

SCHOOL DISTRICT
OF
OXFORD TOWNSHIP

Oxford Township School District
Board of Education
Oxford, Warren County
New Jersey

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

Comprehensive Annual

Financial Report

of the

Oxford Township School District

Board of Education

Oxford, New Jersey

For the Fiscal Year Ending June 30, 2016

Prepared by

Oxford Township School District

Board of Education

Finance Department

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Introductory Section

OXFORD TOWNSHIP SCHOOL DISTRICT
17 KENT STREET
OXFORD, NEW JERSEY 07863
Tel: (908) 453-4101
Fax: (908) 453-3673

Robert J. Magnuson
Chief School Administrator

Nancy A. DeRiso, CPA
Business Administrator/Board Secretary

October, 2016

Honorable President and Members of the Board of Education
Oxford Township School District
17 Kent Street
Oxford, New Jersey 07863

Dear Board Members:

The comprehensive annual financial report of the Oxford School District for the fiscal 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 Oxford Township Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the Oxford Township School District. All disclosures necessary to enable the reader to gain an understanding of the district's activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical, and single audit. The introductory section includes this transmittal letter, the district's organizational chart and a list of principal officials. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. This district is required to undergo an annual single audit in conformity with the provisions of the Single Audit Action of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the state Treasury Circular Letter 04-04 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

I. REPORTING ENTITY AND ITS SERVICES: Oxford Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All funds and account groups of the District are included in this report. The Oxford Township Board of Education and the Oxford Central School constitute the district's reporting entity.

The district provides a full range of educational service appropriate to grade levels Pre-K through 8. These include regular as well as special education for students with special needs. Students in grades 9-12 are enrolled at Warren Hills Regional High School or the Warren County Technical School on a tuition basis. The district *completed* the 2015-2016 school year with the following enrollment:

Placement	Enrollment
Oxford Central School	307
Warren Hills Regional High School	86
Warren County Technical School	16
Out of District	5
Ridge & Valley Charter School	0
Other School Choice District	2
Non-Public Schools	5
At Home Instruction	1
Total District	422

The historic Average Daily Enrollment at the *Oxford Central School* is as follows:

Fiscal Year	Student Enrollment	% Change Inc/(Dec)
2004 – 2005	318.0	0.95%
2005 – 2006	319.7	0.53%
2006 – 2007	307.3	(4.00%)
2007 – 2008	299.0	(2.70%)
2008 - 2009	287.5	(4.00%)
2009 – 2010	288.0	0.99%
2010 – 2011	275.0	(5.0%)
2011 – 2012	286.0	4.00%
2012 – 2013	305.4	6.78%
2013 - 2014	313.0	2.49%
2014 - 2015	308.1	(1.56%)
2015 - 2016	309.9	0.58%

II. ECONOMIC CONDITION AND OUTLOOK: According to the 2010 census figures, Oxford Township has experienced a moderate increase in total population to approximately 2,514 residents. As of the census of 2000; median household income is reported at \$53,359.00 and median income for a family was \$63,750.00. Job opportunities for residents of the township primarily exist outside the community. Oxford's six square mile size does not encourage industrial development. At the present

time there remains a proposal for the redevelopment of the defunct Oxford Textile Mill property that may result in an increase to the school population.

III. MAJOR INITIATIVES: The Oxford Township School District is a small, rural district whose educational goals are to offer each child the opportunity to achieve his/her greatest potential. The district communicates high expectations, reviews and incorporates appropriate school reform strategies (i.e. cooperative education, use of standards developed for each academic discipline and thematic instruction). Technology plays an ever-increasing role in student instruction as well. It is the intent of the district to offer all students an appropriate educational experience within the regular school program. Students enter high school with the necessary skills to be successful and to plan for post high school opportunities in our global society. The Oxford Township School District completed a major school renovation and construction project in 2003 which has enabled it to provide expanded educational opportunities for its students. The District completed a major roof replacement and interior renovation project that received voter approval in December 2008.

IV. INTERNAL ACCOUNTING CONTROLS: Management of the district is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the district are protected from loss, theft or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute assurance that these objectives are met. The concept of reasonable assurance recognized that:

1. the cost of a control should not exceed the benefits likely to be derived; and
2. the valuation of costs and benefits requires estimates and judgment by management.

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

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

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

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

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

VII. FINANCIAL INFORMATION AT FISCAL YEAR-END: 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 general fund, special revenue fund for the fiscal year ended June 30, 2016, and the amount and percentage of increases or decreases in relation to prior year revenues.

Revenue Source	Amount	% of Total	Inc/(Dec)	% of Inc/(Dec)
Local	\$4,058,524	54.81%	\$37,760	0.94%
State of N.J.	\$3,197,807	43.19%	\$58,506	1.86%
Federal	\$148,359	2.00%	\$23,507	18.83%
TOTAL	\$7,404,690	100.00%	\$119,773	1.64%

The **increase** in Local Sources is attributed to a slight increase in the town tax levy required by increased expenses.

The **increase** in State Sources is attributed to an increase in school choice and PARCC readiness state funding.

The **increase** in Federal Sources is due to an increase in grant funding.

The following schedule presents a summary of general fund special revenue fund expenditures for the fiscal year ended June 30, 2016 and the increase/decrease in relation to prior year amounts.

Expenditures	Amount	% of Total	Incr/(Decr)	% of Inc/(Decr)
<i>Current:</i>				
Instruction	\$2,955,101	40.69%	\$199,999	7.26%
Undistributed	\$3,653,560	50.31%	(\$179,651)	-4.69%
Subtotal Current	\$6,608,661	91.00%	\$ 20,348	0.31%
<i>Capital Outlay</i>	\$58,207	0.80%	(\$ 9,428)	-13.94%
<i>Capital Projects</i>	-	0.00%	\$ 0	0.00%
<i>Special Revenue</i>	\$139,339	1.92%	\$ 14,487	11.60%
<i>Debt Service</i>	\$455,972	6.28%	\$ 1,099	0.24%
Grand Total	\$7,262,179	100.00%	\$ 26,506	0.37%

The **decrease** in current expense undistributed is attributed to a favorable out of district tuition variance offset by **increased** special education instruction within the district due to opening a new autism class.

VIII. DEBT ADMINISTRATION: The district’s primary long-term debt was refunded in December 2006, saving the district over \$200,000 in interest over the life of the loan. This debt service is recorded as a Special Payable in the amount of \$4,020,000 as detailed in “Notes to the Financial Statements”, Note 7. Additionally the 2008 referendum project was bonded June 1, 2011 in the amount of \$895,000, with a current balance of \$430,000.

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

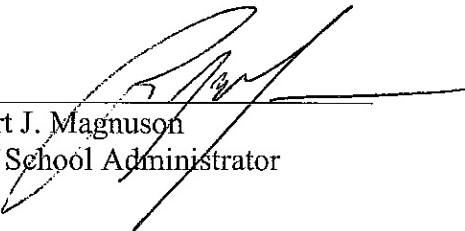
X. RISK MANAGEMENT: The Oxford Township Board of Education carries various forms of insurance, including but not limited to general liability, hazard and theft insurance on property and contents, and fidelity bonds.

XI. OTHER INFORMATION: State statute requires an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ardito & Co., LLP (Accountants and Auditors) was selected by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit was designed to meet the requirements of the Single Audit Act of 1996 and the related OMB circular A-133 and State treasury Circular Letter OMB 04-04 and 15-08.


The auditor's report relating specifically to the single audit is included in the single audit section of this report.

XII. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Oxford 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, knowledgeable and dedicated services of our financial, accounting, and support staff.

Respectfully submitted,



Robert J. Magnuson
Chief School Administrator



Nancy A. DeRiso
School Business Administrator

**OXFORD TOWNSHIP SCHOOL DISTRICT
ORGANIZATIONAL CHART
(UNIT CONTROL)**

BOARD OF EDUCATION

CHIEF SCHOOL ADMINISTRATOR

**OFFICE OF THE
BUSINESS
ADMINISTRATOR/
BOARD SECRETARY**

**OFFICE OF THE
VICE PRINCIPAL /
DIRECTOR OF
SPECIAL SERVICES**

**FACULTY, STAFF
AND
CONSULTANTS**

STUDENTS

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

ROSTER OF OFFICIALS

June 30, 2016

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Gerald Norton, <i>President</i>	2019
Suzanne Taranto, <i>Vice-President</i>	2016
Jonathan Bee	2017
Linda Koufodontes	2017
Anthony Lewis-Lahey	2016
Georgette Miller	2019
Carriann Arnold	2019

Other Officials

Robert Magnuson, *Chief School Administrator*

Milissa Dachisen, *Director of Special Services*

Nancy DeRiso, *Board Secretary/Business Administrator/Treasurer*

Michael Selvaggi, Esquire, *Solicitor*

OXFORD TOWNSHIP SCHOOL DISTRICT

BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

AUDIT FIRM

Ardito & Co., LLP
1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192

ATTORNEY

Michael Selvaggi, Esquire
Lavery, Selvaggi, Abromitis & Cohen, P.C.
1500 Route 517, Suite 300
Hackettstown, New Jersey 07840

BOND COUNSEL

Steven L. Rogut, Esquire
Rogut McCarthy, LLC
37 Alden Street
Cranford, New Jersey 07016

OFFICIAL DEPOSITORIES

Fulton Bank of New Jersey
Route 31
Oxford, New Jersey 07863

State of New Jersey Cash Management Fund
P.O. Box 290
Trenton, New Jersey 08625-0290

Financial Section

Independent Auditor's Report



ARDITO & Co., LLP

1110 Harrison Street, Suite C
Frenchtown, New Jersey 08825-1192
908-996-4711 Fax: 908-996-4688
e-mail: anthony@arditoandcompany.com

Anthony Ardito, CPA, RMA, CMFO, PSA
Douglas R. Williams, CPA, RMA, PSA

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Oxford Township School District
County of Warren
Oxford, New Jersey 07863

Report on the Financial Statements

We have audited the accompanying financial statements of the government activities, the business-type activities, each major fund and the aggregate remaining fund information of the Oxford Township School District Board of Education, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in ***Government Auditing Standards***, issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

-Continued-

In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the

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, business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, and pension trend information as identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements.

We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Oxford Township School District Board of Education's basic financial statements. The introductory section, combining and individual fund financial statements, long-term debt schedules, statistical section, and schedule of state financial assistance, as required by New Jersey OMB's Circulars 15-08, ***Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid***, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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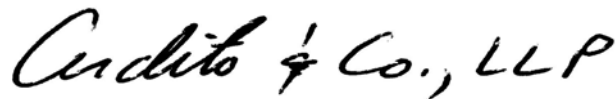
The combining and individual fund financial statement information, long-term debt schedules, and the schedule of state financial assistance, as required by New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are the responsibility of management 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 statement information, long-term debt schedules, and schedule of state financial assistance, as required by New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, 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.

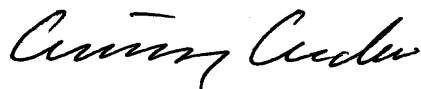
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August 31, 2016, on our consideration of the Oxford Township School District Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.



ARDITO & CO., LLP

August 31, 2016



Licensed Public School Accountant No. 2369

**Required Supplementary Information -
Part I**

Management's Discussion and Analysis

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

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

Financial Highlights

Key financial highlights for 2016 are as follows:

- ◆ In total, Net Position increased \$146,646 which represents a 5.6% increase from 2015.
- ◆ General revenues accounted for \$3,978,169 in revenue or 49.2% of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions accounted for \$4,102,140 or 50.8% of total revenues of \$8,080,309.
- ◆ Total assets of governmental activities decreased by \$123,181, as cash and cash equivalents increased by \$56,406, receivables increased by \$42,810, and capital assets decreased by \$223,812.
- ◆ The School District had \$7,933,663 in expenses; only \$4,102,140 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) of \$3,978,169 were available to provide for these programs.
- ◆ Among major funds, the General Fund had \$6,809,373 in revenues and \$6,666,868 in expenditures. The General Fund's surplus balance increased \$142,505 over 2015, which compares favorably to the budgeted decrease of \$315,330.

Using this Generally Accepted Accounting Principals Report (GAAP)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Oxford Township School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities. The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail.

For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Oxford Township School District, the General Fund is by far the most significant fund.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Reporting the School District as a Whole

Statement of Net Position and the Statement of Activities

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

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

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

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 26. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, and Capital Projects Fund.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Governmental Funds

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District’s Net Position for 2016 compared to 2015.

	<u>2016</u>	<u>2015</u>
Table 1 Net Position		
Assets		
Current and Other Assets	\$ 1,102,948	\$ 1,002,317
Capital Assets	<u>7,513,909</u>	<u>7,737,721</u>
Total Assets	<u>8,616,857</u>	<u>8,740,038</u>
Deferred Outflows of Resources	<u>440,347</u>	<u>348,267</u>
Liabilities		
Long-Term Liabilities	5,947,830	6,230,328
Other Liabilities	<u>96,214</u>	<u>144,868</u>
Total Liabilities	<u>6,044,044</u>	<u>6,375,196</u>
Deferred Inflows of Resources	<u>240,997</u>	<u>87,592</u>
Net Position		
Invested in Capital Assets, Net of Debt	3,208,909	2,966,826
Restricted	1,041,561	873,760
Unrestricted	<u>(1,478,307)</u>	<u>(1,215,069)</u>
Total Net Position	<u>\$ 2,772,163</u>	<u>\$ 2,625,517</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Total assets of governmental activities decreased by \$123,181, as cash and cash equivalents increased by \$56,406, receivables increased by \$42,810, and capital assets decreased by \$223,812.

The cash increase was mainly due operational efficiency towards budget and the decrease in capital assets was entirely due to depreciation expense for the year.

Table 2 shows the changes in Net Position from fiscal year 2015.

Table 2
Changes in Net Position

	<u>2016</u>	<u>2015</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 137,879	\$ 137,626
Operating Grants and Contributions	3,964,261	3,744,141
General Revenues:		
Property Taxes	3,972,547	3,907,435
Federal & State Aid on Capital Asset Projects	-	-
Investment Earnings	932	277
Other	<u>4,690</u>	<u>33,040</u>
Total Revenues	<u>8,080,309</u>	<u>7,822,519</u>
Program Expenses		
Instruction	4,111,455	3,703,101
Support Services:		
Tuition	1,579,064	1,776,420
Pupils and Instructional Staff	687,805	781,910
General Administration, School Administration, Business	582,440	558,118
Operations and Maintenance of Facilities	393,108	386,997
Pupil Transportation	242,200	213,251
Business-Type Activities	101,551	99,552
Interest and Fiscal Charges	<u>236,040</u>	<u>244,973</u>
Total Expenses	<u>7,933,663</u>	<u>7,764,322</u>
Increase in Net Position	<u>\$ 146,646</u>	<u>\$ 58,197</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Governmental Activities

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 49.2% percent of revenues for governmental activities for the Oxford Township School District for the fiscal year 2016.

Instruction comprises 51.8% of district expenses. Support services expenses make up 43.9% of the expenses.

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services compared to 2015. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

Table 3

	<u>Total Cost of Services 2016</u>	<u>Net Cost of Services 2016</u>	<u>Total Cost of Services 2015</u>	<u>Net Cost of Services 2015</u>
Instruction	\$ 4,111,455	\$ 1,902,701	\$3,703,101	\$1,764,795
Support Services:				
Tuition	1,579,064	808,317	1,776,420	936,060
Pupils and Instructional Staff	687,805	332,600	781,910	391,992
General Admin., School Admin., Business	582,440	298,149	558,118	294,092
Operation and Maintenance of Facilities	393,108	201,231	386,997	203,923
Pupil Transportation	242,200	123,981	213,251	112,370
Business-Type Activities	101,551	(1,908)	99,552	3,373
Interest and Fiscal Charges	<u>236,040</u>	<u>166,452</u>	<u>244,973</u>	<u>175,950</u>
Total Expenses	<u>\$ 7,933,663</u>	<u>\$ 3,831,523</u>	<u>\$ 7,764,322</u>	<u>\$ 3,882,555</u>

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

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Business-type activities includes expenses related to activities provided by the School District which are designed to provide for students to participate in food service.

Interest and fiscal charges involve the transactions associated with the payment of interest and other related charges to debt of the School District and unallocated depreciation.

The dependence upon tax revenues is apparent. Over 46.3% of instruction activities are supported through taxes and other general revenues; for all activities general revenue support is 50.6%. The community, as a whole, is the primary support for the Oxford Township School District.

The School District's Funds

Information about the School District's major funds starts on page 26. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues and other sources of \$7,404,690 and expenditures of \$7,262,179. The General Fund's surplus balance increased \$142,505 over 2015, which compares favorably to the budgeted decrease of \$315,330.

