

# **Comprehensive Annual Financial Report**

of the

**Edgewater Park Township  
School District**



**Edgewater Park, New Jersey**

**For The Fiscal Year Ended  
June 30, 2017**

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
**Table of Contents**

---

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal	2
Organizational Chart	6
Roster of Officials	7
Consultants and Advisors	8
<b>FINANCIAL SECTION</b>	
<b>Independent Auditor's Report</b>	10
<b>Required Supplementary Information - Part I Management's Discussion and Analysis</b>	16
<b>Basic Financial Statements</b>	
A. Government-Wide Financial Statements:	
A-1 Statement of Net Position	25
A-2 Statement of Activities	26
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	28
B-2 Statement of Revenues, Expenditures and Changes in Fund Balances	29
B-3 Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	30
Proprietary Funds:	
B-4 Statements of Net Position	31
B-5 Statement of Revenues, Expenses and Changes in Fund Net Position	32
B-6 Statement of Cash Flows	33
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	34
B-8 Statement of Changes in Fiduciary Net Position	35
<b>Notes to the Financial Statements</b>	36
<b>Required Supplementary Information - Part II</b>	
C. Budgetary Comparison Schedules	
C-1 Budgetary Comparison Schedule - General Fund	70
C-1a Combining Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual <b>(if applicable)</b>	N/A
C-1b Community Development Block Grant - Budget and Actual <b>(if applicable)</b>	N/A
C-2 Budgetary Comparison Schedule - Special Revenue Fund	80
C-3 Notes to Required Supplementary Information - Part II Budget-to-GAAP Reconciliation	81

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
**Table of Contents**

---

	<b>Page</b>
<b>Required Supplementary Information - Part III</b>	
L. Schedules Related to Accounting and Reporting for Pensions	
L-1 Schedule of the School District's Proportionate Share of the Net Pension Liability - PERS	83
L-2 Schedule of the School District's Contributions - PERS	84
L-3 Schedule of the School District's Proportionate Share of the Net Pension Liability - TPAF	85
L-4 Schedule of the School District's Contributions - TPAF	86
L-5 Notes to the Required Supplementary Information - Part III	87
<b>Required Supplementary Information - Part IV (if applicable)</b>	
L-6 Schedule of Funding Progress for Health Benefits Plan	N/A
L-7 Notes to the Required Supplementary Information - Part IV	N/A
<b>Other Supplementary Information</b>	
D. School Based Budget Schedules:	
D-1 Combining Balance Sheet	N/A
D-2 Blended Resource Fund - Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3 Blended Resource Fund - Schedule of Blended Expenditures - Budget and Actual	N/A
E. Special Revenue Fund:	
E-1 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis	90
E-2 Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	91
F. Capital Projects Fund:	
F-1 Summary Schedule of Project Expenditures	93
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances	94
F-2a Schedule(s) of Project Revenues, Expenditures, Project Balance and Project Status	95

-2e

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
**Table of Contents**

---

	<b>Page</b>
<b>Other Supplementary Information (Cont'd)</b>	
G. Proprietary Funds:	
Enterprise Fund:	
G-1 Combining Statement of Net Position	101
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	102
G-3 Combining Statement of Cash Flows	103
Internal Service Fund:	
G-4 Combining Statement of Net Position	N/A
G-5 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-6 Combining Statement of Cash Flows	N/A
H. Fiduciary Funds:	
H-1 Combining Statement of Fiduciary Net Position	105
H-2 Combining Statement of Changes in Fiduciary Net Position	106
H-3 Student Activity Agency Fund Schedule of Receipts and Disbursements	107
H-4 Payroll Agency Fund Schedule of Receipts and Disbursements	108
I. Long-Term Debt:	
I-1 Schedule of Serial Bonds	110
I-2 Schedule of Obligations under Capital Leases	N/A
I-3 Debt Service Fund Budgetary Comparison Schedule	111

**STATISTICAL SECTION (Unaudited)**

**Introduction to the Statistical Section**

**Financial Trends**

J-1 Net Position by Component	114
J-2 Changes in Net Position	115
J-3 Fund Balances - Governmental Funds	117
J-4 Changes in Fund Balances - Governmental Funds	118
J-5 General Fund Other Local Revenue by Source	119

**Revenue Capacity**

J-6 Assessed Value and Estimated Actual Value of Taxable Property	121
J-7 Direct and Overlapping Property Tax Rates	122
J-8 Principal Property Taxpayers	123
J-9 Property Tax Levies and Collections	124

**Debt Capacity**

J-10 Ratios of Outstanding Debt by Type	126
J-11 Ratios of General Bonded Debt Outstanding	127
J-12 Direct and Overlapping Governmental Activities Debt	128
J-13 Compilation of Legal Debt Margin	129

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
**Table of Contents**

---

	<b>Page</b>
<b>STATISTICAL SECTION (Unaudited) (Cont'd)</b>	
<b>Demographic and Economic Information</b>	
J-14 Demographic and Economic Statistics	131
J-15 Principal Employers	132
<b>Operating Information</b>	
J-16 Full-time Equivalent District Employees by Function/Program	134
J-17 Operating Statistics	135
J-18 School Building Information	136
J-19 Schedule of Required Maintenance	137
J-20 Insurance Schedule	138
<b>SINGLE AUDIT SECTION</b>	
K-1 Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	13
K-2 Report on Compliance for Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance and State of New Jersey Circular 15-08-OMB	140
K-3 Schedule of Expenditures of Federal Awards, Schedule A	142
K-4 Schedule of Expenditures of State Financial Assistance, Schedule B	144
K-5 Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	146
<b>Schedule of Findings and Questioned Costs:</b>	
K-6 Summary of Auditor's Results	148
K-7 Schedule of Current Year Findings	150
K-8 Summary Schedule of Prior Year Audit Findings and Questioned Costs as Prepared by Management	153

## INTRODUCTORY SECTION



**OFFICE OF THE BUSINESS  
ADMINISTRATOR  
EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT  
25 WASHINGTON AVENUE  
EDGEWATER PARK, NJ 08010**

November 17, 2017

Honorable President and  
Members of the Board of Education  
Edgewater Park Township School District  
Edgewater Park, New Jersey 08010

Dear Board Members:

The comprehensive annual financial report of the Edgewater Park Township School District for the fiscal year ended June 30, 2017, 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 School District. To the best of our knowledge and belief, the data presented in this report is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four (4) 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 Management's Discussion and Analysis and the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title II U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations are included in the single audit section of this report.

**(1) REPORTING ENTITY AND ITS SERVICES:**

Edgewater Park Township School District is an independent reporting entity within the criteria adopted by the GASB as established by NCGA Statement No. 3. All major funds of the District are included in this report.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, pre-school, before and after school latchkey services as well as special education programs. The following details the changes in the student enrollment of the District over the last ten years.

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2016-2017	868	1.64%
2015-2016	854	-1.61%
2014-2015	868	-0.57%
2013-2014	873	-1.13%
2012-2013	883	3.52%
2011-2012	853	0.00%
2010-2011	853	-2.74%
2009-2010	877	5.79%
2008-2009	829	-0.36%
2007-2008	832	3.82%

Honorable President and  
Members of the Board of Education

**(2) ECONOMIC CONDITION AND OUTLOOK:**

The Edgewater Park Township area remains stable, with relatively little new development. The exceptions are a planned townhome development which has begun and is near completion. It is expected that this new construction project will result in an enrollment increase for the District. Business growth/loss has remained unchanged. The "Route 130 Corridor" has seen some businesses close; however, new business has opened along the highway to replace the others. Government officials continue to work on revitalizing Route 130 with the plan to attract new businesses and additional ratables. With conditions status quo, the area should continue to prosper and the tax base will not be negatively affected.

**(3) MAJOR INITIATIVES:**

The goal of this District to remain competitive with comparable communities in educational performance was accomplished during the 2016-2017 school year.

Professional Development, as mandated by the state department, logs the number of hours each teacher spends during the course of the school year on professional improvement. Professional development activities were aligned with each individual PDP, and the results indicate that the vast majority of teachers far exceeded the suggested 20 hours per year, with all teachers successfully meeting their PDP for 2016-17.

The 2016-2017 staff development program maintained the District's initiatives from the 2015-16 school year. Staff members received updated in-service training by the School Psychologist on board policy, "Prohibiting and Intervening for Harassment, Intimidation and Bullying". Administrators will work with employees to identify and discipline students exhibiting objectionable behaviors. The District's curriculum will continue to correlate instruction to the PARCC for grades 3, 4, 5, 6, 7 & 8 and the NJ STUDENT LEARNING STANDARDS. Teachers continue fulfilling the requirements established by the Every Student Succeeds Act a federal initiative that advances equity by upholding critical protections for America's disadvantaged and high-need students.

Staff development helps teachers acquire techniques so they can most effectively work with our highly diversified population, including students with mild disabilities who are in the regular classrooms. Special attention will be given at the middle school level with the at risk students so they can achieve academic and behavioral success. The District's major goal instructionally will be to adapt to how all children learn in a positive educational environment. Professional development continues to focus on enhanced literacy and mathematics instruction.

Staff members are committed in their efforts to guarantee that our school system is up to date in the ever-changing world of technology and to make sure all students receive the proper tools to achieve. A full-time Computer Systems Senior Technician sets up and services all computers and is available to the staff for troubleshooting, hardware questions/concerns and supplies. The District also employs an Instructional Technology Facilitator/Coordinator to work directly with the teaching staff and introduce them to enhanced technology, new software, and the techniques necessary to implement them in the classrooms. Internet connectivity is available in all classrooms and labs.

**(4) INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District 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 the District management.



Honorable President and  
Members of the Board of Education

**(4) INTERNAL ACCOUNTING CONTROLS (CONT'D):**

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

**(5) BUDGETARY CONTROLS:**

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

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

**(6) ACCOUNTING SYSTEM AND REPORTS:**

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

**(7) 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.

**(8) CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District has adopted a cash management plan, which requires it to deposit public funds in 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.

**(9) RISK MANAGEMENT:**

The District carries various forms of insurance, including by not limited to worker's compensation insurance, general liability, automobile liability, and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**(10) INDEPENDENT AUDIT:**

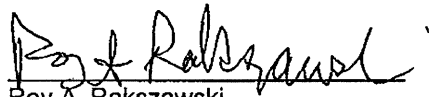
State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Bowman & Company LLP was selected by the District. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of Title II U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Treasury Circular Letter 15-08 OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. The auditor's report on the basic financial statements, required supplementary information and supplementary information are included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

Honorable President and  
Members of the Board of Education

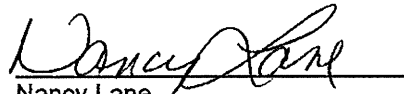
**(11) ACKNOWLEDGEMENTS:**

We would like to express our appreciation to the members of the Edgewater Park Township School District Board of Education for their concern in providing fiscal accountability to the citizens and taxpayers of the District and thereby contributing their full support to the development and maintenance of our financial operation. The preparation of this report could not have been accomplished without the efficient and dedicated services of our Business Office staff.

Respectfully Submitted,



Roy A. Rakaszawski  
Superintendent



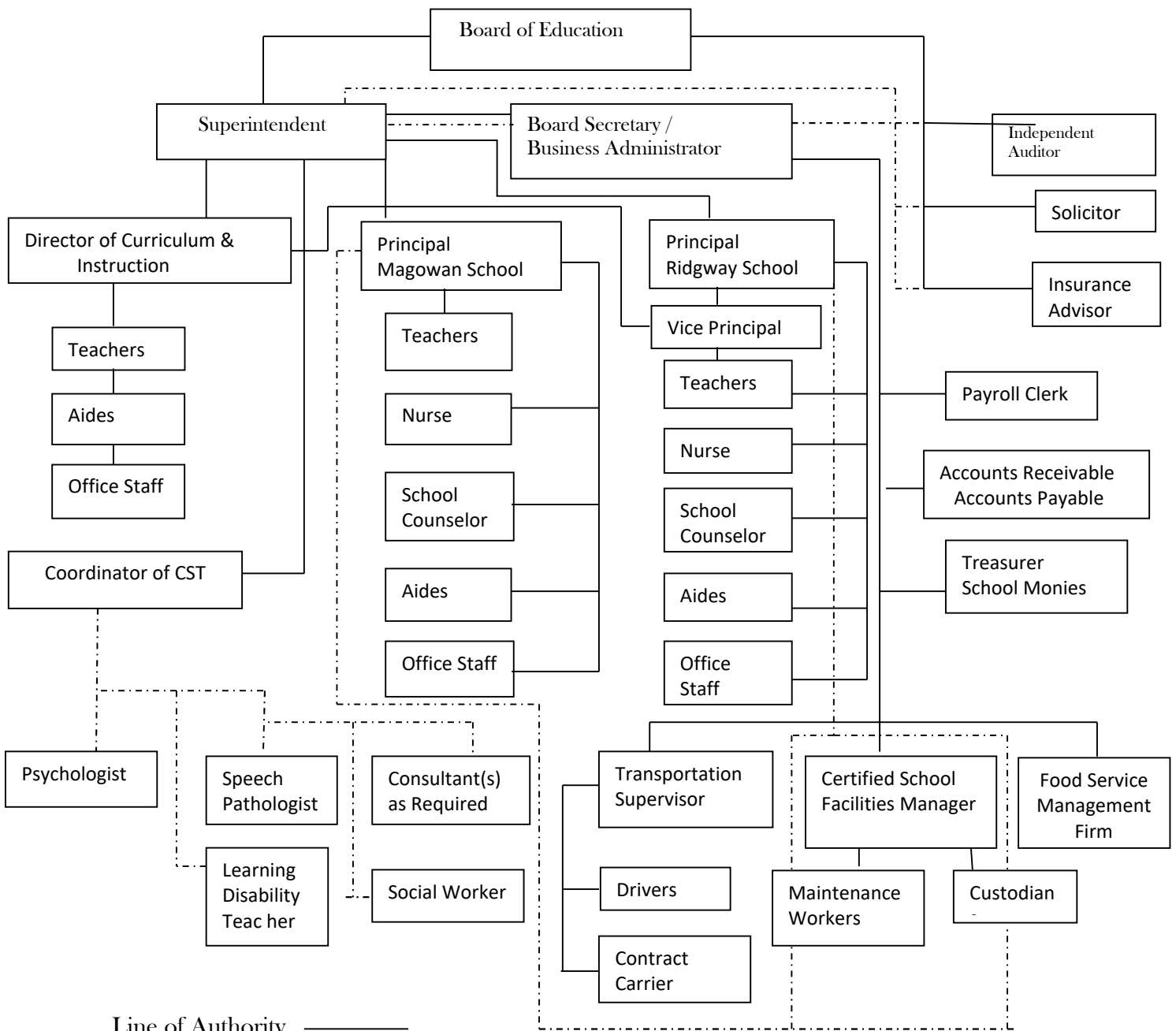
Nancy Lane  
Board Secretary/School Business Administrator

# POLICY

## EDGEWATER PARK TOWNSHIP BOARD OF EDUCATION

ADMINISTRATION  
1110/PAGE 1 OF 1  
Organizational Chart

### 1110 ORGANIZATIONAL CHART



Line of Authority \_\_\_\_\_

Line of Cooperation - - - - -

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

**EDGEWATER PARK, NEW JERSEY 08010**

**ROSTER OF OFFICIALS**

**At June 30, 2017**

**MEMBERS OF THE BOARD OF EDUCATION**

**TERM EXPIRES**

Lester Holley, President	2017
Robert Shappell, Vice President	2018
Karen Daly	2017
Craig Cleveland	2019
Deborah Lynch	2018
Robert Lynch	2018
Jennifer Schuck	2018
Colleen Torres	2019
Mark McCann	2019

**OTHER OFFICIALS**

Roy Rakszawski, Superintendent

Nancy Lane, Board Secretary/School Business Administrator

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

**EDGEWATER PARK, NEW JERSEY 08010**

**CONSULTANTS AND ADVISORS**

**JUNE 30, 2017**

**AUDIT FIRM**

Bowman & Company LLP  
601 White Horse Road  
Voorhees, New Jersey 08043

**ATTORNEY**

Parker McCay P.A.  
Frank P. Cavallo, Jr.  
9000 Midlantic Drive, Suite 300  
P.O. Box 5054  
Mount Laurel, New Jersey 08054

**INSURANCE BROKER**

Haines & Haines  
T.C. Irons Agency  
230 High Street  
P.O. Box 158  
Burlington, New Jersey 08016

**OFFICIAL DEPOSITORY**

Investors Bank  
1105 S. Fairview Street  
Delran, New Jersey 08075

FINANCIAL SECTION

## **INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Edgewater Park Township School District  
Edgewater Park, New Jersey 08010

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Edgewater Park Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Edgewater Park Township School District, in the County of Burlington, State of New Jersey, as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of the School District's proportionate share of the net pension liability and schedule of the School District's contributions, as listed 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 Edgewater Park Township School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, are also presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

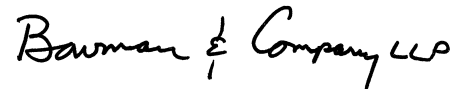
The introductory section and statistical section listed in the table of contents have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.



**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 17, 2017 on our consideration of the Edgewater Park Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Edgewater Park Township School District's internal control over financial reporting and compliance.

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Robert P. Nehila, Jr.  
Certified Public Accountant  
Public School Accountant No. CS 2065

Voorhees, New Jersey  
November 17, 2017

**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**

The Honorable President and  
Members of the Board of Education  
Edgewater Park Township School District  
Edgewater Park, New Jersey 08010

We have audited, in accordance with the auditing standards generally accepted in the United States of America, the standards applicable to financial statement audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and in compliance with audit requirements as prescribed by the Division of Administration and 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 Edgewater Park Township School District, in the County of Burlington, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements, and have issued our report thereon dated November 17, 2017.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Edgewater Park Township School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School District's internal control. Accordingly, we do not express an opinion on the effectiveness of the Edgewater Park Township School District's internal control.

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

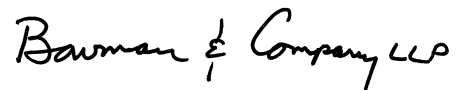
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Edgewater Park Township School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*, and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* and audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Robert P. Nehila, Jr.  
Certified Public Accountant  
Public School Accountant No. CS 002065

Voorhees, New Jersey  
November 17, 2017

REQUIRED SUPPLEMENTARY INFORMATION  
PART I

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited)

---

The management's discussion and analysis of Edgewater Park Township School District (School District) financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2017 and 2016. The intent of the discussion and analysis is to look at the School District's financial performance and review the notes to the basic financial statements to enhance the understanding of the School District's financial performance. It is recommended that the discussion and analysis be read in conjunction with a transmittal letter at the front of this financial report.

**FINANCIAL HIGHLIGHTS**

Financial Highlights for fiscal year 2017:

- The total assets and deferred outflows of resources of the School District were less than total liabilities and deferred inflows of resources at the close of the most recent fiscal year by (\$763,871.79) (net position).
- The School District's total net position decreased by (\$411,574.28) from the prior fiscal year.
- As of the close of the current fiscal year, the School District's governmental funds reported combined ending fund balances of \$7,652,509.38, an increase of \$4,182,025.51 in comparison with the prior year. The main result of this large increase was due to a bond issue during the fiscal year.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

- The first two statements are *government-wide financial statements* that provide both *short-term* and *long-term* information about the School District's *overall* financial status.
- The remaining statements are *fund financial statements* that focus on *individual parts* of the School District, reporting the School District's operations *in more detail* than the government-wide statements.
- *Governmental funds* statements tell how basic services like regular and special education were financed in the *short term* as well as what remains for future spending.
- *Proprietary funds* statements offer *short* and *long-term* financial information about the activities the School District operates *like businesses*, such as food service and after school programs.
- *Fiduciary funds* statements provide information about the financial relationships in which the School District acts solely as a *trustee or agent* for the benefit of others.

