special Revenue Fund: The District accounts for the proceeds of specific revenue sources (other than expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes in the special revenue funds.

Capital Projects Fund: The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds).

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting (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 bonds issued to finance major property acquisition, construction and improvement programs.

Proprietary Fund Type

Enterprise (Food Service) Fund: The enterprise fund accounts for all revenues and expenses pertaining to cafeteria operations. The Food Service Fund is 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 Fund Types

Trust and Agency Funds: The trust and 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.

Nonexpendable Trust Fund: A nonexpendable trust fund is used to account for assets held under the terms of a formal trust agreement, whereby the District is under obligation to maintain the trust principal.

Agency Funds (Payroll and Student Activities Fund): Agency funds are 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.

Expendable Trust Funds: Expendable trust funds are used to account for the assets that the District holds whose principal and income may be expended in the course of their designated operations so that they are depleted by the end of their designated life.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting:

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of 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 is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. 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. 6:20-2A.2(m)1. All budget amendments must be approved by School Board resolution. Budget amendments were made during the year ended June 30, 2016.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only and the special revenue fund as noted below. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year end.

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. Sufficient supplemental records are maintained to allow for the presentation of GAAP basis financial reports.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets/Budgetary Control (Continued):

Explanation of Differences 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) "revenues" | \$ 26,609,534 | \$ 432,539 |
| Adjust for State Aid Payment: | | |
| Add: Prior Year Payment | 321,036 | |
| Less: Current Year Payment | (314,257) | |
| Adjust for Encumbrances: | | |
| Add Prior Year Encumbrances | | |
| Less Current Year Encumbrances | | |
| | <hr/> | <hr/> |
| Total Revenues (GAAP Basis) | \$ <u>26,616,313</u> | \$ <u>432,539</u> |
| Uses/outflows of resources | | |
| Actual amounts (budgetary) "total outflows" | \$ 27,187,900 | 432,539 |
| Adjustments: | | |
| Add Prior Year Encumbrances | | |
| Less Current Year Encumbrances | | |
| | <hr/> | <hr/> |
| Total Expenditures (GAAP Basis) | \$ <u><u>27,187,900</u></u> | \$ <u><u>432,539</u></u> |

E. Encumbrances:

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure 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 reservations of fund balances at fiscal year end as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

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.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Short-term Interfund Receivables/Payables:

Short-term interfund receivables/payables represents amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the District and that are due within one year.

G. Inventories and Prepaid Expenses:

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

H. Fixed Assets:

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

All reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method under the half-year convention over the following estimated useful lives:

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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fixed Assets (continued):

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

I. Accrued Salaries and Wages:

Certain District employees, who provide services to the District over the ten month academic year, have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account.

J. 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 policies. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. Upon retirement employees shall be paid by the District for the unused sick leave in accordance with the District's agreements with the various employee unions.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences (Continued):

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. 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. Salary-related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

For the District-wide Statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the Fund Financial Statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

K. Deferred Revenue:

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

L. 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. Bonds are recognized as a liability on the fund financial statements when due.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Assets:

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

N. Fund Balance Reserves:

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Unreserved fund balance indicates that portion which is available for appropriation in future periods. A fund balance reserve has been established for encumbrances.

O. Memorandum Only - Total Columns:

Total columns are captioned "memorandum only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial position, results of operations or changes in financial position in conformity with generally accepted accounting principles. Neither are such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

P. Subsequent Events:

Monmouth Regional High School District Board of Education has evaluated subsequent events occurring after June 30, 2016 through the date of November 30, 2016, which is the date the financial statements were available to be issued.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash and cash equivalents includes petty cash, change funds, amounts in deposits, and short term investments with original maturities of three months or less.

Investments are stated at cost, which approximates market. The Board classifies certificates of deposit which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments.

GASB Statement No. 40, *Governmental Accounting Standards Board Deposit and Investment Risk Disclosures*, requires disclosure of the level of custodial credit risk assumed by the District in its cash, cash equivalents, and investments, if those items are uninsured or unregistered. Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned.

Interest Rate Risk - In accordance with its cash management plan, the District ensures that any deposit or investment matures within the time period that approximates the prospective need for the funds, deposited or invested, so that there is not a risk to the market value of such deposits or investments.

Credit Risk - The District limits its investments to those authorized in its cash management plan which are those permitted under state statute as detailed below and on the following page.

A. Deposits:

New Jersey statutes require that school districts deposit public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation (FDIC), the Savings Association Insurance Fund, or by any other agency of the United States that insure deposits. School districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

New Jersey statutes require public depositories to maintain collateral for deposits of public funds that exceed depository insurance limits as follows:

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds; or

If the public funds deposited exceed 75% of the capital funds of the depository, the depository must provide collateral having a market value at least equal to 100% of the amount exceeding 75%.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

A. Deposits (Continued):

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000.

The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature or are to be redeemed within one year, except that up to 25% of the Fund may be invested in eligible securities which mature within two years; provided, however, that the average maturity of all investments in the Fund shall not exceed one year. Collateralization of Fund investments is generally not required. "Other Than State" participants contribute one tenth of one percent per year of the value of the aggregate units owned by them to establish a Reserve Fund, which is supplemented by the proportional interest of "Other Than State" participants in gains on investment transactions realized.

The Reserve Fund is available to cover losses of "Other Than State" participants occasioned by the bankruptcy of an issuer of an investment held by the Fund and losses on sales of securities

B. Investments:

New Jersey statutes permit the Board to purchase the following types of securities:

- Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America. This includes instruments such as Treasury bills, notes and bonds.
- Government money market mutual funds.
- Any federal agency or instrumentality obligation authorized by Congress that matures within 397 days from the date of purchase, and has a fixed rate of interest not dependent on any index or external factors.
- Bonds or other obligations of the school district or local unit of which the school district is a part.
- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued):

- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

As of June 30, 2016, cash and cash equivalents of the District consisted of the following:

| | <u>Cash and Cash Equivalents</u> |
|--|--------------------------------------|
| Checking, Savings and Money Management | \$2,409,866 |
| NJ Cash Management Account | \$ 758 |
| | <u>\$ 2,410,624</u> ===== |

All of the balances were covered by the either federal depository insurance or by a collateral pool maintained by the banks as required by New Jersey statutes.

Risk Category

All bank deposits, as of the balance sheet date, are entirely insured or collateralized by a collateral pool maintained by public depositories as required by the Governmental Unit Deposit Program Act. In general, bank deposits are classified as to credit risk by three categories described below:

Category 1 – Insured or collateralized with securities held by the Board or by its agent in the Board's name.

Category 2 – Collateralized with securities held by the pledging public depository's trust department or agent in the Board's name.

Category 3 – Uncollateralized including any deposits that are collateralized with securities held by the pledging public depository, or by its trust department or agent, but not in the Board's name.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS (Continued)

B. Investments (Continued):

As of June 30, 2016, the Board has funds invested and on deposit in checking accounts, Money Market/Statement Savings, New Jersey Cash Management Account. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 3 and are summarized as follows:

| <u>Risk Category</u> | <u>Amount</u> |
|----------------------|---------------|
| 1 | \$ 2,410,624 |
| 2 | None |
| 3 | <u>None</u> |
| | \$ 2,410,624 |
| | ===== |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 3. CAPITAL ASSETS

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

| | <u>Beginning Balance</u> | <u>Additions</u> | <u>Retirements/ Adjustments</u> | <u>Ending Balance</u> |
|--|------------------------------|---------------------|-------------------------------------|---------------------------|
| Governmental activities: | | | | |
| <i>Capital assets not being depreciated:</i> | | | | |
| Land | 120,340 | - | - | 120,340 |
| Construction in progress | 2,081,429 | - | (1,596,227) | 485,202 |
| Total capital assets not being depreciated | <u>2,201,769</u> | <u>-</u> | <u>(1,596,227)</u> | <u>605,542</u> |
| <i>Capital assets being depreciated:</i> | | | | |
| Site improvements | 2,168,722 | 9,900 | - | 2,178,622 |
| Building and building improvements | 19,238,126 | 2,021,991 | - | 21,260,117 |
| Machinery and equipment | 3,609,275 | 320,661 | (386,009) | 3,543,927 |
| Totals at historical cost | <u>25,016,123</u> | <u>2,352,552</u> | <u>(386,009)</u> | <u>26,982,666</u> |
| Less accumulated depreciation for : | | | | |
| Site improvements | 882,955 | 82,142 | - | 965,097 |
| Building and improvements | 6,919,384 | 687,061 | - | 7,606,445 |
| Equipment | 2,695,911 | 240,143 | (361,461) | 2,574,593 |
| Total | <u>10,498,250</u> | <u>1,009,346</u> | <u>(361,461)</u> | <u>11,146,135</u> |
| Total capital assets being depreciated, net of accumulated depreciation | <u>14,517,873</u> | <u>1,343,206</u> | <u>(24,548)</u> | <u>15,836,531</u> |
| Governmental activity capital assets, net | <u>\$ 16,719,642</u> | <u>\$ 1,343,206</u> | <u>\$ (1,620,775)</u> | <u>\$ 16,442,073</u> |
| Business-type activities: | | | | |
| <i>Capital assets being depreciated:</i> | | | | |
| Equipment | \$ 167,294 | \$ - | \$ (2,815) | \$ 170,109 |
| Less accumulated depreciation | <u>160,491</u> | <u>1,433</u> | <u>(2,815)</u> | <u>\$ 164,739</u> |
| Enterprise fund capital assets, net | <u>\$ 6,803</u> | <u>\$ (1,433)</u> | <u>\$ -</u> | <u>\$ 5,370</u> |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 3. CAPITAL ASSETS (Continued)

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to \$2,000. The previous threshold was \$500. Applying the higher capitalization threshold retroactively (removal of old assets from the General Fixed Assets Account Group) will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives. The retirement of machinery and equipment is due to the retroactive application of the higher threshold of equipment capitalization. That is, the District has removed from their records assets with a historical cost greater than \$500 but not greater than \$2,000 that were fully depreciated or had exceeded their useful lives.

Depreciation expense was charged to functions as follows:

| | |
|--|---------------------|
| Instruction | \$ 43,483 |
| Student and Instruction - Related Services | |
| School Administrative Related Services | 1,268 |
| General and Business Administrative Services | 1,285 |
| Central Services | 48,722 |
| Administrative Information Technology | 18,329 |
| Plant Operations and Maintenance | 784,421 |
| Pupil Transportation | 111,839 |
| Business and Other Support Services | |
| Unallocated | |
| Total | <u>\$ 1,009,347</u> |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 3. CAPITAL ASSETS (Continued)

On November 6, 2012 the voters of the District were asked to approve two Bond Referendum questions. The questions addressed projects regarding educational success and health and safety issues. Summaries of the projects are as follows:

Bond Question #1:

| | |
|---------------------------------------|-----------------------------|
| Asbestos Removal | \$ 660,000 |
| Girls' Locker Room Renovation | \$ 1,353,000 |
| Science Classrooms Renovation | \$ 3,690,000 |
| Storage Room off of Girl's Locker Roo | \$ 446,000 |
| | <u> </u> |
| Total Question #1 | <u>\$ 6,149,000</u> |

Bond Question #2:

| | |
|---|-----------------------------|
| Paving of Lots | \$ 620,000 |
| New Auxiliary Gym | \$ 2,337,000 |
| Electrical Panels Renovation | \$ 850,000 |
| Replacement of Original Clocks & Speaker (PA) System | \$ 500,000 |
| | <u> </u> |
| Total Question #2 | <u>\$ 4,307,000</u> |

On November 6, 2012, Bond Question #1 was approved by the voters. The financial status of the project is reported as a Capital Project in the report entitled "Summary Statement of Project Expenditures" and appears as Exhibit F-1 in the CAFR.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 4. GENERAL LONG-TERM DEBT

During the fiscal year ended June 30, 2016, the following changes occurred in liabilities reported in the general long-term debt account group:

| | Balance 7/1/2015 | Issued | Retired | Balance 6/30/2016 | Amounts Due Within One Year |
|---------------------------------|---------------------|-------------|-------------------|----------------------|--------------------------------|
| Compensated Absences Payable | \$ 1,517,780 | \$ - | \$ 6,119 | \$ 1,511,661 | \$ - |
| Serial Bonds Payable | 5,089,000 | | 530,000 | 4,559,000 | 535,000 |
| Capital Leases Payable | 386,052 | | 174,223 | 211,829 | 81,331 |
| | <u>\$ 6,992,832</u> | <u>\$ -</u> | <u>\$ 710,342</u> | <u>\$ 6,282,490</u> | <u>\$ 616,331</u> |

A. Bonds Payable:

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

Principal and interest due on serial bonds outstanding is at June 30, 2016 as follows:

| Year ending June 30, | Principal | Interest | Total |
|-------------------------|---------------------|-------------------|---------------------|
| 2017 | \$ 535,000 | \$ 69,318 | \$ 604,318 |
| 2018 | 545,000 | 62,568 | 607,568 |
| 2019 | 550,000 | 55,692 | 605,692 |
| 2020 | 560,000 | 48,755 | 608,755 |
| 2021 | 570,000 | 40,280 | 610,280 |
| 2022 | 585,000 | 31,730 | 616,730 |
| 2023 | 600,000 | 22,305 | 622,305 |
| 2024 | 614,000 | 11,980 | 625,980 |
| Total | <u>\$ 4,559,000</u> | <u>\$ 342,628</u> | <u>\$ 4,901,628</u> |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 4. GENERAL LONG-TERM DEBT (Continued)

A. Bonds Payable (Continued):

Advance Refunding:

The District adopted a resolution on August 6, 2002 for the purpose of issuing Refunding School Bonds to refund a portion of outstanding bonds dated February 1, 1997 issued in the original principal amount of \$6,995,000.

On September 1, 2002, the District issued \$4,925,000 in Refunding School Bonds with interest rates ranging between 1.50% and 5.00%. The District issued the bonds to advance refund \$4,800,000 of the outstanding School Bonds dated February 1, 1997 with interest rates ranging between 5.10% and 5.20%. The District used the net proceeds to purchase U.S. Government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the bond issue noted above. As a result, that portion of the bond issue noted above is considered defeased, and the District has removed the liability from its accounts.

The advance refunding resulted in an economic gain (difference between the present value of bond payments for the prior issues and the debt service payments for the Refunding School Bonds, discounted at the effective interest rate) of \$189,874.49 which resulted in a net present value cost savings of 3.86% (economic gain divided by the outstanding bonds under the refunded issue.)

The remaining balance outstanding on the advance refunding bonds was paid on February 1, 2013. As of June 30, 2016, the outstanding balance on these bonds is zero.

B. Bonds Issued During the Year:

The District did not issue bonds during the fiscal year ended June 30, 2016.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 4. GENERAL LONG-TERM DEBT (Continued)

C. Bonds Authorized But Not Issued:

As of June 30, 2016, the District had no authorized but not used bonds.

C. Capital Leases Payable:

The District is leasing several copiers and school buses under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the net minimum lease payments at June 30, 2016.

| Year ending June 30, | <u>Total</u> |
|------------------------------------|--------------------------|
| 2017 | \$ 85,442 |
| 2018 | 85,664 |
| 2019 | 46,953 |
| Total Minimum Lease Payments | <u>\$ 218,059</u> |
| Less: Amount Representing Interest | (8,113) |
| Net Minimum Lease Payments | <u><u>\$ 209,946</u></u> |

NOTE 5. PENSION PLANS

Plan Descriptions

All required employees of the District are covered by either the Public Employees' Retirement System (PERS) or the Teachers' Pension and Annuity Fund (TPAF) which have been established by state statute and are administered by the New Jersey Division of Pension and Benefits (Division). According to the State of New Jersey Administrative Code, all obligations of both Systems will be assumed by the State of New Jersey should the Systems terminate. The Division issues a publicly available financial report that includes the financial statements and required supplementary information for the Public Employees Retirement System and the Teachers' Pension and Annuity Fund. These reports may be obtained by writing to the Division of Pensions and Benefits, PO Box 295, Trenton, New Jersey, 08625.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Plan Descriptions (Continued)

Teachers' Pension and Annuity Fund (TPAF)

The TPAF 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 TPAF is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related noncontributing 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 DOE who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS)

The PERS was established as of January 1, 1955 under the provisions of N.J.S.A. 43:15A to provide retirement, death, disability and medical benefits to certain qualified members. The PERS is a cost-sharing multiple-employer plan. Membership is mandatory for substantially all full-time employees of the State of New Jersey or any county, municipality, school district or public agency, provided the employee is not required to be a member of another State-administered retirement system or other state or local jurisdiction.

Public Employees' Retirement System (PERS)

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

For the year ended June 30, 2016, the District recognized pension expense of \$873,463, consisting of employer contributions of \$315,376 and non-employer contributions of \$558,087. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 196,449 | \$ - |
| Changes of assumptions | 884,330 | - |
| Net difference between projected and actual earnings on pension plan investments | - | 132,397 |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 345,902 | 245,918 |
| District contributions subsequent to the measurement date | - | - |
| Total: | <u>\$ 1,426,681</u> | <u>\$ 378,315</u> |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

\$ -0- reported as deferred outflows of resources related to pensions resulting from school district, charter school, or renaissance school project 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, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | | |
|---------------------|------|-------------|
| | 2016 | \$ 172,653 |
| | 2017 | \$ 172,653 |
| | 2018 | \$ 172,653 |
| | 2019 | \$ 274,978 |
| | 2020 | \$ 155,444 |
| | | <hr/> |
| Total | | \$ 948,381 |
| | | <hr/> <hr/> |

Additional Information

Collective balances at December 31, 2014 and 2015 are as follows:

| | 12/31/2014 | 12/31/2015 |
|---|------------|--------------|
| Collective deferred outflows of resources | \$ 203,149 | \$ 1,426,681 |
| Collective deferred inflows of resources | 385,003 | 378,315 |
| Collective net pension liability | 6,460,365 | 8,234,598 |
| District's Proportion | 0.0345% | 0.0367% |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF)

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teachers Pension and Annuity Fund (TPAF) and additions to/deductions from the TPAF's fiduciary net position have been determined on the same basis as they are reported by the 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.

For the year ended June 30, 2016, the District recognized pension expense of \$3,496,406 and revenue of \$3,496,406 for support provided by the State. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|--------------------------------------|-------------------------------------|
| Differences between expected and actual experience | \$ 289,316 | \$ 17,149 |
| Changes of assumptions | 6,484,936 | 482,180 |
| Net difference between projected and actual earnings on pension plan investments | - | - |
| Changes in proportion and differences between District contributions and proportionate share of contributions | 41,412 | 65,434 |
| District contributions subsequent to the measurement date | - | - |
| Total: | \$ 6,815,664 | \$ 564,763 |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) (Continued)

\$ -0- reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: | |
|---------------------|---------------------|
| 2016 | \$ 736,590 |
| 2017 | 736,590 |
| 2018 | 736,590 |
| 2019 | 1,128,368 |
| 2020 | 954,991 |
| Thereafter | 1,977,152 |
| Total | \$ 6,270,281 |

Vesting and Benefit Provisions

The vesting and benefit provisions for PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after eight to ten years of service, except for medical benefits that vest after 25 years of service. Retirement benefits for age and service are available at age 60 and are generally determined to be 1/60 of the final average salary for each year of service credit, as defined. Final average salary equals the average salary for the final three years of service prior to retirement (or highest three years' compensation if other than the final three years). Members may seek early retirement after achieving 25 years of service credit or they may elect deferred retirement after achieving eight to ten years of service in which case benefits would begin the first day of the month after the member attains normal retirement age. The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System.

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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 5. PENSION PLANS (Continued)

Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by $\frac{1}{2}$ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for both cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

During the fiscal year ended June 30, 2016, the State of New Jersey contributed \$1,538,537 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$676,346 during the year ended June 30, 2016 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 6. POST-EMPLOYMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire 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 Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides 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.

For the fiscal year ended June 30, 2016, the State of New Jersey contributed on behalf of the District \$836,241 to the TPAF for post-retirement medical benefits.

NOTE 7. INTERFUND RECEIVABLES AND PAYABLES

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

| <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|-----------------------|---------------------------------|------------------------------|
| General Fund | \$ - | \$ 6,281 |
| Special Revenue Fund | | |
| Capital Projects Fund | | |
| Debt Service Fund | | |
| Enterprise Fund | 6,281 | |
| Trust and Agency Fund | | |
| | <u>\$6,281</u> | <u>\$6,281</u> |

These amounts represent temporary advances between the various funds.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 8. 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 2014-2015 fiscal year were subject to the Single Audit Act of 1984 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the Board's annual audit. Substantially, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal (USDA) reimbursements and is subject to certain related federal regulations. The federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The Board and management do not believe such an audit would result in material amounts of disallowed costs.

NOTE 9. LITIGATION

The Board attorneys' report that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the Board of Education and which might materially affect the financial position of the District.

NOTE 10. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave in accordance with the District's personnel policy. Upon termination, employees are paid for accrued vacation. The District's policy permits employees to accumulate unused sick leave and carry forward the full amount to subsequent years. 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.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 10. COMPENSATED ABSENCES (Continued)

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees.

NOTE 11. DEFERRED COMPENSATION

The Board offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 403(b). The plan, which is administered by a benefits management company, permits participants to defer a portion of their salary until future years. Amounts deferred under the plan are not available to employees until termination, retirement, death or unforeseeable emergency. The Board has no liability for losses under the plan but does have the duty of due care that would be required of an ordinary prudent investor.

The Board offers several plan administrators for its employees to utilize.