General Fund Budgeting Highlights

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

During the course of the fiscal 2016 year, the School District amended its General Fund budget as needed. The School District uses program based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for program management.

For the General Fund, budget basis revenue and other financing sources, excluding on-behalf payments, was \$6,303,019, \$35,684 over original budgeted estimates of \$6,267,335. This difference was due primarily to extraordinary aid and tuition revenues.

General fund revenues exceeded expenditures by \$142,815. Again this surplus compares to a budgeted deficit of \$315,330, which was due to the budgeted use of surplus, maintenance and emergency reserves and tuition reserve needed to balance the 2016 budget.

The budgeted deficit was reduced due to revenue increases and cost savings in the areas of instruction, tuition, maintenance, and health benefits.

Overall general fund balance (budget basis) was \$1,310,544, and amounts ear-marked and reserved for future purposes were \$1,041,561, creating a surplus in unreserved fund balance of \$268,983. Management believes unreserved fund balance at statutory levels will provide adequate working capital for the district.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

Capital Assets

At the end of the fiscal year 2016, the School District had \$7,513,909 invested in land, buildings, furniture and equipment, and vehicles. Table 4 shows fiscal 2016 balances compared to 2015.

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

	<u>2016</u>	<u>2015</u>
Land	\$ 550	\$ 550
Land Improvements	20,995	28,835
Buildings and Improvements	7,474,847	7,681,988
Machinery and Equipment	<u>17,517</u>	<u>26,348</u>
 Totals	 <u>\$ 7,513,909</u>	 <u>\$ 7,737,721</u>

Overall capital assets decreased \$223,812 from fiscal year 2015 to fiscal year 2016. The decrease in capital assets was due to depreciation expense for the year, net of additions.

Capital improvements of \$5,405 were purchased during fiscal year 2016.

Debt Administration

At June 30, 2016, the School District had \$4,493,112 as outstanding long term debt. Of this amount, \$188,112 is for compensated absences and \$4,305,000 is for bonds payable outstanding.

At June 30, 2016, the School District's overall legal debt margin was \$1,087,215 and the unvoted debt margin was the same.

OXFORD TOWNSHIP SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016
UNAUDITED

For the Future

The Oxford Township School District is in very good financial condition presently. A major concern is the continued reliance on local property taxes. The Oxford Township School District is primarily a residential community, with very few ratables, thus the burden is focused on homeowners to bear the tax burden. However, future finances are not without challenges as the community continues to grow and state funding is decreased.

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

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Nancy DeRiso, School Business Administrator/Board Secretary at Oxford Township School District, 17 Kent Street, Oxford, NJ, 07863.

Basic Financial Statements

DISTRICT-WIDE FINANCIAL STATEMENTS

The statement of Net Position and the statement of activities display information about the District. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activities of the District.

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-1

STATEMENT OF NET POSITION

June 30, 2016

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS			
Cash and Cash Equivalents	\$ 863,984	\$ 6,103	\$ 870,087
Receivables from Other Governments	178,269	1,746	180,015
Accounts Receivable, Net	39,172		39,172
Interfund Receivables		10,809	10,809
Inventory		2,865	2,865
Capital Assets, Net (Note 6):	7,513,909		7,513,909
Total Assets	8,595,334	21,523	8,616,857
DEFERRED OUTFLOWS OF RESOURCES			
Pension Deferred Outflows	440,347		440,347
LIABILITIES			
Accounts Payable	2,409	3,818	6,227
Interfund Payable	10,809		10,809
Unearned Revenue		1,514	1,514
Accrued Interest	77,664		77,664
Net Pension Liability (Note 8)	1,454,718		1,454,718
Noncurrent Liabilities (Note 7):			
Due Within One Year	280,000		280,000
Due Beyond One Year	4,213,112		4,213,112
Total Liabilities	6,038,712	5,332	6,044,044
DEFERRED INFLOWS OF RESOURCES			
Pension Deferred Inflows	240,997		240,997
Net Position			
Invested in Capital Assets, Net of Related Debt	3,208,909		3,208,909
Restricted for:			
Other Purposes	1,041,561		1,041,561
Unrestricted	(1,494,498)	16,191	(1,478,307)
Total Net Position	\$ 2,755,972	\$ 16,191	\$ 2,772,163

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit A-2

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016

	PROGRAM REVENUES			NET(EXPENSE) REVENUE AND CHANGES IN NET POSITION		TOTAL	
	EXPENSES	CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES		BUSINESS-TYPE ACTIVITIES
Functions/Programs							
Governmental Activities:							
Instruction:							
Regular	\$ 3,380,694	\$ 82,082	\$ 1,769,984		\$ (1,528,628)	\$ (1,528,628)	
Special Education	687,052		335,353		(351,699)	(351,699)	
Other Special Instruction	43,709		21,335		(22,374)	(22,374)	
Support Services:							
Tuition	1,579,064		770,747		(808,317)	(808,317)	
Student & Instruction Related Services	687,805		355,205		(332,600)	(332,600)	
School Administrative Services	154,385		75,356		(79,029)	(79,029)	
General and Business Admin. Services	428,055		208,935		(219,120)	(219,120)	
Plant Operations and Maintenance	393,108		191,877		(201,231)	(201,231)	
Pupil Transportation	242,200		118,219		(123,981)	(123,981)	
Interest and Other Charges	236,040		69,588		(166,452)	(166,452)	
Total Governmental Activities	7,832,112	82,082	3,916,599		(3,833,431)	(3,833,431)	
Business-Type Activities:							
Food Service	101,551	\$ 55,797	47,662		\$ 1,908	1,908	
Total Business-Type Activities	101,551	55,797	47,662		1,908	1,908	
Total Primary Government	\$ 7,933,663	\$ 137,879	\$ 3,964,261		\$ (3,833,431)	\$ (3,831,523)	
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes, Net				\$ 3,586,163		\$ 3,586,163	
Taxes Levied for Debt Service				386,384		386,384	
Investment Earnings				932		932	
Miscellaneous Income				2,963	\$ 1,727	4,690	
Total General Revenues, Special Items, Extraordinary Items and Transfers				3,976,442	1,727	3,978,169	
Change in Net Position				143,011	3,635	146,646	
Net Position—Beginning				2,612,961	12,556	2,625,517	
Net Position—Ending				\$ 2,755,972	\$ 16,191	\$ 2,772,163	

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

FUND FINANCIAL STATEMENTS

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

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2016

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents	\$ 860,195		\$ 3,789	\$ 863,984
Interfund Receivables	115,493			115,493
Accounts Receivable, Net	39,165	\$ 7		39,172
Receivables from Other Governments	62,783	115,486		178,269
TOTAL ASSETS	\$ 1,077,636	\$ 115,493	\$ 3,789	\$ 1,196,918
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 2,409			\$ 2,409
Interfund Payables	10,809	\$ 115,493		126,302
Deferred Revenue	-	-		-
Total Liabilities	13,218	115,493	-	128,711
Fund Balances:				
<u>Restricted for:</u>				
Excess Surplus	-			-
Capital Reserve	248,050			248,050
Emergency Reserve	123,893			123,893
Maintenance Reserve	276,371			276,371
Tuition Reserve	308,247			308,247
<u>Assigned to:</u>				
Year-End Encumbrances	-			-
General Fund-Designated for Subsequent Year's Expend.	85,000			85,000
Capital Projects Fund			3,789	3,789
<u>Unassigned:</u>				
General Fund	22,857			22,857
Total Fund Balances	1,064,418	-	3,789	1,068,207
TOTAL LIABILITIES AND FUND BALANCE	\$ 1,077,636	\$ 115,493	\$ 3,789	\$ 1,196,918

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 \$10,698,394 and the accumulated depreciation is \$3,184,485.	\$7,513,909
Deferred Outflows related to pension contributions subsequent to the Net Pension Liability measurement date and other deferred items are not current financial resources and therefore are not reported in the fund statements. (See Note 8)	440,347
Deferred Inflows related to pension actuarial gains from experience and differences in actual return and assumed returns and other deferred items are not reported as liabilities in the fund statements. (See Note 8)	(240,997)
Long-term liabilities, including Net Pension Liability, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	(1,454,718)
Accrued Interest on Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(77,664)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 7)	(4,493,112)
Net Position of governmental activities	\$ 2,755,972

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-2

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
REVENUES					
Local sources:					
Local Tax Levy	\$ 3,586,163			\$ 386,384	\$ 3,972,547
Tuition	82,082				82,082
Miscellaneous	3,889		\$ 6		3,895
Total - Local Sources	3,672,134	-	6	386,384	4,058,524
State Sources	3,128,219			69,588	3,197,807
Federal Sources	9,020	\$ 139,339			148,359
Total Revenues	6,809,373	139,339	6	455,972	7,404,690
EXPENDITURES					
Current:					
Regular Instruction	2,367,438	119,854			2,487,292
Special Education Instruction	552,513				552,513
Other Special Instruction	35,150				35,150
Support services and undistributed costs:					
Tuition	1,579,064				1,579,064
Student and Instruction Related Services	533,634	19,485			553,119
School Administrative Services	124,153				124,153
Other Administrative Services	344,233				344,233
Plant Operations and Maintenance	316,129				316,129
Pupil Transportation	242,200				242,200
Unallocated Benefits	514,147				514,147
Debt Service:					
Principal				275,000	275,000
Interest and Other Charges				180,972	180,972
Capital Outlay	58,207		-		58,207
Total Expenditures	6,666,868	139,339	-	455,972	7,262,179
Excess (Deficiency) of Revenues Over Expenditures	142,505	-	6	-	142,511
Net Change in Fund Balances	142,505	-	6	-	142,511
Fund Balance—July 1	921,913		3,783		925,696
Fund Balance—June 30	\$ 1,064,418	-	\$ 3,789	-	\$ 1,068,207

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-3

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

Total Net Change in Fund Balances - Governmental Funds (from B-2) \$ 142,511

Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.

Depreciation Expense	\$ (229,137)	
NBV of Disposals	(80)	
Capital Outlays	<u>5,405</u>	(223,812)

Pension contributions are reported in governmental funds as expenditures. However, in the statement of activities, the contributions are adjusted for actuarial valuation adjustments, including service and interest costs, administrative costs, investment returns, and experience/assumption. This is the amount by which net pension liability and deferred inflows/outflows related to pension changed during the period.

(46,246)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets and is not reported in the statement of activities.

275,000

In the statement of activities, compensated absences is accrued regardless of when paid. In the governmental funds, compensated absences are reported when paid. This is the amount by which the current year's compensated absence payments exceed the current year's amount earned.

(7,581)

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. This is the amount by which current year's amount of interest accrual exceeds the prior year's amount.

3,139

Change in Net Position of Governmental Activities \$ 143,011

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-4

STATEMENT OF PROPRIETARY NET POSITION
 PROPRIETARY FUNDS

June 30, 2016

	Business-Type Activities- Enterprise Funds	
	Food Service	Totals
ASSETS		
Current assets:		
Cash and Cash Equivalents	\$ 6,103	\$ 6,103
Federal and State Accounts Receivable	1,746	1,746
Interfund Receivable	10,809	10,809
Inventories	2,865	2,865
Total Current Assets	21,523	21,523
Noncurrent Assets:		
Furniture, Machinery and Equipment	23,340	23,340
Less Accumulated Depreciation	(23,340)	(23,340)
Total Noncurrent Assets		
	21,523	21,523
LIABILITIES		
Current liabilities:		
Accounts Payable	3,818	3,818
Deferred Revenue	1,514	1,514
Total Current Liabilities	5,332	5,332
	5,332	5,332
Net Position		
Invested in Capital Assets Net of Related Debt	-	-
Unrestricted	16,191	16,191
Total Net Position	\$ 16,191	\$ 16,191

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

**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
 PROPRIETARY FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016**

	Business-type Activities- Enterprise Fund	
	Food Service	Total Enterprise
Operating Revenues:		
Charges for Services:		
Daily Sales - Reimbursable Programs	\$ 43,027	\$ 43,027
Daily Sales - Non-Reimb.Programs	12,770	12,770
Miscellaneous	1,727	1,727
Total Operating Revenues	57,524	57,524
 Operating Expenses:		
Cost of Sales	56,273	56,273
Salaries	26,427	26,427
Employee Benefits	6,901	6,901
Supplies	4,289	4,289
Other Purchased Professional Services	7,661	7,661
Depreciation	-	-
Total Operating Expenses	101,551	101,551
Operating Income (Loss)	(44,027)	(44,027)
 Nonoperating Revenues (Expenses):		
State Sources:		
State School Lunch Program	1,216	1,216
Federal Sources:		
National School Lunch Program	33,171	33,171
Food Distribution Program	13,275	13,275
Total Nonoperating Revenues (Expenses)	47,662	47,662
Income (Loss) Before Contributions and Transfers	3,635	3,635
Transfers In (Out)		
Change in Net Position	3,635	3,635
Total Net Position—Beginning	12,556	12,556
Total Net Position—Ending	\$ 16,191	\$ 16,191

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-6

STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS

For the Year Ended June 30, 2016

	Business-Type Activities- Enterprise Funds	
	Food	Total
	<u>Service</u>	<u>Enterprise</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from Customers	\$ 53,406	\$ 53,406
Payments to Employees and Benefits	(33,328)	(33,328)
Payments to Suppliers	(54,929)	(54,929)
Net Cash Provided by (used for) Operating Activities	(34,851)	(34,851)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	1,388	1,388
Federal Sources	37,955	37,955
Operating Subsidy Transfers from Other Funds		
Net Cash Provided by (used for) Non-Capital Financing Activities	39,343	39,343
Net Increase (Decrease) in Cash and Cash Equivalents	4,492	4,492
Balances—Beginning of Year	1,611	1,611
Balances—End of Year	\$ 6,103	\$ 6,103
Reconciliation of Operating Income (Loss) to Net Cash Provided (used) by Operating Activities:		
Operating Income (Loss)	\$ (44,027)	\$ (44,027)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Federal Commodities	13,275	13,275
(Increase) Decrease in Receivables	(7,340)	(7,340)
(Increase) Decrease in Inventories	(1,415)	(1,415)
Increase (Decrease) in Accounts Payable	4,656	4,656
Total Adjustments	9,176	9,176
Net Cash Provided by (used for) Operating Activities	\$ (34,851)	\$ (34,851)

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit B-7

**STATEMENT OF FIDUCIARY Net Position
FIDUCIARY FUNDS**

June 30, 2016

	Unemployment Compensation <u>Trust</u>	Fiduciary <u>Trust</u>	Agency <u>Fund</u>
ASSETS			
Cash and Cash Equivalents	\$ 45,631	\$ 10,570	\$ 54,517
Total Assets	\$ 45,631	\$ 10,570	\$ 54,517
LIABILITIES			
Accounts Payable			24,941
Payable to Student Groups	-	-	29,576
Total Liabilities	-	-	\$ 54,517
Net Position			
Held in Trust for Unemployment Claims & Other Purposes	<u>\$ 45,631</u>	<u>\$ 10,570</u>	<u> </u>

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

**STATEMENT OF CHANGES IN FIDUCIARY Net Position
FIDUCIARY FUNDS**

For the Year Ended June 30, 2016

	Unemployment Compensation <u>Trust</u>	Fiduciary <u>Trust</u>
ADDITIONS		
Contributions:		
Plan Member	\$ 5,591	-
Other	-	\$ 1,233
Total Contributions	<u>5,591</u>	<u>1,233</u>
Total Additions	<u>5,591</u>	<u>1,233</u>
DEDUCTIONS		
Other		2,299
Unemployment Claims	<u>633</u>	<u>-</u>
Total Deductions	<u>633</u>	<u>2,299</u>
Change in Net Position	4,958	(1,066)
Net Position—Beginning of the Year	<u>40,673</u>	<u>11,636</u>
Net Position—End of the Year	<u>\$ 45,631</u>	<u>\$ 10,570</u>

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

Notes to Financial Statements

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

In June 1999, the Governmental Accounting Standards Board (GASB) unanimously approved Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments (Statement No.34). This Statement provides for the most significant change in financial reporting in over twenty years and is scheduled for a phase-in implementation period (based on amount of revenues) starting with fiscal years ending 2002 (for larger governments). The District was not required to implement the new model until the 2003-2004 school year.