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

---

**OVERVIEW OF THE FINANCIAL STATEMENTS (CONT'D)**

**Government-Wide Statements**

The government-wide statements report information about the School District as a whole using accounting methods similar to those used by the private-sector companies. The statement of net position includes all of the School District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the School District's net position and how they have changed. Net position – the difference between the School District's assets and deferred outflows of resources and liabilities and deferred inflows of resources – are one way to measure the School District's financial health or position.

- Increase or decrease in the School District's net position is an indicator of whether its financial position is improving or deteriorating, respectively.
- To assess the overall health or position of the School District, you need to consider additional nonfinancial factors such as changes in the School District's property tax base and the condition of school buildings and other facilities.

In the government-wide financial statements, the School District's activities are divided in two categories:

- *Governmental activities* – The basic services, such as instruction for regular and special education, maintenance and operations, transportation and administration are included as government activities. Property taxes, state aid and fund balance appropriated finance most of these activities.
- *Business-type activities* – The School District charges fees to cover the costs of certain services such as the food service and after school programs.

**Fund Financial Statements**

The fund financial statements provide more detailed information about the School District's funds, focusing on the significant funds – not the School District as a whole. Funds are used by the School District to keep track of specific sources of funding and spending on particular programs:

- May distinguish state or federal grants.
- Funds for capital projects and long-term debt.

The School District has three kinds of funds:

- *Governmental funds* – The School District's basic services are included in governmental funds, which detail cash and other financial assets and also identify balances that remain at year-end. Governmental funds statements provide a short-term view to determine whether more or less financial resources can be spent in subsequent years.
- *Proprietary funds* – These funds represent charges or fees for such activities as the food service and after school programs.
- *Fiduciary funds* – The School District is the trustee for assets that belong to others. The student activities funds which include clubs, classes, athletic and scholarship funds are maintained in this fund. The School District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. These funds are not included in the government-wide financial statements since the School District is not permitted to use these assets in the School District operation.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE**

Table 1 provides a summary of the School District's net position for fiscal years 2017 and 2016.

**TABLE 1**  
Net Position

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Current and Other Assets	\$ 8,067,653.10	\$ 3,673,351.37	\$ 4,394,301.73	119.63%
Capital Assets	12,966,769.76	3,758,559.44	9,208,210.32	244.99%
<b>Total Assets</b>	<u>21,034,422.86</u>	<u>7,431,910.81</u>	<u>13,602,512.05</u>	<u>183.03%</u>
Deferred Outflow of Resources - Related to Pensions	1,673,243.00	955,204.00	718,039.00	100.00%
Long-Term Liabilities	22,324,239.58	8,224,290.51	14,099,949.07	171.44%
Other Liabilities	316,860.07	177,201.81	139,658.26	78.81%
<b>Total Liabilities</b>	<u>22,641,099.65</u>	<u>8,401,492.32</u>	<u>14,239,607.33</u>	<u>169.49%</u>
Deferred Inflow of Resources - Related to Pensions	830,438.00	337,920.00	492,518.00	100.00%
Net Position:				
Net Investment in Capital Assets	3,235,625.27	3,758,559.44	(522,934.17)	-13.91%
Restricted	7,559,619.93	846,417.69	6,713,202.24	793.13%
Unrestricted (Deficit)	(11,559,116.99)	(4,957,274.64)	(6,601,842.35)	133.17%
<b>Total Net Position (Deficit)</b>	<u>\$ (763,871.79)</u>	<u>\$ (352,297.51)</u>	<u>\$ (411,574.28)</u>	<u>116.83%</u>

This is the third year of implementation for Governmental Accounting Standards Board (GASB) Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB No. 68. Table 2 provides an illustration of the impact that GASBS 68 and 71 had to the School District's Unrestricted Net Position.

**TABLE 2**  
Statement of Net Position - Effect of Pension Related Items

	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Deferred Outflows Related to Pensions	\$ 1,673,243.00	\$ 955,204.00	\$ 718,039.00	75.17%
Less: Net Pension Liability	(5,266,860.00)	(4,853,726.00)	(413,134.00)	8.51%
Less: Deferred Inflows Related to Pensions	(830,438.00)	(337,920.00)	(492,518.00)	145.75%
	<u>\$ (4,424,055.00)</u>	<u>\$ (4,236,442.00)</u>	<u>\$ (187,613.00)</u>	<u>4.43%</u>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

**FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE (CONT'D)**

Table 3 reflects changes in net position for fiscal years 2017 and 2016.

**TABLE 3**  
Change in Net Position

<b>Revenues:</b>	<u>June 30, 2017</u>	<u>June 30, 2016</u>	<u>Change</u>	<u>% Change</u>
Program Revenues:				
Charges for Services	\$ 645,442.88	\$ 431,915.28	\$ 213,527.60	49.44%
Federal & State Categorical Grants	5,284,469.97	4,458,539.16	825,930.81	18.52%
General Revenues:				
Property Taxes	9,409,647.00	8,939,088.19	470,558.81	5.26%
Federal & State Grants	6,834,796.24	6,644,562.36	190,233.88	2.86%
Other	135,910.01	256,904.12	(120,994.11)	-47.10%
<b>Total Revenues</b>	<u>22,310,266.10</u>	<u>20,731,009.11</u>	<u>1,579,256.99</u>	<u>7.62%</u>
<b>Expenses:</b>				
Instruction:				
Regular	4,293,836.67	4,645,241.93	(351,405.26)	-7.56%
Special Education	985,191.30	786,826.75	198,364.55	25.21%
Other Instruction	338,320.94	253,685.92	84,635.02	33.36%
Student Services:				
Tuition	4,012,042.70	3,829,275.91	182,766.79	4.77%
Student and Instruction Related	1,606,841.26	1,524,883.50	81,957.76	5.37%
General Administrative Services	883,207.52	562,980.64	320,226.88	56.88%
School Administrative Services	426,537.67	421,205.78	5,331.89	1.27%
Central Services	280,365.09	263,027.38	17,337.71	6.59%
Administrative Information Technology	270,011.87	217,377.98	52,633.89	24.21%
Plant Operations and Maintenance	856,036.92	825,305.49	30,731.43	3.72%
Pupil Transportation	666,596.44	565,896.23	100,700.21	17.79%
Unallocated Benefits	7,149,404.45	6,078,241.84	1,071,162.61	17.62%
Interest on Long-Term Debt	141,972.38	15,511.67	126,460.71	815.26%
Unallocated Depreciation	177,509.35	177,448.45	60.90	0.03%
Transfer to Charter Schools	29,220.00	52,850.00	(23,630.00)	100.00%
Special Schools	61,771.00		61,771.00	100.00%
Food Service	398,719.18	382,609.33	16,109.85	4.21%
After School Program	144,255.64	162,812.35	(18,556.71)	-11.40%
<b>Total Expenses</b>	<u>22,721,840.38</u>	<u>20,765,181.15</u>	<u>1,956,659.23</u>	<u>9.42%</u>
<b>Increase (Decrease) in Net Position</b>	<u>(411,574.28)</u>	<u>(34,172.04)</u>	<u>(377,402.24)</u>	<u>11.04</u>
<b>Beginning Net Position (Deficit)</b>	<u>(352,297.51)</u>	<u>(318,125.47)</u>	<u>(34,172.04)</u>	<u>10.74%</u>
<b>Ending Net Position (Deficit)</b>	<u>\$ (763,871.79)</u>	<u>\$ (352,297.51)</u>	<u>\$ (411,574.28)</u>	<u>116.83%</u>



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

---

**FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE (CONT'D)**

**Governmental Activities**

In 2016-2017, Governmental Activities Revenues were \$21,672,684.16 or 97.14% of total revenues.

In 2015-2016, Governmental Activities Revenues were \$20,117,101.00 or 97.04% of total revenues.

In 2016-2017, General Revenues - Property Taxes of \$9,409,647.00 made up 43.42%, and General Revenues - Federal and State Grants of \$6,834,796.24 made up 31.54% of Governmental Activities Revenues.

In 2015-2016, General Revenues - Property Taxes of \$8,939,088.19 made up 44.44%, and General Revenues - Federal and State Grants of \$6,644,562.36 made up 33.03% of Governmental Activities Revenues.

In 2016-2017, the School District's Governmental Activities expenditures increased by \$1,959,106.09 or 9.69% over 2015-2016. The largest increase was that of Unallocated Benefits which increased \$1,071,162.61. This increase was a result of the GASB 68 Pension Expenses increasing \$922,065.00 from 2015-2016.

**Business-Type Activities**

In 2016-2017 Business-Type Activities Revenues were \$637,581.94 or 2.86% of total revenues. In 2015-16 Business-Type Activities Revenues were \$613,908.11 or 2.96% of total revenues.

Charges for Services for Business-Type Activities were \$334,180.74 in 2016-2017 compared to \$312,288.11 in 2015-2016, a 7.01% increase.

Operating Grants and Contributions for Business-Type Activities were \$303,401.20 in 2016-2017 compared to \$301,620.00 in 2015-2016, a .59% increase.

Expenses for Business-Type Activities were \$542,974.82 in 2016-2017 compared to \$545,421.68 in 2015-2016, a .45% decrease.

**General Fund Budgeting Highlights**

During the fiscal 2017 school year, the Board of Education amended its general fund budget as needed.

The final budgetary basis revenue estimate was \$16,637,582.00, which was equal to the original budget.

The 2016-2017 General Fund Tax Levy was \$9,409,647.00, an increase of \$470,558.81 or 5.26% from the 2015-2016 General Fund Tax Levy of \$8,939,088.19.

During fiscal year 2017, the School District budgeted \$9,409,647.00 and \$8,326,359.08 for property taxes (local tax levy) and state aid revenues, respectively.

The School District also reported revenue and expenses of \$573,529.00, \$20,780.00, \$495,194.00, \$1,503.00 and \$407,633.38 in T.P.A.F. Normal Pension Contributions, T.P.A.F. Non-contributory Insurance, T.P.A.F. Post-Retirement Medical Contributions, T.P.A.F. Non-contributory Insurance, T.P.A.F. Long-Term Disability Insurance and reimbursed T.P.A.F. Social Security Aid, respectively.

The final budgetary basis expenditure appropriation estimate was \$16,930,522.00, which was equal to the original budget.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Management's Discussion and Analysis  
 For the Fiscal Year Ended June 30, 2017  
 (Unaudited) (Cont'd)

---

**CAPITAL ASSETS**

At the end of fiscal year 2017 and 2016, the School District had \$12,966,769.76 and \$3,758,559.44, respectively, in capital assets less accumulated depreciation. Net Investment in Capital Assets was \$3,235,625.27 at June 30, 2017 and \$3,758,559.44 at June 30, 2016. Table 4 reflects the capital assets.

**TABLE 4**  
 Capital Assets

Capital Assets (Net of Depreciation):	<u>June 30, 2017</u>	<u>June 30, 2016</u>
Land	\$ 7,953.00	\$ 7,953.00
Construction in Progress	9,543,136.12	58,569.22
Machinery and Equipment	212,605.78	311,829.05
Building and Improvements	3,031,577.84	3,198,287.95
Land Improvements	<u>171,497.02</u>	<u>181,920.22</u>
 Total Capital Assets	 <u>\$ 12,966,769.76</u>	 <u>\$ 3,758,559.44</u>

Depreciation expense was \$289,900.04 for fiscal year ended 2017 and \$310,090.20 for fiscal year ended 2016.

**DEBT ADMINISTRATION**

**Long-term Debt** - At the end of the current fiscal year, the School District had bonded debt outstanding of \$16,169,000.00, maturing on July 15, 2036.

**FUND BALANCES – FUND LEVEL STATEMENTS**

**Governmental Funds** - As of the end of the current fiscal year, the School District's governmental funds reported combining ending fund balances \$7,652,509.38, an increase of \$4,182,025.51 in comparison with the prior year. As previously mentioned, the main result of this large increase was due to a bond issue during the fiscal year.

Of the combined ending fund balances of \$7,652,509.38, (\$118,022.58) constitutes unrestricted fund balance (deficits). The remainder of fund balance of \$7,770,531.96 are restricted or assigned for various purposes.

**Proprietary Funds** - As of the end of the current fiscal year, the School District's proprietary funds had \$273,713.20 in unrestricted net position, an increase of \$90,064.51 in comparison with the prior year.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2017  
(Unaudited) (Cont'd)

---

**FACTORS ON THE SCHOOL DISTRICT'S FUTURE**

One of the most important factors affecting the School District's budget is state aid. Rising costs such as health care, student transportation, tuition to out of district institutions, or special education instruction, as well as a variety of other costs, make it difficult for the District to maintain the level of services provided to the students and parents of the Township. With an increased cost of \$712,002.00 for these services from 2015-2016 to 2016-2017, the District relied on \$199,223.00 in State Aid, \$470,733.00 in tax levy, as well as excess surplus to maintain all required services. Excess surplus is budgeted cautiously, however, recognizing that it is not sustainable, and uses these funds for a majority of one-time purchases and/or improvements.

Any reduction of state aid and/or an increase in expenditures will put an additional burden on the taxpayers of this School District.

In conclusion, the Edgewater Park Township Board of Education and Administration have committed themselves to financial excellence for many years. Additionally, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. The School District will continue with 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 to show the School Districts accountability for money it receives. If you have questions about this report or need additional information, contact the School Business Administrator/Board Secretary at the Edgewater Park Township School District, 25 Washington Avenue, Edgewater Park, New Jersey 08010.

## BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE FINANCIAL STATEMENTS

## EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

## Statement of Net Position

June 30, 2017

	Governmental Activities	Business-Type Activities	Total
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 746,320.28	\$ 247,280.06	\$ 993,600.34
Receivables, net	285,927.37	36,979.02	322,906.39
Inventory		12,517.00	12,517.00
Restricted Assets:			
Cash and Cash Equivalents	6,738,629.37		6,738,629.37
Capital Assets, net (Note 6)	12,935,001.56	31,768.20	12,966,769.76
<b>Total Assets</b>	<b>20,705,878.58</b>	<b>328,544.28</b>	<b>21,034,422.86</b>
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
Related to Pensions (Note 8)	1,673,243.00	-	1,673,243.00
<b>LIABILITIES:</b>			
Accounts Payable:			
Related to Pensions	159,352.00		159,352.00
Other	118,025.59	19,899.42	137,925.01
Unearned Revenue	342.05	3,163.46	3,505.51
Accrued Interest Payable	16,077.55		16,077.55
Noncurrent Liabilities (Note 7):			
Due within One Year	734,036.66		734,036.66
Due beyond One Year	21,590,202.92		21,590,202.92
<b>Total Liabilities</b>	<b>22,618,036.77</b>	<b>23,062.88</b>	<b>22,641,099.65</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Related to Pensions (Note 8)	830,438.00	-	830,438.00
<b>NET POSITION:</b>			
Net Investment in Capital Assets	3,203,857.07	31,768.20	3,235,625.27
Restricted for:			
Capital Projects	6,625,863.88		6,625,863.88
Other Purposes	933,756.05		933,756.05
Unrestricted (Deficit)	(11,832,830.19)	273,713.20	(11,559,116.99)
<b>Total Net Position (Deficit)</b>	<b>\$ (1,069,353.19)</b>	<b>\$ 305,481.40</b>	<b>\$ (763,871.79)</b>

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Statement of Activities  
For the Fiscal Year Ended June 30, 2017

Functions / Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental Activities:							
Instruction:							
Regular	\$ 4,293,836.67	\$ 311,262.14	\$ 658,724.59	\$ -	\$ (3,323,849.94)	\$ -	\$ (3,323,849.94)
Special Education	985,191.30				(985,191.30)		(985,191.30)
Other Special Instruction	338,320.94				(338,320.94)		(338,320.94)
Support Services:							
Tuition	4,012,042.70				(4,012,042.70)		(4,012,042.70)
Student and Instruction Related Services	1,606,841.26		91,905.80		(1,514,935.46)		(1,514,935.46)
General Administrative Services	883,207.52				(883,207.52)		(883,207.52)
School Administrative Services	426,537.67				(426,537.67)		(426,537.67)
Central Services	280,365.09				(280,365.09)		(280,365.09)
Administrative Information Technology	270,011.87				(270,011.87)		(270,011.87)
Plant Operations and Maintenance	856,036.92				(856,036.92)		(856,036.92)
Pupil Transportation	666,596.44				(666,596.44)		(666,596.44)
Unallocated Benefits	7,149,404.45		4,230,438.38		(2,918,966.07)		(2,918,966.07)
Transfer to Charter Schools	29,220.00				(29,220.00)		(29,220.00)
Special Schools	61,771.00				(61,771.00)		(61,771.00)
Interest on Long-Term Debt	141,972.38				(141,972.38)		(141,972.38)
Unallocated Depreciation	177,509.35				(177,509.35)		(177,509.35)
<b>Total Governmental Activities</b>	<b>22,178,865.56</b>	<b>311,262.14</b>	<b>4,981,068.77</b>	<b>-</b>	<b>(16,886,534.65)</b>	<b>-</b>	<b>(16,886,534.65)</b>
Business-Type Activities:							
Food Service	398,719.18	131,588.32	303,401.20			36,270.34	36,270.34
After School Program	144,255.64	202,592.42				58,336.78	58,336.78
<b>Total Business-Type Activities</b>	<b>542,974.82</b>	<b>334,180.74</b>	<b>303,401.20</b>	<b>-</b>	<b>-</b>	<b>94,607.12</b>	<b>94,607.12</b>
<b>Total Government</b>	<b>\$ 22,721,840.38</b>	<b>\$ 645,442.88</b>	<b>\$ 5,284,469.97</b>	<b>\$ -</b>	<b>(16,886,534.65)</b>	<b>94,607.12</b>	<b>(16,791,927.53)</b>
General Revenues:							
Taxes:							
Property Taxes Levied for General Purposes					9,409,647.00		9,409,647.00
Federal and State Aid Not Restricted					6,834,796.24		6,834,796.24
Miscellaneous Income					137,249.77		137,249.77
Loss on Disposal of Capital Assets					(1,339.76)		(1,339.76)
<b>Total General Revenues</b>					<b>16,380,353.25</b>	<b>-</b>	<b>16,380,353.25</b>
Change in Net Position					(506,181.40)	94,607.12	(411,574.28)
Net Position (Deficit) -- July 1					(563,171.79)	210,874.28	(352,297.51)
Net Position (Deficit) -- June 30					<b>\$ (1,069,353.19)</b>	<b>\$ 305,481.40</b>	<b>\$ (763,871.79)</b>

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

FUND FINANCIAL STATEMENTS



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Governmental Funds  
Balance Sheet  
June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>ASSETS:</b>					
Cash and Cash Equivalents	\$ 746,320.28	\$ -	\$ 6,727,717.34	\$ 10,912.03	\$ 7,484,949.65
Interfund Receivable:					
Special Revenue Fund	89,391.01				89,391.01
Unemployment Fund	10.16				10.16
Payroll Fund	0.33				0.33
Capital Projects Fund	101,853.46				101,853.46
Accounts Receivable:					
Federal		79,859.06			79,859.06
State	136,116.43				136,116.43
Other	69,941.39				69,941.39
<b>Total Assets</b>	<b>\$ 1,143,633.06</b>	<b>\$ 79,859.06</b>	<b>\$ 6,727,717.34</b>	<b>\$ 10,912.03</b>	<b>\$ 7,962,121.49</b>
<b>LIABILITIES AND FUND BALANCES:</b>					
<b>Liabilities:</b>					
Interfund Payable:					
General Fund	\$ -	\$ 89,391.01	\$ 101,853.46	\$ -	\$ 191,244.47
Unearned Revenue		342.05			342.05
Accounts Payable	118,025.59				118,025.59
<b>Total Liabilities</b>	<b>118,025.59</b>	<b>89,733.06</b>	<b>101,853.46</b>	<b>-</b>	<b>309,612.11</b>
<b>Fund Balances:</b>					
<b>Restricted:</b>					
Maintenance Reserve	125,183.93				125,183.93
Emergency Reserve	200,000.00				200,000.00
Capital Reserve	61,792.15				61,792.15
Excess Surplus - Current Year	322,442.81				322,442.81
Excess Surplus - Prior Years - Designated for Subsequent Year's Expenditures	224,337.16				224,337.16
Capital Projects			6,625,863.88		6,625,863.88
Debt Service				10,912.03	10,912.03
<b>Assigned:</b>					
Designated for Subsequent Year's Expenditures	200,000.00				200,000.00
<b>Unassigned:</b>					
General Fund (Deficit)	(108,148.58)				(108,148.58)
Special Revenue Fund (Deficit)		(9,874.00)			(9,874.00)
<b>Total Fund Balances</b>	<b>1,025,607.47</b>	<b>(9,874.00)</b>	<b>6,625,863.88</b>	<b>10,912.03</b>	<b>7,652,509.38</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 1,143,633.06</b>	<b>\$ 79,859.06</b>	<b>\$ 6,727,717.34</b>	<b>\$ 10,912.03</b>	

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$21,388,207.21, and the accumulated depreciation is \$8,453,205.65.

