

**School District  
of  
NEPTUNE  
TOWNSHIP**

**Neptune Township Board of Education  
Neptune, New Jersey 07753**

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



**School District of  
Neptune Township**

**Neptune Township Board of Education  
Neptune Township, New Jersey**

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

Prepared by

Neptune Township School District  
Business Division

## Table of Contents

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	1
Organization Chart	8
Roster of Officials	9
Independent Auditors and Advisors	10
Certificate of Excellence	12
<b>FINANCIAL SECTION</b>	
Independent Auditors' Report	13
<b>Required Supplementary Information – Part I</b>	
Management's Discussion and Analysis	16
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	27
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	28
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance to the Statement of Activities – Governmental Funds	29
Enterprise Funds:	
B-4 Statement of Net Position	30
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	31
B-6 Statement of Cash Flows	32
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	33
B-8 Statement of Changes in Fiduciary Net Position	34
Notes to the Basic Financial Statements	35

## Table of Contents (continued)

	<b>Page</b>
<b>FINANCIAL SECTION (continued)</b>	
<b>Required Supplementary Information – Part II</b>	
Schedules Related to Accounting and Reporting for Pensions (GASB 68):	
Schedule of the District’s Proportionate Share of the Net Position	
Liability–PERS	70
Schedule of District Contributions–PERS	71
Schedule of the State’s Proportionate Share of the Net Pension	
Liability Associated With the District–TPAF	72
Notes to Required Supplementary Information	73
 <b>Required Supplementary Information – Part III</b>	
Budgetary Comparison Schedules:	
C-1 Budgetary Comparison Schedule – General Fund	74
C-1a Combining Budgetary Comparison Schedule – General Fund	83
C-1b Community Development Block Grant – Budget and Actual –not applicable	N/A
C-2 Budgetary Comparison Schedule – Special Revenue Fund	91
C-3 Note to Required Supplementary Information – Budget to GAAP Reconciliation	92
 <b>Supplementary Information</b>	
School Based Schedules:	
D-1 Combining Balance Sheet	93
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type – Actual	94
D-3 Blended Resource Fund - Schedule of Blended Expenditures – Budget and Actual	102
 Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	129
E-2 Schedule of Preschool Education Program Aid Expenditures – Budgetary Basis	132
 Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures – not applicable	N/A
F-2 Schedule of Revenues, Expenditures and Changes in Fund Balance-not applicable	N/A
 Enterprise Funds:	
G-1 Statement of Net Position -not applicable	N/A
G-2 Statement of Revenues, Expenses and Changes in Fund Net Position -not applicable	N/A
G-3 Statement of Cash Flows-not applicable	N/A

## Table of Contents (continued)

	Page
<b>FINANCIAL SECTION (continued)</b>	
<b>Supplementary Information (continued)</b>	
Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	133
H-2 Statement of Changes in Fiduciary Net Position – not applicable	N/A
H-3 Schedule of Cash Receipts and Cash Disbursements – Student Activity Agency Fund	134
H-4 Schedule of Cash Receipts and Cash Disbursements – Payroll Agency Fund	135
Long-Term Debt:	
I-1 Schedule of Serial Bonds Payable-not applicable	N/A
I-2 Schedule of Obligations Under Capital Leases-not applicable	N/A
I-3 Budgetary Comparison Schedule – Debt Service Fund-not applicable	N/A
<b>STATISTICAL SECTION-Other information (Unaudited)</b>	
Financial Trends:	
J-1 Net Position by Component	136
J-2 Changes in Net Position	137
J-3 Fund Balances - Governmental Funds	139
J-4 Changes in Fund Balances – Governmental Funds	140
J-5 General Fund Other Local Revenue by Source	141
Revenue Capacity:	
J-6 Assessed Value and Actual Value of Taxable Property	142
J-7 Direct and Overlapping Property Tax Rates	143
J-8 Principal Property Tax Payers	144
J-9 Property Tax Levies and Collections	145
Debt Capacity:	
J-10 Ratios of Outstanding Debt by Type	146
J-11 Ratios of Net General Bonded Debt Outstanding	147
J-12 Direct and Overlapping Governmental Activities Debt	148
J-13 Legal Debt Margin Information	149
Demographic and Economic Information:	
J-14 Demographic and Economic Statistics	150
J-15 Principal Employers	151
Operating Information:	
J-16 Full-Time Equivalent District Employees by Function/Program	152
J-17 Operating Statistics	153
J-18 School Building Information	154
J-19 Schedule of Required Maintenance Expenditures by School Facility	155
J-20 Insurance Schedule	156

## Table of Contents (continued)

### SINGLE AUDIT SECTION

	<u>Page</u>
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 <i>Government Auditing Standards</i>	158
K-2 Report on Compliance for Each Major Federal and State Program and Report on Internal Control Over Compliance Required by the Uniform Guidance and New Jersey OMB 15-08	160
K-3 Schedule A – Schedule of Expenditures of Federal Awards- Supplementary Information	163
K-4 Schedule B – Schedule of Expenditures of State Financial Assistance- Supplementary Information	164
K-5 Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance	165
K-6 Schedule of Findings and Questioned Costs- Part I - Summary of Auditors' Results	168
K-7 Schedule of Findings and Questioned Costs- Parts II and III – Schedule of Financial Statement Findings and Schedule of Federal and State Award Findings and Questioned Costs	170
K-8 Summary Schedule of Prior Year Findings	172

# Introductory Section

# NEPTUNE TOWNSHIP SCHOOL DISTRICT



60 NEPTUNE BOULEVARD  
NEPTUNE, NJ 07753-4836  
TELEPHONE: 732.776.2000

November 21, 2016

Honorable President and Members of the  
Neptune Township Board of Education  
60 Neptune Boulevard  
Neptune Township  
County of Monmouth, New Jersey

Dear Board Members and Constituents:

The comprehensive annual financial report of the Neptune Township School District (the "District") as of and for the year ended June 30, 2016 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2016 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to be read in conjunction with management's discussion and analysis), the District's organization chart, independent auditors and advisors, certificate of excellence in financial reporting, and a roster of officials. The financial section includes Management's discussion and analysis (presented immediately after the report of independent auditors), the basic financial statements, required supplementary information, supplementary and other information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with 2 CFR 200.516(a) (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this Single Audit, including the auditors' report on the internal control and compliance with applicable laws and regulations and findings and recommendations, if applicable, are included in the single audit section of this report.



## **1. Reporting Entity and its Services**

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”). All funds and the government-wide financial statements of the District are included in this report. The Neptune Township Board of Education with all its schools constitute the District’s reporting entity and does not have any component units and is not considered a component unit of any other governmental entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped students. The District completed the 2015-2016 fiscal year with an average daily enrollment of 4,265 students. The following details the changes in the student enrollment of the District over the last five years.

<b>Fiscal Year</b>	<b>Average Daily Enrollment</b>	<b>Percent Change</b>
2016	4,265.5	(0.79)%
2015	4,299.6	(3.03)
2014	4,433.9	(0.14)
2013	4,439.9	1.52
2012	4,373.3	(1.90)

Comprehensive academic services are offered to all students beginning in preschool at the age of three and continuing up to grade twelve. Preschool classes for approximately 428 [down 52 from the prior year] youngsters are housed in the Early Childhood Center as well as in each of the five neighborhood elementary schools located throughout the Township. Grades kindergarten through five enrolled 1,665 [up 31] on average during the school year while the Neptune Middle School averaged 798 [down 32] teenagers in grades six through eight and Neptune High School averaged 1,375 [up 19] students in grades nine through twelve.

The Neptune Township School District operates during the traditional school year from September through June for 183 instructional days and supplements this with a 20-day summer program for regular and special education needs.

## **2. Economic Condition and Outlook**

The New Jersey economy and the US economy have trended in a positive direction over the past year. The former however showed uneven growth with a certain degree of disappointment considering the caliber of the workforce and the favorable geographic location of the state in proximity and access to major markets. NJ touts the nation’s sixth highest college graduation rate, which provides a ready pool of talented millennials to the job market. While NJ has not quite recovered all of the 225,000 jobs lost as a result of the Great Recession of 2008 and superstorm Sandy, it has moved up in the rankings from 46<sup>th</sup> to 20<sup>th</sup> in economic growth among states, regaining approximately 90% of those lost jobs. According to the Rutgers Economic Advisory Service, the state should recover the balance of these lost jobs by early 2017. The forecast is that the state’s employment growth will mirror the nation’s growth by 2018.

Nationally, the unemployment rate has edged downward to 4.9% from 5.4% a year ago. Meanwhile, New Jersey's falling unemployment rate notched its way down to 5.1% from 6.4%. This downward trend in the unemployment rate is encouraging and reflects an overall statewide increase of 56,000 jobs seasonally adjusted over the last 12 months. Nationally, employers added 292,000 jobs in the month of June alone. The continued low inflation rates (less than 1% in 2016) coupled with modest personal income growth will yield greater buying power among consumers.

A glance at other economic indicators showed a 1.1% rise in existing home sales during the month of June. Thirty-three percent of these June home sales involved first-time buyers according to the National Association of Realtors, while housing starts were up 4.8% according to the Department of Commerce, for the same period. This home sales activity was facilitated in part by the relatively low benchmark mortgage rate of 3.43% for a 30-year fixed and 2.74% for a 15-year fixed rate mortgage. All told, these are positive indicators reflecting a trend that will bolster the overall national and state economies.

### **3. Initiatives**

Curriculum is aligned with the New Jersey Core Curriculum Content Standards (NJCCCS) or the Common Core State Standards (CCSS) and the Next Generation Science Standards (NGSS), and is delivered to best reach a broad community of learners. Subject-specific Department Chairpersons have attended professional development trainings pertaining to the New Jersey Student Learning Standards (NJSLS) and are preparing to update all CCSS documents to reflect these newly released standards.

The Neptune Township Board of Education along with its administrative team maintain as its primary goal the continual academic improvement and success of the student body. This success is partially measured by state and local assessments. The District continues to employ a data-driven approach to interpreting the outcome of standardized testing and works to better align the curriculum with state and national standards to ensure that the instructional program best serves the students of the community. Results of standardized testing are shared with administration and targeted professional development is created to address the needs of the learners and allows for review and revision to programs implemented throughout the district. Data are shared with the public to ensure that all stakeholders are informed.

Throughout the year, including summer months, there is ongoing curriculum development and staff training. The District has provided training to all kindergarten and first grade teachers on the new Standards Based Report Card (SBRC). Since its inception, over three years ago, a team of teachers and administrators have been working collaboratively to create and implement a SBRC that lends more clarity to how students are performing compared to the standards. While it is being piloted in kindergarten and first grade initially, the District has a team of teachers working concurrently to build a SBRC for grades 2 and 3. A complete roll out is planned, including training opportunities, for all students in grades K-5 by the 2018-2019 school year.

The District is in its initial phase of a 1:1 technology initiative. During the first year of this pilot, all teaching staff and students in grades 5, 6, and 9 will receive Chromebooks. District technology specialists and teachers were trained over the summer on the use of the Chromebooks and Google Apps for Education. Through this 3-year process, the District is allowing both staff and students to have continuous access to dynamic information; this will shift the traditional methods of instruction to allow for an environment that is both student-centered and real-world based. Integration of these tools will stress the

importance of creativity, innovation, research, collaboration, critical thinking, problem solving, and digital citizenship, as outlined in the International Society for Technology in Education (ISTE) standards. Current devices are supported by robust technology-based instructional tools and resources that will enhance curriculum and instruction.

Lastly, one of the District's paramount goals, is to have all students read at or above grade level. Supports have been put into place at the elementary level to build the foundational skills of our students, as well as expand the knowledge-base of our teachers on reading strategies and interventions. Additional reading teachers and literacy coaches are on board to address the needs of students in both reading and writing. Utilizing assessments and programs such as DRA<sup>2</sup>, Wilson Foundations, Running Records, Notice and Note, Reader's and Writer's Workshop, in addition to revised curriculum, will help the Neptune Township School District realize its goal.

#### **4. Service Efforts and Accomplishments**

Partnerships that developed over the years between the Neptune Township Public School District and various flagship community organizations continue to reap dividends for the students, year in and year out. Renewed agreements with the local Brookdale Community College offer college level academic credit before the students formally graduate from high school. A "Dual Enrollment" option provides seniors in good academic standing with the opportunity to earn up to six college credits at no cost to the student. A recent, more comprehensive agreement called the Poseidon Early College High School will result in select high school students graduating with a recognized Associates Degree from Brookdale. The program is entering its third year of operation and is attracting the interest of other public school districts in the area to develop similar programs and partnerships.

In an effort to bring real-world experiences to the student, both inside and outside of the classroom, the district has expanded its offerings of "Jumpstart Academies" to the following list:

- Communications
- Education
- Engineering
- Environmental Science
- Law and Criminal Justice
- Medical
- Performing Arts
- Hospitality and Tourism

The District has solidified its relationship with its neighbor, Jersey Shore University Medical Center to provide practical and actual medical experiences from shadowing doctors to observing live surgical operations. With each Academy there is an anchor organization to expose the student to the many possible career paths associated with the related courses of study.

Overall, the Neptune Township School District is witnessing academic improvements most likely a result of the differentiated instructional approaches employed across the district and across all grade levels. Recent state statistics show that the high school graduation rate has increased by 3.8% from the prior year. Encouraging trends will continue as more students find their niche within our academic landscape.

## **5. Major Operational or Financial Concerns**

New Jersey public schools have become increasingly dependent upon local property taxes to support their mission as state aid for public school education has remained relatively static over the past several years. Couple this with the legislative restriction whereby local property tax increases are limited to a 2% levy increase each year, it would essentially limit the budgetary growth of the school to 2% or less. In Neptune Township where the tax levy represents about half of the requisite revenue, its budget growth would essentially be limited to 1% each year, assuming there were no increases in state and federal revenue. Status quo would be acceptable if it weren't for the inflationary impact of operational expenses such as salaries, health insurance, pupil transportation and general repairs and maintenance of equipment and facilities. The first two mentioned expenses comprise nearly 70% of the school budget. Negotiated salaries are running above 2% and health insurance costs locally and nationally are well above 10%. Therein lies a problem that cannot simply be solved by "budgetary austerity."

As noted earlier, student enrollments are showing gradual declines, some of this is the result of students choosing to attend either a state-approved "Choice" district nearby or one of two neighboring Charter Schools. While the former option has not financially impacted this district, the latter continues to drain per pupil tax dollars away from this public school. The political state-wide sentiment seems to be encouraging the continued growth of charter schools, particularly in urban areas. The challenge that results from this student exodus is that the traditional public school cannot immediately throttle back its expenses commensurate with the outflow of tuition dollars. This can have a deleterious impact on the operational budget.

Continuing on a long path of good stewardship, this school district dedicates appropriate resources and care to the upkeep and general maintenance of its buildings, grounds and equipment. As a recipient of nearly \$300 million worth of new construction and renovation, courtesy of the State of New Jersey, over the past ten years, great care is taken to protect these community resources. Moving forward, the Board and Administration of the Neptune Township Public School District will remain vigilant to ensure smooth continuity of operations.

## **6. Significant Budget Variances or Budget Modifications**

The 2016 fiscal year ended with expenditures of \$89 million, up \$1.2 million from the year prior. Revenues in excess of expenditures served to restore the district's permitted capital reserve account. Year-end transfers into this account enable the district to maintain safe, secure and attractive facilities which further enhance student learning experiences. Minor budget modifications occur throughout the year. Appropriation adjustments took place as contractual salaries were aligned with staffing transfers, midyear retirements and new hire salaries. Other budget variations resulted from replacement of technology equipment as part of upgrades to the district network and continued focus on professional staff development to bring about increased student achievement.

## **7. Internal Control**

Management of the District is responsible for establishing and maintaining internal control 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). Internal control 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) evaluation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that adequate internal control is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control is also subject to periodic evaluation by the District management. As part of the District's single audit described earlier, tests are made to evaluate the adequacy of internal control, including that portion related to federal and state financial assistance programs, as well as to evaluate the District's compliance with applicable laws and regulations.

## **8. Budgetary Controls**

In addition to internal control, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, and the special revenue fund. 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 reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2016 in the basic financial statements.

## **9. Accounting Systems and Reports**

The District's accounting records reflect accounting principles generally accepted in the United States, 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 Basic Financial Statements," Note 1.

## **10. Other Information**

*A. Independent Audit:* State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wiss and Company, LLP was selected by the full Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance and New Jersey OMB Circular 15-08. The auditors' report on the basic financial statements is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the Single Audit section of this report.

*B. Awards:* The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2015. This was the twenty-first consecutive year that the District has received this prestigious award and is the only District in the State of New Jersey to receive twenty-one consecutive awards. In order to be awarded this certificate, the District published an easily readable and efficiently organized

comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2015-16 certificate.

**11. Acknowledgments**

We would like to express our appreciation to the members of the Neptune Township Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the School District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting staff. Additionally, we wish to acknowledge the assistance given by Peter I. Bartlett, Assistant Business Administrator, Township of Neptune personnel including Michael J. Bascom, Chief Financial Officer/Tax Collector; Bernard Haney, Assessor and Richard Cuttrel, Township Clerk.

Respectfully Submitted,



Tami R. Crader, Ed.D  
Superintendent

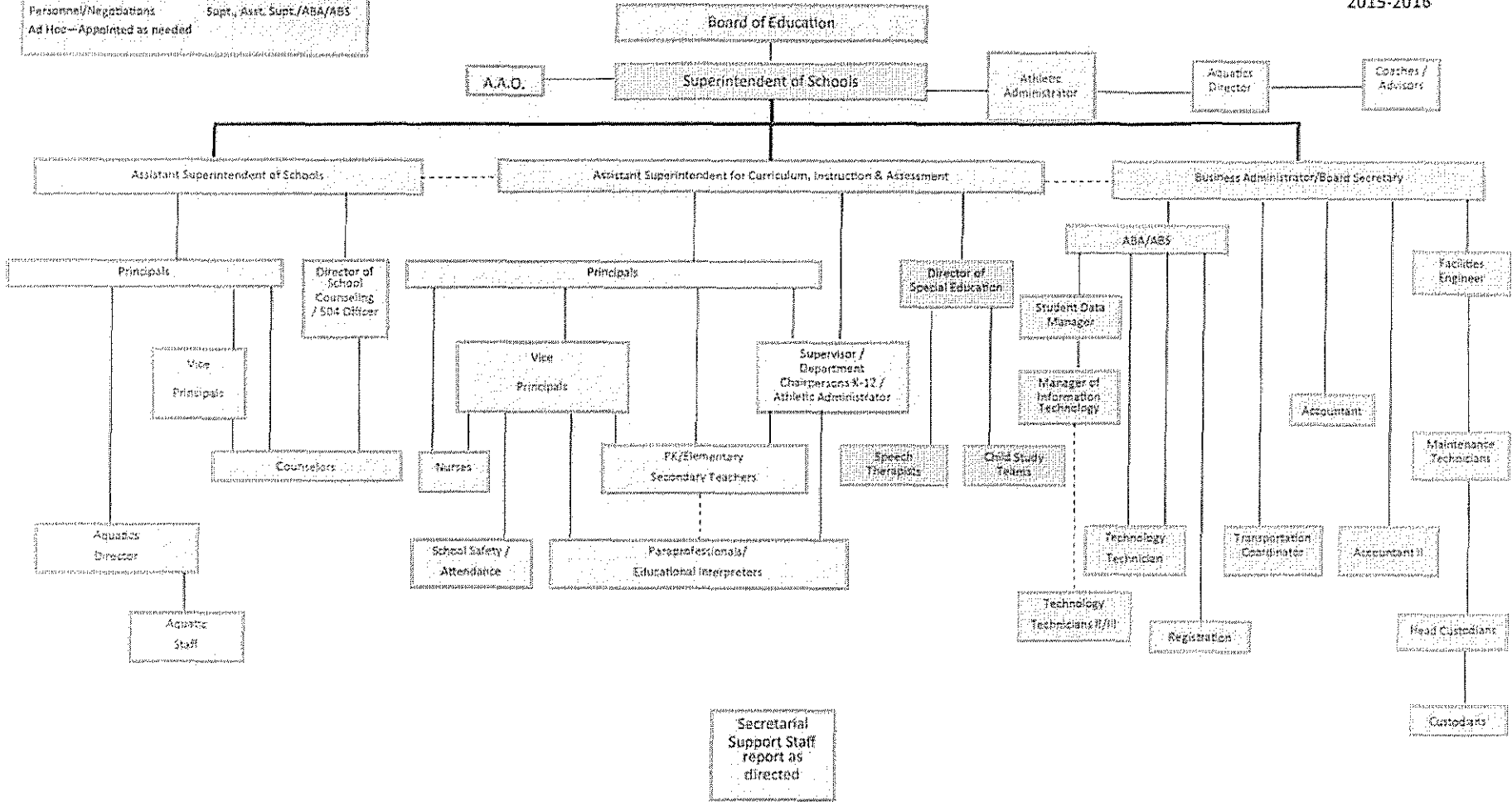


Peter J. Leonard  
Business Administrator/Board Secretary

# Neptune Township School District Organization Chart 2015-2016

2015-2016

<u>BOE Committee</u>	<u>Administrative Liaison</u>
Education	Asst. Supt's., Supt.
Operations	BA/BS, Supt., ABA/ABS
Personnel/Negotiations	Supt., Asst. Supt./ABA/ABS
Ad Hoc--Appointed as needed	



Neptune Township School District  
Neptune, New Jersey

Roster of Officials  
June 30, 2016

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Jason A. Jones, President	2019
Chanta L. Jackson, Vice President	2018
Dwayne Breeden	2017
Scott Fields	2017
Laura G. Granelli	2018
Monica Kowalski-Lodato	2018
Michelle A. Moss	2019
Donna L. Puryear	2019
William S. Wells (1 year unexpired)	2017

**Other Officials**

Dr. Tami R. Crader, Superintendent  
Bertha L. Williams-Pullen, Assistant Superintendent  
Dr. Matthew Gristina, Asst. Superintendent for Curriculum  
Peter J. Leonard, Business Administrator/Board Secretary  
Peter I. Bartlett, Asst. Business Administrator/Asst. Board Secretary

**Committees**

**Operations**

Dwayne Breeden, Chairperson  
Scott Fields  
Monica Kowalski-Lodato

**Education**

Donna L. Puryear, Chairperson  
Laura G. Granelli  
Michelle A. Moss

**Personnel**

Chanta L. Jackson, Chairperson  
Jason A. Jones  
William S. Wells



Neptune Township School District  
Neptune, New Jersey

Independent Auditors and Advisors

**Architects**

Kellenyi Johnson Wagner  
21 Peters Place  
Red Bank, New Jersey 07701

**Attorneys**

Diana Anderson, Esq., LLC  
512 Main Street  
Toms River, New Jersey 08753

Florio, Perrucci, Steinhardt & Fader, LLC  
218 Highway 17  
Rochelle Park, New Jersey 07662

Leitner, Tort, DeFazio, Leitner & Brause  
244 Fernwood Avenue  
Edison, New Jersey 08837

Weiner Lesniak, LLP  
629 Parsippany Road  
Parsippany, New Jersey 07054

**Independent Auditors**

Wiss and Company, LLP  
354 Eisenhower Parkway, Suite 1850  
Livingston, New Jersey 07039

**Consulting Engineers**

Maser Consulting  
331 Newman Springs Road  
Red Bank, New Jersey 07701

DLB Associates, Inc.  
265 Industrial Way West  
Eatontown, New Jersey 07724

Neptune Township School District  
Neptune, New Jersey

Independent Auditors and Advisors (continued)

**Health Benefits Broker**

Fairview Insurance Agency Associates, Inc.  
25 Fairview Avenue, PO Box 324  
Verona, New Jersey 07044

**Insurance Broker**

NJ School Insurance Group  
6000 MidAtlantic Dr. Ste. 300N  
Mount Laurel, New Jersey 08054

**Official Depositories**

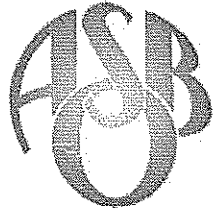
Wells Fargo Bank  
Rt. 33 and Fortunato Place  
Neptune, New Jersey 07753

NJ Cash Management Fund  
Department of the Treasury  
P.O. Box 500  
Trenton, New Jersey 08625

**Official Newspapers**

Asbury Park Press  
3601 Route 66, PO Box 1550  
Neptune, New Jersey 07753

The Coaster  
1011 Main Street  
Asbury Park, New Jersey 07712



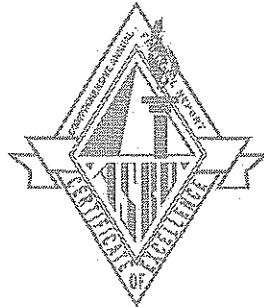
ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting Award  
is presented to**

**Neptune Township Board of Education**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded  
ASBO International's Certificate of Excellence standards.



*Brenda Burkett*

Brenda R. Burkett, CPA, CSBA, SFO  
President

*John D. Musso*

John D. Musso, CAE, RSBA  
Executive Director

# Financial Section

## Independent Auditors' Report

Honorable President and Members  
of the Board of Education  
Neptune Township School District  
Neptune, New Jersey  
County of Monmouth

### **Report on the Financial Statements**

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

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' 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; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards and requirements require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

We believe 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, each major fund and the aggregate remaining fund information of the District as of June 30, 2016, and the respective changes in financial position, and, where applicable, cash flows, thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, schedule of the District's proportionate share of the net pension liability-PERS, schedule of District contributions-PERS, schedule of the State's proportionate share of the net pension liability associated with the District-TPAF and budgetary comparison information as presented in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund financial statements, school-based schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal awards and state financial assistance are presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit*

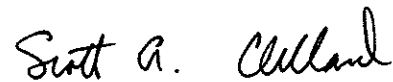
*Requirements for Federal Awards (Uniform Guidance)* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and are also not a required part of the basic financial statements.

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

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

#### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 21, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 District's internal control over financial reporting and compliance.



Scott A. Clelland  
Licensed Public School Accountant  
No. 1049



WISS & COMPANY, LLP

November 21, 2016  
Livingston, New Jersey

**Required Supplementary Information - Part I**  
**Management's Discussion and Analysis**



Neptune Township School District  
Neptune, New Jersey

Management's Discussion and Analysis  
Year ended June 30, 2016  
(Unaudited)

The discussion and analysis of the Neptune Township School District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2016. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements, notes and additional information in the transmittal letter to enhance their understanding of the District's financial performance.

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

### **Financial Highlights**

Key financial highlights for fiscal year 2016 are as follows:

- The total net position of the District decreased \$1,937,357 during the current fiscal year, which was mostly attributable to an increase in the net pension liability offset by positive operating results.
- General revenues of \$86,560,919 in both governmental activities and business-type activities accounted for 83% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$17,277,405 or 17% of total revenues of \$103,838,324, of which \$101,203,362 pertained to governmental activities and \$2,634,962 pertained to business-type activities.
- The District did not generate fund balance in excess of 2% in the current year in the general fund.
- The District maintains restricted reserves for capital and maintenance of \$11,789,499 and \$1,775,000, respectively in the general fund.

## **Using this Comprehensive Annual Financial Report (CAFR)**

This annual report consists of a series of basic financial statements and notes to those statements. These statements are organized so the reader can understand the Neptune Township School District as a financial whole, an entire operating entity. The statements then proceed to offer an increasingly detailed look at specific financial activities. This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The three components of the District's basic financial statements are: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. The CAFR also contains required and other supplementary information in addition to the basic financial statements.

## **Reporting the School District as a Whole**

### **Government-wide Statements**

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the entire School district and are designed to provide readers with a broad overview of the District's finances, in a manner similar to private-sector business.

These statements include all assets, deferred outflows of resources, deferred inflows of resources and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration 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 position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs to cite just a few. In the *Statement of Net Position* and the *Statement of Activities*, the District is divided into two distinct types of activities:

- Governmental activities - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-type activities - Programs reported here 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 is that the costs of providing goods and services be financed through user charges. The District operates two enterprise funds. The Food Service and Aquatic Center enterprise funds are reported as business-type activities.

The government-wide financial statements can be found on pages 25 and 26 of this report.

## **Reporting the District's Funds**

### **Fund Financial Statements**

Fund financial statements provide detailed information about the District's funds. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

### **Governmental Funds**

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

The District maintains two individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balance for the general fund and special revenue fund, both of which are considered to be major funds.

The District adopts an annual appropriated budget for its general fund and special revenue fund. Budgetary comparison statements have been provided as required supplementary information for the general fund and special revenue fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 27 through 29 of this report.

### **Proprietary Funds**

The District maintains a proprietary fund type in the form of two enterprise funds. The enterprise funds are used to report business-type activities in the government-wide financial statements. The District uses enterprise funds to account for the operations of its food service program and aquatic center, which are also considered to be major funds of the District.

The basic enterprise funds financial statements can be found on pages 30 through 32 of this report.

### **Fiduciary Funds**

Fiduciary funds are used to account for resources held for the benefit of parties outside of the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District utilizes a long established unemployment compensation trust fund to account for

contributions from the District and employees to reimburse the State of New Jersey for the cost of approved unemployment compensation claims.

The District uses separate and distinct agency funds to account for resources held for student activity groups as well as for payroll-related liabilities. The basic fiduciary fund financial statements can be found on pages 33 and 34 of this report.

### Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35 to 69 of this report.

### The School District as a Whole

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

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

The following table provides a summary of the District's net position at June 30, 2016 and 2015:

### Neptune Township School District Net Position June 30,

	2016			2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 18,378,679	\$ 1,594,808	\$ 19,973,487	\$ 13,718,009	\$ 1,440,889	\$ 15,158,898
Capital assets, net	238,639,534	266,897	238,906,431	243,130,740	135,157	243,265,897
Total assets	257,018,213	1,861,705	258,879,918	256,848,749	1,576,046	258,424,795
Deferred outflow of resources:						
Pension deferrals	4,626,660		4,626,660	1,959,844		1,959,844
Liabilities:						
Current liabilities and other	2,909,757	187,971	3,097,728	1,370,724	219,072	1,589,796
Long-term liabilities						
outstanding	24,043,277		24,043,277	19,773,228		19,773,228
Total liabilities	26,953,034	187,971	27,141,005	21,143,952	219,072	21,363,024
Deferred inflow of resources:						
Pension deferrals	355,657		355,657	1,074,342		1,074,342
Net position:						
Net investment in capital assets	238,639,534	266,897	238,906,431	243,130,740	135,157	243,265,897
Restricted	14,754,667		14,754,667	15,145,020		15,145,020
Unrestricted (deficit)	(19,058,019)	1,406,837	(17,651,182)	(21,685,461)	1,221,817	(20,463,644)
Total net position	\$ 234,336,182	\$ 1,673,734	\$ 236,009,916	\$ 236,590,299	\$ 1,356,974	\$ 237,947,273

The largest portion of the District's net position is its net investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Current and other assets increased due to the results of current year operations, which resulted in an increase in cash. Capital assets, net, and the net investment in capital assets decreased mainly due to current year depreciation expense exceeding capital additions. Long term liabilities and the deferred outflows of resources increased due to the 2015 actuarial calculation related to net pension liability of the District. Current liabilities and other increased mainly due to an accrual related to an unsettled contract that resulted in significant retroactive salary adjustments.

Total net position of the District decreased by \$1,937,357 during the current fiscal year. This was primarily the result of the increase in the net pension liability on the full accrual financial statements.

The following table shows changes in net position for fiscal years ended June 30, 2016 and 2015:

**Neptune Township School District  
Changes in Net Position  
Year ended June 30,**

	2016			2015		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 6,087,345	\$ 921,394	\$ 7,008,739	\$ 7,173,359	\$ 968,932	\$ 8,142,291
Operating grants and contributions	8,606,563	1,662,103	10,268,666	8,179,337	1,641,382	9,820,719
General revenues:						
Property taxes	36,035,649		36,035,649	35,329,068		35,329,068
Federal and state aid not restricted to specific purposes	49,883,714		49,883,714	46,846,336		46,846,336
Earnings on investments	9,064	1,465	10,529	2,315	385	2,700
Miscellaneous	581,027	50,000	631,027	923,384		923,384
Total revenues	101,203,362	2,634,962	103,838,324	98,453,799	2,610,699	101,064,498
Expenses:						
Instruction	61,558,098		61,558,098	56,819,973		56,819,973
Support services	41,367,235	2,318,202	43,685,437	39,306,756	2,519,777	41,826,533
Charter schools	532,146		532,146	626,222		626,222
Total expenses	103,457,479	2,318,202	105,775,681	96,752,951	2,519,777	99,272,728
Change in net position	(2,254,117)	316,760	(1,937,357)	1,700,848	90,922	1,791,770
Net position-beginning	236,590,299	1,356,974	237,947,273	252,645,666	1,266,052	253,911,718
Restatement				(17,756,215)		(17,756,215)
Net position – beginning (as restated)	236,590,299	1,356,974	237,947,273	234,889,451	1,266,052	236,155,303
Net position – ending	\$ 234,336,182	\$ 1,673,734	\$ 236,009,916	\$ 236,590,299	\$ 1,356,974	\$ 237,947,273

The increase to federal and state aid resulted from an increase in federal SEMI aid, and additional on-behalf pension benefits provided by the State on behalf of the District.

Expenses increased overall primarily due to an increase in TPAF pension expenses paid for by the State on behalf of the District and the settlement of an employment agreement and related salary increases.