In addition, the School District has implemented GASB Statement No.37, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments: Omnibus, Statement No.38, Certain Financial Statement Note Disclosures, Statement No.40, Deposit and Investment Risk Disclosures, an amendment of GASB Statement No.3, and Statement 44, Economic Condition Reporting: The Statistical Section (GASB 44), an amendment of NCGA Statement 1, Governmental Accounting and Financial Reporting Principles is found in the Introduction, a revised statistical section in the Outline of the CAFR, GASB Statement No. 45, Other Post-retirement Employee Benefits, GASB No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, and GASB No. 63 and 65, Deferred Outflows and Inflows and Net Position, and Items Previously Reported as Assets and Liabilities, and GAASB No. 68, Accounting for Pensions, an amendment of GASB No. 27. The implementation of these statements did not effect net position balances as previously reported for the fiscal year ended June 30, 2015.

A. Reporting Entity:

The Oxford Township School District is a Type II district located in the County of Warren, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of five members elected to three-year terms. The purpose of the district is to educate students in grades K-8. The Oxford Township School District had an approximate enrollment at June 30, 2016, of 310 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB *Codification of Governmental Accounting and Financial Reporting Standards*, is whether:

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

Based on the aforementioned criteria, the District has no component units.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation, Basis of Accounting:

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

Basis of Presentation

District-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees and charged to external parties. The statement of net position presents the financial condition of the governmental and business-type activity of the School District at fiscal year end. The statement of activities presents a comparison between direct expenses and program revenues for the business-type activity of the District and for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

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

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

GOVERNMENTAL FUNDS

The District reports the following governmental funds:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

GOVERNMENTAL FUNDS (Continued)

As required by the New Jersey State Department of Education, the District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

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

Capital Projects Fund - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election.

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

PROPRIETARY FUNDS

The District reports the following proprietary fund:

Enterprise (Food Service) Fund - The Enterprise Fund accounts for all revenues and expenses pertaining to the Board's cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Additionally, the District reports the following fund type:

Fiduciary Funds - The Fiduciary Funds are used to account for assets held by the District on behalf of others and include the Student Activities Fund, Payroll Agency Fund and Unemployment Compensation Trust Fund.

Basis of Accounting

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

District-wide, Proprietary, and Fiduciary Fund Financial Statements: The District-wide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting; the enterprise fund and fiduciary funds use the accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures. Ad Valorem (Property) Taxes are susceptible to accrual as under New Jersey Statute as the municipality is required to remit to its school district the entire balance of taxes in the amount voted upon or certified prior to the end of the school year. The District records the entire approved tax levy as revenue (accrued) at the start of the fiscal year, since the revenue is both measurable and available. The District is entitled to receive monies under the established payment schedule and the unpaid amount is considered to be an "accounts receivable". Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have b

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue funds. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1. All budget amendments/transfers must be approved by School Board resolution. In addition, transfers are also covered by changes in N.J.A.C. 6A:23A-2.3 that can require approval through the state department. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining project appropriations, encumbrances and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

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

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

D. Encumbrance Accounting:

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity:

Cash and Cash Equivalents:

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

Interfund Transactions:

Transfers between governmental and business-type activities on the District-wide statements are reported in the same manner as general revenues.

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the enterprise fund. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Inventories:

Inventory purchases, other than those recorded in the enterprise fund, are recorded as expenditures during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method.

Allowance for Uncollectible Accounts:

No allowance for uncollectible accounts has been recorded as all amounts are considered collectible.

Capital Assets:

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

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

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office and Computer Equipment	5-10
Instructional Equipment	10
Grounds Equipment	15

OXFORD TOWNSHIP SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

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

Compensated Absences:

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

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

The liability for compensated absences was accrued using the termination payment method, whereby the liability is calculated based on the amount of sick leave that is expected to become eligible for payment upon termination. The District estimates its accrued compensated absences liability based on the accumulated sick and vacation days at the balance sheet date by those employees who are currently eligible to receive termination payments. Salary related payments for the employer's share of social security and medicare taxes, as well as pension contributions, are included.

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

Deferred Revenue:

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of June 30, 2016, but which were levied to finance fiscal year 2017 operations, have been recorded as deferred revenue. Grants and entitlement received before the eligible requirements are met are also recorded as deferred revenue.

Accrued Liabilities and Long-Term Obligations:

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Net Position:

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

Fund Balance Reserves:

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

Revenues—Exchange and Nonexchange Transactions

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Assets, Liabilities and Equity (Continued):

Operating Revenues and Expenses:

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

Allocation of Indirect Expenses:

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

Extraordinary and Special Items:

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

Management Estimates:

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

NOTE 2: CASH AND CASH EQUIVALENTS

Deposits:

New Jersey statutes require that school districts deposit public funds in public depositories located in New Jersey, which 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 districts are also permitted to deposit public funds in the State of New Jersey Cash Management Fund.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

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.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the district's accounts are profiled in order to determine exposure, if any, to Custodial Credit Risk (risk that in the event of failure of the counterparty the district would not be able to recover the value of its deposits or investment). Deposits are considered to be exposed to Custodial Credit Risk if they are: uncollateralized or collateralized with securities held by the financial institution's trust department or agent but not in the government's name. At June 30, 2016, all of the district's deposits were collateralized by securities held in its name and, accordingly, not exposed to custodial credit risk. The district does not have a policy for custodial credit risk.

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

	<u>Cash and Cash Equivalents (A-1)</u>	<u>Cash and Cash Equivalents (B-7)</u>	<u>Total</u>
Checking	\$486,462	\$110,718	\$597,180
	\$486,462	\$110,718	\$597,180
	\$486,462	\$110,718	\$597,180

The carrying amount of the Board's cash and cash equivalents at June 30, 2016, was \$597,180 and the bank balance was \$871,329. All bank balances were covered by federal depository insurance and/or covered by a collateral pool maintained by the banks as required by New Jersey statutes. Of these bank balances, \$250,000 was covered by federal depository insurances and \$621,329 was covered by collateral pool.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 2: CASH AND CASH EQUIVALENTS (Continued)

Investments:

Pursuant to the Enabling Act, the funds of the district may be invested in any direct obligations of, or obligations as to which the principal and interest thereof is guaranteed by, the United States of America or other obligations as the district may approve.

In order to maximize liquidity, the district utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investments. The NJCMF is administered by the New Jersey Department of Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. 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 investment 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 \$383,625

Custodial Credit Risk: Pursuant to GASB 40, the NJCMF, which is a pooled investment, is exempt from custodial credit risk disclosure. 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.

Interest Rate Risk: The district does not have a policy to limit interest rate risk. The average maturity of the district's investments is less than one year.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 3: RECEIVABLES

Receivables at June 30, 2016, consisted of intergovernmental receivables for grants and lunch reimbursements. All receivables are considered collectible in full. A summary of the principal items of intergovernmental receivables follows:

	Governmental Fund Financial <u>Statements</u>	Government-Wide Financial <u>Statements</u>
State Aid	\$62,783	\$62,843
Federal Aid	115,486	117,172
Gross Receivable-Governm.	178,269	180,015
Other Receivables	39,172	39,172
Less: Allow. for Uncollectibles	-	-
Total Receivables, Net	\$217,441	\$219,187

NOTE 4: INVENTORY

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

Food	\$	2,480
Supplies		385
Total	\$	2,865

The value of Federal donated commodities as reflected on Schedule A (required by the Single Audit Law of 1996, as revised) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

NOTE 5: DEFERRED BOND ISSUANCE COSTS

In governmental funds, debt issuance costs are recognized in the current period. For the District-wide financial statements, governmental activity debt issuance costs are amortized straight-line over the life of the specific bonds (18 to 20 years). The costs associated with the issued of the various bonds are immaterial and are not amortized on the District-wide financial statements.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 6: CAPITAL ASSETS

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

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>
Governmental Activities:				
<i>Capital Assets Not Being Depreciated:</i>				
Land	\$ 550			\$ 550
Construction in Progress				
Total Capital Assets Not Being Depreciated	550			550
<i>Capital Assets Being Depreciated:</i>				
Land Improvements	156,800			156,800
Buildings and Building Improvements	10,390,258			10,390,258
Machinery and Equipment	160,676	\$ 5,405	\$ (15,295)	150,786
Total at Historical Cost	10,707,734	5,405	(15,295)	10,697,844
Less Accumulated Depreciation for:				
Land Improvements	(127,965)	(7,840)		(135,805)
Building and Improvements	(2,708,270)	(207,141)		(2,915,411)
Equipment	(134,328)	(14,156)	15,215	(133,269)
Total Accumulated Depreciation	(2,970,563)	(229,137)	15,215	(3,184,485)
Total Capital Assets Being Depreciated, net of Accumulated Depreciation	7,737,171	(223,732)	(80)	7,513,359
Government Activity Capital Assets, Net	\$ 7,737,721	(\$223,732)	(\$80)	\$ 7,513,909

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

Depreciation expense was charged to functions as follows:

Regular Instruction	\$ 229,137
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NOTE 7: LONG-TERM OBLIGATIONS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 7: LONG-TERM OBLIGATIONS - (Continued)

A. Long-Term Obligation Activity:

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

	<u>Balance</u> <u>7/1/15</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance</u> <u>6/30/16</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Governmental Activities:					
Bonds Payable:					
General Obligation Debt	\$4,580,000		(\$275,000)	\$4,305,000	\$280,000
Other Liabilities:					
Compensated Absences Payable	180,531	\$7,581		188,112	
Total	\$4,760,531	\$7,581	(\$275,000)	\$4,493,112	\$280,000

Compensated absences and capital leases have ben liquidated in the General Fund.

Interest paid on debt issued by the District is exempt from federal income taxes. Because of this, bond holders are willing to accept a lower interest rate than they would on taxable debt. The District temporarily reinvests the proceeds of such debt in higher-yielding taxable securities, especially during construction projects. The federal tax code refers to this as arbitrage.

Earnings in excess of the yield on the debt issue are rebated to the federal government based on requirements in the Internal Revenue Code. Arbitrage rebate payable represents amounts due to the Internal Revenue Service for interest earned on unspent bond proceeds that exceeds legally allowable returns.

Rebatable arbitrage liabilities related to District debt are not recorded in governmental funds. There is no recognition in the balance sheet or income statement until rebatable amounts are due and payable to the federal government. Thus, rebatable arbitrage liabilities related to governmental debt will be accrued as incurred at least annually (at fiscal year end) on the District-wide financial statements.

For the year ended June 30, 2016, it is not necessary for the Board to establish a liability for arbitrage rebate.

	<u>Government Activities</u>			<u>Balance</u> <u>June 30, 2016</u>
	<u>Issue</u> <u>Dates</u>	<u>Interest</u> <u>Rates</u>	<u>Date of</u> <u>Maturity</u>	
General School Renovations				
Bonds Payable-Series 2011	6/1/11	3.0%	10/15/2018	\$ 430,000
Bonds Payable-Series 2006	12/14/06	3.625%-4.35%	7/15/2032	3,875,000
Total Bonds				\$ 4,305,000

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 7: LONG-TERM OBLIGATIONS (Continued)

B. Debt Service Requirements:

Debt Service requirements on serial bonds payable at June 30, 2016, is as follows:

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2017	\$ 280,000	\$ 171,723	\$ 451,723
2018	285,000	161,910	446,910
2019	335,000	150,930	485,930
2020	170,000	141,760	311,760
2021	180,000	134,760	314,760
Thereafter	<u>3,055,000</u>	<u>878,305</u>	<u>3,933,305</u>
	<u>\$ 4,305,000</u>	<u>\$ 1,639,388</u>	<u>\$ 5,944,388</u>

B. Debt Service Requirements-Temporary and Permanent Financing:

On August 2, 2010, the District issued \$1,309,200 in authorized bond anticipation notes. This amount was due on August 2, 2011 at an interest rate of 1.3% and was fully paid on August 2, 2011. This amount was approved by the voters on December 9, 2008 for a school renovation project.

On June 1, 2011, the District issued \$895,000 in Bonds Payable through a private sale to Bank of New York - Mellon at an interest rate of 3%, with annual payments maturing 10/15/2018. The bond proceeds and the unspent capital project surplus were utilized to fully liquidate the \$1,309,200 in bond anticipation notes on August 2, 2011.

C. Advance Refunding:

The 2006 School Bonds were issued to advance refund a portion of the 2001 School Bonds in the amount of \$4,170,000 and provide for accrued interest, non-callable interest, and costs of issuance. The balance outstanding on the refunded 2001 School Bonds was -0- at June 30, 2016.

NOTE 8: PENSION PLANS

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF) - The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, 100% of employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

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

The employer contributions for the district are legally required to be funded by the State in accordance with N.J.S.A 18:66-33. Therefore, the district (employer) is 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 district (employer) does 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 district. However, the state's portion of the net pension liability that was associated with the district was \$11,925,111 as measured on June 30, 2015 and \$10,068,211 as measured on June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$728,135 and revenue of \$728,135 for support provided by the State. The measurement period for the pension expense and revenue reported in the district's financial statements (A-2) at June 30, 2016 is based upon changes in the collective net pension liability with a measurement period of June 30, 2014 through June 30, 2015. Accordingly, the pension expense and the related revenue associated with the support provided by the State is based upon the changes in the collective net pension liability between July 1, 2014 and June 30, 2015.

Although the district does not report net pension liability or deferred outflows or inflows related to the TPAF, the following schedule illustrates the collective net pension liability and deferred items and the State's portion of the net pension liability associated with the district. The collective amounts are the total of all New Jersey local governments participating in the TPAF plan.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

	<u>6/30/2014</u>	<u>6/30/2015</u>
Collective deferred outflows of resources	\$2,306,623,861	\$7,521,378,257
Collective deferred inflows of resources	\$1,763,205,593	\$554,399,005
Collective net pension liability (Nonemployer-State of New Jersey)	\$53,446,745,367	\$63,204,270,305
State's portion of the net pension liability that was associated with the district	\$10,068,211	\$11,925,111
State's portion of the net pension liability that was associated with the district as a percentage of the collective net pension liability	0.018838%	0.018868%

Actuarial assumptions - The total pension liability for the June 30, 2015 measurement date was determined by an actuarial valuation as of July 1, 2014, which was rolled forward to June 30, 2015. The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation:	2.5%	
Salary Increases:	Varies based on experience	
Investment Rate of Return:	7.90%	

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
US Cash	5.00%	0.53%
US Government Bonds	1.75%	1.39%
US Credit Bonds	13.50%	2.72%
US Mortgages	2.10%	2.54%
US Inflation-Indexed Bonds	1.50%	1.47%
US High Yield Bonds	2.00%	4.57%
US 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%

Discount rate. The discount rate used to measure the State's total pension liability was 4.13% and 4.68% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers (State of New Jersey) 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

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. Since the District has no proportionate share of the net pension liability because of the special funding situation, the district would not be sensitive to any changes in the discount rate. Detailed information about the pension plan's sensitivity of the collective net pension liability to changes in the discount rate is available in the separately issued State of New Jersey at <http://www.state.nj.us/treasury/pensions/annrprts.shtml>.

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rprts-home.shtml>.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

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

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

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

At June 30, 2016, the District reported a liability of \$1,454,718 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability 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 total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The District's proportion of the net pension liability is based on the ratio of the contributions as an individual employer to total contributions to the PERS during the years ended June 30, 2015 and 2014. At June 30, 2015, the District's proportion was 0.00648% which was a decrease of 0.00137% from its proportion measured as of June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$92,953. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred</u> <u>Outflows of</u> <u>Resources</u>	<u>Deferred</u> <u>Inflows of</u> <u>Resources</u>
Differences between expected and actual experience	\$ 34,704	-
Changes of assumptions	156,225	
Net difference between projected and actual earnings on pension plan investments		\$ 23,389
Changes in proportion and differences between District contributions and proportionate share of contributions	193,704	217,608
District contributions subsequent to the measurement date	55,714	
Total	\$ 440,347	\$ 240,997

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

\$55,714 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2016, the plan measurement date is June 30, 2015) will be recognized as a reduction of the net pension liability measured as of June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

	<u>Year Ended June 30:</u>
2016	\$26,149
2017	26,149
2017	26,149
2018	41,646
2019	<u>23,543</u>
Total	<u>\$143,636</u>

	<u>6/30/2014</u>	<u>6/30/2015</u>
Collective deferred outflows of resources	\$952,194,675	\$3,578,755,666
Collective deferred inflows of resources	1,479,224,662	993,410,455
Collective net pension liability (Non State - Local Group)	\$18,722,735,003	\$22,447,996,119
District's portion of net pension liability	\$1,469,797	\$1,454,718
District's proportion %	0.00785033%	0.00648039%

Actuarial assumptions. The collective 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:

Inflation:	3.04%
Salary Increases:	
2012-2021	2.15%-4.40% based on age
Therafter	3.15%-5.40% based on age
Investment Rate of Return:	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

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

Discount rate. The discount rate used to measure the total pension liability was 4.90% and 5.39% as of June 30, 2015 and 2014, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 3.80% and 4.29% as of June 30, 2015 and 2014, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of 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.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

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 measured as of June 30, 2015, calculated using the discount rate of 4.90%, 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%) or 1-percentage-point higher (5.90%) than the current rate:

	<u>1% Decrease</u>	<u>Current</u> <u>Discount Rate</u>	<u>1% Increase</u>
	<u>(3.90%)</u>	<u>(4.90%)</u>	<u>(5.90%)</u>
District's proportionate share of the net pension liability	\$ 1,808,036	\$ 1,454,718	\$ 1,158,498

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued State of New Jersey Divisions of Pensions and Benefits financial report at <http://www.nj.gov/treasury/pensions/financial-rpts-home.shtml>.