\$ 12,935,001.56

Interest on long term debt is accrued on the Statement of Net Position regardless when due.

(16,077.55)

Long-term liabilities, including bonds payable and bond anticipation notes payable are not due and payable in the current period and therefore are not reported as liabilities in the funds

(17,057,379.58)

Net Pension Liability

(5,266,860.00)

Accounts Payable related to the April 1, 2018 required PERS pension contribution that is not to be liquidated with current financial resources.

(159,352.00)

Deferred Outflows of Resources - Related to Pensions

1,673,243.00

Deferred Inflows of Resources - Related to Pensions

(830,438.00)

Net Position of Governmental Activities

\$ (1,069,353.19)

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Governmental Funds  
Statement of Revenues, Expenditures and Changes in Fund Balances  
For the Fiscal Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
<b>REVENUES:</b>					
Local Tax Levy	\$ 9,409,647.00	\$ -	\$ -	\$ -	\$ 9,409,647.00
Unrestricted Miscellaneous Revenues	591,850.51				591,850.51
State Sources	8,326,359.08	107,355.25			8,433,714.33
Federal Sources	7,076.54	640,289.94			647,366.48
Local Sources		2,985.20			2,985.20
<b>Total Revenues</b>	<b>18,334,933.13</b>	<b>750,630.39</b>	<b>-</b>	<b>-</b>	<b>19,085,563.52</b>
<b>EXPENDITURES:</b>					
<b>Current:</b>					
Regular Instruction	3,598,115.74	659,218.29			4,257,334.03
Special Education Instruction	985,191.30				985,191.30
Other Special Instruction	338,320.94				338,320.94
<b>Support Services and Undistributed Costs:</b>					
Tuition	4,012,042.70				4,012,042.70
Student and Instruction Related Services	1,514,935.46	91,905.80			1,606,841.26
General Administrative Services	494,000.19		329,512.00		823,512.19
School Administrative Services	426,537.67				426,537.67
Central Services	280,365.09				280,365.09
Administrative Information Technology	270,011.87				270,011.87
Plant Operations and Maintenance	852,283.99				852,283.99
Pupil Transportation	658,699.26				658,699.26
Unallocated Benefits	4,311,582.24				4,311,582.24
Transfer to Charter Schools	29,220.00				29,220.00
<b>Debt Service:</b>					
Interest and Other Charges	9,935.00			144,697.97	154,632.97
Capital Outlay	5,798.00		9,484,566.90		9,490,364.90
Special Schools	61,771.00				61,771.00
<b>Total Expenditures</b>	<b>17,848,810.45</b>	<b>751,124.09</b>	<b>9,814,078.90</b>	<b>144,697.97</b>	<b>28,558,711.41</b>
Excess (Deficiency) of Revenues over Expenditures	486,122.68	(493.70)	(9,814,078.90)	(144,697.97)	(9,473,147.89)
<b>OTHER FINANCING SOURCES (USES):</b>					
Proceeds from Issuance of Bonds			16,169,000.00		16,169,000.00
Premium on Sale of Bonds			329,512.00		329,512.00
Bond Anticipation Notes Paid with Bond Issue Proceeds			(2,700,000.00)		(2,700,000.00)
Capital Reserve Transfer to Debt Service	(130,000.00)			130,000.00	-
<b>Cancellation of Projects:</b>					
Canceled Against State SDA Grant Receivable Transferred to General Fund	92,940.46		(143,338.60) (92,940.46)		(143,338.60) -
<b>Total Other Financing Sources and (Uses)</b>	<b>(37,059.54)</b>	<b>-</b>	<b>13,562,232.94</b>	<b>130,000.00</b>	<b>13,655,173.40</b>
<b>Net Change in Fund Balance</b>	<b>449,063.14</b>	<b>(493.70)</b>	<b>3,748,154.04</b>	<b>(14,697.97)</b>	<b>4,182,025.51</b>
Fund Balance (Deficit) -- July 1	576,544.33	(9,380.30)	2,877,709.84	25,610.00	3,470,483.87
<b>Fund Balance (Deficit) -- June 30</b>	<b>\$ 1,025,607.47</b>	<b>\$ (9,874.00)</b>	<b>\$ 6,625,863.88</b>	<b>\$ 10,912.03</b>	<b>\$ 7,652,509.38</b>

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Reconciliation of the Statement of Revenues, Expenditures  
 and Changes in Fund Balances of Governmental Funds  
 to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2017

<b>Total Net Change in Fund Balances - Governmental Funds</b>	<b>\$ 4,182,025.51</b>
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p>	
<p>Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period.</p>	<p>\$ (285,357.43)</p> <hr style="width: 50%; margin-left: 0;"/> <p>9,490,364.90</p>
<p>Depreciation Expense</p>	9,205,007.47
<p>Capital Outlays</p>	(16,498,512.00)
<p>The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are expensed in a systematic and rational manner over the duration of the related debt in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.</p>	(16,077.55)
<p>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 amount is the net effect of the difference in the treatment of interest on long-term debt.</p>	(16,077.55)
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>	<p>82,958.79</p> <p>28,738.14</p> <p>(1,339.76)</p> <hr style="width: 50%; margin-left: 0;"/> <p>2,700,000.00</p>
<p>Compensated Absences</p>	2,810,357.17
<p>Amortization of Premium on Sale of Bonds</p>	
<p>Loss on Disposal of Capital Assets</p>	
<p>Proceeds from the Issuance of Bond Anticipation Notes Payable</p>	
<p>Governmental funds report School District pension contributions as expenditures. However in the statement of activities, the cost of pension benefits earned is reported as pension expense. This is the amount by which pension benefits earned exceeded the School District's pension contributions in the current period.</p>	<p>(188,982.00)</p> <hr style="width: 50%; margin-left: 0;"/>
<p>Change in Net Position of Governmental Activities</p>	\$ (506,181.40)

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Proprietary Funds  
 Business-Type Activities - Enterprise Funds  
 Statements of Net Position  
 June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>
<b>ASSETS:</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 103,657.75	\$ 143,622.31
Accounts Receivable:		
State	282.95	
Federal	36,696.07	
Inventories	<u>12,517.00</u>	
Total Current Assets	<u>153,153.77</u>	<u>143,622.31</u>
Noncurrent Assets:		
Machinery and Equipment	178,326.63	
Less Accumulated Depreciation	<u>(146,558.43)</u>	
Total Noncurrent Assets	<u>31,768.20</u>	<u>-</u>
Total Assets	<u>184,921.97</u>	<u>143,622.31</u>
<b>LIABILITIES:</b>		
Current Liabilities:		
Unearned Revenue	3,163.46	
Accounts Payable	<u>19,899.42</u>	
Total Current Liabilities	<u>23,062.88</u>	<u>-</u>
<b>NET POSITION:</b>		
Net Investment in Capital Assets	31,768.20	
Unrestricted	<u>130,090.89</u>	<u>143,622.31</u>
Total Net Position	<u>\$ 161,859.09</u>	<u>\$ 143,622.31</u>

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Statements of Revenues, Expenses and Changes in Fund Net Position  
For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>
<b>OPERATING REVENUES:</b>		
Charges for Services:		
Daily Sales - Reimbursable	\$ 86,179.93	\$ -
Daily Sales - Non-Reimbursable	45,408.39	
Program Fees		202,592.42
	<u>131,588.32</u>	<u>202,592.42</u>
Total Operating Revenues		
	<u>131,588.32</u>	<u>202,592.42</u>
<b>OPERATING EXPENSES:</b>		
Salaries and Benefits	171,462.86	140,922.34
Supplies and Materials	13,901.92	2,923.30
Cost of Sales - Reimbursable Programs	134,009.25	
Cost of Sales - Non-reimbursable Programs	32,621.00	
Management Fee	23,499.84	
Purchased Professional Educational Services	5,316.75	
Depreciation	4,146.25	
Miscellaneous	13,761.31	410.00
	<u>398,719.18</u>	<u>144,255.64</u>
Total Operating Expenses		
	<u>398,719.18</u>	<u>144,255.64</u>
Operating Income (Loss)	<u>(267,130.86)</u>	<u>58,336.78</u>
<b>NONOPERATING REVENUES:</b>		
State Sources:		
State School Lunch Program	4,419.40	
Federal Sources:		
National School Lunch Program	207,044.46	
National School Breakfast Program	44,802.06	
Special Milk Program	957.54	
Snack Program	12,350.46	
Food Distribution Program	33,827.28	
	<u>303,401.20</u>	<u>-</u>
Total Nonoperating Revenues		
	<u>303,401.20</u>	<u>-</u>
Change in Net Position	36,270.34	58,336.78
Total Net Position -- July 1	<u>125,588.75</u>	<u>85,285.53</u>
Total Net Position -- June 30	<u>\$ 161,859.09</u>	<u>\$ 143,622.31</u>

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Statements of Cash Flows  
For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from Customers	\$ 131,588.32	\$ 202,592.42
Payments for Salaries and Benefits	(158,826.14)	(140,922.34)
Payments to Suppliers	(181,789.37)	(3,886.43)
Net Cash Provided by (used for) Operating Activities	<u>(209,027.19)</u>	<u>57,783.65</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>		
Federal and State Sources	<u>267,303.88</u>	
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>267,303.88</u>	<u>-</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Purchase of Capital Assets	<u>(8,688.86)</u>	<u>-</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(8,688.86)</u>	<u>-</u>
Net Increase (Decrease) in Cash and Cash Equivalents	49,587.83	57,783.65
Cash and Cash Equivalents -- July 1	<u>54,069.92</u>	<u>85,838.66</u>
Cash and Equivalents -- June 30	<u>\$ 103,657.75</u>	<u>\$ 143,622.31</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>		
Operating Income (Loss)	\$ (267,130.86)	\$ 58,336.78
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:		
Depreciation	4,146.25	
Food Distribution Program	33,827.28	
(Increase) Decrease in Inventories	182.30	
Increase (Decrease) in Unearned Revenue	48.42	
Increase (Decrease) in Accounts Payable	19,899.42	(553.13)
Total Adjustments	<u>58,103.67</u>	<u>(553.13)</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (209,027.19)</u>	<u>\$ 57,783.65</u>

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Fiduciary Net Position  
 June 30, 2017

	Private-Purpose Trust Funds	Agency Funds	
	Unemployment Compensation Trust	Student Activity	Payroll
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ 24,674.98	\$ 56,685.61	\$ 1,180.35
Total Assets	<u>24,674.98</u>	<u>\$ 56,685.61</u>	<u>\$ 1,180.35</u>
<b>LIABILITIES:</b>			
Payable to Student Groups		\$ 56,685.61	\$ -
Payroll Deductions Payable			1,180.02
Interfund Payable	<u>10.16</u>		<u>0.33</u>
Total Liabilities	<u>10.16</u>	<u>\$ 56,685.61</u>	<u>\$ 1,180.35</u>
<b>NET POSITION:</b>			
Held in Trust for Unemployment Claims and Other Purposes	<u>24,664.82</u>		
Total Net Position	<u>\$ 24,664.82</u>		

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Position  
 For the Year Ended June 30, 2017

	Private-Purpose Trust Fund
	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Employee Payroll Deductions	\$ 14,105.00
DEDUCTIONS:	
Unemployment Claims	5,694.74
Change in Net Position	8,410.26
Net Position -- July 1	16,254.56
Net Position -- June 30	\$ 24,664.82

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



**TOWNSHIP OF EDGEWATER PARK SCHOOL DISTRICT**  
Notes to Financial Statements  
For the Fiscal Year Ended June 30, 2017

---

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Township of Edgewater Park School District (the "School District") have been prepared to conform with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The following is a summary of the more significant of these policies.

**Description of the Financial Reporting Entity**

The School District is a Type II district located in the County of Burlington, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education (the "Board"). The Board is comprised of nine members elected to three-year terms. These terms are staggered so that three member's terms expire each year. The Superintendent is appointed by the Board to act as executive officer of the School District. The purpose of the School District is to educate students in grades K through 8 at its two schools. The School District has an approximate enrollment at June 30, 2017 of 868.

The primary criterion for including activities within the School District's reporting entity, as set forth in Section 2100 of the Governmental Accounting Standards Board *Codification of Governmental Accounting and Financial Reporting Standards*, is the degree of oversight responsibility maintained by the School District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the School District over which the Board exercises operating control.

**Component Units**

In evaluating how to define the School District for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14, *The Financial Reporting Entity*, as amended by GASB Statement No. 39, *Determining Whether Certain Organizations are Component Units*, GASB Statement No. 61, *The Financial Reporting Entity: Omnibus - an amendment of GASB Statements No. 14 and No. 34*, and GASB Statement No. 80, *Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14*. Blended component units, although legally separate entities, are in-substance part of the government's operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basic-but not the only-criterion for including a potential component unit within the reporting entity is the governing body's ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and / or its citizens.

A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary government could warrant its inclusion within the reporting entity.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Component Units (Cont'd)**

Based upon the application of these criteria, the School District has no component units.

**Government-wide and Fund Financial Statements**

The School District's basic financial statements consist of government-wide statements, and fund financial statements which provide a more detailed level of financial information.

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

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are specifically associated with a service, program, or department and, therefore, clearly identifiable to a particular function. It is the policy of the School District to not allocate indirect expenses to functions in the statement of activities. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Property taxes and other items not properly included among program revenues are reported instead as general revenues.

In regards to the fund financial statements, the School District segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. Fund financial statements report detailed information about the School District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a single column. Fiduciary funds are reported by fund type.

**Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Property taxes are recognized as revenues in the year for which they are levied. The Burlington County Board of Taxation is responsible for the assessment of properties, and the respective municipal tax collector is responsible for the collection of property taxes. Assessments are certified and property taxes are levied on January 1. Property tax payments are due February 1, May 1, August 1 and November 1. Unpaid property taxes are considered delinquent the following January 1 and are then subject to municipal lien. In accordance with New Jersey State Statute, the School District is entitled to receive moneys under an established payment schedule, and any unpaid amount is considered as an accounts receivable. The governing body of each municipality is required to pay over to the School District, within forty (40) days after the beginning of the school year, twenty percent (20%) of the moneys from school tax due. Thereafter, but prior to the last day of the school year, the municipality must pay the balance of moneys from school tax due for school purposes in such amounts as requested, with certain limitations, from time to time by the School District, within thirty days after each request.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when they are deemed both available and measurable. Available means when revenues are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the School District considers revenues to be available if they are collected within sixty (60) days of the end of the current fiscal year. Measurable means that the amount of revenue can be determined. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, tuition, reimbursable-type grants, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal year. All other revenue items are considered to be measurable and available only when cash is received by the School District.

The School District reports the following major governmental funds:

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

As required by the New Jersey State Department of Education, the School District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America, 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, ad valorem tax revenues, and appropriated fund balance. Expenditures are those which result in the acquisition of or additions to capital assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings, and the purchase of built-in equipment.

**Special Revenue Fund** - The special revenue fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects.

**Capital Projects Fund** - The capital projects fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets, other than those financed by proprietary funds. The financial resources are derived from New Jersey Economic Development Authority grants, temporary notes, serial bonds which are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election, or from the general fund by way of transfers from capital outlay or the capital reserve account.

**Debt Service Fund** - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditures for principal and interest.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Measurement Focus, Basis of Accounting and Financial Statement Presentation (Cont'd)**

Proprietary funds are used to account for the School District's ongoing organizations and activities, which are operated and financed in a manner similar to those found in the private sector. The measurement focus is upon the determination of net income. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. All items not meeting this definition are reported as nonoperating revenues and expenses.

The School District reports the following major proprietary funds:

**Food Service Fund** - This fund accounts for the financial transactions related to the food service operations of the School District.

**After School Fund** - This fund accounts for the financial transactions related to day care services provided to School District students before and after school.

Fiduciary funds are used to account for assets held by the School District on behalf of outside related organizations or on behalf of other funds within the School District. The fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds, and agency funds.

The School District maintains the following fiduciary funds:

**Agency Funds** - Agency funds are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governments, and / or other funds (i.e., payroll and student activities). The School District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District maintains the following agency funds: student activity fund and payroll fund.

**Private-Purpose Trust Funds** - Private-purpose trust funds are used to account for the principal and income for all other trust arrangements that benefit individuals, private organizations, or other governments. The School District maintains the following private-purpose trust funds:

**New Jersey Unemployment Compensation Insurance Trust Fund** - Revenues consist of contributions that have been included in the annual budget of the School District, employee payroll withholdings, and interest income. Expenditures represent claims incurred for unemployment.

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

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Budgets / Budgetary Control**

Annual appropriated budgets are prepared in the spring of each fiscal year for the general, special revenue, and debt service funds, and are submitted to the county office of education. In accordance with P.L. 2011, c. 202, the School District passed a resolution to move the school board election to the first Tuesday after the first Monday in November, starting in November of 2012, to be held simultaneously with the general election. As a result, a vote is not required on the School District's general fund tax levy for the budget year, other than the general fund tax levy required to support a proposal for additional funds, if any. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23A-16.2(f)1. Transfers of appropriations may be made by school board resolution at any time during the fiscal year in accordance with N.J.A.C. 6A:23A-13.3.

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles, with the exception of the legally mandated revenue recognition of the one or more June state aid payments for budgetary purposes only, and the special revenue fund. N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. 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 budgetary basis. The budgetary basis differs from GAAP in that the 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.

The budget, as detailed on exhibit C-1, exhibit C-2, and exhibit I-3, includes all amendments to the adopted budget, if any.

Exhibit C-3 presents a reconciliation of the general fund revenues and special revenue fund revenues and expenditures from the budgetary basis of accounting, as presented in the general fund budgetary comparison schedule and the special revenue fund budgetary comparison schedule, to the GAAP basis of accounting as presented in the statement of revenues, expenditures and changes in fund balances - governmental funds. Note that the School District does not report encumbrances outstanding at fiscal year-end as expenditures in the general fund since the general fund budget follows the modified accrual basis of accounting, with the exception of the aforementioned revenue recognition policy for the one or more June state aid payments.