### **Governmental Activities**

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for District operations. Property taxes made up 35.6 percent of revenues for governmental activities in the Neptune Township School District for fiscal year 2016. Unrestricted federal and state aid accounted for another 49.3 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised 15.1 percent of the total governmental revenues.

The total cost of all programs and services was \$103,457,479. Instruction comprised 59.5 percent of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. It is important to note that additional instructional costs are included with support services, which is in conformity with New Jersey Budget Guidelines.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services.

### **Business-Type Activities**

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements. Charges for services were \$921,394 or 35.0 percent of revenue. This represents amounts paid by patrons for daily food service and use of the aquatic center. Federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast, and donated commodities amounted to \$1,662,103 or 63.1 percent of total revenue. The balance of revenues generated from investment income and other miscellaneous unrestricted sources comprised 1.9 percent of the total business-type revenues.

## **Financial Analysis of the District's Funds**

### **Governmental Funds**

All governmental funds are accounted for using the modified accrual basis of accounting. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of expendable resources. Such information is useful in assessing the District's financing requirements.

*General Fund.* The general fund is the main operating fund of the District. At the end of the current fiscal year, the total fund balance was \$17,000,898 including funds restricted for capital and maintenance reserves in the amount of \$13,564,499. The District generated excess surplus in the prior year in the amount of \$1,190,168, which is restricted for subsequent year's expenditures. The District did not generate any excess surplus in the current year.

*Special Revenue Fund.* The special revenue fund is used to track the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes, other than debt service or capital projects. Revenue and expenditures for the current fiscal year were comparable to the prior fiscal year. IDEA continues to be the largest federal grant in the special revenue fund, with expenditures in the current fiscal year of \$1,360,678. The District's largest state grant is the Preschool Education Childhood Aid with expenditures in the current fiscal year of \$6,027,168.

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

<b>Revenues</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2015</b>	<b>Percent of Increase (Decrease)</b>
Local sources	\$ 42,713,085	46.3%	\$ (715,041)	(1.6)%
State sources	46,711,950	50.6	1,207,512	2.7
Federal sources	2,815,088	3.1	383,952	15.8
<b>Total</b>	<b>\$ 92,240,123</b>	<b>100.0%</b>	<b>\$ 876,423</b>	<b>1.0%</b>

Federal sources of revenue increased mainly due to an increase in Medicaid Assistance Aid. State sources increased due to the additional TPAF pension contribution by the State on behalf of the District. Local sources decreased due to the reduction of students attending the District from other districts.

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

<b>Expenditures</b>	<b>Amount</b>	<b>Percent of Total</b>	<b>Increase (Decrease) from 2015</b>	<b>Percent of Increase (Decrease)</b>
Current expenditures:				
Instruction	\$ 38,474,929	43.2%	2,181,786	6.0 %
Support services	47,331,833	53.2	2,059,304	4.6
Capital outlay	2,707,012	3.0	(2,996,982)	(52.5)
Charter schools	532,146	0.6	(94,076)	(15.0)
<b>Total</b>	<b>\$ 89,045,920</b>	<b>100.0%</b>	<b>\$ 1,150,032</b>	<b>1.3 %</b>

Current expenditures reflect an increase attributable to salary and health benefit increases and the increases in the amount contributed by the State on behalf of the District for the TPAF pension.

Capital outlay expenditures decreased as a direct result of the District's completion of several large-scale renovation projects during the prior fiscal year.

**General Fund Budgeting Highlights**

The District's budget is prepared in accordance with New Jersey law and is based on accounting for certain transactions on the modified accrual basis. The most significant budgeted fund is the General Fund.

During the course of the year under audit, the District made several necessary revisions to its annual operating budget. Overall, the original budget did not differ from the final budget other than an appropriation of fund balance into Capital Outlay made in June 2016. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Several of these significant revisions are mentioned below:

Contractual salaries were aligned during the year throughout the budget to accommodate personnel transfers within the district as well as retirements and replacements. Unexpended funds at year-end were redirected, as permitted by statute, to the Capital Outlay fund to support the district's long range facility program.

As a result of an increased focus on general professional staff development and an increased security awareness and related staff training, appropriation transfers were undertaken to support the expanded activities.

**Capital Assets**

At the end of the fiscal year 2016, the School District had \$238,906,431 invested in land, construction in progress, land improvements, building and building improvements and machinery, equipment and vehicles, net of accumulated depreciation. The following presents a comparison of capital assets, net of depreciation, held at June 30, 2016 and 2015:

	<b>Governmental and Business-Type Activities</b>	
	<b>2016</b>	<b>2015</b>
Land	\$ 4,790,571	\$ 4,790,571
Construction in progress	1,349,207	105,106
Land improvements	3,659,215	4,047,582
Building and building improvements	224,932,968	230,748,420
Machinery, equipment and vehicles	4,174,470	3,574,218
<b>Total</b>	<b>\$238,906,431</b>	<b>\$243,265,897</b>

For more detailed information, please refer to Note 4 to the basic financial statements.



## **Long-Term Liabilities**

At June 30, 2016, the District had \$24,043,277 of outstanding long-term liabilities relating to compensated absences and the net pension liability. The District paid off its remaining bonds during the 2013 fiscal year. The District's overall limitation of indebtedness at June 30, 2016 was \$142,175,002.

For more detailed information, please refer to Note 5 to the basic financial statements.

## **For the Future**

The fiscal outlook in the near term is a concern for most school districts and municipalities, including this one. Top-down changes in funding will require flexibility and very careful planning at the local level. The Neptune Township School District will continue to employ prudent and responsible fiscal practices to maintain its sound financial condition.

The School District is proud of its community support and is mindful of retaining a positive image within the local and statewide communities. With this reputation, the School District will look to partner with surrounding districts at various levels to achieve economies that may be needed for future stability and growth.

## **Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the resources entrusted to it. If you have questions about this report or need additional information, contact Mr. Peter J. Leonard, Business Administrator/Board Secretary at Neptune Township Board of Education, 60 Neptune Boulevard, Neptune, NJ 07753. Please visit our website at [www.neptuneschools.org](http://www.neptuneschools.org).

# Basic Financial Statements

# Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2016.

## Neptune Township School District

## Statement of Net Position

June 30, 2016

	<b>Governmental Activities</b>	<b>Business-type Activities</b>	<b>Total</b>
<b>Assets</b>			
Cash and cash equivalents	\$ 2,603,594	\$ 1,568,038	\$ 4,171,632
Accounts receivable	2,049,895	121,473	2,171,368
Internal balances	160,691	(160,691)	-
Inventories		65,988	65,988
Restricted assets:			
Cash and cash equivalents	13,564,499		13,564,499
Capital assets, non-depreciable	6,010,700	129,078	6,139,778
Capital assets, depreciable, net	232,628,834	137,819	232,766,653
Total assets	<u>257,018,213</u>	<u>1,861,705</u>	<u>258,879,918</u>
<b>Deferred outflow of resources</b>			
Pension deferrals	<u>4,626,660</u>		<u>4,626,660</u>
<b>Liabilities</b>			
Accounts payable	1,540,430	143,938	1,684,368
Intergovernmental accounts payable:			
State	17,439		17,439
Accrued salaries and wages	1,115,984		1,115,984
Unearned revenue	235,904	44,033	279,937
Net pension liability	22,120,602		22,120,602
Current portion of long-term obligations	115,000		115,000
Noncurrent portion of long-term obligations	1,807,675		1,807,675
Total liabilities	<u>26,953,034</u>	<u>187,971</u>	<u>27,141,005</u>
<b>Deferred Inflow of Resources</b>			
Pension deferrals	<u>355,657</u>		<u>355,657</u>
<b>Net Position</b>			
Net investment in capital assets	238,639,534	266,897	238,906,431
Restricted for:			
Other purposes	14,754,667		14,754,667
Unrestricted (deficit)	(19,058,019)	1,406,837	(17,651,182)
Total net position	<u>\$ 234,336,182</u>	<u>\$ 1,673,734</u>	<u>\$ 236,009,916</u>

See accompanying notes to basic financial statements.

## Neptune Township School District

## Statement of Activities

Year ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
<b>Governmental activities</b>						
Instruction	\$ 61,558,098	\$ 5,520,923	\$ 4,425,140	\$ (51,612,035)		\$ (51,612,035)
Support services:						
Attendance/social work	537,656			(537,656)		(537,656)
Health services	1,168,649			(1,168,649)		(1,168,649)
Other support services	10,770,176		4,181,423	(6,588,753)		(6,588,753)
Improvement of instruction	1,234,053			(1,234,053)		(1,234,053)
School library	1,787,309			(1,787,309)		(1,787,309)
General administration	2,498,249			(2,498,249)		(2,498,249)
School administration	5,431,073			(5,431,073)		(5,431,073)
Required maintenance	3,516,361			(3,516,361)		(3,516,361)
Operation of plant	8,400,432			(8,400,432)		(8,400,432)
Security	881,204			(881,204)		(881,204)
Student transportation	2,976,104	566,422		(2,409,682)		(2,409,682)
Business and other support services and benefits	2,165,971			(2,165,971)		(2,165,971)
Charter schools	532,146			(532,146)		(532,146)
Total governmental activities	<u>103,457,479</u>	<u>6,087,345</u>	<u>8,606,563</u>	<u>(88,763,571)</u>		<u>(88,763,571)</u>
<b>Business-type activities</b>						
Food Service	2,076,449	595,414	1,662,103		\$ 181,068	181,068
Aquatic Center	241,753	325,980			84,227	84,227
Total business-type activities	<u>2,318,202</u>	<u>921,394</u>	<u>1,662,103</u>		<u>265,295</u>	<u>265,295</u>
Total primary government	<u>\$ 105,775,681</u>	<u>\$ 7,008,739</u>	<u>\$ 10,268,666</u>	<u>(88,763,571)</u>	<u>265,295</u>	<u>(88,498,276)</u>
<b>General revenues:</b>						
Property taxes, levied for general purposes				36,035,649		36,035,649
State Sources				49,533,689		49,533,689
Federal Sources				350,025		350,025
Interest Earnings				9,064	1,465	10,529
Miscellaneous Income				581,027	50,000	631,027
Total general revenues				<u>86,509,454</u>	<u>51,465</u>	<u>86,560,919</u>
Change in net position				(2,254,117)	316,760	(1,937,357)
Net position-beginning				236,590,299	1,356,974	237,947,273
Net position-ending				<u>\$ 234,336,182</u>	<u>\$ 1,673,734</u>	<u>\$ 236,009,916</u>

See accompanying notes to basic financial statements.

# Fund Financial Statements

# Governmental Funds

Neptune Township School District  
Governmental Funds

Balance Sheet

June 30, 2016

	Major Funds		
	General Fund	Special Revenue Fund	Total Governmental Funds
<b>Assets</b>			
Cash and cash equivalents	\$ 2,603,594		\$ 2,603,594
Accounts receivable:			
Intergovernmental–state	559,920		559,920
Intergovernmental–federal	194,740	\$ 13,355	208,095
Other accounts receivable	1,264,441	17,439	1,281,880
Interfund receivable	442,701		442,701
Restricted assets:			
Cash and cash equivalents	13,564,499		13,564,499
<b>Total assets</b>	<b>\$ 18,629,895</b>	<b>\$ 30,794</b>	<b>\$ 18,660,689</b>
<b>Liabilities and Fund balances</b>			
<b>Liabilities:</b>			
Accounts payable	\$ 601,397	\$ 19,274	\$ 620,671
Intergovernmental accounts payable:			
State		17,439	17,439
Federal			
Accrued salaries and wages	1,027,600	88,384	1,115,984
Interfund payable		282,010	282,010
Unearned revenue		235,904	235,904
<b>Total liabilities</b>	<b>1,628,997</b>	<b>643,011</b>	<b>2,272,008</b>
<b>Fund balances:</b>			
Restricted for:			
Excess surplus prior year - Designated for subsequent year's expenditures	1,190,168		1,190,168
Maintenance reserve	1,775,000		1,775,000
Capital reserve	11,789,499		11,789,499
Assigned to:			
Other purposes	2,246,231		2,246,231
Unassigned:			
Special revenue fund (deficit)		(612,217)	(612,217)
<b>Total fund balances (deficit)</b>	<b>17,000,898</b>	<b>(612,217)</b>	<b>16,388,681</b>
<b>Total liabilities and fund balances</b>	<b>\$ 18,629,895</b>	<b>\$ 30,794</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$309,681,569 and the accumulated depreciation is \$71,042,034.

238,639,534

Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds.

4,271,003

Accrued pension contributions for the June 30, 2016 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position.

(919,759)

Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.

(22,120,602)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(1,922,675)

Net position of governmental activities \$ 234,336,182



Neptune Township School District  
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2016

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
<b>Revenues</b>			
Local sources:			
Local tax levy	\$ 36,035,649		\$ 36,035,649
Interest on investments	9,064		9,064
Transportation fees from other LEAs within the State	566,422		566,422
Tuition from other LEAs within the State	5,520,923		5,520,923
Miscellaneous	581,027		581,027
Total revenues-local sources	<u>42,713,085</u>		<u>42,713,085</u>
State sources	40,570,450	\$ 6,141,500	46,711,950
Federal sources	367,131	2,447,957	2,815,088
Total revenues	<u>83,650,666</u>	<u>8,589,457</u>	<u>92,240,123</u>
<b>Expenditures</b>			
Current:			
Instruction	28,318,617	2,841,413	31,160,030
Undistributed:			
Instruction	7,314,899		7,314,899
Attendance/social work	292,453		292,453
Health services	665,854		665,854
Guidance services	1,423,943		1,423,943
Speech, OT, PT and related services	747,905		747,905
Child study teams / special education	1,141,280	4,181,423	5,322,703
Improvement of instruction	874,028		874,028
School library	992,076		992,076
General administration	1,650,624		1,650,624
School administration	2,992,232		2,992,232
Central services	839,666		839,666
Administrative information technology	392,956		392,956
Required maintenance	2,938,903		2,938,903
Custodial services	4,973,762		4,973,762
Care & upkeep of grounds	1,083,462		1,083,462
Security	522,540		522,540
Student transportation	2,604,089		2,604,089
Personnel services- unallocated employee benefits	11,601,462		11,601,462
On-behalf payments-TPAF FICA and Pension	7,413,175		7,413,175
Charter schools - current	532,146		532,146
Capital outlay	2,707,012		2,707,012
Total expenditures	<u>82,023,084</u>	<u>7,022,836</u>	<u>89,045,920</u>
Excess of Revenues Over Expenditures	1,627,582	1,566,621	3,194,203
Other financing sources (uses):			
Transfers in	1,583,727		1,583,727
Transfers out		(1,583,727)	(1,583,727)
Total other financing sources (uses)	<u>1,583,727</u>	<u>(1,583,727)</u>	<u>-</u>
Net change in fund balances	3,211,309	(17,106)	3,194,203
Fund balances (deficit), July 1	13,789,589	(595,111)	13,194,478
Fund balances (deficit), June 30	<u>\$ 17,000,898</u>	<u>\$ (612,217)</u>	<u>\$ 16,388,681</u>

The reconciliation of the fund balances of governmental funds to the net position of government activities in the statement of activities is presented in an accompanying schedule (B-3).

Neptune Township School District  
Governmental Funds

Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances to the Statement of Activities

Year ended June 30, 2016

<b>Total net change in fund balances - governmental funds (B-2)</b>		<b>\$ 3,194,203</b>
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>		
<p>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 depreciation expense exceeded capital additions in the period.</p>		
	Depreciation expense	\$ (7,220,003)
	Capital additions	<u>2,728,797</u>
		(4,491,206)
<p>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). The amount represents the net change.</p>		
		(176,958)
<p>Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds</p>		
	Pension expense	(780,156)
<b>Change in net position of governmental activities (A-2)</b>		<u><u>\$ (2,254,117)</u></u>

# Enterprise Funds

Neptune Township School District  
Enterprise Funds

Statement of Net Position

June 30, 2016

	<b>Business-Type Activities</b>		
	<b>Major Enterprise Funds</b>		
<b>Assets</b>	<b>Food Service</b>	<b>Aquatic Center</b>	<b>Totals</b>
Current assets:			
Cash and cash equivalents	\$ 656,293	\$ 911,745	\$ 1,568,038
Accounts receivable:			
State	1,497		1,497
Federal	94,527		94,527
Other	25,449		25,449
Inventories	65,988		65,988
Total current assets	<u>843,754</u>	<u>911,745</u>	<u>1,755,499</u>
Noncurrent assets:			
Capital assets, non-depreciable	129,078		129,078
Capital assets, depreciable, net	137,819		137,819
Total capital assets	<u>266,897</u>	<u>-</u>	<u>266,897</u>
Total assets	<u>1,110,651</u>	<u>911,745</u>	<u>2,022,396</u>
<b>Liabilities</b>			
Current liabilities:			
Accounts payable	140,613	3,325	143,938
Interfund payable	160,691		160,691
Unearned revenue	37,060	6,973	44,033
Total current liabilities	<u>338,364</u>	<u>10,298</u>	<u>348,662</u>
Total liabilities	<u>338,364</u>	<u>10,298</u>	<u>348,662</u>
<b>Net position</b>			
Net investment in capital assets	266,897		266,897
Unrestricted	505,390	901,447	1,406,837
Total net position	<u>\$ 772,287</u>	<u>\$ 901,447</u>	<u>\$ 1,673,734</u>

*See accompanying notes to basic financial statements.*

Neptune Township School District  
Enterprise Funds

Statement of Revenues, Expenses and  
Changes in Fund Net Position

Year ended June 30, 2016

	<b>Business Type Activities</b>		
	<b>Major Enterprise Funds</b>		
	<u>Food Service</u>	<u>Aquatic Center</u>	<u>Totals</u>
Operating revenues:			
Local sources:			
Daily food sales-reimbursable programs	\$ 595,414		\$ 595,414
Daily swim revenue		\$ 43,768	43,768
Swim membership revenue		22,931	22,931
Swim rental revenue		174,032	174,032
Swim seminar revenue		81,553	81,553
Miscellaneous		3,696	3,696
Total operating revenues	<u>595,414</u>	<u>325,980</u>	<u>921,394</u>
Operating expenses:			
Salaries	638,161	176,817	814,978
Employee benefits and taxes	165,635		165,635
Supplies and materials	165,385	12,617	178,002
Cost of sales - program	729,633		729,633
Cost of sales - non program	64,818		64,818
Depreciation	12,140		12,140
Management services	174,993		174,993
Purchased services	125,684	52,319	178,003
Total operating expenses	<u>2,076,449</u>	<u>241,753</u>	<u>2,318,202</u>
Operating (loss) income	(1,481,035)	84,227	(1,396,808)
Nonoperating revenues:			
State sources:			
School lunch program	23,664		23,664
Federal sources:			
School breakfast program	287,421		287,421
School lunch program	1,081,221		1,081,221
Seamless summer program	79,674		79,674
Healthy Hunger-Free Kids Act (HHFKA)	28,846		28,846
Food donation program	161,277		161,277
Interest revenue		1,465	1,465
Total nonoperating revenues	<u>1,662,103</u>	<u>1,465</u>	<u>1,663,568</u>
Income before insurance proceeds	181,068	85,692	266,760
Insurance proceeds		50,000	50,000
Change in net position	181,068	135,692	316,760
Total net position, beginning	591,219	765,755	1,356,974
Total net position, ending	<u>\$ 772,287</u>	<u>\$ 901,447</u>	<u>\$ 1,673,734</u>

See accompanying notes to basic financial statements.

Neptune Township School District  
Enterprise Funds

Statement of Cash Flows

Year ended June 30, 2016

	Business Type Activities Major Enterprise Funds		
	Food Service	Aquatic Center	Totals
<b>Cash flows from operating activities</b>			
Receipts from customers	\$ 586,646	\$ 326,417	\$ 913,063
Payments to employees	(638,161)	(176,817)	(814,978)
Payments for employee benefits	(165,635)		(165,635)
Payments to consultants	(13,632)		(13,632)
Payments for credit card fees	(10,573)		(10,573)
Payments to management company	(174,993)		(174,993)
Payments to suppliers	(1,155,326)	(64,936)	(1,220,262)
Net cash (used in) provided by operating activities	<u>(1,571,674)</u>	<u>84,664</u>	<u>(1,487,010)</u>
<b>Cash flows from investing activity</b>			
Interest received		1,465	1,465
Net cash provided by investing activity		<u>1,465</u>	<u>1,465</u>
<b>Cash flows from noncapital financing activities</b>			
Payments from other funds	36,454		36,454
Cash received from state and federal sources	1,705,117		1,705,117
Cash received from insurance claims		50,000	50,000
Net cash provided by noncapital financing activities	<u>1,741,571</u>	<u>50,000</u>	<u>1,791,571</u>
<b>Cash flows from capital and related financing activity</b>			
Purchase of capital assets	(143,880)		(143,880)
Net cash (used in) capital and related financing activity	<u>(143,880)</u>		<u>(143,880)</u>
Net increase in cash and cash equivalents	26,017	136,129	162,146
Cash and cash equivalents, beginning of year	630,276	775,616	1,405,892
Cash and cash equivalents, end of year	<u>\$ 656,293</u>	<u>\$ 911,745</u>	<u>\$ 1,568,038</u>
<b>Reconciliation of operating (loss) income to net cash (used in) provided by operating activities</b>			
Operating (loss) income	\$(1,481,035)	\$ 84,227	\$ (1,396,808)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:			
Depreciation	12,140		12,140
Change in assets and liabilities:			
(Decrease) in accounts payable	(55,388)	(3,276)	(58,664)
(Increase) in inventory	(38,623)		(38,623)
Increase in unearned revenue	12,704	3,713	16,417
(Increase) in accounts receivable	(21,472)		(21,472)
Net cash (used in) provided by operating activities	<u>\$(1,571,674)</u>	<u>\$ 84,664</u>	<u>\$ (1,487,010)</u>

**Noncash noncapital financing activities**

The District received \$172,423 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2016.

# Fiduciary Funds

Neptune Township School District  
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2016

	<b>Unemployment Compensation Trust</b>	<b>Agency Funds</b>
<b>Assets</b>		
Cash and cash equivalents	\$ 1,129,882	\$ 589,989
Accounts receivable	24,961	
Total assets	1,154,843	\$ 589,989
<b>Liabilities</b>		
Payroll deductions and withholdings payable		\$ 423,734
Flexible spending payable		6,375
Accounts payable	672	24,961
Due to student groups		134,919
Total liabilities	672	\$ 589,989
<b>Net position</b>		
Held in trust for unemployment benefits	\$ 1,154,171	



Neptune Township School District  
Fiduciary Funds

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2016

	<u>Unemployment Compensation Trust</u>
<b>Additions</b>	
Interest received	\$ 2,305
Contributions-employees	<u>66,835</u>
Total additions	<u>69,140</u>
 <b>Deductions</b>	
Unemployment claims	<u>7,893</u>
Total deductions	<u>7,893</u>
Change in net position	61,247
Net position-beginning of year	<u>1,092,924</u>
Net position-end of year	<u><u>\$ 1,154,171</u></u>

*See accompanying notes to basic financial statements.*

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies**

The financial statements of the Neptune Township School District ("District") have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **A. Reporting Entity**

The financial reporting entity consists of a) the primary government, b) organizations for which the primary government is financially accountable, and c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The definition of the reporting entity is based primarily on the notion of financial accountability. A primary government is financially accountable for the organizations that make up its legal entity. It is also financially accountable for legally separate organizations if its officials appoint a voting majority of an organization's governing body and either it is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations that are fiscally dependent on it.

The District, as the primary government for financial reporting entity purposes, has oversight responsibility and control over all activities related to the Neptune Township School District in Neptune Township, New Jersey. The District receives funding from local, state, and federal government sources and must comply with the requirements of these funding source entities.

The District has no component units that are required to be included within the reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

#### **B. Government-Wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **C. Government-Wide and Fund Financial Statements**

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and the proprietary funds are reported as separate columns in the fund financial statements. The New Jersey Department of Education requires that all funds be reported as major to promote consistency amongst the school districts in the State of New Jersey.

#### **D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences are recorded only when payment is due.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 1. Summary of Significant Accounting Policies (continued)

#### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Property taxes, interest, and state equalization monies associated with the current fiscal period are all considered to be susceptible to accrual and have been so recognized as revenues of the current fiscal year.

The District reports the following major governmental funds:

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

*Special Revenue Fund:* The District maintains one special revenue fund, which includes the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

The District reports the following major enterprise funds:

Enterprise Funds: The Enterprise Funds are utilized to account for the District's ongoing activities that are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration.

*Food Service and Aquatic Center Enterprise Funds:* The food service 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 Aquatic Center fund accounts for all revenues and expenses in the operation of the aquatic center similar to a private business enterprise. The stated intent is that the costs (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.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 1. Summary of Significant Accounting Policies (continued)

#### C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Additionally, the District reports the following fiduciary fund types:

Fiduciary Funds: Trust and agency funds are used to account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

*Unemployment Compensation Trust Fund*: This fund is used to account for employer contributions that are utilized to pay unemployment compensation insurance claims as they arise.

*Agency Funds (Payroll and Student Activity Funds)*: 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.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Enterprise funds distinguish operating revenue and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to customers for sales of food and usage fees from individuals to offset the cost of operations. Operating expenses for enterprise funds include the cost of sales, usage fees, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Revenues and other governmental fund financial resources should be recognized in the accounting period in which they become both measurable and available. When an asset is recorded in governmental fund financial statements, but the revenue is not available the government should report a deferred inflow of resources until such time the revenue becomes available.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)**

Ad Valorem (property) taxes are susceptible to accrual, as under New Jersey State Statute a municipality is required to remit to its School Board the entire balance of taxes, in the amount voted upon or certified, prior to the end of the school year. The Board 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 Board is entitled to receive moneys under the established payment schedule, and the uncollected amount is considered to be an "accounts receivable."

The County Board of Taxation is responsible for the assessment of properties, and the Township Tax Collector is responsible for collection of taxes. Assessments are certified and taxes are levied on January 1; taxes are due February 1, May 1, August 1 and November 1. Unpaid taxes are considered delinquent the following January 1 and are then subject to lien.

#### **D. Budgets/Budgetary Control**

Annual appropriated budgets are adopted each year for the general and special revenue funds. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2016 were made and properly approved by School Board Resolution and were made in accordance with statutory guidelines. The amendments made by the District were not deemed significant and were part of the normal course of operations. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds, there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States, with the exception of the legally mandated revenue recognition of the last state aid payments for budgetary purposes only and the special revenue fund. Encumbrance accounting is also employed as an extension of formal budgetary integration in governmental fund types. Open encumbrances at year-end are re-appropriated in the subsequent year's budget. Unencumbered appropriations lapse at fiscal year-end.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **D. Budgets/Budgetary Control (continued)**

The accounting records of the special revenue fund are maintained on the grant accounting budgetary basis. The grant accounting budgetary basis differs from GAAP in that the grant accounting budgetary basis 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.

#### **E. Deposits and Investments**

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less. Investments are stated at fair value. The District 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 and are stated at cost. All other investments are stated at fair value.

#### **F. Interfund Receivables/Payables**

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

#### **G. Inventories**

Inventories which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method and the District uses the consumption method for expensing inventory. At June 30, 2016, the unused Food Donation Program commodities of \$24,356 are reported as unearned revenue.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 1. Summary of Significant Accounting Policies (continued)

#### H. Capital Assets

Capital assets, which include land, construction in progress, building and building improvements, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. The District defines capital assets as assets with an initial, individual cost of more than \$2,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or through estimation procedures performed by an independent appraisal company.

Donated capital assets are valued at their estimated fair market value on the date of donation.

The costs of normal repairs and maintenance that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Capital assets of the District are depreciated using the straight line method, except for land and construction in progress, which are not depreciated. The following estimated useful lives are used to compute depreciation:

	<u>Years</u>
Land improvements	10-20
Machinery and equipment	2-20
Buildings	50
Building improvements	20-50
Vehicles	5-10

#### I. Accrued Salaries and Wages

Employees, who provide services to the Board over the ten-month academic year do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2016 for such. There was an accrual at June 30, 2016 for accrued salaries and wages in the amount of \$1,115,984 pertaining to unsettled contracts at year end recorded in the general fund and special revenue fund.



# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **J. Compensated Absences**

The District records a liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits. The District uses the “vesting method” for estimating its accrued sick and vacation leave liability.

Board employees are granted vacation and sick leave in varying amounts under the Board’s personnel policies and according to negotiated contracts. In the event of retirement, according to contract, an employee is reimbursed for accumulated vacation and sick leave.

The liability for vested compensated absences of the District recorded in the government-wide financial statements amounted to \$1,922,675 at June 30, 2016. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

#### **K. Unearned Revenue**

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. Unearned revenue in the food service enterprise fund represents the unused portion of Food Donation Program commodities and positive balances on students’ prepaid meal cards.

#### **L. Long-Term Obligations**

In the government-wide financial statements, and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **L. Long-Term Obligations (continued)**

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as either capital projects fund or debt service fund expenditures.

#### **M. Fund Balances**

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* ("GASB 54") established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. Under GASB 54, fund balances in the governmental funds financial statements are reported under the modified accrual basis of accounting and classified into the following five categories.

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 1. Summary of Significant Accounting Policies (continued)

#### M. Fund Balances (continued)

- 4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. For the unrestricted fund balance, the District first spends committed funds, then assigned funds, and finally, unassigned funds.

Of the \$17,000,898 of fund balance, in the General Fund, at June 30, 2016, encumbrances of \$3,628,652 are partially offset by an unrestricted deficit of \$1,382,421 and reported as assigned to other purposes, \$11,789,499 is restricted in a capital reserve, \$1,775,000 is restricted in a maintenance reserve and \$1,190,168 has been restricted for subsequent year's expenditures from prior year excess fund balance.

#### N. Net Position

Net Position represents the difference between assets, deferred outflows, deferred inflows, and liabilities in the government-wide financial statements. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any long-term debt used to build or acquire the capital assets. Net position is reported as restricted in the government-wide financial statements when there are limitations imposed on their use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **1. Summary of Significant Accounting Policies (continued)**

#### **O. Management Estimates**

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

#### **P. On-Behalf Payments**

Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security and post-retirement pension and medical contributions for certified teacher and other members of the New Jersey Teachers Pension and Annuity Fund. Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been increased by \$8,963,239 to adjust for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

#### **Q. Calculation of Excess Surplus**

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District did not generate excess fund balance during the 2015-2016 school year. The prior year excess surplus of \$1,190,168 was included in the 2016-2017 approved budget.

#### **R. GASB Pronouncements**

##### GASB Pronouncements implemented in the 2016 Fiscal Year

In February, 2015, GASB issued Statement No. 72, *Fair Value Measurement and Application* ("GASB 72"). The objective of this Statement is to provide guidance for applying fair value for certain assets and liabilities and disclosures related to all fair value measurements. The requirements of this Statement mandate the use of valuation techniques that are appropriate under the circumstances and for which sufficient data are available to measure fair value. The requirements of this Statement will enhance comparability of financial statements among governments by requiring measurement of certain assets and liabilities at fair value using a consistent and more detailed definition of fair value and accepted valuation techniques. The requirements of this Statement are effective for financial statements for periods beginning after June 15, 2015. The District has adopted GASB No. 72 during the year ended June 30, 2016 and it did not have a significant impact on the District's financial statements.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 1. Summary of Significant Accounting Policies (continued)

#### R. GASB Pronouncements (continued)

##### Recently Issued Accounting Pronouncements

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75"). The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local government employers about financial support for OPEB that is provided by other entities. The Statement will become effective for the District in the 2018 fiscal year. Management has not yet determined the impact of this Statement on the financial statements.

GASB Statement No. 77, *Tax Abatement Disclosures* ("GASB No. 77"). This Statement requires governments that enter into tax abatement agreements to disclose certain information about the agreements. The Statement will become effective for the District in the 2017 fiscal year. Management has not yet determined the impact of this Statement on financial statement note disclosures.

#### S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amounts related to pensions. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

#### T. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2016 and November 21, 2016, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **2. Reconciliation of Government-Wide and Fund Financial Statements**

#### **Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position**

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The \$1,922,675 difference is attributable to the compensated absences liability.

### **3. Deposits and Investments**

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less.

Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and Statement No. 72, *Fair Value Measurement and Application*. The District 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 and are stated at cost. All other investments are stated at fair value. New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at last equal to 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 3. Deposits and Investments (continued)

#### Deposits

New Jersey statutes require that school boards deposit public funds in public depositories located in New Jersey that are insured by the Federal Deposit Insurance Corporation, the Federal Savings and Loan Insurance Corporation, or by any other agency of the United States that insures deposits made in public depositories. School boards are also permitted to deposit public funds in the State of New Jersey Cash Management Fund and the New Jersey Asset and Rebate 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 on deposit.

In addition to the above collateral requirement, 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%.

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

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2016, the carrying amount of the District's deposits was \$14,297,265, and the bank balance was \$19,139,938. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2016 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$18,432,983. \$456,955 held in the District agency accounts are not covered by GUDPA.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the District would not be able to recover the value of its deposits and investments). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized (securities not pledged to the depositor), collateralized with securities held by the pledging financial institution, or collateralized with securities held by the financial institution's trust department or agent but not in the government's name.

The District does not have a policy for the management of custodial credit risk, other than depositing all of its funds in banks covered by GUDPA. At least five percent of the District's deposits were fully collateralized by funds held by the financial institution, but not in the name of the District. Due to the nature of GUDPA, further information is not available regarding the full amount that is collateralized.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 3. Deposits and Investments (continued)

#### Investments

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

- a. Bonds and other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or of any United States for Cooperatives, which have a maturity date not greater than twelve months from the date of purchase.
- c. New Jersey Cash Management Fund (NJCMF) and New Jersey Asset and Rebate Management Fund (NJARM).