NOTE 12. RISK MANAGEMENT

The Board has contracted with a commercial insurance company to provide coverage for various losses caused by the Board on its employees for losses sustained through other acts. The coverages are subject to various deductibles and coverage limits based on the type of policy coverage included. The coverages and its limits are detailed in the statistical section (Exhibit J-20).

The Board also maintains surety bond coverage on key financial employees.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. The following is a summary of the balance in the Trust Fund for the current and previous two years.

| <u>Fiscal Year</u> | <u>Ending Balance</u> |
|--------------------|-----------------------|
| 2015-2016 | \$ 391,845 |
| 2014-2015 | \$ 397,187 |
| 2013-2014 | \$ 398,967 |

NOTE 13. INVENTORY

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

| | |
|-----------------------------|-----------------|
| Food-Commodities | \$ 796 |
| Food and Non-Food – Regular | <u>\$ 6,715</u> |
| | \$ 7,511 |
| | ===== |

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1984) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 14. FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1) - Of the \$2,146,115 General Fund fund balance at June 30, 2016, \$184,950 is reserved for encumbrances; \$612,782 has been reserved as excess surplus in accordance with N.J.S.A. 18A:7F-7 (\$530,245 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2017); \$396,516 has been reserved in the Capital Reserve Account; \$50,000 has been reserved in the Maintenance Reserve Account; and \$901,867 is unreserved and undesignated.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

Debt Service Fund - The Debt Service Fund fund balance at June 30, 2016 was \$4,951.

NOTE 15. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7. New Jersey school districts are required to reserve General Fund fund balance at the fiscal of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2016 is \$82,537.

NOTE 16. 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 17. OTHER

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

NOTE 18. SUBSEQUENT EVENTS

The Monmouth Regional High School Board of Education has evaluated subsequent events occurring after June 30, 2016 through the date of November 30, 2016, which is the date the financial statements were available to be issued.

NOTE 19. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Monmouth Regional High School Board of Education by inclusion of \$1 on October 19, 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.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 19. CAPITAL RESERVE ACCOUNT (Continued)

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A.19:60-2. Pursuant to N.J.A.C.6:23A-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.

The capital reserve account reported the following activity for the fiscal year ended June 30, 2016:

| | |
|---------------------------|--------------------|
| Beginning Balance | \$ 738,097 |
| Plus: Board Appropriation | 753,114 |
| Transfers In | 282,141 |
| Interest Income | 164 |
| Less: Transfers Out | <u>(1,377,000)</u> |
| Ending Balance | <u>396,516</u> |

NOTE 20. CONTINGENT LIABILITIES

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies. To the extent that the District has not complied with the grant rules and regulations, refunds of any money received may be required and the collectability of any related receivable at June 30, 2016 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2016**

NOTE 21. ECONOMIC DEPENDENCY

The District receives a substantial amount of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, could affect the District's programs and activities.

NOTE 22. GASB #54 – FUND BALANCE DISCLOSURES

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Monmouth Regional High School District classifies governmental fund balances as follows:

- **Non-spendable** - includes fund balance amounts that cannot be spent either because it is not in spendable form or because legal or contractual constraints.
- **Restricted** - includes fund balance amounts that are constrained for specific purposes which are externally imposed by external parties, constitutional provision or enabling legislation.
- **Committed** - includes fund balance amounts that are constrained for specific purposes that are internally imposed by the government through formal action of the highest level of decision making authority and does not lapse at year-end.
- **Assigned** - includes fund balance amounts that are intended to be used for specific purposes that are neither considered restricted or committed. Fund Balance may be assigned by the Business Administrator.
- **Unassigned** - includes balance within the General Fund which has not been classified within the above mentioned categories and negative fund balances in other governmental funds.

General Fund – Of \$2,146,115 General Fund fund balance at June 30, 2016, \$82,537 is restricted for excess surplus – current year; \$976,761 is restricted for other purposes; \$184,950 is committed; \$178,865 is assigned for other purposes; and \$723,002 is unassigned.

***REQUIRED SUPPLEMENTARY INFORMATION
PART II***

BUDGETARY COMPARISON SCHEDULES

Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-------------------|-------------------|-----------------------------|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 20,302,512 | \$ - | \$ 20,302,512 | \$ 20,302,512 | \$ - |
| Transportation Fees From Other LEAs | 363,590 | - | 363,590 | 395,866 | 32,276 |
| Rental Facilities | - | - | - | 60,883 | 60,883 |
| Tuition | - | - | - | 20,025 | 20,025 |
| Interest Income - Other | - | - | - | 1,581 | 1,581 |
| Interest Earned on Capital Reserve Funds | 50 | (50) | - | 164 | 164 |
| Miscellaneous | 87,001 | 50 | 87,051 | 33,752 | (53,299) |
| Total - Local Sources | 20,753,153 | - | 20,753,153 | 20,814,783 | 61,630 |
| State Sources: | | | | | |
| Categorical Special Education Aid | 643,368 | - | 643,368 | 643,368 | - |
| Categorical Transportation Aid | 583,284 | - | 583,284 | 583,284 | - |
| Categorical Security Aid | 108,037 | - | 108,037 | 108,037 | - |
| Equalization Aid | 299,370 | - | 299,370 | 299,370 | - |
| Equalization Aid - ARRA | - | - | - | - | - |
| Extraordinary Aid | - | - | - | 208,059 | 208,059 |
| Extraordinary Aid - Previous Year | - | - | - | - | - |
| Adjustment Aid | 1,703,247 | - | 1,703,247 | 1,703,247 | - |
| Non Public Transportation Aid | - | - | - | 15,483 | 15,483 |
| Other State Aid | 19,020 | - | 19,020 | 19,020 | - |
| TPAF Pension (On-Behalf - Non-Budgeted) | - | - | - | 702,296 | 702,296 |
| TPAF Post-Retirement Medical (On-Behalf - Non-Budgeted) | - | - | - | 836,241 | 836,241 |
| TPAF Social Security (Reimbursed - Non-Budgeted) | - | - | - | 676,346 | 676,346 |
| Total State Sources | 3,356,326 | - | 3,356,326 | 5,794,751 | 2,438,425 |
| Federal Sources: | | | | | |
| Impact Aid | - | - | - | - | - |
| Education Jobs Fund | - | - | - | - | - |
| Total - Federal Sources | - | - | - | - | - |
| Total Revenues | 24,109,479 | - | 24,109,479 | 26,609,534 | 2,500,055 |
| EXPENDITURES: | | | | | |
| Current Expense: | | | | | |
| Regular Programs - Instruction | | | | | |
| Preschool/Kindergarten - Salaries of Teachers | - | - | - | - | - |
| Grades 1-5 - Salaries of Teachers | - | - | - | - | - |
| Grades 6-8 - Salaries of Teachers | - | - | - | - | - |
| Grades 9-12 - Salaries of Teachers | 6,646,610 | 202,392 | 6,849,002 | 6,838,444 | 10,558 |
| Regular Programs - Home Instruction: | | | | | |
| Salaries of Teachers | 8,800 | 14,967 | 23,767 | 23,716 | 51 |
| Purchased Professional-Educational Services | 10,500 | (1,257) | 9,243 | 9,236 | 7 |
| Regular Programs - Undistributed Instruction | | | | | |
| Other Salaries for Instruction | 154,466 | 4,100 | 158,566 | 158,508 | 58 |
| Purchased Professional-Educational Services | - | - | - | - | - |
| Purchased Technical Services | - | - | - | - | - |
| Other Purchased Services (400-500 series) | 2,000 | 4,044 | 6,044 | 6,044 | - |
| General Supplies | 310,285 | (92,621) | 217,664 | 214,386 | 3,278 |
| Textbooks | 62,573 | (26,271) | 36,302 | 35,294 | 1,008 |
| Other Objects | 114,041 | (20,900) | 93,141 | 79,677 | 13,464 |
| TOTAL REGULAR PROGRAMS - INSTRUCTION | 7,309,275 | 84,454 | 7,393,729 | 7,365,305 | 28,424 |
| SPECIAL EDUCATION - INSTRUCTION | | | | | |
| Cognitive - Mild: | | | | | |
| Salaries of Teachers | - | - | - | - | - |
| Other Salaries for Instruction | - | - | - | - | - |
| Purchased Professional-Educational Services | - | - | - | - | - |
| Purchased Technical Services | - | - | - | - | - |
| Other Purchased Services (400-500 series) | - | - | - | - | - |
| General Supplies | - | - | - | - | - |
| Textbooks | - | - | - | - | - |
| Other Objects | - | - | - | - | - |
| Total Cognitive - Mild | - | - | - | - | - |
| Cognitive - Moderate: | | | | | |
| Salaries of Teachers | - | - | - | - | - |
| Other Salaries for Instruction | - | - | - | - | - |

Monmouth Regional High School District
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|--|--------------------|---------------------|-----------------|---------|-----------------------------|
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Cognitive - Moderate | | - | | | - |
| Learning and/or Language Disabilities: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Learning and/or Language Disabilities | | - | | | - |
| Visual Impairments: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Visual Impairments | | - | | | - |
| Auditory Impairments: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Auditory Impairments | | - | | | - |
| Behavioral Disabilities: | | | | | |
| Salaries of Teachers | 131,800 | 8,657 | 140,457 | 140,457 | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | 1,000 | - | 1,000 | - | 1,000 |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Behavioral Disabilities | 132,800 | 8,657 | 141,457 | 140,457 | 1,000 |
| Multiple Disabilities: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Multiple Disabilities | | - | | | - |
| Resource Room/Resource Center: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Resource Room/Resource Center | | - | | | - |
| Autism: | | | | | |
| Salaries of Teachers | | - | | | - |

**Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|-----------------------------|-------------------------|----------------|-------------------------------------|
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | - | 10,204 | 10,204 | 8,616 | 1,588 |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Autism | <u>-</u> | <u>10,204</u> | <u>10,204</u> | <u>8,616</u> | <u>1,588</u> |
| Preschool Disabilities - Part-Time: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Preschool Disabilities - Part-Time | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Preschool Disabilities - Full-Time: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Preschool Disabilities - Full-Time | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Home Instruction: | | | | | |
| Purchased Professional-Educational Services | 8,000 | 1,000 | 9,000 | 8,670 | 330 |
| Total Home Instruction | <u>8,000</u> | <u>1,000</u> | <u>9,000</u> | <u>8,670</u> | <u>330</u> |
| Cognitive - Severe: | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Cognitive - Severe | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| TOTAL SPECIAL EDUCATION - INSTRUCTION | <u>140,800</u> | <u>19,861</u> | <u>160,661</u> | <u>157,743</u> | <u>2,918</u> |
| Basic Skills/Remedial - Instruction | | | | | |
| Salaries of Teachers | 92,529 | (28,967) | 63,562 | 46,569 | 16,993 |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Basic Skills/Remedial - Instruction | <u>92,529</u> | <u>(28,967)</u> | <u>63,562</u> | <u>46,569</u> | <u>16,993</u> |
| Bilingual Education - Instruction | | | | | |
| Salaries of Teachers | 71,700 | (7,779) | 63,921 | 63,700 | 221 |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | - | 412 | 412 | - | 412 |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Bilingual Education - Instruction | <u>71,700</u> | <u>(7,367)</u> | <u>64,333</u> | <u>63,700</u> | <u>633</u> |
| School-Spon. Athletics - Inst. | | | | | |
| Salaries of Teachers | 475,764 | (1,300) | 474,464 | 460,634 | 13,830 |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional-Educational Services | | - | | | - |
| Purchased Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | 62,000 | 14,367 | 76,367 | 76,367 | - |

Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|------------------|------------------|-----------------------------|
| General Supplies | 50,000 | 2,900 | 52,900 | 52,785 | 115 |
| Textbooks | | - | | | - |
| Other Objects | 42,910 | (3,174) | 39,736 | 38,036 | 1,700 |
| Total School-Spon. Athletics - Inst. | 630,674 | 12,793 | 643,467 | 627,822 | 15,645 |
| School-Spon. Cocurricular Actvts. - Inst. | | | | | |
| Salaries | 181,900 | - | 181,900 | 177,373 | 4,527 |
| Purchased Services (300-500 series) | 15,700 | (9,876) | 5,824 | 3,158 | 2,666 |
| Supplies and Materials | 5,000 | 3,670 | 8,670 | 6,812 | 1,858 |
| Other Objects | 27,600 | 27,401 | 55,001 | 29,681 | 25,320 |
| Transfers to Cover Deficit (Agency Funds) | | - | | | - |
| Total School-Spon. Cocurricular Actvts. - Inst. | 230,200 | 21,195 | 251,395 | 217,024 | 34,371 |
| Other Instructional Programs - Instruction | | | | | |
| Salaries | | - | | | - |
| Purchased Services (300-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Transfers to Cover Deficit (Agency Funds) | | - | | | - |
| Total Other Instructional Programs - Instruction | - | - | - | - | - |
| Total Instruction | 8,475,178 | 101,969 | 8,577,147 | 8,478,163 | 98,984 |
| Undistributed Expenditures - Instruction: | | | | | |
| Tuition to CSSD & Regional Day Schools | | - | | | - |
| Tuition to Private Schools for the Disabled - Within State | 1,622,673 | (270,165) | 1,352,508 | 1,339,425 | 13,083 |
| Tuition to Private Schools for the Disabled & Oth LEAs-Spl - o/s NJ | - | 242,165 | 242,165 | 233,004 | 9,161 |
| Tuition -County Voc School Dist.-Regular | 543,300 | (43,500) | 499,800 | 495,890 | 3,910 |
| Tuition -County Voc School Dist.-Special | 198,100 | 55,345 | 253,445 | 245,539 | 7,906 |
| Tuition - State Facilities | 111,586 | - | 111,586 | 111,586 | - |
| Tuition - Other | | - | | | - |
| Tuition - Other LEAs Within State-Regular | - | 26,972 | 26,972 | 24,548 | 2,424 |
| Tuition - Other LEAs Within State-Special | 125,484 | 83,704 | 209,188 | 209,093 | 95 |
| Total Undistributed Expenditures - Instruction: | 2,601,143 | 94,521 | 2,695,664 | 2,659,085 | 36,579 |
| Undistributed Expend. - Attendance & Social Work | | | | | |
| Salaries | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Undistributed Expend. - Attendance & Social Work | - | - | - | - | - |
| Undist. Expend. - Health Services | | | | | |
| Salaries | 147,942 | - | 147,942 | 147,913 | 29 |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | 850 | (850) | - | - | - |
| Supplies and Materials | 1,200 | 3,420 | 4,620 | 4,089 | 531 |
| Other Objects | 1,075 | (570) | 505 | 155 | 350 |
| Total Undistributed Expenditures - Health Services | 151,067 | 2,000 | 153,067 | 152,157 | 910 |
| Undist. Expend. - Other Supp. Serv. Students - Related Serv. | | | | | |
| Salaries of Other Professional Staff | 38,080 | - | 38,080 | 36,652 | 1,428 |
| Purchased Professional - Educational Services | 188,100 | 800 | 188,900 | 177,786 | 11,114 |
| Supplies and Materials | | - | | | - |
| Total Undist. Expend. - Other Supp. Serv. Students - Related Serv. | 226,180 | 800 | 226,980 | 214,438 | 12,542 |
| Undist. Expend. - Other Supp. Serv. Students - Extra. Serv. | | | | | |
| Salaries | 187,654 | 13,200 | 200,854 | 200,842 | 12 |
| Total Undist. Expend. - Other Supp. Serv. Students - Extra. Serv. | 187,654 | 13,200 | 200,854 | 200,842 | 12 |
| Undist. Expend. - Other Supp. Serv. Students-Reg. | | | | | |
| Salaries of Other Professional Staff | 390,310 | 3,900 | 394,210 | 394,142 | 68 |
| Salaries of Secretarial and Clerical Assistants | 149,986 | 82 | 150,068 | 150,068 | - |
| Other Salaries | | - | | | - |
| Purchased Professional - Educational Services | | - | | | - |
| Other Purchased Prof. and Tech. Services | 6,000 | (6,000) | - | - | - |
| Other Purchased Services (400-500 series) | 1,090 | 295 | 1,385 | 1,250 | 135 |
| Supplies and Materials | 3,000 | 750 | 3,750 | 2,967 | 783 |
| Other Objects | 13,362 | 1,000 | 14,362 | 11,081 | 3,281 |
| Total Undist. Expend. - Other Supp. Serv. Students-Reg. | 563,748 | 27 | 563,775 | 559,508 | 4,267 |
| Undist. Expend. - Other Supp. Serv. Students - Special | | | | | |
| Salaries of Other Professional Staff | 595,065 | 5,501 | 600,566 | 585,599 | 14,967 |
| Salaries of Secretarial and Clerical Assistants | 71,311 | - | 71,311 | 71,310 | 1 |
| Purchased Professional Educational Services | 88,000 | (6,210) | 81,790 | 74,756 | 7,034 |
| Misc. Purch Serv (400 - 500 series o/than resid costs) | 4,000 | (2,600) | 1,400 | 991 | 409 |
| Supplies and Materials | 9,700 | 2,700 | 12,400 | 12,358 | 42 |

Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-----------------|----------------|-----------------------------|
| Other Objects | 4,850 | (100) | 4,750 | 2,733 | 2,017 |
| Total Undist. Expend. - Other Supp. Serv. Students - Special | 772,926 | (709) | 772,217 | 747,747 | 24,470 |
| Undist. Expend. - Improvement of Inst. Serv. | | | | | |
| Salaries of Supervisor of Instruction | 660,213 | 21,200 | 681,413 | 681,401 | 12 |
| Salaries of Other Professional Staff | 52,470 | (33,990) | 18,480 | 18,480 | - |
| Salaries of Secr and Clerical Assist. | - | - | - | - | - |
| Other Salaries | 9,000 | (9,000) | - | - | - |
| Purchased Prof- Educational Services | - | - | - | - | - |
| Other Purch Prof. and Tech. Services | - | - | - | - | - |
| Other Purch Services (400-500) | - | - | - | - | - |
| Supplies and Materials | - | - | - | - | - |
| Other Objects | 1,000 | 100 | 1,100 | 1,045 | 55 |
| Total Undist. Expend. - Improvement of Inst. Serv. | 722,683 | (21,690) | 700,993 | 700,926 | 67 |
| Undist. Expend. - Edu. Media Serv./Sch. Library | | | | | |
| Salaries | 168,294 | 29,709 | 198,003 | 197,284 | 719 |
| Other Purchased Prof. and Tech. Services | - | - | - | - | - |
| Other Purchased Services (400-500 series) | - | - | - | - | - |
| Supplies and Materials | 15,435 | 3,419 | 18,854 | 17,697 | 1,157 |
| Other Objects | 4,700 | 4,192 | 8,892 | 8,830 | 62 |
| Total Undist. Expend. - Edu. Media Serv./Sch. Library | 188,429 | 37,320 | 225,749 | 223,811 | 1,938 |
| Undist. Expend. - Instructional Staff Training Serv. | | | | | |
| Salaries of Supervisors of Instruction | 1,111 | (1,111) | - | - | - |
| Salaries of Other Professional Staff | 18,890 | 995 | 19,885 | 11,276 | 8,609 |
| Salaries of Secretarial and Clerical Assist | - | - | - | - | - |
| Other Salaries | - | - | - | - | - |
| Purchased Professional - Educational Service | - | - | - | - | - |
| Other Purchased Prof. and Tech. Services | - | - | - | - | - |
| Other Purchased Services (400-500 series) | - | - | - | - | - |
| Supplies and Materials | 1,000 | (1,000) | - | - | - |
| Other Objects | 200 | - | 200 | - | 200 |
| Total Undist. Expend. - Instructional Staff Training Serv. | 21,201 | (1,116) | 20,085 | 11,276 | 8,809 |
| Undist. Expend. - Supp. Serv. - General Admin. | | | | | |
| Salaries | 216,934 | 7,700 | 224,634 | 224,519 | 115 |
| Legal Services | 30,000 | 14,450 | 44,450 | 40,007 | 4,443 |
| Audit Fees | 31,110 | - | 31,110 | 31,110 | - |
| Other Purchased Professional Services | 1,000 | - | 1,000 | 850 | 150 |
| Communications/Telephone | 38,440 | 11,500 | 49,940 | 49,929 | 11 |
| BOE Other Purchased Services | 1,500 | 543 | 2,043 | 1,759 | 284 |
| Other Purchased Services (400-500 series) | 61,712 | 19,520 | 81,232 | 61,340 | 19,892 |
| Other Purchased Prof. and Tech. Services | - | - | - | - | - |
| Rental | - | - | - | - | - |
| Travel | - | - | - | - | - |
| Supplies and Materials | 5,000 | 9,712 | 14,712 | 14,694 | 18 |
| General Supplies | - | - | - | - | - |
| BOE In house Training/Meeting Supplies | - | 1,550 | 1,550 | 1,425 | 125 |
| BOE Membership Dues and Fees | 12,600 | - | 12,600 | 12,524 | 76 |
| Judgements Against The School District | - | - | - | - | - |
| Miscellaneous Expenditures | 14,250 | 62,917 | 77,167 | 71,711 | 5,456 |
| Total Undist. Expend. - Supp. Serv. - General Admin. | 412,546 | 127,892 | 540,438 | 509,868 | 30,570 |
| Undist. Expend. - Support Serv. - School Admin. | | | | | |
| Salaries of Principals/Assistant Principals | 226,670 | (19,000) | 207,670 | 207,525 | 145 |
| Salaries of Other Professional Staff | 163,392 | - | 163,392 | 163,392 | - |
| Salaries of Secretarial and Clerical Assistants | 181,103 | 7,438 | 188,541 | 188,539 | 2 |
| Other Salaries | - | - | - | - | - |
| Purchased Professional and Technical Services | - | - | - | - | - |
| Other Purchased Services (400-500 series) | 1,000 | 102 | 1,102 | 951 | 151 |
| Supplies and Materials | 4,436 | (2,540) | 1,896 | 1,463 | 433 |
| Rental | - | - | - | - | - |
| Other Objects | 7,700 | (1,100) | 6,600 | 5,596 | 1,004 |
| Total Undist. Expend. - Support Serv. - School Admin. | 584,301 | (15,100) | 569,201 | 567,466 | 1,735 |
| Undist. Expend. - Central Services | | | | | |
| Salaries | 275,074 | - | 275,074 | 274,511 | 563 |
| Purchased Professional Services | - | 1,850 | 1,850 | 1,850 | - |
| Other Purchased Services (400-500 series) | 7,500 | (5,124) | 2,376 | 2,282 | 94 |
| Sale/Lease Back Payments | - | - | - | - | - |
| Supplies and Materials | 9,280 | 3,733 | 13,013 | 12,984 | 29 |
| Interest on Current Loans | - | - | - | - | - |
| Miscellaneous Expenditures | - | 7,681 | 7,681 | 7,439 | 242 |
| Total Undist. Expend. - Central Services | 291,854 | 8,140 | 299,994 | 299,066 | 928 |

**Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|-----------------------------|-------------------------|------------------|-------------------------------------|
| Undist. Expend. - Admin. Info. Tech. | | | | | |
| Salaries | 10,500 | - | 10,500 | 10,500 | - |
| Other Purchased Services (400-500 series) | 500 | 700 | 1,200 | 1,177 | 23 |
| Supplies and Materials | - | 6,300 | 6,300 | 6,222 | 78 |
| Total Undist. Expend. - Admin. Info. Tech. | <u>11,000</u> | <u>7,000</u> | <u>18,000</u> | <u>17,899</u> | <u>101</u> |
| Undist. Expend. - Required Maint.- School Facilities | | | | | |
| Salaries | 264,174 | (7,950) | 256,224 | 254,036 | 2,188 |
| Salaries of Secretarial and Clerical Assistants | | - | | | - |
| Other Salaries | | - | | | - |
| Salaries of Other Professional Staff | | - | | | - |
| Cleaning, Repair and Maintenance Services | 347,270 | (67,248) | 280,022 | 252,479 | 27,543 |
| Other Purchased Property Services | | - | | | - |
| Insurance | | - | | | - |
| Miscellaneous Purchased Services-Rental | | - | | | - |
| General Supplies | 133,525 | (34,947) | 98,578 | 82,257 | 16,321 |
| Energy (Energy and Electricity) | | - | | | - |
| Other Objects | 2,300 | - | 2,300 | 30 | 2,270 |
| Total Undist. Expend. - Required Maint.- School Facilities | <u>747,269</u> | <u>(110,145)</u> | <u>637,124</u> | <u>588,802</u> | <u>48,322</u> |
| Undist. Expend. - Oth. Oper. & Maint. of Plant | | | | | |
| Salaries | 496,726 | (17,800) | 478,926 | 475,271 | 3,655 |
| Salaries of Secretarial and Clerical Assistants | | - | | | - |
| Other Salaries | 93,164 | (17,000) | 76,164 | 75,795 | 369 |
| Purchased Professional and Technical Services | | - | | | - |
| Cleaning, Repair and Maintenance Services | | - | | | - |
| Other Purchased Property Services | 27,000 | 5,000 | 32,000 | 23,055 | 8,945 |
| Insurance | 156,668 | (3,081) | 153,587 | 153,499 | 88 |
| Miscellaneous Purchased Services-Rental | | - | | | - |
| General Supplies | 85,000 | (44,800) | 40,200 | 39,941 | 259 |
| Energy (Electricity) | 224,857 | 24,600 | 249,457 | 249,449 | 8 |
| Energy (Natural Gas) | 154,000 | (58,653) | 95,347 | 90,898 | 4,449 |
| Other Objects | 17,000 | (147) | 16,853 | 13,552 | 3,301 |
| Total Undist. Expend. - Other Oper. & Maint. Of Plant | <u>1,254,415</u> | <u>(111,881)</u> | <u>1,142,534</u> | <u>1,121,460</u> | <u>21,074</u> |
| Undist. Expend. - Care & Upkeep of Grounds | | | | | |
| Salaries | 151,159 | 14,000 | 165,159 | 159,388 | 5,771 |
| Cleaning, Repair and Maintenance Services | 9,655 | (500) | 9,155 | 8,659 | 496 |
| Total Undist. Expend. - Care & Upkeep of Grounds | <u>160,814</u> | <u>13,500</u> | <u>174,314</u> | <u>168,047</u> | <u>6,267</u> |
| Undist. Expend. - Security | | | | | |
| Salaries | 27,428 | - | 27,428 | 27,427 | 1 |
| General Supplies | - | 500 | 500 | - | 500 |
| Cleaning, Repair and Maintenance Services | | - | | | - |
| Total Undist. Expend. - Security | <u>27,428</u> | <u>500</u> | <u>27,928</u> | <u>27,427</u> | <u>501</u> |
| Undist. Expend. - Student Transportation Serv. | | | | | |
| Management Fees - ESC & CTSA Transportation Programs | | - | | | - |
| Salaries for pupil trans - (Between Home and School) - Reg | 449,308 | 72,144 | 521,452 | 521,382 | 70 |
| Salaries for pupil trans - (Between Home and School) - Sp Ed | | - | | | - |
| Salaries for pupil trans - (Other than Bet. Home and School) | 57,000 | 17,500 | 74,500 | 72,385 | 2,115 |
| Cleaning, Repair and Maintenance Services | 88,000 | 16,507 | 104,507 | 95,815 | 8,692 |
| Lease Purchase Payments - School Buses | 116,235 | - | 116,235 | 116,235 | - |
| Contract Services - (Other than Bet. Home and School) - Vendors | 500 | 3,872 | 4,372 | 3,726 | 646 |
| Contract Services - (Between Home and School) - Vendors | 433,669 | (33,631) | 400,038 | 358,108 | 41,930 |
| Contract Services - (Between Home and School) - Joint | 154,000 | 182,778 | 336,778 | 336,760 | 18 |
| Contract Services - (Special Ed Stds) - Vendors | | - | | | - |
| Contract Services - (Special Ed Stds) - Joint | | - | | | - |
| Contract Services - (Reg Ed Stds) - ESCs & CTSA's | 147,186 | 61,013 | 208,199 | 140,763 | 67,436 |
| Contract Services - (Special Ed Stds) - ESCs & CTSA's | 87,309 | (42,923) | 44,386 | 44,323 | 63 |
| Contract Services - Aid in Lieu Of Pymts-NonPub Sch | 125,528 | (14,100) | 111,428 | 108,984 | 2,444 |
| Miscellaneous Purchased Services-Transportation | | - | | | - |
| Supplies and Materials | | - | | | - |
| Transportation Supplies | 76,000 | (147) | 75,853 | 69,982 | 5,871 |
| Other Objects | 7,440 | 3,297 | 10,737 | 10,137 | 600 |
| Total Undist. Expend. - Student Transportation Serv. | <u>1,742,175</u> | <u>266,310</u> | <u>2,008,485</u> | <u>1,878,600</u> | <u>129,885</u> |
| Undist. Expend. - Business and Other Support Serv. | | | | | |
| Salaries | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Insurance | | - | | | - |
| Supplies and Materials | | - | | | - |
| Interest on Current Loans | | - | | | - |
| Total Undist. Expend. - Business and Other Support Serv. | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |

Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-----------------|------------|-----------------------------|
| Undist. Expend. - Food Services | | | | | |
| Transfers to Cover Deficit (Enterprise Fund) | | - | | | - |
| Total Undist. Expend. - Food Services | - | - | - | - | - |
| UNALLOCATED BENEFITS | | | | | |
| Group Insurance | | - | | | - |
| Social Security Contributions | 300,000 | 13,500 | 313,500 | 313,438 | 62 |
| T.P.A.F. Contributions - ERIP | | - | | | - |
| Other Retirement Contributions - Regular | 334,398 | (17,000) | 317,398 | 317,253 | 145 |
| Interest for Lease Purchase | | - | | | - |
| Unemployment Compensation | | - | | | - |
| Workmen's Compensation | 232,136 | (21,000) | 211,136 | 208,560 | 2,576 |
| Health Benefits | 4,270,896 | (204,350) | 4,066,546 | 4,062,288 | 4,258 |
| Tuition Reimbursement | 28,000 | (3,300) | 24,700 | 22,871 | 1,829 |
| Other Employee Benefits | 12,416 | 49,950 | 62,366 | 62,159 | 207 |
| TOTAL UNALLOCATED BENEFITS | 5,177,846 | (182,200) | 4,995,646 | 4,986,569 | 9,077 |
| On-Behalf TPAF Pension Contributions (non-budgeted) | | - | | 702,296 | (702,296) |
| On-Behalf TPAF Post-Retirement Medical Contributions (non-budgeted) | | - | | 836,241 | (836,241) |
| Reimbursed TPAF Social Security Contributions (non-budgeted) | | - | | 676,346 | (676,346) |
| TOTAL ON-BEHALF CONTRIBUTIONS | - | - | - | 2,214,883 | (2,214,883) |
| TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS | 5,177,846 | (182,200) | 4,995,646 | 7,201,452 | (2,205,806) |
| TOTAL UNDISTRIBUTED EXPENDITURES | 15,844,679 | 128,369 | 15,973,048 | 17,849,877 | (1,876,829) |
| TOTAL GENERAL CURRENT EXPENSE | 24,319,857 | 230,338 | 24,550,195 | 26,328,040 | (1,777,845) |
| CAPITAL OUTLAY | | | | | |
| Equipment | | | | | |
| Regular Programs - Instruction: | | | | | |
| Preschool/Kindergarten | | - | | | - |
| Grades 1-5 | | - | | | - |
| Grades 6-8 | | - | | | - |
| Grades 9-12 | | - | | | - |
| Home Instruction | | - | | | - |
| Special Education - Instruction: | | | | | |
| Cognitive - Mild | | - | | | - |
| Cognitive - Moderate | | - | | | - |
| Learning and/or Language Disabilities | | - | | | - |
| Visual Impairments | | - | | | - |
| Auditory Impairments | | - | | | - |
| Behavioral Disabilities | | - | | | - |
| Multiple Disabilities | | - | | | - |
| Resource Room/Resource Center | | - | | | - |
| Autism | | - | | | - |
| Preschool Disabilities - Part-Time | | - | | | - |
| Preschool Disabilities - Full-Time | | - | | | - |
| Cognitive - Severe | | - | | | - |
| Basic Skills/Remedial - Instruction | | - | | | - |
| Bilingual Education - Instruction | | - | | | - |
| Vocational Programs - Local - Instruction | | - | | | - |
| School-Sponsored and Other Instructional Program | | - | | | - |
| Undistributed Expenditures - Instruction | - | 70,300 | 70,300 | 69,277 | 1,023 |
| Undist.Expend.-Support Serv.-Students - Reg. | | - | | | - |
| Undist.Expend.-Non-Instructional Services | - | 14,712 | 14,712 | 14,712 | - |
| Undistributed Expenditures - General Admin. | | - | | | - |
| Undistributed Expenditures - Central Services | | - | | | - |
| Undistributed Expenditures - School Admin. | | - | | | - |
| Undistributed Expenditures - Plant Maintenance | 10,671 | 31,289 | 41,960 | 22,757 | 19,203 |
| Undistributed Expenditures - Operation of Plant Services | | - | | | - |
| Undistributed Expenditures - Security | | - | | | - |
| Schools Buses - Regular | | - | | | - |
| Special Schools (All Programs) | | - | | | - |
| Total Equipment | 10,671 | 116,301 | 126,972 | 106,746 | 20,226 |
| Facilities Acquisition and Construction Services | | | | | |
| Construction Services | 753,164 | - | 753,164 | 753,114 | 50 |
| Other Purchased Prof. Service | | - | | | - |
| Lease Purchase Agreements | | - | | | - |
| Total Facilities Acquisition and Construction Services | 753,164 | - | 753,164 | 753,114 | 50 |

**Monmouth Regional High School District
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|--|----------------------------|-----------------------------|-------------------------|----------------|-------------------------------------|
| Assets Acquired Under Capital Leases (non-budgeted) | | | | | |
| Undistributed Expenditures: | | | | | |
| Capital Leases | | - | | | - |
| Assets Acquired Under Capital Leases (non-budgeted) | - | - | - | - | - |
| Deposit to Capital Reserve | | | | | |
| TOTAL CAPITAL OUTLAY | <u>763,835</u> | <u>116,301</u> | <u>880,136</u> | <u>859,860</u> | <u>20,276</u> |
| SPECIAL SCHOOLS | | | | | |
| Summer School - Instruction | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Summer School - Instruction | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Summer School - Support Services | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Summer School - Support Services | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Summer School | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other Special Schools - Instruction | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Other Special Schools - Instruction | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Other Special Schools - Support Services | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Other Special Schools - Support Services | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Other Special Schools | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Accred. Even./Adult H.S./Post-Grad.-Inst. | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Accred. Even./Adult H.S./Post-Grad.-Inst. | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Accred. Even./Adult H.S./Post-Grad.-Supp. Service | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Accred. Even./Adult H.S./Post-Grad.-Supp. Service | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Accred. Even./Adult H.S./Post-Grad. | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Adult Education-Local-Instruction | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |

Monmouth Regional High School District
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-------------------|-------------------|-----------------------------|
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Adult Education-Local-Instruction | - | - | - | - | - |
| Adult Education-Local -Support Serv. | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Adult Education-Local -Support Serv. | - | - | - | - | - |
| Total Adult Education-Local | - | - | - | - | - |
| Vocational Evening-Local-Instruction | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Vocational Evening-Local-Instruction | - | - | - | - | - |
| Vocational Evening-Local-Support Serv. | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Vocational Evening-Local-Support Serv. | - | - | - | - | - |
| Total Vocational Evening-Local | - | - | - | - | - |
| Even.-Sch.-Foreign-Born-Local-Inst. | | | | | |
| Salaries of Teachers | | - | | | - |
| Other Salaries for Instruction | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | | - | | | - |
| Textbooks | | - | | | - |
| Other Objects | | - | | | - |
| Total Even.-Sch.-Foreign-Born-Local-Inst. | - | - | - | - | - |
| Even.-Sch.-Foreign-Born-Local-Sup. Serv. | | | | | |
| Salaries | | - | | | - |
| Personal Services - Employee Benefits | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Objects | | - | | | - |
| Total Even.-Sch.-Foreign-Born-Local-Sup. Serv. | - | - | - | - | - |
| Total Even.-Sch.-Foreign-Born-Local | - | - | - | - | - |
| TOTAL SPECIAL SCHOOLS | - | - | - | - | - |
| Transfer of Funds to Charter Schools | | | | | - |
| TOTAL EXPENDITURES | 25,083,692 | 346,639 | 25,430,331 | 27,187,900 | (1,757,569) |

Monmouth Regional High School District
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---------------------|---------------------|-----------------------|---------------------|-----------------------------|
| Excess (Deficiency) of Revenues Over (Under) Expenditures | (974,213) | (346,639) | (1,320,852) | (578,366) | 742,486 |
| Other Financing Sources (Uses): | | | | | |
| Prior Period Adjustment for Fund 20 Expenditures | | | | (52,479) | |
| Capital Leases (non-budgeted) | | | | - | |
| Transfer from Capital Projects | | | | 282,141 | |
| Transfer to Capital Projects Fund | | - | - | (1,377,000) | 1,377,000 |
| Capital Reserve Contribution | | | | 753,114 | |
| Total Other Financing Sources: | - | - | - | (394,224) | 1,377,000 |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses) | (974,213) | (346,639) | (1,320,852) | (972,590) | 2,119,486 |
| Fund Balance, July 1 | | | | 3,118,705 | (3,118,705) |
| Fund Balance, June 30 | <u>\$ (974,213)</u> | <u>\$ (346,639)</u> | <u>\$ (1,320,852)</u> | <u>\$ 2,146,115</u> | <u>\$ (999,219)</u> |
| Recapitulation: | | | | | |
| Restricted Fund Balance: | | | | | |
| Reserved Excess Surplus - Designated for Subsequent Year's Expenditures | | | | \$ 530,245 | |
| Reserve for Excess Surplus | | | | 82,537 | |
| Reserve for Capital Reserve | | | | 396,516 | |
| Reserve for Maintenance | | | | 50,000 | |
| Committed Fund Balance: | | | | | |
| Reserve for Encumbrances | | | | 184,950 | |
| Assigned Fund Balance: | | | | | |
| Designated for Subsequent Year's Expenditures | | | | 178,865 | |
| Unrestricted Fund Balance | | | | 723,002 | |
| | | | | <u>2,146,115</u> | |
| Reconciliation to Governmental Funds Statements (GAAP): | | | | | |
| Last State Aid Payment not recognized on GAAP basis | | | | (314,257) | |
| Fund Balance per Governmental Funds (GAAP) | | | | <u>\$ 1,831,858</u> | |

**Monmouth Regional High School District
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Final to Actual</u> |
|---|----------------------------|-----------------------------|-------------------------|----------------|-------------------------------------|
| REVENUES: | | | | | |
| Local Sources | \$ 3,000 | 182 | \$ 3,182 | \$ 3,183 | \$ 1 |
| State Sources | 77,437 | 16,727 | 94,164 | 93,931 | (233) |
| Federal Sources | 329,500 | 158,746 | 488,246 | 335,425 | (152,821) |
| Total Revenues | 409,937 | 175,655 | 585,592 | 432,539 | (153,053) |
| EXPENDITURES: | | | | | |
| Instruction | | | | | |
| Salaries of Teachers | 75,667 | (23,367) | 52,300 | 36,646 | 15,654 |
| Other Salaries for Instruction | | - | | | - |
| Other Salaries | | - | | | - |
| Purchased Professional - Educational Services | | - | | | - |
| Purchased Professional and Technical Services | | - | | | - |
| Supplies and Materials | | - | | | - |
| Other Purchased Services (400-500 series) | | - | | | - |
| General Supplies | 8,242 | 94,967 | 103,209 | 8,294 | 94,915 |
| Textbooks | 15,345 | 3,327 | 18,672 | 18,672 | - |
| Tuition | 230,191 | 22,509 | 252,700 | 256,464 | (3,764) |
| Other Objects | | - | | | - |
| Total Instruction | 329,445 | 97,436 | 426,881 | 320,076 | 106,805 |
| Support Services | | | | | |
| Salaries of Other Professional Staff | | - | | | - |
| Salaries of Secretaries & Clerical Assistants | | - | | | - |
| Other Salaries | 3,000 | 183 | 3,183 | 3,183 | - |
| Personal Services - Employee Benefits | | 7,458 | 7,458 | 1,148 | 6,310 |
| Purchased Professional Services | 23,642 | 42,618 | 66,260 | 26,447 | 39,813 |
| Other Purchased Professional Services | | - | | | - |
| Other Purchased Professional and Technical Services | | - | | | - |
| Rentals | | - | | | - |
| Contracted Services Transportation | | - | | | - |
| Tuition | | - | | | - |
| Travel | | - | | | - |
| Other Purchased Services (400-500 series) | 53,850 | 13,140 | 66,990 | 66,990 | - |
| Supplies & Materials | | 14,820 | 14,820 | 14,695 | 125 |
| Other Objects | | - | | | - |
| Total Support Services | 80,492 | 78,219 | 158,711 | 112,463 | 46,248 |
| Facilities Acquisition and Construction Services: | | | | | |
| Buildings | | - | | | - |
| Instructional Equipment | | - | | | - |
| Noninstructional Equipment | | - | | | - |
| Total Facilities Acquisition and Construction Services | - | - | - | - | - |
| Transfer to Charter School | | | | | |
| Total Expenditures | 409,937 | 175,655 | 585,592 | 432,539 | 153,053 |

Monmouth Regional High School District
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2016

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|--------------------|---------------------|-----------------|---------|-----------------------------|
| Other Financing Sources (Uses) | | | | | |
| Transfer in from General Fund | | - | | | - |
| Transfer Out to Whole School Reform (General Fund) | | - | | | - |
| Total Other Financing Sources (Uses) | - | - | - | - | - |
| Total Outflows | 409,937 | 175,655 | 585,592 | 432,539 | 153,053 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ - | \$ - | \$ - | \$ - | \$ - |

***NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PART II***

Monmouth Regional High School District
 Required Supplementary Information
 Budgetary Comparison Schedule
 Note to RSI
 For the Fiscal Year Ended June 30, 2016

**Note A - Explanation of Differences between Budgetary Inflows and Outflows and
 GAAP Revenues and Expenditures**

| | | General Fund | | Special Revenue Fund |
|--|-----------|-------------------|-----------|----------------------------|
| Sources/inflows of resources | | | | |
| Actual amounts (budgetary basis) "revenue" | | | | |
| from the budgetary comparison schedule | [C-1] | \$ 26,609,534 | [C-2] | \$ 432,539 |
| Difference - budget to GAAP: | | | | |
| Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized. | | | | |
| State aid payment recognized for budgetary purposes, not recognized for GAAP statements | | (314,257) | | |
| Prior year state aid payment recognized for GAAP purposes in current year | | 321,036 | | |
| Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. | [B-2] | \$ 26,616,313 | [B-2] | \$ 432,539 |
| Uses/outflows of resources | | | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule | [C-1] | 27,187,900 | [C-2] | 432,539 |
| Differences - budget to GAAP | | | | |
| The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis. | | | | |
| Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes. | | | | |
| Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes. | | | | |
| Net transfers (outflows) to general fund | | | | - |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | [B-2] | \$ 27,187,900 | [B-2] | \$ 432,539 |

***REQUIRED SUPPLEMENTARY INFORMATION
PART III***

***SCHEDULES RELATED TO ACCOUNTING AND REPORTING
FOR PENSIONS (GASB 68)***

Monmouth Regional High School District
Schedules of Required Supplementary Information
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERS
Last Two Fiscal Year*

| | <u>2015</u> | <u>2016</u> |
|---|-------------|--------------|
| District's proportion of the net pension liability | 0.0345% | 0.0367% |
| District's proportionate share of the net pension liability | \$6,460,365 | \$ 8,234,598 |
| District's covered employee payroll | \$2,470,566 | \$ 2,569,625 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 261.49% | 320.46% |
| Plan fiduciary net position as a percentage of the total pension liability | 52.08% | 47.93% |

* This schedule does not contain ten years of information as GASB #68 was implemented during the fiscal year ending June 30, 2015.