**Encumbrances**

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of funds are recorded to assign a portion of the applicable appropriation, is utilized for budgetary control purposes. Encumbrances are a component of fund balance 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 governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Encumbrances (Cont'd)**

Open encumbrances in the special revenue fund, however, for which the School District has received advances of grant awards, are reflected on the balance sheet as unearned revenues at fiscal year-end.

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

**Cash, Cash Equivalents and Investments**

Cash and cash equivalents, for all funds, include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. Such is the definition of cash and cash equivalents used in the statement of cash flows for the proprietary funds. U.S. treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost. All other investments are stated at fair value.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. N.J.S.A. 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

N.J.S.A. 17:9-41 et seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Governmental Unit Deposit Protection Act ("GUDPA"), a multiple financial institutional collateral pool, which was enacted in 1970 to protect governmental units from a loss of funds on deposit with a failed banking institution in New Jersey. Public depositories include State or federally chartered banks, savings banks or associations located in or having a branch office in the State of New Jersey, the deposits of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to five percent of the average daily balance of collected public funds, to secure the deposits of governmental units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the amount of their deposits to the governmental units.

**Inventories**

Inventories are valued at cost, which approximates market. The costs are determined on a first-in, first-out method.

Inventories recorded on the government-wide financial statements and in the proprietary fund types are recorded as expenses when consumed rather than when purchased.

**Tuition Receivable**

Tuition charges were established by the School District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

**Prepaid Expenses**

Prepaid expenses recorded on the government-wide financial statements and in the proprietary fund types represent payments made to vendors for services that will benefit periods beyond June 30, 2017. The School District had no prepaid expenses for the fiscal year ended June 30, 2017.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Short-Term Interfund Receivables / Payables**

Short-term interfund receivables / payables (internal balances) represent amounts that are owed, other than charges for goods or services rendered to / from a particular fund within the School District, and that are due within one year. Such balances are eliminated in the statement of net position to minimize the grossing up of internal balances, thus leaving a net amount due between the governmental and business-type activities that are eliminated in the total government column. Balances with fiduciary activities are not considered to be internal balances; therefore, such balances appear on the statement of net position as accounts receivable.

**Capital Assets**

Capital assets represent the cumulative amount of capital assets owned by the School District. Purchased capital assets are recorded as expenditures in the governmental fund financial statements and are capitalized at cost on the government-wide statement of net position and proprietary fund statement of net position. In the case of gifts or contributions, such capital assets are recorded at acquisition value at the time received.

The School District's capitalization threshold is \$2,000.00. Other costs incurred for repairs and maintenance is expensed as incurred. All reported capital assets, except land and construction in progress, are depreciated. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business Activities Estimated Lives</u>
Machinery and Equipment	5 - 20 Years	12 Years
Buildings and Improvements	10 - 20 Years	
Land Improvements	10 - 20 Years	

The School District does not possess any infrastructure assets.

**Deferred Outflows and Deferred Inflows of Resources**

The statement of net position reports separate sections for deferred outflows of resources and deferred inflows of resources. Deferred outflows of resources, reported after total assets, represents a reduction of net position that applies to a future period(s) and will be recognized as an outflow of resources (expense) at that time. Deferred inflows of resources, reported after total liabilities, represents an acquisition of net position that applies to a future period(s) and will be recognized as an inflow of resources (revenue) at that time.

Transactions are classified as deferred outflows of resources and deferred inflows of resources only when specifically prescribed by the Governmental Accounting Standards Board (GASB) standards. The School District is required to report the following as deferred outflows of resources and deferred inflows of resources:

**Defined Benefit Pension Plans** - The difference between expected (actuarial) and actual experience, changes in actuarial assumptions, net difference between projected (actuarial) and actual earnings on pension plan investments, changes in the School District's proportion of expenses and liabilities to the pension as a whole, differences between the School District's pension contribution and its proportionate share of contributions, and the School District's pension contributions subsequent to the pension valuation measurement date.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Tuition Payable**

Tuition charges for the fiscal years ended June 30, 2017 and 2016 were based on rates established by the receiving district. These rates are subject to change when the actual costs have been determined.

**Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied and is recorded as a liability until the revenue is both measurable and the School District is eligible to realize the revenue.

**Compensated Absences**

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

The School District uses the vesting method to calculate the compensated absences amount. The entire compensated absence liability, including the employer's share of applicable taxes, is reported on the government-wide financial statements. The portion related to employees in the proprietary funds is recorded at the fund level. The current portion is the amount estimated to be used in the following fiscal year. Expenditures are recognized in the governmental funds as payments come due each period, for example, as a result of employee resignations and retirements. Compensated absences not recorded at the fund level represent a reconciling item between the fund level and government-wide presentations.

**Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities, and long-term obligations payable from proprietary funds are reported on the proprietary fund 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, claims and judgments, compensated absences, special termination benefits, and contractually required pension contributions that will be paid from governmental funds, are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the governmental fund financial statements when due.

**Pensions**

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



**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Bond Discounts / Premiums**

Bond discounts / premiums arising from the issuance of long-term debt (bonds) are amortized over the life of the bonds, in systematic and rational method, as a component of interest expense. Bond discounts / premiums are presented as an adjustment of the face amount of the bonds on the government-wide statement of net position and on the proprietary fund statement of net position.

**Net Position**

Net position represents the difference between the summation of assets and deferred outflows of resources, and the summation of liabilities and deferred inflows of resources. Net position is classified into the following three components:

***Net Investment in Capital Assets*** - This component represents capital assets, net of accumulated depreciation, net of outstanding balances of borrowings used for the acquisition, construction, or improvement of those assets.

***Restricted*** - Net position is 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.

***Unrestricted*** - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

**Fund Balance**

The School District reports fund balance in classifications that comprise a hierarchy based primarily on the extent to which the School District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. The School District's classifications, and policies for determining such classifications, are as follows:

***Nonspendable*** - The nonspendable fund balance classification includes amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. The "not in spendable form" criterion includes items that are not expected to be converted to cash, such as inventories and prepaid amounts.

***Restricted*** - The restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources either by being (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation.

***Committed*** - The committed fund balance classification includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the School District's highest level of decision-making authority, which, for the School District, is the Board of Education. Such formal action consists of an affirmative vote by the Board of Education, memorialized by the adoption of a resolution. Once committed, amounts cannot be used for any other purpose unless the Board of Education removes, or changes, the specified use by taking the same type of action (resolution) it employed to previously commit those amounts.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Fund Balance (Cont'd)**

The School District's classifications, and policies for determining such classifications, are as follows (cont'd):

**Assigned** - The assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. *Intent* is expressed by either the Board of Education or by the business administrator, to which the Board of Education has delegated the authority to assign amounts to be used for specific purposes. Such authority of the business administrator is established by way of a formal job description for the position and standard operating procedures, approved by the Board of Education.

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

When expenditures are incurred for purposes for which both restricted and unrestricted fund balances are available, it is the policy of the School District to spend restricted fund balances first. Moreover, when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications can be used, it is the policy of the School District to spend fund balances, if appropriate, in the following order: committed, assigned, then unassigned.

**Interfund Activity**

Transfers between governmental and business-type activities on the government-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 proprietary funds. Reimbursements from funds responsible for particular expenditures / expenses to the funds that initially paid for them are not presented on the financial statements.

**Accounting Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)****Impact of Recently Issued Accounting Principles****Recently Issued and Adopted Accounting Pronouncements**

The School District implemented the following GASB Statements for the fiscal year ended June 30, 2017:

Statement No. 77, *Tax Abatement Disclosures*. This Statement provides financial statement users with essential information about the nature and magnitude of the reduction in tax revenues through tax abatement programs in order to better assess (a) whether current-year revenues were sufficient to pay for current-year services, (b) compliance with finance-related legal or contractual requirements, (c) where a government's financial resources come from and how it uses them, and (d) financial position and economic condition and how they have changed over time. The adoption of this Statement required the School District to disclose certain information related to tax abatement programs (see note 21).

Statement No. 80, *Blending Requirements for Certain Component Units an amendment of GASB Statement No. 14*. This Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units*. The adoption of this Statement had no impact on the basic financial statements of the School District.

Statement No. 82, *Pension Issues and amendment of GASB Statements No. 67, No. 68, and No. 73*. This Statement addresses issues regarding (1) the presentation of payroll-related measures in required supplementary information, (2) the selection of assumptions and the treatment of deviations from the guidance in an Actuarial Standard of Practice for financial reporting purposes, and (3) the classification of payments made by employers to satisfy employee (plan member) contribution requirements. The adoption of this Statement did not have a significant impact on the basic financial statements of the School District.

**Note 2: CASH AND CASH EQUIVALENTS**

**Custodial Credit Risk Related to Deposits** - Custodial credit risk is the risk that, in the event of a bank failure, the School District's deposits might not be recovered. Although the School District does not have a formal policy regarding custodial credit risk, N.J.S.A. 17:9-41 et seq. requires that governmental units shall deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). Under the Act, the first \$250,000.00 of governmental deposits in each insured depository is protected by the Federal Deposit Insurance Corporation (FDIC). Public funds owned by the School District in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled agency funds such as salary withholdings, and student activity funds, or funds that may pass to the School District relative to the happening of a future condition. Such funds are classified as uninsured and uncollateralized.

As of June 30, 2017, the School District's bank balances of \$10,537,085.08 were exposed to custodial credit risk as follows:

Insured by FDIC and GUDPA	\$ 10,462,566.04
Uninsured and Uncollateralized	<u>74,519.04</u>
Total	<u>\$ 10,537,085.08</u>

**Note 3: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the School District 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 School District's approved Long Range Facilities Plan ("LRFP"). Upon submission of the LRFP to the Department, a school 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 fiscal year-end (June 1 to June 30) of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A school district may also appropriate additional amounts when the express approval of the voters has been obtained by either a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2016 to June 30, 2017 fiscal year is as follows:

Beginning Balance, July 1, 2016		\$ 141,715.38
Increased by:		
Interest Earnings	\$ 76.77	
Deposits:		
Board Resolution 05/30/17	<u>50,000.00</u>	
		<u>50,076.77</u>
		191,792.15
Decreased by:		
Withdrawals:		
Board Resolution 12/13/16	<u>130,000.00</u>	
Total Withdrawals		<u>130,000.00</u>
Ending Balance, June 30, 2017		<u><u>\$ 61,792.15</u></u>

The June 30, 2017 LRFP balance of local support costs of uncompleted projects at June 30, 2017 is \$309,563.03. The withdrawals from the capital reserve were for use in a Department of Education approved facilities projects, consistent with the School District's LRFP.

**Note 4: ACCOUNTS RECEIVABLE**

Accounts receivable at June 30, 2017 consisted of accounts (fees for services) and intergovernmental awards / grants. All receivables are considered collectible in full due to the stable condition of federal and state programs, the current fiscal year guarantee of federal funds, and the regulated budgetary control of governmental entities in New Jersey.

**Note 4: ACCOUNTS RECEIVABLE (CONT'D)**

Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

<u>Description</u>	<u>Governmental Funds</u>			<u>Proprietary Funds</u>		<u>Total</u>
	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total Governmental Activities</u>	<u>Food Service Fund</u>	<u>Total Business-Type Activities</u>	
Federal Awards	\$ -	\$ 79,859.06	\$ 79,859.06	\$ 36,696.07	\$ 36,696.07	\$ 116,555.13
State Awards	136,116.43		136,116.43	282.95	282.95	136,399.38
Tuition Charges	69,941.39		69,941.39			69,941.39
Fiduciary Fund	10.49		10.49			10.49
	<u>\$ 206,068.31</u>	<u>\$ 79,859.06</u>	<u>\$ 285,927.37</u>	<u>\$ 36,979.02</u>	<u>\$ 36,979.02</u>	<u>\$ 322,906.39</u>

**Note 5: INVENTORY**

Inventory recorded at June 30, 2017 in business-type activities on the government-wide statement of net position, and on the food service enterprise fund statement of net position, consisted of the following:

Food	\$ 9,878.00
Supplies	<u>2,639.00</u>
	<u>\$ 12,517.00</u>

**Note 6: CAPITAL ASSETS**

Capital asset activity for the fiscal year ended June 30, 2017 is as follows:

	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2017</u>
<b>Governmental Activities:</b>				
Capital Assets, not being Depreciated:				
Land	\$ 7,953.00	\$ -	\$ -	\$ 7,953.00
Construction in Progress	58,569.22	9,484,566.90		9,543,136.12
Total Capital Assets, not being Depreciated	<u>66,522.22</u>	<u>9,484,566.90</u>	<u>-</u>	<u>9,551,089.12</u>
Capital Assets, being Depreciated:				
Machinery and Equipment	1,128,360.84	5,798.00	(8,100.00)	1,126,058.84
Buildings and Improvements	10,817,319.18		(428,501.00)	10,388,818.18
Land Improvements	322,241.07			322,241.07
Total Capital Assets, being Depreciated	<u>12,267,921.09</u>	<u>5,798.00</u>	<u>(436,601.00)</u>	<u>11,837,118.09</u>
Total Capital Assets, Cost	<u>12,334,443.31</u>	<u>9,490,364.90</u>	<u>(436,601.00)</u>	<u>21,388,207.21</u>
Less Accumulated Depreciation for:				
Machinery and Equipment	(843,757.38)	(109,563.88)	8,100.00	(945,221.26)
Buildings and Improvements	(7,619,031.23)	(165,370.35)	427,161.24	(7,357,240.34)
Land Improvements	(140,320.85)	(10,423.20)		(150,744.05)
Total Accumulated Depreciation	<u>(8,603,109.46)</u>	<u>(285,357.43)</u>	<u>435,261.24</u>	<u>(8,453,205.65)</u>
Total Capital Assets, being Depreciated, Net	<u>3,664,811.63</u>	<u>(279,559.43)</u>	<u>(1,339.76)</u>	<u>3,383,912.44</u>
Governmental Activities Capital Assets, Net	<u>\$ 3,731,333.85</u>	<u>\$ 9,205,007.47</u>	<u>\$ (1,339.76)</u>	<u>\$ 12,935,001.56</u>
	<u>Balance July 1, 2016</u>	<u>Increases</u>	<u>Decreases</u>	<u>Balance June 30, 2017</u>
<b>Business-Type Activities:</b>				
Capital Assets, being Depreciated:				
Machinery and Equipment	\$ 194,352.77	\$ 8,688.86	\$ (24,715.00)	\$ 178,326.63
Less Accumulated Depreciation for:				
Machinery and Equipment	(167,127.18)	(4,146.25)	24,715.00	(146,558.43)
Business-Type Activities Capital Assets, Net	<u>\$ 27,225.59</u>	<u>\$ 4,542.61</u>	<u>\$ -</u>	<u>\$ 31,768.20</u>

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

<b>Governmental Activities:</b>	
Regular Instruction	\$ 36,502.64
General and Business Administrative Services	59,695.33
Transportation	7,897.18
Plant Operations and Maintenance	3,752.93
Unallocated	<u>177,509.35</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 285,357.43</u>
<b>Business-Type Activities:</b>	
Food Service	<u>\$ 4,146.25</u>

**Note 7: LONG-TERM LIABILITIES**

During the fiscal year ended June 30, 2017, the following changes occurred in long-term obligations for governmental activities:

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>	<u>Due within</u> <u>One Year</u>
<b>Governmental Activities:</b>					
Bonds Payable:					
General Obligation Bonds	\$ -	\$ 16,169,000.00	\$ -	\$ 16,169,000.00	\$ 624,000.00
Unamortized Bond Premium		329,512.00	(28,738.14)	300,773.86	27,629.07
Total Bonds Payable	-	16,498,512.00	(28,738.14)	16,469,773.86	651,629.07
Other Liabilities:					
Compensated Absences	670,564.51	328,957.22	(411,916.01)	587,605.72	82,407.59
Bond Anticipation Note Payable	2,700,000.00		(2,700,000.00)		
Net Pension Liability (note 8)	4,853,726.00	2,198,776.00	(1,785,642.00)	5,266,860.00	
Total Other Liabilities	8,224,290.51	2,527,733.22	(4,897,558.01)	5,854,465.72	82,407.59
Governmental Activity Long-Term Liabilities	<u>\$ 8,224,290.51</u>	<u>\$ 19,026,245.22</u>	<u>\$ (4,926,296.15)</u>	<u>\$ 22,324,239.58</u>	<u>\$ 734,036.66</u>

The bonds payable are generally liquidated by the debt service fund, while the compensated absences and pension deferral are liquidated by the general fund.

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

On August 17, 2016, the School District issued \$16,169,000.00 general obligation bonds at interest rates varying from 2.00% to 3.00% for various construction and renovation projects. The final maturity of these bonds is July 15, 2036. The bonds will be paid from property taxes.

Principal and interest due on bonds outstanding is as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2018	\$ 624,000.00	\$ 379,621.26	\$ 1,003,621.26
2019	640,000.00	366,981.26	1,006,981.26
2020	650,000.00	354,081.26	1,004,081.26
2021	665,000.00	340,931.26	1,005,931.26
2022	680,000.00	327,481.26	1,007,481.26
2023-2027	3,655,000.00	1,424,456.30	5,079,456.30
2028-2032	4,235,000.00	1,021,128.15	5,256,128.15
2033-2037	5,020,000.00	387,450.00	5,407,450.00
Total	<u>\$ 16,169,000.00</u>	<u>\$ 4,602,130.75</u>	<u>\$ 20,771,130.75</u>

**Compensated Absences** - As previously stated, compensated absences will be paid from the fund from which the employees' salaries are paid. Refer to note 13 for a description of the School District's policy.

**Net Pension Liability** - For details on the net pension liability, refer to note 8. The School District's annual required contribution to the Public Employees' Retirement System is budgeted and paid from the general fund on an annual basis.

**Note 8: PENSION**

A substantial number of the School District's employees participate in one of the following defined benefit pension plans: the Teachers' Pension and Annuity Fund ("TPAF") and the Public Employees' Retirement System ("PERS"), which are administered by the New Jersey Division of Pensions and Benefits (the "Division"). In addition, several School District employees participate in the Defined Contribution Retirement Program, which is a defined contribution pension plan. This plan is administered by Prudential Financial for the Division. Each plan has a Board of Trustees that is primarily responsible for its administration. The Division issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to:

State of New Jersey  
Division of Pensions and Benefits  
P.O. Box 295  
Trenton, New Jersey 08625-0295  
<http://www.nj.gov/treasury/pensions>

**General Information about the Pension Plans****Plan Descriptions**

**Teachers' Pension and Annuity Fund** - The Teachers' Pension and Annuity Fund is a cost-sharing multiple-employer defined benefit pension plan, with a special funding situation, which was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66. The State of New Jersey (the "State") is responsible to fund 100% of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. The TPAF's designated purpose is to provide retirement benefits, death, disability and medical benefits to certain qualified members. Membership in the TPAF is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, who have titles that are unclassified, professional and certified. The TPAF's Board of Trustees is primarily responsible for the administration of the TPAF.

**Public Employees' Retirement System** - The Public Employees' Retirement System is a cost-sharing multiple-employer defined benefit pension plan which was established as of January 1, 1955, under the provisions of N.J.S.A. 43:15A. The PERS's designated purpose is to provide retirement, death, disability and medical benefits to certain qualified members. Membership in the PERS is mandatory for substantially all full-time employees of the School District, provided the employee is not required to be a member of another state-administered retirement system or other state pensions fund or local jurisdiction's pension fund. The PERS's Board of Trustees is primarily responsible for the administration of the PERS.