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund (“NJCMF”) as its sole investment. The NJCMF is administered by the State of New Jersey, Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. The fair value of the position in the pool is the same as the fair value of the pool shares. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At June 30, 2016, the District’s balance was \$5,158,737.

All investments in the Fund are governed by the regulations of the Investment Council, which prescribes specific standards designed to ensure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investment’s existence, the Division has never suffered a default of principal or interest on any short-term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the “Other-than-State” participants. In addition to the Council regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis.

*Custodial Credit Risk:* Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk exposure. The District does not have a policy for custodial credit risk.

*Credit Risk:* The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The NJCMF is not rated by a rating agency.



# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 3. Deposits and Investments (continued)

#### Investments (continued)

*Interest Rate Risk:* The District does not have a policy to limit interest rate risk. The average maturity of the District's sole investment, the NJCMF, is less than one year.

*Concentration of Credit Risk:* The District places no limit on the amount the District may invest in any one issuer. At June 30, 2016, all of the District's investments were invested in NJCMF.

All of the District's investments are classified as cash equivalents at June 30, 2016.

### 4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2016:

	Beginning Balance	Increases	Ending Balance
Capital assets, not being depreciated:			
Land	\$ 4,790,571		\$ 4,790,571
Construction in progress	105,107	\$1,115,022	1,220,129
Total capital assets, not being depreciated	4,895,678	1,115,022	6,010,700
Capital assets, being depreciated:			
Land improvements	9,175,955	85,916	9,261,871
Buildings and building improvements	283,923,225	81,689	284,004,914
Machinery, equipment and vehicles	8,957,914	1,446,170	10,404,084
Total capital assets being depreciated	302,057,094	1,613,775	303,670,869
Less accumulated depreciation for:			
Land improvements	5,128,373	474,283	5,602,656
Buildings and building improvements	53,174,806	5,897,140	59,071,946
Machinery, equipment and vehicles	5,518,853	848,580	6,367,433
Total accumulated depreciation	63,822,032	7,220,003	71,042,034
Total capital assets being depreciated, net	238,235,062	(5,606,228)	232,628,834
Governmental activities capital assets, net	\$ 243,130,740	\$ (4,491,206)	\$ 238,639,534

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

**4. Capital Assets (continued)**

Depreciation expense was charged to functions/programs of the District as follows:

Instruction	\$3,368,295
Undistributed instruction	790,716
Attendance and social work	31,613
Health services	71,977
Guidance Services	153,923
Other support services –related services	80,846
Other support - regular	575,366
Improvement of instruction	94,479
School library	107,240
General administration	178,427
School administration	323,450
Central Services	90,765
Administrative information technology	42,477
Required maintenance of plant	317,685
Operation of plant and upkeep of grounds	537,647
Care and Upkeep of Grounds	117,119
Security	56,485
Student transportation	281,493
Total allocated depreciation expense	<u>\$7,220,003</u>

The following is a summary of business-type changes in capital assets for the year ended June 30, 2016:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:			
Construction in progress		\$ 129,078	\$ 129,078
Total capital assets not being depreciated		<u>129,078</u>	<u>129,078</u>
Capital assets, being depreciated:			
Equipment	\$ 706,291	14,802	721,093
Less accumulated depreciation for:			
Equipment	(571,134)	(12,140)	(583,274)
Total business-type activities capital assets, net	<u>\$ 135,157</u>	<u>\$ 131,740</u>	<u>\$ 266,897</u>

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 5. Long-Term Liabilities

#### Bonds

Bonds are authorized in accordance with State law by the voters of the municipality through referenda. All bonds are retired in serial installments within the statutory period of usefulness.

There is no principal and interest on serial bonds outstanding at June 30, 2016.

#### Changes in long-term liabilities

The following presents the change in long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
Net Pension Liability	\$ 18,027,511	\$ 4,093,091		\$ 22,120,602	
Compensated absences	1,745,717	306,202	\$ (129,244)	1,922,675	\$ 115,000
Governmental activity long-term liabilities	<u>\$ 19,773,228</u>	<u>\$ 4,399,293</u>	<u>\$ (129,244)</u>	<u>\$ 24,043,277</u>	<u>\$ 115,000</u>

Compensated absences and the net pension liability are generally liquidated by the general fund.

### 6. Pension Plans

#### Description of Systems

Substantially all of the District's employees participate in one of the following contributory defined benefit public employee retirement systems, which have been established by State statute: the Teachers' Pension and Annuity Fund (TPAF) or the Public Employees' Retirement System (PERS). These systems are sponsored and administered by the State of New Jersey. The Teachers' Pension and Annuity Fund Retirement System is considered a cost-sharing multiple-employer plan, with a special funding situation, as, under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. The Public Employees' Retirement System is considered a cost-sharing multiple-employer plan.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **6. Pension Plans (continued)**

#### **Teachers' Pension and Annuity Fund**

The Teachers' Pension and Annuity Fund was established in January 1955 under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all fulltime public school employees in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for health care coverage. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

#### **Public Employee's Retirement System**

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all fulltime employees of the State or any county, municipality, school District or public agency, provided the employee is not a member of another State- administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service.

Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **6. Pension Plans (continued)**

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issued publicly available financial reports that include the financial statements and required supplementary information for TPAF and PERS. The financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295.

#### **Funding Policy**

During the year ended June 30, 2016, the State of New Jersey contributed \$5,242,003 to the TPAF for post-retirement medical benefits and other pension 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 \$2,171,172 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. These amounts have been included in the government-wide and fund financial statements.

The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing members. Plan member and employer contributions may be amended by State of New Jersey legislation. Under the provisions of Chapter 78, P.L. 2011, employee contribution rates for TPAF and PERS increased from 5.5% to 6.5% of employees' annual compensation. An additional increase is to be phased in annually through July 2018 that will bring the total pension contribution rate to 7.5% of employees' annual compensation. Employers are required to contribute at an actuarially determined rate in both the TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the Board is a non-contributing employer of the TPAF.

The Board's actuarially determined contributions to PERS for the years ended June 30, 2016, 2015 and 2014 were \$847,193, \$793,774, and \$794,760, respectively, equal to the required contributions for each year.

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 PERS and additions to/deductions from PERS fiduciary net position have been determined on the same basis as they are reported by PERS. For the 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.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### **Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

##### Public Employee's Retirement System (PERS)

At June 30, 2016, the District reported a liability of \$22,120,602 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2014, which was rolled forward to June 30, 2015. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2015, the District's proportion was 0.0985415447 percent, which was an increase of 0.0022548044 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized full accrual pension expense of \$1,627,349 in the government-wide financial statements. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b>Deferred Outflows Of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 27,720	
Changes of assumptions	2,375,576	
Net difference between projected and actual earnings on pension plan investments		\$ 355,657
Changes in proportion and differences between district contributions and proportionate share contributions	803,605	
District contributions subsequent to the measurement date	919,759	
	<b>\$ 4,626,660</b>	<b>\$ 355,657</b>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

**6. Pension Plans (continued)**

\$919,759 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Year ended June 30:</b>	
2017	\$ 641,432
2018	641,432
2019	641,435
2020	910,016
2021	<u>516,929</u>
	<u>\$ 3,351,244</u>

*Actuarial Assumptions*

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

Inflation rate	3.04%
Salary increases	
2012-2021	2.15 - 4.40%
	based on age
Thereafter	3.15 - 5.40%
	based on age

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

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

#### *Mortality Rates*

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

#### *Long-Term Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	1.04%
US Treasuries	1.75%	1.64%
Investment Grade Credit	10.00%	1.79%
Mortgages	2.10%	1.62%
High Yield Bonds	2.00%	4.03%
Inflation-Indexed Bonds	1.50%	3.25%
Broad US Equities	27.25%	8.52%
Developed Foreign Markets	12.00%	6.88%
Emerging Market Equities	6.40%	10.00%
Private Equity	9.25%	12.41%
Hedge Funds / Absolute Return	12.00%	4.72%
Real Estate (Property)	2.00%	6.83%
Commodities	1.00%	5.32%
Global Debt ex US	3.50%	-0.40%
REIT	4.25%	5.12%
	<u>100.00%</u>	



Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

**6. Pension Plans (continued)**

*Discount rate*

The discount rate used to measure the total pension liability was 4.90% as of June 30, 2015. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015 based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2015 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90 percent) or 1-percentage-point higher (5.90 percent) than the current rate:

<b>At 1% Decrease (3.90%)</b>	<b>At Current Discount Rate (4.90%)</b>	<b>At 1% Increase (5.90%)</b>
\$ 27,493,202	\$ 22,120,602	\$ 17,616,253

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued financial report for the State of New Jersey Public Employees Retirement System.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### *Additional Information*

Collective balances of the Local Group at June 30, 2015 are as follows:

Deferred outflows of resources	\$ 3,578,755,666
Deferred inflows of resources	\$ 993,410,455
Net pension liability	\$ 22,447,996,119
District's Proportion	0.0985415447%

Collective pension expense for the Local Group for the measurement period ended June 30, 2015 is \$1,481,308,816.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2014 (the beginning of the measurement period ended June 30, 2015) is 5.72 years and 6.44 years for the measurement period ended June 30, 2014.

#### Teachers Pensions and Annuity Fund (TPAF)

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

The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2015 was \$185,984,972. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts,

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

actuarially determined. At June 30, 2015, the State's proportionate share of the TPAF net pension liability associated with the District was 0.2942601365 percent, which was a decrease of 0.0075885529 from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$11,356,057 for contributions incurred by the State.

#### *Actuarial assumptions*

The actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

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

#### *Mortality Rates*

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

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

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### *Long-Term Expected Rate of Return*

In accordance with State statute, the long-term expected rate of return on plan investments (7.90% at June 30, 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Real Rate of Return</b>
U.S. Cash	5.00%	0.53%
U.S. Government Bonds	1.75%	1.39%
U.S. Credit Bonds	13.50%	2.72%
U.S. Mortgages	2.10%	2.54%
U.S. Inflation-Indexed Bonds	1.50%	1.47%
U.S. High Yield Bonds	2.00%	4.57%
U.S. Equity Market	27.25%	5.63%
Foreign-Developed Equity	12.00%	6.22%
Emerging Markets Equity	6.40%	8.46%
Private Real Estate Property	4.25%	3.97%
Timber	1.00%	4.09%
Farmland	1.00%	4.61%
Private Equity	9.25%	9.15%
Commodities	1.00%	3.58%
Hedge Funds - MultiStrategy	4.00%	4.59%
Hedge Funds - Equity Hedge	4.00%	5.68%
Hedge Funds - Distressed	4.00%	4.30%
	100.00%	

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### *Discount Rate*

The discount rate used to measure the total pension liability was 4.13% as of June 30, 2015. This single blended discount rate was based on the long-term rate of return on pension plan investments of 7.90%, and a municipal bond rate of 3.80% as of June 30, 2015 based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

#### *Sensitivity of the State's proportionate share of the net pension liability associated with the District to changes in the discount rate*

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2015 calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (3.13 percent) or 1-percentage-point higher (5.13 percent) than the current rate:

	<b>At 1% Decrease (3.13%)</b>	<b>At Current Discount Rate (4.13%)</b>	<b>At 1% Increase (5.13%)</b>
State's proportionate share of the net pension liability associated with the District	\$ 221,036,187	\$ 185,984,972	\$ 155,786,252

#### *Pension plan fiduciary net position*

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

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### Additional Information

Collective balances of the Local Group at June 30, 2015 are as follows:

Deferred outflows of resources	\$	7,522,890,856
Deferred inflows of resources	\$	623,365,110
Net pension liability	\$	63,204,270,305
State's proportionate share associated with the District		0.2942601365%

Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2015 is \$3,854,529,453.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2014 (the beginning of the measurement period ended June 30, 2015) is 8.3 years and 8.5 years for the measurement period ended June 30, 2014.

#### Post-Retirement Benefits

##### *Plan Description*

The School District contributes to the New Jersey State Health Benefits Program (the "SHBP"), a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provide medical, prescription drug, mental health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 6. Pension Plans (continued)

#### *Funding Policy*

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

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

The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2016, 2015 and 2014 were \$2,849,185, \$2,525,520, and \$2,093,708, respectively, which equaled the required contributions for each year.

The State's contributions to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 7. Interfund Receivables and Payables

The total interfund accounts receivable and payable balances for the District amounted to the following as of June 30, 2016:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 442,701	
Special Revenue Fund		\$ 282,010
Food Service Enterprise Fund		160,691
	<u>\$ 442,701</u>	<u>\$ 442,701</u>

The interfund payable in the special revenue fund represents a cash loan from the general fund not returned at June 30, 2016. The interfund between the food service enterprise fund and the general fund represents funds not returned by the food service enterprise fund by June 30, 2016 for expenditures paid on behalf of the food service enterprise fund by the general fund. All interfunds are expected to be repaid within one year.

### 8. 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 have an effect on the District's programs and activities.

### 9. Deferred Compensation

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by Equitable, Fidelity and the Seely Agency, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or an unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

### 10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, 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



# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 10. Contingent Liabilities (continued)

grants; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies. The District is also involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a materially adverse effect on the financial position of the District.

### 11. Risk Management

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

#### Property and Liability Insurance

The District maintains commercial insurance coverage for property, liability, student accident and surety bonds and does not retain risk of loss. A complete schedule of insurance can be found in the Statistical Section of this Comprehensive Annual Financial Report. There have been no significant reductions in insurance coverage from the prior year and no settlements have exceeded insurance coverage over the past three years.

#### 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. There are sufficient funds maintained in the separate unemployment compensation trust fund account to pay current billings.

### 12. Transfers

The following presents a reconciliation of transfers made during the 2016 fiscal year:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,583,727	
Special Revenue Fund		\$1,583,727
	<u>\$1,583,727</u>	<u>\$1,583,727</u>

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **12. Transfers (continued)**

The transfer into the General Fund represents the Special Revenue Fund contribution to school-based budgets.

### **13. Commitments-General Fund**

The District has contractual commitments of \$3,628,652 at June 30, 2016 to various vendors, which are recorded in the general fund as a component of fund balance assigned to other purposes.

### **14. Deficit Fund Balance**

The District has an unassigned deficit fund balance of \$612,217 in the special revenue fund at June 30, 2016 as reported in the fund financial statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made available until the following budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides the legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The deficit amounts listed above in the special revenue fund represent a deficit that was incurred as a direct result of the State of New Jersey's deferral of the District's final two state aid payments.

### **15. Capital Reserve Account**

A capital reserve account was established by the District in June 2008 and issued for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### 15. Capital Reserve Account (continued)

N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

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

Beginning balance, July 1, 2015	\$	12,979,852
Increased By:		
Deposit approved at the June 2016		
Board meeting		1,251,453
Unspent capital outlay funds		1,630,230
Decreased By: Budget withdrawal		(4,072,036)
Ending balance, June 30, 2016	\$	<u>11,789,499</u>

Of the balance in reserve at June 30, 2016, \$8,907,816 is included to be utilized in the 2016-17 approved budget. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District's LRFP. The June 30, 2016 LRFP balance of local support costs of uncompleted projects exceeds the amount set aside in capital reserve.

### 16. Maintenance Reserve Account

A maintenance reserve account was established by the District in June 2010 to be used to accumulate funds for the required maintenance of facilities, and in accordance with N.J.S.A. 18A:7G-9, as amended by P.L. 2004, c. 73 (S1701), passed a board resolution authorizing the establishment of a maintenance reserve account in the District's General Fund. As allowed by N.J.S.A. 18A:F-41 and N.J.A.C. 6A:23A-14.3 the District can pass a board resolution to deposit funds into a maintenance reserve account between June 1 and June 30 of each budget year.

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

Beginning balance, June 30, 2015	\$	975,000
Increased by:		
Deposit approved at the June 2016		
Board meeting		800,000
Ending balance, June 30, 2016	\$	<u>1,775,000</u>

Of the balance in reserve at June 30, 2016, \$975,000 is included to be utilized in the 2016-17 approved budget.

# Neptune Township School District

## Notes to the Basic Financial Statements (continued)

Year ended June 30, 2016

### **17. Restricted Assets**

The funds set aside for capital reserve and maintenance reserve are classified as restricted assets (cash and cash equivalents) as they are restricted for future capital projects and maintenance requirements, respectively.

### **18. Rental Agreements**

Effective July 1, 2012, Brookdale Community College entered into an agreement with the District to rent building space for the period from July 1, 2012 through June 30, 2017. As part of the agreement, the College is required to pay the remaining amount to the District in the amount of \$189,425 for the year ended June 30, 2017.

Effective July 1, 2014, Brookdale Community College entered into an agreement with the District to rent the second floor of the District-owned building for the period from July 1 2014 through June 30, 2017. The College is required to pay the District an additional \$143,222 for the year ended June 30, 2017.

# Required Supplementary Information

## Part II

Neptune Township Board of Education  
 Schedule of the District's Proportionate Share of the Net Pension Liability  
 Public Employee's Retirement System

Last Ten Fiscal Years

	Year Ended June 30, 2007	Year Ended June 30, 2008	Year Ended June 30, 2009	Year Ended June 30, 2010	Year Ended June 30, 2011	Year Ended June 30, 2012	Year Ended June 30, 2013	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2016
District's proportion of the net pension liability (asset) - Local Group	N/A	N/A	N/A	N/A	N/A	N/A	N/A	0.0929061680%	0.0962867403%	0.0985415447%
District's proportionate share of the net pension liability (asset)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$ 17,756,215	\$ 18,027,511	\$ 22,120,602
District's covered-employee payroll	\$ 5,429,515	\$ 5,429,515	\$ 5,434,676	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	N/A	272.09%	268.06%	316.88%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	N/A	N/A	N/A	N/A	N/A	N/A	N/A	48.19%	50.09%	48.62%

N/A Since this information was derived from the implementation of GASB 68, this information was not available prior to June 30, 2014.

Neptune Township Board of Education  
Schedule of District Contributions  
Public Employer's Retirement System

Last Ten Fiscal Years

	Year Ended June 30, 2007	Year Ended June 30, 2008	Year Ended June 30, 2009	Year Ended June 30, 2010	Year Ended June 30, 2011	Year Ended June 30, 2012	Year Ended June 30, 2013	Year Ended June 30, 2014	Year Ended June 30, 2015	Year Ended June 30, 2016
Contractually required contribution	\$ 164,183	\$ 318,517	\$ 461,533	\$ 494,153	\$ 666,709	\$ 701,513	\$ 683,560	\$ 794,760	\$ 793,774	\$ 847,193
Contributions in relation to the contractually required contribution	(164,183)	(318,517)	(461,533)	(494,153)	(666,709)	(701,513)	(683,560)	(794,760)	(793,774)	(847,193)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,429,515	\$ 5,434,676	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,360,938	\$ 6,325,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288
Contributions as a percentage of covered-employee payroll	3.02%	5.86%	8.00%	8.24%	10.99%	11.20%	10.47%	11.82%	11.37%	12.14%

See accompanying notes to required supplementary information.

Neptune Township Board of Education  
 Schedule of the State's Proportionate Share of the Net Pension Liability Associated With the District  
 Teachers' Pension and Annuity Fund

Last Ten Fiscal Years\*

	Year Ended June 30, 2015	Year Ended June 30, 2016
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.3018486894%	0.2942601365%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 161,328,300	\$ 185,984,972
Total proportionate share of the net pension liability (asset) associated with the District	\$ 161,328,300	\$ 185,984,972
Plan fiduciary net position as a percentage of the total pension liability	33.64%	28.71%

\* The amounts presented for each fiscal year were determined as of the previous fiscal year-end.

This schedule is presented to illustrate the requirement to show information for ten years. However, until a full ten-year trend is compiled, governments should present information for those years for which information is available.

Covered payroll information is not presented since the Teachers' Pension and Annuity Fund is a special funding situation in which the District does not make a contribution to this plan.



Neptune Township Board of Education  
Notes to Required Supplementary Information  
Year ended June 30, 2016

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

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

TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

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

# Required Supplementary Information

## Part III

### Budgetary Comparison Schedules

Budgetary Comparison Schedules provide a one-year comparison of original budget, budget transfers, final budget and actual information for the General Fund and Special Revenue Fund.

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Revenues</b>					
Local sources:					
Local tax levy	\$ 36,035,649		\$ 36,035,649	\$ 36,035,649	
Interest on investments				9,064	\$ 9,064
Transportation fees from other LEAs within the State	300,000		300,000	566,422	266,422
Tuition from other LEAs within the State	4,155,000		4,155,000	5,520,923	1,365,923
Miscellaneous	620,335		620,335	581,027	(39,308)
Total - local sources	41,110,984		41,110,984	42,713,085	1,602,101
State sources:					
Equalization Aid	25,407,093		25,407,093	25,407,093	
Transportation Aid	1,363,716		1,363,716	1,363,716	
Special Education Categorical Aid	2,404,326		2,404,326	2,404,326	
Extraordinary Aid	200,000		200,000	436,199	236,199
Security Aid	1,222,886		1,222,886	1,222,886	
Adjustment Aid	2,234,768		2,234,768	2,234,768	
PARCC Readiness Aid	38,650		38,650	38,650	
Per Pupil Growth Aid	38,650		38,650	38,650	
Other State Aids				18,568	18,568
Reimbursed TPAF social security contributions				2,171,172	2,171,172
Reimbursed TPAF pension contributions				5,242,003	5,242,003
Total - state sources	32,910,089		32,910,089	40,578,031	7,667,942
Federal sources:					
Medicaid reimbursement	157,004		157,004	367,131	210,127
Total - federal sources	157,004		157,004	367,131	210,127
Total revenues	74,178,077	-	74,178,077	83,658,247	9,480,170
<b>Expenditures</b>					
Current :					
Instruction - regular programs:					
Salaries of teachers:					
Kindergarten	889,366	\$ 682	890,048	890,048	
Grades 1-5	6,338,199	(130,011)	6,208,188	6,174,969	33,219
Grades 6-8	4,084,086	(6,924)	4,077,162	4,069,056	8,106
Grades 9-12	5,326,987	(321,149)	5,005,838	5,005,838	
Total instruction - regular programs	16,638,638	(457,402)	16,181,236	16,139,911	41,325

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Instruction-home instruction:					
Salaries of teachers	\$ 185,000	\$ 790	\$ 185,790	\$ 185,790	
Purchased professional educational services	75,000	(20,790)	54,210	34,715	\$ 19,495
Regular programs - undistributed instruction:					
Other salaries for instruction	368,377	13,760	382,137	378,286	3,851
Purchased professional educational services	258,515	(58,205)	200,310	157,866	42,444
Purchased professional technical services	183,189	498,662	681,851	680,364	1,487
Other purchased services	385,000	118,082	503,082	451,567	51,515
General supplies	710,450	378,686	1,089,136	1,065,889	23,247
Textbooks	185,000	(81,659)	103,341	75,001	28,340
Other objects	76,500	6,058	82,558	72,705	9,853
Total regular programs	19,065,669	397,982	19,463,651	19,242,094	221,557
Special education:					
Auditory Impairments:					
Salaries of teachers	726,952	(21,668)	705,284	694,231	11,053
Other salaries for instruction	409,253	(31,294)	377,959	376,533	1,426
Purchased professional educational services	15,500		15,500	1,171	14,329
Other purchased services	54,650	(1,250)	53,400	34,676	18,724
General supplies	16,000	250	16,250	16,052	198
Textbooks	1,000		1,000	271	729
Total auditory impairments	1,223,355	(53,962)	1,169,393	1,122,934	46,459
Learning and/or language disabilities:					
Salaries of teachers	971,548	(90,163)	881,385	881,385	
Other salaries of instruction	248,283	5,307	253,590	253,590	
Purchased professional and educational services	6,500	(2,350)	4,150		4,150
Other purchased services	2,500		2,500	720	1,780
General supplies	5,800	750	6,550	5,991	559
Textbooks	400	(400)			
Total Learning and/or language disabilities	1,235,031	(86,856)	1,148,175	1,141,686	6,489

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Special education (continued):					
Behavioral disabilities:					
Salaries of teachers	\$ 153,248	\$ (149)	\$ 153,099	\$ 153,099	
Other salaries for instruction	45,554	(44)	45,510	45,510	
Purchased professional and educational services	1,000		1,000		\$ 1,000
General supplies	1,000		1,000	1,000	
Total behavioral disabilities	200,802	(193)	200,609	199,609	1,000
Multiple disabilities:					
Salaries of teachers	458,467	58,253	516,720	516,720	
Other salaries of instruction	201,941	39,317	241,258	241,258	
General supplies	3,600	2,000	5,600	5,600	
Total multiple disabilities	664,008	99,570	763,578	763,578	
Resource room/center:					
Salaries of teachers	2,828,316	(84,319)	2,743,997	2,743,997	
Other salaries of instruction	133,567	43,509	177,076	169,171	7,905
General supplies	12,000		12,000	11,988	12
Total resource room/center	2,973,883	(40,810)	2,933,073	2,925,156	7,917
Preschool disabilities - full time:					
Salaries of teachers	392,230	(352)	391,878	387,463	4,415
Other salaries of instruction	114,846	(10,690)	104,156	104,156	
Purchased professional - educational services	9,000	(4,000)	5,000		5,000
Other purchased services	450	(100)	350		350
General supplies	5,000	100	5,100	4,652	448
Total preschool disabilities - full time	521,526	(15,042)	506,484	496,271	10,213
Total special education	6,818,605	(97,293)	6,721,312	6,649,234	72,078
Basic skills/remedial:					
Salaries of teachers	137,504	(25,134)	112,370	112,370	
General supplies	1,500		1,500	1,500	
Total basic skills/remedial	139,004	(25,134)	113,870	113,870	
Bilingual education:					
Salaries of teachers	290,562	1,263	291,825	291,825	
General supplies	500	2,089	2,589	2,058	531
Total bilingual education	291,062	3,352	294,414	293,883	531

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
School sponsored cocurricular and extra-curricular activities:					
Salaries	\$ 225,000	\$ 4,677	\$ 229,677	\$ 228,634	\$ 1,043
Other purchased services	24,900		24,900	15,777	9,123
Other objects	2,500		2,500	2,489	11
Total school sponsored cocurricular and extra-curricular activities	252,400	4,677	257,077	246,900	10,177
School sponsored athletic activities:					
Salaries	1,000,383	103,853	1,104,236	1,052,015	52,221
Other purchased services	235,500	(15,515)	219,985	201,885	18,100
Supplies and materials	158,000	14,450	172,450	171,672	778
Total school sponsored athletic activities	1,393,883	102,788	1,496,671	1,425,572	71,099
Other supplemental/at-risk programs:					
Salaries of reading specialists	343,700	2,044	345,744	345,744	
Total other supplemental/at-risk programs	343,700	2,044	345,744	345,744	
Community service programs - operations					
Supplies and materials	7,500		7,500	1,320	6,180
Other objects	5,500		5,500		5,500
Total community service programs - operations	13,000	-	13,000	1,320	11,680
Total - instruction	28,317,323	388,416	28,705,739	28,318,617	387,122
Undistributed expenditures:					
Instruction:					
Tuition to other school districts in the state-regular	260,500	(112,262)	148,238	148,128	110
Tuition to other school districts in the state-special	386,650	(54,848)	331,802	331,801	1
Tuition to county vocational-regular	149,565	5,614	155,179	155,179	
Tuition to county vocational-special	291,500	(33,655)	257,845	257,845	
Tuition to private school - hand in state	5,695,808	505,604	6,201,412	6,201,411	1
Tuition to state facilities	238,234	(17,699)	220,535	220,535	
Total undistributed expenditures - instruction	7,022,257	292,754	7,315,011	7,314,899	112
Attendance and social work services:					
Salaries	253,514	2,797	256,311	250,942	5,369
Salaries of drop-out prevention officers/coordinators	41,200	(200)	41,000	41,000	
Other purchased services	3,750	(3,200)	550	511	39
Total attendance and social work services	298,464	(603)	297,861	292,453	5,408

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Undistributed expenditures (continued):					
Health services:					
Salaries	\$ 631,434	\$ 9,396	\$ 640,830	\$ 633,116	\$ 7,714
Purchased professional and technical services	21,000	(19,000)	2,000		2,000
Other purchased services	8,000	(824)	7,176	7,176	
Supplies and materials	36,700	(7,272)	29,428	25,562	3,866
Total health services	697,134	(17,700)	679,434	665,854	13,580
Guidance services:					
Salaries of other professional staff	1,127,619	(19,063)	1,108,556	1,106,598	1,958
Salaries secretary/clerical assistants	127,839	(15,125)	112,714	112,714	
Purchased professional educational services	10,000	18,166	28,166	28,165	1
Other purchased services	138,000	(3,276)	134,724	128,758	5,966
Supplies and materials	51,500	(1,258)	50,242	47,708	2,534
Total guidance services	1,454,958	(20,556)	1,434,402	1,423,943	10,459
Speech, OT, PT and related services:					
Salaries	489,906	(55,376)	434,530	434,530	
Purchased professional educational services	380,000	(46,863)	333,137	312,166	20,971
Supplies and materials	1,500	(291)	1,209	1,209	
Total speech, OT, PT and related services	871,406	(102,530)	768,876	747,905	20,971
Child study teams:					
Salaries of other professional staff	1,003,827	27,011	1,030,838	1,024,419	6,419
Salaries secretary/clerical assistants	98,145	(1,594)	96,551	96,551	
Miscellaneous purchased services	7,125	(2,310)	4,815	4,815	
Supplies and materials	7,500	8,700	16,200	14,770	1,430
Other objects	1,500	(775)	725	725	
Total child study teams	1,118,097	31,032	1,149,129	1,141,280	7,849
Improvement of instruction services:					
Salaries of supervisors of instruction	145,003	3,466	148,469	148,469	
Salaries of other professional staff	550,392	4,410	554,802	484,742	70,060
Salaries secretary/clerical assistants	42,716	(207)	42,509	42,509	
Purchased professional educational services	175,000	325	175,325	167,730	7,595
Other purchased services	12,000	(8,000)	4,000	499	3,501
Supplies and materials	20,000		20,000	8,147	11,853
Other objects	26,000	(4,068)	21,932	21,932	
Total improvement of instruction services	971,111	(4,074)	967,037	874,028	93,009

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Undistributed expenditures (continued):					
Educational media/library services:					
Salaries	\$ 996,763	\$ (72,245)	\$ 924,518	\$ 924,518	
Supplies and materials	73,500	(3,321)	70,179	67,558	\$ 2,621
Total educational media/library services	1,070,263	(75,566)	994,697	992,076	2,621
Support services - general administration:					
Salaries	679,557	226,167	905,724	905,724	
Professional services	222,000	14,450	236,450	233,191	3,259
Architectural/engineering services	128,000	(27,000)	101,000	101,000	
Purchased technical services	47,000	13,448	60,448	45,679	14,769
Communications/telephone	189,781	(38,238)	151,543	151,466	77
BOE other purchased services	11,000	(5,236)	5,764	5,763	1
Miscellaneous purchased services	153,600	(3,840)	149,760	138,042	11,718
General supplies	45,300	(19,900)	25,400	16,260	9,140
BOE In-house training/meeting supplies	10,500	(1,800)	8,700	4,673	4,027
Miscellaneous expenditures	8,000	(2,000)	6,000	5,099	901
Board of education membership dues and fees	48,000	(2,505)	45,495	43,727	1,768
Total support services - general administration	1,542,738	153,546	1,696,284	1,650,624	45,660
Support services - school administration:					
Salaries of principals/asst. principals	1,539,135	(17,207)	1,521,928	1,521,927	1
Salaries of other prof. staff	703,432	(11,195)	692,237	683,081	9,156
Salaries secretary/clerical assts.	673,033	(496)	672,537	663,972	8,565
Other purchased services	71,100	(5,051)	66,049	47,704	18,345
Supplies and materials	64,500	13,563	78,063	72,418	5,645
Other objects	5,500	(950)	4,550	3,130	1,420
Total support services - school administration	3,056,700	(21,336)	3,035,364	2,992,232	43,132



Neptune Township School District  
General Fund

Budgetary Comparison Schedule

(Budgetary Basis)

Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Undistributed expenditures (continued):					
Central services:					
Salaries	\$ 790,556	\$ 2,599	\$ 793,155	\$ 776,846	\$ 16,309
Purchased technical services	34,000	(2,433)	31,567	31,566	1
Miscellaneous purchased services	77,500	(50,325)	27,175	23,658	3,517
Supplies and materials	5,000	2,967	7,967	7,596	371
Total central services	907,056	(47,192)	859,864	839,666	20,198
Administrative information technology:					
Salaries	324,024	6,625	330,649	330,649	
Purchased technical services	135,000	(77,632)	57,368	19,148	38,220
Other purchased services	8,000	1,254	9,254	8,247	1,007
Supplies and materials	60,000	(24,919)	35,081	34,912	169
Total administrative information technology	527,024	(94,672)	432,352	392,956	39,396
Required maintenance for school facilities:					
Salaries	412,775	(1,157)	411,618	411,617	1
Cleaning, repair & maint. services	3,110,000	(730,597)	2,379,403	2,290,541	88,862
General supplies	255,000	(34,200)	220,800	213,206	7,594
Other objects	24,000		24,000	23,539	461
Total required maintenance for school facilities	3,801,775	(765,954)	3,035,821	2,938,903	96,918
Custodial services:					
Salaries	2,414,717	(37,224)	2,377,493	2,356,040	21,453
Cleaning, repair & maint. services	87,000	7,667	94,667	88,022	6,645
Other purchased property services	136,900	(23,867)	113,033	108,528	4,505
Insurance	329,200	(6,116)	323,084	323,084	
General supplies	216,500		216,500	183,888	32,612
Energy (electricity)	2,304,000	(594,588)	1,709,412	1,679,335	30,077
Energy (natural gas)	339,100	(24,992)	314,108	234,865	79,243
Total custodial services	5,827,417	(679,120)	5,148,297	4,973,762	174,535
Care & upkeep of grounds:					
Cleaning, repair & maint. services	738,000	327,288	1,065,288	1,064,899	389
General supplies	18,000	600	18,600	18,563	37
Total care & upkeep of grounds	756,000	327,888	1,083,888	1,083,462	426
Security:					
Salaries	412,908	(1,228)	411,680	407,525	4,155
Purchased professional & technical services	55,000	23,419	78,419	77,170	1,249
General supplies	31,000	7,065	38,065	37,845	220
Total security	498,908	29,256	528,164	522,540	5,624
Student transportation services:					
Salaries for pupil trans. - regular	122,551	(125)	122,426	121,826	600
Other purchased professional & technical services	4,200	300	4,500	4,500	
Contracted serv. (home to sch.) - vendor	1,260,000	(126,270)	1,133,730	1,095,857	37,873
Contr. serv. (other than home & sch.) - vendors	296,100	(8,819)	287,281	275,068	12,213
Contr. serv. (special education students) - vendors	1,180,000	(77,300)	1,102,700	1,066,028	36,672
Contr. serv. Aid-in-lieu-of payments - non-public	60,800	(26,000)	34,800	33,925	875
Contr. serv. Aid-in-lieu-of payments - charter school	8,100	(8,000)	100		100
General supplies	4,700	2,800	7,500	6,885	615
Total student transportation services	2,936,451	(243,414)	2,693,037	2,604,089	88,948

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Undistributed expenditures (continued):					
Personnel services - unallocated employee benefits:					
Social security contr. - other	\$ 999,200	\$ 2,074	\$ 1,001,274	\$ 986,766	\$ 14,508
Other retirement contr. - PERS	890,000	(35,000)	855,000	850,752	4,248
Workers compensation	554,000		554,000	546,362	7,638
Health benefits	9,750,000	(865,084)	8,884,916	8,501,756	383,160
Tuition reimbursement	23,000	5,657	28,657	21,157	7,500
Other employee benefits	900,000	(78,739)	821,261	694,669	126,592
Total Personnel services - unallocated employee benefits:	13,116,200	(971,092)	12,145,108	11,601,462	543,646
On-behalf payments:					
Reimbursed TPAF social security contributions				2,171,172	(2,171,172)
Reimbursed TPAF pension and medical contributions				5,242,003	(5,242,003)
Total on-behalf payments				7,413,175	(7,413,175)
Total undistributed expenditures	46,473,959	(2,209,333)	44,264,626	50,465,309	(6,200,683)
Total expenditures - current	74,791,282	(1,820,917)	72,970,365	78,783,926	(5,813,561)
Capital Outlay:					
Equipment:					
Regular programs - instruction:					
Grades 1-5	125,000	(29,527)	95,473	95,264	209
Grades 6-8	30,000	(100)	29,900	26,846	3,054
Grades 9-12	28,000	22,193	50,193	50,193	
School sponsored athletic activities		34,500	34,500	34,172	328
Undistributed expenditures:					
Instruction	5,000	20,302	25,302	18,533	6,769
Required maintenance for school facilities	15,000	20,623	35,623	35,623	
Custodial services	20,000	(20,000)			
Care and Upkeep of Grounds	60,000	(55,425)	4,575	4,575	
Total equipment	283,000	(7,434)	275,566	265,206	10,360
Facilities acquisition and construction services:					
Architectural/engineering services	370,000	437,260	807,260	805,682	1,578
Construction services	3,702,036	1,775,857	5,477,893	1,636,124	3,841,769
Total facilities acquisition and construction svcs.	4,072,036	2,213,117	6,285,153	2,441,806	3,843,347
Total capital outlay	4,355,036	2,205,683	6,560,719	2,707,012	3,853,707
Contribution to charter schools	703,795	(171,649)	532,146	532,146	
Total expenditures	79,850,113	213,117	80,063,230	82,023,084	(1,959,854)
(Deficiency) excess of revenues (under) over expenditures	(5,672,036)	(213,117)	(5,885,153)	1,635,163	7,520,316

Neptune Township School District  
General Fund

Budgetary Comparison Schedule  
(Budgetary Basis)

Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to
<b>Expenditures</b>					
Current (continued):					
Other financing sources (uses):					
Transfer in - Contribution to school based - GF	\$ 42,050,000		\$ 42,050,000	\$ 41,634,716	\$ 415,284
Transfer in - Contribution to school based - SRF	1,600,000		1,600,000	1,583,727	(16,273)
Transfer out - Contribution to school based	(42,050,000)		(42,050,000)	(41,634,716)	(415,284)
Total other financing sources (uses)	<u>1,600,000</u>	-	<u>1,600,000</u>	<u>1,583,727</u>	<u>(16,273)</u>
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(4,072,036)	\$ (213,117)	(4,285,153)	3,218,890	7,504,043
Fund balances, July 1	17,012,764		17,012,764	17,012,764	
Fund balances, June 30	<u>\$ 12,940,728</u>	<u>\$ (213,117)</u>	<u>\$ 12,727,611</u>	<u>\$ 20,231,654</u>	<u>\$ 7,504,043</u>
Recapitulation of fund balance:					
Restricted:					
Excess Surplus Prior Year - Designated for subsequent year's expenditures				\$ 1,190,168	
Capital reserve				11,789,499	
Maintenance reserve				1,775,000	
Assigned to:					
Designated for subsequent year's expenditures - SEMI				133,044	
Year end encumbrances-other purposes				3,628,652	
Unassigned fund balance				<u>1,715,291</u>	
				20,231,654	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid payments not recognized on GAAP basis				(3,230,756)	
Fund balance per Governmental Funds (GAAP)				<u>\$ 17,000,898</u>	

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Revenues</b>												
<b>Local sources:</b>												
Local tax levy	\$ 36,035,649		\$ 36,035,649				\$ 36,035,649		\$ 36,035,649	\$ 36,035,649		\$ 36,035,649
Interest on investments										9,064		9,064
Transportation fees from other LEAs within the State	300,000		300,000				300,000		300,000	566,422		566,422
Tuition from other LEAs within the State	4,155,000		4,155,000				4,155,000		4,155,000	5,520,923		5,520,923
Miscellaneous	620,335		620,335				620,335		620,335	581,027		581,027
Total - local sources	41,110,984		41,110,984				41,110,984		41,110,984	42,713,085		42,713,085
<b>State sources:</b>												
Equalization Aid	25,407,093		25,407,093				25,407,093		25,407,093	25,407,093		25,407,093
Transportation Aid	1,363,716		1,363,716				1,363,716		1,363,716	1,363,716		1,363,716
Special Education Categorical Aid	2,404,326		2,404,326				2,404,326		2,404,326	2,404,326		2,404,326
Extraordinary Aid	200,000		200,000				200,000		200,000	436,199		436,199
Security Aid	1,222,886		1,222,886				1,222,886		1,222,886	1,222,886		1,222,886
Adjustment Aid	2,234,768		2,234,768				2,234,768		2,234,768	2,234,768		2,234,768
PARCC Readiness Aid	38,650		38,650				38,650		38,650	38,650		38,650
Per Pupil Growth Aid	38,650		38,650				38,650		38,650	38,650		38,650
Other state aids										18,568		18,568
Reimbursed TPAF social security contributions										2,171,172		2,171,172
Reimbursed TPAF pension contributions										5,242,003		5,242,003
Total - state sources	32,910,089		32,910,089				32,910,089		32,910,089	40,578,031		40,578,031
<b>Federal sources:</b>												
Medicaid reimbursement	157,004		157,004				157,004		157,004	367,131		367,131
Total - federal sources	157,004		157,004				157,004		157,004	367,131		367,131
Total revenues	74,178,077		74,178,077				74,178,077		74,178,077	83,658,247		83,658,247
<b>Expenditures</b>												
<b>Current :</b>												
<b>Instruction - regular programs:</b>												
<b>Salaries of teachers:</b>												
Kindergarten	\$ 889,366	889,366		\$ 682	682		\$ 890,048	890,048		\$ 890,048	890,048	
Grades 1-5	409,200	5,928,999	6,338,199	\$ 55,605	(185,616)	(130,011)	464,805	5,743,383	6,208,188	431,586	5,743,383	6,174,969
Grades 6-8	207,000	3,877,086	4,084,086	27,197	(34,121)	(6,924)	234,197	3,842,965	4,077,162	226,091	3,842,965	4,069,056
Grades 9-12	258,800	5,068,187	5,326,987	18,509	(339,658)	(321,149)	277,309	4,728,529	5,005,838	277,309	4,728,529	5,005,838
Total instruction - regular programs	875,000	15,763,638	16,638,638	101,311	(558,713)	(457,402)	976,311	15,204,925	16,181,236	934,986	15,204,925	16,139,911

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
<b>Current (continued):</b>												
Instruction-home instruction:												
Salaries of teachers	\$ 185,000		\$ 185,000	\$ 790		\$ 790	\$ 185,790		\$ 185,790	\$ 185,790		\$ 185,790
Purchased professional educational services	75,000		75,000	(20,790)		(20,790)	54,210		54,210	34,715		34,715
Regular programs - undistributed instruction:												
Other salaries for instruction	33,200	\$ 335,177	368,377	18,275	\$ (4,515)	13,760	51,475	\$ 330,662	382,137	47,624	\$ 330,662	378,286
Purchased professional educational services	6,000	252,515	258,515	(2,000)	(56,205)	(58,205)	4,000	196,310	200,310		157,866	157,866
Purchased technical services		183,189	183,189		498,662	498,662		681,851	681,851		680,364	680,364
Other purchased services		385,000	385,000		118,082	118,082		503,082	503,082		451,567	451,567
General supplies	63,450	647,000	710,450	(52,450)	431,136	378,686	11,000	1,078,136	1,089,136	1,797	1,064,092	1,065,889
Textbooks		185,000	185,000		(81,659)	(81,659)		103,341	103,341		75,001	75,001
Other objects	2,500	74,000	76,500		6,058	6,058	2,500	80,058	82,558		72,705	72,705
Total regular programs	1,240,150	17,825,519	19,065,669	45,136	352,846	397,982	1,285,286	18,178,365	19,463,651	1,204,912	18,037,182	19,242,094
<b>Special education:</b>												
Auditory impairments:												
Salaries of teachers		726,952	726,952		(21,668)	(21,668)		705,284	705,284		694,231	694,231
Other salaries for instruction		409,253	409,253		(31,294)	(31,294)		377,959	377,959		376,533	376,533
Purchased professional educational services		15,500	15,500					15,500	15,500		1,171	1,171
Other purchased services		54,650	54,650		(1,250)	(1,250)		53,400	53,400		34,676	34,676
General supplies		16,000	16,000		250	250		16,250	16,250		16,052	16,052
Textbooks		1,000	1,000					1,000	1,000		271	271
Total auditory impairments		1,223,355	1,223,355		(53,962)	(53,962)		1,169,393	1,169,393		1,122,934	1,122,934
Learning and/or language disabilities:												
Salaries of teachers		971,548	971,548		(90,163)	(90,163)		881,385	881,385		881,385	881,385
Other salaries for instruction		248,283	248,283		5,307	5,307		253,590	253,590		253,590	253,590
Purchased professional and educational services		6,500	6,500		(2,350)	(2,350)		4,150	4,150			
Other purchased services		2,500	2,500					2,500	2,500		720	720
General supplies		5,800	5,800		750	750		6,550	6,550		5,991	5,991
Textbooks		400	400		(400)	(400)		-	-			
Total Learning and/or language disabilities		1,235,031	1,235,031		(86,856)	(86,856)		1,148,175	1,148,175		1,141,686	1,141,686
Behavioral disabilities:												
Salaries of teachers		153,248	153,248		(149)	(149)		153,099	153,099		153,099	153,099
Other salaries for instruction		45,554	45,554		(44)	(44)		45,510	45,510		45,510	45,510
Purchased professional educational services		1,000	1,000					1,000	1,000			
General supplies		1,000	1,000					1,000	1,000		1,000	1,000
Total behavioral disabilities		200,802	200,802		(193)	(193)		200,609	200,609		199,609	199,609

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Current (continued):												
Special education:												
Multiple disabilities:												
Salaries of teachers		\$ 458,467	\$ 458,467		\$ 58,253	\$ 58,253		\$ 516,720	\$ 516,720		\$ 516,720	\$ 516,720
Other salaries for instruction		201,941	201,941		39,317	39,317		241,258	241,258		241,258	241,258
General supplies		3,600	3,600		2,000	2,000		5,600	5,600		5,600	5,600
Total multiple disabilities		664,008	664,008		99,570	99,570		763,578	763,578		763,578	763,578
Resource room/center:												
Salaries of teachers		2,828,316	2,828,316		(84,319)	(84,319)		2,743,997	2,743,997		2,743,997	2,743,997
Other salaries for instruction		133,567	133,567		43,509	43,509		177,076	177,076		169,171	169,171
General supplies		12,000	12,000					12,000	12,000		11,988	11,988
Total resource room/center		2,973,883	2,973,883		(40,810)	(40,810)		2,933,073	2,933,073		2,925,156	2,925,156
Preschool disabilities - full time:												
Salaries of teachers	\$ 392,230		392,230	\$ (352)		(352)	\$ 391,878		391,878	\$ 387,463		387,463
Other salaries for instruction	114,846		114,846	(10,690)		(10,690)	104,156		104,156	104,156		104,156
Purchased professional - educational services	9,000		9,000	(4,000)		(4,000)	5,000		5,000			
Other purchased services	450		450	(100)		(100)	350		350			
General supplies	5,000		5,000	100		100	5,100		5,100	4,652		4,652
Total preschool disabilities - full time	521,526		521,526	(15,042)		(15,042)	506,484		506,484	496,271		496,271
Total special education	521,526	6,297,079	6,818,605	(15,042)	(82,251)	(97,293)	506,484	6,214,828	6,721,312	496,271	6,152,963	6,649,234
Basic skills/remedial:												
Salaries of teachers		137,504	137,504		(25,134)	(25,134)		112,370	112,370		112,370	112,370
General supplies		1,500	1,500					1,500	1,500		1,500	1,500
Total basic skills/remedial		139,004	139,004		(25,134)	(25,134)		113,870	113,870		113,870	113,870
Bilingual education:												
Salaries of teachers		290,562	290,562		1,263	1,263		291,825	291,825		291,825	291,825
General supplies		500	500		2,089	2,089		2,589	2,589		2,058	2,058
Total bilingual education		291,062	291,062		3,352	3,352		294,414	294,414		293,883	293,883
School sponsored co-curricular and extra-curricular activities:												
Salaries		225,000	225,000		4,677	4,677		229,677	229,677		228,634	228,634
Other purchased services		24,900	24,900					24,900	24,900		15,777	15,777
Other objects		2,500	2,500					2,500	2,500		2,489	2,489
Total school sponsored co-curricular and extra-curricular activities		252,400	252,400		4,677	4,677		257,077	257,077		246,900	246,900
School sponsored athletic activities:												
Salaries		1,000,383	1,000,383		103,853	103,853		1,104,236	1,104,236		1,052,015	1,052,015
Other purchased services		235,500	235,500		(15,515)	(15,515)		219,985	219,985		201,885	201,885
Supplies and materials		158,000	158,000		14,450	14,450		172,450	172,450		171,672	171,672
Total school sponsored athletic activities		1,393,883	1,393,883		102,788	102,788		1,496,671	1,496,671		1,425,572	1,425,572
Other supplemental/at-risk programs:												
Salaries of reading specialists		343,700	343,700		2,044	2,044		345,744	345,744		345,744	345,744
Total other supplemental/at-risk programs		343,700	343,700		2,044	2,044		345,744	345,744		345,744	345,744
Community service programs - operations:												
Supplies and materials		7,500	7,500					7,500	7,500		1,320	1,320
Other objects		5,500	5,500					5,500	5,500			
Total community service programs - operations		13,000	13,000					13,000	13,000		1,320	1,320
Total - instruction	1,774,676	26,542,647	28,317,323	30,094	358,322	388,416	1,804,770	26,900,969	28,705,739	1,707,503	26,616,114	28,318,617

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
Current (continued):												
Undistributed expenditures:												
Instruction:												
Tuition to other school districts in the state-regular	\$ 260,500		\$ 260,500	\$ (112,262)		\$ (112,262)	\$ 148,238		\$ 148,238	\$ 148,128		\$ 148,128
Tuition to other school districts in the state-special	386,650		386,650	(54,848)		(54,848)	331,802		331,802	331,801		331,801
Tuition to county vocational-regular	149,565		149,565	5,614		5,614	155,179		155,179	155,179		155,179
Tuition to county vocational-special	291,500		291,500	(33,655)		(33,655)	257,845		257,845	257,845		257,845
Tuition to private school - hand in state	5,695,808		5,695,808	505,604		505,604	6,201,412		6,201,412	6,201,411		6,201,411
Tuition to state facilities	238,234		238,234	(17,699)		(17,699)	220,535		220,535	220,535		220,535
Total undistributed expenditures - instruction	7,022,257		7,022,257	292,754		292,754	7,315,011		7,315,011	7,314,899		7,314,899
Attendance and social work services:												
Salaries	6,000	\$ 247,514	253,514	(4,000)	\$ 6,797	2,797	2,000	\$ 254,311	256,311	1,498	\$ 249,444	250,942
Salaries of drop-out prevention officers/coordinators		41,200	41,200		(200)	(200)		41,000	41,000		41,000	41,000
Other purchased services	3,000	750	3,750	(3,000)	(200)	(3,200)		550	550		511	511
Total attendance and social work services	9,000	289,464	298,464	(7,000)	6,397	(603)	2,000	295,861	297,861	1,498	290,955	292,453
Health services:												
Salaries	52,300	579,134	631,434	8,724	672	9,396	61,024	579,806	640,830	53,310	579,806	633,116
Purchased professional and technical services	15,000	6,000	21,000	(15,000)	(4,000)	(19,000)		2,000	2,000			
Other purchased services	8,000		8,000	(824)		(824)	7,176		7,176	7,176		7,176
Supplies and materials	10,000	26,700	36,700	(5,462)	(1,810)	(7,272)	4,538	24,890	29,428	4,538	21,024	25,562
Total health services	85,300	611,834	697,134	(12,562)	(5,138)	(17,700)	72,738	606,696	679,434	65,024	600,830	665,854
Guidance services:												
Salaries of other professional staff		1,127,619	1,127,619		(19,063)	(19,063)		1,108,556	1,108,556		1,106,598	1,106,598
Salaries secretary/clerical assistants		127,839	127,839		(15,125)	(15,125)		112,714	112,714		112,714	112,714
Purchased professional educational services		10,000	10,000		18,166	18,166		28,166	28,166		28,165	28,165
Other purchased services		138,000	138,000		(3,276)	(3,276)		134,724	134,724		128,758	128,758
Supplies and materials		51,500	51,500		(1,258)	(1,258)		50,242	50,242		47,708	47,708
Total guidance services		1,454,958	1,454,958		(20,556)	(20,556)		1,434,402	1,434,402		1,423,943	1,423,943
Speech, OT, PT and related services:												
Salaries	489,906		489,906	(55,376)		(55,376)	434,530		434,530	434,530		434,530
Purchased professional educational services	380,000		380,000	(46,863)		(46,863)	333,137		333,137	312,166		312,166
Supplies and materials	1,500		1,500	(291)		(291)	1,209		1,209	1,209		1,209
Total speech, OT, PT and related services	871,406		871,406	(102,530)		(102,530)	768,876		768,876	747,905		747,905
Child study teams:												
Salaries of other professional staff	1,003,827		1,003,827	27,011		27,011	1,030,838		1,030,838	1,024,419		1,024,419
Salaries secretary/clerical assistants	98,145		98,145	(1,594)		(1,594)	96,551		96,551	96,551		96,551
Miscellaneous purchased services	7,125		7,125	(2,310)		(2,310)	4,815		4,815	4,815		4,815
Supplies and materials	7,500		7,500	8,700		8,700	16,200		16,200	14,770		14,770
Other objects	1,500		1,500	(775)		(775)	725		725	725		725
Total child study teams	1,118,097		1,118,097	31,032		31,032	1,149,129		1,149,129	1,141,280		1,141,280

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
Current (continued):												
Improvement of instruction services:												
Salaries of supervisors of instruction	\$ 145,003		\$ 145,003	\$ 3,466		\$ 3,466	\$ 148,469		\$ 148,469	\$ 148,469		\$ 148,469
Salaries of other professional staff	171,392	\$ 379,000	550,392	(4,992)	\$ 9,402	4,410	166,400	\$ 388,402	554,802	166,400	\$ 318,342	484,742
Salaries secretary/clerical assistants	42,716		42,716	(207)		(207)	42,509		42,509	42,509		42,509
Purchased professional educational services		175,000	175,000		325	325		175,325	175,325		167,730	167,730
Other purchased services	12,000		12,000	(8,000)		(8,000)	4,000		4,000	499		499
Supplies and materials	20,000		20,000				20,000		20,000	8,147		8,147
Other objects	26,000		26,000	(4,068)		(4,068)	21,932		21,932	21,932		21,932
Total improvement of instruction services	417,111	554,000	971,111	(13,801)	9,727	(4,074)	403,310	563,727	967,037	387,956	486,072	874,028
Educational media/library services:												
Salaries		996,763	996,763		(72,245)	(72,245)		924,518	924,518		924,518	924,518
Supplies and materials		73,500	73,500		(3,321)	(3,321)		70,179	70,179		67,558	67,558
Total educational media/library services		1,070,263	1,070,263		(75,566)	(75,566)		994,697	994,697		992,076	992,076
Support services - general administration:												
Salaries	679,557		679,557	226,167		226,167	905,724		905,724	905,724		905,724
Professional services	222,000		222,000	14,450		14,450	236,450		236,450	233,191		233,191
Architectural/engineering services	128,000		128,000	(27,000)		(27,000)	101,000		101,000	101,000		101,000
Purchased technical services	47,000		47,000	13,448		13,448	60,448		60,448	45,679		45,679
Communications/telephone	189,781		189,781	(38,238)		(38,238)	151,543		151,543	151,466		151,466
BOE other purchased services	11,000		11,000	(5,236)		(5,236)	5,764		5,764	5,763		5,763
Miscellaneous purchased services	153,600		153,600	(3,840)		(3,840)	149,760		149,760	138,042		138,042
General supplies	45,300		45,300	(19,900)		(19,900)	25,400		25,400	16,260		16,260
BOE in-house training/meeting supplies	10,500		10,500	(1,800)		(1,800)	8,700		8,700	4,673		4,673
Miscellaneous expenditures	8,000		8,000	(2,000)		(2,000)	6,000		6,000	5,099		5,099
Board of education membership dues and fees	48,000		48,000	(2,505)		(2,505)	45,495		45,495	43,727		43,727
Total support services - general administration	1,542,738		1,542,738	153,546		153,546	1,696,284		1,696,284	1,650,624		1,650,624



Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
Current (continued):												
Undistributed expenditures (continued):												
Support services - school administration:												
Salaries of principals/asst. principals		\$ 1,539,135	\$ 1,539,135		\$ (17,207)	\$ (17,207)		\$ 1,521,928	\$ 1,521,928		\$ 1,521,927	\$ 1,521,927
Salaries of other prof. staff		703,432	703,432		(11,195)	(11,195)		692,237	692,237		683,081	683,081
Salaries secretary/clerical assts.	\$ 25,000	648,033	673,033	\$ 5,600	(6,096)	(496)	\$ 30,600	641,937	672,537	\$ 22,035	641,937	663,972
Other purchased services		71,100	71,100		(5,051)	(5,051)		66,049	66,049		47,704	47,704
Supplies and materials		64,500	64,500		13,563	13,563		78,063	78,063		72,418	72,418
Other objects		5,500	5,500		(950)	(950)		4,550	4,550		3,130	3,130
Total support services - school administration	25,000	3,031,700	3,056,700	5,600	(26,936)	(21,336)	30,600	3,004,764	3,035,364	22,035	2,970,197	2,992,232
Central services:												
Salaries	790,556		790,556	2,599		2,599	793,155		793,155	776,846		776,846
Purchased technical services	34,000		34,000	(2,433)		(2,433)	31,567		31,567	31,566		31,566
Miscellaneous purchased services	77,500		77,500	(50,325)		(50,325)	27,175		27,175	23,658		23,658
Supplies and materials	5,000		5,000	2,967		2,967	7,967		7,967	7,596		7,596
Total central services	907,056		907,056	(47,192)		(47,192)	859,864		859,864	839,666		839,666
Administrative information technology:												
Salaries	324,024		324,024	6,625		6,625	330,649		330,649	330,649		330,649
Purchased technical services	135,000		135,000	(77,632)		(77,632)	57,368		57,368	19,148		19,148
Other purchased services	8,000		8,000	1,254		1,254	9,254		9,254	8,247		8,247
Supplies and materials	60,000		60,000	(24,919)		(24,919)	35,081		35,081	34,912		34,912
Total administrative information technology	527,024		527,024	(94,672)		(94,672)	432,352		432,352	392,956		392,956
Required maintenance for school facilities:												
Other salaries	412,775		412,775	(1,157)		(1,157)	411,618		411,618	411,617		411,617
Cleaning, repair & maint. services	3,110,000		3,110,000	(730,597)		(730,597)	2,379,403		2,379,403	2,290,541		2,290,541
General supplies	255,000		255,000	(34,200)		(34,200)	220,800		220,800	213,206		213,206
Other objects	24,000		24,000				24,000		24,000	23,539		23,539
Total required maintenance for school facilities	3,801,775		3,801,775	(765,954)		(765,954)	3,035,821		3,035,821	2,938,903		2,938,903
Custodial services:												
Salaries	2,414,717		2,414,717	(37,224)		(37,224)	2,377,493		2,377,493	2,356,040		2,356,040
Cleaning, repair & maint. services	87,000		87,000	7,667		7,667	94,667		94,667	88,022		88,022
Other purchased property services	136,900		136,900	(23,867)		(23,867)	113,033		113,033	108,528		108,528
Insurance	329,200		329,200	(6,116)		(6,116)	323,084		323,084	323,084		323,084
General supplies	216,500		216,500				216,500		216,500	183,888		183,888
Energy (electricity)	2,304,000		2,304,000	(594,588)		(594,588)	1,709,412		1,709,412	1,679,335		1,679,335
Energy (natural gas)	339,100		339,100	(24,992)		(24,992)	314,108		314,108	234,865		234,865
Total custodial services	5,827,417		5,827,417	(679,120)		(679,120)	5,148,297		5,148,297	4,973,762		4,973,762
Care & upkeep of grounds:												
Cleaning, repair & maint. services	738,000		738,000	327,288		327,288	1,065,288		1,065,288	1,064,899		1,064,899
General supplies	18,000		18,000	600		600	18,600		18,600	18,563		18,563
Total care & upkeep of grounds	756,000		756,000	327,888		327,888	1,083,888		1,083,888	1,083,462		1,083,462
Security:												
Salaries		412,908	412,908	5,000	(6,228)	(1,228)	5,000	406,680	411,680	845	406,680	407,525
Purchased professional and technical services	35,000	20,000	55,000	23,419		23,419	58,419	20,000	78,419	57,170	20,000	77,170
General supplies	20,000	11,000	31,000	5,100	1,965	7,065	25,100	12,965	38,065	25,032	12,813	37,845
Total security	55,000	443,908	498,908	33,519	(4,263)	29,256	88,519	439,645	528,164	83,047	439,493	522,540

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
Current (continued):												
Undistributed expenditures (continued):												
Student transportation services:												
Salaries for pupil trans. - regular	\$ 122,551		\$ 122,551	\$ (125)		\$ (125)	\$ 122,426		\$ 122,426	\$ 121,826		\$ 121,826
Other purchased professional & technical services	4,200		4,200	300		300	4,500		4,500	4,500		4,500
Contracted serv. (home to sch.) - vendor	1,260,000		1,260,000	(126,270)		(126,270)	1,133,730		1,133,730	1,095,857		1,095,857
Contr. serv. (other than home & sch.) - vendors	5,000	\$ 291,100	296,100	(8,819)	\$ (8,819)	(8,819)	5,000	\$ 282,281	287,281	\$ 275,068		275,068
Contr. serv. (special education students) - vendors	1,180,000		1,180,000	(77,300)		(77,300)	1,102,700		1,102,700	1,066,028		1,066,028
Contr. serv. Aid-in-lieu-of payments - non-public	60,800		60,800	(26,000)		(26,000)	34,800		34,800	33,925		33,925
Contr. serv. Aid-in-lieu-of payments - charter school	8,100		8,100	(8,000)		(8,000)	100		100			
General supplies	4,700		4,700	2,800		2,800	7,500		7,500	6,885		6,885
<b>Total student transportation services</b>	<b>2,645,351</b>	<b>291,100</b>	<b>2,936,451</b>	<b>(234,595)</b>	<b>(8,819)</b>	<b>(243,414)</b>	<b>2,410,756</b>	<b>282,281</b>	<b>2,693,037</b>	<b>2,329,021</b>	<b>275,068</b>	<b>2,604,089</b>
Personnel services - unallocated employee benefits:												
Social security contributions	672,074	327,126	999,200	410	1,664	2,074	672,484	328,790	1,001,274	657,976	328,790	986,766
Other retirement contr. - PERS	890,000		890,000	(35,000)		(35,000)	855,000		855,000	850,752		850,752
Workers compensation	554,000		554,000				554,000		554,000	546,362		546,362
Health benefits	900,000	8,850,000	9,750,000	(637,686)	(227,398)	(865,084)	262,314	8,622,602	8,884,916	(120,846)	8,622,602	8,501,756
Tuition reimbursement	23,000		23,000	5,657		5,657	28,657		28,657	21,157		21,157
Other employee benefits	900,000		900,000	(78,739)		(78,739)	821,261		821,261	694,669		694,669
<b>Total personnel services - unallocated employee benefits</b>	<b>3,939,074</b>	<b>9,177,126</b>	<b>13,116,200</b>	<b>(745,358)</b>	<b>(225,734)</b>	<b>(971,092)</b>	<b>3,192,716</b>	<b>8,951,392</b>	<b>12,145,108</b>	<b>2,650,070</b>	<b>8,951,392</b>	<b>11,601,462</b>
On-behalf payments:												
Reimbursed TPAF social security contributions										2,171,172		2,171,172
Reimbursed TPAF pension and medical contributions										5,242,003		5,242,003
<b>Total on-behalf payments</b>										<b>7,413,175</b>		<b>7,413,175</b>
<b>Total undistributed expenditures</b>	<b>29,549,606</b>	<b>16,924,353</b>	<b>46,473,959</b>	<b>(1,858,445)</b>	<b>(350,888)</b>	<b>(2,209,333)</b>	<b>27,691,161</b>	<b>16,573,465</b>	<b>44,264,626</b>	<b>34,035,283</b>	<b>16,430,026</b>	<b>50,465,309</b>
<b>Total expenditures - current</b>	<b>31,324,282</b>	<b>43,467,000</b>	<b>74,791,282</b>	<b>(1,828,351)</b>	<b>7,434</b>	<b>(1,820,917)</b>	<b>29,495,931</b>	<b>43,474,434</b>	<b>72,970,365</b>	<b>35,737,786</b>	<b>43,046,140</b>	<b>78,783,926</b>
<b>Capital Outlay:</b>												
Equipment:												
Regular programs - instruction:												
Grades 1-5		125,000	125,000		(29,527)	(29,527)		95,473	95,473	95,264		95,264
Grades 6-8		30,000	30,000		(100)	(100)		29,900	29,900	26,846		26,846
Grades 9-12		28,000	28,000		22,193	22,193		50,193	50,193	50,193		50,193
School sponsored other instructional program				34,500		34,500	34,500		34,500	34,172		34,172
Undistributed expenditures:												
Instruction	5,000		5,000	20,302		20,302	25,302		25,302	18,533		18,533
Support services - students regular												
Support services - students special												
Required maintenance for school facilities	15,000		15,000	20,623		20,623	35,623		35,623	35,623		35,623
Custodial services	20,000		20,000	(20,000)		(20,000)						
Care and Upkeep of Grounds	60,000		60,000	(55,425)		(55,425)	4,575		4,575	4,575		4,575
<b>Total equipment</b>	<b>100,000</b>	<b>183,000</b>	<b>283,000</b>	<b>-</b>	<b>(7,434)</b>	<b>(7,434)</b>	<b>100,000</b>	<b>175,566</b>	<b>275,566</b>	<b>92,903</b>	<b>172,303</b>	<b>265,206</b>