Defined Contribution Retirement Plan (DCRP) - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2007 under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007 (N.J.S.A. 43:15C-1 et seq.). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by N. J.S.A. 43:15C-1 et. seq.

The contribution requirements of plan members are determined by state statute. In accordance with Chapter 92, P.L. 2007 and Chapter 103, P.L. 2007, plan members are required to contribute 5.5% of their annual covered salary. The State Treasurer has the right under current law to make temporary reductions in member rates based on the existence of surplus plan assets in the retirement system; however statute also requires the return to the normal rate when such surplus pension assets no longer exist.

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

The TPAF and PERS provides for specified medical benefits for members who retire after achieving 25 years of qualified service, as defined, or under the disability provisions of the System. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

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

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

□ New members of the PERS hired on or after June 28, 2011 (Tier 5 members) will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of ¼ of 1% for each month that the member is under age 65. □ The eligibility age to qualify for a service retirement in the PERS is increased from age 63 to 65 for Tier 5 members. □ The annual benefit under special retirement for new PFRS members enrolled after June 28, 2011 (Tier 3 members), will be 60% instead of 65% of the member's final compensation plus 1% for each year of creditable service over 25 years but not to exceed 30 years. □ Increases in active member contribution rates. PERS active member rates increase from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years; PFRS active member rate increase from 8.5% to 10%. For fiscal year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contribution rates for PES members will take place in July of each subsequent fiscal year.

□ The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law. □ New employee contribution requirements towards the cost of employer-provided health benefit coverage. Employees are required to contribute a certain percentage of the cost of coverage. The rate of contribution is determined based on the employee's annual salary and the selected level of coverage. The increased employee contributions will be phased in over a 4-year period for those employed prior to Chapter 78's effective date with a minimum contribution required to be at least 1.5% of salary. □ In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Contribution Requirements - The contribution policy is set by N.J.S.A. 43:15A, Chapter 62, P.L. of 1994, Chapter 115, P.L. of 1997 (PERS) and N.J.S.A. 18:66 (TPAF) requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 6.5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The current TPAF rate is 6.5% and the PERS rate is 6.5% of covered payroll.

Three-Year Trend Information for PERS

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2016	\$55,714	100 %	-0-
6/30/2015	\$64,717	100	-0-
6/30/2014	\$50,523	100	-0-

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 8: PENSION PLANS (Continued)

Three-Year Trend Information for TPAF (Paid on-behalf of the District)

Year Funding	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
6/30/2016	\$157,702	100 %	-0-
6/30/2015	\$102,005	100	-0-
6/30/2014	\$79,692	100	-0-

During the fiscal year ended June 30, 2016, the State of New Jersey did contribute \$345,481 to the TPAF for post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$168,666 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. The PERS amounts have been included in the fund-based statements as pension expense and the TPAF on-behalf amounts have been included in fund-based statements as revenues and expenditures. The PERS and TPAF amounts have been modified and included in the District-wide financial statements in accordance with GASB Statement No. 68.

NOTE 9: POST-RETIREMENT BENEFITS

P.L. 1987, c. 384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the State contributed \$1.25 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

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

GASB Statement #45 requires certain disclosures relating to governmental entities obligations for other post-employment benefits (OPEB), which are post-employment benefits other than pensions. The District does not provide post-employment benefits other than pension. Healthcare provided to eligible TPAF and PERS board of education retirees through the NJ State Health Benefits Program are paid by the the State of New Jersey and as such, no district OPEB liability exists.

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 10: DEFERRED COMPENSATION

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

Life USA
Templeton

NOTE 11: COMPENSATED ABSENCES

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

District instructional employees are granted sick leave in amounts under the District's contractual policies. Sick leave benefits provide for ordinary sick pay and begin vesting with the employee after initial service and become eligible after fifteen years of service and payment is based upon retirement in the state pension system.

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

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2016, no liability existed for compensated absences in the proprietary fund types.

NOTE 12: 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. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

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

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 12: RISK MANAGEMENT-(Continued)

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2015-2016	\$0	\$5,591	\$633	\$45,631
2012-2015	\$8,000	\$5,504	\$11,178	\$40,673
2012-2014	\$0	\$5,347	\$7,394	\$38,347

NOTE 13: CONTINGENT LIABILITIES

GRANT PROGRAMS

The Board participates in state and federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The Board is potentially liable for any expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

LITIGATION

There are no material threatened litigations, claims or assessments, including unasserted claims and assessments known to the Board.

NOTE 14: FUND BALANCE APPROPRIATED

General Fund (Exhibit B-1)- Of the \$1,064,418 General Fund fund balance at June 30, 2016, \$123,893 is reserved as emergency reserve in accordance with P.L. 2007 c.62; \$276,371 is reserved as maintenance reserve in accordance with P.L. 2007 c.62; 308,247 is reserved for tuition adjustment in accordance with N.J.A.C. 6A:23-3.1(f)(8); \$248,050 is reserved for Capital Reserve; \$85,000 has been appropriated and included as anticipated revenue for the year ending June 30, 2017; and \$22,857 is unreserved and undesignated.

NOTE 15: CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, 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 excess fund balance at June 30, 2016 is \$-0-.

OXFORD TOWNSHIP SCHOOL DISTRICT
 NOTES TO BASIC FINANCIAL STATEMENTS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 16: INTERFUND RECEIVABLES AND PAYABLES

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

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	
General Fund	\$ 115,493	\$ 10,809	
Food Service Fund	10,809	-	
Special Revenue Fund	-	115,493	
	<u>\$ 126,302</u>	<u>\$ 126,302</u>	

The infund balances represent cash advances to the special revenue fund for federal grants not yet received, and for State and Federal lunch subsidies received, but not yet transferred to the food service fund.

NOTE 17: CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Oxford Township School District Board of Education by inclusion of \$20,000 in the 2006-2007 annual capital outlay budget for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by board resolution at year end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23-2.13(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	\$ 40,050
Deposits (PL 2007 c.62 (A1)): Board Resolution June 23, 2016	<u>208,000</u>
Ending Balance, June 30, 2016	<u><u>\$ 248,050</u></u>

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 18: EMERGENCY RESERVE ACCOUNT

An emergency reserve account was established by the School District Board of Education in fiscal year 2008, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2015	\$ 182,227
Budgeted Withdrawal	(58,457)
Interest earnings	123
Ending balance June 30, 2016	\$ 123,893

NOTE 19: MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the School District Board of Education in fiscal year 2009, for the accumulation of funds for use in accordance with PL 2007 c.62 (A1). The maintenance reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

Beginning balance July 1, 2015	\$ 311,161
Budgeted Withdrawal	(35,000)
Interest earnings	210
Ending balance June 30, 2016	\$ 276,371

NOTE 20: TUITION RESERVE ACCOUNT

A tuition reserve account was established by the School District Board of Education in fiscal year 2015 and 2016, for the accumulation of funds for use in fiscal year 2017 and 2017, respectively, in accordance with NJAC 6A:23A17.1(f). The tuition reserve account is maintained in the general fund and enables the district to reserve fund balance for an anticipated large tuition adjustment for the current contract year. A maximum reserve for the current year is restricted to ten percent of the formal sending/receiving contract amount. Upon certification of rates in the second year following the contract year, full appropriation of the applicable year’s reserve must be liquidated and any remaining balance related to that year must be reserved and budgeted for tax relief.

The district has established a tuition reserve for future tuition adjustments, pursuant to N.J.A.C. 6A:23-3.1(f), in an amount of 10% of the formal receiving/sending contract. \$158,872 has been reserved for the 2014-2015 tuition adjustment due in fiscal year 2016-2017, and \$149,375 has been reserved for the 2015-2016 tuition adjustment due in fiscal year 2017-2018. The tuition reserve for fiscal year 2014-2015 in the amount of \$158,872 has been anticipated as budgeted revenue for the year ending June 30, 2017.

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

Beginning balance July 1, 2015	\$ 305,322
Deposits: Board Resolution June 23, 2016	149,375
Budgeted Withdrawal	(146,450)
Interest earnings	-
Ending balance June 30, 2016	\$ 308,247

OXFORD TOWNSHIP SCHOOL DISTRICT

NOTES TO BASIC FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

NOTE 21: TUITION ADJUSTMENTS

A comparison of tentative tuition charges and actual certified tuition charges was made by the receiving district (Warren Hills Regional School District) for fiscal year 2012-2014 and certified by the state department. The resulting 2012-2014 tuition adjustment of \$29,714 in accordance with N.J.A.C 6a:23-3.1(f)3, is due in fiscal year 2015-2016. Through an agreement with the Regional High School, the amount owed to Warren Hills Regional School District of \$29,714 for the 2012-2014 tuition adjustment will be paid with the 2016-2017 tuition contract.

REQUIRED SUPPLEMENTARY INFORMATION - PART II

BUDGETARY COMPARISON SCHEDULES

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 3,586,163		\$ 3,586,163	\$ 3,586,163	
Tuition	57,000		57,000	82,082	\$ 25,082
Miscellaneous	26,338		26,338	3,889	(22,449)
Total - Local Sources	<u>3,669,501</u>		<u>3,669,501</u>	<u>3,672,134</u>	<u>2,633</u>
State Sources:					
Equalization Aid	2,066,891		2,066,891	2,066,891	
School Choice Aid	100,506		100,506	100,506	
Transportation Aid	129,516		129,516	129,516	
Special Education Aid	218,357		218,357	218,357	
Security Aid	29,557		29,557	29,557	
Additional Adjustment Aid	7,179		7,179	7,179	
PARCC Readiness Aid	3,950		3,950	3,950	
Per Pupil Growth Aid	3,950		3,950	3,950	
Non-public Transportation Aid			-	696	696
Extraordinary Aid	35,000		35,000	53,780	18,780
TPAF Pension (On-Behalf - Non-Budgeted)				150,219	150,219
TPAF Post Retirement Medical (On-Behalf - Non-Budgeted)				187,779	187,779
TPAF Pension Non-contributory Insurance (On-Behalf - Non-Budgeted)				7,483	7,483
TPAF Social Security (Reimbursed - Non-Budgeted)				168,666	168,666
Total State Sources	<u>2,594,906</u>		<u>2,594,906</u>	<u>3,128,529</u>	<u>533,623</u>
Federal Sources:					
Medical Assistance Program	2,928		2,928	9,020	
Total - Federal Sources	<u>2,928</u>		<u>2,928</u>	<u>9,020</u>	<u>6,092</u>
TOTAL REVENUES	<u>6,267,335</u>		<u>6,267,335</u>	<u>6,809,683</u>	<u>542,348</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual Favorable/ (Unfavorable)</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Pre-Kindergarten - Salaries of Teachers	25,368	150	25,518	25,480	38
Kindergarten - Salaries of Teachers	104,340		104,340	104,340	
Grades 1-5 - Salaries of Teachers	709,352	13,000	722,352	711,004	11,348
Grades 6-8 - Salaries of Teachers	531,862	1,700	533,562	532,251	1,311
Regular Programs - Home Instruction:					
Salaries of Teachers	5,000		5,000	3,264	1,736
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	82,454	36,500	118,954	99,725	19,229
Purchased Technical Services	37,575	8,300	45,875	42,744	3,131
Other Purchased Services (400-500 series)	34,582	1,525	36,107	35,920	187
General Supplies	19,290		19,290	16,616	2,674
Other Objects	1,000	(1,000)			
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,550,823	60,175	1,610,998	1,571,344	39,654
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities:					
Salaries of Teachers	50,985	(700)	50,285	50,190	95
Other Salaries for Instruction	16,950	14,400	31,350	30,449	901
Total Learning and/or Language Disabilities	67,935	13,700	81,635	80,639	996
Multiple Disabilities:					
Salaries of Teachers	54,005	(51,800)	2,205	2,205	
Other Salaries for Instruction	16,266	(16,000)	266		266
Total Multiple Disabilities	70,271	(67,800)	2,471	2,205	266
Resource Room/Resource Center:					
Salaries of Teachers	248,040	44,260	292,300	292,298	2
Total Resource Room/Resource Center	248,040	44,260	292,300	292,298	2
Autism:					
Salaries of Teachers	58,375	(7,000)	51,375	51,005	370
Other Salaries for Instruction	13,650	17,100	30,750	29,932	818
General Supplies	2,000		2,000	1,949	51
Total Autism	74,025	10,100	84,125	82,886	1,239

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Preschool Disabilities - Part Time:					
Salaries of Teachers	28,468		28,468	27,685	783
Other Salaries for Instruction	58,217	9,150	67,367	66,800	567
Total Preschool Disabilities - Part Time	86,685	9,150	95,835	94,485	1,350
TOTAL SPECIAL EDUCATION - INSTRUCTION	546,956	9,410	556,366	552,513	3,853
Basic Skills/Remedial - Instruction:					
School Sponsored Co/Extra Curricular Activities-Instruction:					
Salaries	9,200	775	9,975	9,975	
Total School Sponsored Co/Extra Curricular Activities-Instruc.	9,200	775	9,975	9,975	
School Sponsored Athletics-Instruction:					
Salaries	2,700	(775)	1,925	1,800	125
Total School Sponsored Athletics-Instruction	2,700	(775)	1,925	1,800	125
Before/After School Programs:					
Salaries of Teachers	16,449	(120)	16,329	15,428	901
Other Salaries for Instruction	6,500	855	7,355	7,223	132
Supplies and Materials	750	120	870	724	146
Total Before/After School Programs	23,699	855	24,554	23,375	1,179
TOTAL INSTRUCTION	2,133,378	70,440	2,203,818	2,159,007	44,811
UNDISTRIBUTED EXPENDITURES					
Instruction:					
Tuition to Other LEAs Within the State-Regular	1,466,200	(116,861)	1,349,339	1,260,053	89,286
Tuition to Other LEAs Within the State-Special	209,600		209,600	196,336	13,264
Tuition to County Voc. School Dist.-Regular	12,925		12,925	12,925	
Tuition to County Voc. School Dist.-Special	66,000	(32,000)	34,000	22,000	12,000
Tuition to CSSD & Regional Day Schools	6,000	25,000	31,000	9,000	22,000
Tuition to Priv. Sch. For Disabled within State	103,750		103,750	78,750	25,000
Total Instruction	1,864,475	(123,861)	1,740,614	1,579,064	161,550

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Health Services:					
Salaries	56,105	1,402	57,507	57,507	
Purchased Professional and Technical Services	500		500	350	150
Supplies and Materials	2,175		2,175	2,145	30
Other Objects	100		100	40	60
Total Health Services	58,880	1,402	60,282	60,042	240
Other Supp. Services Students-Related Services:					
Salaries	53,660	(242)	53,418	53,285	133
Purchased Professional-Educational Services	123,100	(1,000)	122,100	90,270	31,830
Supplies and Materials	650		650	650	
Total Other Supp. Services Students-Related Services	177,410	(1,242)	176,168	144,205	31,963
Other Supp. Services Students-Extra. Services:					
Salaries	40,217		40,217	20,698	19,519
Purchased Professional-Educational Services	32,000		32,000	31,083	917
Total Other Supp. Services Students-Extra. Services	72,217		72,217	51,781	20,436
Other Supp. Services Students-Special:					
Salaries of Other Professional Staff	193,875		193,875	193,875	
Salaries of Secretarial and Clerical Assistants	44,958	500	45,458	42,458	3,000
Other Purchased Prof. and Tech. Services	7,500	(500)	7,000	1,620	5,380
Total Other Supp. Services Students-Special	246,333		246,333	237,953	8,380
Educational Media Services/School Library:					
Salaries of Technology Coordinators	16,028		16,028	16,028	
Purchased Prof. and Tech. Services	12,935		12,935	12,362	573
Supplies and Materials	9,000		9,000	8,927	73
Other Objects	1,300	1,000	2,300	2,300	
Total Educational Media Services/School Library	39,263	1,000	40,263	39,617	646
Instructional Staff Training Services:					
Other Objects	100		100	36	64
Total Instructional Staff Training Services	100		100	36	64