**Defined Contribution Retirement Program** - The Defined Contribution Retirement Program is a multiple-employer defined contribution pension fund established on 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 tax-qualified defined contribution money purchase pension plan under Internal Revenue Code (IRC) § 401(a) et seq., and is a "governmental plan" within the meaning of IRC § 414(d). The DCRP provides retirement benefits for eligible employees and their beneficiaries. Individuals covered under DCRP are employees enrolled in TPAF or PERS on or after July 1, 2007, who earn salary in excess of established "maximum compensation" limits; employees enrolled in SPRS or PFRS after May 21, 2010, who earn salary in excess of established "maximum compensation" limits; employees otherwise eligible to enroll in TPAF or PERS on or after November 2, 2008, who do not earn the minimum annual salary for tier 3 enrollment but who earn salary of at least \$5,000.00 annually; and employees otherwise eligible to enroll in TPAF or PERS after May 21, 2010 who do not work the minimum number of hours per week required for tiers 4 or 5 enrollment, but who earn salary of at least \$5,000.00 annually.



**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions**

**Teachers' Pension and Annuity Fund** - 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.

The following represents the membership tiers for TPAF:

**Tier Definition**

- 1 Members who were enrolled prior to July 1, 2007
- 2 Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008
- 3 Members who were eligible to enroll on or after November 2, 2008 and prior to May 21, 2010
- 4 Members who were eligible to enroll after May 21, 2010 and prior to June 28, 2011
- 5 Members who were eligible to enroll on or after June 28, 2011

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier.

Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Public Employees' Retirement System** - The vesting and benefit provisions are set by N.J.S.A. 43:15A and 43:3B. The 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 the PERS.

The membership tiers for PERS are the same as previously noted for TPAF.

Service retirement benefits of 1/55<sup>th</sup> of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62. Service retirement benefits of 1/60<sup>th</sup> of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65. Early retirement benefits are available to tiers 1 and 2 members before reaching age 60, tiers 3 and 4 before age 62 with 25 or more years of service credit and tier 5 with 30 or more years of service credit before age 65. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the age at which a member can receive full early retirement benefits in accordance with their respective tier. Tier 1 members can receive an unreduced benefit from age 55 to age 60 if they have at least 25 years of service. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

**Note 8: PENSION PLANS (CONT'D)****General Information about the Pension Plans (Cont'd)****Vesting and Benefit Provisions (Cont'd)**

**Defined Contribution Retirement Program** - Eligible members are provided with a defined contribution retirement plan intended to qualify for favorable Federal income tax treatment under IRC Section 401(a), a noncontributory group life insurance plan and a noncontributory group disability benefit plan. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employee contributions shall immediately become and shall at all times remain fully vested and nonforfeitable. A participant's interest in that portion of his or her defined contribution retirement plan account attributable to employer contributions shall be vested and nonforfeitable on the date the participant commences the second year of employment or upon his or her attainment of age 65, while employed by an employer, whichever occurs first.

**Contributions**

**Teachers' Pension and Annuity Fund** - The contribution policy is set by N.J.S.A. 18A:66 and requires contributions by active members and contributing employers. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over 7 years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The State's contribution is based on an actuarially determined amount, which includes the employer portion of the normal cost and unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2016, the State's pension contribution was less than the actuarial determined amount.

Under current statute, all employer contributions are made by the State of New Jersey on-behalf of the School District and all other related non-contributing employers. No normal or accrued liability contribution by the School District has been required over several preceding fiscal years. These on-behalf contributions by the State of New Jersey are considered a special funding situation, under the definition of GASB 68, *Accounting and Financial Reporting for Pensions*.

The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 7.82% of the School District's covered payroll, of which 0.00% of payroll was required from the School District and 100.00% of payroll was required from the State of New Jersey. The School District was not required to make any contributions to the pension plan during the fiscal year ended June 30, 2017 because of the 100.00% special funding situation with the State of New Jersey.

Based on the most recent TPAF measurement date of June 30, 2016, the State's contractually required contribution, on-behalf of the School District, to the pension plan for the fiscal year ended June 30, 2017 was \$448,156.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$416,667.35.

**Public Employees' Retirement System** - The contribution policy is set by N.J.S.A. 43:15A and requires contributions by active members and contributing employers. Members contribute at a uniform rate. Pursuant to the provisions of Chapter 78, P.L. 2011, the active member contribution rate increased from 5.5% of annual compensation to 6.5% plus an additional 1% phased-in over seven years beginning in July 2012. The member contribution rate was 7.20% in State fiscal year 2017. The phase-in of the additional incremental member contribution rate takes place in July of each subsequent State fiscal year. The rate for members who are eligible for the Prosecutors Part of PERS (Chapter 366, P.L. 2001) increased from 8.5% of base salary to 10%. Employers' contribution amounts are based on an actuarially determined rate. The School District's contribution amounts are based on an actuarially determined amount, which includes the normal cost and unfunded accrued liability.

**Note 8: PENSION PLANS (CONT'D)****General Information About the Pension Plans (Cont'd)****Contributions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - The School District's contractually required contribution rate for the fiscal year ended June 30, 2017 was 12.72% of the School District's covered payroll. This amount was actuarially determined as the amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year, including an additional amount to finance any unfunded accrued liability.

Based on the most recent PERS measurement date of June 30, 2016, the School District's contractually required contribution to the pension plan for the fiscal year ended June 30, 2017 was \$157,983.00, and was paid by April 1, 2017. School District employee contributions to the pension plan during the fiscal year ended June 30, 2017 were \$90,699.06.

**Defined Contribution Retirement Program** - The contribution policy is set by N.J.S.A. 43:15C-3 and requires contributions by active members and contributing employers. 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. In addition to the employee contributions, the School District contributes 3% of the employees' base salary, for each pay period, to Prudential Financial not later than the fifth business day after the date on which the employee is paid for that pay period.

For the fiscal year ended June 30, 2017, employee contributions totaled \$19,889.14, and the School District recognized pension expense, which equaled the required contributions, of \$13,913.08. There were no forfeitures during the fiscal year.

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

**Teachers' Pension and Annuity Fund** - At June 30, 2017, the School District was not required to report a liability for its proportionate share of the net pension liability because of a 100% special funding situation by the State of New Jersey.

The State's proportionate share of net pension liability, attributable to the School District is as follows:

School District's Proportionate Share of Net Pension Liability	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability Associated with the School District	44,267,781.00
	<u>\$ 44,267,781.00</u>

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. For the June 30, 2016 measurement date, the School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers and the State of New Jersey, actuarially determined. At June 30, 2016, the School District proportion was 0.00% due to the 100% special funding situation with the State of New Jersey. For the June 30, 2016 measurement date, the State's proportionate share of the TPAF net pension liability associated with the School District was .0562728168%, which was a decrease of .0042510174% from its proportion measured as of June 30, 2015.

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Teachers' Pension and Annuity Fund (Cont'd)** - For the fiscal year ended June 30, 2017, the School District recognized \$3,326,108.00 in pension expense and revenue, in the government-wide financial statements, for the State of New Jersey on-behalf TPAF pension contributions. This pension expense and revenue was based on the pension plans June 30, 2016 measurement date.

**Public Employees' Retirement System** - At June 30, 2017, the School District reported a liability of \$5,266,860.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. The School District's proportion of the net pension liability was based on a projection of the School District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. For the June 30, 2016 measurement date, the School District's proportion was .0177831540%, which was a decrease of .0038389378% from its proportion measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the School District recognized pension expense of \$346,957.00, in the government-wide financial statements. This pension expense was based on the pension plans June 30, 2016 measurement date.

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - At June 30, 2017, the School District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience	\$ 97,948.00	\$ -
Changes of Assumptions	1,091,012.00	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	200,830.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	124,101.00	830,438.00
School District Contributions Subsequent to the Measurement Date	<u>159,352.00</u>	<u>-</u>
	<b><u>\$ 1,673,243.00</u></b>	<b><u>\$ 830,438.00</u></b>

\$159,352.00, included in deferred outflows of resources, will be included as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b><u>Year Ending June 30,</u></b>	
2018	\$ 157,018
2019	157,018
2020	206,623
2021	143,896
2022	<u>18,898</u>
	<b><u>\$ 683,453.00</u></b>

**Note 8: PENSION PLANS (CONT'D)****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Cont'd)**

**Public Employees' Retirement System (Cont'd)** - The amortization of the above other deferred outflows of resources and deferred inflows of resources related to pensions will be over the following number of years:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Differences between Expected and Actual Experience		
Year of Pension Plan Deferral:		
June 30, 2014	-	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Changes of Assumptions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	-
June 30, 2015	5.72	-
June 30, 2016	5.57	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments		
Year of Pension Plan Deferral:		
June 30, 2014	-	5.00
June 30, 2015	-	5.00
June 30, 2016	5.00	-
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions		
Year of Pension Plan Deferral:		
June 30, 2014	6.44	6.44
June 30, 2015	5.72	5.72
June 30, 2016	5.57	5.57

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions**

The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The total pension liability was calculated through the use of updated procedures to roll forward from the actuarial valuation date to the measurement date of June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

	<b><u>TPAF</u></b>	<b><u>PERS</u></b>
Inflation	2.50%	3.08%
Salary Increases:		
2012-2021	Varies Based on Experience	
Through 2026		1.65% - 4.15% Based on Age
Thereafter	Varies Based on Experience	2.65% - 5.15% Based on Age
Investment Rate of Return	7.65%	7.65%
Mortality Rate Table	RP-2000	RP-2000
Period of Actuarial Experience		
Study upon which Actuarial Assumptions were Based	July 1, 2012 - June 30, 2015	July 1, 2011 - June 30, 2014

For TPAF, pre-retirement, post-retirement and disabled mortality rates were based on the experience of TPAF members reflecting mortality improvement on a generational basis based on a 60-year average of Social Security data from 1953 to 2013.

For PERS, pre-retirement mortality rates were based on the RP-2000 Employee Preretirement Mortality Table for male and female active participants. Mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of former members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

For TPAF and PERS, in accordance with State statute, the long-term expected rate of return on plan investments (7.65% at June 30, 2016) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in TPAF's and PERS's target asset allocation as of June 30, 2016 are summarized in the following tables:

**Note 8: PENSION PLANS (CONT'D)****Actuarial Assumptions (Cont'd)**

<u>Asset Class</u>	<u>TPAF</u>		<u>Asset Class</u>	<u>PERS</u>	
	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>		<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.39%	Cash	5.00%	0.87%
U.S. Government Bonds	1.50%	1.28%	U.S. Treasuries	1.50%	1.74%
U.S. Credit Bonds	13.00%	2.76%	Investment Grade Credit	8.00%	1.79%
U.S. Mortgages	2.00%	2.38%	Mortgages	2.00%	1.67%
U.S. Inflation-Indexed Bonds	1.50%	1.41%	High Yield Bonds	2.00%	4.56%
U.S. High Yield Bonds	2.00%	4.70%	Inflation-Indexed Bonds	1.50%	3.44%
U.S. Equity Market	26.00%	5.14%	Broad U.S. Equities	26.00%	8.53%
Developed Foreign Equities	13.25%	5.91%	Developed Foreign Equities	13.25%	6.83%
Emerging Markets Equity	6.50%	8.16%	Emerging Market Equities	6.50%	9.95%
Private Real Estate Property	5.25%	3.64%	Private Equity	9.00%	12.40%
Timber	1.00%	3.86%	Hedge Funds / Absolute Return	12.50%	4.68%
Farmland	1.00%	4.39%	Real Estate (Property)	2.00%	6.91%
Private Equity	9.00%	8.97%	Commodities	0.50%	5.45%
Commodities	0.50%	2.87%	Global Debt ex U.S.	5.00%	-0.25%
Hedge Funds - MultiStrategy	5.00%	3.70%	REIT	5.25%	5.63%
Hedge Funds - Equity Hedge	3.75%	4.72%			
Hedge Funds - Distressed	3.75%	3.49%			
	<u>100.00%</u>			<u>100.00%</u>	

**Discount Rate** - The discount rates used to measure the total pension liability at June 30, 2016 were 3.22% and 3.98% for TPAF and PERS, respectively. For TPAF and PERS, the respective single blended discount rates were based on the long-term expected rate of return on pension plan investments of 7.65%, and a municipal bond rate of 2.85% as of June 30, 2016, 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 rates for TPAF and PERS 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 contribution rate in the most recent fiscal year. 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 2029 for TPAF and 2034 for PERS. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029 for TPAF and 2034 for PERS, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.



**Note 8: PENSION PLANS (CONT'D)****Sensitivity of School District's Proportionate Share of Net Pension Liability to Changes in the Discount Rate**

**Teachers' Pension and Annuity Fund (TPAF)** - As previously mentioned, TPAF, has a special funding situation where the State pays 100% of the School District's annual required contribution. As such, the proportionate share of the net pension liability as of June 30, 2016, the pension plans measurement date, attributable to the School District is \$0, and the State of New Jersey's proportionate share of the net pension liability, attributable to the School District, using a discount rate of 3.22%, as well as using a discount rate that is 1% lower or 1% higher than the current rates used is as follows:

	<b>TPAF</b>		
	<b>1% Decrease (2.22%)</b>	<b>Current Discount Rate (3.22%)</b>	<b>1% Increase (4.22%)</b>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -
State of New Jersey's Proportionate Share of Net Pension Liability associated with the School District	<u>52,865,623.00</u>	<u>44,267,781.00</u>	<u>37,246,533.00</u>
	<u>\$ 52,865,623.00</u>	<u>\$ 44,267,781.00</u>	<u>\$ 37,246,533.00</u>

**Public Employees' Retirement System (PERS)** - The following presents the School District's proportionate share of the net pension liability at June 30, 2016, the plans measurement date, calculated using a discount rate of 3.98%, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rates used:

	<b>PERS</b>		
	<b>1% Decrease (2.98%)</b>	<b>Current Discount Rate (3.98%)</b>	<b>1% Increase (4.98%)</b>
School District's Proportionate Share of the Net Pension Liability	<u>\$ 6,453,922.00</u>	<u>\$ 5,266,860.00</u>	<u>\$ 4,286,837.00</u>

**Pension Plan Fiduciary Net Position**

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 respective fiduciary net position of the TPAF and PERS and additions to/deductions from TPAF and PERS's respective fiduciary net position have been determined on the same basis as they are reported by TPAF and PERS. Accordingly, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. For additional information about TPAF and PERS, please refer to the plan's Comprehensive Annual Financial Report (CAFR) which can be found at [www.nj.gov/treasury/pensions](http://www.nj.gov/treasury/pensions).

**Note 9: SCHOOL EMPLOYEES HEALTH BENEFITS PROGRAM**

P.L. 1987, c.384 of 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 postemployment medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of postemployment medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving postemployment medical benefits, and the State contributed \$1.37 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 premiums 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 free health benefits to members of PERS and the Alternate Benefit Program who retire from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in fiscal year 2016.

The School Employees Health Benefits Program ("SEHBP") Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et. Seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SEHBP. That report may be obtained from the Treasury website at:

<http://www.nj.gov/treasury/pensions/pdf/financial/2015divisioncombined.pdf>

**Note 10: ON-BEHALF PAYMENTS**

For the fiscal year ended June 30, 2017, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs and post-retirement medical costs related to TPAF, in the fund financial statements. The amounts recognized as revenues and expenditures in the fund financial statements for normal costs, post-retirement medical costs, non-contributory insurance and long term disability insurance were \$573,529.00, \$495,194.00, \$20,780.00 and \$1,503.00, respectively.

**Note 11: DEFERRED COMPENSATION**

The School District offers its employees a choice of three deferred compensation plans created in accordance with Internal Revenue Code Sections 403(b) and 457. The plans, which are administered by the entities listed below, permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. The plan administrators are as follows:

Met Life  
Equitable  
Lincoln

**Note 12: RISK MANAGEMENT**

The School 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 School 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 School District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the School 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 School District is billed quarterly for amounts due to the State.

The following is a summary of the activity of the School District's private-purpose trust fund for the unemployment claims for the current and previous two fiscal years:

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>School</u> <u>District</u> <u>Contributions</u>	<u>Employee</u> <u>Contributions</u>	<u>Interest</u> <u>Income</u>	<u>Claims</u> <u>Incurred</u>	<u>Ending</u> <u>Balance</u>
2017	\$ -	\$ 14,105.00	\$ -	\$ 5,694.74	\$ 24,664.82
2016	-	11,665.89	-	34,106.34	16,254.56
2015	25,000.00	19,466.15	22.15	37,105.20	38,695.01

**Note 13: COMPENSATED ABSENCES**

The School 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.

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

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees. At June 30, 2017, the liability for compensated absences reported on the government-wide statement of net position was \$587,605.72.

**Note 14: INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2017 is as follows:

<u>Fund</u>	<u>Interfunds Receivable</u>	<u>Interfunds Payable</u>
General	\$ 191,254.96	
Special Revenue		\$ 89,391.01
Capital Projects		101,853.46
Fiduciary		10.49
	<u>\$ 191,254.96</u>	<u>\$ 191,254.96</u>

The interfund receivables and payables above predominately resulted from payments made by certain funds on behalf of other funds. During the fiscal year 2018, the School District expects to liquidate such interfunds, depending upon the availability of cash flow.

During the fiscal year ended June 30, 2017 the District made the following transfers:

- From the general fund to the debt service fund for \$130,000.00 to cover unbudgeted bond interest.
- From the capital projects fund to the general fund for \$92,940.00 for completed and unexpended 2009 capital projects.

**Note 15: CONTINGENCIES**

**Grantor Agencies** - Amounts received or receivable from grantor agencies could be subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the School District expects such amount, if any, to be immaterial.

**Litigation** - Correspondence from the School District's Solicitor indicated that there is no pending or threatened litigation claims, contingent liabilities, unasserted claims or assessments or statutory violations involving the School District which might materially affect the School Districts financial position or results of operations.

**Note 16: CONCENTRATIONS**

The School District depends on financial resources flowing from, or associated with, both the federal government and the State of New Jersey. As a result of this dependency, the School District is subject to changes in specific flows of intergovernmental revenues based on modifications to federal and State laws and federal and State appropriations.

**Note 17: COMMITMENTS**

The School District had multiple construction projects ongoing as of the fiscal year ended June 30, 2017 that are to continue into the subsequent fiscal year(s). These projects, which are related to the capital projects fund, are as follows:

<u>Contract</u>	<u>Commitment Date</u>	<u>Amount Outstanding</u>
Anne C. Jacques School Renovations	01/26/16	\$ 194,774.40
Mildred Magowan School Renovations	01/26/16	1,554.45
Samuel M. Ridgeway School Renovations	01/26/16	<u>113,234.18</u>
Total		<u>\$ 309,563.03</u>

**Note 18: DEFICIT FUND BALANCES**

The School District has a deficit fund balance of \$108,148.58 in the general fund and \$9,874.00 in the special revenue fund as of June 30, 2017, as reported in the fund statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made until the following school budget year, school districts must record the delayed one or more June state aid payments as revenue, for budget purposes only, in the current school budget year. The statute provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry, i.e., if one government recognizes an asset, the other government recognizes a liability. Since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general and special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties.

Pursuant to N.J.S.A. 18A:22-44.2 any negative unassigned general fund balance that is reported as a direct result from a delay in the June payments of state aid until the following fiscal year, is not considered in violation of New Jersey statute and regulation nor in need of corrective action. The School District deficit in the GAAP funds statements of \$118,022.58 is less than the June state aid payments.