Neptune Township School District  
General Fund

Combining Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Expenditures</b>												
Capital Outlay (continued):												
Facilities acquisition and construction services:												
Architectural/engineering services	\$ 370,000		\$ 370,000	\$ 437,260		\$ 437,260	\$ 807,260		\$ 807,260	\$ 805,682		\$ 805,682
Construction services	3,702,036		3,702,036	1,775,857		1,775,857	5,477,893		5,477,893	1,636,124		1,636,124
Total facilities acquisition and construction svcs.	4,072,036		4,072,036	2,213,117		2,213,117	6,285,153		6,285,153	2,441,806		2,441,806
Total capital outlay	4,172,036	\$ 183,000	4,355,036	2,213,117	\$ (7,434)	2,205,683	6,385,153	\$ 175,566	6,560,719	2,534,709	\$ 172,303	2,707,012
Contribution to charter schools	703,795		703,795	(171,649)		(171,649)	532,146		532,146	532,146		532,146
Total expenditures	36,209,113	43,650,000	79,859,113	213,117	-	213,117	36,413,230	43,650,000	80,063,230	38,804,641	43,218,443	82,023,084
Excess (deficiency) of revenues over (under) expenditures	37,977,964	(43,650,000)	(5,672,036)	(213,117)	-	(213,117)	37,764,847	(43,650,000)	(5,885,153)	44,853,606	(43,218,443)	1,635,163
Other financing sources (uses):												
Transfer in - Contribution to school based budgets - GF		42,050,000	42,050,000					42,050,000	42,050,000		41,634,716	41,634,716
Transfer in - Contribution to school based budgets - SRF		1,600,000	1,600,000					1,600,000	1,600,000		1,583,727	1,583,727
Transfer out - Contribution to school based budgets	(42,050,000)		(42,050,000)				(42,050,000)		(42,050,000)	(41,634,716)		(41,634,716)
Total other financing sources (uses)	(42,050,000)	43,650,000	1,600,000	-	-	-	(42,050,000)	43,650,000	1,600,000	(41,634,716)	43,218,443	1,583,727
(Deficiency) excess of revenues (under) over expenditures and other financing sources (uses)	(4,072,036)		(4,072,036)	(213,117)		(213,117)	(4,285,153)		(4,285,153)	3,218,890		3,218,890
Fund balances, July 1	17,012,764		17,012,764				17,012,764		17,012,764	17,012,764		17,012,764
Fund balances, June 30	\$ 12,940,728	\$ -	\$ 12,940,728	\$ (213,117)	\$ -	\$ (213,117)	\$ 12,727,611	\$ -	\$ 12,727,611	\$ 20,231,654	\$ -	\$ 20,231,654
<b>Recapitulation of (deficiency) excess of revenues (under) over expenditures and other financing sources (uses)</b>												
Adjustment for prior year encumbrances												
Budget withdrawal from capital reserve for local share	\$ (4,072,036)		\$ (4,072,036)				\$ (4,072,036)		\$ (4,072,036)	\$ (4,072,036)		\$ (4,072,036)
Budgeted fund balance				\$ (213,117)		\$ (213,117)			\$ (213,117)	7,290,926		7,290,926
Total	\$ (4,072,036)	\$ -	\$ (4,072,036)	\$ (213,117)	\$ -	\$ (213,117)	\$ (4,285,153)	\$ -	\$ (4,285,153)	\$ 3,218,890	\$ -	\$ 3,218,890

Neptune Township School District  
Special Revenue Fund

Budgetary Comparison Schedule  
(Budgetary Basis)  
Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
<b>Revenues:</b>					
State Sources	\$ 6,262,168	\$ 8,877	\$ 6,271,045	\$ 6,158,606	\$ (112,439)
Federal Sources	2,087,719	440,364	2,528,083	2,447,957	(80,126)
Total revenues	<u>8,349,887</u>	<u>449,241</u>	<u>8,799,128</u>	<u>8,606,563</u>	<u>(192,565)</u>
<b>Expenditures:</b>					
<b>Instruction:</b>					
Salaries of teachers	2,127,900	(169,983)	1,957,917	1,954,168	3,749
Other salaries for instruction	804,110	(43,126)	760,984	760,984	
General supplies	17,500	67,092	84,592	67,995	16,597
Textbooks	10,000	(864)	9,136	8,456	680
Other purchased services	40,491	15,109	55,600	55,600	
Other objects	2,000	5,325	7,325	7,325	
Total instruction	<u>3,002,001</u>	<u>(126,447)</u>	<u>2,875,554</u>	<u>2,854,528</u>	<u>21,026</u>
<b>Support services:</b>					
Salaries of program directors	126,235	(3,346)	122,889	122,889	
Salaries of supervisors of instruction	104,368	(709)	103,659	103,659	
Salaries of other professional staff	120,550	20,150	140,700	140,700	
Salaries of secretarial and clerical assistants	100,664	(424)	100,240	100,240	
Salaries of facilitators, math coaches, literary	149,282	(73)	149,209	149,209	
Other salaries	192,658	17,259	209,917	196,802	13,115
Personal services-employee benefits	2,176,866	96,296	2,273,162	2,178,067	95,095
Other purchased professional services	326,241	227,297	553,538	553,436	102
Contr Serv - Trans (bet home & school)	342,022	(1,918)	340,104	340,104	
Contr Serv - Trans (other than bet home & school)	8,000	(180)	7,820	7,820	
Travel	6,000	(1,858)	4,142	4,142	
Other purchased services	20,000	7,560	27,560	26,424	1,136
Supplies and materials	75,000	215,634	290,634	244,816	45,818
Total support services	<u>3,747,886</u>	<u>575,688</u>	<u>4,323,574</u>	<u>4,168,308</u>	<u>155,266</u>
<b>Other financing uses:</b>					
Contribution to school based budgets	1,600,000		1,600,000	1,583,727	16,273
Total other financing uses	<u>1,600,000</u>	<u>-</u>	<u>1,600,000</u>	<u>1,583,727</u>	<u>16,273</u>
Total expenditures and other financing uses	<u>8,349,887</u>	<u>449,241</u>	<u>8,799,128</u>	<u>8,606,563</u>	<u>192,565</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District  
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2016

		General Fund		Special Revenue Fund
<b>Sources/inflows of resources</b>				
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1],[C-2]	\$ 83,658,247	\$	8,606,563
Difference - budget to GAAP:				
State aid payments are recognized for budgetary purposes, not recognized for GAAP statements.		(3,230,756)		(612,217)
The prior year's last State aid payments are recognized for GAAP statements, not recognized for budgetary purposes.		3,223,175		595,111
Total revenues as reported on the statement of revenues expenditures, and changes in fund balance.	[B-2]	\$ 83,650,666	\$	8,589,457
<b>Uses/outflows of resources</b>				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1],[C-2]	\$ 82,023,084	\$	8,606,563
Differences - budget to GAAP				
Transfers to other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.				(1,583,727)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	\$ 82,023,084	\$	7,022,836

## Other Supplementary Information

# School Based Schedules

Neptune Township School District  
General Fund

Combining Balance Sheet

June 30, 2016

	Operating Fund Fund 11-13	Blended Resource Fund 15	Total General Fund
<b>Assets</b>			
Cash and cash equivalents	\$ 2,603,594		\$ 2,603,594
Interfund receivable	442,701		442,701
Intergovernmental accounts receivable--state	3,790,676		3,790,676
Intergovernmental accounts receivable--federal	194,740		194,740
Other accounts receivable	1,264,441		1,264,441
Internal balance	(860,606)	\$ 860,606	-
Restricted assets:			
Cash and cash equivalents	13,564,499		13,564,499
Total assets	<u>\$ 21,000,045</u>	<u>\$ 860,606</u>	<u>\$ 21,860,651</u>
<b>Liabilities and fund balances</b>			
Liabilities:			
Accounts payable	\$ 595,471	\$ 5,926	\$ 601,397
Accrued salaries and wages	172,920	854,680	1,027,600
Total liabilities	<u>768,391</u>	<u>860,606</u>	<u>1,628,997</u>
Fund balances:			
Restricted for:			
Excess Surplus Prior Year - Designated for subsequent year's expenditures	1,190,168		1,190,168
Maintenance reserve	1,775,000		1,775,000
Capital reserve	11,789,499		11,789,499
Assigned to:			
Designated for subsequent year's expenditures - SEMI	133,044		133,044
Other purposes	3,628,652		3,628,652
Unassigned	1,715,291		1,715,291
Total fund balances	<u>20,231,654</u>	-	<u>20,231,654</u>
Total liabilities and fund balances	<u>\$ 21,000,045</u>	<u>\$ 860,606</u>	<u>\$ 21,860,651</u>



Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**District-wide**

<b>Resources</b>	<b>Resource Amount</b>	<b>Blended % of Total Resources</b>	<b>Total Expenditures Allocated as a % of Total Resources</b>	<b>Total Surplus/ Carryover</b>
General Fund Contribution	\$ 42,050,000	96.36%	\$ 41,634,716	\$ 415,284
Restricted Federal Resources:				
Title I, Part A: NCLB	635,000	1.27	628,266	6,734
Title II, Part A: NCLB	115,000	0.35	113,827	1,173
IDEIA, Part B	850,000	2.02	841,634	8,366
Restricted Federal Resources Total	<u>1,600,000</u>	<u>3.64</u>	<u>1,583,727</u>	<u>16,273</u>
Total	<u>\$ 43,650,000</u>	<u>100.00%</u>	<u>\$ 43,218,443</u>	<u>\$ 431,557</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Midtown Community**

<b>Resources</b>	<b>Resource Amount</b>	<b>Blended % of Total Resources</b>	<b>Total Expenditures Allocated as a % of Total Resources</b>	<b>Total Surplus/ Carryover</b>
General Fund Contribution	\$ 4,454,900	93.79%	\$ 4,412,992	\$ 41,908
Restricted Federal Resources:				
Title I, Part A: NCLB	155,000	3.27	153,542	1,458
Title II, Part A: NCLB	19,100	0.40	18,920	180
IDEIA, Part B	121,000	2.54	119,862	1,138
Restricted Federal Resources Total	<u>295,100</u>	<u>6.21</u>	<u>292,324</u>	<u>2,776</u>
Total	<u>\$ 4,750,000</u>	<u>100.00%</u>	<u>\$ 4,705,316</u>	<u>\$ 44,684</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Gables**

<b>Resources</b>	<b>Resource Amount</b>	<b>Blended % of Total Resources</b>	<b>Total Expenditures Allocated as a % of Total Resources</b>	<b>Total Surplus/ Carryover</b>
General Fund Contribution	\$ 2,871,900	92.94%	\$ 2,848,960	\$ 22,940
Restricted Federal Resources:				
Title I, Part A: NCLB	78,000	2.52	77,378	622
Title II, Part A: NCLB	19,100	0.62	18,947	153
IDEIA, Part B	121,000	3.92	120,033	967
Restricted Federal Resources Total	<u>218,100</u>	<u>7.06</u>	<u>216,358</u>	<u>1,742</u>
Total	<u>\$ 3,090,000</u>	<u>100.00%</u>	<u>\$ 3,065,318</u>	<u>\$ 24,682</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Green Grove**

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,272,900	93.51%	\$ 3,248,368	\$ 24,532
Restricted Federal Resources:				
Title I, Part A: NCLB	87,000	2.48	86,348	652
Title II, Part A: NCLB	19,100	0.55	18,957	143
IDEIA, Part B	121,000	3.46	120,093	907
Restricted Federal Resources Total	<u>227,100</u>	<u>6.49</u>	<u>225,398</u>	<u>1,702</u>
Total	<u>\$ 3,500,000</u>	<u>100.00%</u>	<u>\$ 3,473,766</u>	<u>\$ 26,234</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Shark River Hills**

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,359,900	96.00%	\$ 3,322,407	\$ 37,493
Restricted Federal Resources:				
Title II, Part A: NCLB	19,100	0.55	18,887	213
IDEIA, Part B	121,000	3.45	119,650	1,350
Restricted Federal Resources Total	140,100	4.00	138,537	1,563
Total	\$ 3,500,000	100.00%	\$ 3,460,944	\$ 39,056

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Summerfield**

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 4,169,900	94.75%	\$ 4,119,522	\$ 50,378
Restricted Federal Resources:				
Title I, Part A: NCLB	90,000	1.85	88,913	1,087
Title II, Part A: NCLB	19,100	0.58	18,869	231
IDEIA, Part B	121,000	2.82	119,538	1,462
Restricted Federal Resources Total	<u>230,100</u>	<u>5.25</u>	<u>227,320</u>	<u>2,780</u>
Total	<u>\$ 4,400,000</u>	<u>100.00%</u>	<u>\$ 4,346,842</u>	<u>\$ 53,158</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Neptune Middle School**

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 9,824,500	96.41%	\$ 9,697,270	\$ 127,230
Restricted Federal Resources:				
Title I, Part A: NCLB	225,000	2.21	222,086	2,914
Title II, Part A: NCLB	19,500	0.19	19,247	253
IDEIA, Part B	121,000	1.19	119,433	1,567
Restricted Federal Resources Total	<u>365,500</u>	<u>3.59</u>	<u>360,767</u>	<u>4,733</u>
Total	<u>\$ 10,190,000</u>	<u>100.00%</u>	<u>\$ 10,058,037</u>	<u>\$ 131,963</u>

Neptune Township School District  
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2016

**Neptune High School**

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 14,096,000	99.13%	\$ 13,985,195	\$ 110,805
Restricted Federal Resources:				
IDEIA, Part B	124,000	0.87	123,025	975
Restricted Federal Resources Total	124,000	0.87	123,025	975
Total	\$ 14,220,000	100.00%	\$ 14,108,220	\$ 111,780



Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

Summary	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 889,366	\$ 682	\$ 890,048	\$ 890,048	
Grades 1- 5	5,928,999	(185,616)	5,743,383	5,743,383	
Grades 6-8	3,877,086	(34,121)	3,842,965	3,842,965	
Grades 9-12	5,068,187	(339,658)	4,728,529	4,728,529	
Undistributed Instruction:					
Other Salaries of Instruction	335,177	(4,515)	330,662	330,662	
Purchased Professional & Educational Services	252,515	(56,205)	196,310	157,866	\$ 38,444
Purchased Technical Services	183,189	498,662	681,851	680,364	1,487
Other Purchased Services	385,000	118,082	503,082	451,567	51,515
General Supplies	647,000	431,136	1,078,136	1,064,092	14,044
Textbooks	185,000	(81,659)	103,341	75,001	28,340
Other Objects	74,000	6,058	80,058	72,705	7,353
Total Regular Programs	17,825,519	352,846	18,178,365	18,037,182	141,183
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	971,548	(90,163)	881,385	881,385	
Other Salaries of Instruction	248,283	5,307	253,590	253,590	
Purchased Professional & Educational Services	6,500	(2,350)	4,150		4,150
Other Purchased Services	2,500		2,500	720	1,780
General Supplies	5,800	750	6,550	5,991	559
Textbooks	400	(400)			
Total Learning and/or Language Disabilities	1,235,031	(86,856)	1,148,175	1,141,686	6,489
Auditory Impairments:					
Salaries of Teachers	726,952	(21,668)	705,284	694,231	11,053
Other Salaries of Instruction	409,253	(31,294)	377,959	376,533	1,426
Purchased Professional & Educational Services	15,500		15,500	1,171	14,329
Other Purchased Services	54,650	(1,250)	53,400	34,676	18,724
General Supplies	16,000	250	16,250	16,052	198
Textbooks	1,000		1,000	271	729
Total Auditory Impairments	1,223,355	(53,962)	1,169,393	1,122,934	46,459
Behavioral Disabilities:					
Salaries of Teachers	153,248	(149)	153,099	153,099	
Other Salaries of Instruction	45,554	(44)	45,510	45,510	
Purchased Professional & Educational Services	1,000		1,000		1,000
General Supplies	1,000		1,000	1,000	
Total Behavioral Disabilities	200,802	(193)	200,609	199,609	1,000

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

Summary	Original Budget	Transfers	Final Budget	Expenditures	Variance
Multiple Disabilities:					
Salaries of Teachers	\$ 458,467	\$ 58,253	\$ 516,720	\$ 516,720	
Other Salaries of Instruction	201,941	39,317	241,258	241,258	
General Supplies	3,600	2,000	5,600	5,600	
Total Multiple Disabilities	664,008	99,570	763,578	763,578	
Resource Room/Resource Center:					
Salaries of Teachers	2,828,316	(84,319)	2,743,997	2,743,997	
Other Salaries of Instruction	133,567	43,509	177,076	169,171	\$ 7,905
General Supplies	12,000		12,000	11,988	12
Total Resource Room/Resource Center	2,973,883	(40,810)	2,933,073	2,925,156	7,917
Total Special Education	6,297,079	(82,251)	6,214,828	6,152,963	61,865
Basic Skills/Remedial:					
Salaries of Teachers	137,504	(25,134)	112,370	112,370	
General Supplies	1,500		1,500	1,500	
Total Basic Skills/Remedial	139,004	(25,134)	113,870	113,870	
Bilingual Education:					
Salaries of Teachers	290,562	1,263	291,825	291,825	
General Supplies	500	2,089	2,589	2,058	531
Total Bilingual Education	291,062	3,352	294,414	293,883	531
School Sponsored Co-curricular Activities:					
Salaries	225,000	4,677	229,677	228,634	1,043
Purchased Services	24,900		24,900	15,777	9,123
Other Objects	2,500		2,500	2,489	11
Total School Sponsored Co-curricular Activities	252,400	4,677	257,077	246,900	10,177
School Sponsored Athletics:					
Salaries	1,000,383	103,853	1,104,236	1,052,015	52,221
Purchased Services (300-500 series)	235,500	(15,515)	219,985	201,885	18,100
Supplies and Materials	158,000	14,450	172,450	171,672	778
Total School Sponsored Athletics	1,393,883	102,788	1,496,671	1,425,572	71,099
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	343,700	2,044	345,744	345,744	
Total Other Supp/At-Risk Programs - Instruction	343,700	2,044	345,744	345,744	-
Total Instruction	26,542,647	358,322	26,900,969	26,616,114	284,855
Attendance and Social Work Services:					
Salaries	247,514	6,797	254,311	249,444	4,867
Salaries of Drop-Out Prevention Officer/Coordinator	41,200	(200)	41,000	41,000	
Other Purchased Services	750	(200)	550	511	39
Total Attendance and Social Work Services	289,464	6,397	295,861	290,955	4,906

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

Summary	Original Budget	Transfers	Final Budget	Expenditures	Variance
Health Services:					
Salaries	\$ 579,134	\$ 672	\$ 579,806	\$ 579,806	
Purchased Professional and Technical Services	6,000	(4,000)	2,000		\$ 2,000
Supplies and Materials	26,700	(1,810)	24,890	21,024	3,866
Total Health Services	611,834	(5,138)	606,696	600,830	5,866
Guidance:					
Salaries of Other Professional Staff	1,127,619	(19,063)	1,108,556	1,106,598	1,958
Salaries of Secretarial and Clerical Assistants	127,839	(15,125)	112,714	112,714	
Purchased Professional - Educational Services	10,000	18,166	28,166	28,165	1
Other Purchased Services	138,000	(3,276)	134,724	128,758	5,966
Supplies and Materials	51,500	(1,258)	50,242	47,708	2,534
Total Guidance	1,454,958	(20,556)	1,434,402	1,423,943	10,459
Improvement of Instruction Services:					
Salaries of Other Professional Staff	379,000	9,402	388,402	318,342	70,060
Purchased Professional - Education Services	175,000	325	175,325	167,730	7,595
Total Improvement of Instruction Services	554,000	9,727	563,727	486,072	77,655
Educational Media/Library Services:					
Salaries	996,763	(72,245)	924,518	924,518	
Supplies and Materials	73,500	(3,321)	70,179	67,558	2,621
Total Educational Media/Library Services	1,070,263	(75,566)	994,697	992,076	2,621
Support Services - School Administration:					
Salaries of Principals/Asst Principals/Prog Dir	1,539,135	(17,207)	1,521,928	1,521,927	1
Salaries of Other Professional Staff	703,432	(11,195)	692,237	683,081	9,156
Salaries of Secretarial and Clerical Assistants	648,033	(6,096)	641,937	641,937	
Other Purchased Services (400-500 series)	71,100	(5,051)	66,049	47,704	18,345
Supplies and Materials	64,500	13,563	78,063	72,418	5,645
Other Objects	5,500	(950)	4,550	3,130	1,420
Total Support Services - School Administration	3,031,700	(26,936)	3,004,764	2,970,197	34,567
Security:					
Salaries	412,908	(6,228)	406,680	406,680	
Purchased Professional and Technical Services	20,000		20,000	20,000	
General Supplies	11,000	1,965	12,965	12,813	152
Total Security	443,908	(4,263)	439,645	439,493	152
Student Transportation Services:					
Contracted Services -Transportation (Other than Between Home and School) - Vendors	291,100	(8,819)	282,281	275,068	7,213
Total Student Transportation Services	291,100	(8,819)	282,281	275,068	7,213

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

Summary	Original Budget	Transfers	Final Budget	Expenditures	Variance
Unallocated Benefits:					
Social Security Contributions	\$ 327,126	\$ 1,664	\$ 328,790	\$ 328,790	
Health Benefits	8,850,000	(227,398)	8,622,602	8,622,602	
Total Unallocated Benefits	9,177,126	(225,734)	8,951,392	8,951,392	
Total Undistributed Expenditures	16,924,353	(350,888)	16,573,465	16,430,026	\$ 143,439
Total Expenditures - Current	43,467,000	7,434	43,474,434	43,046,140	428,294
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	125,000	(29,527)	95,473	95,264	209
Grades 6-8	30,000	(100)	29,900	26,846	3,054
Grades 9-12	28,000	22,193	50,193	50,193	
Total Equipment	183,000	(7,434)	175,566	172,303	3,263
Total Expenditures - School Based	43,650,000	-	43,650,000	43,218,443	431,557
Other Financing Sources:					
Transfers In	43,650,000		43,650,000	43,218,443	431,557
Total Other Financing Sources	43,650,000	-	43,650,000	43,218,443	431,557
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Midtown Community Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 167,314	\$ 1,381	\$ 168,695	\$ 168,695	
Grades 1- 5	1,436,172	(27,054)	1,409,118	1,409,118	
Undistributed Instruction:					
Other Salaries of Instruction	88,383	(1,958)	86,425	86,425	
Purchased Professional & Educational Services	23,875	(455)	23,420	15,518	\$ 7,902
Purchased Technical Services	24,410	54,500	78,910	78,776	134
Other Purchased Services	43,800	20,000	63,800	50,428	13,372
General Supplies	73,400	25,965	99,365	96,531	2,834
Textbooks	9,000	(8,000)	1,000		1,000
Other Objects	3,600	(2,204)	1,396	1,396	
<b>Total Regular Programs</b>	<b>1,869,954</b>	<b>62,175</b>	<b>1,932,129</b>	<b>1,906,887</b>	<b>25,242</b>
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	248,080	(89,157)	158,923	158,923	
Other Salaries of Instruction	71,130	(69)	71,061	71,061	
Purchased Professional & Educational Services	1,500	(900)	600		600
Other Purchased Services	500		500	110	390
General Supplies	1,300		1,300	1,300	
Textbooks	100	(100)			
<b>Total Learning and/or Language Disabilities</b>	<b>322,610</b>	<b>(90,226)</b>	<b>232,384</b>	<b>231,394</b>	<b>990</b>
Multiple Disabilities:					
Salaries of Teachers	181,914	58,421	240,335	240,335	
Other Salaries of Instruction	111,559	(931)	110,628	110,628	
General Supplies	1,100	1,000	2,100	2,100	
<b>Total Multiple Disabilities</b>	<b>294,573</b>	<b>58,490</b>	<b>353,063</b>	<b>353,063</b>	
Resource Room/Resource Center:					
Salaries of Teachers	112,192	86,257	198,449	198,449	
General Supplies	900		900	900	
<b>Total Resource Room/Resource Center</b>	<b>113,092</b>	<b>86,257</b>	<b>199,349</b>	<b>199,349</b>	<b>-</b>
<b>Total Special Education</b>	<b>730,275</b>	<b>54,521</b>	<b>784,796</b>	<b>783,806</b>	<b>990</b>
Bilingual Education:					
Salaries of Teachers	233,684	1,317	235,001	235,001	
General Supplies	500	2,089	2,589	2,058	531
<b>Total Bilingual Education</b>	<b>234,184</b>	<b>3,406</b>	<b>237,590</b>	<b>237,059</b>	<b>531</b>

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Midtown Community</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	\$ 62,863	\$ (61)	\$ 62,802	\$ 62,802	
Total Other Supplemental/At-Risk Programs - Instruction	62,863	(61)	62,802	62,802	-
Total Instruction	2,897,276	120,041	3,017,317	2,990,554	\$ 26,763
Attendance and Social Work Services:					
Salaries	12,232	(164)	12,068	12,068	
Total Attendance and Social Work Services	12,232	(164)	12,068	12,068	
Health Services:					
Salaries	62,856	12,081	74,937	74,937	
Supplies and Materials	5,500		5,500	3,077	2,423
Total Health Services	68,356	12,081	80,437	78,014	2,423
Guidance:					
Salaries of Other Professional Staff	81,517	(78)	81,439	81,439	
Other Purchased Services	13,000		13,000	12,149	851
Supplies and Materials	4,300	(1,347)	2,953	2,903	50
Total Guidance	98,817	(1,425)	97,392	96,491	901
Improvement of Instruction Services:					
Salaries of Other Professional Staff	32,000	(1,486)	30,514	26,640	3,874
Purchased Professional -Education Services	25,000	2,820	27,820	23,425	4,395
Total Improvement of Instruction Services	57,000	1,334	58,334	50,065	8,269
Educational Media/Library Services:					
Salaries	206,959	(78,119)	128,840	128,840	
Supplies and Materials	8,000	(743)	7,257	6,284	973
Total Educational Media/Library Services	214,959	(78,862)	136,097	135,124	973
Support Services - School Administration:					
Salaries of Principals/Asst Principals/Prog Dir.	171,332	(1,164)	170,168	170,168	
Salaries of Other Professional Staff	64,277	456	64,733	61,215	3,518
Salaries of Secretarial and Clerical Assistants	49,726	(48)	49,678	49,678	
Other Purchased Services (400-500 series)	3,500	(1,110)	2,390	2,390	
Supplies and Materials	5,000	5,979	10,979	10,952	27
Other Objects	500	(100)	400	400	
Total Support Services - School Administration	294,335	4,013	298,348	294,803	3,545
Security					
Salaries	33,872	(33)	33,839	33,839	
General Supplies	1,000		1,000	1,000	
Total Security	34,872	(33)	34,839	34,839	

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Midtown Community</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	\$ 9,100	\$ 18	\$ 9,118	\$ 7,308	\$ 1,810
Total Student Transportation Services	9,100	18	9,118	7,308	1,810
Unallocated Benefits:					
Social Security Contributions	36,053		36,053	36,053	
Health Benefits	1,000,000	(63,376)	936,624	936,624	
Total Unallocated Benefits	1,036,053	(63,376)	972,677	972,677	-
Total Undistributed Expenditures	1,825,724	(126,414)	1,699,310	1,681,389	17,921
Total Expenditures - Current	4,723,000	(6,373)	4,716,627	4,671,943	44,684
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	27,000	6,373	33,373	33,373	
Total Equipment	27,000	6,373	33,373	33,373	-
Total Expenditures - School Based	4,750,000	-	4,750,000	4,705,316	44,684
Other Financing Sources:					
Transfers In	4,750,000		4,750,000	4,705,316	44,684
Total Other Financing Sources	4,750,000	-	4,750,000	4,705,316	44,684
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Cables	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Expenditures</b>					
<b>Current:</b>					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 139,785	\$ (135)	\$ 139,650	\$ 139,650	
Grades 1- 5	826,568	(802)	825,766	825,766	
Undistributed Instruction:					
Other Salaries of Instruction	44,864	(44)	44,820	44,820	
Purchased Professional & Educational Services	23,400	(9,600)	13,800	12,450	\$ 1,350
Purchased Technical Services	24,329	51,000	75,329	75,117	212
Other Purchased Services	43,800	9,500	53,300	49,943	3,357
General Supplies	68,000	29,047	97,047	92,479	4,568
Textbooks	9,000	(3,086)	5,914	982	4,932
Other Objects	3,600		3,600	3,224	376
<b>Total Regular Programs</b>	<b>1,183,346</b>	<b>75,880</b>	<b>1,259,226</b>	<b>1,244,431</b>	<b>14,795</b>
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	138,853	(135)	138,718	138,718	
Other Salaries of Instruction	45,384	5,504	50,888	50,888	
Purchased Professional & Educational Services	1,000	(450)	550		550
Other Purchased Services	500		500		500
General Supplies	1,000	550	1,550	1,446	104
Textbooks	100	(100)			
<b>Total Learning and/or Language Disabilities</b>	<b>186,837</b>	<b>5,369</b>	<b>192,206</b>	<b>191,052</b>	<b>1,154</b>
Resource Room/Resource Center:					
Salaries of Teachers	241,227	(18,137)	223,090	223,090	
Other Salaries of Instruction	21,971	251	22,222	22,222	
General Supplies	900		900	900	
<b>Total Resource Room/Resource Center</b>	<b>264,098</b>	<b>(17,886)</b>	<b>246,212</b>	<b>246,212</b>	<b>-</b>
<b>Total Special Education</b>	<b>450,935</b>	<b>(12,517)</b>	<b>438,418</b>	<b>437,264</b>	<b>1,154</b>
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	99,788	(96)	99,692	99,692	
<b>Total Other Supplemental/At-Risk Programs - Instruct</b>	<b>99,788</b>	<b>(96)</b>	<b>99,692</b>	<b>99,692</b>	<b>-</b>
<b>Total Instruction</b>	<b>1,734,069</b>	<b>63,267</b>	<b>1,797,336</b>	<b>1,781,387</b>	<b>15,949</b>
Attendance and Social Work Services:					
Salaries	12,232	(164)	12,068	12,068	
<b>Total Attendance and Social Work Services</b>	<b>12,232</b>	<b>(164)</b>	<b>12,068</b>	<b>12,068</b>	



Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Gables	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Health Services:</b>					
Salaries	\$ 70,921	\$ (69)	\$ 70,852	\$ 70,852	
Supplies and Materials	3,000	(1,000)	2,000	1,950	\$ 50
Total Health Services	73,921	(1,069)	72,852	72,802	50
<b>Guidance:</b>					
Salaries of Other Professional Staff	70,054	(68)	69,986	69,986	
Other Purchased Services	14,000	(1,500)	12,500	12,406	94
Supplies and Materials	4,300	(21)	4,279	4,243	36
Total Guidance	88,354	(1,589)	86,765	86,635	130
<b>Improvement of Instruction Services:</b>					
Salaries of Other Professional Staff	32,000	(5,670)	26,330	20,719	5,611
Purchased Professional –Education Services	25,000	4,205	29,205	29,205	
Total Improvement of Instruction Services	57,000	(1,465)	55,535	49,924	5,611
<b>Educational Media/Library Services:</b>					
Salaries	127,519	(124)	127,395	127,395	
Supplies and Materials	8,000	(644)	7,356	7,270	86
Total Educational Media/Library Services	135,519	(768)	134,751	134,665	86
<b>Support Services – School Administration:</b>					
Salaries of Principals/Asst Principals/Prog. Dir.	146,962	1,502	148,464	148,464	
Salaries of Other Professional Staff	64,276	2,117	66,393	66,392	1
Salaries of Secretarial and Clerical Assistants	55,562	(54)	55,508	55,508	
Other Purchased Services (400-500 series)	3,500		3,500	1,600	1,900
Supplies and Materials	5,000	5,976	10,976	10,976	
Other Objects	500	(500)			
Total Support Services – School Administration	275,800	9,041	284,841	282,940	1,901
<b>Security</b>					
General Supplies	1,000	1,365	2,365	2,365	
Total Security	1,000	1,365	2,365	2,365	
<b>Student Transportation Services:</b>					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	8,000	(978)	7,022	6,276	746
Total Student Transportation Services	8,000	(978)	7,022	6,276	746
<b>Unallocated Benefits:</b>					
Social Security Contributions	17,105	856	17,961	17,961	
Health Benefits	650,000	(50,596)	599,404	599,404	
Total Unallocated Benefits	667,105	(49,740)	617,365	617,365	-
Total Undistributed Expenditures	1,318,931	(45,367)	1,273,564	1,265,040	8,524
Total Expenditures - Current	3,053,000	17,900	3,070,900	3,046,427	24,473

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Gables</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	\$ 37,000	\$ (17,900)	\$ 19,100	\$ 18,891	\$ 209
Total Equipment	37,000	(17,900)	19,100	18,891	209
Total Expenditures - School Based	3,090,000	-	3,090,000	3,065,318	24,682
Other Financing Sources:					
Transfers In	3,090,000		3,090,000	3,065,318	24,682
Total Other Financing Sources	3,090,000	-	3,090,000	3,065,318	24,682
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Green Grove Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 230,067	\$ (223)	\$ 229,844	\$ 229,844	
Grades 1- 5	1,202,199	(58,783)	1,143,416	1,143,416	
Undistributed Instruction:					
Other Salaries of Instruction	65,279	(2,381)	62,898	62,898	
Purchased Professional & Educational Services	21,450	(1,950)	19,500	12,453	\$ 7,047
Purchased Technical Services	24,410	51,257	75,667	75,667	
Other Purchased Services	43,800	22,300	66,100	56,500	9,600
General Supplies	73,400	31,873	105,273	105,247	26
Textbooks	9,000	(3,091)	5,909	5,909	
Other Objects	3,600	(2,512)	1,088	1,088	
Total Regular Programs	1,673,205	36,490	1,709,695	1,693,022	16,673
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	107,644	(408)	107,236	107,236	
Other Salaries of Instruction	43,520	(43)	43,477	43,477	
Purchased Professional & Educational Services	1,500		1,500		1,500
Other Purchased Services	500		500	110	390
General Supplies	1,000	100	1,100	787	313
Textbooks	100	(100)			
Total Learning and/or Language Disabilities	154,264	(451)	153,813	151,610	2,203
Resource Room/Resource Center:					
Salaries of Teachers	171,593	862	172,455	172,455	
Other Salaries of Instruction	21,142	19,729	40,871	40,871	
General Supplies	900		900	900	
Total Resource Room/Resource Center	193,635	20,591	214,226	214,226	-
Total Special Education	347,899	20,140	368,039	365,836	2,203
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	54,499	(53)	54,446	54,446	
Total Other Supplemental/At-Risk Programs - Instruct.	54,499	(53)	54,446	54,446	-
Total Instruction	2,075,603	56,577	2,132,180	2,113,304	18,876
Attendance and Social Work Services:					
Salaries	20,635	(172)	20,463	20,463	
Total Attendance and Social Work Services	20,635	(172)	20,463	20,463	