Monmouth Regional High School District
Schedules of Required Supplementary Information
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERS
Last Two Fiscal Year*

| | <u>2015</u> | <u>2016</u> |
|--|---------------------|------------------|
| Contractually required contribution | \$ 284,458 | 315,376 |
| Contributions in relation to the contractually required contribution | \$ <u>(284,458)</u> | <u>(315,376)</u> |
| Contribution deficiency (excess) | <u>\$ 0</u> | <u>0</u> |
| District's covered employee payroll | \$ 2,470,566 | 2,569,625 |
| Contributions as a percentage of its covered-employee payroll | 11.51% | 12.27% |

* This schedule does not contain ten years of information as GASB #68 was implemented during the fiscal year ending June 30, 2015.

Monmouth Regional High School District
Schedules of Required Supplementary Information
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
TPAF
Last Two Fiscal Year*

| | <u>2015</u> | <u>2016</u> |
|---|---------------|--------------|
| District's proportion of the net pension liability | 0.0897% | 0.0905% |
| State's proportionate share of the net pension liability attributable to the District | \$ 47,958,033 | \$57,262,745 |
| District's covered employee payroll | \$ 8,995,207 | \$ 9,218,554 |
| District's proportionate share of the net pension liability as a percentage of its covered-employee payroll | 533.15% | 621.17% |
| Plan fiduciary net position as a percentage of the total pension liability | 33.64% | 28.71% |

* This schedule does not contain ten years of information as GASB #68 was implemented during the fiscal year ending June 30, 2015.

***NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PART III***

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Notes to Required Supplementary Information - Part III
For the Year Ended June 30, 2016

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were no changes.

Changes of Assumptions

The discount rate changed from 5.39% as of June 30, 2014 to 4.90% as of June 30, 2015. The inflation rate changed from 3.01% as of June 30, 2014 to 3.04% s of June 30, 2015.

B. TEACHERS PENSION AND ANNUITY FUND (TPAF)

Benefit Changes

There were no changes.

Changes of Assumptions

The discount rate changed from 4.68% as of June 30, 2014 to 4.13% as of June 30, 2015.

OTHER SUPPLEMENTARY INFORMATION

SCHOOL BASED BUDGET SCHEDULES

NOT APPLICABLE

***SPECIAL REVENUE FUND
DETAIL STATEMENTS***

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

**Monmouth Regional High School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016**

| | Total Brought Forward (Ex. E-1a) | Title I | Title I 2014-2015 (Carryover) | I.D.E.A. Part B Basic | I.D.E.A. Part B Basic 2014-2015 (Carryover) | Peskoe Grant | Total |
|---|---|----------------|--|--------------------------------------|--|-------------------------|----------------|
| REVENUES | | | | | | | |
| Local Sources | \$ - | | | | | \$ 3,183 | \$ 3,183 |
| State Sources | 93,931 | | | | | | 93,931 |
| Federal Sources | 36,514 | 6,371 | 13,648 | 278,892 | | | 335,425 |
| Total Revenues | 130,445 | 6,371 | 13,648 | 278,892 | - | 3,183 | 432,539 |
| EXPENDITURES: | | | | | | | |
| Instruction: | | | | | | | |
| Salaries of Teachers | 17,800 | 6,346 | 12,500 | | | | 36,646 |
| Other Salaries for Instruction | - | | | | | | - |
| Purchased Professional - Educational Services | - | | | | | | - |
| Purchased Professional and Technical Services | - | | | | | | - |
| Other Purchased Services (400-500 series) | - | | | | | | - |
| Tuition | - | | | 256,464 | | | 256,464 |
| General Supplies | 8,269 | 25 | | | | | 8,294 |
| Textbooks | 18,672 | | | | | | 18,672 |
| Other Objects | - | | | | | | - |
| Supplies and Materials | - | | | | | | - |
| Total instruction | 44,741 | 6,371 | 12,500 | 256,464 | - | - | 320,076 |
| Support services: | | | | | | | |
| Salaries of Secretarial and Clerical Assists. | - | | | | | | - |
| Other Salaries | - | | | | | 3,183 | 3,183 |
| Personal Services - Employee Benefits | - | | 1,148 | | | | 1,148 |
| Purchased Professional Services | 16,839 | | | 9,608 | | | 26,447 |
| Other Purchased Professional and Technical Services | - | | | | | | - |
| Purchased Technical Services | - | | | | | | - |
| Rentals | - | | | | | | - |
| Travel | - | | | | | | - |
| Other Purchased Services | 66,990 | | | | | | 66,990 |
| Supplies & Materials | 1,875 | | | 12,820 | | | 14,695 |
| Total support services | 85,704 | - | 1,148 | 22,428 | - | 3,183 | 112,463 |

**Monmouth Regional High School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016**

| | Total Brought Forward (Ex. E-1a) | Title I | Title I 2014-2015 (Carryover) | I.D.E.A. Part B Basic | I.D.E.A. Part B Basic 2014-2015 (Carryover) | Peskoe Grant | Total |
|---|---|----------------|--|--------------------------------------|--|-------------------------|----------------|
| EXPENDITURES (CONT'D): | | | | | | | |
| Facilities acquisition and const. serv.: | | | | | | | |
| Buildings | - | | | | | | - |
| Instructional Equipment | - | | | | | | - |
| Noninstructional Equipment | - | | | | | | - |
| Total facilities acquisition and const. serv. | - | - | - | - | - | - | - |
| Transfer to Charter Schools | - | | | | | | - |
| Total Expenditures | 130,445 | 6,371 | 13,648 | 278,892 | - | 3,183 | 432,539 |
| Other Financing Sources (Uses) | | | | | | | |
| Transfer In from General Fund | - | | | | | | - |
| Contribution to Whole School Reform | - | | | | | | - |
| Total Outflows | 130,445 | 6,371 | 13,648 | 278,892 | - | 3,183 | 432,539 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

**Monmouth Regional High School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016**

| | N.J. Nonpublic Handicapped Services Ch. 193 | | Nonpublic | Nonpublic | Nonpublic | Title II | Title II | Total |
|---|--|----------------|--------------|---------------|---------------|---------------|---------------|----------------|
| | Supplemental | Examination & | Technology | Nursing | Textbooks | Part A | Part A | Carried |
| | Instruction | Classification | | | | | (Carryover) | Forward |
| REVENUES | | | | | | | | |
| Local Sources | | | | | | | | \$ - |
| State Sources | 9,951 | 27,609 | 8,269 | 29,430 | 18,672 | | | 93,931 |
| Federal Sources | | | | | | 19,316 | 17,198 | 36,514 |
| Total Revenues | 9,951 | 27,609 | 8,269 | 29,430 | | 19,316 | 17,198 | 130,445 |
| EXPENDITURES: | | | | | | | | |
| Instruction: | | | | | | | | |
| Salaries of Teachers | | | | | | 17,800 | | 17,800 |
| Other Salaries for Instruction | | | | | | | | - |
| Purchased Professional - Educational Services | | | | | | | | - |
| Purchased Professional and Technical Services | | | | | | | | - |
| Other Purchased Services (400-500 series) | | | | | | | | - |
| Tuition | | | | | | | | - |
| General Supplies | | | 8,269 | | | | | 8,269 |
| Textbooks | | | | | 18,672 | | | 18,672 |
| Other Objects | | | | | | | | - |
| Supplies and Materials | | | | | | | | - |
| Total instruction | - | - | 8,269 | - | 18,672 | 17,800 | - | 44,741 |
| Support services: | | | | | | | | |
| Salaries of Secretarial and Clerical Assists. | | | | | | | | - |
| Other Salaries | | | | | | | | - |
| Personal Services - Employee Benefits | | | | | | | | - |
| Purchased Professional Services | | | | | | | 16,839 | 16,839 |
| Other Purchased Professional and Technical Services | | | | | | | | - |
| Purchased Technical Services | | | | | | | | - |
| Rentals | | | | | | | | - |
| Travel | | | | | | | | - |
| Other Purchased Services | 9,951 | 27,609 | | 29,430 | | | | 66,990 |
| Supplies & Materials | | | | | | 1,516 | 359 | 1,875 |
| Total support services | 9,951 | 27,609 | - | 29,430 | | 1,516 | 17,198 | 85,704 |

**Monmouth Regional High School District
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2016**

| | N.J. Nonpublic Handicapped Services Ch. 193 | | | | | Title II Part A | Title II Part A 2014-2015 (Carryover) | Total Carried Forward |
|--|--|---------------------------------|-------------------------|----------------------|------------------------|--------------------|--|-----------------------------|
| | Supplemental Instruction | Examination & Classification | Nonpublic Technology | Nonpublic Nursing | Nonpublic Textbooks | Title II Part A | | |
| EXPENDITURES (CONT'D): | | | | | | | | |
| Facilities acquisition and const. serv.: | | | | | | | | |
| Buildings | | | | | | | | - |
| Instructional Equipment | | | | | | | | - |
| Noninstructional Equipment | | | | | | | | - |
| Total facilities acquisition and const. serv. | - | - | - | - | - | - | - | - |
| Transfer to Charter Schools | | | | | | | | - |
| Total Expenditures | 9,951 | 27,609 | 8,269 | 29,430 | 18,672 | 19,316 | 17,198 | 130,445 |
| Other Financing Sources | | | | | | | | |
| Transfer in from General Fund | | | | | | | | - |
| Contribution to Whole School Reform | | | | | | | | - |
| | - | - | - | - | - | - | - | - |
| Total Outflows | 9,951 | 27,609 | 8,269 | 29,430 | 18,672 | 19,316 | 17,198 | 130,445 |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

***CAPITAL PROJECTS FUND
DETAIL STATEMENTS***

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

**Monmouth Regional High School District
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2016**

| <u>Project Title/Issue</u> | <u>Original Date</u> | <u>Appropriations</u> | <u>Expenditures to Date</u> | | <u>Adjustments</u> | <u>Unexpended Balance June 30, 2016</u> |
|--|----------------------|-----------------------|-----------------------------|---------------------|---------------------|---|
| | | | <u>Prior Years</u> | <u>Current Year</u> | | |
| Improvements to Existing School Buildings: | | | | | | |
| Renovations to the girl's locker room, science classrooms, storage room and asbestos removal | 11/6/2012 | 6,149,000 | 4,540,189 | 1,357,190 | - | 251,621 |
| Library Renovation Project | 7/1/2015 | 1,377,000 | - | 1,097,336 | (279,664) | - |
| | | <u>\$ 7,526,000</u> | <u>\$ 4,540,189</u> | <u>\$ 2,454,526</u> | <u>\$ (279,664)</u> | <u>\$ 251,621</u> |

Exhibit F-2

**Monmouth Regional High 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: | |
| Transfers from Capital Reserve | 1,377,000 |
| Interest Income | |
| Transfers from Capital Outlay | - |
| Total Revenues | <u>1,377,000</u> |
| Expenditures and Other Financing Uses: | |
| Transfers to Capital Reserve | 282,141 |
| Purchased Professional and Technical Services | - |
| Land and Improvements | - |
| Construction services | 2,420,525 |
| Bond Issuance Costs | - |
| Equipment Purchases | - |
| Total Expenditures | <u>2,702,666</u> |
| Excess (Deficiency) of revenues over (under) expenditures | (1,325,666) |
| Fund Balance - Beginning | <u>1,574,376</u> |
| Fund Balance - Ending | <u>\$ 248,710</u> |

Monmouth Regional High School District
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Additions and Improvements to Existing School Building
From Inception and for the Year Ended June 30, 2016

| | <u>Prior Periods</u> | <u>Current Period</u> | <u>Totals</u> | <u>Revised Authorized Cost</u> |
|---|----------------------|---------------------------|------------------|--|
| Revenues and Other Financing Sources: | | | | |
| Transfer from Capital Reserve | - | 1,097,336 | 1,097,336 | 1,377,000 |
| Total Revenues | <u>-</u> | <u>1,097,336</u> | <u>1,097,336</u> | <u>1,377,000</u> |
| Expenditures and Other Financing Uses: | | | | |
| Other Purchased Professional and Technical Services | - | - | - | - |
| Construction services | - | 1,097,336 | 1,097,336 | 1,377,000 |
| Total Expenditures | <u>-</u> | <u>1,097,336</u> | <u>1,097,336</u> | <u>1,377,000</u> |
| Excess (Deficiency) of revenues over (under) expenses | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ -</u> |
| Additional Project Information: | | | | |
| Project Number | N/A | | | |
| Grant Date/Letter of Notification | N/A | | | |
| Bond Authorization/Referendum Date | N/A | | | |
| Bonds Authorized | N/A | | | |
| Bonds Issued | N/A | | | |
| Original Project Authorized Cost | \$1,377,000 | | | |
| Additional Authorized Cost | \$0 | | | |
| Revised Authorized Cost | \$1,377,000 | | | |
| Percentage Increase Over Original Authorized Cost | | | | |
| Percentage Completion | 100.00% | | | |
| Original Target Completion Date | 11/30/2015 | | | |
| Revised Target Completion Date | 11/30/2015 | | | |

Monmouth Regional High School District
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Additions and Improvements to Existing School Building
From Inception and for the Year Ended June 30, 2016

| | <u>Prior Periods</u> | <u>*Prior Period Adjustments</u> | <u>Current Period</u> | <u>Totals</u> | <u>Revised Authorized Cost</u> |
|---|----------------------|--------------------------------------|---------------------------|-------------------|--|
| Revenues and Other Financing Sources: | | | | | |
| Proceeds from Issuance of Serial Bonds | \$ 6,149,000 | \$ - | - | 6,149,000 | 6,149,000 |
| Total Revenues | <u>6,149,000</u> | <u>-</u> | <u>-</u> | <u>6,149,000</u> | <u>6,149,000</u> |
| Expenditures and Other Financing Uses: | | | | | |
| Other Purchased Professional and Technical Services | | | - | - | |
| Construction services | 5,134,390 | (594,201) | 1,357,190 | 5,897,379 | 6,149,000 |
| Total Expenditures | <u>5,134,390</u> | <u>(594,201)</u> | <u>1,357,190</u> | <u>5,897,379</u> | <u>6,149,000</u> |
| Excess (Deficiency) of revenues over (under) expenses | <u>\$ 1,014,610</u> | <u>\$ 594,201</u> | <u>\$ (1,357,190)</u> | <u>\$ 251,621</u> | <u>\$ -</u> |

Additional Project Information:

| | |
|------------------------------------|-------------|
| Project Number | |
| Grant Date/Letter of Notification | |
| Bond Authorization/Referendum Date | 11/6/2012 |
| Bonds Authorized | \$6,149,000 |
| Bonds Issued | \$6,149,000 |
| Original Project Authorized Cost | \$6,149,000 |
| Additional Authorized Cost | \$0 |
| Revised Authorized Cost | \$6,149,000 |
| Percentage Increase Over | |
| Original Authorized Cost | - |
| Percentage Completion | 95.00% |
| Original Target Completion Date | 6/30/2016 |
| Revised Target Completion Date | 9/30/2016 |

* Expenditures in the amount of \$594,201 associated with the 2012 and 2013 summer projects were reported to the Bond Referendum Project and adjusted as appropriate.

***PROPRIETARY FUNDS
DETAIL STATEMENTS***

Proprietary Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises - where the intent of the district's board is that the costs of providing goods or services be financed through user charges.

Food Services Fund - This fund provides for the operation of food services in all schools within the school district.

THIS SECTION HAS ALREADY BEEN INCLUDED IN STATEMENTS B-4, B-5, AND B-6.

***FIDUCIARY FUNDS
DETAIL STATEMENTS***

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

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

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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF MONMOUTH
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

| | Unemployment Compensation Trust | Private Purpose Scholarship Fund | Other Trust | Agency Fund | Total |
|---|---------------------------------------|---|-----------------------------|-------------------|-------------------|
| ASSETS: | | | | | |
| Cash and Cash Equivalents | \$ 391,846 | \$ 42,304 | \$ 108 | \$ 155,141 | \$ 589,399 |
| Total Assets | \$ 391,846 | \$ 42,304 | \$ 108 | \$ 155,141 | \$ 589,399 |
| LIABILITIES: | | | | | |
| Payable to Student Groups | \$ | \$ | \$ | \$ 114,165 | \$ 114,165 |
| Payroll Deductions and Withholdings | <u> </u> | <u> </u> | <u> </u> | <u>40,976</u> | <u>40,976</u> |
| Total Liabilities | \$ - | \$ - | \$ - | \$ 155,141 | \$ 155,141 |
| NET ASSETS: | | | | | |
| Held in Trust for Unemployment Claims and Other Purpose | \$ 391,846 | \$ | \$ | | \$ 391,846 |
| Reserved for Scholarships | | 42,304 | | | 42,304 |
| Reserved for Other Trust | | | <u>108</u> | | <u>108</u> |
| Total Net Assets | \$ 391,846 | \$ 42,304 | \$ 108 | | \$ 434,258 |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF MONMOUTH
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

| | Unemployment Compensation Trust | Private Purpose Scholarship Fund | Other Trusts | Total |
|--|---------------------------------------|---|-------------------|-------------------|
| ADDITIONS: | | | | |
| Contributions: | | | | |
| Plan Member | \$ 35,174 | \$ 51,870 | \$ - | \$ 87,044 |
| Other | - | - | - | - |
| Total Contributions | \$ 35,174 | \$ 51,870 | \$ - | \$ 87,044 |
| Investment Earnings: | | | | |
| Interest & Dividends | \$ 312 | \$ 20 | \$ - | \$ 332 |
| Net Investment Earnings | \$ 312 | \$ 20 | \$ - | \$ 332 |
| Total Additions | \$ 35,486 | \$ 51,890 | \$ - | \$ 87,376 |
| DEDUCTIONS: | | | | |
| Quarterly Contribution Reports | \$ 40,828 | \$ - | \$ - | \$ 40,828 |
| Unemployment Claims | - | - | - | - |
| Scholarships Awarded | - | 52,932 | 3,183 | 56,115 |
| Miscellaneous | - | - | - | - |
| Total Deductions | \$ 40,828 | \$ 52,932 | \$ 3,183 | \$ 96,943 |
| Change in Net Assets | \$ (5,342) | \$ (1,042) | \$ (3,183) | \$ (9,567) |
| Net Assets - Beginning of Fiscal Year | \$ 397,187 | \$ 43,346 | \$ 3,291 | \$ 443,824 |
| Net Assets - End of Fiscal Year | \$ 391,845 | \$ 42,304 | \$ 108 | \$ 434,257 |

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF MONMOUTH
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| <u>Schools</u> | <u>Balance July 1, 2015</u> | <u>Cash Receipts</u> | <u>Cash Disbursements</u> | <u>Balance June 30, 2016</u> |
|-------------------------------|---------------------------------|--------------------------|-------------------------------|----------------------------------|
| Monmouth Regional High School | \$ 91,748 | \$ 303,015 | \$ 280,891 | \$ 113,872 |
| Monmouth Regional Athletic | <u>376</u> | <u>60,887</u> | <u>60,970</u> | <u>293</u> |
| Total | <u>\$ 92,124</u> | <u>\$ 363,902</u> | <u>\$ 341,861</u> | <u>\$ 114,165</u> |

Exhibit H-4

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF MONMOUTH
PAYROLL AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| | <u>Balance</u> <u>July 1, 2015</u> | <u>Additions</u> | <u>Deletions</u> | <u>Balance</u> <u>June 30, 2016</u> |
|-------------------------------------|---------------------------------------|-----------------------------|-----------------------------|--|
| ASSETS: | | | | |
| Cash and cash equivalents | \$ <u>21,903</u> | \$ <u>14,217,848</u> | \$ <u>14,219,483</u> | \$ <u>20,268</u> |
| Total Assets | \$ <u>21,903</u> | \$ <u>14,217,848</u> | \$ <u>14,219,483</u> | \$ <u>20,268</u> |
| LIABILITIES: | | | | |
| Net Payroll | \$ 287 | \$ 7,364,240 | \$ 7,364,240 | \$ 287 |
| Payroll deductions and withholdings | <u>21,616</u> | <u>6,853,608</u> | <u>6,855,243</u> | <u>19,981</u> |
| Total Liabilities | \$ <u>21,903</u> | \$ <u>14,217,848</u> | \$ <u>14,219,483</u> | \$ <u>20,268</u> |