**Note 19: FUND BALANCES****RESTRICTED**

As stated in note 1, the restricted fund balance classification includes amounts that are restricted to specific purposes. Such restrictions, or constraints, are placed on the use of resources by either of the following: (1) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (2) imposed by law through constitutional provisions or enabling legislation. Specific restrictions of the School District's fund balance are summarized as follows:

**General Fund**

**For Excess Surplus** - In accordance with N.J.S.A. 18A:7F-7, as amended, the designation of restricted fund balance - excess surplus is the result of a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict general 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, 2017 is \$322,442.81. Additionally, \$224,337.16 of excess fund balance generated during 2015-2016 has been restricted and designated for utilization in the 2017-2018 budget

**Note 19: FUND BALANCES (CONT'D)****RESTRICTED (CONT'D)****General Fund (Cont'd)**

**For Capital Reserve Account** - As of June 30, 2017, the balance in the capital reserve account is \$61,792.15. These funds are restricted for future capital outlay expenditures for capital projects in the School District's approved Long Range Facilities Plan (LRFP).

**For Maintenance Reserve Account** - As of June 30, 2017, the balance in the maintenance reserve account is \$125,183.93. These funds are restricted for the required maintenance of school facilities in accordance with the Educational Facilities Construction and Financing Act (EFCFA) (N.J.S.A. 18A:7G-9) as amended by P.L. 2004, c. 73 (S1701).

**For Emergency Reserve** - As of June 30, 2017, the balance in the emergency reserve is \$200,000.00. These funds are restricted for the purpose of financing unanticipated general fund expenditures required for a thorough and efficient education in accordance with N.J.S.A. 18A:7F-41c(1). The balance of the restricted fund balance is not permitted to exceed \$250,000.00, or one percent (1%) of the School District's general fund budget up to a maximum of \$1,000,000.00, whichever is greater. Deposits may be made to the emergency reserve account at budget time, or by board resolution at year end of any unanticipated revenue or unexpended line item appropriation, or both. Withdrawals from the emergency reserve require approval by the Commissioner.

**Debt Service Fund**

In accordance with N.J.A.C. 6A:23A-8.6, a district board of education shall appropriate annually all debt service fund balances in the budget certified for taxes unless expressly authorized and documented by the voters in a bond referendum. The School District has not appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2018 because the debt service balance at June 30, 2017 is only \$10,912.03.

**Capital Projects Fund**

On August 17, 2016, the School District issued \$16,169,000.00 of general obligation bonds pursuant to: (i) Chapter 24 of Title 18A of the New Jersey Statutes, as amended and supplemented ("School Bond Law"). The Bonds were authorized by a proposal adopted by the Board on January 26, 2016 and approved by the voters of the School District at a special election. The bond issuance was approved by the voters for renovations and improvements at the Anne C. Jacques School Annex, the Mildred Magowan School, and the Samuel M. Ridgeway School. As of June 30, 2017, the restricted fund balance amount was \$6,625,863.88.

**ASSIGNED**

As stated in note 1, the assigned fund balance classification includes amounts that are constrained by the School District's *intent* to be used for specific purposes, but are neither restricted nor committed. Specific assignments of the School District's fund balance are summarized as follows:

**General Fund**

**For Subsequent Year's Expenditures** - The School District has appropriated and included as an anticipated revenue for the fiscal year ending June 30, 2018 \$200,000.00 of general fund balance at June 30, 2017.

**Note 19: FUND BALANCES (CONT'D)****UNASSIGNED**

As stated in note 1, the unassigned fund balance classification represents fund balance that has not been restricted, committed, or assigned to specific purposes. The School District's unassigned fund balance is summarized as follows:

**General Fund** - As of June 30, 2017, the fund balance of the general fund was a deficit of \$108,148.58. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 19, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the general fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$108,148.58 is less than the last state aid payment.

**Special Revenue Fund** - As of June 30, 2017, the fund balance of the special revenue fund was a deficit of \$9,874.00, thus resulting in the fund balance classification of unassigned. The deficit is a result from a delay in the payment of state aid until the following fiscal year. As stated in note 19, since the State is recording the June state aid payments in the subsequent fiscal year, the School District cannot recognize the June state aid payment on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the June state aid payments, the special revenue fund balance deficit does not alone indicate that the School District is facing financial difficulties. The unassigned deficit on the GAAP financial statements of \$9,874.00 is less than the last state aid payment.

**Note 20: ARBITRAGE REBATE**

The Tax Reform Act of 1986 placed restriction on investments of the proceeds of certain tax-exempt bonds issued after December 31, 1986. Specifically, investment earnings which are above arbitrage bond yield are required to be rebated to the United States Treasury Department within sixty days of the end of the fifth bond year. A bond year is defined as ending on the anniversary date of bond settlement.

The School District issued bonds on August 17, 2016 which had a settlement date of August 31, 2016. The rebate calculation on the bond is required to be made at least once every five years. The School District has not prepared the rebate calculation for purposes of determining any contingent liability for rebate. It is anticipated that when such calculation is made, the liability, if any, will be appropriated in that year's general budget.

**Note 21: TAX ABATEMENTS**

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens. School districts are not authorized by New Jersey statute to enter into tax abatement agreements. However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

The Township of Edgewater Park has property tax abatement agreements with two local businesses. These abatement agreements were made under the State of New Jersey Five-Year Exemption and Abatement Law, N.J.S.A 40A:21 (the "Law"). This law enables municipalities which have areas that have been designated as "in need of rehabilitation", to exempt or abate local property taxes imposed upon eligible dwellings, commercial and industrial structures, for a period of five years, for the purpose of attracting or retaining businesses within the municipality.

The abatement agreements that the Township has with these two businesses allow for the exemption of the taxable value for the improvements to be constructed as part of each project as follows:

Year	% of Exemption
1	100%
2	80%
3	60%
4	40%
5	20%
6	0%

Based upon the School Districts 2017 certified tax rate of \$1.691 per thousand of assessed value, each businesses applicable year of exemption, and total assessed valuations of \$42,878,200.00 for the two properties, the abated taxed totaled \$725,070.36 for the 2017 tax year.

It could be presumed that if these abatement agreements were not entered into, that the businesses would either have not retained their businesses within the municipality or have not moved their businesses into the municipality.



REQUIRED SUPPLEMENTARY INFORMATION  
PART II

**BUDGETARY COMPARISON SCHEDULES**

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	\$ 9,409,647.00	\$ -	\$ 9,409,647.00	\$ 9,409,647.00	\$ -
Tuition	104,500.00	-	104,500.00	311,262.14	206,762.14
Transportation fees from other LEAs	22,800.00	-	22,800.00	9,543.56	(13,256.44)
Rents and Royalties	85,000.00	-	85,000.00	51,975.00	(33,025.00)
Private Contributions	1,000.00	-	1,000.00	-	(1,000.00)
Unrestricted Miscellaneous Revenues	314,695.00	-	314,695.00	219,069.81	(95,625.19)
<b>Total - Local Sources</b>	<b>9,937,642.00</b>	<b>-</b>	<b>9,937,642.00</b>	<b>10,001,497.51</b>	<b>63,855.51</b>
State Sources:					
Categorical Special Education Aid	592,870.00	-	592,870.00	592,870.00	-
Equalization Aid	5,650,874.00	-	5,650,874.00	5,650,874.00	-
Categorical Security Aid	250,922.00	-	250,922.00	250,922.00	-
Categorical Transportation Aid	146,445.00	-	146,445.00	146,445.00	-
Under Adequacy Aid	4,746.00	-	4,746.00	4,746.00	-
PARCC Readiness Aid	10,300.00	-	10,300.00	10,300.00	-
Per Pupil Growth Aid	10,300.00	-	10,300.00	10,300.00	-
Professional Learning Community Aid	10,060.00	-	10,060.00	10,060.00	-
Extraordinary Aid	-	-	-	147,857.00	147,857.00
Non-Public Transportation Aid	-	-	-	6,438.00	6,438.00
On-Behalf T.P.A.F. Pension Contributions - Normal Costs (non-budgeted)	-	-	-	573,529.00	573,529.00
On-Behalf T.P.A.F. Pension Contributions - Insurance (non-budgeted)	-	-	-	20,780.00	20,780.00
On-Behalf T.P.A.F. Medical Contributions - Normal Costs (non-budgeted)	-	-	-	495,194.00	495,194.00
On-Behalf T.P.A.F. Medical Contributions - Long-Term Disability Insurance (non-budgeted)	-	-	-	1,503.00	1,503.00
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-	-	407,633.38	407,633.38
<b>Total - State Sources</b>	<b>6,676,517.00</b>	<b>-</b>	<b>6,676,517.00</b>	<b>8,329,451.38</b>	<b>1,652,934.38</b>
Federal Sources:					
Medical Reimbursement Program (SEMI)	23,423.00	-	23,423.00	6,382.02	(17,040.98)
ARRA - Medical Assistance Program (SEMI)				694.52	694.52
<b>Total - Federal Sources</b>	<b>23,423.00</b>	<b>-</b>	<b>23,423.00</b>	<b>7,076.54</b>	<b>(16,346.46)</b>
<b>Total Revenues</b>	<b>16,637,582.00</b>	<b>-</b>	<b>16,637,582.00</b>	<b>18,338,025.43</b>	<b>1,700,443.43</b>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES:</b>					
Current Expense:					
Regular Programs - Instruction:					
Salaries of Teachers:					
Preschool	\$ 37,083.00	\$ (862.86)	\$ 36,220.14	\$ 35,726.05	\$ 494.09
Kindergarten	226,500.00	88,495.00	314,995.00	314,995.00	-
Grades 1-5	1,801,323.00	(2,889.18)	1,798,433.82	1,723,780.66	74,653.16
Grades 6-8	1,329,900.00	(207,244.89)	1,122,655.11	1,111,384.61	11,270.50
Regular Programs - Home Instruction:					
Salaries of Teachers	20,000.00	(14,196.50)	5,803.50	5,803.50	-
Purchased Professional - Educational Services	5,000.00	(4,072.43)	927.57	-	927.57
Regular Programs - Undistributed Instruction:					
Other Salaries for Instruction	343,922.00	(33,741.60)	310,180.40	299,190.38	10,990.02
Other Purchased Services (400-500 series)	15,000.00	-	15,000.00	6,915.23	8,084.77
General Supplies	93,321.00	(543.52)	92,777.48	75,223.36	17,554.12
Textbooks	18,000.00	-	18,000.00	16,506.82	1,493.18
Other Objects	15,625.00	-	15,625.00	8,590.13	7,034.87
<b>Total Regular Programs - Instruction</b>	<b>3,905,674.00</b>	<b>(175,055.98)</b>	<b>3,730,618.02</b>	<b>3,598,115.74</b>	<b>132,502.28</b>
Special Education Instruction:					
Multiple Disabilities:					
Salaries of Teachers	275,420.00	16,680.70	292,100.70	292,100.70	-
Other Salaries for Instruction	184,399.00	(83,885.47)	100,513.53	93,207.23	7,306.30
General Supplies	2,829.00	50,000.00	52,829.00	38,782.80	14,046.20
Other Objects	500.00	(345.00)	155.00	115.73	39.27
<b>Total Multiple Disabilities</b>	<b>463,148.00</b>	<b>(17,549.77)</b>	<b>445,598.23</b>	<b>424,206.46</b>	<b>21,391.77</b>
Resource Room / Resource Center:					
Salaries of Teachers	360,765.00	118,235.50	479,000.50	476,126.85	2,873.65
General Supplies	1,538.00	1,329.48	2,867.48	2,859.56	7.92
<b>Total Resource Room / Resource Center</b>	<b>362,303.00</b>	<b>119,564.98</b>	<b>481,867.98</b>	<b>478,986.41</b>	<b>2,881.57</b>
Preschool Disabilities - Part Time:					
Salaries of Teachers	97,025.00	(1,005.68)	96,019.32	81,082.75	14,936.57
Other Salaries for Instruction	-	915.68	915.68	915.68	-
<b>Total Preschool Disabilities - Part Time</b>	<b>97,025.00</b>	<b>(90.00)</b>	<b>96,935.00</b>	<b>81,998.43</b>	<b>14,936.57</b>
<b>Total Special Education - Instruction</b>	<b>922,476.00</b>	<b>101,925.21</b>	<b>1,024,401.21</b>	<b>985,191.30</b>	<b>39,209.91</b>

(Continued)

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Basic Skills / Remedial - Instruction:					
Salaries of Teachers	\$ 47,040.00	\$ 40,980.00	\$ 88,020.00	\$ 85,293.78	\$ 2,726.22
General Supplies	250.00	-	250.00	-	250.00
<b>Total Basic Skills / Remedial - Instruction</b>	<b>47,290.00</b>	<b>40,980.00</b>	<b>88,270.00</b>	<b>85,293.78</b>	<b>2,976.22</b>
Bilingual Education - Instruction:					
Salaries of Teachers	156,883.00	25,489.50	182,372.50	181,241.32	1,131.18
Purchased Professional - Educational Services	1,000.00	-	1,000.00	-	1,000.00
General Supplies	2,050.00	-	2,050.00	1,813.51	236.49
<b>Total Bilingual Education - Instruction</b>	<b>159,933.00</b>	<b>25,489.50</b>	<b>185,422.50</b>	<b>183,054.83</b>	<b>2,367.67</b>
School Sponsored Cocurricular Activities - Instruction:					
Salaries	58,962.00	-	58,962.00	44,631.51	14,330.49
Supplies and Materials	4,550.00	(4,324.00)	226.00	-	226.00
<b>Total School Sponsored Cocurricular Activities - Instruction</b>	<b>63,512.00</b>	<b>(4,324.00)</b>	<b>59,188.00</b>	<b>44,631.51</b>	<b>14,556.49</b>
School Sponsored Athletics - Instruction:					
Salaries	18,025.00	4,324.00	22,349.00	22,349.00	-
Purchased Services (300-500 series)	3,550.00	-	3,550.00	2,918.00	632.00
Supplies and Materials	3,900.00	-	3,900.00	73.82	3,826.18
<b>Total School Sponsored Athletics - Instruction</b>	<b>25,475.00</b>	<b>4,324.00</b>	<b>29,799.00</b>	<b>25,340.82</b>	<b>4,458.18</b>
<b>Total Instruction</b>	<b>5,124,360.00</b>	<b>(6,661.27)</b>	<b>5,117,698.73</b>	<b>4,921,627.98</b>	<b>196,070.75</b>
Undistributed Expenditures - Instruction:					
Tuition to Other LEAs Within the State - Regular	2,360,820.00	(237,167.78)	2,123,652.22	2,123,652.22	-
Tuition to Other LEAs Within the State - Special	535,500.00	(373,906.80)	161,593.20	161,593.20	-
Tuition to County Vocation School District - Regular	357,280.00	22,736.00	380,016.00	380,016.00	-
Tuition to County Vocation School District - Special	35,728.00	-	35,728.00	35,728.00	-
Tuition to CSSD and Regional Day Schools	530,899.00	658,583.28	1,189,482.28	1,189,482.28	-
Tuition to Private Schools for the Disabled - Within State	172,696.00	(55,625.00)	117,071.00	117,071.00	-
Tuition - State Facilities	4,500.00	-	4,500.00	4,500.00	-
<b>Total Undistributed Expenditures - Instruction</b>	<b>3,997,423.00</b>	<b>14,619.70</b>	<b>4,012,042.70</b>	<b>4,012,042.70</b>	<b>-</b>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Attendance and Social Work Services:					
Salaries	\$ 36,414.00	\$ -	\$ 36,414.00	\$ 36,414.00	\$ -
Purchased Professional and Technical Services	36,000.00	(6,289.96)	29,710.04	11,920.00	17,790.04
<b>Total Undistributed Expenditures - Attendance and Social Work Services</b>	<b>72,414.00</b>	<b>(6,289.96)</b>	<b>66,124.04</b>	<b>48,334.00</b>	<b>17,790.04</b>
Undistributed Expenditures - Health Services:					
Salaries	149,550.00	490.00	150,040.00	150,040.00	-
Purchased Professional and Technical Services	66,013.00	5,799.86	71,812.86	64,031.21	7,781.65
Other Purchased Services (400-500 series)	500.00	-	500.00	6.08	493.92
Supplies and Materials	1,939.00	(0.39)	1,938.61	1,326.32	612.29
Other Objects	300.00	-	300.00	254.00	46.00
<b>Total Undistributed Expenditures - Health Services</b>	<b>218,302.00</b>	<b>6,289.47</b>	<b>224,591.47</b>	<b>215,657.61</b>	<b>8,933.86</b>
Undistributed Expenditures - Speech, OT, PT and Related Services:					
Salaries	224,582.00	1,821.66	226,403.66	226,403.66	-
Purchased Professional - Educational Services	75,000.00	(1,418.66)	73,581.34	58,155.96	15,425.38
Supplies and Materials	2,223.00	1,780.00	4,003.00	3,990.98	12.02
Other Objects	500.00	(403.00)	97.00	-	97.00
<b>Total Undistributed Expenditures - Speech, OT, PT and Related Services</b>	<b>302,305.00</b>	<b>1,780.00</b>	<b>304,085.00</b>	<b>288,550.60</b>	<b>15,534.40</b>
Undistributed Expenditures - Other Supp. Serv. Students-Extra. Services:					
Salaries	62,990.00	(5,720.00)	57,270.00	53,045.00	4,225.00
<b>Total Undistributed Expenditures - Other Supp. Serv. Students-Extra. Services</b>	<b>62,990.00</b>	<b>(5,720.00)</b>	<b>57,270.00</b>	<b>53,045.00</b>	<b>4,225.00</b>
Undistributed Expenditures - Guidance:					
Salaries of Other Professional Staff	140,465.00	-	140,465.00	140,465.00	-
Salary Secretary and Clerical Asst	91,386.00	(800.82)	90,585.18	90,135.18	450.00
Purchased Professional - Educational Services	750.00	(499.18)	250.82	-	250.82
Other Purchased Professional and Technical Services	750.00	-	750.00	318.91	431.09
Other Purchased Services (400-500 series)	500.00	-	500.00	-	500.00
Supplies and Materials	1,400.00	(900.00)	500.00	237.05	262.95
Other Objects	500.00	-	500.00	463.46	36.54
<b>Total Undistributed Expenditures - Guidance</b>	<b>235,751.00</b>	<b>(2,200.00)</b>	<b>233,551.00</b>	<b>231,619.60</b>	<b>1,931.40</b>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Child Study Teams:					
Salaries of Other Professional Staff	\$ 301,257.00	\$ (8,306.14)	\$ 292,950.86	\$ 292,512.56	\$ 438.30
Salaries of Secretarial and Clerical Assistants	40,547.00	1,875.90	42,422.90	42,235.30	187.60
Purchased Professional - Educational Services	8,900.00	7,300.05	16,200.05	16,200.05	-
Purchased Professional and Technical Services	18,000.00	21,382.12	39,382.12	39,382.12	-
Miscellaneous Purchased Svcs (400-500 series other than Resid Costs)	7,500.00	(2,541.50)	4,958.50	4,054.88	903.62
Supplies and Materials	3,119.00	1,100.00	4,219.00	4,180.86	38.14
Other Objects	500.00	739.57	1,239.57	1,239.57	-
<b>Total Undistributed Expenditures - Child Study Teams</b>	<b>379,823.00</b>	<b>21,550.00</b>	<b>401,373.00</b>	<b>399,805.34</b>	<b>1,567.66</b>
Undistributed Expenditures - Improvement of Instructional Services:					
Salary of Supervisor of Instruction	70,380.00	(1,301.13)	69,078.87	69,078.87	-
Purchased Professional and Technical Services	28,600.00	(17,628.00)	10,972.00	10,972.00	-
Other Purchased Services (400-500)	1,200.00	(724.77)	475.23	262.12	213.11
Supplies and Materials	1,000.00	-	1,000.00	666.13	333.87
<b>Total Undistributed Expend. - Improvement of Instructional Services</b>	<b>101,180.00</b>	<b>(19,653.90)</b>	<b>81,526.10</b>	<b>80,979.12</b>	<b>546.98</b>
Undistributed Expenditures - Educational Media Serv./Sch. Library:					
Salaries	61,590.00	-	61,590.00	61,590.00	-
Salaries Other Professional Staff	97,315.00	-	97,315.00	97,314.96	0.04
Purchased Professional and Technical Services	7,500.00	(126.50)	7,373.50	1,800.00	5,573.50
Supplies and Materials	29,800.00	6,260.40	36,060.40	35,874.87	185.53
<b>Total Undistributed Expenditures - Educational Media Serv./Sch. Library</b>	<b>196,205.00</b>	<b>6,133.90</b>	<b>202,338.90</b>	<b>196,579.83</b>	<b>5,759.07</b>
Undistributed Expenditures - Instructional Staff Training Services:					
Other Objects	2,880.00	-	2,880.00	364.36	2,515.64
<b>Total Undistributed Expenditures - Instructional Staff Training Services</b>	<b>2,880.00</b>	<b>-</b>	<b>2,880.00</b>	<b>364.36</b>	<b>2,515.64</b>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Support Services - General Administration:					
Salaries	\$ 198,284.00	\$ 769.92	\$ 199,053.92	\$ 199,053.84	\$ 0.08
Legal Services	53,000.00	7,697.85	60,697.85	60,697.85	-
Audit Fees	48,000.00	-	48,000.00	48,000.00	-
Architectural/Engineering Services	12,000.00	(8,467.77)	3,532.23	1,430.00	2,102.23
Other Purchased Professional Services	500.00	-	500.00	135.00	365.00
Communications / Telephone	158,000.00	12,444.82	170,444.82	161,854.75	8,590.07
BOE Other Purchased Services	2,700.00	(2,700.00)	-	-	-
Miscellaneous Purchased Services	23,077.00	(14,101.02)	8,975.98	3,170.80	5,805.18
General Supplies	2,000.00	1,495.00	3,495.00	2,916.05	578.95
BOE In- House Training / Meeting Supplies	350.00	(260.00)	90.00	-	90.00
Miscellaneous Expenditures	4,500.00	1,769.09	6,269.09	6,269.09	-
BOE Membership Dues and Fees	7,500.00	3,001.20	10,501.20	10,472.81	28.39
<b>Total Undistributed Expenditures - Support Services - General Administration</b>	<b>509,911.00</b>	<b>1,649.09</b>	<b>511,560.09</b>	<b>494,000.19</b>	<b>17,559.90</b>
Undistributed Expenditures - Support Services - School Administration:					
Salaries of Principals / Assistant Principals	253,590.00	2,000.00	255,590.00	255,589.91	0.09
Salaries of Secretarial and Clerical Assistants	98,664.00	(1,649.09)	97,014.91	96,069.74	945.17
Purchased Professional and Technical Services	34,000.00	(55.38)	33,944.62	33,372.74	571.88
Other Purchased Services (400-500 series)	26,000.00	(2,096.49)	23,903.51	20,321.78	3,581.73
Supplies and Materials	17,365.00	(3,400.62)	13,964.38	12,631.01	1,333.37
Other Objects	5,000.00	3,552.49	8,552.49	8,552.49	-
<b>Total Undistributed Expenditures - Support Services - School Administration</b>	<b>434,619.00</b>	<b>(1,649.09)</b>	<b>432,969.91</b>	<b>426,537.67</b>	<b>6,432.24</b>
Undistributed Expenditures - Central Services:					
Salaries	195,582.00	1,560.36	197,142.36	197,042.36	100.00
Purchased Professional Services	28,900.00	1,836.04	30,736.04	30,736.04	-
Purchased Technical Services	13,200.00	(978.70)	12,221.30	12,221.30	-
Miscellaneous Purchased Services (400-500) [O/T 594]	10,650.00	(4,660.36)	5,989.64	5,663.68	325.96
Supplies and Materials	2,000.00	-	2,000.00	1,880.67	119.33
Interest on Lease Agreements	1,000.00	(1,000.00)	-	-	-
Interest on Bond Anticipation Notes	24,600.00	-	24,600.00	24,599.99	0.01
Miscellaneous Expenditures	2,000.00	6,472.76	8,472.76	8,221.05	251.71
<b>Total Undistributed Expenditures - Central Services</b>	<b>277,932.00</b>	<b>3,230.10</b>	<b>281,162.10</b>	<b>280,365.09</b>	<b>797.01</b>