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Supp. Services - General Administration:					
Salaries	188,736	(1,000)	187,736	187,111	625
Legal Services	8,000	(1,260)	6,740	2,510	4,230
Audit Fees	14,500	1,260	15,760	15,760	
Other Purchased Professional Services	1,500		1,500	1,293	207
Communications/Telephone	4,805	(100)	4,705	2,528	2,177
BOE Purchased Services	1,800		1,800	917	883
Other Purchased Services (400-500 series)	2,600	100	2,700	2,683	17
General Supplies	300		300	170	130
Miscellaneous Expenditures	1,945	3	1,948	1,948	
BOE Membership Dues & Fees	4,075	(3)	4,072	3,973	99
Total Supp. Services - General Administration	228,261	(1,000)	227,261	218,893	8,368
Support Services - School Administration:					
Salaries of Principals/Assistant Principals	123,602		123,602	122,881	721
Other Purchased Services (400-500 series)	1,150		1,150	302	848
Other Objects	1,125		1,125	970	155
Total Support Services - School Administration	125,877		125,877	124,153	1,724
Central Services:					
Salaries	121,694	500	122,194	122,169	25
Purchased Professional Services	1,200	(595)	605	578	27
Purchased Technical Services	400		400	314	86
Misc. Purchased Services (400-500 series)	525	95	620	620	
Supplies and Materials	500		500	391	109
Miscellaneous Expenditures	1,420		1,420	1,268	152
Total Central Services	125,739		125,739	125,340	399
Required Maintenance for School Facilities:					
Salaries	39,663	776	40,439	40,439	
Cleaning, Repair and Maintenance Services	58,675	(1,076)	57,599	56,411	1,188
General Supplies	15,250	1,777	17,027	8,518	8,509
Other Objects	7,895		7,895	6,410	1,485
Total Required Maintenance for School Facilities	121,483	1,477	122,960	111,778	11,182

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-1

**BUDGETARY COMPARISON SCHEDULE
GENERAL FUND**

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Other Operations and Maintenance of Plant:					
Salaries	80,204		80,204	77,312	2,892
Other Purchased Property Services	5,200		5,200	4,097	1,103
Insurance	33,472	914	34,386	34,386	
General Supplies	14,000	(859)	13,141	11,560	1,581
Energy (Natural Gas)	28,000		28,000	13,746	14,254
Energy (Electricity)	74,000		74,000	62,788	11,212
Other Objects	500		500	462	38
Total Other Operations and Maintenance of Plant	235,376	55	235,431	204,351	31,080
Student Transportation Services					
Salaries of Non-Instructional Aides	3,600		3,600	3,115	485
Sal. for Pupil Trans (Bet Home & Sch) -Reg.	15,528	1,000	16,528	16,528	
Contracted Services - Aid in Lieu of Payments-Nonpublic Sch.	6,300	(1,000)	5,300	4,066	1,234
Contracted Services (Between Home and School)-Vendors	69,567		69,567	63,870	5,697
Contracted Services (Between Home and School)-Joint Agrmts.	1,500		1,500		1,500
Contracted Services (Special Education Students)-Vendors	19,717	10,061	29,778	28,067	1,711
Contracted Services (Special Education Students)-Joint Agrmts.	135,551	(5,000)	130,551	126,554	3,997
Total Student Transportation Services	251,763	5,061	256,824	242,200	14,624
ALLOCATED BENEFITS					
Regular Programs-Instruction:					
Social Security Contributions	54,500	2,000	56,500	56,045	455
Other Retirement Contributions - PERS	63,500	(7,786)	55,714	55,714	
Other Retirement Contributions - Regular	2,000	360	2,360	2,323	37
Unemployment Compensation	5,000	(5,000)			
Workman's Compensation	46,024	(518)	45,506	45,506	
Health Benefits	609,679	54,144	663,823	570,910	92,913
Tuition Reimbursement	5,000	5,000	10,000	9,838	162
Other Employee Benefits	58,200		58,200	55,758	2,442
Total Regular Programs-Instruction	843,903	48,200	892,103	796,094	96,009
TOTAL ALLOCATED BENEFITS	843,903	48,200	892,103	796,094	96,009

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
UNALLOCATED BENEFITS					
On-behalf TPAF pension Contrib. (non-budgeted)				150,219	(150,219)
On-behalf TPAF PRM Contrib. (non-budgeted)				187,779	(187,779)
On-behalf TPAF pension Non-contributory Ins. (non-budgeted)				7,483	(7,483)
Reimbursed TPAF Social Security Contrib. (non-budgeted)				168,666	(168,666)
TOTAL ON-BEHALF CONTRIBUTIONS				<u>514,147</u>	<u>(514,147)</u>
TOTAL PERSONAL SERVICES-EMPLOYEE BENEFITS	<u>843,903</u>	<u>48,200</u>	<u>892,103</u>	<u>1,310,241</u>	<u>(418,138)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>4,391,080</u>	<u>(68,908)</u>	<u>4,322,172</u>	<u>4,449,654</u>	<u>(127,482)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>6,524,458</u>	<u>1,532</u>	<u>6,525,990</u>	<u>6,608,661</u>	<u>(82,671)</u>
CAPITAL OUTLAY					
FACILITIES ACQUISITIONS AND CONSTRUCT. SVCS:					
Assessment for Debt Service on SDA Funding	58,207		58,207	58,207	
TOTAL FACILITIES ACQUISITIONS AND CONST. SVCS	<u>58,207</u>		<u>58,207</u>	<u>58,207</u>	
TOTAL CAPITAL OUTLAY	<u>58,207</u>		<u>58,207</u>	<u>58,207</u>	
TOTAL EXPENDITURES	<u>6,582,665</u>	<u>1,532</u>	<u>6,584,197</u>	<u>6,666,868</u>	<u>(82,671)</u>
Excess (Deficiency of Revenues Over(Under) Expenditures	<u>(315,330)</u>	<u>(1,532)</u>	<u>(316,862)</u>	<u>142,815</u>	<u>459,677</u>
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	<u>(315,330)</u>	<u>(1,532)</u>	<u>(316,862)</u>	<u>142,815</u>	<u>459,677</u>
Fund Balance, July 1	<u>1,167,729</u>		<u>1,167,729</u>	<u>1,167,729</u>	
Fund Balance, June 30	<u>\$ 852,399</u>	<u>(1,532)</u>	<u>\$ 850,867</u>	<u>\$ 1,310,544</u>	<u>\$ 459,677</u>

OXFORD TOWNSHIP SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND

Exhibit C-1

Fiscal Year Ended June 30, 2016

	<u>Original</u> <u>Budget</u>	<u>Budget</u> <u>Transfers</u>	<u>Final</u> <u>Budget</u>	<u>Actual</u>	Variance Final to Actual Favorable/ (Unfavorable)
Recapitulation:					
Restricted for:					
Tuition Reserve - FY15-16 Due FY 17-18				\$ 149,375	
Tuition Reserve - FY14-15 Due FY 16-17				158,872	
Capital Reserve				248,050	
Maintenance Reserve				276,371	
Emergency Reserve				123,893	
Assigned to:					
Designated for Subsequent Year's Expenditures				85,000	
Unassigned:					
Unrestricted Fund Balance				<u>268,983</u>	
Fund Balance per Governmental Funds(Budgetary Basis)				1,310,544	
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis				<u>(246,126)</u>	
Fund Balance per Governmental Funds(GAAP Basis B-2)				<u>\$ 1,064,418</u>	

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit C-2

**BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND**

For the Fiscal Year Ended June 30, 2016

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual Favorable/ (Unfavorable)
REVENUES:					
Federal Sources	\$ 119,635	\$ 19,704	\$ 139,339	\$ 139,339	-
Total Revenues	119,635	19,704	139,339	139,339	
EXPENDITURES:					
Instruction					
Other Salaries for Instruction	8,000	17,455	25,455	25,455	
Professional and Tech. Services	4,300	-	4,300	4,300	
Tuition	58,000	-	58,000	58,000	
General Supplies	31,570	229	31,799	31,799	
Other Objects	300	-	300	300	
Total Instruction	102,170	17,684	119,854	119,854	
Support Services					
Other Support Salaries	1,500		1,500	1,500	
Employee Benefits	115		115	115	
Purchased Profess.-Tech. Serv.	14,650	2,020	16,670	16,670	
Other Purchased Profess. Serv.	1,000		1,000	1,000	
Supplies and Materials	200		200	200	
Total Support Services	17,465	2,020	19,485	19,485	
Total Expenditures	119,635	19,704	139,339	139,339	
Total Outflows	\$ 119,635	\$ 19,704	\$ 139,339	\$ 139,339	-
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)					
Fund Balance per Governmental Funds(Budgetary Basis)					None
Reconciliation to Governmental Funds Statement(GAAP Basis):					
Last State Aid Payment not recognized on GAAP basis					<u>None</u>
Fund Balance per Governmental Funds(GAAP Basis)					None

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE**

For the Fiscal Year Ended June 30, 2016

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

	General Fund	Special Revenue Fund
Sources/Inflows of Resources		
Actual amounts (budgetary basis) "revenue"		
from the budgetary comparison schedule (Exhibits C-1 and C-2, respectively)	\$ 6,809,683	\$ 139,339
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	N/A
Adjustment for: Prior year Final State Aid Payment excluded in State Source Revenues that is considered a revenue for GAAP reporting purposes	245,816	
Adjustment for: Current Year Final State Aid Payment included in State Source Revenues that is not considered a revenue for GAAP reporting purposes	<u>(246,126)</u>	<u>-</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds. (Exhibit B-2)	<u>\$ 6,809,373</u>	<u>\$ 139,339</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedules (Exhibits C-1 and C-2, respectively)	\$ 6,666,868	\$ 139,339
Differences - budget to GAAP		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.		
Prior Year Encumbrances	N/A	N/A
Current Year Encumbrances	N/A	N/A
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.	N/A	N/A
Net transfers (outflows) to general fund	<u> </u>	<u> </u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (Exhibit B-2)	<u>\$ 6,666,868</u>	<u>\$ 139,339</u>

**Oxford Township School District
Required Supplementary Information - Part III
Schedule of the District's Proportionate Share of the Net Pension Liability
Last Ten Fiscal Years ***

Exhibit L-3

Teachers' Pension and Annuity Fund (TPAF)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
District's proportion of the net pension liability (asset) **	N/A	N/A	N/A							
District's proportionate share of the net pension liability (asset) **	N/A	N/A	N/A							
State's proportionate share of the net pension liability (asset) associated with the District	<u>\$ 11,925,111</u>	<u>\$ 10,068,211</u>	<u>\$ 10,806,791</u>							
Total	<u>\$ 11,925,111</u>	<u>\$ 10,068,211</u>	<u>\$ 10,806,791</u>							
District's covered employee payroll	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622							
District's proportionate share of the of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A							
Plan fiduciary net position as a percentage of the total pension liability	28.71%	33.64%	33.76%							

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. Since the district (employer) does not contribute directly to the plan there is no net pension liability to report in the financial statements of the district.

Public Employees' Retirement System (PERS)

Exhibit L-1

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
District's proportion of the net pension liability (asset)	0.006480391%	0.007850331%	0.006380266%							
District's proportionate share of the net pension liability (asset)	<u>\$ 1,454,718</u>	<u>\$ 1,469,797</u>	<u>\$ 1,219,396</u>							
District's covered employee payroll	\$ 620,747	\$ 681,512	\$ 656,442							
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	234.35%	215.67%	185.76%							
Plan fiduciary net position as a percentage of the total pension liability (Local)	47.92%	52.08%	48.72%							

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

**Oxford Township School District
 Required Supplementary Information - Part III
 Schedule of District Contributions
 Last Ten Fiscal Years ***

Exhibit L-2

Teachers' Pension and Annuity Fund (TPAF)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually required contribution **	N/A	N/A	N/A							
Contributions in relation to the contractually required contribution **	N/A	N/A	N/A							
Contribution deficiency (excess)	N/A	N/A	N/A							
District's covered employee payroll	\$ 2,460,217	\$ 2,209,139	\$ 1,981,622							
Contributions as a percentage of covered-employee payroll	N/A	N/A	N/A							

** Note: TPAF is a special funding situation as defined by GASB Statement No. 68 in which the State of New Jersey is 100% responsible for contributions to the plan. The district (employer) does not contribute to the plan.

Public Employees' Retirement System (PERS)

	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Contractually required contribution	\$55,714	\$ 50,523	\$ 45,992							
Contributions in relation to the contractually required contribution	<u>(55,714)</u>	<u>(50,523)</u>	<u>(45,992)</u>							
Contribution deficiency (excess)	<u>-</u>	<u>-</u>	<u>-</u>							
District's covered employee payroll	\$ 620,747	\$ 681,512	\$ 656,442							
Contributions as a percentage of covered-employee payroll	8.98%	7.41%	7.01%							

* - Until a full ten year trend is compiled, information will be presented for those years for which information is available.

OXFORD SCHOOL DISTRICT

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION-PART III
Pension Schedules

For the Fiscal Year Ended June 30, 2016

Teachers' Pension and Annuity Fund (TPAF)

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for 2% of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

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

Public Employees' Retirement System (PERS)

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

Changes of assumptions. Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 Based on Projection Scale AA.

OTHER SUPPLEMENTARY INFORMATION

**SPECIAL REVENUE FUND
DETAIL STATEMENTS**

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit E-1

SPECIAL REVENUE FUND
COMBINING SCHEDULE OF PROGRAM REVENUES AND EXPENDITURES - BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2016

	Title I Part A	Title I I Part A	IDEA Basic	IDEA Pre-Sch.	REAP	Totals
REVENUES						
Federal Sources	\$ 35,755	\$ 11,370	\$ 65,725	\$ 2,636	\$ 23,853	\$ 139,339
TOTAL REVENUES	35,755	11,370	65,725	2,636	23,853	139,339
EXPENDITURES:						
Instruction:						
Other Salaries for Instruction	25,455					25,455
Professional and Tech. Services	4,300					4,300
Tuition			58,000			58,000
General Supplies	3,000		2,610	2,336	23,853	31,799
Other Objects				300		300
Total Instruction	32,755		60,610	2,636	23,853	119,854
Support Services:						
Other Support Salaries			1,500			1,500
Employee Benefits			115			115
Purchased Profess.-Tech. Serv.	1,800	11,370	3,500			16,670
Other Purchased Profess. Serv.	1,000					1,000
Supplies and Materials	200					200
Total Support Services	3,000	11,370	5,115			19,485
TOTAL EXPENDITURES	35,755	11,370	65,725	2,636	23,853	139,339
Total Outflows	35,755	11,370	65,725	2,636	23,853	139,339
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)						

**CAPITAL PROJECTS FUND
DETAIL STATEMENTS**

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit F-1

**CAPITAL PROJECTS FUND
SUMMARY STATEMENT OF PROJECT EXPENDITURES**

For the Fiscal Year Ended June 30, 2016

	<u>Approval</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Revised Appropriations</u>	<u>Expenditures to Date</u>		<u>Unexpended Balance June 30, 2016</u>
					<u>Prior Years</u>	<u>Current Year</u>	
Alterations & Renovations of Central School	Voters	12/09/2008	\$ 1,309,200	\$ 895,000	\$ 891,222	-	\$ 3,778
			<u>\$ 1,309,200</u>	<u>\$ 895,000</u>	<u>\$ 891,222</u>	<u>-</u>	<u>\$ 3,778</u>
					Interest Earnings		<u>11</u>
					Fund Balances, June 30, 2016		<u>\$ 3,789</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2

CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGETARY BASIS

For the Fiscal Year Ended June 30, 2016

Revenues and Other Financing

Sources

Interest Earnings	\$ <u>6</u>
Total Revenues	<u>6</u>
Excess(deficiency) of revenues over(under) expenditures	6
Fund Balance - Beginning	\$ <u>3,783</u>
Fund Balance - Ending	<u><u>\$ 3,789</u></u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit F-2a

**CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE,
AND PROJECT STATUS-BUDGETARY BASIS
IMPROVEMENTS OF OXFORD CENTRAL SCHOOL**

From Inception and for the Fiscal Year Ended June 30, 2016

	<u>Prior Periods</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Costs</u>
Revenues and Other Financing Sources				
Bond Proceeds	\$ 895,000		\$ 895,000	\$ 895,000
Temporary Notes	-	-	-	-
Total Revenues	<u>895,000</u>	<u>-</u>	<u>895,000</u>	<u>895,000</u>
Expenditures and Other Financing Sources				
Professional Fees	\$ 7,702		\$ 7,702	7,702
Construction Services	883,520		883,520	883,520
Total Expenditures	<u>891,222</u>	<u>-</u>	<u>891,222</u>	<u>891,222</u>
Excess(deficiency) of revenues over(under) expenditures			<u>\$ 3,778</u>	
			<u>Project Fund Balance, 6/30/16</u>	<u>\$ 3,778</u>