LONG-TERM DEBT SCHEDULES

The Long-Term Schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding, mortgages payable, term loans and obligations under capital leases.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
GENERAL LONG-TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS AND LOANS
June 30, 2016

| Issue | Date of Issue | Amount of Issue | Annual Maturities of Bonds and Loans Outstanding June 30, 2016 | | Interest Rate | Balance July 1, 2015 | Issued | Retired | Balance June 30, 2016 |
|--|---------------|-----------------|--|---------|---------------|----------------------|--------|----------------------|-----------------------|
| | | | Date | Amount | | | | | |
| Construction of Storage Area in Women's Locker Room, Renovations to the Science Classrooms and Removal of Asbestos | 5/7/2013 | 6,149,000 | 2/1/2017 | 535,000 | 1.250% | <u>\$ 5,089,000</u> | | <u>\$ 530,000.00</u> | <u>\$ 4,559,000</u> |
| | | | 2/1/2018 | 545,000 | 1.250% | | | | |
| | | | 2/1/2019 | 550,000 | 1.250% | | | | |
| | | | 2/1/2020 | 560,000 | 1.500% | | | | |
| | | | 2/1/2021 | 570,000 | 1.500% | | | | |
| | | | 2/1/2022 | 585,000 | 1.625% | | | | |
| | | | 2/1/2023 | 600,000 | 1.750% | | | | |
| | | | 2/1/2024 | 614,000 | 2.000% | | | | |
| | | | <u>4,559,000</u> | | | | | | |

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF MONMOUTH
GENERAL LONG-TERM DEBT ACCOUNT GROUP
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
June 30, 2016

| Series | Amount of Original Issue | Amount Outstanding July 1, 2015 | Issued Current Year | Retired Current Year | Amount Outstanding June 30, 2016 |
|--|--------------------------------|---------------------------------------|---------------------------|----------------------------|--|
| 2011 Fire Alarm Replacement | \$ 422,500 | \$ 84,500 | \$ | \$ 84,500 | \$ - |
| 2012 (1) 24 Passenger Buses | 45,806 | 9,437 | | 9,437 | - |
| 2014 (2) 24 Passenger Buses | 102,942 | 61,766 | | 20,588 | 41,178 |
| 2014 (1) 54 Passenger Buses | 88,402 | 53,042 | | 17,680 | 35,362 |
| 2015 (2) 54 Passenger Buses | 169,800 | 136,618 | | 32,730 | 103,888 |
| 2015 (2) Xerox Color Cube #5845/5855 and Printer #560/570 | 49,444 | 40,689 | | 9,288 | 31,401 |
| | | <u>\$ 386,052</u> | <u>\$ -</u> | <u>\$ 174,223</u> | <u>\$ 211,829</u> |

**Monmouth Regional High School District
 Budgetary Comparison Schedule
 Debt Service Fund
 For the Fiscal Year Ended June 30, 2016**

| | <u>Original Budget</u> | <u>Budget Transfers</u> | <u>Final Budget</u> | <u>Actual</u> | <u>Variance Positive (Negative) Final to Actual</u> |
|---|----------------------------|-----------------------------|-------------------------|-----------------|---|
| REVENUES: | | | | | |
| Local Sources: | | | | | |
| Local Tax Levy | \$ 606,237 | \$ - | \$ 606,237 | \$ 606,237 | \$ - |
| State Sources: | | | | | |
| Debt Service Aid Type II | | - | | | - |
| Total Revenues | <u>606,237</u> | <u>-</u> | <u>606,237</u> | <u>606,237</u> | <u>-</u> |
| EXPENDITURES: | | | | | |
| Regular Debt Service: | | | | | |
| Interest | 76,237 | - | 76,237 | 76,236 | (1) |
| Redemption of Principal | 530,000 | - | 530,000 | 530,000 | - |
| Total Regular Debt Service | <u>606,237</u> | <u>-</u> | <u>606,237</u> | <u>606,236</u> | <u>(1)</u> |
| Total expenditures | <u>606,237</u> | <u>-</u> | <u>606,237</u> | <u>606,236</u> | <u>(1)</u> |
| Excess (Deficiency) of Revenues Over (Under) Expenditures | - | - | - | 1 | 1 |
| Other Financing Sources: | | | | | |
| Operating Transfers In: | | | | | |
| Interest Earned in Capital Projects Fund | | - | | - | - |
| Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures | - | - | - | 1 | 1 |
| Fund Balance, July 1 | 4,950 | | 4,950 | 4,950 | - |
| Fund Balance, June 30 | <u>\$ 4,950</u> | <u>\$ -</u> | <u>\$ 4,950</u> | <u>\$ 4,951</u> | <u>\$ 1</u> |

STATISTICAL SECTION

INTRODUCTION TO THE STATISTICAL SECTION

**Monmouth Regional High School District
Introduction to the Statistical Section**

| <u>Contents</u> | <u>Page</u> |
|--|----------------|
| Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time. | 116-122 |
| Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax. | 123-134 |
| 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. | 135-142 |
| 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. | 143-148 |
| 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. | 149-153 |

FINANCIAL TRENDS

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Net Assets by Component,
Last ten fiscal years
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|---------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Governmental activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 2,711,255 | \$ 4,247,559 | \$ 5,738,558 | \$ 7,006,797 | \$ 7,372,902 | \$ 8,205,752 | \$ 3,941,555 | \$ 7,702,337 | \$ 11,244,590 | \$ 11,671,244 |
| Restricted (Deficit) | 4,485,916 | 4,402,357 | 3,699,687 | 3,316,940 | 3,144,099 | 3,023,343 | 2,786,900 | 2,726,160 | 2,297,505 | 1,312,959 |
| Unrestricted (Deficit) | (273,621) | (575,884) | 701,706 | (521,493) | (482,071) | (613,657) | 4,960,658 | 2,402,925 | 537,145 | (7,947,951) |
| Total governmental activities net assets | \$ 6,923,550 | \$ 8,074,032 | \$ 10,139,951 | \$ 9,802,244 | \$ 10,034,930 | \$ 10,615,438 | \$ 11,689,113 | \$ 12,831,422 | \$ 14,079,240 | \$ 5,036,252 |
| Business-type activities | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ - | \$ - | \$ 53,829 | \$ 25,629 | \$ - | \$ 15,399 | \$ 11,633 | \$ 8,762 | \$ 6,803 | \$ 5,370 |
| Restricted | | | | | | | | | | |
| Unrestricted | 132,990 | 119,206 | 70,636 | 57,240 | 8,229 | 39,205 | 11,803 | (10,291) | 35,622 | 26,025 |
| Total business-type activities net assets | \$ 132,990 | \$ 119,206 | \$ 124,465 | \$ 82,869 | \$ 8,229 | \$ 54,604 | \$ 23,436 | \$ (1,529) | \$ 42,425 | \$ 31,395 |
| District-wide | | | | | | | | | | |
| Invested in capital assets, net of related debt | \$ 2,711,255 | \$ 4,247,559 | \$ 5,792,387 | \$ 7,032,426 | \$ 7,372,902 | \$ 8,221,151 | \$ 3,953,188 | \$ 7,711,099 | \$ 11,251,393 | \$ 11,676,614 |
| Restricted (Deficit) | 4,485,916 | 4,402,357 | 3,699,687 | 3,316,940 | 3,144,099 | 3,023,343 | 2,786,900 | 2,726,160 | 2,297,505 | 1,312,959 |
| Unrestricted (Deficit) | (140,631) | (456,678) | 772,342 | (464,253) | (473,842) | (574,452) | 4,972,461 | 2,392,634 | 572,767 | (7,921,926) |
| Total district net assets | \$ 7,056,540 | \$ 8,193,238 | \$ 10,264,416 | \$ 9,885,113 | \$ 10,043,159 | \$ 10,670,042 | \$ 11,712,549 | \$ 12,829,893 | \$ 14,121,665 | \$ 5,067,647 |

Source: School District Financial Reports

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Expenses | | | | | | | | | | |
| Governmental activities | | | | | | | | | | |
| Instruction | | | | | | | | | | |
| Regular | \$ 8,828,901 | \$ 9,018,054 | \$ 7,891,521 | \$ 8,886,364 | \$ 9,778,300 | \$ 10,855,283 | \$ 10,812,598 | \$ 10,843,366 | \$ 10,976,494 | \$ 11,386,537 |
| Special education | 2,459,015 | 2,839,990 | 2,382,409 | 2,602,184 | 1,078,948 | 1,845 | 112,959 | 113,134 | 146,016 | 284,642 |
| Other special education | | | | | | | | | | |
| Vocational | | | | | | | | | | |
| Other instruction | 1,699,314 | 1,605,600 | 1,451,076 | 1,252,234 | 1,134,670 | 1,167,555 | 1,117,939 | 1,106,788 | 1,093,598 | 955,115 |
| Nonpublic school programs | | | | | | | | | | |
| Adult/continuing education programs | | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Tuition | 1,780,109 | 2,089,522 | 2,536,225 | 1,853,446 | 1,975,121 | 2,219,924 | 2,054,512 | 2,290,172 | 2,642,631 | 2,659,085 |
| Student & instruction related services | 4,096,725 | 3,804,254 | 3,309,675 | 3,763,176 | 3,796,916 | 3,988,781 | 4,009,452 | 3,848,610 | 3,997,791 | 4,298,901 |
| School Administrative services | 800,748 | 867,239 | 867,634 | 762,861 | 619,207 | 586,201 | 673,661 | 653,067 | 651,056 | 643,380 |
| General administration | 606,823 | 637,000 | 775,836 | 635,481 | 680,202 | 698,061 | 741,609 | 555,702 | 608,080 | 682,840 |
| Central Services | 493,650 | 510,349 | 492,370 | 510,222 | 536,480 | 547,328 | 501,154 | 587,441 | 606,497 | 676,232 |
| Plant operations and maintenance | 2,216,572 | 2,297,511 | 2,771,938 | 2,988,185 | 2,905,412 | 2,903,575 | 2,961,107 | 3,193,935 | 3,587,780 | 3,436,621 |
| Administrative information technology | 13,169 | 143,126 | 45,913 | 41,590 | - | - | 13,450 | 28,325 | 58,705 | 36,228 |
| Pupil transportation | 2,239,301 | 2,054,328 | 2,555,325 | 2,419,733 | 2,612,956 | 2,497,307 | 2,263,902 | 2,394,560 | 2,621,475 | 2,662,256 |
| Other support services | | | 17,246 | 5,274 | - | - | 4,843 | 37,939 | 2,940 | - |
| Unallocated Benefits | | | | | | | | | | |
| Compensated absences | | | | | | 2,114 | 10,431 | (157) | 332,500 | - |
| Interest on long-term debt | 223,135 | 139,228 | 120,810 | 98,431 | 70,408 | 41,138 | 38,762 | 68,965 | 79,189 | 73,450 |
| Capital Outlay | | | | | | | | | | |
| Transfer to Food Service | | | | | | 75,000 | | | 50,000 | |
| Total governmental activities expenses | 25,457,362 | 26,006,201 | 25,017,978 | 25,819,181 | 25,188,620 | 25,584,112 | 25,316,379 | 25,721,847 | 27,454,752 | 27,795,287 |
| Business-type activities: | | | | | | | | | | |
| Food service | 333,798 | 345,887 | 399,379 | 381,442 | 423,216 | 381,858 | 370,620 | 380,503 | 389,710 | 402,038 |
| Enrichment Program | | | | | | | | | | |
| Total business-type activities expense | 333,798 | 345,887 | 399,379 | 381,442 | 423,216 | 381,858 | 370,620 | 380,503 | 389,710 | 402,038 |
| Total district expenses | \$ 25,791,160 | \$ 26,352,088 | \$ 25,417,357 | \$ 26,200,623 | \$ 25,611,836 | \$ 25,965,970 | \$ 25,686,999 | \$ 26,102,350 | \$ 27,844,462 | \$ 28,197,325 |
| Program Revenues | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Instruction (tuition) | \$ 37,048 | \$ 20,677 | \$ 7,750 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 21,731 | \$ 20,025 |
| Special Education | | | | | | | | | | |
| Plant Operations and Maintenance | | | | | | | | \$ 82,657 | \$ 80,996 | \$ 60,883 |
| Pupil transportation | 389,575 | 422,620 | 375,466 | 412,098 | 573,701 | 312,210 | - | 489,385 | 485,396 | 395,866 |
| Central and other support services | | | | | | | | | | |
| Operating grants and contributions | 2,774,646 | 2,722,329 | 1,796,188 | 2,011,128 | 1,828,699 | 2,055,595 | 2,354,283 | 2,114,633 | 2,464,650 | 1,971,076 |
| Capital grants and contributions | | | | | 406,050 | | | | | |
| Total governmental activities program revenues | 3,201,269 | 3,165,626 | 2,179,404 | 2,423,226 | 2,808,450 | 2,367,805 | 2,354,283 | 2,686,675 | 3,052,773 | 2,447,850 |
| Business-type activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Food service | \$ 267,171 | \$ 249,130 | \$ 279,815 | \$ 265,442 | \$ 264,569 | \$ 225,898 | \$ 216,435 | \$ 223,989 | \$ 252,819 | \$ 254,730 |
| Enrichment Program | | | | | | | | | | |
| Operating grants and contributions | 73,676 | 77,398 | 70,994 | 74,404 | 84,007 | 202,335 | 123,017 | 137,440 | 182,058 | 135,455 |
| Capital grants and contributions | | | | | | | | | | |
| Total business type activities program revenues | 340,847 | 326,528 | 350,809 | 339,846 | 348,576 | 428,233 | 339,452 | 361,429 | 434,877 | 390,185 |
| Total district program revenues | \$ 3,542,116 | \$ 3,492,154 | \$ 2,530,213 | \$ 2,763,072 | \$ 3,157,026 | \$ 2,796,038 | \$ 2,693,735 | \$ 3,048,104 | \$ 3,487,650 | \$ 2,838,035 |

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Net Assets/Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|------------------------|
| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
| Net (Expense)/Revenue | | | | | | | | | | |
| Governmental activities | \$ (22,256,093) | \$ (22,840,575) | \$ (22,838,574) | \$ (23,395,955) | \$ (22,380,170) | \$ (23,216,307) | \$ (22,962,096) | \$ (23,035,172) | \$ (24,401,979) | \$ (25,347,437) |
| Business-type activities | 7,049 | (19,359) | (48,570) | (41,596) | (74,640) | 46,375 | (31,168) | (19,074) | 45,167 | (11,853) |
| Total district-wide net expense | \$ (22,249,044) | \$ (22,859,934) | \$ (22,887,144) | \$ (23,437,551) | \$ (22,454,810) | \$ (23,169,932) | \$ (22,993,264) | \$ (23,054,246) | \$ (24,356,812) | \$ (25,359,290) |
| General Revenues and Other Changes in Net Assets | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for general purposes, net | \$ 17,719,047 | \$ 18,427,809 | \$ 18,974,921 | \$ 18,756,384 | \$ 18,706,384 | \$ 18,756,384 | \$ 19,131,512 | \$ 19,514,143 | \$ 19,904,424 | \$ 20,302,512 |
| Taxes levied for debt service | 595,259 | 595,126 | 592,271 | 588,946 | 597,316 | 593,908 | 575,736 | 620,103 | 586,305 | 606,237 |
| Unrestricted grants and contributions | 4,395,192 | 4,539,297 | 4,957,551 | 3,870,983 | 3,520,434 | 4,103,150 | 3,628,905 | 3,543,886 | 3,611,190 | 4,262,993 |
| Cancellation of Prior Year Accounts Payable | | | | | | | | | | |
| Payments in lieu of taxes | | | | | | | | | | |
| Tuition Received | | | | | | | 379,530 | | | |
| Transportation fees | | | | | | | | | | |
| Investment earnings | 302,010 | 198,297 | 45,555 | 11,612 | 5,999 | 3,271 | | 9,756 | 4,150 | 1,745 |
| Miscellaneous income | 116,092 | 230,528 | 290,049 | 47,320 | 83,831 | 109,147 | 127,087 | 43,621 | 112,417 | 33,752 |
| Rental income | | | 44,145 | | | | 50,493 | | | |
| Transfers | | | | | | | | | | |
| Other Adjustments | | | | (216,996) | (301,108) | 221,106 | 152,357 | 440,081 | 1,430,098 | (1,673,750) |
| Total governmental activities | 23,127,600 | 23,991,057 | 24,904,492 | 23,058,249 | 22,612,856 | 23,786,966 | 24,045,620 | 24,171,590 | 25,648,584 | 23,533,489 |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | | | | | | | | | | |
| Miscellaneous Income | 10,921 | 5,575 | | | | | | | | |
| Transfers | | | 53,829 | | | | | | | |
| Total business-type activities | 10,921 | 5,575 | 53,829 | - | - | - | - | - | - | - |
| Total district-wide | \$ 23,138,521 | \$ 23,996,632 | \$ 24,958,321 | \$ 23,058,249 | \$ 22,612,856 | \$ 23,786,966 | \$ 24,045,620 | \$ 24,171,590 | \$ 25,648,584 | \$ 23,533,489 |
| Change in Net Assets | | | | | | | | | | |
| Governmental activities | \$ 871,507 | \$ 1,150,482 | \$ 2,065,918 | \$ (337,706) | \$ 232,686 | \$ 570,659 | \$ 1,083,524 | \$ 1,136,418 | \$ 1,246,605 | \$ (1,813,948) |
| Business-type activities | 17,970 | (13,784) | 5,259 | (41,596) | (74,640) | 46,375 | (31,168) | (19,074) | 45,167 | (11,853) |
| Total district | \$ 889,477 | \$ 1,136,698 | \$ 2,071,177 | \$ (379,302) | \$ 158,046 | \$ 617,034 | \$ 1,052,356 | \$ 1,117,344 | \$ 1,291,772 | \$ (1,825,801) |

Source: School District Financial Reports

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|------------------------------------|-----------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2014 | 2015 | 2016 |
| General Fund | | | | | | | | | | |
| Reserved | \$ 4,403,697 | \$ 4,984,989 | \$ 3,792,599 | \$ 3,562,534 | \$ 3,211,805 | \$ 2,583,862 | \$ 2,649,178 | \$ 2,649,178 | \$ 2,292,555 | \$ 1,059,298 |
| Committed | | | | | | | | 195,063 | 113,406 | 184,950 |
| Assigned | | | | | | 320,822 | 247,004 | 51,941 | | 178,865 |
| Unreserved | 485,798 | 705,239 | 224,358 | 294,735 | 328,887 | 445,335 | 359,136 | 359,136 | 391,708 | 408,745 |
| Total general fund | <u>\$ 4,889,495</u> | <u>\$ 5,690,228</u> | <u>\$ 4,016,957</u> | <u>\$ 3,857,269</u> | <u>\$ 3,540,692</u> | <u>\$ 3,350,019</u> | <u>\$ 3,255,318</u> | <u>\$ 3,255,318</u> | <u>\$ 2,797,669</u> | <u>\$ 1,831,858</u> |
| All Other Governmental Funds | | | | | | | | | | |
| Reserved | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue fund | (1,341) | | | | | | | | | |
| Capital projects fund | | | | | 44,000 | 2,918,125 | 1,873,597 | 1,873,597 | 1,211,776 | 248,710 |
| Debt service fund | 1 | 1 | 1 | | | | 25,041 | 25,041 | 4,950 | 4,951 |
| Permanent fund | | | | | | | | | | |
| Total all other governmental funds | <u>\$ (1,340)</u> | <u>\$ 1</u> | <u>\$ 1</u> | <u>\$ -</u> | <u>\$ 44,000</u> | <u>\$ 2,918,125</u> | <u>\$ 1,898,638</u> | <u>\$ 1,898,638</u> | <u>\$ 1,216,726</u> | <u>\$ 253,661</u> |