(Continued)



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Modifications</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative) Final to Actual</u>
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Admin Information Technology:					
Purchased Technical Services	\$ 191,100.00	\$ 13,272.85	\$ 204,372.85	\$ 204,372.85	\$ -
Other Purchased Services (400-500)	750.00	-	750.00	-	750.00
Supplies and Materials	64,608.00	(0.16)	64,607.84	63,972.62	635.22
Other Objects	2,320.00	-	2,320.00	1,666.40	653.60
<b>Total Undistributed Expenditures - Admin Information Technology</b>	<b>258,778.00</b>	<b>13,272.69</b>	<b>272,050.69</b>	<b>270,011.87</b>	<b>2,038.82</b>
Undistributed Expenditures - Required Maint for School Facilities:					
Salaries	208,600.00	12,302.00	220,902.00	220,902.00	-
Cleaning, Repair and Maintenance Services	36,000.00	(194.40)	35,805.60	33,875.66	1,929.94
<b>Total Undistributed Expenditures - Required Maint for School Facilities</b>	<b>244,600.00</b>	<b>12,107.60</b>	<b>256,707.60</b>	<b>254,777.66</b>	<b>1,929.94</b>
Undistributed Expenditures - Custodial Services:					
Salaries	333,316.00	(37,238.41)	296,077.59	275,992.29	20,085.30
Purchased Professional and Technical Services	11,000.00	5,380.90	16,380.90	16,251.24	129.66
Cleaning, Repair, and Maintenance Services	20,000.00	(2,399.76)	17,600.24	14,961.79	2,638.45
Other Purchased Property Services	18,500.00	381.00	18,881.00	15,652.01	3,228.99
Insurance	81,720.00	810.00	82,530.00	82,530.00	-
Miscellaneous Purchased Services	250.00	-	250.00	120.00	130.00
General Supplies	45,000.00	-	45,000.00	37,835.38	7,164.62
Energy (Natural Gas)	60,000.00	(4,952.87)	55,047.13	48,166.13	6,881.00
Energy (Electricity)	93,500.00	4,897.64	98,397.64	98,397.64	-
Energy (Oil)	1,500.00	55.23	1,555.23	1,555.23	-
Energy (Gasoline)	5,000.00	-	5,000.00	3,331.75	1,668.25
Other Objects	2,000.00	-	2,000.00	973.00	1,027.00
<b>Total Undistributed Expenditures - Custodial Services</b>	<b>671,786.00</b>	<b>(33,066.27)</b>	<b>638,719.73</b>	<b>595,766.46</b>	<b>42,953.27</b>
Undistributed Expenditures - Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance Services	1,000.00	665.77	1,665.77	1,665.77	-
General Supplies	765.00	(665.77)	99.23	74.10	25.13
<b>Total Undistributed Expenditures - Care and Upkeep of Grounds</b>	<b>1,765.00</b>	<b>-</b>	<b>1,765.00</b>	<b>1,739.87</b>	<b>25.13</b>

EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
Undistributed Expenditures - Security:					
Purchase Professional and Technical Services	\$ 750.00	\$ -	\$ 750.00	\$ -	\$ 750.00
Cleaning, Repair and Maintenance	500.00	-	500.00	-	500.00
General Supplies	2,000.00	-	2,000.00	-	2,000.00
Total Undistributed Expenditures - Security	3,250.00	-	3,250.00	-	3,250.00
Undistributed Expenditures - Student Transportation Services:					
Salary Pupil Transportation (Between Home and School) - Regular	47,332.00	249.92	47,581.92	47,581.92	-
Salary Pupil Transportation (Between Home and School) - Special Ed	52,600.00	(209.42)	52,390.58	37,011.63	15,378.95
Management Fee - ESC & CTSA Trans. Program	5,600.00	(40.50)	5,559.50	-	5,559.50
Other Purchased Professional and Technical Services	8,000.00	-	4,080.00	3,828.39	251.61
Cleaning, Repair and Maintenance Services	8,000.00	-	8,000.00	5,583.47	2,416.53
Contracted Services - Aid in Lieu Pymnts - Non Public School	33,000.00	-	33,000.00	32,708.00	292.00
Contracted Services - Aid in Lieu Pymnts - Charter School	1,500.00	4,000.00	5,500.00	5,304.00	196.00
Contracted Services - (Between Home and School) - Vendors	380,000.00	1,902.78	381,902.78	381,902.78	-
Contracted Services - (Other than Between Home and School) - Vendors	42,000.00	(5,902.78)	36,097.22	26,867.44	9,229.78
Contracted Services (Spl. Ed. Students) - Joint Agreements	111,000.00	-	111,000.00	77,274.20	33,725.80
Contracted Services (Spl. Ed. Students) - ESCs	40,000.00	-	40,000.00	39,495.11	504.89
Miscellaneous Purchased Services - Transportation	3,000.00	-	3,000.00	54.50	2,945.50
General Supplies	750.00	-	750.00	-	750.00
Transportation Supplies	2,500.00	(1,054.00)	1,446.00	950.37	495.63
Other Objects	300.00	-	300.00	137.45	162.55
Total Undistributed Expenditures - Student Transportation Services	731,662.00	(1,054.00)	730,608.00	658,699.26	71,908.74
Unallocated Benefits:					
Social Security Contributions	195,000.00	1,054.00	196,054.00	179,460.12	16,593.88
Other Retirement Contributions - PERS	175,000.00	(8,719.28)	166,280.72	164,431.13	1,849.59
Other Retirement Contributions	5,000.00	8,913.08	13,913.08	13,913.08	-
Unemployment Compensation	20,000.00	(17,499.60)	2,500.40	419.00	2,081.40
Workmen's Compensation	117,970.00	4,455.69	122,425.69	107,856.06	14,569.63
Health Benefits	2,344,932.00	4,230.40	2,349,162.40	2,231,420.02	117,742.38
Tuition Reimbursement	69,900.00	220.00	70,120.00	57,588.00	12,532.00
Unused Sick Payment to Terminated/Retired Staff	45,000.00	12,855.45	57,855.45	57,855.45	-
Total Unallocated Benefits	2,972,802.00	5,509.74	2,978,311.74	2,812,942.86	165,368.88

## EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

## General Fund

Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>EXPENDITURES (CONT'D):</b>					
Current Expense (Cont'd):					
On-Behalf T.P.A.F. Pension Contributions - Normal Costs (non-budgeted)	\$ -	-	\$ -	\$ 573,529.00	\$ (573,529.00)
On-Behalf T.P.A.F. Pension Contributions - Insurance (non-budgeted)	-	-	-	20,780.00	(20,780.00)
On-Behalf T.P.A.F. Medical Contributions - Normal Costs (non-budgeted)	-	-	-	495,194.00	(495,194.00)
On-Behalf T.P.A.F. Medical Contributions - Long-Term Disability Insurance (non-budgeted)	-	-	-	1,503.00	(1,503.00)
Reimbursed T.P.A.F. Social Security Contributions (non-budgeted)	-	-	-	407,633.38	(407,633.38)
Total On-behalf Contributions	-	-	-	1,498,639.38	(1,498,639.38)
Total Undistributed Expenditures	11,676,378.00	16,509.07	11,692,887.07	12,820,458.47	(1,127,571.40)
Total Current Expense	16,800,738.00	9,847.80	16,810,585.80	17,742,086.45	(931,500.65)
Capital Outlay:					
Undistributed Expenditures:					
Grades 1-5	3,000.00	-	3,000.00	3,000.00	-
Required Maintenance for School Facilities	6,999.00	-	6,999.00	2,798.00	4,201.00
Total Equipment	9,999.00	-	9,999.00	5,798.00	4,201.00
Facilities Acquisition and Construction Services:					
Assessment for Debt Service on SDA Funding	9,935.00	-	9,935.00	9,935.00	-
Total Facilities Acquisition and Construction Services	9,935.00	-	9,935.00	9,935.00	-
Total Capital Outlay	19,934.00	-	19,934.00	15,733.00	4,201.00
Special Schools:					
Salaries of Teachers	32,000.00	5,073.50	37,073.50	37,073.50	-
Other Salaries for Instruction	25,000.00	(302.50)	24,697.50	24,697.50	-
Total Special Schools	57,000.00	4,771.00	61,771.00	61,771.00	-
Transfer to Charter Schools	52,850.00	(14,618.80)	38,231.20	29,220.00	9,011.20
Total Expenditures	16,930,522.00	-	16,930,522.00	17,848,810.45	(918,288.45)

(Continued)

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

General Fund  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Modifications	Final Budget	Actual	Variance Positive (Negative) Final to Actual
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (292,940.00)	\$ -	\$ (292,940.00)	\$ 489,214.98	\$ 782,154.98
Other Financing Sources (Uses):					
Transfer from Other Funds	92,940.00	-	92,940.00	92,940.46	(0.46)
Capital Reserve to Debt Service Fund	-	-	(130,000.00)	(130,000.00)	-
Total Other Financing Sources (Uses)	92,940.00	-	(37,060.00)	(37,059.54)	(0.46)
Calculation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(200,000.00)	-	(330,000.00)	452,155.44	782,154.52
Fund Balances, July 1	1,162,899.03	-	1,162,899.03	1,162,899.03	-
Fund Balances, June 30	\$ 962,899.03	\$ -	\$ 832,899.03	\$ 1,615,054.47	\$ 782,154.52
Recapitulation:					
Restricted:					
Maintenance Reserve				\$ 125,183.93	
Emergency Reserve				200,000.00	
Capital Reserve				61,792.15	
Excess Surplus - Current Year				322,442.81	
Excess Surplus - Prior Year - Designated for Subsequent Year's Expenditures				224,337.16	
Assigned:					
Designated for Subsequent Year's Expenditures:					
General Fund Balance				200,000.00	
Unassigned				481,298.42	
				1,615,054.47	
Reconciliation to Governmental Funds Statements(GAAP):					
June 2017 State Aid Payments Not Recognized on GAAP Basis				(589,447.00)	
				\$ 1,025,607.47	

## EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Special Revenue Fund

Required Supplementary Information

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
State Sources:					
Preschool Education Aid	\$ 108,191.00	\$ -	\$ 108,191.00	\$ 107,848.95	\$ (342.05)
Total - State Sources	108,191.00	-	108,191.00	107,848.95	(342.05)
Federal Sources:					
Title I, Part A	338,425.00		338,425.00	335,237.20	(3,187.80)
Title II, Part A	34,404.00		34,404.00	34,404.00	
Title III	11,841.00		11,841.00	4,955.74	(6,885.26)
Title III, Immigration	1,968.00		1,968.00	1,060.00	(908.00)
I.D.E.A., Part B, Preschool	11,474.00		11,474.00	11,474.00	
I.D.E.A., Part B, Basic	251,392.00		251,392.00	251,392.00	
Total - Federal Sources	649,504.00	-	649,504.00	638,522.94	(10,981.06)
Local Sources:					
Safety Grant	2,985.20		2,985.20	2,985.20	
Total Revenues	760,680.20	-	760,680.20	749,357.09	(11,323.11)
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of Teachers	419,773.00	(13,962.26)	405,810.74	400,986.29	4,824.45
Purchased Professional and Technical Services	251,892.00		251,892.00	251,392.00	500.00
General Supplies	6,840.00		6,840.00	6,840.00	
Total Instruction	678,505.00	(13,962.26)	664,542.74	659,218.29	5,324.45
Support Services:					
Salaries of Secretarial and Clerical Assistants	22,513.00	12,962.20	35,475.20	35,475.20	
Personal Services - Employee Benefits	23,021.00	1,000.06	24,021.06	22,118.40	1,902.66
Purchased Professional and Technical Services	32,596.00		32,596.00	28,500.00	4,096.00
Other Objects	4,045.20		4,045.20	4,045.20	
Total Support Services	82,175.20	13,962.26	96,137.46	90,138.80	5,998.66
Total Expenditures	760,680.20	-	760,680.20	749,357.09	11,323.11
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Budgetary Comparison Schedule  
 Note to Required Supplementary Information - Part II  
 For the Fiscal Year Ended June 30, 2017

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

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources / Inflows of Resources:		
Actual amounts (budgetary basis) "revenues" from the budgetary comparison schedules	\$ 18,338,025.43	\$ 749,357.09
Differences - Budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Current Year	-	-
Prior Year	-	1,767.00
The June 2016 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)		
	586,354.70	9,380.30
The June 2017 State aid payments are recognized as revenue for budgetary purposes, and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)		
	<u>(589,447.00)</u>	<u>(9,874.00)</u>
Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	<u>\$ 18,334,933.13</u>	<u>\$ 750,630.39</u>
Uses / Outflows of Resources:		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$ 17,848,810.45	\$ 749,357.09
Differences - Budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Current Year	-	-
Prior Year	-	1,767.00
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 17,848,810.45</u>	<u>\$ 751,124.09</u>

REQUIRED SUPPLEMENTARY INFORMATION  
PART III

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Public Employees' Retirement System (PERS)  
 Last Four Plan Years

	<b>Measurement Date Ending June 30,</b>			
	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
School District's Proportion of the Net Pension Liability	0.0177831540%	0.0216220918%	0.0232581701%	0.0220425351%
School District's Proportionate Share of the Net Pension Liability	\$ 5,266,860.00	\$ 4,853,726.00	\$ 4,354,566.00	\$ 4,212,766.00
School District's Covered Payroll (Plan Measurement Period)	\$ 1,312,244.00	\$ 1,610,040.00	\$ 1,763,112.00	\$ 1,657,652.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	401.36%	301.47%	246.98%	254.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	40.14%	47.93%	52.08%	48.72%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Required Supplementary Information  
 Schedule of the School District's Contributions  
 Public Employees' Retirement System (PERS)  
 Last Four Fiscal Years

	<b>Fiscal Year Ended June 30,</b>			
	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required Contribution	\$ 160,216.00	\$ 157,983.00	\$ 185,892.00	\$ 191,737.00
Contributions in Relation to the Contractually Required Contribution	<u>(160,216.00)</u>	<u>(157,983.00)</u>	<u>(185,892.00)</u>	<u>(191,737.00)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
School District's Covered Payroll (Fiscal Year)	\$ 1,252,787.00	\$ 1,190,575.00	\$ 1,248,347.00	\$ 1,518,500.00
Contributions as a Percentage of School District's Covered Payroll	12.79%	13.27%	14.89%	12.63%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Required Supplementary Information  
 Schedule of the School District's Proportionate Share of the Net Pension Liability  
 Teachers' Pension and Annuity Fund (TPAF)  
 Last Four Plan Years

	<b>Measurement Date Ending June 30,</b>			
	<b><u>2016</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>
School District's Proportion of the Net Pension Liability	0.00%	0.00%	0.00%	0.00%
State's Proportion of the Net Pension Liability Associated with the School District	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>
School District's Proportionate Share of the Net Pension Liability	\$ -	\$ -	\$ -	\$ -
State's Proportionate Share of the Net Pension Liability Associated with the School District	<u>44,267,781.00</u>	<u>38,253,648.00</u>	<u>28,929,452.00</u>	<u>30,095,848.00</u>
	<u>\$ 44,267,781.00</u>	<u>\$ 38,253,648.00</u>	<u>\$ 28,929,452.00</u>	<u>\$ 30,095,848.00</u>
School District's Covered Payroll (Plan Measurement Period)	\$ 6,630,856.00	\$ 6,733,288.00	\$ 6,963,776.00	\$ 6,316,076.00
School District's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%
State's Proportionate Share of the Net Pension Liability as a Percentage of Covered Payroll	667.60%	568.13%	415.43%	476.50%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	22.33%	28.71%	33.64%	33.76%

Note: This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, this presentation will only include information for those years for which information is available.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Required Supplementary Information  
Schedule of School District's Contributions  
Teachers' Pension and Annuity Fund (TPAF)  
Last Ten Fiscal Years

---

This schedule is not applicable.