Additional project information:

Project Number	N/A
Grant Date	N/A
Bond Authorization Date	12/9/2008
Bonds Authorized	\$1,309,200
Bonds Issued	\$1,309,200
Original Authorized Cost	\$1,309,200
Additional Authorized Cost	-\$414,200
Revised Authorized Cost	\$895,000
Percentage Increase over Original Authorized Cost	N/A
Percentage Completion	100%
Original Target Completion Date	6/30/2012
Revised Target Completion Date	6/30/2013

<p style="text-align: center;">PROPRIETARY FUND DETAIL STATEMENTS</p>
--

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

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

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

<p style="text-align: center;">FIDUCIARY FUND DETAIL STATEMENTS</p>
--

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

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

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

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit H-1

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2016**

	UNEMPLOYMENT COMPENSATION INSURANCE TRUST	FIDUCIARY TRUSTS	AGENCY FUNDS		TOTALS
			STUDENT ACTIVITY	PAYROLL AGENCY	
ASSETS:					
Cash and Cash Equivalents	\$45,631	\$10,570	\$29,576	\$24,941	\$110,718
TOTAL ASSETS	\$45,631	\$10,570	\$29,576	\$24,941	\$110,718
LIABILITIES:					
Liabilities:					
Payroll Deductions and Withholdings					
Accounts Payable				\$ 24,941	\$ 24,941
Payable to Student Groups			\$29,576		29,576
Total Liabilities			29,576	24,941	54,517
Net Position					
Held in Trust for Unemployment Claims and Other Purposes	\$45,631	\$10,570			56,201
TOTAL LIABILITIES AND NET POSITION	\$45,631	\$10,570	\$29,576	\$24,941	\$110,718

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit H-2

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
 FIDUCIARY FUNDS
 FOR THE FISCAL YEARS ENDED JUNE 30, 2016

	UNEMPLOYMENT COMPENSATION INSURANCE <u>TRUST</u>	SCHOLARSHIP <u>TRUST</u>	SUNSHINE <u>TRUST</u>	SUMMER RECREATION <u>TRUST</u>	<u>TOTALS</u>
ADDITIONS					
Contributions:					
Plan Member	\$ 5,591				\$ 5,591
Other	-	\$ 13	\$ 1,220	-	1,233
Total Contributions	<u>5,591</u>	<u>13</u>	<u>1,220</u>	<u>-</u>	<u>6,824</u>
Total Additions	<u>5,591</u>	<u>13</u>	<u>1,220</u>	<u>-</u>	<u>6,824</u>
DEDUCTIONS					
Unemployment Claims	633				633
Other	-	750	1,549	-	2,299
Total Deductions	<u>633</u>	<u>750</u>	<u>1,549</u>	<u>-</u>	<u>2,932</u>
Change in Net Position	4,958	(737)	(329)	-	3,892
Net Position—Beginning of the Year	<u>40,673</u>	<u>9,548</u>	<u>817</u>	<u>1,271</u>	<u>52,309</u>
Net Position—End of the Year	<u>\$ 45,631</u>	<u>\$ 8,811</u>	<u>\$ 488</u>	<u>\$ 1,271</u>	<u>\$ 56,201</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit H-3

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
STUDENT ACTIVITY AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

<u>ACTIVITY</u>	<u>BALANCE JULY 1, 2015</u>	<u>TRANSFERS</u>	<u>CASH RECEIPTS</u>	<u>CASH DISBURSEMENTS</u>	<u>BALANCE JUNE 30, 2016</u>
Blue Jeans	\$ 1,625		\$ 1,450	\$ 1,162	\$ 1,913
Autisum 5K	209				209
Down Syndrome	253		190	443	-
7th-8th Grade Fundraiser	-		884	692	192
Archery	6,335		20,913	27,010	238
American Bin	6,570		2,700	4,382	4,888
Year Book	3,617		2,305	2,960	2,962
Student Council	2,461		2,234	2,810	1,885
KO Club	201		-	-	201
K-Kids	482		211	-	693
OCS Play	1,201		7,967	6,511	2,657
Music	1,210		353	353	1,210
Gym Uniforms	-		1,157	826	331
Basketball Repairs			1,728	-	1,728
Living Responsibly	1,866			-	1,866
Rebel	1,719		20	-	1,739
Garden Grant - 4th Grade	181			-	181
Trenton Grant	37		300	337	-
General	1,622		4,448	4,202	1,868
Transportation	23		810	506	327
Trips-Kindergarten	49		802	461	390
Trips-Grade 1	98		450	323	225
Trips-Grade 2	11		698	659	50
Trips-Grade 3	130		770	740	160
Trips-Grade 4	129		933	935	127
Trips-Grade 5	78		1,127	682	523
Trips-Grade 6	159		780	811	128
Trips-Grade 7	1,682		10,439	9,788	2,333
Trips-Grade 8	-	-	14,420	13,868	552
Totals	\$ 31,948	-	\$ 78,089	\$ 80,461	\$ 29,576

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit H-4

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS
PAYROLL AGENCY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2016**

	<u>BALANCE</u> <u>JULY 1, 2015</u>	<u>ADDITIONS</u>	<u>DELETIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2016</u>
ASSETS:				
Cash and Cash Equivalents	\$ 24,688	\$ 3,364,380	\$ 3,364,127	\$ 24,941
Total Assets	<u>\$ 24,688</u>	<u>\$ 3,364,380</u>	<u>\$ 3,364,127</u>	<u>\$ 24,941</u>
LIABILITIES:				
Payroll Deductions and Withholdings		\$ 1,484,551	\$ 1,484,551	
Accrued Salaries and Wages		1,879,576	1,879,576	
Accounts Payable	\$ 24,688	<u>253</u>	<u>-</u>	\$ 24,941
Total Liabilities	<u>\$ 24,688</u>	<u>\$ 3,364,380</u>	<u>\$ 3,364,127</u>	<u>\$ 24,941</u>

LONG-TERM DEBT SCHEDULES

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

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-1

**SCHEDULE OF SERIAL BONDS
AS OF ENDED JUNE 30, 2016**

<u>ISSUE</u>	<u>DATE OF ISSUE</u>	<u>AMOUNT OF ISSUE</u>	<u>ANNUAL MATURITIES</u>		<u>INTEREST RATE</u>	<u>BALANCE JULY 1, 2015</u>	<u>ISSUED</u>	<u>PAID</u>	<u>BALANCE JUNE 30, 2016</u>
			<u>DATE</u>	<u>AMOUNT</u>					
Refunding Bonds - 2006 (To Advance Refund \$4,170,000 2001 Series Bonds)	12/14/06	\$ 4,440,000	7/15/16	\$ 150,000	3.625% to 4.375%	\$ 4,020,000		\$ (145,000)	\$ 3,875,000
			7/15/17	160,000					
			7/15/18	170,000					
			7/15/19	170,000					
			7/15/20	180,000					
			7/15/21	190,000					
			7/15/22	200,000					
			7/15/23	205,000					
			7/15/24	220,000					
			7/15/25	230,000					
			7/15/26	245,000					
			7/15/27	255,000					
			7/15/28	270,000					
			7/15/29	280,000					
			7/15/30	300,000					
			7/15/31	320,000					
			7/15/32	330,000					
General Obligation Bonds	6/1/11	895,000	10/15/16	\$ 130,000	3.00%	560,000		(130,000)	430,000
			10/15/17	130,000					
			10/15/18	170,000					
Total						\$ 4,580,000	-	\$ (275,000)	\$ 4,305,000

OXFORD TOWNSHIP SCHOOL DISTRICT

Exhibit I-3

**BUDGETARY COMPARISON SCHEDULE
DEBT SERVICE FUND**

For the Fiscal Year Ended June 30, 2016

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive/ (Negative) Final to Actual</u>
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 386,384		\$ 386,384	\$ 386,384	-
Miscellaneous	1		1		\$ (1)
State Sources:					
Debt Service Aid Type II	69,588		69,588	69,588	
TOTAL REVENUES	455,973	-	455,973	455,972	(1)
EXPENDITURES:					
Regular Debt Service:					
Interest	180,973		180,973	180,972	1
Redemption of Principal	275,000		275,000	275,000	
Total Regular Debt Service	455,973		455,973	455,972	1
TOTAL EXPENDITURES	455,973		455,973	455,972	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-		-	-	-
Fund Balance, July 1	-		-	-	-
Fund Balance, June 30	-	-	-	-	-
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	-	-	-	-	-

Oxford Township School District
Statistical Section

<u>Contents</u>	<u>Page</u>
Financial Trends (J-1 thru J-5) These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	96-101
Revenue Capacity (J-6 thru J-9) These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	102-105
Debt Capacity (J-10 thru J-13) 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.	106-109
Demographic and Economic Information (J-14 and J-15) These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	110-111
Operating Information (J-16 thru J-20) 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.	112-116

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.

**Oxford Township School District
Net Position by Component,
Last Ten Fiscal Years**

(accrual basis of accounting)

Exhibit J-1

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Governmental activities										
Invested in capital assets, net of related debt	\$ 4,008,616	\$ 3,530,443	\$ 3,457,742	\$ 4,027,648	\$ 3,192,098	\$ 3,016,962	\$ 2,966,826	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909
Restricted	235,911	223,729	417,050	647,150	436,150	525,636	672,155	821,913	873,760	1,041,561
Unrestricted	(75,165)	(84,103)	(175,650)	(905,056)	(194,582)	(322,921)	(276,206)	(267,855)	(1,227,625)	(1,494,498)
Total governmental activities Net Position	\$ 4,169,362	\$ 3,670,069	\$ 3,699,142	\$ 3,769,742	\$ 3,433,666	\$ 3,219,677	\$ 3,362,775	\$ 3,520,884	\$ 2,612,961	\$ 2,755,972
Business-type activities										
Invested in capital assets, net of related debt	\$ 2,738	\$ 2,563	\$ 2,389	\$ 2,215	\$ 2,040	\$ 1,360	\$ 680	-	-	-
Restricted	-	-	-	-	-	-	-	-	-	-
Unrestricted	9,200	6,143	10,395	12,976	13,700	1,490	9,661	\$ 14,265	\$ 12,556	\$ 16,191
Total business-type activities Net Position	\$ 11,938	\$ 8,706	\$ 12,784	\$ 15,191	\$ 15,740	\$ 2,850	\$ 10,341	\$ 14,265	\$ 12,556	\$ 16,191
District-wide										
Invested in capital assets, net of related debt	\$ 4,011,354	\$ 3,533,006	\$ 3,460,131	\$ 4,029,863	\$ 3,194,138	\$ 3,018,322	\$ 2,967,506	\$ 2,966,826	\$ 2,966,826	\$ 3,208,909
Restricted	235,911	223,729	417,050	647,150	436,150	525,636	672,155	821,913	873,760	1,041,561
Unrestricted	(65,965)	(77,960)	(165,255)	(892,080)	(180,882)	(321,431)	(266,545)	(253,590)	(1,215,069)	(1,478,307)
Total district Net Position	\$ 4,181,300	\$ 3,678,775	\$ 3,711,926	\$ 3,784,933	\$ 3,449,406	\$ 3,222,527	\$ 3,373,116	\$ 3,535,149	\$ 2,625,517	\$ 2,772,163

Source: CAFR Schedule A-1

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Expenses										
Governmental activities										
Instruction										
Regular	\$ 2,165,731	\$ 2,187,468	\$ 2,015,238	\$ 2,226,967	\$ 2,314,475	\$ 2,215,978	\$ 2,657,738	\$ 2,895,617	\$ 3,130,979	\$ 3,380,694
Special education	380,425	516,368	689,731	630,268	643,332	618,358	514,370	514,631	527,952	687,052
Other special instruction	40,713	8,640	10,510	10,246	18,440	21,994	42,224	36,658	44,170	43,709
Support Services:										
Tuition	1,721,924	2,112,015	1,744,491	1,649,352	1,977,062	1,875,062	1,571,200	1,474,776	1,776,420	1,579,064
Student & instruction related services	774,216	606,559	633,530	606,341	619,335	684,450	634,512	644,866	781,910	687,805
School administrative service	125,921	126,382	122,961	125,902	128,930	130,959	131,451	130,782	148,349	154,385
General and business admin. services	448,839	378,807	440,603	463,959	424,035	432,059	375,919	356,938	409,769	428,055
Plant operations and maintenance	463,966	356,488	388,375	425,629	368,947	396,999	361,349	354,903	386,997	393,108
Pupil transportation	197,604	226,945	180,802	131,361	145,604	169,878	186,588	211,848	213,251	242,200
Special schools	28,649	-	-	-	-	-	-	-	-	-
Interest on long-term debt	130,837	201,767	197,414	192,813	217,997	232,984	264,835	253,782	244,973	236,040
Total governmental activities expenses	<u>6,478,825</u>	<u>6,721,439</u>	<u>6,423,655</u>	<u>6,462,838</u>	<u>6,858,157</u>	<u>6,778,721</u>	<u>6,740,186</u>	<u>6,874,801</u>	<u>7,664,770</u>	<u>7,832,112</u>
Business-type activities:										
Food service	92,333	85,801	80,295	79,153	79,184	77,713	88,606	91,134	99,552	101,551
Total business-type activities expense	<u>92,333</u>	<u>85,801</u>	<u>80,295</u>	<u>79,153</u>	<u>79,184</u>	<u>77,713</u>	<u>88,606</u>	<u>91,134</u>	<u>99,552</u>	<u>101,551</u>
Total district expenses	<u>\$ 6,571,158</u>	<u>\$ 6,807,240</u>	<u>\$ 6,503,950</u>	<u>\$ 6,541,991</u>	<u>\$ 6,937,341</u>	<u>\$ 6,856,434</u>	<u>\$ 6,828,792</u>	<u>\$ 6,965,935</u>	<u>\$ 7,764,322</u>	<u>\$ 7,933,663</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Business and other support services							64,000	102,446	81,676	\$ 82,082
Operating grants and contributions	\$ 3,024,905	\$ 2,951,404	\$ 2,891,789	\$ 2,948,566	\$ 2,872,328	\$ 2,998,720	\$ 3,148,052	\$ 3,216,059	\$ 3,703,912	3,916,599
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total governmental activities program revenues	<u>3,024,905</u>	<u>2,951,404</u>	<u>2,891,789</u>	<u>2,948,566</u>	<u>2,872,328</u>	<u>2,998,720</u>	<u>3,212,052</u>	<u>3,318,505</u>	<u>3,785,588</u>	<u>3,998,681</u>
Business-type activities:										
Charges for services										
Business and other support services	61,370	58,718	62,813	57,013	52,365	53,026	54,164	59,046	55,950	55,797
Operating grants and contributions	24,056	21,175	21,229	23,949	26,508	23,954	29,067	35,606	40,229	47,662
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business type activities program revenues	<u>85,426</u>	<u>79,893</u>	<u>84,042</u>	<u>80,962</u>	<u>78,873</u>	<u>76,980</u>	<u>83,231</u>	<u>94,652</u>	<u>96,179</u>	<u>103,459</u>
Total district program revenues	<u>\$ 3,110,331</u>	<u>\$ 3,031,297</u>	<u>\$ 2,975,831</u>	<u>\$ 3,029,528</u>	<u>\$ 2,951,201</u>	<u>\$ 3,075,700</u>	<u>\$ 3,295,283</u>	<u>\$ 3,413,157</u>	<u>\$ 3,881,767</u>	<u>\$ 4,102,140</u>
Net (Expense)/Revenue										
Governmental activities	\$ (3,453,920)	\$ (3,770,035)	\$ (3,531,866)	\$ (3,514,272)	\$ (3,985,829)	\$ (3,780,001)	\$ (3,528,134)	\$ (3,556,296)	\$ (3,879,182)	\$ (3,833,431)
Business-type activities	(6,907)	(5,908)	3,747	1,809	(311)	(733)	(5,375)	3,518	(3,373)	1,908
Total district-wide net expense	<u>\$ (3,460,827)</u>	<u>\$ (3,775,943)</u>	<u>\$ (3,528,119)</u>	<u>\$ (3,512,463)</u>	<u>\$ (3,986,140)</u>	<u>\$ (3,780,734)</u>	<u>\$ (3,533,509)</u>	<u>\$ (3,552,778)</u>	<u>\$ (3,882,555)</u>	<u>\$ (3,831,523)</u>