Source: School District Financial Reports

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|--|-----------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| Revenues | | | | | | | | | | |
| Local Tax Levy | \$ 20,908,749 | \$ 20,490,729 | \$ 20,134,246 | \$ 19,707,248 | \$ 19,350,292 | \$ 19,303,700 | \$ 19,345,330 | \$ 19,567,192 | \$ 19,022,935 | \$ 18,314,306 |
| Tuition Charges | 20,025 | 21,733 | - | 2,851 | - | - | - | 7,750 | 20,677 | 37,048 |
| Transportation Fees | 395,866 | 485,396 | 489,385 | 379,530 | 312,210 | 573,701 | 412,098 | 375,466 | 422,620 | 389,575 |
| Interest Earnings | 1,745 | 4,150 | 9,756 | 522 | 3,271 | 5,999 | 11,612 | 45,555 | 198,297 | 302,010 |
| Other Local Revenue | 97,818 | 196,048 | 129,018 | 102,174 | 112,885 | 85,861 | 47,337 | 133,674 | 113,679 | 74,091 |
| State sources | 5,895,461 | 5,652,376 | 5,277,886 | 5,704,136 | 5,567,467 | 5,124,477 | 5,284,015 | 5,799,162 | 6,869,606 | 6,595,937 |
| Federal sources | 335,425 | 420,829 | 377,893 | 276,282 | 587,540 | 628,676 | 594,686 | 951,577 | 392,020 | 573,901 |
| Total revenue | 27,655,089 | 27,271,261 | 26,418,184 | 26,172,743 | 25,933,665 | 25,722,414 | 25,695,078 | 26,880,376 | 27,039,834 | 26,286,868 |
| Expenditures | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | 7,685,381 | 7,455,430 | 7,455,464 | 7,140,592 | 7,338,526 | 7,183,977 | 6,090,298 | 6,121,694 | 6,184,721 | 5,967,499 |
| Special | 157,743 | 146,016 | 113,134 | 112,959 | 1,845 | 335,636 | 1,850,895 | 1,828,942 | 1,874,966 | 1,604,167 |
| Other | 955,115 | 977,220 | 930,517 | 929,610 | 987,563 | 967,425 | 202,792 | 198,487 | 197,587 | 195,256 |
| School-Sponsored/Other Instructional | | | | | | | 874,868 | 915,484 | 934,895 | 990,747 |
| Total Instruction | 8,798,239 | 8,578,666 | 8,499,115 | 8,183,161 | 8,327,934 | 8,487,038 | 9,018,953 | 9,064,607 | 9,192,169 | 8,757,669 |
| Undistributed: | | | | | | | | | | |
| Tuition | 2,659,085 | 2,642,631 | 2,290,172 | 2,054,512 | 2,219,924 | 1,875,121 | 1,853,446 | 1,947,024 | 2,089,522 | 1,780,109 |
| Student and Instruction Related Services | 2,923,168 | 2,701,887 | 2,736,800 | 2,821,404 | 2,740,846 | 2,617,668 | 2,649,563 | 2,546,043 | 2,600,993 | 2,792,728 |
| Instruction | | | | | | | | | | |
| Support Services-Students | | | | | | | | | | |
| Support Services-Instructional Staff | | | | | | | | | | |
| General Administration | 509,868 | 450,627 | 412,074 | 434,702 | 432,923 | 431,942 | 524,115 | 595,588 | 508,151 | 473,816 |
| School Administration | 567,466 | 582,598 | 587,782 | 603,909 | 519,537 | 534,036 | 555,712 | 512,533 | 579,343 | 529,388 |
| Central Services | 299,066 | 300,767 | 279,409 | 295,435 | 325,307 | 322,683 | 330,851 | 343,945 | 353,314 | 337,919 |
| Admin. Information Technology | 17,899 | 41,009 | 10,629 | 13,450 | 10,500 | 141 | - | 8,113 | 94,137 | 8,490 |
| Operations and Maintenance | 1,905,736 | 2,191,923 | 1,981,769 | 1,881,056 | 1,905,524 | 1,979,036 | 2,090,108 | 1,914,793 | 1,904,253 | 1,843,619 |
| Student Transportation | 1,878,600 | 1,886,671 | 1,739,951 | 1,564,343 | 1,823,411 | 2,002,631 | 1,839,768 | 1,897,772 | 1,834,211 | 2,026,759 |
| Business and Other Support Services: | 7,201,452 | 6,710,908 | 6,380,343 | | | | | | | |
| Employee Benefits | | | | 6,917,963 | 6,628,364 | 6,282,531 | 6,165,162 | 5,587,100 | 6,430,518 | 6,019,291 |
| Other | | | | | | | 231,674 | | | |
| Food Services | | 50,000 | | | 75,000 | | | | | |
| On-behalf TPAF Pension Contributions | | | | | | | | | | |
| Reimbursed TPAF Social Security Contributions | | | | | | | | | | |
| Total Undistributed | 17,962,340 | 17,559,021 | 16,418,929 | 16,586,774 | 16,681,336 | 16,145,789 | 16,240,399 | 15,352,921 | 16,394,442 | 15,812,119 |
| Capital Outlay: | | | | | | | | | | |
| Equipment | 3,280,385 | 2,711,777 | 3,712,040 | 2,666,173 | 589,140 | 1,702,587 | 1,505,885 | 1,344,752 | 1,302,305 | 760,316 |
| Facilities Acquisition and Construction Services | | | | | | | | | | |
| Lease Purchase Agreements | | | | | | | | | | |
| Assets Acquired Under Capital Leases | | | | | | | | | | |
| Total Capital Outlay | 3,280,385 | 2,711,777 | 3,712,040 | 2,666,173 | 589,140 | 1,702,587 | 1,505,885 | 1,344,752 | 1,302,305 | 760,316 |
| Special Schools | | | | | | | | | | |
| Total General Fund Expenditures | 30,040,964 | 28,849,464 | 28,630,084 | 27,436,108 | 25,598,410 | 26,335,414 | 26,785,237 | 25,762,280 | 26,888,916 | 25,330,104 |
| Special Revenue: | | | | | | | | | | |
| Federal | | | | | | | | | | |
| State | | | | | | | | | | |
| Other | | | | | | | | | | |
| Total Special Revenue Expenditures | - | - | - | - | - | - | - | - | - | - |
| Debt Service Expenditures: | | | | | | | | | | |
| Principal | 530,000 | 525,000 | 535,000 | 610,000 | 600,000 | 575,000 | 550,000 | 535,000 | 520,000 | 505,000 |
| Interest and Other Charges | 76,236 | 81,396 | 60,062 | 23,638 | 53,638 | 82,388 | 109,889 | 128,613 | 146,812 | 161,963 |
| Total Debt Service Expenditures | 606,236 | 606,396 | 595,062 | 633,638 | 653,638 | 657,388 | 659,889 | 663,613 | 666,812 | 666,963 |
| Total Governmental Fund Expenditures | \$ 30,647,200 | \$ 29,455,860 | \$ 29,225,146 | \$ 28,069,746 | \$ 26,252,048 | \$ 26,992,802 | \$ 27,425,126 | \$ 26,425,893 | \$ 27,555,728 | \$ 25,997,067 |

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

| | Fiscal Year Ending June 30, | | | | | | | | | |
|---|-----------------------------|----------------|----------------|--------------|--------------|--------------|----------------|------------|--------------|------------|
| | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| Excess (Deficiency) of revenues over (under) expenditures | (2,982,111) | (2,184,599) | (2,806,962) | (1,897,003) | (318,383) | (1,270,388) | (1,730,048) | 454,483 | (515,894) | 289,801 |
| Other Financing sources (uses) | | | | | | | | | | |
| Proceeds from borrowing | | | | 6,149,000 | | | | | | |
| Capital leases (non-budgeted) | | 219,244 | 191,344 | | 45,806 | 1,110,770 | 56,776 | 347,587 | 116,849 | 42,001 |
| Proceeds from refunding | | | | | | | | | | |
| Payments to escrow agent | | | | | | | | | | |
| Prior Period Adjustment - Fund 20 exper | (52,479) | | | | | | | | | |
| Capital Reserve Contribution | 753,114 | | | | | | | | | |
| Adjustment | | | | | | | | 3 | | |
| Transfers in | | 804,735 | 578,457 | 1,800,551 | 311,000 | 32,700 | 872,187 | | | |
| Transfers out | | (804,735) | (578,457) | (754,248) | (311,000) | (32,700) | (872,187) | | | |
| Total other financing sources (uses) | 700,635 | 219,244 | 191,344 | 7,195,303 | 45,806 | 1,110,770 | 56,776 | 347,590 | 116,849 | 42,001 |
| Net change in fund balances | \$ (2,291,476) | \$ (1,965,355) | \$ (2,615,618) | \$ 5,298,300 | \$ (272,577) | \$ (159,618) | \$ (1,673,272) | \$ 802,073 | \$ (399,045) | \$ 331,802 |
| Debt service as a percentage of noncapital expenditures | 2.22% | 2.27% | 2.33% | 2.49% | 2.55% | 2.60% | 2.55% | 2.65% | 2.54% | 2.64% |

Source: District records

Notes: Noncapital expenditures are total expenditures less capital outlay.

Exhibit J-5

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING**

| <u>Fiscal Year Ended June 30,</u> | <u>Rentals</u> | <u>Prior Year Refunds</u> | <u>Miscellaneous</u> | <u>Annual Totals</u> |
|---------------------------------------|----------------|-------------------------------|----------------------|----------------------|
| 2007 | 36,065 | 1,572 | 36,454 | 74,091 |
| 2008 | 39,344 | 4,351 | 69,984 | 113,679 |
| 2009 | 44,145 | 845 | 88,684 | 133,674 |
| 2010 | - | - | 44,132 | 44,132 |
| 2011 | 63,095 | - | 20,736 | 83,831 |
| 2012 | 77,151 | - | 31,996 | 109,147 |
| 2013 | 50,493 | - | 52,111 | 102,604 |
| 2014 | 82,657 | - | 43,621 | 126,278 |
| 2015 | 80,996 | - | 112,417 | 193,413 |
| 2016 | 60,883 | - | 33,752 | 94,635 |

Source: District Records

REVENUE CAPACITY

Exhibit J-6

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED**

EATONTOWN BOROUGH

| <u>Year Ended June 30,</u> | <u>Net Assessed Valuations</u> | <u>Estimated Full Cash Valuations</u> | <u>Percentage of Net Assessed to Estimated Full Cash Valuations</u> |
|--------------------------------|------------------------------------|---|---|
| 2007 | 2,490,880,992 | 2,368,717,720 | 105.16% |
| 2008 | 2,456,688,843 | 2,419,254,321 | 101.55% |
| 2009 | 2,424,185,216 | 2,678,894,372 | 90.49% |
| 2010 | 2,129,764,241 | 2,492,512,157 | 85.45% |
| 2011 | 2,117,215,544 | 2,399,031,557 | 88.25% |
| 2012 | 2,086,000,009 | 2,143,001,928 | 97.34% |
| 2013 | 2,030,878,034 | 2,074,516,960 | 97.90% |
| 2014 | 2,030,878,034 | 2,074,516,960 | 97.90% |
| 2015 | 2,091,909,634 | 2,074,996,330 | 100.82% |
| 2016 | 2,171,048,361 | * 2,074,996,330 | 104.63% |

Source: Municipal Tax Assessor

* Information was estimated based on available information

Exhibit J-6a

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED**

TINTON FALLS BOROUGH

| <u>Year Ended June 30,</u> | <u>Net Assessed Valuations</u> | <u>Estimated Full Cash Valuations</u> | <u>Percentage of Net Assessed to Estimated Full Cash Valuations</u> | |
|--------------------------------|------------------------------------|---|---|--------|
| 2007 | 1,280,603,288 | 2,929,583,421 | 43.71% | |
| 2008 | * | 2,922,487,599 | 3,226,755,881 | 90.57% |
| 2009 | 3,005,914,119 | 3,277,610,613 | 91.71% | |
| 2010 | 2,998,843,219 | 3,020,708,135 | 99.28% | |
| 2011 | 2,872,610,220 | 2,900,904,098 | 99.02% | |
| 2012 | 2,758,659,379 | 2,783,151,109 | 99.12% | |
| 2013 | 2,754,925,800 | 2,911,474,837 | 94.62% | |
| 2014 | 2,704,177,400 | 3,017,718,335 | 89.61% | |
| 2015 | 2,924,903,485 | 2,924,903,485 | 100.00% | |
| 2016 | 2,981,053,901 | 2,981,053,904 | 100.00% | |

Source: Municipal Tax Assessor

Note: * Revaluation

Exhibit J-6b

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED**

SHREWSBURY TOWNSHIP

| <u>Year Ended June 30,</u> | <u>Net Assessed Valuations</u> | <u>Estimated Full Cash Valuations</u> | <u>Percentage of Net Assessed to Estimated Full Cash Valuations</u> |
|--------------------------------|------------------------------------|---|---|
| 2007 | 27,278,537 | 75,269,951 | 36.24% |
| 2008 | 72,717,014 | 79,684,044 | 91.26% |
| 2009 | 72,725,738 | 79,268,812 | 91.75% |
| 2010 | 72,762,912 | 79,127,998 | 91.96% |
| 2011 | 72,730,213 | 69,465,075 | 104.70% |
| 2012 | 56,855,613 | 58,762,313 | 96.76% |
| 2013 | 56,847,388 | 53,374,413 | 106.51% |
| 2014 | 56,847,388 | 53,374,413 | 106.51% |
| 2015 | 50,307,343 | 45,963,767 | 109.45% |
| 2016 | 52,540,500 | 52,949,650 | 99.23% |

Source: Municipal Tax Collector

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
UNAUDITED**

EATONTOWN BOROUGH

| Fiscal Year Ended June 30, | Monmouth Regional High School District Direct Rate | | | Local School Rate | Overlapping Rates | | Total Direct and Overlapping Tax Rate |
|----------------------------------|---|--|------------------------------------|-------------------------|----------------------|--------------------|--|
| | Basic Rate | General Obligation Debt Service | Total Direct School Tax Rate | | Eatontown Borough | Monmouth County | |
| 2007 | 0.323 | 0.010 | 0.333 | 0.569 | 0.472 | 0.241 | 1.615 |
| 2008 | 0.337 | 0.011 | 0.348 | 0.573 | 0.513 | 0.244 | 1.678 |
| 2009 | N/A | N/A | 0.371 | 0.589 | 0.541 | 0.282 | 1.783 |
| 2010 | N/A | N/A | 0.411 | 0.676 | 0.655 | 0.318 | 2.060 |
| 2011 | N/A | N/A | 0.406 | 0.681 | 0.681 | 0.317 | 2.085 |
| 2012 | N/A | N/A | 0.391 | 0.697 | 0.706 | 0.302 | 2.096 |
| 2013 | N/A | N/A | 0.429 | 0.724 | 0.761 | 0.311 | 2.225 |
| 2014 | N/A | N/A | 0.429 | 0.724 | 0.761 | 0.311 | 2.225 |
| 2015 | N/A | N/A | 0.406 | 0.721 | 0.789 | 0.307 | 2.223 |
| 2016 | N/A | N/A | 0.391 | 0.732 | 0.780 | 0.307 | 2.210 |

Source: Municipal Tax Assessor

Note: N/A Not Available

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
UNAUDITED**

TINTON FALLS BOROUGH

| Fiscal Year Ended June 30, | Monmouth Regional High School District Direct Rate | | | Regional Elementary School Rate | Overlapping Rates | | Total Direct and Overlapping Tax Rate |
|----------------------------------|---|--|------------------------------------|--|-------------------------|--------------------|--|
| | Basic Rate | General Obligation Debt Service | Total Direct School Tax Rate | | Tinton Falls Borough | Monmouth County | |
| 2007 | 0.798 | 0.026 | 0.824 | 1.447 | 0.785 | 0.627 | 3.683 |
| 2008 | 0.357 | 0.012 | 0.369 | 0.644 | 0.383 | 0.283 | 1.679 |
| 2009 | 0.326 | 0.010 | 0.336 | 0.623 | 0.410 | 0.277 | 1.646 |
| 2010 | 0.333 | 0.011 | 0.344 | 0.648 | 0.415 | 0.285 | 1.692 |
| 2011 | 0.355 | 0.011 | 0.366 | 0.703 | 0.439 | 0.300 | 1.808 |
| 2012 | 0.397 | 0.012 | 0.409 | 0.739 | 0.464 | 0.305 | 1.917 |
| 2013 | 0.397 | 0.012 | 0.409 | 0.763 | 0.477 | 0.311 | 1.960 |
| 2014 | 0.422 | 0.012 | 0.434 | 0.804 | 0.517 | 0.342 | 2.097 |
| 2015 | 0.403 | 0.012 | 0.415 | 0.768 | 0.504 | 0.320 | 2.007 |
| 2016 | 0.416 | 0.012 | 0.428 | 0.774 | 0.515 | 0.315 | 2.032 |

Source: Municipal Tax Assessor

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
UNAUDITED**

SHREWSBURY TOWNSHIP

| Fiscal Year Ended June 30, | Monmouth Regional High School District Direct Rate | | | Regional Elementary School Rate | Overlapping Rates | | Total Direct and Overlapping Tax Rate |
|----------------------------------|---|--|------------------------------------|--|------------------------|--------------------|--|
| | Basic Rate | General Obligation Debt Service | Total Direct School Tax Rate | | Shrewsbury Township | Monmouth County | |
| 2007 | 0.692 | 0.023 | 0.715 | 1.933 | 2.143 | 0.744 | 5.535 |
| 2008 | 0.312 | 0.010 | 0.322 | 0.715 | 0.859 | 0.280 | 2.176 |
| 2009 | 0.314 | 0.010 | 0.324 | 0.670 | 0.926 | 0.291 | 2.211 |
| 2010 | 0.305 | 0.010 | 0.315 | 0.663 | 1.019 | 0.281 | 2.278 |
| 2011 | 0.306 | 0.010 | 0.316 | 0.637 | 1.042 | 0.269 | 2.264 |
| 2012 | 0.459 | 0.010 | 0.469 | 0.790 | 1.327 | 0.278 | 2.864 |
| 2013 | 0.417 | 0.010 | 0.427 | 0.776 | 1.429 | 0.332 | 2.964 |
| 2014 | 0.441 | 0.010 | 0.451 | 0.695 | 1.462 | 0.306 | 2.914 |
| 2015 | 0.563 | 0.010 | 0.573 | 0.681 | 1.169 | 0.324 | 2.747 |
| 2016 | 0.573 | 0.010 | 0.583 | 0.629 | 1.453 | 0.322 | 2.987 |

Source: Municipal Tax Collector

Exhibit J-8

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF PRINCIPAL TAXPAYERS
FOR YEAR ENDED DECEMBER 31, 2015**

EATONTOWN BOROUGH

| <u>Taxpayer</u> | <u>Assessed Valuation 2015</u> | <u>As a % of District's Net Assessed Valuation</u> |
|-------------------------------------|------------------------------------|--|
| Eatontown Monmouth Mall LLC | \$ 162,000,000 | 7.46% |
| Eatonbrook Cooperative Corp. | 27,991,500 | 1.29% |
| East Coast Eatoncrest Apts. | 32,256,300 | 1.49% |
| VM Kushner LLC | 21,412,600 | 0.99% |
| Macy's East Federated Dept. Stores | 17,176,100 | 0.79% |
| Country Club Associates Apts. | 30,095,700 | 1.39% |
| Stony Hill Apartments Associates LP | 28,239,700 | 1.30% |
| JC Penney | 18,784,400 | 0.87% |
| IWW Property, LLC | 18,722,500 | 0.86% |
| Eatontown 36 LLC | 18,000,000 | 0.83% |
| Total | <u>\$ 374,678,800</u> | <u>17.26%</u> |

Source: Municipal Tax Assessor

Exhibit J-8a

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF PRINCIPAL TAXPAYERS
FOR YEAR ENDED DECEMBER 31, 2015**

TINTON FALLS BOROUGH

| <u>Taxpayer</u> | <u>Assessed Valuation 2015</u> | <u>As a % of District's Net Assessed Valuation</u> |
|-------------------------------------|------------------------------------|--|
| Renewal, LLC | \$ 185,498,400 | 6.22% |
| Tinton Falls Campus | 149,490,400 | 5.01% |
| CPG Tinton Falls Urban Renewal, LLC | 36,623,700 | 1.23% |
| Avalon Bay Communities, Inc. | 15,847,000 | 0.53% |
| XPD LLC | 15,343,800 | 0.51% |
| Stavola Realty Company | 15,235,700 | 0.51% |
| Hovsons, Inc. | 15,102,000 | 0.51% |
| Tinton Pines Construction | 14,629,200 | 0.49% |
| Reidhass, LP | 13,363,600 | 0.45% |
| Sudler Monmouth | 12,925,000 | 0.43% |
| Total | \$ 474,058,800 | 15.90% |

Source: Municipal Tax Collector

Exhibit J-8b

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF PRINCIPAL TAXPAYERS
FOR YEAR ENDED DECEMBER 31, 2015**

SHREWSBURY TOWNSHIP

| <u>Taxpayer</u> | <u>Assessed Valuation 2015</u> | <u>As a % of District's Net Assessed Valuation</u> |
|--------------------------|------------------------------------|--|
| Alfred Vail Mutual | \$ 21,187,000 | 40.33% |
| Coolidge Shrewsbury, LLC | 11,054,700 | 21.04% |
| Bell Atlantic Tax Dept | 403,243 | 0.77% |
| Individual Taxpayer #1 | 330,100 | 0.63% |
| Individual Taxpayer #2 | 179,700 | 0.34% |
| Individual Taxpayer #3 | 179,700 | 0.34% |
| Individual Taxpayer #4 | 179,700 | 0.34% |
| Individual Taxpayer #5 | 179,700 | 0.34% |
| Individual Taxpayer #6 | 179,700 | 0.34% |
| Individual Taxpayer #7 | 179,700 | 0.34% |
| Total | \$ 34,053,243 | 64.81% |

Source: Municipal Tax Collector

Exhibit J-9

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

EATONTOWN BOROUGH

| <u>Year Ended June 30,</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Tax Levy Collected</u> |
|--------------------------------|---------------------------|------------------------------------|--|
| 2007 | 8,116,150 | 7,461,787 | 91.94% |
| 2008 | 8,279,581 | 8,279,581 | 100.00% |
| 2009 | 8,548,914 | 8,548,914 | 100.00% |
| 2010 | 8,998,299 | 8,998,299 | 100.00% |
| 2011 | 8,763,612 | 8,763,612 | 100.00% |
| 2012 | 8,596,029 | 8,596,123 | 100.00% |
| 2013 | 8,149,972 | 8,149,972 | 100.00% |
| 2014 | 8,703,268 | 8,703,268 | 100.00% |
| 2015 | 8,478,206 | 8,478,206 | 100.00% |
| 2016 | 8,495,560 | 8,495,560 | 100.00% |

Source: Municipal Tax Collector

Exhibit J-9a

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

TINTON FALLS BOROUGH

| <u>Year Ended June 30,</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Tax Levy Collected</u> |
|--------------------------------|---------------------------|------------------------------------|--|
| 2007 | 10,043,313 | 10,043,313 | 100.00% |
| 2008 | 10,548,416 | 10,548,416 | 100.00% |
| 2009 | 10,783,960 | 10,783,960 | 100.00% |
| 2010 | 10,111,439 | 10,111,439 | 100.00% |
| 2011 | 10,311,136 | 10,311,136 | 100.00% |
| 2012 | 10,519,982 | 10,519,982 | 100.00% |
| 2013 | 11,290,471 | 11,290,471 | 100.00% |
| 2014 | 11,188,541 | 11,188,541 | 100.00% |
| 2015 | 11,755,887 | 11,755,887 | 100.00% |
| 2016 | 12,124,896 | 12,124,896 | 100.00% |