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Green Grove	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Health Services:</b>					
Salaries	\$ 74,433	\$ (72)	\$ 74,361	\$ 74,361	
Supplies and Materials	3,000	(1,093)	1,907	1,906	\$ 1
<b>Total Health Services</b>	<b>77,433</b>	<b>(1,165)</b>	<b>76,268</b>	<b>76,267</b>	<b>1</b>
<b>Guidance:</b>					
Salaries of Other Professional Staff	66,438	(64)	66,374	66,374	
Other Purchased Services	13,000		13,000	12,455	545
Supplies and Materials	4,300	(1,504)	2,796	2,796	
<b>Total Guidance</b>	<b>83,738</b>	<b>(1,568)</b>	<b>82,170</b>	<b>81,625</b>	<b>545</b>
<b>Improvement of Instruction Services:</b>					
Salaries of Other Professional Staff	32,000	3,664	35,664	30,173	5,491
Purchased Professional –Education Services	25,000		25,000	24,825	175
<b>Total Improvement of Instruction Services</b>	<b>57,000</b>	<b>3,664</b>	<b>60,664</b>	<b>54,998</b>	<b>5,666</b>
<b>Educational Media/Library Services:</b>					
Salaries	127,509	(124)	127,385	127,385	
Supplies and Materials	8,000	(715)	7,285	6,891	394
<b>Total Educational Media/Library Services</b>	<b>135,509</b>	<b>(839)</b>	<b>134,670</b>	<b>134,276</b>	<b>394</b>
<b>Support Services – School Administration:</b>					
Salaries of Principals/Asst Principals/Prog. Dir.	138,809	(943)	137,866	137,866	
Salaries of Other Professional Staff	64,276	2,117	66,393	66,392	1
Salaries of Secretarial and Clerical Assistants	42,390	(42)	42,348	42,348	
Other Purchased Services (400-500 series)	3,500	(1,166)	2,334	1,584	750
Supplies and Materials	5,000	(902)	4,098	4,097	1
Other Objects	500	(350)	150	150	
<b>Total Support Services – School Administration</b>	<b>254,475</b>	<b>(1,286)</b>	<b>253,189</b>	<b>252,437</b>	<b>752</b>
<b>Security</b>					
General Supplies	1,000		1,000	1,000	
<b>Total Security</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>	<b>1,000</b>	
<b>Student Transportation Services:</b>					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	8,000	1,787	9,787	9,787	
<b>Total Student Transportation Services</b>	<b>8,000</b>	<b>1,787</b>	<b>9,787</b>	<b>9,787</b>	
<b>Unallocated Benefits:</b>					
Social Security Contributions	16,607		16,607	16,607	
Health Benefits	750,000	(59,998)	690,002	690,002	
<b>Total Unallocated Benefits</b>	<b>766,607</b>	<b>(59,998)</b>	<b>706,609</b>	<b>706,609</b>	<b>-</b>
<b>Total Undistributed Expenditures</b>	<b>1,404,397</b>	<b>(59,577)</b>	<b>1,344,820</b>	<b>1,337,462</b>	<b>7,358</b>
<b>Total Expenditures - Current</b>	<b>3,480,000</b>	<b>(3,000)</b>	<b>3,477,000</b>	<b>3,450,766</b>	<b>26,234</b>

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Green Grove</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	\$ 20,000	\$ 3,000	\$ 23,000	\$ 23,000	
Total Equipment	20,000	3,000	23,000	23,000	-
Total Expenditures - School Based	3,500,000	-	3,500,000	3,473,766	\$ 26,234
Other Financing Sources:					
Transfers In	3,500,000		3,500,000	3,473,766	26,234
Total Other Financing Sources	3,500,000	-	3,500,000	3,473,766	26,234
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Shark River Hills Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 190,355	\$ (184)	\$ 190,171	\$ 190,171	
Grades 1- 5	1,221,774	(157,320)	1,064,454	1,064,454	
Undistributed Instruction:					
Other Salaries of Instruction	65,691	(63)	65,628	65,628	
Purchased Professional & Educational Services	21,450	(950)	20,500	12,612	\$ 7,888
Purchased Technical Services	24,410	51,637	76,047	75,826	221
Other Purchased Services	43,800	34,200	78,000	61,769	16,231
General Supplies	73,400	123,555	196,955	196,953	2
Textbooks	9,000	4,093	13,093	8,092	5,001
Other Objects	3,600	(3,000)	600	485	115
Total Regular Programs	1,653,480	51,968	1,705,448	1,675,990	29,458
Instruction - Special Education:					
Resource Room/Resource Center:					
Salaries of Teachers	147,347	26,817	174,164	174,164	
Other Salaries of Instruction	44,246	2,151	46,397	46,397	
General Supplies	900		900	900	
Total Resource Room/Resource Center	192,493	28,968	221,461	221,461	
Total Special Education	192,493	28,968	221,461	221,461	
Basic Skills/Remedial:					
Salaries of Teachers	137,504	(25,134)	112,370	112,370	
General Supplies	1,500		1,500	1,500	
Total Basic Skills/Remedial	139,004	(25,134)	113,870	113,870	
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	69,991	(68)	69,923	69,923	
Total Other Supplemental/At-Risk Programs - Instruction	69,991	(68)	69,923	69,923	-
Total Instruction	2,054,968	55,734	2,110,702	2,081,244	29,458
Attendance and Social Work Services:					
Salaries	64,553	(215)	64,338	64,338	
Total Attendance and Social Work Services	64,553	(215)	64,338	64,338	
Health Services:					
Salaries	67,511	(65)	67,446	67,446	
Supplies and Materials	3,000		3,000	2,985	15
Total Health Services	70,511	(65)	70,446	70,431	15

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Shark River Hills	Original Budget	Transfers	Final Budget	Expenditures	Variance
Guidance:					
Salaries of Other Professional Staff	\$ 54,346	\$ (52)	\$ 54,294	\$ 54,294	
Other Purchased Services	15,000	(1,576)	13,424	13,163	\$ 261
Supplies and Materials	4,300	(50)	4,250	4,231	19
Total Guidance	73,646	(1,678)	71,968	71,688	280
Improvement of Instruction Services:					
Salaries of Other Professional Staff	32,000	(4,526)	27,474	19,277	8,197
Purchased Professional –Education Services	25,000	3,375	28,375	28,375	
Total Improvement of Instruction Services	57,000	(1,151)	55,849	47,652	8,197
Educational Media/Library Services:					
Salaries	138,627	6,107	144,734	144,734	
Supplies and Materials	8,000	(1,819)	6,181	5,593	588
Total Educational Media/Library Services	146,627	4,288	150,915	150,327	588
Support Services – School Administration:					
Salaries of Principals/Asst Principals/Program Dir.	126,266	(858)	125,408	125,408	
Salaries of Other Professional Staff	64,276	2,117	66,393	66,392	1
Salaries of Secretarial and Clerical Assistants	40,232	(39)	40,193	40,193	
Other Purchased Services (400-500 series)	3,500	125	3,625	3,575	50
Supplies and Materials	5,000	(825)	4,175	4,169	6
Other Objects	500		500	464	36
Total Support Services – School Administration	239,774	520	240,294	240,201	93
Security					
General Supplies	1,000		1,000	1,000	
Total Security	1,000	-	1,000	1,000	
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	8,000	(80)	7,920	7,495	425
Total Student Transportation Services	8,000	(80)	7,920	7,495	425
Unallocated Benefits:					
Social Security Contributions	12,921		12,921	12,921	
Health Benefits	750,000	(46,353)	703,647	703,647	
Total Unallocated Benefits	762,921	(46,353)	716,568	716,568	-
Total Undistributed Expenditures	1,424,032	(44,734)	1,379,298	1,369,700	9,598
Total Expenditures - Current	3,479,000	11,000	3,490,000	3,450,944	39,056

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Shark River Hills</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	\$ 21,000	\$ (11,000)	\$ 10,000	\$ 10,000	
Total Equipment	21,000	(11,000)	10,000	10,000	-
Total Expenditures - School Based	3,500,000	-	3,500,000	3,460,944	\$ 39,056
Other Financing Sources:					
Transfers In	3,500,000		3,500,000	3,460,944	39,056
Total Other Financing Sources	3,500,000	-	3,500,000	3,460,944	39,056
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -



Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Expenditures</b>					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 161,845	\$ (157)	\$ 161,688	\$ 161,688	
Grades 1- 5	1,242,286	58,343	1,300,629	1,300,629	
Undistributed Instruction:					
Other Salaries of Instruction	70,960	(69)	70,891	70,891	
Purchased Professional & Educational Services	21,500	(5,000)	16,500	13,890	\$ 2,610
Purchased Technical Services	24,410	51,468	75,878	75,877	1
Other Purchased Services	43,800	14,622	58,422	58,421	1
General Supplies	73,400	21,800	95,200	95,142	58
Textbooks	9,000		9,000	3,544	5,456
Other Objects	3,600	824	4,424	4,424	
<b>Total Regular Programs</b>	<b>1,650,801</b>	<b>141,831</b>	<b>1,792,632</b>	<b>1,784,506</b>	<b>8,126</b>
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	124,387	(121)	124,266	124,266	
Other Salaries of Instruction	88,249	(85)	88,164	88,164	
Purchased Professional & Educational Services	1,500	(1,000)	500		500
Other Purchased Services	500		500		500
General Supplies	1,000	100	1,100	1,034	66
Textbooks	100	(100)			
<b>Total Learning and/or Language Disabilities</b>	<b>215,736</b>	<b>(1,206)</b>	<b>214,530</b>	<b>213,464</b>	<b>1,066</b>
Auditory Impairments:					
Salaries of Teachers	432,009	(21,382)	410,627	399,574	11,053
Other Salaries of Instruction	171,777	1,797	173,574	172,281	1,293
Purchased Professional & Educational Services	7,500		7,500	771	6,729
Other Purchased Services	31,950		31,950	21,234	10,716
General Supplies	11,000		11,000	11,000	
Textbooks	1,000		1,000	271	729
<b>Total Auditory Impairments</b>	<b>655,236</b>	<b>(19,585)</b>	<b>635,651</b>	<b>605,131</b>	<b>30,520</b>
Resource Room/Resource Center:					
Salaries of Teachers	113,021	(1,689)	111,332	111,332	
Other Salaries of Instruction	23,104	9,401	32,505	32,505	
General Supplies	900		900	888	12
<b>Total Resource Room/Resource Center</b>	<b>137,025</b>	<b>7,712</b>	<b>144,737</b>	<b>144,725</b>	<b>12</b>
<b>Total Special Education</b>	<b>1,007,997</b>	<b>(13,079)</b>	<b>994,918</b>	<b>963,320</b>	<b>31,598</b>

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	\$ 56,559	\$ 2,322	\$ 58,881	\$ 58,881	
Total Other Supplemental/At-Risk Programs - Instr.	56,559	2,322	58,881	58,881	
Total Instruction	2,715,357	131,074	2,846,431	2,806,707	\$ 39,724
Attendance and Social Work Services:					
Salaries	55,876	(207)	55,669	55,669	
Total Attendance and Social Work Services	55,876	(207)	55,669	55,669	
Health Services:					
Salaries	74,433	(72)	74,361	74,361	
Supplies and Materials	3,000	883	3,883	3,882	1
Total Health Services	77,433	811	78,244	78,243	1
Guidance:					
Salaries of Other Professional Staff	56,205	(54)	56,151	56,149	2
Other Purchased Services	28,000	(5,000)	23,000	21,104	1,896
Supplies and Materials	4,300	(50)	4,250	4,208	42
Total Guidance	88,505	(5,104)	83,401	81,461	1,940
Improvement of Instruction Services:					
Salaries of Other Professional Staff	32,000	(4,026)	27,974	18,266	9,708
Purchased Professional -Education Services	25,000	35	25,035	25,035	
Total Improvement of Instruction Services	57,000	(3,991)	53,009	43,301	9,708
Educational Media/Library Services:					
Salaries	176,324	(172)	176,152	176,152	
Supplies and Materials	8,000		8,000	7,853	147
Total Educational Media/Library Services	184,324	(172)	184,152	184,005	147
Support Services - School Administration:					
Salaries of Principals/Asst Principals/Program Dir.	138,809	1,557	140,366	140,366	
Salaries of Other Professional Staff	64,274	2,119	66,393	66,392	1
Salaries of Secretarial and Clerical Assistants	44,259	(43)	44,216	44,216	
Other Purchased Services (400-500 series)	3,500		3,500	2,764	736
Supplies and Materials	5,000	(665)	4,335	4,204	131
Other Objects	500		500	461	39
Total Support Services - School Administration	256,342	2,968	259,310	258,403	907
Security					
General Supplies	1,000		1,000	1,000	
Total Security	1,000		1,000	1,000	

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Summerfield	Original Budget	Transfers	Final Budget	Expenditures	Variance
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	\$ 8,000	\$ (500)	\$ 7,500	\$ 6,769	\$ 731
Total Student Transportation Services	8,000	(500)	7,500	6,769	731
Unallocated Benefits:					
Social Security Contributions	36,163	808	36,971	36,971	
Health Benefits	900,000	(115,687)	784,313	784,313	
Total Unallocated Benefits	936,163	(114,879)	821,284	821,284	-
Total Undistributed Expenditures	1,664,643	(121,074)	1,543,569	1,530,135	13,434
Total Expenditures - Current	4,380,000	10,000	4,390,000	4,336,842	53,158
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5	20,000	(10,000)	10,000	10,000	
Total Equipment	20,000	(10,000)	10,000	10,000	-
Total Expenditures - School Based	4,400,000	-	4,400,000	4,346,842	53,158
Other Financing Sources:					
Transfers In	4,400,000		4,400,000	4,346,842	53,158
Total Other Financing Sources	4,400,000	-	4,400,000	4,346,842	53,158
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Expenditures</b>					
<b>Current:</b>					
Instruction - regular programs:					
Salaries of Teachers:					
Grades 6-8	\$ 3,877,086	\$ (34,121)	\$ 3,842,965	\$ 3,842,965	
Undistributed Instruction:					
Purchased Professional & Educational Services	34,300	6,200	40,500	29,544	\$ 10,956
Purchased Technical Services	29,810	106,800	136,610	136,295	315
Other Purchased Services	72,000	5,853	77,853	68,913	8,940
General Supplies	111,400	70,481	181,881	176,122	5,759
Textbooks	90,000	(64,720)	25,280	19,598	5,682
Other Objects	7,000		7,000	180	6,820
<b>Total Regular Programs</b>	<b>4,221,596</b>	<b>90,493</b>	<b>4,312,089</b>	<b>4,273,617</b>	<b>38,472</b>
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	352,584	(342)	352,242	352,242	
Purchased Professional & Educational Services	1,000		1,000		1,000
Other Purchased Services	500		500	500	
General Supplies	1,500		1,500	1,424	76
<b>Total Learning and/or Language Disabilities</b>	<b>355,584</b>	<b>(342)</b>	<b>355,242</b>	<b>354,166</b>	<b>1,076</b>
Auditory Impairments:					
Salaries of Teachers	145,725	(141)	145,584	145,584	
Other Salaries of Instruction	98,079	(1,295)	96,784	96,784	
Purchased Professional & Educational Services	2,000		2,000		2,000
Other Purchased Services	10,850		10,850	6,331	4,519
General Supplies	2,000		2,000	2,000	
<b>Total Auditory Impairments</b>	<b>258,654</b>	<b>(1,436)</b>	<b>257,218</b>	<b>250,699</b>	<b>6,519</b>
Multiple Disabilities:					
Salaries of Teachers	138,220	(34)	138,186	138,186	
Other Salaries of Instruction	21,966	40,315	62,281	62,281	
General Supplies	1,500		1,500	1,500	
<b>Total Multiple Disabilities</b>	<b>161,686</b>	<b>40,281</b>	<b>201,967</b>	<b>201,967</b>	

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Resource Room/Resource Center:					
Salaries of Teachers	\$ 1,047,900	\$ (169,097)	\$ 878,803	\$ 878,803	
General Supplies	4,000		4,000	4,000	
Total Resource Room/Resource Center	1,051,900	(169,097)	882,803	882,803	-
Total Special Education	1,827,824	(130,594)	1,697,230	1,689,635	\$ 7,595
Bilingual Education:					
Salaries of Teachers	28,439	(27)	28,412	28,412	
Total Bilingual Education	28,439	(27)	28,412	28,412	-
School Sponsored Co-curricular Activities:					
Salaries	45,000		45,000	43,958	1,042
Other Objects	2,500		2,500	2,489	11
Total School Sponsored Co-curricular Activities	47,500	-	47,500	46,447	1,053
School Sponsored Athletics:					
Salaries	128,000	19,000	147,000	137,753	9,247
Purchased Services (300-500 series)	26,400	(7,857)	18,543	17,483	1,060
Supplies and Materials	13,000		13,000	12,392	608
Total School Sponsored Athletics	167,400	11,143	178,543	167,628	10,915
Total Instruction	6,292,759	(28,985)	6,263,774	6,205,739	58,035
Attendance and Social Work Services:					
Salaries	75,988	7,631	83,619	78,752	4,867
Total Attendance and Social Work Services	75,988	7,631	83,619	78,752	4,867
Health Services:					
Salaries	101,477	(5,553)	95,924	95,924	
Purchased Professional and Technical Services	3,000	(1,000)	2,000		2,000
Supplies and Materials	4,500		4,500	3,125	1,375
Total Health Services	108,977	(6,553)	102,424	99,049	3,375
Guidance:					
Salaries of Other Professional Staff	270,013	(4,000)	266,013	264,217	1,796
Salaries of Secretarial and Clerical Assistants	42,493	(42)	42,451	42,451	
Other Purchased Services	25,000	7,500	32,500	30,934	1,566
Supplies and Materials	10,800	(120)	10,680	8,749	1,931
Total Guidance	348,306	3,338	351,644	346,351	5,293
Improvement of Instruction Services:					
Salaries of Other Professional Staff	104,000	6,481	110,481	80,122	30,359
Purchased Professional -Education Services	25,000		25,000	24,279	721
Total Improvement of Instruction Services	129,000	6,481	135,481	104,401	31,080

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Educational Media/Library Services:					
Salaries	\$ 125,772	\$ (122)	\$ 125,650	\$ 125,650	
Supplies and Materials	15,500		15,500	15,393	\$ 107
Total Educational Media/Library Services	141,272	(122)	141,150	141,043	107
Support Services – School Administration:					
Salaries of Principals/Asst Principals/Program Dir.	386,869	(16,462)	370,407	370,407	
Salaries of Other Professional Staff	146,340	(11,007)	135,333	132,499	2,834
Salaries of Secretarial and Clerical Assistants	170,147	(522)	169,625	169,625	
Other Purchased Services (400-500 series)	22,600		22,600	7,755	14,845
Supplies and Materials	14,500		14,500	10,387	4,113
Other Objects	1,000		1,000	263	737
Total Support Services – School Administration	741,456	(27,991)	713,465	690,936	22,529
Security					
Salaries	211,841	(1,032)	210,809	210,809	
Purchased Professional and Technical Services	10,000		10,000	10,000	
General Supplies	3,000	600	3,600	3,448	152
Total Security	224,841	(432)	224,409	224,257	152
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	30,500	3,121	33,621	30,150	3,471
Total Student Transportation Services	30,500	3,121	33,621	30,150	3,471
Unallocated Benefits:					
Social Security Contributions	66,901		66,901	66,901	
Health Benefits	2,000,000	43,612	2,043,612	2,043,612	
Total Unallocated Benefits	2,066,901	43,612	2,110,513	2,110,513	-
Total Undistributed Expenditures	3,867,241	29,085	3,896,326	3,825,452	70,874
Total Expenditures - Current	10,160,000	100	10,160,100	10,031,191	128,909
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8	30,000	(100)	29,900	26,846	3,054
Total Equipment	30,000	(100)	29,900	26,846	3,054
Total Expenditures - School Based	10,190,000	-	10,190,000	10,058,037	131,963
Other Financing Sources:					
Transfers In	10,190,000		10,190,000	10,058,037	131,963
Total Other Financing Sources	10,190,000	-	10,190,000	10,058,037	131,963

Neptune Township School District  
 Blended Resource Fund 15  
 Schedule of Blended Expenditures  
 Budget and Actual

Year ended June 30, 2016

<b>School: Middle School</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Neptune High School Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Grades 9-12	\$ 5,068,187	\$ (339,658)	\$ 4,728,529	\$ 4,728,529	
Undistributed Instruction:					
Purchased Professional & Educational Services	106,540	(44,450)	62,090	61,399	\$ 691
Purchased Technical Services	31,410	132,000	163,410	162,806	604
Other Purchased Services	94,000	11,607	105,607	105,593	14
General Supplies	174,000	128,415	302,415	301,618	797
Textbooks	50,000	(6,855)	43,145	36,876	6,269
Other Objects	49,000	12,950	61,950	61,908	42
Total Regular Programs	5,573,137	(105,991)	5,467,146	5,458,729	8,417
Instruction - Special Education:					
Auditory Impairments:					
Salaries of Teachers	149,218	(145)	149,073	149,073	
Other Salaries of Instruction	139,397	(31,796)	107,601	107,468	133
Purchased Professional & Educational Services	6,000		6,000	400	5,600
Other Purchased Services	11,850	(1,250)	10,600	7,111	3,489
General Supplies	3,000	250	3,250	3,052	198
Total Auditory Impairments	309,465	(32,941)	276,524	267,104	9,420
Behavioral Disabilities:					
Salaries of Teachers	153,248	(149)	153,099	153,099	
Other Salaries of Instruction	45,554	(44)	45,510	45,510	
Purchased Professional & Educational Services	1,000		1,000		1,000
General Supplies	1,000		1,000	1,000	
Total Behavioral Disabilities	200,802	(193)	200,609	199,609	1,000
Multiple Disabilities:					
Salaries of Teachers	138,333	(134)	138,199	138,199	
Other Salaries of Instruction	68,416	(67)	68,349	68,349	
General Supplies	1,000	1,000	2,000	2,000	
Total Multiple Disabilities	207,749	799	208,548	208,548	



Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	\$ 995,036	\$ (9,332)	\$ 985,704	\$ 985,704	
Other Salaries of Instruction	23,104	11,977	35,081	27,176	\$ 7,905
General Supplies	3,500		3,500	3,500	
Total Resource Room/Resource Center	1,021,640	2,645	1,024,285	1,016,380	7,905
Total Special Education	1,739,656	(29,690)	1,709,966	1,691,641	18,325
<b>Bilingual Education:</b>					
Salaries of Teachers	28,439	(27)	28,412	28,412	
Total Bilingual Education	28,439	(27)	28,412	28,412	-
<b>School Sponsored Co-curricular Activities:</b>					
Salaries	180,000	4,677	184,677	184,676	1
Purchased Services	24,900		24,900	15,777	9,123
Total School Sponsored Co-curricular Activities	204,900	4,677	209,577	200,453	9,124
<b>School Sponsored Athletics:</b>					
Salaries	872,383	84,853	957,236	914,262	42,974
Purchased Services (300-500 series)	209,100	(7,658)	201,442	184,402	17,040
Supplies and Materials	145,000	14,450	159,450	159,280	170
Total School Sponsored Athletics	1,226,483	91,645	1,318,128	1,257,944	60,184
Total Instruction	8,772,615	(39,386)	8,733,229	8,637,179	96,050
<b>Attendance and Social Work Services:</b>					
Salaries	5,998	88	6,086	6,086	
Salaries of Dr. Out Prevention Officer/Coordinator	41,200	(200)	41,000	41,000	
Other Purchased Services	750	(200)	550	511	39
Total Attendance and Social Work Services	47,948	(312)	47,636	47,597	39
<b>Health Services:</b>					
Salaries	127,503	(5,578)	121,925	121,925	
Purchased Professional and Technical Services	3,000	(3,000)			
Supplies and Materials	4,700	(600)	4,100	4,099	1
Total Health Services	135,203	(9,178)	126,025	126,024	1
<b>Guidance:</b>					
Salaries of Other Professional Staff	529,046	(14,747)	514,299	514,139	160
Salaries of Secretarial and Clerical Assistants	85,346	(15,083)	70,263	70,263	
Purchased Professional - Educational Services	10,000	18,166	28,166	28,165	1
Other Purchased Services	30,000	(2,700)	27,300	26,547	753
Supplies and Materials	19,200	1,834	21,034	20,578	456
Total Guidance	673,592	(12,530)	661,062	659,692	1,370

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
<b>Improvement of Instruction Services:</b>					
Salaries of Other Professional Staff	\$ 115,000	\$ 14,965	\$ 129,965	\$ 123,145	\$ 6,820
Purchased Professional --Education Services	25,000	(10,110)	14,890	12,586	2,304
<b>Total Improvement of Instruction Services</b>	<b>140,000</b>	<b>4,855</b>	<b>144,855</b>	<b>135,731</b>	<b>9,124</b>
<b>Educational Media/Library Services:</b>					
Salaries	94,053	309	94,362	94,362	
Supplies and Materials	18,000	600	18,600	18,274	326
<b>Total Educational Media/Library Services</b>	<b>112,053</b>	<b>909</b>	<b>112,962</b>	<b>112,636</b>	<b>326</b>
<b>Support Services -- School Administration:</b>					
Salaries of Principals/Asst Principals/Program Dir.	430,088	(839)	429,249	429,248	1
Salaries of Other Professional Staff	235,713	(9,114)	226,599	223,799	2,800
Salaries of Secretarial and Clerical Assistants	245,717	(5,348)	240,369	240,369	
Other Purchased Services (400-500 series)	31,000	(2,900)	28,100	28,036	64
Supplies and Materials	25,000	4,000	29,000	27,633	1,367
Other Objects	2,000		2,000	1,392	608
<b>Total Support Services -- School Administration</b>	<b>969,518</b>	<b>(14,201)</b>	<b>955,317</b>	<b>950,477</b>	<b>4,840</b>
<b>Security</b>					
Salaries	167,195	(5,163)	162,032	162,032	
Purchased Professional and Technical Services	10,000		10,000	10,000	
General Supplies	3,000		3,000	3,000	
<b>Total Security</b>	<b>180,195</b>	<b>(5,163)</b>	<b>175,032</b>	<b>175,032</b>	
<b>Student Transportation Services:</b>					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	219,500	(12,187)	207,313	207,283	30
<b>Total Student Transportation Services</b>	<b>219,500</b>	<b>(12,187)</b>	<b>207,313</b>	<b>207,283</b>	<b>30</b>
<b>Unallocated Benefits:</b>					
Social Security Contributions	141,376		141,376	141,376	
Health Benefits	2,800,000	65,000	2,865,000	2,865,000	
<b>Total Unallocated Benefits</b>	<b>2,941,376</b>	<b>65,000</b>	<b>3,006,376</b>	<b>3,006,376</b>	<b>-</b>
<b>Total Undistributed Expenditures</b>	<b>5,419,385</b>	<b>17,193</b>	<b>5,436,578</b>	<b>5,420,848</b>	<b>15,730</b>
<b>Total Expenditures - Current</b>	<b>14,192,000</b>	<b>(22,193)</b>	<b>14,169,807</b>	<b>14,058,027</b>	<b>111,780</b>
<b>Capital Outlay</b>					
<b>Equipment:</b>					
Regular Programs - Instruction:					
Grades 9-12	28,000	22,193	50,193	50,193	
<b>Total Equipment</b>	<b>28,000</b>	<b>22,193</b>	<b>50,193</b>	<b>50,193</b>	<b>-</b>
<b>Total Expenditures - School Based</b>	<b>14,220,000</b>	<b>-</b>	<b>14,220,000</b>	<b>14,108,220</b>	<b>111,780</b>

Neptune Township School District  
Blended Resource Fund 15  
Schedule of Blended Expenditures  
Budget and Actual

Year ended June 30, 2016

<b>School: Neptune High School</b>	<b>Original Budget</b>	<b>Transfers</b>	<b>Final Budget</b>	<b>Expenditures</b>	<b>Variance</b>
Other Financing Sources:					
Transfers In	\$ 14,220,000		\$ 14,220,000	\$ 14,108,220	\$ 111,780
Total Other Financing Sources	14,220,000	-	14,220,000	14,108,220	111,780
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

# Special Revenue Fund

Neptune Township School District  
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –  
Budgetary Basis

Year ended June 30, 2016

	Nonpublic							Title II - A	
	Nursing	Text books	Security Aid	Technology Initiative	Chapter 192	Exam and Class	Speech	Supplemental Instruction	Regular Program
Revenues:									
State sources	\$ 13,320	\$ 8,456	\$ 4,000	\$ 4,104	\$ 58,590	\$ 13,644	\$ 12,541	\$ 16,783	
Federal sources									\$ 163,993
Total revenues	<u>\$ 13,320</u>	<u>\$ 8,456</u>	<u>\$ 4,000</u>	<u>\$ 4,104</u>	<u>\$ 58,590</u>	<u>\$ 13,644</u>	<u>\$ 12,541</u>	<u>\$ 16,783</u>	<u>\$ 163,993</u>
Expenditures:									
Current expenditures:									
Instruction:									
Salaries of teachers							\$ 12,541	\$ 16,783	
Other salaries for instruction					\$ 58,590				
General supplies									
Textbooks		\$ 8,456							
Other purchased services (non tech)									
Other objects									
Total instruction		<u>8,456</u>			<u>58,590</u>		<u>12,541</u>	<u>16,783</u>	
Support services:									
Salaries of program directors									
Salaries of supervisors of instruction									
Salaries of secretarial and clerical assistants									
Other salaries						\$ 13,644			
Salaries of other professional staff									
Salaries of facilitators, math coaches, literary coaches, and master teachers									
Personal services-employee benefits									
Other purchased professional services									\$ 33,609
Contr Serv - Trans (bet home & school)									
Contr Serv - Trans (field trips)									
Travel									
Other purchased services	\$ 13,320		\$ 4,000	\$ 4,104					
Supplies and materials									16,557
Total support services	<u>13,320</u>		<u>4,000</u>	<u>4,104</u>		<u>13,644</u>			<u>50,166</u>
Contribution to school based budgets									113,827
Total expenditures	<u>\$ 13,320</u>	<u>\$ 8,456</u>	<u>\$ 4,000</u>	<u>\$ 4,104</u>	<u>\$ 58,590</u>	<u>\$ 13,644</u>	<u>\$ 12,541</u>	<u>\$ 16,783</u>	<u>\$ 163,993</u>

Neptune Township School District  
Special Revenue Fund

Combining Schedule of Revenues and Expenditures --  
Budgetary Basis

Year ended June 30, 2016

	I.D.E.I.A.		Title I
	Regular Program	Preschool Program	Regular Program
Revenues:			
State sources			
Federal sources	\$ 1,322,448	\$ 38,230	\$ 881,140
Total revenues	<u>\$ 1,322,448</u>	<u>\$ 38,230</u>	<u>\$ 881,140</u>
Expenditures:			
Current expenditures:			
Instruction:			
Salaries of teachers			\$ 1,800
Other salaries for instruction			
General supplies			
Textbooks			
Other purchased services (non tech)		\$ 38,230	
Other objects			
Total instruction		<u>38,230</u>	<u>1,800</u>
Support services:			
Salaries of program directors			
Salaries of supervisors of instruction			
Salaries of secretarial and clerical assistants			
Other salaries			
Salaries of other professional staff			
Salaries of facilitators, math coaches, literary coaches, and master teachers			
Personal services—employee benefits			138
Other purchased professional services	\$ 423,891		90,636
Contr Serv - Trans (bet home & school)			
Contr Serv - Trans (field trips)			
Travel			
Other purchased services	5,000		
Supplies and materials	51,923		160,300
Total support services	<u>480,814</u>		<u>251,074</u>
Contribution to school based budgets	841,634		628,266
Total expenditures	<u>\$ 1,322,448</u>	<u>\$ 38,230</u>	<u>\$ 881,140</u>

Neptune Township School District  
Special Revenue Fund

Combining Schedule of Revenues and Expenditures  
Budgetary Basis

Year ended June 30, 2016

	Preschool Education		Totals
	Aid	Title III	
	Regular Program	Regular Program	
Revenues:			
State sources	\$ 6,027,168		\$ 6,158,606
Federal sources		\$ 42,146	2,447,957
Total revenues	\$ 6,027,168	\$ 42,146	\$ 8,606,563
Expenditures:			
Current expenditures:			
Instruction:			
Salaries of teachers	\$ 1,923,044		\$ 1,954,168
Other salaries for instruction	702,394		760,984
General supplies	41,885	\$ 26,110	67,995
Textbooks			8,456
Other purchased services (non tech)	17,370		55,600
Other objects	7,325		7,325
Total instruction	2,692,018	26,110	2,854,528
Support services:			
Salaries of program directors	122,889		122,889
Salaries of supervisors of instruction	103,659		103,659
Salaries of secretarial and clerical assistants	100,240		100,240
Other salaries	183,158		196,802
Salaries of other professional staff	140,700		140,700
Salaries of facilitators, math coaches, literary coaches, and master teachers	149,209		149,209
Personal services—employee benefits	2,177,929		2,178,067
Other purchased professional services	5,300		553,436
Contr Serv - Trans (bet home & school)	340,104		340,104
Contr Serv - Trans (field trips)	7,820		7,820
Travel	4,142		4,142
Other purchased services			26,424
Supplies and materials		16,036	244,816
Total support services	3,335,150	16,036	4,168,308
Contribution to school based budgets			1,583,727
Total expenditures	\$ 6,027,168	\$ 42,146	\$ 8,606,563