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

Exhibit J-2

	Fiscal Year Ending June 30,									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 2,721,704	\$ 3,269,312	\$ 3,234,572	\$ 3,234,572	\$ 3,286,838	\$ 3,230,838	\$ 3,292,340	\$ 3,313,997	\$ 3,521,660	\$ 3,586,163
Taxes levied for debt service	306,188	288,656	289,414	289,927	305,751	299,034	375,216	382,783	385,775	386,384
Investment earnings	29,823	22,252	9,545	5,153	3,768	1,227	320	163	277	932
Miscellaneous income	638	11,389	24,408	55,220	53,396	34,913	3,356	17,462	31,376	2,963
Federal and State Aid for Capital Assets Projects	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-
Total governmental activities	<u>3,058,353</u>	<u>3,591,609</u>	<u>3,557,939</u>	<u>3,584,872</u>	<u>3,649,753</u>	<u>3,566,012</u>	<u>3,671,232</u>	<u>3,714,405</u>	<u>3,939,088</u>	<u>3,976,442</u>
Business-type activities:										
Investment earnings	962	2,676	331	598	860	543	166	406	1,664	1,727
Transfers	-	-	-	-	-	-	-	-	-	-
Total business-type activities	<u>962</u>	<u>2,676</u>	<u>331</u>	<u>598</u>	<u>860</u>	<u>543</u>	<u>166</u>	<u>406</u>	<u>1,664</u>	<u>1,727</u>
Total district-wide	<u>\$ 3,059,315</u>	<u>\$ 3,594,285</u>	<u>\$ 3,558,270</u>	<u>\$ 3,585,470</u>	<u>\$ 3,650,613</u>	<u>\$ 3,566,555</u>	<u>\$ 3,671,398</u>	<u>\$ 3,714,811</u>	<u>\$ 3,940,752</u>	<u>\$ 3,978,169</u>
Change in Net Position										
Governmental activities	\$ (395,567)	\$ (178,426)	\$ 26,073	\$ 70,600	\$ (336,076)	\$ (213,989)	\$ 143,098	\$ 158,109	\$ 59,906	\$ 143,011
Business-type activities	(5,945)	(3,232)	4,078	2,407	549	(190)	(5,209)	3,924	(1,709)	3,635
Total district	<u>\$ (401,512)</u>	<u>\$ (181,658)</u>	<u>\$ 30,151</u>	<u>\$ 73,007</u>	<u>\$ (335,527)</u>	<u>\$ (214,179)</u>	<u>\$ 137,889</u>	<u>\$ 162,033</u>	<u>\$ 58,197</u>	<u>\$ 146,646</u>

Source: CAFR Schedule A-2

Oxford Township School District
Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Exhibit J-3

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>Fiscal Year Ending June 30,</u>		<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
					<u>2011</u>	<u>2012</u>				
General Fund										
Reserved	\$ 186,200	\$ 279,726	\$ 466,818	\$ 580,263	\$ 452,575	\$ 468,641	\$ 617,155	\$ 758,615	\$ 840,292	\$ 956,561
Unreserved	41,311	41,949	(25,149)	88,194	(25,330)	(48,604)	13,927	113,984	81,621	107,857
Total general fund	<u>\$ 227,511</u>	<u>\$ 321,675</u>	<u>\$ 441,669</u>	<u>\$ 668,457</u>	<u>\$ 427,245</u>	<u>\$ 420,037</u>	<u>\$ 631,082</u>	<u>\$ 872,599</u>	<u>\$ 921,913</u>	<u>\$ 1,064,418</u>
All Other Governmental Funds										
Reserved	-	-	-	-	\$ 20,350	\$ 20,350	-	-	-	-
Unreserved, reported in:										
Special revenue fund	\$ (754)	\$ (754)	-	\$ 1	1	16	\$ 90	\$ 75	-	-
Capital projects fund	-	-	-	(712,659)	3,778	3,778	3,778	3,778	\$ 3,783	\$ 3,789
Debt service fund	87,835	-	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 87,081</u>	<u>\$ (754)</u>	<u>\$ -</u>	<u>(712,658)</u>	<u>24,129</u>	<u>24,144</u>	<u>3,868</u>	<u>\$ 3,853</u>	<u>\$ 3,783</u>	<u>\$ 3,789</u>

Source: CAFR Schedule B-1

**Oxford Township School District
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years**

Exhibit J-4

	<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>
Revenues										
Tax levy	\$ 3,027,892	\$ 3,557,968	\$ 3,523,986	\$ 3,524,499	\$ 3,592,589	\$ 3,529,872	\$ 3,667,556	\$ 3,696,780	\$ 3,907,435	\$ 3,972,547
Interest on Investments										
Interest on Capital Reserve Fund	\$ 50	100	100	50	25	25	64,000	102,446	81,676	82,082
Miscellaneous	30,411	33,541	33,853	60,323	57,139	36,115	3,676	17,625	31,653	3,895
State sources	2,682,772	2,777,812	2,748,865	2,425,496	2,643,019	2,775,750	3,019,691	3,095,790	3,139,301	3,197,807
Federal sources	344,807	173,592	142,924	523,070	229,309	222,970	128,361	120,269	124,852	148,359
Total revenue	<u>6,085,932</u>	<u>6,543,013</u>	<u>6,449,728</u>	<u>6,533,438</u>	<u>6,522,081</u>	<u>6,564,732</u>	<u>6,883,284</u>	<u>7,032,910</u>	<u>7,284,917</u>	<u>7,404,690</u>
Expenditures										
Instruction										
Regular Instruction	1,569,565	1,676,625	1,589,246	1,791,089	1,869,774	1,709,886	2,087,738	2,340,766	2,385,261	2,487,292
Special education instruction	320,016	460,179	636,597	584,390	597,125	566,611	462,209	476,683	438,022	552,513
Other special instruction	34,248	7,700	9,700	9,500	17,116	20,173	37,942	33,955	36,646	35,150
Support Services:										
Tuition	1,721,924	2,112,016	1,744,491	1,649,352	1,977,062	1,875,062	1,571,200	1,474,776	1,776,420	1,579,064
Student & instruction related services	651,276	540,556	584,726	562,205	574,851	627,172	570,168	597,315	648,722	553,119
School administrative services	105,926	112,630	113,489	116,737	119,670	120,000	118,121	121,138	123,080	124,153
Other administrative services	377,566	337,587	406,661	430,187	393,579	395,902	337,798	330,618	339,970	344,233
Plant operations and maintenance	390,291	317,697	358,456	394,647	342,447	363,776	324,706	328,733	321,077	316,129
Pupil transportation	197,604	226,945	180,802	131,361	145,604	169,878	186,588	211,848	213,251	242,200
Unallocated employee benefits	415,871	442,355	301,126	296,338	293,697	342,686	434,786	363,853	430,716	514,147
Summer School	24,100	-	-	-	-	-	-	-	-	-
Charter School	17,339	12,571	29,968	30,445	30,773	33,961	43,609	-	-	-
Capital Outlay	48,487	1,169	84,304	733,131	239,586	39,616	78,099	58,207	67,635	58,207
Debt service:										
Principal	75,000	85,000	90,000	95,000	100,000	105,000	210,000	255,000	265,000	275,000
Interest and other charges	143,353	203,656	199,414	194,926	220,222	202,222	229,551	198,516	189,873	180,972
Total expenditures	<u>6,092,566</u>	<u>6,536,686</u>	<u>6,328,980</u>	<u>7,019,308</u>	<u>6,921,506</u>	<u>6,571,945</u>	<u>6,692,515</u>	<u>6,791,408</u>	<u>7,235,673</u>	<u>7,262,179</u>
Excess (Deficiency) of revenues over (under) expenditures	(6,634)	6,328	120,748	(485,870)	(399,425)	(7,203)	190,769	241,502	49,244	142,511
Other Financing Sources (uses)										
Bond Proceeds					895,000					
Transfers in		87,835			20,350					
Transfers out		(87,835)			(20,350)					
Total other financing sources (uses)	-	-	-	-	895,000	-	-	-	-	-
Net change in fund balances	<u>\$ (6,634)</u>	<u>\$ 6,328</u>	<u>\$ 120,748</u>	<u>\$ (485,870)</u>	<u>\$ 495,575</u>	<u>\$ (7,203)</u>	<u>\$ 190,769</u>	<u>\$ 241,502</u>	<u>\$ 49,244</u>	<u>\$ 142,511</u>
Debt service as a percentage of noncapital expenditures	3.6%	4.4%	4.6%	4.6%	4.8%	4.7%	6.6%	6.7%	6.3%	6.3%

Source: CAFR Schedule B-2

OXFORD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
UNAUDITED

Exhibit J-5

<u>Fiscal Year Ended June 30,</u>	<u>Interest on Investments</u>	<u>Refund Prior Year Expenditures</u>	<u>Tuition</u>	<u>Miscellaneous</u>	<u>Total</u>
2007	\$ 29,773			\$ 383	\$ 30,156
2008	22,152	\$ 3,773		7,616	33,541
2009	9,545	11,513		12,895	33,953
2010	5,153	33,986	\$ 19,050	2,184	60,373
2011	3,768	4,049	30,475	4,207	42,499
2012	1,227	233	31,686	2,994	36,140
2013	320	439	64,000	2,917	67,676
2014	163	15,998	102,446	1,464	120,071
2015	277	29,859	81,676	1,512	113,324
2016	932	231	82,082	2,726	85,971

SOURCE: District Records

**Oxford Township School District
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years**

Exhibit J-6

<u>Fiscal Year Ended June 30.</u>	<u>Vacant Land</u>	<u>Residential</u>	<u>Farm Reg.</u>	<u>Qfarm</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Apartment</u>	<u>Total Assessed Value</u>	<u>Less: Tax- Exempt Property</u>	<u>Public Utilities a</u>	<u>Net Valuation Taxable</u>	<u>Total Direct School Tax Rate b</u>	<u>Estimated Actual (County Equalized Value)</u>
2007	\$2,838,900	\$103,374,300	\$2,752,900	\$221,508	\$4,799,800	\$3,924,300	-	\$145,445,905	\$26,975,750	\$558,447	\$118,470,155	\$2.565	\$207,175,594
2008	5,426,300	214,930,200	5,767,700	239,860	10,050,400	5,973,400	-	291,760,231	48,407,093	965,278	243,353,138	1.464	231,247,303
2009	5,571,800	214,059,400	6,377,900	239,860	9,614,200	5,849,500	-	291,295,676	48,531,793	1,051,223	242,763,883	1.451	239,375,946
2010	6,186,200	213,956,900	6,302,700	225,085	9,095,200	4,609,600	-	289,699,118	48,448,593	874,840	241,250,525	1.460	241,566,457
2011	5,308,300	184,576,000	4,865,400	228,300	7,700,600	3,772,900	-	252,243,392	44,853,500	938,392	207,389,892	1.732	236,082,321
2012	5,231,300	184,134,000	4,865,400	229,000	7,784,800	3,772,900	-	251,448,296	44,553,700	877,196	206,894,596	1.706	220,606,963
2013	5,057,400	183,999,900	4,766,000	229,200	7,872,400	3,772,900	-	250,900,957	44,323,100	880,057	206,577,857	1.775	215,391,965
2014	4,973,800	182,973,100	4,746,000	229,200	7,946,700	3,422,900	\$1,000,000	248,384,500	43,092,800	-	205,291,700	1.801	199,551,637
2015	7,790,100	181,066,400	4,798,100	238,200	7,719,200	3,125,900	1,000,000	249,059,900	43,322,000	-	205,737,900	1.848	187,942,229
2016	6,666,400	178,106,980	4,766,200	238,200	7,826,800	3,125,900	1,000,000	245,625,980	43,895,500	-	201,730,480	2.021	175,258,623

Source: District records Tax list summary & Municipal Tax Assessor

Note: Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

**Oxford Township School District
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

Exhibit J-7

(rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Oxford Township Board of Education						Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Oxford Township	Library	Warren County	
2007	\$2.307	\$0.258	\$2.565	\$0.291	\$0.090	\$1.004	\$3.950
2008	\$1.345	\$0.119	\$1.464	\$0.201	\$0.051	\$0.534	\$2.250
2009	\$1.332	\$0.119	\$1.451	\$0.183	\$0.052	\$0.549	\$2.235
2010	\$1.340	\$0.120	\$1.460	\$0.214	\$0.052	\$0.551	\$2.277
2011	\$1.585	\$0.147	\$1.732	\$0.269	\$0.055	\$0.641	\$2.697
2012	\$1.561	\$0.145	\$1.706	\$0.309	\$0.052	\$0.626	\$2.693
2014	\$1.593	\$0.182	\$1.775	\$0.326	\$0.049	\$0.652	\$2.802
2015	\$1.615	\$0.186	\$1.801	\$0.345	\$0.049	\$0.643	\$2.838
2015	\$1.660	\$0.188	\$1.848	\$0.363	\$0.049	\$0.651	\$2.911
2016	\$1.829	\$0.192	\$2.021	\$0.414	\$0.000	\$0.669	\$3.104

Source: District Records and Municipal Tax Collector

Note:

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

a The district's basic tax rate is calculated from the A4F form which is submitted with the budget and the Net valuation taxable.

b Rates for debt service are based on each year's requirements.

**Oxford Township School District
Principal Property Tax Payers,
Current Year and Nine Years Ago**

Exhibit J-8

Taxpayer	2016			2002		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Individual Taxpayer #1	\$2,207,200	1	1.09%	921,400	4	0.78%
Tilcon Materials, Inc.	2,113,700	2	1.05%			
Individual Taxpayer #2	1,656,400	3	0.82%			
Individual Taxpayer #3	1,163,200	4	0.58%	722,743	5	0.61%
Oxford Textile	1,446,100	5	0.72%	3,505,600	1	2.96%
Oxford Manor	1,000,000	6	0.50%			
Individual Taxpayer #4	750,100	7	0.37%	319,000	8	0.27%
Individual Taxpayer #5	732,700	8	0.36%	411,400	7	0.35%
HCBOREO 1, LLC	710,600	9	0.35%			
Individual Taxpayer #6	621,300	10	0.31%			
Oxford Quarry, Inc.				1,592,500	2	1.34%
Skyland Development L.P.				1,090,100	3	0.92%
Oxtech Industries, Inc.				641,000	6	0.54%
Total	\$ 12,401,300		6.15%	\$ 9,203,743		7.77%

Source: District CAFR & Municipal Tax Assessor

**Oxford Township School District
Property Tax Levies and Collections,
Last Ten Fiscal Years**

Exhibit J-9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2007	\$3,027,892	\$3,027,892	100.00%	-
2008	\$3,557,968	\$3,557,968	100.00%	-
2009	\$3,523,986	\$3,523,986	100.00%	-
2010	\$3,524,499	\$3,524,499	100.00%	-
2011	\$3,592,589	\$3,592,589	100.00%	-
2012	\$3,529,872	\$3,529,872	100.00%	-
2013	\$3,667,556	\$3,667,556	100.00%	-
2014	\$3,696,780	\$3,696,780	100.00%	-
2015	\$3,907,435	\$3,907,435	100.00%	-
2016	\$3,972,547	\$3,972,547	100.00%	-

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

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 property tax balance, in is the amount voted upon or certified prior to the end of the school year.

**Oxford Township School District
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years**

Exhibit J-10

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds ^b	Certificates of Participation	Capital Leases	Bond Anticipation Notes (BANs)	Capital Leases	Total District		
2007	\$4,890,000	-0-	-0-	-0-	-0-	\$4,890,000	4.50%	\$1,886
2008	\$4,805,000	-0-	-0-	-0-	-0-	\$4,805,000	4.24%	\$1,861
2009	\$4,715,000	-0-	-0-	-0-	-0-	\$4,715,000	4.27%	\$1,823
2010	\$4,620,000	-0-	-0-	-0-	-0-	\$4,620,000	4.16%	\$1,797
2011	\$5,415,000	-0-	-0-	\$1,309,200	-0-	\$6,724,200	5.96%	\$2,679
2012	\$5,310,000	-0-	-0-	-0-	-0-	\$5,310,000	4.61%	\$2,130
2013	\$5,100,000	-0-	-0-	-0-	-0-	\$5,100,000	4.44%	\$2,062
2014	\$4,845,000	-0-	-0-	-0-	-0-	\$4,845,000	4.06%	\$1,974
2015	\$4,580,000	-0-	-0-	-0-	-0-	\$4,580,000	3.83%	\$1,861
2016	\$4,305,000	-0-	-0-	-0-	-0-	\$4,305,000	3.60%	\$1,751 *

Source: District CAFR Schedules I-1, I-2

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

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

b Includes Early Retirement Incentive Plan (ERIP) refunding

* Current data unavailable

**Oxford Township School District
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years**

Exhibit J-11

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2007	\$4,890,000	-0-	\$4,890,000	4.13%	\$1,886
2008	\$4,805,000	-0-	\$4,805,000	1.97%	\$1,861
2009	\$4,715,000	-0-	\$4,715,000	1.94%	\$1,823
2010	\$4,620,000	-0-	\$4,620,000	1.92%	\$1,797
2011	\$5,415,000	-0-	\$5,415,000	2.61%	\$2,679
2012	\$5,310,000	-0-	\$5,310,000	2.57%	\$2,130
2013	\$5,100,000	-0-	\$5,100,000	2.47%	\$2,062
2014	\$4,845,000	-0-	\$4,845,000	2.36%	\$1,974
2015	\$4,580,000	-0-	\$4,580,000	2.23%	\$1,861
2016	\$4,305,000	-0-	\$4,305,000	2.13%	\$1,751

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

a See Exhibit NJ J-6 for property tax data.

b Population data can be found in Exhibit NJ J-14.