Source: Municipal Tax Collector

Exhibit J-9b

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

SHREWSBURY TOWNSHIP

| <u>Year Ended June 30,</u> | <u>Total Tax Levy</u> | <u>Current Tax Collections</u> | <u>Percent of Tax Levy Collected</u> |
|--------------------------------|---------------------------|------------------------------------|--|
| 2007 | 154,842 | 154,842 | 100.00% |
| 2008 | 194,938 | 194,938 | 100.00% |
| 2009 | 234,318 | 234,318 | 100.00% |
| 2010 | 235,592 | 235,591 | 100.00% |
| 2011 | 228,958 | 228,958 | 100.00% |
| 2012 | 234,181 | 234,181 | 100.00% |
| 2013 | 266,805 | 266,805 | 100.00% |
| 2014 | 242,436 | 242,436 | 100.00% |
| 2015 | 256,637 | 256,637 | 100.00% |
| 2016 | 288,293 | 288,293 | 100.00% |

Source: Municipal Tax Collector

DEBT CAPACITY

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last ten fiscal years

EATONTOWN BOROUGH

| Fiscal Year Ended June 30, | Governmental Activities | | | Total District | Percentage of Personal Income | Per Capita |
|-------------------------------------|-----------------------------|-------------------|------------------------------------|----------------|-------------------------------------|------------|
| | General Obligation Bonds | Capital Leases | Compensated Absences Payable | | | |
| 2007 | 1,494,312 | 39,068 | 473,818 | 2,007,198 | 0.30% | 143 |
| 2008 | 1,212,575 | 62,615 | 448,561 | 1,723,751 | 0.24% | 122 |
| 2009 | 1,036,357 | 169,144 | 448,561 | 1,654,062 | 0.23% | 124 |
| 2010 | 830,276 | 157,597 | 552,207 | 1,540,080 | 0.20% | 110 |
| 2011 | 549,340 | 541,860 | 532,493 | 1,623,693 | 0.23% | 127 |
| 2012 | 270,986 | 403,063 | 521,982 | 1,196,031 | 0.17% | 94 |
| 2013 | 2,657,979 | 258,073 | 512,419 | 3,428,471 | 0.47% | 276 |
| 2014 | 2,322,838 | 204,286 | 490,419 | 3,017,543 | 0.40% | 243 |
| 2015 | 2,067,732 | 140,326 | 616,695 | 2,824,753 | 0.40% | 230 |
| 2016 | 1,796,422 | 83,469 | 595,653 | 2,475,544 | 0.30% | 201 |

Source: School District Financial Reports

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last ten fiscal years

TINTON FALLS BOROUGH

| Fiscal Year Ended June 30, | <u>Governmental Activities</u> | | | Total District | Percentage of Personal Income | Per Capita |
|-------------------------------------|--------------------------------|-------------------|------------------------------------|----------------|-------------------------------------|------------|
| | General Obligation Bonds | Capital Leases | Compensated Absences Payable | | | |
| 2007 | 1,848,228 | 48,320 | 586,038 | 2,482,586 | 0.35% | 145 |
| 2008 | 1,617,532 | 83,526 | 598,364 | 2,299,422 | 0.30% | 120 |
| 2009 | 1,267,977 | 206,947 | 675,015 | 2,149,939 | 0.20% | 109 |
| 2010 | 932,986 | 177,093 | 620,518 | 1,730,597 | 0.15% | 98 |
| 2011 | 646,381 | 637,581 | 626,559 | 1,910,521 | 0.22% | 127 |
| 2012 | 331,632 | 493,270 | 638,804 | 1,463,706 | 0.14% | 82 |
| 2013 | 3,416,981 | 331,767 | 658,744 | 4,407,492 | 0.13% | 76 |
| 2014 | 3,220,849 | 283,263 | 680,016 | 4,184,128 | 0.11% | 68 |
| 2015 | 2,951,090 | 200,275 | 880,154 | 4,031,519 | 0.10% | 64 |
| 2016 | 2,697,274 | 125,326 | 894,355 | 3,716,955 | 0.09% | 56 |

Source: School District Financial Reports

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

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last ten fiscal years

SHREWSBURY TOWNSHIP

| Fiscal Year Ended June 30, | Governmental Activities | | | Total District | Percentage of Personal Income | Per Capita |
|-------------------------------------|-----------------------------|-------------------|------------------------------------|----------------|-------------------------------------|------------|
| | General Obligation Bonds | Capital Leases | Compensated Absences Payable | | | |
| 2007 | 47,460 | 1,241 | 15,049 | 63,750 | 0.120% | 59 |
| 2008 | 39,893 | 2,060 | 14,757 | 56,710 | 0.100% | 53 |
| 2009 | 30,666 | 5,005 | 16,325 | 51,996 | 0.090% | 49 |
| 2010 | 21,738 | 4,127 | 14,458 | 40,323 | 0.060% | 37 |
| 2011 | 14,278 | 14,084 | 12,840 | 41,202 | 0.080% | 43 |
| 2012 | 7,382 | 10,980 | 14,232 | 32,594 | 0.050% | 29 |
| 2013 | 74,040 | 7,189 | 14,273 | 95,502 | 0.003% | 2 |
| 2014 | 70,313 | 6,184 | 14,845 | 91,342 | 0.002% | 1 |
| 2015 | 70,178 | 4,763 | 20,930 | 95,871 | 0.002% | 2 |
| 2016 | 65,314 | 3,035 | 21,657 | 90,006 | 0.122% | 80 |

Source: School District Financial Reports

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

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

EATONTOWN BOROUGH

| <u>Fiscal Year Ended June 30,</u> | <u>Estimated School District Population</u> | <u>Assessed Value</u> | <u>Net Bonded Debt</u> | <u>Ratio of Bonded Debt to Assessed Value</u> | <u>Net Bonded Debt per Capita</u> |
|---------------------------------------|---|---------------------------|----------------------------|---|---|
| 2007 | 14,095 | 2,490,880,992 | 1,494,312 | 0.06% | 105 |
| 2008 | 14,195 | 2,456,688,843 | 1,212,575 | 0.05% | 86 |
| 2009 | 14,195 | 2,424,185,216 | 1,036,357 | 0.04% | 73 |
| 2010 | 14,110 | 2,129,764,241 | 830,276 | 0.04% | 59 |
| 2011 | 12,709 | 2,118,288,287 | 549,340 | 0.03% | 43 |
| 2012 | 12,722 | 2,117,215,544 | 270,986 | 0.01% | 21 |
| 2013 | 12,431 | 2,030,878,034 | 3,428,471 | 0.17% | 276 |
| 2014 | 12,262 | 2,024,014,157 | 3,017,543 | 0.15% | 246 |
| 2015 | 12,257 | 2,091,909,634 | 2,824,753 | 0.14% | 230 |
| 2016 | 12,301 | 2,171,048,361 | 2,475,543 | 0.11% | 201 |

Source: Data regarding school district population was given by school district officials.

Note: Assessed valuations were provided by the Abstract of Ratables, County Board of Taxation.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

TINTON FALLS BOROUGH

| <u>Fiscal Year Ended June 30,</u> | <u>Estimated School District Population</u> | <u>Assessed Value</u> | <u>Net Bonded Debt</u> | <u>Ratio of Bonded Debt to Assessed Value</u> | <u>Net Bonded Debt per Capita</u> |
|---------------------------------------|---|---------------------------|----------------------------|---|---|
| 2007 | 19,139 | 1,280,603,288 | 1,848,228 | 0.14% | 108 |
| 2008 | 19,703 | 2,922,487,599 | 1,617,532 | 0.06% | 84 |
| 2009 | 19,703 | 3,005,914,119 | 1,267,977 | 0.04% | 64 |
| 2010 | 17,641 | 2,998,843,219 | 932,986 | 0.03% | 53 |
| 2011 | 17,892 | 2,872,610,220 | 646,381 | 0.02% | 36 |
| 2012 | 17,911 | 2,759,659,379 | 331,632 | 0.01% | 19 |
| 2013 | 17,869 | 2,754,925,800 | 4,407,492 | 0.16% | 247 |
| 2014 | 17,976 | 2,704,177,400 | 3,220,849 | 0.12% | 179 |
| 2015 | 17,898 | 2,924,903,485 | 4,031,519 | 0.14% | 225 |
| 2016 | 17,772 | 2,981,053,901 | 3,716,942 | 0.12% | 209 |

Source: Data regarding school district population was given by school district officials.

Note: Assessed valuations were provided by the Abstract of Ratables, County Board of Taxation.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

SHREWSBURY TOWNSHIP

| Fiscal Year Ended June 30, | Estimated School District Population | Assessed Value | Net Bonded Debt | Ratio of Bonded Debt to Assessed Value | Net Bonded Debt per Capita |
|-------------------------------|--|-------------------|--------------------|---|----------------------------------|
| 2007 | 1,075 | 27,278,537 | 47,460 | 0.17% | 44 |
| 2008 | 1,068 | 72,717,014 | 39,893 | 0.05% | 37 |
| 2009 | 1,068 | 72,725,378 | 30,666 | 0.04% | 29 |
| 2010 | 1,098 | 72,762,912 | 21,738 | 0.03% | 20 |
| 2011 | 1,141 | 72,730,213 | 14,278 | 0.02% | 13 |
| 2012 | 1,141 | 56,855,613 | 7,322 | 0.01% | 6 |
| 2013 | 1,125 | 56,847,388 | 95,502 | 0.17% | 85 |
| 2014 | 1,124 | 56,883,783 | 70,313 | 0.12% | 63 |
| 2015 | 1,119 | 50,307,343 | 95,871 | 0.19% | 86 |
| 2016 | 1,122 | 52,944,395 | 90,005 | 0.17% | 80 |

Source: Data regarding school district population was given by school district officials.

Note: Assessed valuations were provided by the Abstract of Ratables, County Board of Taxation.

Exhibit J-12

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED**

| | | | |
|---|----|----|-------------------|
| Net Direct Debt of School District as of June 30, 2016 | | \$ | 4,559,000 |
| Net Overlapping Debt of School District: | | | |
| Eatontown Borough (100%) | \$ | | 2,824,753 |
| Tinton Falls Borough (100%) | | | 4,031,519 |
| Shrewsbury Township (100%) | | | 95,871 |
| County of Monmouth - Township's share (4.00%) | | | <u>1,784,400</u> |
| | | | <u>8,736,543</u> |
| Total Direct and Overlapping Bonded Debt as of June 30, 2016 | | \$ | <u>13,295,543</u> |

Source: Assessed value data to estimate applicable percentages provided by the Monmouth County Board of Taxation.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COMPUTATION OF LEGAL DEBT MARGIN
LAST TEN FISCAL YEARS**

Legal Debt Margin Calculation for Fiscal Year Ended June 30, 2016

| | Year | Total | Eatontown Borough | Tinton Falls Borough | Shrewsbury Township |
|---|--------------|-----------------------|----------------------|-------------------------|------------------------|
| | 2016 | 5,150,165,802 | 1,966,758,027 | 3,131,413,402 | 51,994,373 |
| | 2015 | 5,063,945,150 | 1,991,058,869 | 3,020,907,107 | 51,979,174 |
| | 2014 | 5,163,432,104 | 2,061,482,510 | 3,047,441,818 | 54,507,776 |
| | Total | 15,377,543,056 | 6,019,299,406 | 9,199,762,327 | 158,481,323 |
| Average Equalized Valuation of Taxable Property | | 5,125,847,685 | 2,006,433,135 | 3,066,587,442 | 52,827,108 |
| Debt Limit (3% of Average Equalization Value) | | 153,775,431 * | | | |
| Legal Debt Margin | | 153,775,431 | | | |

| | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|---|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Debt Limit | \$ 128,387,769 | \$ 151,144,521 | \$ 171,350,391 | \$ 174,930,800 | \$ 172,491,645 | \$ 169,856,556 | \$ 159,697,754 | \$ 152,594,892 | \$ 152,594,892 | \$ 153,775,431 |
| Total Net Debt Applicable to Limit | 3,390,000 | 2,870,000 | 2,335,000 | 1,785,000 | 1,210,000 | 610,000 | 7,931,466 | 7,293,012 | 6,952,143 | 6,282,490 |
| Legal Debt Margin | 124,997,769 | 148,274,521 | 169,015,391 | 173,145,800 | 171,281,645 | 169,246,556 | 151,766,288 | 145,301,880 | 145,642,749 | 147,492,941 |
| Total Net Debt Applicable to the Limit as a Percentage of Debt Limit | 2.64% | 1.90% | 1.36% | 1.02% | 0.70% | 0.36% | 4.97% | 4.78% | 4.56% | 4.09% |

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

Note: * Limit set by NJSA 18A:24-19 for a 9 through 12 district; other percent limits would be applicable for other district types.

DEMOGRAPHIC AND ECONOMIC INFORMATION

Exhibit J-14

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

EATONTOWN BOROUGH

| <u>Year Ended June 30,</u> | <u>Unemployment Rate</u> | <u>Monmouth County Per Capita Income</u> | <u>Estimated School District Population (as of July 1)</u> |
|--------------------------------|------------------------------|--|--|
| 2006 | 4.00% | 52,499 | 14,175 |
| 2007 | 3.70% | 55,826 | 14,095 |
| 2008 | 4.70% | 57,353 | 14,195 |
| 2009 | 4.40% | 54,771 | 14,195 |
| 2010 | 7.90% | 54,771 | 14,110 |
| 2011 | 8.00% | 56,955 | 12,722 |
| 2012 | 8.30% | 58,355 | 12,431 |
| 2013 | 8.60% | 61,426 | 12,262 |
| 2014 | 6.10% | 62,901 | 12,257 |
| 2015 | 5.30% | 66,019 | 12,301 |

Source: Per Capita Income of County of Monmouth from the U.S. Department of Commerce.
School District Population from the U.S. Bureau of the Census, Population Division.

Exhibit J-14a

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

TINTON FALLS BOROUGH

| <u>Year Ended June 30,</u> | <u>Unemployment Rate</u> | <u>Monmouth County Per Capita Income</u> | <u>Estimated School District Population (as of July 1)</u> |
|--------------------------------|------------------------------|--|--|
| 2006 | 4.10% | 52,499 | 18,958 |
| 2007 | 3.70% | 55,826 | 19,139 |
| 2008 | 4.80% | 57,353 | 19,703 |
| 2009 | 4.10% | 54,771 | 19,703 |
| 2010 | 8.10% | 54,771 | 17,641 |
| 2011 | 8.10% | 56,955 | 17,911 |
| 2012 | 8.50% | 58,355 | 17,869 |
| 2013 | 8.60% | 61,426 | 17,976 |
| 2014 | 5.90% | 62,901 | 17,898 |
| 2015 | 4.90% | 66,019 | 17,772 |

Source: Per Capita Income of County of Monmouth from the U.S. Department of Commerce.
School District Population from the U.S. Bureau of the Census, Population Division.

Exhibit J-14b

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS
UNAUDITED**

SHREWSBURY TOWNSHIP

| <u>Year Ended June 30,</u> | <u>Unemployment Rate</u> | <u>Monmouth County Per Capita Income</u> | <u>Estimated School District Population (as of July 1)</u> |
|--------------------------------|------------------------------|--|--|
| 2006 | 7.20% | 52,499 | 1,085 |
| 2007 | 6.60% | 55,826 | 1,075 |
| 2008 | 8.40% | 57,353 | 1,068 |
| 2009 | 8.40% | 54,771 | 1,068 |
| 2010 | 13.70% | 54,771 | 1,098 |
| 2011 | 13.80% | 56,955 | 1,141 |
| 2012 | 14.30% | 58,355 | 1,125 |
| 2013 | 8.00% | 61,426 | 1,124 |
| 2014 | 6.60% | 62,901 | 1,119 |
| 2015 | 5.30% | 66,019 | 1,122 |

Source: Monmouth County Planning Board, Demographic and Economic Status Report
www.co.monmouth.nj.us/documents
 Per Capita Income www.lwd.dol.state.nj.us/labor

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers,
Current Year**

EATONTOWN BOROUGH

| <u>Employer</u> | <u>2016</u> | | |
|----------------------------|------------------|----------------------------|---|
| | <u>Employees</u> | <u>Rank [Optional]</u> | <u>Percentage of Total Municipal Employment</u> |
| Joe's Crab Shack | N/A | N/A | N/A |
| CDW Corporation | | | |
| Lord and Taylor | | | |
| Lowes | | | |
| MITRE Corporation | | | |
| Sheraton Eatontown | | | |
| Sprint Communications | | | |
| Osteotech Inc. | | | |
| Comcast of Monmouth County | | | |
| West Ward Pharmaceutical | | | |
| | <u>0</u> | | <u>0.00%</u> |

Note: N/A = Not Available

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers,
Current Year

TINTON FALLS BOROUGH

| 2016 | | | |
|----------|-----------|--------------------|---|
| Employer | Employees | Rank [Optional] | Percentage of Total Municipal Employment |
| N/A | N/A | N/A | N/A |
| | - | | 0.00% |

Note: N/A = Not Available

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Principal Employers,
Current Year

SHREWSBURY TOWNSHIP

| 2016 | | | |
|---------------------|-----------|--------------------|---|
| Employer | Employees | Rank [Optional] | Percentage of Total Municipal Employment |
| Shrewsbury Township | N/A | N/A | N/A |
| | - | | 0.00% |

Note: N/A = Not Available

Note: * Since updated information was not available at the time of the Audit, prior year information was reported.

OPERATING INFORMATION

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program,
For the Year Ended June 30, 2016**

| <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 | 89 | 89.2 | 99.5 | 85.9 | 84.9 | 94.7 | 95 | 92.85 | 92.4 | 79 |
| Special education | 27 | 26.2 | 9.5 | 17.6 | 16.6 | 6.4 | 5 | 4 | 4 | 21 |
| Other special education | | | | | | | | | | |
| Vocational | | | | | | | | | | |
| Other instruction | | | | | | 3.2 | | | | |
| Nonpublic school programs | | | | | | | | | | |
| Adult/continuing education programs | | | | | | | | | | |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 22 | 15 | 15.6 | 23.6 | 21.8 | 20.8 | 30.26 | 30.26 | 32.76 | 33.76 |
| General administration | 2 | 2 | 2 | 2 | 2 | 2 | 3 | 3 | 3 | 3 |
| School administrative services | 9 | 9.2 | 7.6 | 7.7 | 7.7 | 7.7 | 8.5 | 8.5 | 8.5 | 8.5 |
| Other administrative services | 2 | 2.2 | 2.2 | 2.2 | 2.2 | 2.2 | 4.4 | 4.4 | 4.4 | 4.4 |
| Central services | 22 | 24.5 | 32 | 18 | 14 | 14.8 | 12.2 | 12.2 | 12.2 | 12.2 |
| Administrative Information Technology | 3.5 | 3.5 | 4 | 4 | 4 | 4 | 3 | 3 | 4 | 3 |
| Plant operations and maintenance | 22 | 15 | 15 | 21 | 21 | 22 | 21 | 21 | 20 | 19 |
| Pupil transportation | 17 | 16 | 15 | 18 | 18 | 16 | 17 | 18 | 18 | 18 |
| Other support services | | | | 2 | 2 | 1 | 1 | 1 | 1 | 1 |
| Special Schools | | | | | | | | | | |
| Food Service | | | | | | | | | | |
| Child Care | | | | | | | | | | |
| Total | <u>216</u> | <u>202.8</u> | <u>202.4</u> | <u>202.0</u> | <u>194.2</u> | <u>194.8</u> | <u>200.4</u> | <u>198.2</u> | <u>200.3</u> | <u>202.9</u> |

Source: District Personnel Records

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
Operating Statistics,
Last ten fiscal years

| 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) ^c | % Change in Average Daily Enrollment | Student Attendance Percentage |
|-------------|------------|-------------------------------------|----------------|-------------------|-----------------------------|---------------------|---------------|--------------------|---|---|--------------------------------------|-------------------------------|
| | | | | | | Elementary | Middle School | Senior High School | | | | |
| 2007 | 1,170 | 24,569,788 | \$ 21,000 | 9.38% | 116 | - | - | 10.1 | 1,170.4 | 1,115.4 | -2.27% | 95.30% |
| 2008 | 1,173 | 25,586,611 | \$ 21,813 | 3.88% | 141.6 | - | - | 8.3 | 1,173.2 | 1,117.0 | 0.24% | 95.21% |
| 2009 | 1,123 | 24,417,528 | \$ 21,743 | -0.32% | 109 | - | - | 9.1 | 1,123.6 | 1,069.2 | -4.22% | 95.16% |
| 2010 | 1,123 | 25,259,352 | \$ 22,493 | -0.42% | 110 | - | - | 8.9 | 1,086.5 | 1,029.7 | -3.30% | 94.77% |
| 2011 | 1,054 | 24,632,827 | \$ 23,371 | -0.32% | 107 | - | - | 9.9 | 1,017.6 | 963.4 | -6.34% | 94.67% |
| 2009 | 1,123 | | \$ - | -0.32% | 141.6 | - | - | 10.6 | 1,123.6 | 1,072.2 | 295.78% | 95.43% |
| 2013 | 1,031 | 24,769,935 | \$ 24,025 | -2.49% | 120 | - | - | 8.6 | 991.1 | 932.8 | 1.14% | 94.12% |
| 2014 | 977 | 24,918,044 | \$ 25,505 | 6.16% | 118 | - | - | 8.3 | 940.1 | 880.1 | -5.15% | 93.61% |
| 2015 | 978 | 24,854,517 | \$ 25,414 | -0.36% | 119 | - | - | 8.2 | 947.9 | 888.0 | 0.83% | 93.68% |
| 2016 | 1,013 | 24,973,018 | \$ 24,665 | -2.95% | 100 | - | - | 10.13 | 983.8 | 921.3 | 3.78% | 93.65% |

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).