Neptune Township School District  
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures  
Budgetary Basis

Year ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 2,032,900	\$ (109,856)	\$ 1,923,044	\$ 1,923,044	
Other salaries for instruction	754,110	(51,716)	702,394	702,394	
General supplies	17,500	24,385	41,885	41,885	
Other purchased services	5,772	11,598	17,370	17,370	
Other objects	2,000	5,325	7,325	7,325	
Total instruction	2,812,282	(120,264)	2,692,018	2,692,018	
Support services:					
Salaries of program directors	126,235	(3,346)	122,889	122,889	
Salaries of supervisors of instruction	104,368	(709)	103,659	103,659	
Salaries of secretarial and clerical assistants	100,664	(424)	100,240	100,240	
Other salaries	172,658	10,500	183,158	183,158	
Salaries of other professional staff	120,550	20,150	140,700	140,700	
Salaries of facilitators, math coaches, literary coaches, and master teachers	149,282	(73)	149,209	149,209	
Personal services—employee benefits	2,176,866	96,063	2,272,929	2,177,929	\$ 95,000
Other purchased professional services	3,241	2,059	5,300	5,300	
Contr Serv - Trans (bet home & school)	342,022	(1,918)	340,104	340,104	
Contr Serv - Trans (other than bet home & school)	8,000	(180)	7,820	7,820	
Travel	6,000	(1,858)	4,142	4,142	
Total support services	3,309,886	120,264	3,430,150	3,335,150	95,000
Total expenditures	<u>\$ 6,122,168</u>	<u>\$ -</u>	<u>\$ 6,122,168</u>	<u>\$ 6,027,168</u>	<u>\$ 95,000</u>

Calculation of Carryover

Total 2015-16 Preschool Education Aid allocation	\$ 6,122,168
Add: Actual carryover (June 30, 2015)	<u>-</u>
Total Preschool Education Aid funds available for 2015-16 Budget	6,122,168
Less: 2015-16 budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(6,122,168)</u>
Available and unbudgeted Preschool Education Aid funds as of June 30, 2016	-
Add: June 30, 2016 unexpended Preschool Education Aid	95,000
2015-2016 actual carryover - Preschool Education Aid	<u>\$ 95,000</u>
2015-2016 Preschool Education Aid carryover budgeted in 2016-17	<u><u>-</u></u>



# Fiduciary Funds Detail Statements

Neptune Township School District  
Fiduciary Funds

Combining Statement of Fiduciary Net Position

June 30, 2016

	<b>Trust</b>	<b>Agency</b>		
	<b>Unemployment Compensation</b>	<b>Student Activity</b>	<b>Payroll</b>	<b>Totals</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 1,129,882	\$ 134,919	\$ 455,070	\$ 589,989
Accounts receivable	24,961			
Total assets	<u>1,154,843</u>	<u>\$ 134,919</u>	<u>\$ 455,070</u>	<u>\$ 589,989</u>
<b>Liabilities</b>				
Payroll deductions and withholdings payable			\$ 423,734	\$ 423,734
Flexible spending payable			6,375	6,375
Accounts payable	672		24,961	24,961
Due to student groups		\$ 134,919		134,919
Total liabilities	<u>672</u>	<u>\$ 134,919</u>	<u>\$ 455,070</u>	<u>\$ 589,989</u>
Net position-held in trust for unemployment benefits	<u>\$ 1,154,171</u>			

Neptune Township School District  
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2016

	<u>Balance</u> <u>July 1, 2015</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2016</u>
<b>Middle school accounts</b>				
Neptune Middle School	<u>\$ 29,717</u>	<u>\$ 85,086</u>	<u>\$ 85,621</u>	<u>\$ 29,182</u>
<b>High school accounts</b>				
Neptune High School	\$ 98,539	\$ 172,788	\$ 191,862	\$ 79,465
Athletic Fund	<u>27,917</u>	<u>78,952</u>	<u>80,597</u>	<u>26,272</u>
	<u>\$ 126,456</u>	<u>\$ 251,740</u>	<u>\$ 272,459</u>	<u>\$ 105,737</u>
<b>Total all schools</b>	<u>\$ 156,173</u>	<u>\$ 336,826</u>	<u>\$ 358,080</u>	<u>\$ 134,919</u>

Neptune Township School District  
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2016

	<b>Balance July 1, 2015</b>	<b>Cash Receipts</b>	<b>Cash Disbursements</b>	<b>Balance June 30, 2016</b>
<b>Assets</b>				
Cash and cash equivalents	\$ 150,051	\$ 46,091,463	\$ 45,786,444	\$ 455,070
Accounts receivable	8,230		8,230	
Total assets	<u>\$ 158,281</u>	<u>\$ 46,091,463</u>	<u>\$ 45,794,674</u>	<u>\$ 455,070</u>
<b>Liabilities</b>				
Payroll deductions and withholdings payable	\$ 131,226	\$ 46,020,336	\$ 45,727,828	\$ 423,734
Flexible spending payable	3,110	46,166	42,901	6,375
Accounts payable	23,945	24,961	23,945	24,961
Total liabilities	<u>\$ 158,281</u>	<u>\$ 46,091,463</u>	<u>\$ 45,794,674</u>	<u>\$ 455,070</u>

# Statistical Section

**Statistical Section**  
**Unaudited**

**Contents**

**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.

**Revenue Capacity**

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

**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.

**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.

**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.

*Sources: Unless otherwise noted, the information in these schedules is derived from the Comprehensive Annual Financial Report (CAFR) for the relevant year.*

Neptune Township School District  
 Net Position by Component  
 Last Ten Fiscal Years  
*(accrual basis of accounting)*  
 Unaudited

J-1

	June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Governmental activities</b>										
Net investment in capital assets	\$ 210,321,468	\$ 234,106,513	\$ 245,407,223	\$ 250,385,213	\$ 246,690,255	\$ 246,697,421	\$ 246,620,314	\$ 244,561,949	\$ 243,130,740	\$ 238,639,534
Restricted	43,673	3,039,761	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667
Unrestricted (deficit)	(404,385)	(314,394)	(1,780,880)	(1,668,099)	(1,884,320)	(1,470,762)	(744,968)	(788,319)	(21,685,461)	(19,058,019)
<b>Total governmental activities net position</b>	<b>\$ 209,960,756</b>	<b>\$ 236,831,880</b>	<b>\$ 247,823,962</b>	<b>\$ 252,058,641</b>	<b>\$ 251,243,802</b>	<b>\$ 251,263,307</b>	<b>\$ 251,106,285</b>	<b>\$ 252,645,666</b>	<b>\$ 236,590,299</b>	<b>\$ 234,336,182</b>
<b>Business-type activities</b>										
Net investment in capital assets	\$ 27,799	\$ 25,483	\$ 74,090	\$ 117,021	\$ 106,847	\$ 100,336	\$ 77,050	\$ 55,871	\$ 135,157	\$ 266,897
Unrestricted	77,356	19,432	123,737	650,930	889,478	1,150,766	1,039,799	1,210,181	1,221,817	1,406,837
<b>Total business-type activities net position</b>	<b>\$ 105,155</b>	<b>\$ 44,915</b>	<b>\$ 197,827</b>	<b>\$ 767,951</b>	<b>\$ 996,325</b>	<b>\$ 1,251,102</b>	<b>\$ 1,116,849</b>	<b>\$ 1,266,052</b>	<b>\$ 1,356,974</b>	<b>\$ 1,673,734</b>
<b>Government-wide</b>										
Net investment in capital assets	\$ 210,349,267	\$ 234,131,996	\$ 245,481,313	\$ 250,502,234	\$ 246,797,102	\$ 246,797,757	\$ 246,697,364	\$ 244,617,820	\$ 243,265,897	\$ 238,906,431
Restricted	43,673	3,039,761	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667
Unrestricted (deficit)	(327,029)	(294,962)	(1,657,143)	(1,017,169)	(994,842)	(319,996)	294,831	421,862	(20,463,644)	(17,651,182)
<b>Total government-wide net position</b>	<b>\$ 210,065,911</b>	<b>\$ 236,876,795</b>	<b>\$ 248,021,789</b>	<b>\$ 252,826,592</b>	<b>\$ 252,240,127</b>	<b>\$ 252,514,409</b>	<b>\$ 252,223,134</b>	<b>\$ 253,911,718</b>	<b>\$ 237,947,273</b>	<b>\$ 236,009,916</b>

Source: CAFR Schedule A-1 and District records.

GASB 63 was implemented in the 2013 fiscal year, which required the reclassification of balances previously reported as net assets to net position.

GASB 68 was implemented during the 2015 fiscal year, which required the restatement of beginning net position in the amount of \$17,756,215. This amount is not reflected in the June 30, 2014 Net Position, above.

Neptune Township School District  
 Changes in Net Position, Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Unaudited

J-2  
 1 of 2

	Year ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Expenses</b>										
<b>Governmental activities</b>										
Instruction	\$ 50,350,090	\$ 48,095,418	\$ 47,747,170	\$ 49,086,517	\$ 47,980,683	\$ 49,659,574	\$ 51,432,258	\$ 50,543,012	\$ 56,819,973	\$ 61,558,098
Support Services:										
Attendance and social work	755,254	674,188	776,158	860,446	573,664	593,874	455,715	384,145	493,566	537,656
Health services	804,056	756,469	840,461	879,442	818,143	959,041	1,019,352	1,022,406	1,096,410	1,168,649
Other support services	7,803,783	7,868,294	8,241,452	8,878,331	8,742,643	9,703,100	9,312,585	8,789,298	10,070,595	10,770,176
Improvement of instruction	911,980	841,579	845,813	856,175	754,990	745,595	888,067	947,507	1,124,571	1,234,053
Other support instructional staff	288,730	2,327,656	1,888,374	1,896,216	1,732,379	1,696,484	1,704,395	1,481,037	1,626,305	1,787,309
General administration	1,996,637	2,174,569	2,617,559	2,288,414	2,321,299	2,161,427	1,914,283	1,843,255	2,041,007	2,498,249
School administration	2,900,686	3,184,420	3,844,218	3,963,288	3,681,649	4,017,927	4,469,822	4,331,300	5,037,316	5,431,073
Required maintenance of plant	5,477,852	3,780,944	5,209,266	4,954,414	4,713,431	7,120,516	4,122,997	4,490,042	3,846,369	3,516,361
Operation of plant	6,967,380	6,685,880	7,257,068	8,502,313	8,002,675	7,187,294	7,394,582	7,666,845	8,189,819	8,400,432
Security						461,211	454,225	522,732	765,779	881,204
Student transportation	4,134,880	3,922,909	3,762,466	3,677,636	3,313,121	2,643,718	2,792,366	2,811,022	2,967,966	2,976,104
Business and other support services and benefits	1,768,496	1,485,548	1,703,072	1,697,916	1,516,929	1,727,678	1,792,316	2,169,430	2,047,053	2,165,971
Charter Schools	395,337	347,778	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,144
Interest on long-term debt	346,632	321,571	310,084	290,377	267,736	237,837	143,704	600		
<b>Total governmental activities expenses</b>	<b>84,901,793</b>	<b>82,467,223</b>	<b>85,474,792</b>	<b>88,215,673</b>	<b>84,879,324</b>	<b>89,611,345</b>	<b>88,431,750</b>	<b>87,611,538</b>	<b>96,752,951</b>	<b>103,457,479</b>
<b>Business-type activities</b>										
Food service	1,840,065	1,899,052	1,926,104	1,942,047	1,849,157	1,997,365	2,140,193	2,080,336	2,205,465	2,076,449
Aquatic center				42,190	143,100	327,778	331,730	269,941	314,312	241,753
<b>Total business-type activities expense</b>	<b>1,840,065</b>	<b>1,899,052</b>	<b>1,926,104</b>	<b>1,984,237</b>	<b>1,992,257</b>	<b>2,325,143</b>	<b>2,471,923</b>	<b>2,350,277</b>	<b>2,519,777</b>	<b>2,318,202</b>
<b>Total district expenses</b>	<b>\$ 86,741,858</b>	<b>\$ 84,366,275</b>	<b>\$ 87,400,896</b>	<b>\$ 90,199,910</b>	<b>\$ 86,871,581</b>	<b>\$ 91,936,488</b>	<b>\$ 90,903,673</b>	<b>\$ 89,961,815</b>	<b>\$ 99,272,728</b>	<b>\$ 105,775,681</b>
<b>Program Revenues</b>										
<b>Governmental activities</b>										
Charges for services:										
Instruction (tuition)	\$ 2,698,238	\$ 2,981,163	\$ 3,172,528	\$ 3,025,839	\$ 3,748,115	\$ 5,104,323	\$ 4,792,109	\$ 5,822,990	\$ 6,533,294	\$ 5,520,923
Student transportation	325,000	361,322	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422
Operating grants and contributions	8,544,384	7,168,639	7,344,441	7,921,340	7,820,320	9,334,560	8,506,678	7,994,917	8,179,337	8,606,563
Capital grants and contributions	48,062,542	27,632,552	14,735,769	8,531,828	151,054	580,077	127			
<b>Total governmental activities program revenues</b>	<b>59,630,164</b>	<b>38,143,676</b>	<b>25,657,692</b>	<b>19,920,044</b>	<b>12,031,225</b>	<b>15,357,145</b>	<b>13,633,096</b>	<b>14,330,438</b>	<b>15,352,696</b>	<b>14,693,908</b>



Neptune Township School District  
Changes in Net Position, Last Ten Fiscal Years  
*(accrual basis of accounting)*  
Unaudited

J-2  
2 of 2

	Year ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Business-type activities</b>										
Charges for services										
Food service	\$ 724,893	\$ 739,309	\$ 723,167	\$ 754,688	\$ 596,762	\$ 577,907	\$ 551,906	\$ 595,778	\$ 629,380	\$ 595,414
Aquatic center				18,931	241,231	253,049	238,420	311,144	339,552	325,980
Operating grants and contributions	1,081,749	1,099,503	1,199,999	1,349,774	1,379,601	1,493,576	1,546,914	1,592,217	1,641,382	1,662,103
Total business type activities program revenues	1,806,642	1,838,812	1,923,166	2,123,393	2,217,594	2,324,532	2,337,240	2,499,139	2,610,314	2,583,497
Total district program revenues	\$ 61,436,806	\$ 39,982,488	\$ 27,580,858	\$ 22,043,437	\$ 14,248,819	\$ 17,681,677	\$ 15,970,336	\$ 16,829,577	\$ 17,963,010	\$ 17,277,405
<b>Net (Expense)/Revenue</b>										
Governmental activities	\$ (25,271,629)	\$ (44,323,547)	\$ (59,817,100)	\$ (68,295,629)	\$ (72,848,099)	\$ (74,254,200)	\$ (74,798,654)	\$ (73,281,100)	\$ (81,400,255)	\$ (88,763,571)
Business-type activities	(33,423)	(60,240)	(2,938)	139,156	225,337	(611)	(134,683)	148,862	90,537	265,295
Total district-wide net (expense)/revenue	\$ (25,305,052)	\$ (44,383,787)	\$ (59,820,038)	\$ (68,156,473)	\$ (72,622,762)	\$ (74,254,811)	\$ (74,933,337)	\$ (73,132,238)	\$ (81,309,718)	\$ (88,498,276)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities										
Property taxes levied for general purposes	\$ 29,049,868	\$ 30,211,863	\$ 31,395,338	\$ 32,651,152	\$ 33,957,198	\$ 33,957,198	\$ 33,957,198	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649
Property taxes levied for debt service	557,927	561,394	590,914	294,400	608,133	596,900	574,252			
Unrestricted grants and contributions	39,987,380	39,961,668	37,972,016	38,761,487	36,251,321	39,017,032	39,338,301	39,766,755	46,846,336	49,883,714
Investment earnings	405,787	208,405	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064
Miscellaneous income	400,732	294,968	824,735	792,115	1,203,381	701,379	769,595	415,341	923,384	581,027
Transfers			(53,920)							
Loss on sale of capital assets	(95,204)	(43,627)	(717)							
Total governmental activities	70,306,490	71,194,671	70,809,182	72,530,308	72,033,260	74,273,705	74,641,632	74,820,481	83,101,103	86,509,454
Business-type activities										
Other			101,930	430,968	3,037	255,388	430	341	385	51,465
Transfers			53,920							
Total business-type activities	-	-	155,850	430,968	3,037	255,388	430	341	385	51,465
Total district-wide	\$ 70,306,490	\$ 71,194,671	\$ 70,965,032	\$ 72,961,276	\$ 72,036,297	\$ 74,529,093	\$ 74,642,062	\$ 74,820,822	\$ 83,101,488	\$ 86,560,919
<b>Change in Net Position</b>										
Governmental activities	\$ 45,034,861	\$ 26,871,124	\$ 10,992,082	\$ 4,234,679	\$ (814,839)	\$ 19,505	\$ (157,022)	\$ 1,539,381	\$ 1,700,848	\$ (2,254,117)
Business-type activities	(33,423)	(60,240)	152,912	570,124	228,374	254,777	(134,253)	149,203	90,922	316,760
Total district	\$ 45,001,438	\$ 26,810,884	\$ 11,144,994	\$ 4,804,803	\$ (586,465)	\$ 274,282	\$ (291,275)	\$ 1,688,584	\$ 1,791,770	\$ (1,937,357)

Source: CAFR Schedule A-2 and District records.

Note: The significant fluctuation from year to year in the capital grants and contributions is based upon the renovations of various schools handled by the NJSDA.

Note 2: The District paid off the remainder of its outstanding debt during the 2014 fiscal year.

GASB 63 was implemented in the 2013 fiscal year, which required the reclassification of balances previously reported as net assets to net position.

Neptune Township School District  
Fund Balances - Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Unaudited

J-3

	June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Fund										
Reserved	\$ 1,846,101	\$ 5,013,416	\$ 5,727,715	\$ 5,768,475						
Unreserved (deficit)	(1,625)	(25,453)	(703,433)	(1,679,851)						
Restricted					\$ 6,437,867	\$ 7,784,498	\$ 5,230,939	\$ 8,872,036	\$ 15,145,020	\$ 14,754,667
Assigned to					563,189		1,530,301	1,446,475		2,246,231
Unassigned (deficit) fund balance						(853,153)			(1,355,431)	
Total general fund	<u>\$ 1,844,476</u>	<u>\$ 4,987,963</u>	<u>\$ 5,024,282</u>	<u>\$ 4,088,624</u>	<u>\$ 7,001,056</u>	<u>\$ 6,931,345</u>	<u>\$ 6,761,240</u>	<u>\$ 10,318,511</u>	<u>\$ 13,789,589</u>	<u>\$ 17,000,898</u>
All Other Governmental Funds										
Reserved	\$ 28,641	\$ 9,584	\$ 9,584	\$ 158						
Unassigned-special revenue fund					\$ (598,554)	\$ (626,485)	\$ (572,778)	\$ (591,845)	\$ (595,111)	\$ (612,217)
Unreserved, reported in:										
Special revenue fund (deficit)	(174,303)	(174,303)	(519,944)	(591,683)						
Debt service fund			158							
Total all other governmental funds	<u>\$ (145,662)</u>	<u>\$ (164,719)</u>	<u>\$ (510,202)</u>	<u>\$ (591,525)</u>	<u>\$ (598,554)</u>	<u>\$ (626,485)</u>	<u>\$ (572,778)</u>	<u>\$ (591,845)</u>	<u>\$ (595,111)</u>	<u>\$ (612,217)</u>

Source: CAFR Schedule B-1 and District records.

Note 1: GASB 54 was implemented in the 2011 fiscal year, which required the presentation of governmental fund balances to be reported in different classifications from those presented in prior years. Prior years have not been restated and are not required to be.

Note 2: The deficits in the general fund and special revenue fund are the result of the last state aid payments from the State being deferred until after the end of the fiscal year. See notes to the basic financial statements for additional information.

Neptune Township School District  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
Unaudited

	Year ended June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Revenues</b>										
Tax levy	\$ 29,607,795	\$ 30,773,257	\$ 31,986,252	\$ 32,945,552	\$ 34,565,331	\$ 34,554,098	\$ 34,531,450	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649
Tuition charges	2,698,238	2,981,163	3,172,528	3,025,839	3,748,115	5,104,323	4,792,109	5,822,990	6,533,294	5,520,923
Transportation fees	325,000	361,322	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422
Interest earnings	405,787	208,405	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064
Miscellaneous	1,491,551	327,968	824,735	792,115	1,203,381	701,379	683,104	415,341	923,384	581,027
State sources	92,770,918	72,353,361	57,167,117	47,026,348	40,793,432	44,768,850	45,159,401	45,550,014	45,504,438	46,711,950
Federal sources	2,732,569	2,376,498	2,885,109	8,188,307	3,429,263	4,162,819	2,685,705	2,211,658	2,431,136	2,815,088
<b>Total revenue</b>	<b>130,031,858</b>	<b>109,381,974</b>	<b>96,521,511</b>	<b>92,450,352</b>	<b>84,064,485</b>	<b>89,630,850</b>	<b>88,188,237</b>	<b>89,150,919</b>	<b>91,363,700</b>	<b>92,240,123</b>
<b>Expenditures</b>										
Instruction										
Regular and Special Education Instruction	37,549,386	35,678,467	35,768,872	35,565,498	34,150,760	35,106,067	35,299,548	35,409,155	36,293,143	38,474,929
Support Services:										
Attendance and social work	489,289	430,479	512,016	574,892	372,281	390,137	308,837	249,674	279,571	292,453
Health services	539,091	498,516	567,791	608,502	553,923	674,046	672,915	689,880	650,333	665,854
Other support services	6,264,813	6,235,278	6,690,538	6,974,725	6,768,042	7,560,746	7,054,925	6,657,031	7,117,676	7,494,551
Improvement of instruction	597,615	568,459	585,723	620,538	521,288	545,713	652,599	719,314	803,641	874,028
School library	1,088,444	1,312,028	1,055,279	1,092,814	1,139,672	1,116,033	1,075,343	956,821	945,071	992,076
Instructional staff training	13,562	30,728	7,593	17,059	3,300					
General administration	1,617,377	1,464,183	1,892,000	1,518,592	1,854,570	1,710,602	1,409,429	1,388,744	1,414,399	1,650,624
School administration	1,917,423	2,105,400	2,751,777	2,672,635	2,410,661	2,621,072	2,790,090	2,794,312	2,886,452	2,992,232
Central services	740,832	744,667	815,247	850,743	787,786	805,899	814,631	840,494	845,575	839,666
Information technology	239,251	45,289	264,280	257,677	222,732	365,222	341,949	682,111	371,008	392,956
Required maintenance of plant	5,069,153	3,468,923	4,827,159	4,486,980	5,681,587	5,874,318	3,199,273	3,498,453	3,102,554	2,938,903
Operation of plant	5,489,271	5,291,803	5,869,659	6,892,061	6,392,637	5,999,691	6,057,966	6,545,991	6,512,922	6,579,764
Student transportation	3,833,122	3,614,595	3,485,782	3,330,917	2,972,357	2,361,935	2,467,605	2,487,772	2,604,317	2,604,089
Business and other support services and benefits	9,293,170	9,298,494	11,367,318	12,459,632	11,492,920	11,866,966	12,327,307	11,259,837	11,419,999	11,601,462
On-behalf payments	6,503,106	6,576,891	4,002,701	3,945,565	4,122,345	4,834,047	6,142,553	5,608,253	6,319,011	7,413,175
Charter schools	395,337	347,778	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,146
Capital outlay	49,234,348	27,762,885	15,096,262	10,437,175	478,634	5,235,661	3,617,698	5,067,341	5,703,994	2,707,012
Debt service:										
Principal	453,000	458,000	472,000	485,000	503,000	1,716,140	3,470,000	145,000		
Interest and other charges	346,432	324,681	313,127	292,140	270,605	248,128	153,375	3,625		
<b>Total expenditures</b>	<b>131,674,022</b>	<b>106,257,544</b>	<b>96,776,755</b>	<b>93,467,333</b>	<b>81,159,082</b>	<b>89,728,492</b>	<b>88,391,126</b>	<b>85,612,715</b>	<b>87,895,888</b>	<b>89,045,920</b>
Excess (Deficiency) of revenues over (under) expenditures	(1,642,164)	3,124,430	(255,244)	(1,016,981)	2,905,403	(97,642)	(202,889)	3,538,204	3,467,812	3,194,203
<b>Other Financing sources (uses)</b>										
Transfers in	7,383,998	7,124,751	2,422,849	1,842,515	1,509,929	2,772,393	4,432,270	2,182,521	1,535,199	1,583,727
Transfers out	(7,383,998)	(7,124,751)	(2,476,769)	(1,842,515)	(1,509,929)	(2,772,393)	(4,432,270)	(2,182,521)	(1,535,199)	(1,583,727)
Proceeds from insurance							86,491			
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>(53,920)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>86,491</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net change in fund balances</b>	<b>\$ (1,642,164)</b>	<b>\$ 3,124,430</b>	<b>\$ (309,164)</b>	<b>\$ (1,016,981)</b>	<b>\$ 2,905,403</b>	<b>\$ (97,642)</b>	<b>\$ (116,398)</b>	<b>\$ 3,538,204</b>	<b>\$ 3,467,812</b>	<b>\$ 3,194,203</b>
Debt service as a percentage of noncapital expenditures	1.0%	1.0%	1.0%	0.9%	1.0%	2.3%	4.3%	0.2%	0.0%	0.0%

Source: CAFR Schedule B-2.

Neptune Township School District  
 General Fund - Other Local Revenue By Source  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	Refund of Prior Year Expenditures	Void Checks of prior year	Utility Rebates	Agency Refund	Facility Rentals	Misc.	Total
2007	\$ 23,600	\$ 19,386	\$ 100,000	\$ 110,000		\$ 1,238,565	\$ 1,491,551
2008	65,833	7,908	88,226			166,001	327,968
2009	91,143				\$ 482,608	250,984	824,735
2010	58,322		30,178		500,102	203,513	792,115
2011	520,591		36,850		389,271	256,669	1,203,381
2012	151,232		22,278		390,274	137,595	701,379
2013	168,240	6,089	11,733		387,310	109,732	683,104
2014	40,855		121,926		231,814	20,746	415,341
2015	436,640	1,153	102,522		373,651	9,417	923,384
2016	2,273	502	109,105		400,466	68,681	581,027

Source: District records.

Neptune Township School District  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years  
Unaudited

I-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2007	\$ 34,556,500	\$ 2,304,777,200	\$ 601,000	\$ 16,100	\$ 403,007,700	\$ 70,921,400	\$ 93,432,700	\$ 2,907,312,600	\$ 5,409,040	\$ 2,912,721,640	\$ 1.057	\$ 3,830,512,413
2008	34,046,000	2,318,015,700	601,000	16,100	410,952,900	67,131,700	91,495,500	2,922,258,900	4,772,376	2,927,031,276	1.093	4,132,473,918
2009	32,036,800	2,334,168,100	601,000	16,100	403,116,100	66,831,700	88,702,900	2,925,471,800	5,168,938	2,930,640,738	1.124	3,940,560,075
2010	36,214,500	2,323,286,400	601,000	16,100	387,008,100	66,471,800	89,185,500	2,902,783,400	5,437,906	2,908,221,306	1.188	3,789,039,812
2011	35,964,600	2,321,826,600	601,000	16,100	384,342,700	64,489,400	90,747,800	2,897,988,200	5,364,247	2,903,352,447	1.190	3,650,778,786
2012	39,161,300	2,319,104,800	601,000	16,100	391,353,700	63,807,800	90,771,800	2,904,816,500	5,640,333	2,910,456,833	1.186	3,666,486,310
2013	36,583,800	2,316,591,000	601,000	16,100	393,364,400	62,881,200	89,953,900	2,899,991,400	5,640,333	2,905,631,733	1.193	3,585,548,220
2014	36,376,700	2,220,414,000	601,000	16,100	398,406,880	62,881,200	88,611,400	2,807,307,280		3,468,809,193	1.259	3,400,323,740
2015	41,063,350	2,742,469,140	612,800	16,800	534,199,000	68,542,400	121,581,800	3,508,485,290		3,657,059,936	1.027	3,508,485,290
2016	43,696,200	2,787,426,410	619,500	16,800	508,736,700	67,108,300	129,652,100	3,537,256,010		3,537,256,010	1.039	3,537,256,010

Note:

Real property is required to be assessed at some percentage of true value (fair or market value) as established by each county board of taxation. Reassessments occur when ordered by the county board of taxation. A pilot program was introduced in Monmouth County in 2013 to conduct property inspections / assessments (20% of the inventory per year), resulting in closer to market valuations and the likelihood of fewer tax appeals overall.

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

No longer subject to property tax; phased out through gross receipts tax or, as in the case of Verizon, statutory relief as dialtone service declined.

b Tax rates are per \$100

Source: District records, Municipal Tax Assessor and Collector, Abstract of Ratables, County Board of Taxation.

Neptune Township School District  
Direct and Overlapping Property Tax Rates  
Last Ten Fiscal Years  
Unaudited

*(Rate per \$100 of assessed value)*

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2007	\$ 1.037	\$ 0.019	\$ 1.057	\$ 0.689		\$ 0.123	\$ 0.343	\$ 2.212
2008	1.073	0.020	1.093	0.717		0.128	0.346	2.284
2009	1.114	0.010	1.124	0.746		0.129	0.351	2.350
2010	1.168	0.020	1.188	0.786		0.129	0.353	2.456
2011	1.170	0.020	1.190	0.777	\$ 0.044	0.130	0.356	2.497
2012	1.166	0.020	1.186	0.808	0.042	0.130	0.355	2.521
2013	1.193		1.193	0.837	0.041	0.132	0.363	2.566
2014	1.259		1.259	0.908	0.042	0.139	0.361	2.709
2015	1.027		1.027	0.762	0.033	0.113	0.292	2.227
2016	1.039		1.039	0.785	0.035	0.112	0.294	2.265

*(Percentage of total tax rate)*

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Percentage Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2007	\$ 46.89	\$ 0.87	\$ 47.76	\$ 31.16		\$ 5.56	\$ 15.52	\$ 100.00
2008	46.98	0.88	47.85	31.39		5.61	15.15	100.00
2009	47.40	0.43	47.83	31.74		5.49	14.94	100.00
2010	47.56	0.81	48.37	32.01		5.25	14.37	100.00
2011	46.86	0.80	47.66	31.11	\$ 1.76	5.21	14.26	100.00
2012	46.25	0.79	47.04	32.05	1.67	5.16	14.08	100.00
2013	46.49		46.49	32.62	1.60	5.14	14.15	100.00
2014	46.47		46.47	33.52	1.55	5.13	13.33	100.00
2015	46.12		46.12	34.22	1.48	5.07	13.11	100.00
2016	45.87		45.87	34.66	1.55	4.94	12.98	100.00

Source: District records and Municipal Tax Assessor.

Neptune Township School District  
Principal Property Tax Payers  
Current Year and Nine Years Ago  
Unaudited

J-8

Taxpayer	2016			2007		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Neptune Shopping Center LLC	\$ 33,456,800	1	1.15%			
Woodlands Neptune LLC	22,947,100	2	0.79%			
Jumping Brook Realty Association LLC	20,766,200	3	0.71%	\$ 11,408,500	7	0.39%
Walmart Stores	20,057,000	4	0.69%			
Lighthouse Neptune, LLC	20,000,000	5	0.69%			
Neptune Partners, LLC	14,925,400	6	0.51%			
HD Development of Maryland	14,737,500	7	0.51%			
OFW, LLC (Lowys)	12,438,600	8	0.43%	9,043,200	10	0.31%
Steve Silver Neptune, LLC	12,114,700	9	0.42%			
Ocean Grove Camp Mtg. Assoc.	11,718,300	10	0.40%			
West Grove Square Assoc. LLC			0.00%	9,814,700	8	0.33%
Neptune Park for Industry			0.00%	11,606,200	6	0.40%
Gannett Partners			0.00%	17,500,200	4	0.60%
Jumping Brook Country Club, LLC			0.00%	9,425,200	9	0.33%
Coolidge Neptune Equity			0.00%	35,559,700	1	1.23%
Continental Insurance			0.00%	19,560,500	3	0.68%
Jumping Brook Association			0.00%	26,959,600	2	0.93%
Home Depot			0.00%	15,020,200	5	0.52%
<b>Total</b>	<b>\$ 183,161,600</b>		<b>6.29%</b>	<b>\$ 165,898,000</b>		<b>5.72%</b>

Source: District records & Municipal Tax Assessor.