**Oxford Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2016**

Exhibit J-12

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Township of Oxford	\$ 1,513,674	100.000%	\$ 1,513,674
Other debt Warren County	4,075,000	1.642%	<u>66,931</u>
Subtotal, overlapping debt			1,580,605
Oxford Township School District Direct Debt			<u>4,305,000</u>
Total direct and overlapping debt			<u><u>\$ 5,885,605</u></u>

Sources: Township Finance Officer, Warren County Finance Office
and Utility Authorities

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

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

Oxford Township School District
 Legal Debt Margin Information,
 Last Ten Fiscal Years

Exhibit J-13

Legal Debt Margin Calculation for Fiscal Year 2016

Equalized valuation basis	
2012	186,290,109
2014	177,574,573
2015	175,356,815
[A]	\$ 539,221,497

Average equalized valuation of taxable property **[A/3]** \$ 179,740,499

Debt limit (3 % of average equalization value) **[B]** 5,392,215

Net school debt **[C]** 4,305,000

Legal debt margin **[B-C]** \$ 1,087,215

	Fiscal Year									
	<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	\$6,114,945	\$6,677,318	\$7,049,723	\$7,110,793	\$6,922,827	\$6,652,693	\$6,306,417	\$5,982,795	\$5,624,530	\$ 5,392,215
Total net debt applicable to limit	<u>4,890,000</u>	<u>4,805,000</u>	<u>4,715,000</u>	<u>5,929,200</u>	<u>6,724,200</u>	<u>5,310,000</u>	<u>5,100,000</u>	<u>4,845,000</u>	<u>4,580,000</u>	<u>4,305,000</u>
Legal debt margin	<u>\$1,224,945</u>	<u>\$1,872,318</u>	<u>\$2,334,723</u>	<u>\$1,181,593</u>	<u>\$198,627</u>	<u>\$1,342,693</u>	<u>\$1,206,417</u>	<u>\$1,137,795</u>	<u>\$1,044,530</u>	<u>\$1,087,215</u>
Total net debt applicable to the limit as a percentage of debt limit	79.97%	71.96%	66.88%	83.38%	97.13%	79.82%	80.87%	80.98%	81.43%	79.84%

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

a Limit set by NJSA 18A:24-19 for a K through 8 district; other % limits would be applicable for other districts

**Oxford Township School District
Demographic and Economic Statistics
Last Ten Fiscal Years**

Exhibit J-14

<u>Year</u>	<u>Population^a</u>	<u>Personal Income (thousands of dollars)^b</u>	<u>Per Capita Personal Income^c</u>	<u>Unemployment Rate^d</u>
2007	2,593	\$ 108,703,746	\$41,922 R	6.9%
2008	2,582	\$ 113,238,774	\$43,857 R	9.1%
2009	2,586	\$ 110,404,098	\$42,693 R	15.7%
2010	2,571	\$ 111,033,777	\$43,187 R	16.1%
2011	2,510	\$ 112,741,670	\$44,917 R	15.0%
2012	2,493	\$ 115,106,796	\$46,172 R	14.6%
2013	2,473	\$ 114,982,135	\$46,495 R	8.3%
2014	2,455	\$ 119,423,475	\$48,645 R	6.7%
2015	2,461	\$ 119,715,345	\$48,645 *	6.1%
2016	2,459	\$ 119,618,055	\$48,645 *	*

Source:

^a Combined Population information provided by the NJ Dept of Labor and Workforce Development

^b Personal Income provided by US Dept of Commerce

^c Per Capita provided by US Dept of Commerce

^d Unemployment data provided by the NJ Dept of Labor and Workforce Development

R =Revised

P =Projected

* Current data unavailable

**Oxford Township School District
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years**

Exhibit J-16

<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	22	22.5	20.0	20.0	20.5	20.5	22.0	23.0	24.0	24.0
Special education	8	8	8.0	8.0	8.0	8.0	8.0	7.5	7.0	7.0
Other special education	5	10	6.5	10.0	8.5	10.0	12.5	14.2	14.0	14.0
Support Services:										
Student & instruction related services	4	3	5.0	4.3	4.0	4.0	4.0	4.0	4.0	4.0
School administrative services	4	4	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Business administrative services	2	2	2.0	2.5	2.5	2.5	2.5	2.5	2.5	2.5
Plant operations and maintenance	3	3.5	3.5	3.5	3.5	3.5	3.0	3.0	3.0	3.0
Food Service	3	-	-	-	-	-	-	-	-	-
Total	51	53	49	52	51.0	52.5	56.0	58.2	58.5	58.5

Source: District Personnel Records

Oxford Township School District
 Operating Statistics
 Last Ten Fiscal Years

Exhibit J-17

Fiscal Year	Enrollment ^d	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary					
2007	319	5,874,213	18,414	5.76%	30	1/10.6		307.3	293.2	-2.13%	95.4%
2008	299	6,248,028	20,896	13.48%	30	1/10.0		299.0	285.7	-2.70%	95.6%
2009	408	6,248,028	15,314	-26.72%	28	1/14.6		291.0	273.9	-2.68%	94.1%
2010	406	6,729,382	16,575	8.23%	28	1/14.5		287.0	274.2	-1.37%	95.5%
2011	428	6,601,284	15,424	-6.95%	28	1/14.0		281.2	270.0	-2.02%	96.0%
2012	417	6,264,703	15,023	-2.60%	29	1/14.4		278.0	266.0	-1.14%	95.7%
2013	437	6,252,964	14,309	-4.76%	30	1/14.6		305.0	293.0	9.71%	96.1%
2014	439	6,337,892	14,437	0.90%	31	1/14.2		313.0	303.0	2.62%	96.8%
2015	432	6,780,800	15,696	8.72%	31	1/13.9		308.1	296.9	-1.57%	96.4%
2016	422	6,806,207	16,128	2.75%	31	1/13.6		309.9	297.8	0.58%	96.1%

Sources: District records, ASSA and Schedule J-4

Note: Enrollment based on annual October district count.

- a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-2
- 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)
- d Enrollment for FY2009 forward includes student counts for tuition students.

**Oxford Township School District
School Building Information
Last Ten Fiscal Years**

Exhibit J-18

<u>District Building</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>
<u>Elementary</u>										
Oxford Central (1923)										
Square Feet	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554	125,554
Capacity (students)	378	378	378	378	378	378	378	378	378	378
Enrollment	319	299	291	288	288	278	305	313	308	310

Number of Schools at June 30, 2016

Source: District records, ASSA

Elementary = 1

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

OXFORD TOWNSHIP SCHOOL DISTRICT
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES
Last Ten Fiscal Years Ending June 30, 2016

Exhibit J-19

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

<u>School Facilities</u>	<u>Project #</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>	<u>Total</u>
Oxford Central School	N/A	<u>\$182,665</u>	<u>\$61,455</u>	<u>\$88,736</u>	<u>\$92,280</u>	<u>\$72,475</u>	<u>\$86,256</u>	<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$969,294</u>
Total School Facilities		182,665	61,455	88,736	92,280	72,475	86,256	87,737	86,429	99,483	111,778	969,294
Other Facilities		<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>	<u>NONE</u>
Grand Total		<u>\$182,665</u>	<u>\$61,455</u>	<u>\$88,736</u>	<u>\$92,280</u>	<u>\$72,475</u>	<u>\$86,256</u>	<u>\$87,737</u>	<u>\$86,429</u>	<u>\$99,483</u>	<u>\$111,778</u>	<u>\$969,294</u>

OXFORD TOWNSHIP SCHOOL DISTRICT

INSURANCE SCHEDULE
JUNE 30, 2016
UNAUDITED

Exhibit J-20

<u>POLICY TYPE</u>	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
COMPREHENSIVE PACKAGE POLICY - School Alliance Insurance Fund		
Property-Blanket Building and Contents	\$ 250,000,000	\$ 2,500
Builders Risk	25,000,000	1,000
Fine Arts Coverage	2,500,000	1,000
Employee Dishonesty (Per Loss)	400,000	1,000
Money and Securities (in and out)	2,500,000	1,000
Comprehensive General Liability:		
Occurrence Limit	5,000,000	None
Comprehensive Automobile Liability	5,000,000	None
Workers' Compensation	Statutory	None
School Board Liability	5,000,000	5,000
Environmental Impairment Liability	1,000,000	10,000
PUBLIC EMPLOYEES' FAITHFUL PERFORMANCE		
BLANKET POSITION BOND - Selective Insurance Company		
School Board Secretary/School Business Administrator	165,000	

SOURCE: District Records

Single Audit Section



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Anthony Ardito, CPA, RMA, CMFO, PSA
 Douglas R. Williams, CPA, RMA, PSA

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 Auditor's Report

Honorable President and
 Members of the Board of Education
 Oxford Township School District
 County of Warren
 Oxford, New Jersey 07863

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Oxford Township School District Board of Education in the County of Warren, State of New Jersey, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the Oxford Township School District Board of Education's basic financial statements, and have issued our report thereon dated August 31, 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

-Continued-

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 of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of 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* or 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 for New Jersey Department of Education use, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Ardito & Co., LLP

ARDITO & CO., LLP
August 31, 2016

Cynthia Cecile

Licensed Public School Accountant No.2369



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 Douglas R. Williams, CPA, RMA, PSA

Report on Compliance For Each Major Program and Report on Internal Control Over Compliance Required by New Jersey OMB Circulars 15-08

Independent Auditor's Report

Honorable President and
 Members of the Board of Education
 Oxford Township School District
 County of Warren
 Oxford, New Jersey 07863

Report on Compliance for Each Major State Program

We have audited the Oxford Township School District Board of Education's compliance with the types of compliance requirements described in the New Jersey OMB Circulars 15-08 State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the District's major state programs for the year ended June 30, 2016. The Oxford Township School District Board of Education's major state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Division of Finance, Department of Education, State of New Jersey; and New Jersey OMB's Circulars 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and New Jersey OMB Circulars 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 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.

-Continued-

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

Opinion on Each Major State Program

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

Report on Internal Control Over Compliance

Management of the Oxford Township School District Board of Education 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 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 state program and to test and report on internal control over compliance in accordance with New Jersey OMB Circulars 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 Oxford Township School District Board of Education'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 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 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 state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

ARDITO & Co., LLP

ARDITO & CO., LLP
August 31, 2016

Carmen Cecile

Licensed Public School Accountant No.2369

OXFORD TOWNSHIP SCHOOL DISTRICT

K-4

Schedule of Expenditures of State Financial Assistance
for the Fiscal Year ended June 30, 2016

Schedule B

STATE GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE 6/30/2015	CARRY- OVER AMOUNT	CASH RECEIVED	BUDGET. EXPEND.	ADJUST.	REPAYMENT OF PRIOR YEARS' BALANCES	BALANCE AT JUNE 30, 2016			MEMO		
										(ACCTS. RECEIV.)	INTERFUND PAYABLE/ DEFER. REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPEND.	
State Department of Education															
General Fund:															
Equalization Aid	16-495-034-5120-078	7/1/15-6/30/16	\$ 2,066,891			\$ 2,066,891	\$ (2,066,891)							\$ 198,724	\$ 2,066,891
School Choice Aid	16-495-034-5120-068	7/1/15-6/30/16	100,506			100,506	(100,506)							9,663	100,506
Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	129,516			129,516	(129,516)							12,453	129,516
Special Education Aid	16-495-034-5120-089	7/1/15-6/30/16	218,357			218,357	(218,357)							20,994	218,357
Security Aid	16-495-034-5120-084	7/1/15-6/30/16	29,557			29,557	(29,557)							2,842	29,557
Additional Adjustment Aid	16-495-034-5120-085	7/1/15-6/30/16	7,179			7,179	(7,179)							692	7,179
PARCC Readiness Aid	16-495-034-5120-098	7/1/15-6/30/16	3,950			3,950	(3,950)							379	3,950
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	3,950			3,950	(3,950)							379	3,950
Non-Public Transportation Aid	15-100-034-5120-068	7/1/14-6/30/15		\$ (1,044)		1,044									
Non-Public Transportation Aid	16-100-034-5120-068	7/1/15-6/30/16	696				(696)			\$ (696)					696
Extraordinary Aid	15-495-034-5120-044	7/1/14-6/30/15		(78,627)		78,627									
Extraordinary Aid	16-495-034-5120-044	7/1/15-6/30/16	53,780				(53,780)			(53,780)					53,780
On Behalf TPAF Pension	16-495-034-5094-002	7/1/15-6/30/16	150,219			150,219	(150,219)								150,219
On Behalf TPAF Pension PMR	16-495-034-5094-001	7/1/15-6/30/16	187,779			187,779	(187,779)								187,779
On Behalf TPAF Pension Non-Contrib Ins	16-495-034-5094-004	7/1/15-6/30/16	7,483			7,483	(7,483)								7,483
Reimbursed TPAF Soc.Secur.Contrib.	16-495-034-5094-003	7/1/15-6/30/16	168,666	(8,054)		168,413	(168,666)			(8,307)					168,666
Total General Fund				(87,725)		3,153,471	(3,128,529)			(62,783)				246,126	3,128,529
Debt Service Fund:															
Debt Service Aid Type 2	16-100-034-5120-124	7/1/15-6/30/16	69,588			69,588	(69,588)								69,588
State Department of Agriculture:															
Enterprise Fund:															
Nat.School Lunch Prog.(State Share)	15-100-010-3350-023	7/1/14-6/30/15		(232)		232									
Nat.School Lunch Prog.(State Share)	16-100-010-3350-023	7/1/15-6/30/16	1,216			1,156	(1,216)			(60)					1,216
Total Enterprise Fund				(232)		1,388	(1,216)			(60)					1,216
Total State Financial Assistance				\$ (87,957)		\$ 3,224,447	\$ (3,199,333)			\$ (62,843)				\$ 246,126	\$ 3,199,333

Less: On-behalf TPAF Pension Amounts 345,481

Total State Expenditures Subject to Major Program Determination \$ (2,853,852)

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

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

NOTE 1. GENERAL

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Board of Education, Oxford Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedule of expenditures of state financial assistance includes state award activity of the Board of Education, Oxford Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All state awards received directly from state agencies, as well as state financial assistance passed through other government agencies is included on the schedule of expenditure of state financial assistance.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

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

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with *N.J.S.A. 18A:22-4.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$310) for the general fund and \$-0- for the special revenue fund. See Exhibit C-3 for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented on the following page:

NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS
AND FINANCIAL ASSISTANCE
JUNE 30, 2016

NOTE 3. (Continued)

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 9,020	\$ 3,128,219	\$ 3,137,239
Special Revenue Fund	139,339	-	139,339
Debt Service Fund		69,588	69,588
Food Service Fund	<u>46,446</u>	<u>1,216</u>	<u>47,662</u>
Total Financial Assistance	<u>\$ 194,805</u>	<u>\$ 3,199,023</u>	<u>\$ 3,393,828</u>

NOTE 4. RELATIONSHIP TO STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

1) Material weakness(es) identified? ___ Yes __x__ No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes __x__ None

Reported

Noncompliance material to financial statements noted? ___ Yes __x__ No

Federal Awards

N/A

Internal control over major programs:

1) Material weakness(es) identified? ___ Yes ___ No

2) Were significant deficiencies identified that were not considered to be material weaknesses? ___ Yes ___ None

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 section .516(a) of ? ___ Yes ___ No

Identification of major programs:

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

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

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

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Section II-Financial Statement Findings

N/A

There were no matters of noncompliance or reportable conditions noted, that are required to be reported in accordance with *Government Auditing Standards*.

Section III - State Financial Assistance Findings and Questioned Costs

N/A

This section identifies audit findings required to be reported by NJOMB Circular Letter 15-08, as applicable. There were no state financial assistance findings or questioned costs that are required to be reported in accordance with NJOMB Circular 15-08.

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

STATUS OF PRIOR YEAR FINDINGS

N/A

In accordance with *government auditing standards*, our procedures included a review of all prior year recommendations. There were no prior year findings.