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
District Building

| | <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> |
|--------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| High School | | | | | | | | | | |
| Monmouth Regional High School (1959) | | | | | | | | | | |
| Square Feet | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 | 192,441 |
| Capacity (students) | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 | 1,241 |
| Enrollment | 1,170 | 1,173 | 1,123 | 1,123 | 1,054 | 1,016 | 1,031 | 977 | 978 | 978 |

Number of Schools at June 30, 2016
 Senior High School 1

Source: District Facilities Office
 October 15, Enrollment data

Exhibit J-19

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
General Fund
Schedule Of Required Maintenance For School Facilities
Last ten fiscal years

**UNDISTRIBUTED EXPENDITURES - REQUIRED
MAINTENANCE FOR SCHOOL FACILITIES**

| *School Facilities | <u>Monmouth Regional High School</u> |
|-------------------------|--|
| 2007 | 661,992 |
| 2008 | 725,519 |
| 2009 | 682,255 |
| 2010 | 725,519 |
| 2011 | 767,548 |
| 2012 | 768,727 |
| 2013 | 670,660 |
| 2014 | 650,033 |
| 2015 | 822,242 |
| 2016 | <u>588,802</u> |
| Total School Facilities | <u>\$ 7,063,297</u> |

Note: *School Facilities as Defined Under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
INSURANCE SCHEDULE
June 30, 2016
UNAUDITED**

| <u>Type of Policy</u> | <u>Coverage</u> | <u>Deductible</u> |
|---|---------------------|-------------------|
| School Package Policy-Utica National Insurance Company | | |
| Commerial Property | \$ 49,447,188 | \$ 1,000 |
| General Liability | 1,000,000/3,000,000 | - |
| Crime Coverage | included | |
| Employee Benefits Liability | included | |
| Automobile | 1,000,000 | 1,000 |
| Excess Liability | 10,000,000 | 10,000 |
| School Leaders Errors and Omissions Policy - NJSBAIG/MOCSSIF | 5,000,000 | 20,000 |
| Worker's Compensation Policy - MOCSSIF/NJBAIG Fund | 2,000,000 | |
| Excess Workers' Compensation - Chubb 7 day waiting | | |
| Public Officials Faithful Performance Bonds - Selective Insurance | | |
| Business Administrator | 300,000 | - |
| Treasurer of School Monies | 300,000 | - |

Source: District records.

SINGLE AUDIT SECTION

CANNONE AND COMPANY, P.A.*Certified Public Accountants*

485 Morris Avenue

Springfield, New Jersey 07081

(973) 379-6868

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MEMBER:

American Society of Certified Public Accountants

New Jersey Society of Certified Public Accountants

K-1

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

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

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Monmouth Regional High School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Monmouth Regional High School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Monmouth Regional High 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a

combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Monmouth Regional High School 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* and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

Purpose of this Report

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

This report is intended for the information of the management of the Monmouth Regional High School District Board of Education, the New Jersey State Department of Education (the cognizant audit agency) and other state and federal awarding agencies. However, this report is a matter of public record and its distribution is not limited.



Nicholas A. Cannone
Licensed Public School Accountant
No. CS-02103
Cannone & Company, CPAs

November 30, 2016

Certified Public Accountants

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K-2

Report on Compliance For Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the U.S. Uniform Guidance and Schedule of Expenditures of State Financial Assistance as required by New Jersey OMB Circular 15-08

The Honorable President and
Members of the Board of Education
Monmouth Regional High School District
County of Monmouth
Tinton Falls, New Jersey

Report on Compliance for Each Major Federal Program

We have audited the Board of Education of the Monmouth Regional High School District, in the County of Monmouth, compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2016. The Monmouth Regional High School District Board of Education'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 Monmouth Regional High 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 the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and the Uniform Guidance 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 program occurred. An audit includes examining, on a test basis, evidence about Monmouth Regional High 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 Monmouth Regional High School District's compliance.

Opinion on Each Major Federal and State Program

In our opinion, Monmouth Regional High 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.

Other Matters

The results of our auditing procedures did not disclose instances of noncompliance, which are required to be reported in accordance with Uniform Guidance, in the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Our opinion on each major federal and state program is not modified with respect to these matters.

Report on Internal Control Over Compliance

Management of Monmouth Regional High 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 Monmouth Regional High School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with Uniform Guidance, the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as

prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, 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 Monmouth Regional High 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 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 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.

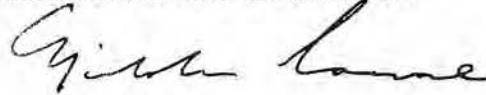
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards and the Schedule of Expenditures of State Financial Assistance Required by Uniform Guidance and State Financial Assistance

We have audited the financial statements of Monmouth Regional High School District as of and for the year ended June 30, 2016, and have issued our report thereon dated November 30, 2016, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by Uniform Guidance and the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial

statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal awards and the schedule of expenditures of state financial assistance are fairly stated in all material respects in relation to the financial statements

This report is intended solely for the information of the management of the Monmouth Regional High School Board of Education, the New Jersey State Department of Education (cognizant audit agency), other state and federal awarding agencies and pass-through entities. However, this report is a matter of public record and its distribution is not limited.



Nicholas A. Cannone
Licensed Public School Accountant
No. CS-02103
Cannone & Company, CPAs

November 30, 2016

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| Federal Grantor/ Pass-through Grantor Program Title | Federal CFDA Number | Grant or State Project Number | Grant Period | Award Amount | Balance at June 30, 2015 | | Due to Grantor | Carryover Amount/ Walkover | Prior Year Accounts Payable/ Receivable Canceled | Cash Received | Budgetary Expenditures | Adjustments | Repayment of Prior Year Balances | Balance at 06/30/2016 | | |
|---|---------------------------|----------------------------------|-------------------|-----------------|-----------------------------|------------------------|-------------------|----------------------------------|--|-------------------|---------------------------|--------------------|---|-----------------------|--------------------------|-------------------|
| | | | | | Deferred Revenue | Accounts Receivable | | | | | | | | Deferred Revenue | (Accounts Receivable) | Due to Grantor |
| U.S. Department of Agriculture | | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | | |
| Enterprise Fund: | | | | | | | | | | | | | | | | |
| Food Distribution Program | 10.550 | N/A | 07/01/15-06/30/16 | 20,238 | | | | | | 20,238 | (20,238) | | | | | |
| National School Lunch Program | 10.555 | N/A | 07/01/15-06/30/16 | 106,973 | | | | | | 102,223 | (106,973) | | | | | (4,750) |
| National School Lunch Program | 10.555 | N/A | 07/01/14-06/30/15 | 104,271 | | (5,062) | | | | 5,062 | | | | | | |
| National School Breakfast Program | 10.553 | N/A | 07/01/15-06/30/16 | 25,789 | | | | | | 24,375 | (25,789) | | | | | (1,414) |
| National School Breakfast Program | 10.553 | N/A | 07/01/14-06/30/15 | 25,059 | | (1,910) | | | | 1,910 | | | | | | |
| Total U.S. Department of Agriculture | | | | | 0 | (6,972) | 0 | 0 | 0 | 153,808 | (153,000) | 0 | 0 | 0 | (6,164) | 0 |
| U.S. Department of Education | | | | | | | | | | | | | | | | |
| Passed-through State Department of Education: | | | | | | | | | | | | | | | | |
| Special Revenue Fund: | | | | | | | | | | | | | | | | |
| NCLB Title I | 84.010A | NCLB327016 | 09/01/15-08/31/16 | 105,036 | | | | | | | (6,371) | | | | | (6,371) |
| NCLB Title I | 84.010A | NCLB327015 | 09/01/14-08/31/15 | 100,372 | 14,999 | | | | | | (13,648) | | | | | 1,351 |
| NCLB Title II - Part A | 84.367A | NCLB327016 | 09/01/15-08/31/16 | 26,254 | | | | | | 15,191 | | (19,316) | | | | (4,125) |
| NCLB Title II - Part A | 84.367A | NCLB327015 | 09/01/14-08/31/15 | 41,926 | 17,198 | | | | | | (17,198) | | | | | |
| I.D.E.A. Part B | 84.027 | NCLB327016 | 09/01/15-08/31/16 | 285,372 | | | | 8,044 | | 285,372 | (278,892) | | | | 6,480 | |
| I.D.E.A. Part B | 84.027 | NCLB327015 | 09/01/14-08/31/15 | 284,986 | | (19,343) | | (8,044) | | 19,343 | | | | | | |
| Total U.S. Dept. of Ed. - Special Revenue Fund | | | | | 32,197 | (19,343) | 0 | 0 | 0 | 319,906 | (316,109) | (19,316) | 0 | 6,480 | (10,496) | 1,351 |
| Total Federal Financial Assistance | | | | | \$ 32,197 | \$ (26,315) | \$ 0 | 0 | 0 | \$ 473,714 | \$ (469,109) | \$ (19,316) | \$ 0 | \$ 6,480 | (16,880) | \$ 1,351 |

See accompanying notes to schedules of financial assistance.

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
SCHEDULE 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 at July 1, 2015 | | Prior Year Accounts Payable/Receivable Canceled | Cash Received | Budgetary Expenditures | Adjustments | Repayment of Prior Year's Balances | Balance at June 30, 2016 | | | Memo | | |
|---|-------------------------------|----------------|--------------|--|----------------|---|---------------------|------------------------|------------------|------------------------------------|---------------------------------|--------------------------------------|--------------------|-----------------------|-------------------------------|------------|
| | | | | Deferred Revenue (Accounts Receivable) | Due to Grantor | | | | | | GAAP Budgetary Deferred Revenue | GAAP Budgetary (Accounts Receivable) | Due to Grantor | Budgetary Receivables | Cumulative Total Expenditures | |
| State Department of Education | | | | | | | | | | | | | | | | |
| General Fund: | | | | | | | | | | | | | | | | |
| Transportation Aid | 16-495-034-5120-015 | 7/1/15-6/30/16 | \$ 583,284 | \$ | | | 524,956 | (583,284) | | | | | | | \$ (58,328) | \$ 583,284 |
| Transportation Aid | 15-495-034-5120-015 | 7/1/14-6/30/15 | 583,284 | (55,539) | | | 55,539 | | | | | | | | | 583,284 |
| Special Education Aid | 16-495-034-5120-089 | 7/1/15-6/30/16 | 643,368 | | | | 579,031 | (643,638) | | | | | | | (64,337) | 643,638 |
| Special Education Aid | 15-495-034-5120-089 | 7/1/14-6/30/15 | 643,368 | (61,639) | | | 61,639 | | | | | | | | | 643,668 |
| Equalization Aid | 16-495-034-5120-078 | 7/1/15-6/30/16 | 299,370 | | | | 269,433 | (299,370) | | | | | | | (29,937) | 299,370 |
| Equalization Aid | 15-495-034-5120-078 | 7/1/14-6/30/15 | 299,370 | (28,893) | | | 28,893 | | | | | | | | | 299,370 |
| Adjustment Aid | 16-495-034-5120-085 | 7/1/15-6/30/16 | 1,703,247 | | | | 1,543,494 | (1,703,247) | | | | | | | (159,753) | 1,703,247 |
| Adjustment Aid | 15-495-034-5120-085 | 7/1/14-6/30/15 | 1,703,247 | (163,407) | | | 163,407 | | | | | | | | | 1,703,247 |
| Security Aid | 15-495-034-5120-084 | 7/1/14-6/30/15 | 108,037 | (10,273) | | | 10,273 | | | | | | | | | 108,037 |
| Extraordinary Special Education Costs Aid | 16-100-034-5120-473 | 7/1/15-6/30/16 | 208,059 | | | | | (208,059) | | | | (208,059) | | | (208,059) | 208,059 |
| Extraordinary Special Education Costs Aid | 15-100-034-5120-473 | 7/1/14-6/30/15 | 205,289 | (205,289) | | | 205,289 | | | | | | | | | 205,289 |
| Nonpublic Transportation Costs | 16-100-034-5120-068 | 7/1/15-6/30/16 | 15,483 | | | | | (15,483) | | | | (15,483) | | | (15,483) | 15,483 |
| Nonpublic Transportation Costs | 15-100-034-5120-068 | 7/1/14-6/30/15 | 27,944 | (27,944) | | | 27,944 | | | | | | | | | 27,944 |
| Per Pupil Growth Aid | 16-495-034-5120-097 | 7/1/15-6/30/16 | 9,510 | | | | 8,559 | (9,510) | | | | | | | (951) | 9,510 |
| Per Pupil Growth Aid | 15-495-034-5120-097 | 7/1/14-6/30/15 | 9,510 | (642) | | | 642 | | | | | | | | | 9,510 |
| PARCC Readiness Aid | 16-495-034-5120-096 | 7/1/15-6/30/16 | 9,510 | | | | 8,559 | (9,510) | | | | | | | (951) | 9,510 |
| PARCC Readiness Aid | 15-495-034-5120-096 | 7/1/14-6/30/15 | 9,510 | (642) | | | 642 | | | | | | | | | 9,510 |
| On Behalf of TPAF Pension Contributions | 16-495-034-5095-006 | 7/1/15-6/30/16 | 702,296 | | | | 702,296 | (702,296) | | | | | | | | 702,296 |
| On Behalf of TPAF Postretirement Medical Contributions | 16-495-034-5095-001 | 7/1/15-6/30/16 | 836,241 | | | | 836,241 | (836,241) | | | | | | | | 836,241 |
| Reimbursed TPAF Social Security Contributions | 15-495-034-5095-002 | 7/1/14-6/30/15 | 683,466 | (33,860) | | | 33,860 | | | | | | | | | 683,466 |
| Reimbursed TPAF Social Security Contributions | 16-495-034-5095-002 | 7/1/15-6/30/16 | 676,346 | | | | 640,786 | (676,346) | | | | (35,560) | | | (35,560) | 676,346 |
| Total General Fund | | | | \$ (588,128) | \$ 0 | \$ 0 | \$ 5,701,483 | \$ (5,888,984) | \$ 0 | \$ 0 | \$ 0 | \$ (259,102) | \$ 0 | \$ (573,359) | \$ 9,960,009 | |
| Special Revenue Fund: | | | | | | | | | | | | | | | | |
| N.J. Nonpublic Aid: | | | | | | | | | | | | | | | | |
| Handicapped Services: | | | | | | | | | | | | | | | | |
| Supplemental Instruction | 16-100-034-5120-066 | 7/1/15-6/30/16 | 9,851 | | | | 9,851 | (9,851) | | | | | | | | 9,851 |
| Examination and Classification | 15-100-034-5120-066 | 7/1/15-6/30/16 | 27,609 | | | | 27,609 | (27,609) | | | | | | | | 27,609 |
| Examination and Classification | 15-100-034-5120-066 | 7/1/14-6/30/15 | 26,295 | (3,532) | | 3,532 | | | 18,923 | | | | (16,923) | | | 9,372 |
| Auxiliary Services: | | | | | | | | | | | | | | | | |
| Technology | 16-100-034-5120-373 | 7/1/15-6/30/16 | 8,502 | | | | 8,502 | (8,268) | | | | | | | (234) | 8,268 |
| Technology | 15-100-034-5120-373 | 7/1/14-6/30/15 | 9,896 | | 159 | | | | | (159) | | | | | | 9,896 |
| Textbook Aid | 16-100-034-5120-064 | 7/1/15-6/30/16 | 18,672 | | | | 18,672 | (18,672) | | | | | | | | 18,672 |
| Textbook Aid | 15-100-034-5120-064 | 7/1/14-6/30/15 | 18,053 | | | | | | 18,053 | | | | (18,053) | | | 18,053 |
| Nursing Services | 16-100-034-5120-070 | 7/1/15-6/30/16 | 29,430 | | | | 29,430 | (29,430) | | | | | | | | 29,430 |
| Nursing Services | 15-100-034-5120-070 | 7/1/14-6/30/15 | 28,740 | | | | | | 17,502 | | | | (17,502) | | | 11,238 |
| Total Special Revenue Fund | | | | \$ (3,532) | \$ 159 | \$ 3,532 | \$ 94,164 | \$ (93,930) | \$ 52,478 | \$ (159) | \$ 0 | \$ 0 | \$ (62,712) | \$ 0 | \$ 142,289 | |
| Enterprise Fund: | | | | | | | | | | | | | | | | |
| National School Lunch Program (State) | 16-100-034-5120-123 | 7/1/15-6/30/16 | 2,851 | | | | 2,534 | (2,851) | | | | | | | (117) | 2,851 |
| National School Lunch Program (State) | 15-100-034-5120-123 | 7/1/14-6/30/15 | 2,708 | (132) | | | 132 | | | | | | | | | 2,708 |
| Total Enterprise Fund | | | | \$ (132) | \$ 0 | \$ 0 | \$ 2,666 | \$ (2,651) | \$ 0 | \$ 0 | \$ 0 | \$ (117) | \$ 0 | \$ (117) | \$ 5,359 | |
| Total State Financial Assistance | | | | \$ (591,792) | \$ 159 | \$ 3,532 | \$ 5,798,313 | \$ (5,783,565) | \$ 52,478 | \$ (159) | \$ 0 | \$ (259,219) | \$ (52,712) | \$ (573,476) | \$ 10,107,657 | |
| Less State Financial Assistance not Subject to New Jersey OMB Circular 04-04 On Behalf of TPAF Pension Contributions | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |
| Total State Financial Assistance Subject to New Jersey OMB Circular 04-04 | | | | | | | | | | | | | | | | |
| | | | | | | | | | | | | | | | | |

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MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
 NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
 JUNE 30, 2016

NOTE 1. GENERAL

The accompanying schedules of financial assistance present the activity of all federal and state financial assistance programs of the Board of Education, Monmouth Regional High School District. The Board of Education is defined in Note 1(A) to the Board's general purpose financial statements. All federal financial assistance received directly from federal agencies, as well as federal financial assistance passed through other government agencies is included on the schedule of federal financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting. These bases of accounting are described in Notes 1 to the Board's general purpose financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Board's general purpose financial statements. The general purpose financial statements present the special revenue fund on both a GAAP basis and a budgetary basis. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The net adjustment to reconcile from the budgetary basis to the GAAP basis for the General Fund is \$6,779 and for the Special Revenue Fund is \$0.. Financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as follows:

| | <u>Federal</u> | <u>State</u> | <u>Total</u> |
|----------------------------|-------------------|---------------------|---------------------|
| General Fund | | \$ 5,801,530 | \$ 5,801,530 |
| Special Revenue Fund | 335,425 | 93,931 | 429,356 |
| Capital Projects | | | - |
| Debt Service | | | - |
| Food Service | 153,001 | 2,651 | 155,652 |
| | <u>153,001</u> | <u>2,651</u> | <u>155,652</u> |
| Total Financial Assistance | <u>\$ 488,426</u> | <u>\$ 5,898,112</u> | <u>\$ 6,386,538</u> |

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MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2016

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

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Section I - Summary of Auditor's Results

Financial Statements

Type of auditor's report issued: Unmodified, dated
November 30, 2016

Internal control over financial reporting:

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

Noncompliance material to general-purpose financial statements noted?

 yes ✓ no

Federal Awards and State Financial Assistance

Internal control over major programs:

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

Type of auditor's report issued on compliance for major programs: Unmodified, dated
November 30, 2016

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?

 yes ✓ no

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 04-04?

 yes ✓ no

MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
 COUNTY OF MONMOUTH
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results (Continued)

Federal Awards and State Financial Assistance (Continued)

Dollar threshold used to distinguish between
 type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? yes no

Identification of major programs: Name of Federal/State Program or Cluster

Federal Awards:

State Financial Assistance:

State Grant Number

| | |
|----------------------------|---|
| <u>16-495-034-5095-002</u> | <u>Reimbursed TPAF Social Security Contributions</u> |
| <u>16-495-034-5120-014</u> | <u>Transportation Aid (State Aid - Public Cluster)</u> |
| <u>16-495-034-5120-078</u> | <u>Equalization Aid (State Aid - Public Cluster)</u> |
| <u>16-495-034-5120-085</u> | <u>Adjustment Aid (State Aid - Public Cluster)</u> |
| <u>16-495-034-5120-089</u> | <u>Special Education Aid (State Aid - Public Cluster)</u> |
| <u>16-495-034-5120-097</u> | <u>Per Pupil Growth Aid (State Aid - Public Cluster)</u> |
| <u>16-495-034-5120-098</u> | <u>PARCC Readiness Aid (State Aid - Public Cluster)</u> |

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
COUNTY OF UNION
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Section II - Schedule of Financial Statement Findings

No federal or state award findings or questioned costs were noted that are required to be reported in accordance with OMB Circular A-133 or NJ OMB 98-07.

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**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

**Section III - Schedule of Federal Awards and State Financial Assistance
Findings and Questioned Costs**

No federal or state award findings or questioned costs were noted that are required to be reported in accordance with OMB Circular A-133 or NJ OMB 98-07.

**MONMOUTH REGIONAL HIGH SCHOOL DISTRICT
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

Follow-up on Prior Year Findings

In accordance with Government Auditing Standards, our procedures included a review of all prior year recommendations.

The District had no prior year audit findings.