Neptune Township School District  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
Unaudited

Fiscal Year Ended June 30,	School Taxes Levied and Collected for the Fiscal Year	Municipal Taxes Levied for the Fiscal Year	Municipal Taxes Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
			Amount	Percentage of Levy	
2007	\$ 29,607,795	\$ 60,837,318	\$ 59,924,758	98.50%	1.50%
2008	30,773,257	64,538,257	63,343,382	98.15%	1.85%
2009	31,986,252	66,855,097	65,616,236	98.15%	1.85%
2010	32,945,552	68,683,743	67,406,492	98.14%	1.86%
2011	34,565,331	68,696,683	67,405,185	98.12%	1.88%
2012	34,554,098	69,576,960	68,254,998	98.10%	1.90%
2013	34,531,450	70,652,979	69,739,042	98.71%	1.29%
2014	34,636,342	72,147,797	71,202,661	98.69%	1.31%
2015	35,329,068	74,151,121	73,150,000	98.65%	1.31%
2016	36,035,649	76,157,122	75,100,000 *	98.61% *	1.39% *

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire balance prior to the end of the school year. The above school tax levies were collected in full as per statutory requirements.

\* Municipal collections run through the end of the calendar year thus collection amounts and rates are estimated.

Source: District records and Municipal Tax Collector.



Neptune Township School District  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
Unaudited

J-10

<u>Governmental Activities</u>					
Fiscal Year Ended June 30,	General Obligation Bonds	Certificates of Participation	Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
2007	\$ 1,039,000	\$ 6,215,000	\$ 7,254,000	0.61%	\$ 44,229
2008	886,000	5,910,000	6,796,000	0.67%	45,507
2009	734,000	5,590,000	6,324,000	0.48%	30,224
2010	584,000	5,255,000	5,839,000	0.52%	30,636
2011	436,000	4,900,000	5,336,000	0.57%	30,404
2012	290,000	3,325,000	3,615,000	0.84%	30,279
2013	145,000		145,000	21.95%	31,830
2014				0.00%	31,830
2015				0.00%	31,830
2016				0.00%	31,897

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

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

Source: District CAFR Schedule I-1.

Neptune Township School District  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
 Unaudited

Fiscal Year Ended June 30,	General Bonded Debt Outstanding		Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds and Certificates of Participation	Deductions			
2007	\$ 7,254,000		\$ 7,254,000	0.25%	\$ 44,229
2008	6,796,000		6,796,000	0.23%	45,507
2009	6,324,000		6,324,000	0.22%	30,224
2010	5,839,000		5,839,000	0.20%	30,636
2011	5,336,000		5,336,000	0.18%	30,404
2012	3,615,000		3,615,000	0.12%	30,279
2013	145,000		145,000	0.00%	31,830
2014				0.00%	31,830
2015				0.00%	31,830
2016				0.00%	31,897

## Note:

a See J-6 for property tax data.

b Population data can be found in J-14.

Neptune Township School District  
Ratios of Overlapping Governmental Activities Debt  
As of June 30, 2016  
Unaudited

J-12

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Neptune Township	\$ 25,586,018	100.00%	\$ 25,586,018
Other debt			
Neptune Township Sewerage Authority	5,402,500	100.00%	5,402,500
County of Monmouth	479,236,724	3.18%	15,248,833
Subtotal, overlapping debt			46,237,351
Neptune Township School District Direct Debt			-
Total direct and overlapping debt			\$ 46,237,351

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Neptune Township. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

Source: District records and Neptune Township Finance Officer.

Neptune Township Board of Education  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Unaudited

Legal Debt Margin Calculation for Fiscal Year 2016

Equalized valuation basis	
2016	\$ 3,537,256,010
2015	3,508,485,290
2014	<u>2,807,307,280</u>
[A]	<u>\$ 9,853,048,580</u>
	<u>\$ 3,284,349,527</u>
Debt limit (4 % of AEV)	\$ 131,373,981
Net bonded school debt	[C] -
Legal debt margin	[B-C] <u>\$ 131,373,981</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>
Debt limit	\$ 116,742,094	\$ 116,937,901	\$ 116,941,546	\$ 116,878,578	\$ 151,735,466	\$ 148,084,065	\$ 145,370,844	\$ 142,031,444	\$ 122,948,724	\$ 131,373,981
Total net debt applicable to limit	<u>7,254,000</u>	<u>6,796,000</u>	<u>6,324,000</u>	<u>5,839,000</u>	<u>5,336,000</u>	<u>3,615,000</u>	<u>145,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Legal debt margin	<u>\$ 109,488,094</u>	<u>\$ 110,141,901</u>	<u>\$ 110,617,546</u>	<u>\$ 111,039,578</u>	<u>\$ 146,399,466</u>	<u>\$ 144,469,065</u>	<u>\$ 145,225,844</u>	<u>\$ 142,031,444</u>	<u>\$ 122,948,724</u>	<u>\$ 131,373,981</u>
Total net debt applicable to the limit as a percentage of debt limit	6.21%	5.81%	5.41%	5.00%	3.52%	2.44%	0.10%	0.00%	0.00%	0.00%

Source: Abstract of Ratables, Annual Report of the State of New Jersey, Department of the Treasury, Division of Taxation and District records.

Note: The District paid off the remainder of its outstanding bonds during the 2014 fiscal year.

Neptune Township School District  
Demographic and Economic Statistics  
Last Ten Fiscal Years  
Unaudited

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2007	28,163	\$ 44,229	4.3%
2008	28,394	45,507	5.4%
2009	28,410	30,224	7.1%
2010	28,349	30,636	11.9%
2011	27,935	30,404	12.1%
2012	27,963	30,279	12.0%
2013	27,889	31,830	10.7%
2014	27,914	31,830	8.2%
2015	27,902	31,830	7.8%
2016	27,574	31,897	5.8%

Source: NJ Dept of Labor and Workforce Development  
Regional Economic Information System  
Bureau of Economic Analysis  
US Department of Commerce

2007-2008 Per Capita Income for Monmouth County  
2009- 2016 Per Capita Income for Neptune Township

Neptune Township School District  
Principal Employers  
Current Year and Nine Years Ago  
Unaudited

Employer	2016			2007		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Jersey Shore University Medical Center	3,556	1	57.04%	2,864	1	40.28%
Neptune Township Board of Education	676	2	10.84%	625	3	8.79%
Neptune Township	339	3	5.44%	286	7	4.02%
AIG / American General	334	4	5.36%	516	4	7.26%
Asbury Park Press / Gannett	312	5	5.00%	1,300	2	18.28%
Wal-Mart	276	6	4.43%	250	10	3.52%
Neptune Shop-Rite	234	7	3.75%	310	6	4.36%
Home Depot	196	8	3.14%	255	9	3.59%
United Methodist Homes	157	9	2.52%	269	8	3.78%
Sanitary Linen Supply	154	10	2.47%			0.00%
CPC Behavioral Health				435	5	6.12%
	<u>6,234</u>		<u>100.00%</u>	<u>7,110</u>		<u>100.00%</u>

Source: Neptune Township Finance Officer.

Neptune Township School District  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
 Unaudited

<u>Function/Program</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Instruction										
Regular	308	299	318	321	310	318	324	322	319	319
Special education	124	113	120	123	119	126	122	126	124	135
Other special education										
Other instruction	4	8	10	10	10	11	11	11	12	10
Support Services:										
Student & instruction related services	79	76	78	81	71	73	75	79	80	77
General administrative services	14	8	8	8	8	7	8	7	7	8
School administrative services	27	31	36	36	32	38	39	38	38	38
Business administrative services	9	8	8	8	8	15	15	15	16	20
Plant operations and maintenance	62	57	60	60	60	60	63	64	65	67
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Total	<u>629</u>	<u>602</u>	<u>640</u>	<u>649</u>	<u>620</u>	<u>650</u>	<u>659</u>	<u>664</u>	<u>663</u>	<u>676</u>

Source: District records.

Neptune Township School District  
Operating Statistics  
Last Ten Fiscal Years  
Unaudited

J-17

Fiscal Year	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2007	4,431	\$ 81,640,242	\$ 18,425	4.08%	443	1:13	1:12	1:14	4,403	4,154	1.43%	94.35%
2008	4,474	77,711,978	17,370	-5.73%	340	1:16	1:10	1:15	4,426	4,113	0.52%	92.93%
2009	4,535	80,895,366	17,838	2.70%	358	1:16	1:12	1:16	4,452	4,145	0.06%	93.10%
2010	4,453	82,253,018	18,471	3.55%	365	1:15	1:12	1:16	4,456	4,135	0.09%	92.80%
2011	4,545	79,906,843	17,581	-4.82%	370	1:15	1:12	1:15	4,458	4,151	0.04%	93.11%
2012	4,446	82,528,563	18,562	5.58%	369	1:13	1:11	1:13	4,373	4,078	-1.90%	93.25%
2013	4,450	81,150,053	18,236	-1.76%	376	1:13	1:13	1:14	4,440	4,131	1.52%	93.04%
2014	4,469	80,396,749	17,990	-1.35%	378	1:12	1:10	1:13	4,434	4,123	-0.14%	92.99%
2015	4,408	82,191,894	18,646	3.65%	381	1:12	1:10	1:14	4,300	3,976	-3.02%	92.47%
2016	4,278	86,338,908	20,182	8.24%	386	1:11	1:09	1:14	4,265	3,974	-0.81%	93.18%

- Notes:
- Enrollments are based on annual October district count of resident students.
  - a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4.
  - 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).

Source: District records.



Neptune Township School District  
School Building Information  
Last Ten Fiscal Years  
Unaudited

J-18

District Building	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<u>Elementary</u>										
Early Childhood Center (2004)										
Square Feet	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774
Capacity (students)	270	270	270	270	270	270	270	270	270	270
Enrollment	240	200	187	240	220	179	186	203	207	171
Shark River Hills Elementary										
Square Feet	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	435	428	406	434	435	415	408	385	352	316
Gables Elementary										
Square Feet	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	452	433	414	380	368	341	320	311	287	300
Green Grove Elementary										
Square Feet	66,567	66,567	66,567	66,567	66,567	66,567	66,567	66,567	68,524	68,524
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	450	476	428	412	406	388	377	369	374	365
Summerfield Elementary (2006)										
Square Feet	92,532	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518
Capacity (students)	725	725	725	725	725	725	725	725	725	725
Enrollment	368	462	417	407	432	451	461	460	443	480
Ridge Avenue Elementary / Midtown TCUs										
Square Feet	20,000	20,000								
Capacity (students)	350	350								
Enrollment	245	285								
Midtown Community Elementary (2008)										
Square Feet			189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990
Capacity (students)			750	750	750	750	750	750	750	750
Enrollment			457	454	435	431	468	489	449	461
<u>Middle School</u>										
Neptune Middle School										
Square Feet	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	901	846	845	840	844	864	888	856	830	798
<u>High School</u>										
Neptune High School										
Square Feet	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049
Capacity (students)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Enrollment	1,244	1,296	1,299	1,290	1,269	1,304	1,332	1,361	1,358	1,375
<u>Other</u>										
Administration Building										
Square Feet	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596
Aquatic Center				32,000	32,000	32,000	32,000	32,000	32,000	32,000
Outbuildings - Team, Concession, Storage						18,000	18,000	18,000	18,000	18,000

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of building additions. Enrollments are based on average daily enrollments from the School Register Summary Report. One half of the Administration Building is leased effective 2008. The Neptune Aquatic Center, housed in Neptune High School, opened February 27, 2010.

Source: District records.

Neptune Township School District  
 General Fund  
 Schedule of Required Maintenance for School Facilities  
 Last Ten Fiscal Years  
 Unaudited

School Facilities	School #	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Neptune High School	50	\$ 1,328,781	\$ 719,090	\$ 1,299,736	\$ 1,206,854	\$ 1,328,093	\$ 1,463,016	\$ 890,022	\$ 975,947	\$ 879,993	\$ 785,988
Neptune Middle School	55	1,342,165	712,407	822,493	887,590	759,468	976,490	544,505	921,212	667,378	579,957
Early Childhood Center	59	157,230	162,208	113,132	189,442	304,115	294,987	152,445	216,736	213,407	290,996
Gables Elementary	61	219,164	507,322	561,563	643,138	878,395	607,809	253,889	229,804	261,566	269,336
Green Grove Elementary	63	882,479	267,824	265,970	344,574	509,840	729,051	306,300	351,759	281,580	233,455
Midtown Community Elementary	80	454,286	260,778	774,216	500,976	511,062	595,775	281,629	225,506	317,895	226,405
Shark River Hills Elementary	90	198,564	201,836	316,603	382,088	986,049	443,182	260,435	205,662	170,845	224,686
Summerfield Elementary	100	486,484	637,458	673,446	332,318	404,565	764,008	510,048	371,827	309,890	328,080
Grand Total		<u>\$ 5,069,153</u>	<u>\$ 3,468,923</u>	<u>\$ 4,827,159</u>	<u>\$ 4,486,980</u>	<u>\$ 5,681,587</u>	<u>\$ 5,874,318</u>	<u>\$ 3,199,273</u>	<u>\$ 3,498,453</u>	<u>\$ 3,102,554</u>	<u>\$ 2,938,903</u>

High School expenditures include those of the Annex / BOE.

Source: District records.

Neptune Township School District  
Insurance Schedule  
Year ended June 30, 2016  
Unaudited

J-20  
p.1

Type of Coverage	Coverage	Deductible
Multi Peril Package Policy		
Diploma Joint Insurance Fund		
<b>Section I - Property:</b>		
Blanket building and contents	\$ 250,000,000	\$ 2,500
Flood Zone A or V	25,000,000	Excess of NFIP
Flood Zone - All Other	10,000,000	1,000
Earthquake	25,000,000	5%
Valuable papers and records	Inc in property	
Extra expense / business income	Inc in property	
EDP equip, data, media, extra expense	Inc in property	
Cameras, musical instruments	Inc in property	
Glass coverage	Inc in property	
Demolition/Incr. Cost of Construction	Inc in property	
Blanket contractors equipment	Inc in property	
Energy systems-boiler and machinery	Inc in property	
<b>Section II - General Liability:</b>		
Bodily injury and property damage	5,000,000	
Sexual misconduct	5,000,000	
<b>Section III - School Board Legal Liability Policy:</b>		
Aggregate limit of liability	5,000,000	10,000
<b>Section IV - Crime:</b>		
Blanket employee dishonesty	500,000	1,000
Depositors forgery	50,000	
Computer Fraud	50,000	
Money and securities	2,500,000	
<b>Workers Compensation:</b>		
Section A	Statutory	
Section B	5,000,000	

Neptune Township School District  
 Insurance Schedule  
 Year ended June 30, 2016  
 Unaudited

J-20  
 p.2  
 (Continued)

Type of Coverage	Coverage	Deductible
<b>Automobile:</b>		
Bodily injury and property	\$ 5,000,000	
Personal injury protection	Statutory	
Uninsured/underinsured		
Bodily Injury per occurrence	15,000	
Bodily Injury per Accident	30,000	
Property Damage per Accident	5,000	
Comprehensive and collision	ACV	\$ 1,000
<b>Environmental Liability:</b>		
Policy aggregate limit of liability-primary	1,000,000	10,000
<b>Umbrella Liability</b>		
Each Claim	5,000,000	
Annual Aggregate	5,000,000	
<b>Umbrella Excess Liability:</b>		
Policy Aggregate Limit of Liability - Primary	50,000,000	
<b>Student Accident:</b>		
Medical per injury	1,000,000	
<b>Fidelity Bonds:</b>		
Business Administrator/Board Secretary	300,000	
Asst. Bus. Admin. / Asst. Bd. Secretary	300,000	
Accountant I	300,000	

Source: District records.

# Single Audit Section

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*

Independent Auditors' Report

Honorable President and  
Members of the Board of Education  
Neptune Township School District  
Neptune, New Jersey  
County of Monmouth

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Neptune Township School District, in the County of Monmouth, New Jersey (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 21, 2016.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

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

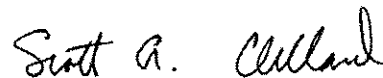
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and the 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 District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Scott A. Clelland  
Licensed Public School Accountant  
No. 1049



WISS & COMPANY, LLP

November 21, 2016  
Livingston, New Jersey

Report on Compliance For Each Major Federal and State Program and  
on Internal Control Over Compliance Required by the  
Uniform Guidance and New Jersey OMB Circular 15-08

Independent Auditors' Report

Honorable President and  
Members of the Board of Education  
Neptune Township School District  
Neptune, New Jersey  
County of Monmouth

**Report on Compliance for Each Major Federal and State Program**

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

***Management's Responsibility***

Management is responsible for compliance with federal and state statutes, regulations and the terms and conditions of its federal and state awards applicable to its federal and state programs.

***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of the 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; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of*



*Federal Grants, State Grants and State Aid.* Those standards, the Uniform Guidance and New Jersey OMB Circular 15-08 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

### ***Opinion on Each Major Federal and State Program***

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

### **Report on Internal Control Over Compliance**

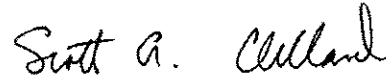
Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the 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 the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

**Purpose of this Report**

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



Scott A. Clelland  
Licensed Public School Accountant  
No. 1049



WISS & COMPANY, LLP

November 21, 2016  
Livingston, New Jersey

**Neptune Township School District**  
**Schedule of Expenditures of Federal Awards**  
**Year ended June 30, 2016**

**Exhibit K-3**  
**SCHEDULE A**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2015	Carryover/ (Waiver) Amount	Cash Received	Total Budgetary Expenditures	Balance at June 30, 2016		
					From	To					Accounts Receivable	Unearned Revenue	Due to Grantor
<b>U.S. Department of Education</b>													
General Fund:													
Medical Assistance Program (SEMI)	93.778	1605N5MAP	N/A	\$ 367,131	7/1/15	6/30/16			\$ 172,391	\$ (367,131)	\$ (194,740)		
Medical Assistance Program (SEMI)	93.778	1605N5MAP	N/A	134,760	7/1/14	6/30/15	\$ (315)		313				
ARRA-Medical Assistance Program (SEMI)	93.778	1605N5MAP	N/A	213,117	7/1/14	6/30/15	(98,464)		98,464				
Total General Fund							(98,777)		271,168	(367,131)	(194,740)		
<b>U.S. Department of Education</b>													
Passed-through State Department of Education													
Special Revenue Fund:													
Title I, Part A	84.010A	S010A150030	NCLB-xxxx-16	920,888	7/1/15	6/30/16	8,789		923,612	(881,140)		\$ 51,261	
I.D.E.A. Part B, Basic Regular	84.027	S027A150100	IDEA-xxxx-16	1,330,916	7/1/15	6/30/16	102,909		1,309,182	(1,322,448)		89,643	
I.D.E.I.A., Preschool	84.173A	S173A150114	IDEA-xxxx-16	38,230	7/1/15	6/30/16			38,230	(38,230)			
Title II, Part A Improving Teacher Quality	84.367A	S367A150029	NCLB-xxxx-16	171,611	7/1/15	6/30/16	10,885		149,863	(163,993)	(3,245)		
Title III	84.365A	S365A150030	NCLB-xxxx-16	66,438	7/1/15	6/30/16	(19,872)		51,908	(42,146)	(10,110)		
Total Special Revenue Fund							102,711		2,472,795	(2,447,957)	(13,355)	140,904	
<b>U.S. Department of Agriculture</b>													
Passed-through State Department of Agriculture													
Enterprise Fund:													
School Breakfast Program	10.553	16161NJ304N1099	N/A	287,421	7/1/15	6/30/16			267,066	(287,421)	(20,355)		
School Breakfast Program	10.553	16161NJ304N1099	N/A	276,954	7/1/14	6/30/15	(28,474)		28,474				
National School Lunch Program	10.555	16161NJ304N1099	N/A	1,081,221	7/1/15	6/30/16			1,011,788	(1,081,221)	(69,433)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	1,057,554	7/1/14	6/30/15	(92,737)		92,737				
Healthy Hunger-Free Kids Act	10.555	16161NJ304N1099	N/A	28,846	7/1/15	6/30/16			27,056	(28,846)	(1,790)		
Healthy Hunger-Free Kids Act	10.555	16161NJ304N1099	N/A	28,917	7/1/14	6/30/15	(2,473)		2,473				
After School Snack Program	10.555	16161NJ304N1099	N/A	2,230	7/1/14	6/30/15	(65)		65				
Summer Food Service Program for Children	10.559	16166NJ332N1099	N/A	79,674	7/1/15	6/30/16			76,725	(79,674)	(2,949)		
Summer Food Service Program for Children	10.559	16166NJ332N1099	N/A	59,955	7/1/14	6/30/15	(2,058)		2,058				
Food Donation (NC)	10.555	16161NJ304N1099	N/A	172,423	7/1/15	6/30/16			172,423	(148,067)		24,356	
Food Donation (NC)	10.555	16161NJ304N1099	N/A	200,726	7/1/14	6/30/16	13,210			(13,210)			
Total Enterprise Fund							(112,597)		1,680,865	(1,638,439)	(94,527)	24,356	
<b>Sub-Total Federal Financial Awards</b>							<b>\$ (108,663)</b>	<b>\$ -</b>	<b>\$ 4,424,828</b>	<b>\$ (4,453,527)</b>	<b>\$ (302,622)</b>	<b>\$ 165,260</b>	<b>\$ -</b>

NC-represents noncash expenditures

**Neptune Township School District**  
**Schedule of Expenditures of State Financial Assistance**  
**Year ended June 30, 2016**

Exhibit K-4  
**SCHEDULE B**

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2015			Balance at June 30, 2016			MEMO			
			From	To	Unearned Revenue (Accts Receivable)	Due to Grantor	Cash Received	Budgetary Expenditures Pass through Funds	Repayment of Prior Years' Balances	Intergovernmental (Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
<b>State Department of Education</b>														
<b>General Fund:</b>														
Equalization Aid	16-495-034-5120-078	\$ 25,407,093	7/1/15	6/30/16			\$ 22,897,649	\$ (25,407,093)				\$ (2,509,444)	\$ (25,407,093)	
Equalization Aid	15-495-034-5120-078	25,407,093	7/1/14	6/30/15	\$ (2,503,555)		2,503,555							
Special Education Categorical Aid	16-495-034-5120-089	2,404,326	7/1/15	6/30/16			2,166,852	(2,404,326)				(237,474)	(2,404,326)	
Special Education Categorical Aid	15-495-034-5120-089	2,404,326	7/1/14	6/30/15	(236,917)		236,917							
Extraordinary Aid	16-495-034-5120-473	436,199	7/1/15	6/30/16				(436,199)		\$ (436,199)			(436,199)	
Extraordinary Aid	15-495-034-5120-473	369,182	7/1/14	6/30/15	(365,322)		365,322							
Security Aid	16-495-034-5120-084	1,222,886	7/1/15	6/30/16			1,102,102	(1,222,886)				(120,784)	(1,222,886)	
Security Aid	15-495-034-5120-084	1,222,886	7/1/14	6/30/15	(120,500)		120,500							
Adjustment Aid	16-495-034-5120-085	2,234,768	7/1/15	6/30/16			2,014,041	(2,234,768)				(220,727)	(2,234,768)	
Adjustment Aid	15-495-034-5120-085	2,234,768	7/1/14	6/30/15	(220,209)		220,209							
Transportation Aid	16-495-034-5120-014	1,363,716	7/1/15	6/30/16			1,229,023	(1,363,716)				(134,693)	(1,363,716)	
Transportation Aid	15-495-034-5120-014	1,363,716	7/1/14	6/30/15	(134,378)		134,378							
Per Pupil Growth Aid	16-495-034-5120-097	38,650	7/1/15	6/30/16			34,833	(38,650)				(3,817)	(38,650)	
Per Pupil Growth Aid	15-495-034-5120-097	38,650	7/1/14	6/30/15	(3,808)		3,808							
PARCC Readiness Aid	16-495-034-5120-098	38,650	7/1/15	6/30/16			34,833	(38,650)				(3,817)	(38,650)	
PARCC Readiness Aid	15-495-034-5120-098	38,650	7/1/14	6/30/15	(3,808)		3,808							
On Behalf TPAF Pension Contributions	16-495-034-5094-001/006/007	5,242,003	7/1/15	6/30/16			5,242,003	(5,242,003)					5,242,003	
Reimbursed TPAF Social Security Contributions	16-495-034-5094-003	2,171,172	7/1/15	6/30/16			2,066,019	(2,171,172)			(105,153)		(2,171,172)	
Reimbursed TPAF Social Security Contributions	15-495-034-5094-003	2,202,613	7/1/14	6/30/15	(106,789)		106,789							
Other State Aid-Add'l NP Transportation	Not Available	18,568	7/1/15	6/30/16				(18,568)		(18,568)			(18,568)	
Other State Aid-Add'l NP Transportation	Not Available	17,560	7/1/14	6/30/15	(17,560)		17,560							
<b>Total General Fund</b>					<b>(3,712,846)</b>		<b>40,500,201</b>	<b>(40,578,031)</b>		<b>(559,920)</b>		<b>(3,230,756)</b>	<b>(40,578,031)</b>	
<b>Special Revenue Fund:</b>														
Preschool Education Aid	16-495-034-5120-086	6,122,168	7/1/15	6/30/16			5,509,951	(6,027,168)		\$ 95,000		(612,217)	(6,027,168)	
Preschool Education Aid	15-495-034-5120-086	5,943,975	7/1/14	6/30/15	(595,111)		595,111							
<b>N.J. Nonpublic Aid:</b>														
Textbook Aid	16-100-034-5120-064	9,136	7/1/15	6/30/16			9,136	(8,456)		\$ 680			(8,456)	
Textbook Aid	15-100-034-5120-064	9,414	7/1/14	6/30/15		\$ 167			\$ (167)					
<b>Auxiliary Services( Chapter 192):</b>														
Compensatory Education	16-100-034-5120-067	51,777	7/1/15	6/30/16			51,777	(51,777)					(51,777)	
English as a Second Language	16-100-034-5120-067	863	7/1/15	6/30/16			863	(863)					(863)	
Transportation	16-100-034-5120-067	5,950	7/1/15	6/30/16			5,950	(5,950)					(5,950)	
<b>Nonpublic Handicapped Aid (Chapter 193):</b>														
Corrective Speech	16-100-034-5120-066	15,049	7/1/15	6/30/16			15,049	(12,541)			2,508		(12,541)	
Examination and Classification	16-100-034-5120-066	26,759	7/1/15	6/30/16			26,759	(13,644)			13,115		(13,644)	
Supplemental Instruction	16-100-034-5120-066	16,783	7/1/15	6/30/16			16,783	(16,783)					(16,783)	
Examination and Classification	15-100-034-5120-066	28,816	7/1/14	6/30/15		1,444			(1,444)					
Nursing Services Aid	16-100-034-5120-070	14,400	7/1/15	6/30/16			14,400	(13,320)			1,080		(13,320)	
Nursing Services Aid	15-100-034-5120-070	14,986	7/1/14	6/30/15		301			(301)					
Technology Initiative Aid	16-100-034-5120-373	4,160	7/1/15	6/30/16			4,160	(4,104)			56		(4,104)	
Technology Initiative Aid	15-100-034-5120-373	5,056	7/1/14	6/30/15		40			(40)					
Security Aid	16-100-034-5120-509	4,000	7/1/15	6/30/16			4,000	(4,000)					(4,000)	
<b>Total Special Revenue Fund</b>					<b>(595,111)</b>	<b>1,952</b>	<b>6,253,939</b>	<b>(6,158,606)</b>	<b>(1,952)</b>	<b>95,000</b>	<b>17,439</b>	<b>(612,217)</b>	<b>(6,158,606)</b>	
<b>Enterprise Fund:</b>														
<b>State Department of Agriculture:</b>														
National School Lunch Program (State Share)	16-100-010-3350-023	23,664	7/1/15	6/30/16			22,167	(23,664)		(1,497)			(23,664)	
National School Lunch Program (State Share)	15-100-010-3350-023	23,942	7/1/14	6/30/15	(2,085)		2,085							
<b>Total Enterprise Fund</b>					<b>(2,085)</b>	<b>-</b>	<b>24,252</b>	<b>(23,664)</b>	<b>-</b>	<b>(1,497)</b>	<b>-</b>	<b>-</b>	<b>(23,664)</b>	
<b>Total State Financial Assistance</b>					<b>\$ (4,310,042)</b>	<b>\$ 1,952</b>	<b>\$ 46,778,392</b>	<b>\$ (46,760,301)</b>	<b>\$ (1,952)</b>	<b>\$ (561,417)</b>	<b>\$ 95,000</b>	<b>\$ 17,439</b>	<b>\$ (3,842,973)</b>	<b>\$ (46,760,301)</b>
Less: On-Behalf TPAF Pension System Contributions														
													<b>(5,242,003)</b>	
<b>Total for State Financial Assistance-Major Program Determination</b>													<b>\$ (41,518,298)</b>	

## Neptune Township School District

### Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance

Year ended June 30, 2016

#### **1. General**

The accompanying schedules of expenditures of federal awards and state financial assistance present the activity of all federal and state financial assistance of the Neptune Township School District (District). The District is defined in Note 1 to the District's basic financial statements. All federal awards and state financial assistance received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies are included on the schedules of expenditures of federal awards and state financial assistance.

#### **2. Basis of Accounting**

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the enterprise 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 Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of 2 CFR 200-*Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Therefore, some amounts presented in these schedules may differ from amounts presented, or used in the preparation of, the basic financial statements.

#### **3. Relationship to Basic Financial Statements**

Amounts reported in the accompanying schedules agree with amounts reported in the District's basic financial statements. The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements and schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the fiscal year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made. The general fund is presented in the accompanying schedules on the modified accrual basis of accounting with the exception of the revenue recognition of the two last state aid payments in the current year, which is mandated pursuant to NJSA 18A:22-44.2.

Neptune Township School District

Notes to Schedules of Expenditures of  
Federal Awards and State Financial Assistance

Year ended June 30, 2016

**3. Relationship to Basic Financial Statements (continued)**

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$7,581 for the general fund and \$17,106 for the special revenue fund. See note to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 367,131	\$ 40,570,450	\$ 40,937,581
Special Revenue Fund	2,447,957	6,141,500	8,589,457
Food Service Enterprise Fund	1,638,439	23,664	1,662,103
Total award revenues	<u>\$4,453,527</u>	<u>\$ 46,735,614</u>	<u>\$ 51,189,141</u>

**4. Relationship to Federal and State Financial Reports**

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

Neptune Township School District

Notes to Schedules of Expenditures of  
Federal Awards and State Financial Assistance

June 30, 2016

**5. School-wide Program Funds**

School-wide programs are not separate Federal programs as defined in the Uniform Guidance amounts used in school-wide programs are included in the total expenditures of the program contributing the funds in the schedule of expenditure of Federal Awards. The following funds by program are included in school-wide programs in the District.

IDEA Part B	\$ 841,634
Title I	628,266
Title IIA	113,827
Total	<u>\$ 1,583,727</u>

**6. Other**

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2016.

The post retirement pension and medical benefits received on-behalf of the District for the year ended June 30, 2016 amounted to \$5,242,003. Since on-behalf post retirement pension and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however, they are required to be reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

In addition, the District did not use the 10% de minimis indirect cost rate.

Neptune Township School District  
 Schedule of Findings and Questioned Costs  
 Year ended June 30, 2016

**Part I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditors’ report issued: Unmodified

Internal control over financial reporting:

Are any material weaknesses identified?            Yes   X   No

Are any significant deficiencies identified?            Yes   X   None Reported

Is any noncompliance material to financial statements noted?            Yes   X   No

**Federal Awards**

Internal control over major federal programs:

Are any material weaknesses identified?            Yes   X   No

Are any significant deficiencies identified?            Yes   X   None Reported

Type of auditors’ report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?            Yes   X   No

Identification of federal major programs:

CFDA Number(s)	FAIN Number	Name of Federal Program or Cluster
10.553	16161NJ304N1099	School Breakfast Program (SBP)
10.555	16161NJ304N1099	National School Lunch (NSLP)
10.555	16161NJ304N1099	Food Donation Program
10.559	16166NJ332N1099	Summer Food Service Program for Children (Summer Food Service Program) (SFSP)

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

Auditee qualified as low-risk auditee?   X   Yes            No



Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2016

**Part I – Summary of Auditor’s Results (continued)**

State Awards

Internal control over major state programs:

Are any material weaknesses identified? \_\_\_\_\_ Yes   X   No

Are any significant deficiencies identified? \_\_\_\_\_ Yes   X   None reported

Type of auditors’ report issued on compliance for major state programs: \_\_\_\_\_   Unmodified  

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular 15-08? \_\_\_\_\_ Yes   X   No

Identification of major state programs:

<b>GMIS/Program Number</b>	<b>Name of State Program or Cluster</b>
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness
495-034-5094-003	Reimbursed TPAF Social Security Contributions
495-034-5120-014	Transportation Aid

Dollar threshold used to distinguish between Type A and Type B programs: \_\_\_\_\_   \$1,245,549  

Auditee qualified as low-risk auditee?   X   Yes \_\_\_\_\_ No

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2016

**Part II – Schedule of Financial Statement Findings**

No financial statement findings noted that are required to be reported under *Government Auditing Standards*.

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2016

**Part III - Schedule of Federal and State Award Findings  
and Questioned Costs**

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal and state programs, as required by 2 CFR 200 Section 516(a) and New Jersey Treasury Circular OMB 15-08, respectively.

**Federal Award Programs**

No compliance or internal control findings noted that are required to be reported in accordance with 2 CFR 200 Section 516(a).

**State Award Programs**

No compliance or internal control findings noted that are required to be reported in accordance with New Jersey Treasury Circular OMB 15-08.

Neptune Township School District  
Summary Schedule of Prior Year Audit Findings  
Year ended June 30, 2016

Not Applicable