The School District is not required to make any contributions towards TPAF.

There is a special funding situation where the State of New Jersey pays 100% of the required contributions.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Notes to Required Supplementary Information - Part III  
For the Fiscal Year Ended June 30, 2017

---

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

*Changes in Benefit Terms* - None

*Changes in Assumptions* - For 2016, the discount rate changed to 3.22% and the long-term expected rate of return changed to 7.65%. Further, the demographic assumptions were revised to reflect those recommended on the basis of the July 1, 2012 - June 30, 2015 experience study. For 2015, the discount rate changed to 4.13%. For 2014, the discount rate was at 4.68%.

**Public Employees' Retirement System (PERS)**

*Changes in Benefit Terms* - None

*Changes in Assumptions* - For 2016, the discount rate changed to 3.98%, the long-term expected rate of return changed to 7.65%, demographic assumptions were revised in accordance with the results of the July 1, 2011 - June 30, 2014 experience study and the mortality improvement scale incorporated the plan actuary's modified MP-2014 projection scale. Further, salary increases were assumed to increase between 1.65% and 4.15% (based on age) through fiscal year 2026 and 2.65% and 5.15% (based on age) for each fiscal year thereafter. For 2015, the discount rate changed to 4.90%. In addition, the social security wage base was set at \$118,500 for 2015, increasing 4.00% per annum, compounded annually and the 401(a)(17) pay limit was set at \$265,000 for 2015, increasing 3.00% per annum, compounded annually. For 2014, the discount rate was 5.39%.

OTHER SUPPLEMENTARY INFORMATION

SPECIAL REVENUE FUND

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Special Revenue Fund  
 Combining Schedule of Revenues and Expenditures - Budgetary Basis  
 For the Fiscal Year Ended June 30, 2017

	N.C.L.B.				I.D.E.A., Part B			
	Title I, Part A	Title II, Part A	Title III	Title III, Immigrant	Basic	Preschool	Safety Grant	Preschool Education Aid
<b>REVENUES:</b>								
Federal Sources	\$ 638,522.94							
State Sources	107,848.95							
Local Sources	2,985.20						2,985.20	
<b>Total</b>	<b>\$ 749,357.09</b>	<b>\$ 34,404.00</b>	<b>\$ 4,955.74</b>	<b>\$ 1,060.00</b>	<b>\$ 251,392.00</b>	<b>\$ 11,474.00</b>	<b>\$ 2,985.20</b>	<b>\$ 107,848.95</b>
<b>EXPENDITURES:</b>								
<b>Instruction:</b>								
Salaries of Teachers	400,986.29	21,442.00	4,017.40			9,106.00		103,848.95
Purchased Professional and Technical Services	251,392.00				251,392.00			
General Supplies	6,840.00		631.00					4,000.00
<b>Total Instruction</b>	<b>659,218.29</b>	<b>21,442.00</b>	<b>4,648.40</b>	<b>-</b>	<b>251,392.00</b>	<b>9,106.00</b>	<b>-</b>	<b>107,848.95</b>
<b>Support Services:</b>								
Salaries of Secretarial and Clerical Assistants	35,475.20	12,962.00						
Personal Services - Employee Benefits	22,118.40		307.34			2,368.00		
Purchased Professional and Technical Services	28,500.00							
Other Objects	4,045.20			1,060.00			2,985.20	
<b>Total Support Services</b>	<b>90,138.80</b>	<b>12,962.00</b>	<b>307.34</b>	<b>1,060.00</b>	<b>-</b>	<b>2,368.00</b>	<b>2,985.20</b>	<b>-</b>
<b>Total Expenditures</b>	<b>\$ 749,357.09</b>	<b>\$ 34,404.00</b>	<b>\$ 4,955.74</b>	<b>\$ 1,060.00</b>	<b>\$ 251,392.00</b>	<b>\$ 11,474.00</b>	<b>\$ 2,985.20</b>	<b>\$ 107,848.95</b>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Special Revenue Fund  
Schedule of Preschool Education Aid Expenditures  
Preschool - All Programs  
Budgetary Basis  
For the Fiscal Year Ended June 30, 2017

---

GOVERNMENT-WIDE TOTAL	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
<b>EXPENDITURES:</b>			
Instruction:			
Salaries of Teachers	\$ 104,191.00	\$ 103,848.95	\$ 342.05
General Supplies	4,000.00	4,000.00	-
	<hr/>	<hr/>	<hr/>
Total Instruction	108,191.00	107,848.95	342.05
	<hr/>	<hr/>	<hr/>
Total Expenditures	<u>\$ 108,191.00</u>	<u>\$ 107,848.95</u>	<u>\$ 342.05</u>

**CALCULATION OF BUDGET AND CARRYOVER**

Total 2016-17 Preschool Education Aid Allocation	\$ 98,740.00
Actual ECPA Carryover (June 30, 2016)	9,451.00
Add: Actual Transfer from General Fund 2016-17	<hr/> -
Total Preschool Education Aid Funds Available for 2016-17 Budget	108,191.00
Less: 2016-17 Budgeted Preschool Education Aid (Including Prior Year Budgeted Carryover)	<hr/> (108,191.00)
Available & Unbudgeted Preschool Education Aid Funds as of June 30, 2017	-
Add: 2016-17 Unexpended Preschool Education Aid	<hr/> 342.05
2016-17 Carryover - Preschool Education Aid	<u>\$ 342.05</u>
2016-17 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2017-2018	<u>\$ -</u>



CAPITAL PROJECTS FUND

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Project Expenditures  
 For the Fiscal Year Ended June 30, 2017

<u>Project Title/Issue</u>	<u>Original Date</u>	<u>Original Appropriations</u>	<u>Project Transfers</u>	<u>Projects Cancelled</u>	<u>Revised Appropriations</u>	<u>Prior Years</u>	<u>Expenditures to Date Current Year</u>	<u>Unexpended Balance June 30, 2017</u>
Mildred Magowan School Renovations	06/15/09	\$ 870,577.00	\$ -	\$ (219,050.00)	\$ 651,527.00	\$ 651,527.00	\$ -	\$ -
Samuel Ridgway School Renovations	06/15/09	693,096.00		(232,332.00)	460,764.00	460,764.00		-
Anne C. Jaques School Renovations	01/26/16	4,896,531.00	(10,000.00)		4,886,531.00	53,278.85	4,638,477.75	194,774.40
Mildred Magowan School Renovations	01/26/16	5,535,219.00	10,000.00		5,545,219.00	28,776.87	5,514,887.68	1,554.45
Samuel M. Ridgway School Renovations	01/26/16	5,737,458.00			5,737,458.00	25,945.60	5,598,278.22	113,234.18
		<u>\$ 17,732,881.00</u>	<u>\$ -</u>	<u>\$ (451,382.00)</u>	<u>\$ 17,281,499.00</u>	<u>\$ 1,220,292.32</u>	<u>\$ 15,751,643.65</u>	<u>\$ 309,563.03</u>

Encumbrances for supplies, equipment and construction ordered but not received is reported in the year the is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

Prior Year  
 Current Year

49,432.10  
(6,316,508.85)

Total expenditures reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. (B-2)

\$ 9,484,566.90

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balances  
 For the Fiscal Year Ended June 30, 2017

<b>REVENUES AND OTHER FINANCING SOURCES:</b>	
Proceeds from Issuance of Bonds	\$ 16,169,000.00
<b>EXPENDITURES AND OTHER FINANCING USES:</b>	
Expenditures:	
Architectural / Engineering Services	2,315,083.57
Construction Services	13,331,301.77
Other	105,258.31
Total Expenditures	15,751,643.65
Other Financing Uses:	
Cancellation of Projects:	
Canceled Against State SDA Grant Receivable - Budgetary Basis	358,441.53
Transferred to General Fund	92,940.46
Bond Anticipation Notes Paid with Bond Issue Proceeds	2,700,000.00
Total Other Financing Uses	3,151,381.99
Total Expenditures and Other Financing Uses	18,903,025.64
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,734,025.64)
Fund Balance -- July 1	3,043,380.67
Fund Balance -- June 30	\$ 309,355.03
Reconciliation to Governmental Fund Statements (GAAP):	
Fund Balance as of June 30, 2017	\$ 309,355.03
Encumbrances not Recognized on GAAP Basis	6,316,508.85
Fund Balance per Governmental Funds (GAAP)	\$ 6,625,863.88

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Mildred Magowan School Renovations - 2009  
 From Inception and For the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State Sources--SDA Grant	\$ 516,305.00	\$ -	\$ 516,305.00	\$ 516,305.00
Proceeds from Lease Purchase	300,000.00		300,000.00	300,000.00
Transfer from Capital Reserve	54,272.00		54,272.00	54,272.00
	<u>870,577.00</u>	<u>-</u>	<u>870,577.00</u>	<u>870,577.00</u>
<b>Total Revenues and Other Financing Sources</b>				
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services	48,047.00		48,047.00	48,047.00
Construction Services	603,480.00		603,480.00	603,480.00
Cancellation of Project:				
Canceled Against State SDA Grant Receivable		197,812.55	197,812.55	197,812.55
Transferred to General Fund		21,237.45	21,237.45	21,237.45
	<u>651,527.00</u>	<u>219,050.00</u>	<u>870,577.00</u>	<u>870,577.00</u>
<b>Total Expenditures and Other Financing Uses</b>				
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>\$ 219,050.00</u>	<u>\$ (219,050.00)</u>	<u>\$ -</u>	<u>\$ -</u>
Designated for Subsequent Years Expenditures			<u>\$ -</u>	
<b>Additional Project Information:</b>				
Project Number	1280-050-09-1001			
Grant Date	02/26/09			
Lease Authorization Date	06/15/09			
Lease Authorized	06/15/09			
Lease Issued	\$ 300,000.00			
Original Authorized Cost	\$ 816,305.00			
Additional Authorized Cost	\$ 54,272.00			
Revised Authorized Cost	\$ 870,577.00			
Percentage Increase over Original Authorized Cost	6.65%			
Percentage Completion	100.00%			
Original Target Completion Date	12/31/11			
Revised Target Completion Date	12/31/11			

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Samuel M. Ridgway School Renovations - 2009  
 From Inception and For the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State Sources--SDA Grant	\$ 393,096.00	\$ -	\$ 393,096.00	\$ 393,096.00
Proceeds from Lease Purchase	300,000.00		300,000.00	300,000.00
<b>Total Revenues and Other Financing Sources</b>	<b>693,096.00</b>	<b>-</b>	<b>693,096.00</b>	<b>693,096.00</b>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased Professional and Technical Services	44,624.00		44,624.00	44,624.00
Construction Services	416,140.00		416,140.00	416,140.00
Cancellation of Project:				
Canceled Against State SDA Grant Receivable		160,628.99	160,628.99	160,628.99
Transferred to General Fund		71,703.01	71,703.01	71,703.01
<b>Total Expenditures and Other Financing Uses</b>	<b>460,764.00</b>	<b>232,332.00</b>	<b>693,096.00</b>	<b>693,096.00</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>\$ 232,332.00</b>	<b>\$ (232,332.00)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Designated for Subsequent Years Expenditures</b>			<b>\$ -</b>	
 <b>Additional Project Information:</b>				
Project Number	1280-070-09-1002			
Grant Date	02/26/09			
Lease Authorization Date	06/15/09			
Lease Authorized	06/15/09			
Lease Issued	\$ 300,000.00			
Original Authorized Cost	\$ 693,096.00			
Additional Authorized Cost	-			
Revised Authorized Cost	\$ 693,096.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	100.00%			
Original Target Completion Date	12/31/11			
Revised Target Completion Date	12/31/11			

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Anne C. Jacques School Renovations - 2016  
 From Inception and For the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Proceeds from Issuance of Bond Anticipation Note	\$ 817,643.00	\$ -	\$ 817,643.00	\$ 817,643.00
Proceeds from Issuance of Bonds		4,886,531.00	4,886,531.00	4,886,531.00
<b>Total Revenues and Other Financing Sources</b>	<u>817,643.00</u>	<u>4,886,531.00</u>	<u>5,704,174.00</u>	<u>5,704,174.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Architectural / Engineering Services	53,278.85	642,556.48	695,835.33	695,835.00
Construction Services		3,985,163.53	3,985,163.53	4,053,789.00
Other Purchased Professional and Technical Services			-	126,147.00
Other		10,757.74	10,757.74	10,760.00
Bond Anticipation Notes Paid with Bond Issue Proceeds		817,643.00	817,643.00	817,643.00
<b>Total Expenditures and Other Financing Uses</b>	<u>53,278.85</u>	<u>5,456,120.75</u>	<u>5,509,399.60</u>	<u>5,704,174.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 764,364.15</u>	<u>\$ (569,589.75)</u>	<u>\$ 194,774.40</u>	<u>\$ -</u>
Designated for Subsequent Years Expenditures			<u>\$ 194,774.40</u>	
<b>Additional Project Information:</b>				
Project Number	1280-050-16-1000			
Bond Authorization Date	01/26/16			
Bonds Authorized	\$ 4,896,531.00			
Bonds Issued (August 31, 2016)	\$ 4,896,531.00			
Original Authorized Cost	\$ 4,896,531.00			
Project Transfers	\$ (10,000.00)			
Additional Authorized Costs	-			
Revised Authorized Costs	\$ 4,886,531.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	85.00%			
Original Target Completion Date	12/15/17			
Revised Target Completion Date	12/15/17			

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Mildred Magowan School Renovations - 2016  
 From Inception and For the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Proceeds from Issuance of Bond Anticipation Note	\$ 924,293.00	\$ -	\$ 924,293.00	\$ 924,293.00
Proceeds from Issuance of Bonds		5,545,219.00	5,545,219.00	5,545,219.00
<b>Total Revenues and Other Financing Sources</b>	<u>924,293.00</u>	<u>5,545,219.00</u>	<u>6,469,512.00</u>	<u>6,469,512.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Architectural / Engineering Services	28,776.87	725,979.21	754,756.08	754,756.00
Construction Services		4,776,439.28	4,776,439.28	4,776,439.00
Other		12,469.19	12,469.19	14,024.00
Bond Anticipation Notes Paid with Bond Issue Proceeds		924,293.00	924,293.00	924,293.00
<b>Total Expenditures and Other Financing Uses</b>	<u>28,776.87</u>	<u>6,439,180.68</u>	<u>6,467,957.55</u>	<u>6,469,512.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 895,516.13</u>	<u>\$ (893,961.68)</u>	<u>\$ 1,554.45</u>	<u>\$ -</u>
Designated for Subsequent Years Expenditures			<u>\$ 1,554.45</u>	
<b>Additional Project Information:</b>				
Project Number	1280-050-16-1000			
Bond Authorization Date	01/26/16			
Bonds Authorized	\$ 5,535,219.00			
Bonds Issued (August 31, 2016)	\$ 5,535,219.00			
Original Authorized Cost	\$ 5,535,219.00			
Additional Authorized Costs	-			
Project Transfers	10,000.00			
Revised Authorized Costs	\$ 5,545,219.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	70.00%			
Original Target Completion Date	12/15/17			
Revised Target Completion Date	12/15/17			

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Capital Projects Fund  
 Schedule of Project Revenues, Expenditures, Project Balance and Project Status  
 Samuel M. Ridgway School Renovations - 2016  
 From Inception and For the Fiscal Year Ended June 30, 2017

	<u>Prior Years</u>	<u>Current Year</u>	<u>Totals</u>	<u>Revised Authorized Cost</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Proceeds from Issuance of Bond Anticipation Note	\$ 958,064.00	\$ -	\$ 958,064.00	\$ 958,064.00
Proceeds from Issuance of Bonds		5,737,250.00	5,737,250.00	5,737,250.00
Transfer from Capital Outlay			-	208.00
<b>Total Revenues and Other Financing Sources</b>	<u>958,064.00</u>	<u>5,737,250.00</u>	<u>6,695,314.00</u>	<u>6,695,522.00</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Architectural / Engineering Services	25,945.60	946,547.88	972,493.48	972,494.00
Construction Services		4,569,698.96	4,569,698.96	4,569,699.00
Other Purchased Professional and Technical Services			-	113,233.00
Other		82,031.38	82,031.38	82,032.00
Bond Anticipation Notes Paid with Bond Issue Proceeds		958,064.00	958,064.00	958,064.00
<b>Total Expenditures and Other Financing Uses</b>	<u>25,945.60</u>	<u>6,556,342.22</u>	<u>6,582,287.82</u>	<u>6,695,522.00</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>\$ 932,118.40</u>	<u>\$ (819,092.22)</u>	<u>\$ 113,026.18</u>	<u>\$ -</u>
<b>Designated for Subsequent Years Expenditures</b>			<u>\$ 113,026.18</u>	
<b>Additional Project Information:</b>				
Project Number	1280-070-16-1000			
Bond Authorization Date	01/26/16			
Bonds Authorized	\$ 5,737,250.00			
Bonds Issued (August 31, 2016)	\$ 5,737,250.00			
Original Authorized Cost	\$ 5,737,250.00			
Additional Authorized Costs	-			
Revised Authorized Costs	\$ 5,737,250.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage Completion	40.00%			
Original Target Completion Date	12/15/17			
Revised Target Completion Date	12/15/17			



PROPRIETARY FUNDS

## EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Proprietary Funds

Business-Type Activities - Enterprise Funds

Combining Statement of Net Position

June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>	<u>Total</u>
<b>ASSETS:</b>			
Current Assets:			
Cash and Cash Equivalents	\$ 103,657.75	\$ 143,622.31	\$ 247,280.06
Accounts Receivable:			
State	282.95		282.95
Federal	36,696.07		36,696.07
Inventories	12,517.00		12,517.00
Total Current Assets	<u>153,153.77</u>	<u>143,622.31</u>	<u>296,776.08</u>
Noncurrent Assets:			
Machinery and Equipment	178,326.63		178,326.63
Less Accumulated Depreciation	<u>(146,558.43)</u>		<u>(146,558.43)</u>
Total Noncurrent Assets	<u>31,768.20</u>	<u>-</u>	<u>31,768.20</u>
Total Assets	<u>184,921.97</u>	<u>143,622.31</u>	<u>328,544.28</u>
<b>LIABILITIES:</b>			
Current Liabilities:			
Unearned Revenue	3,163.46		3,163.46
Accounts Payable	<u>19,899.42</u>		<u>19,899.42</u>
Total Current Liabilities	<u>23,062.88</u>	<u>-</u>	<u>23,062.88</u>
<b>NET POSITION:</b>			
Net Investment in Capital Assets	31,768.20		31,768.20
Unrestricted	<u>130,090.89</u>	<u>143,622.31</u>	<u>273,713.20</u>
Total Net Position	<u>\$ 161,859.09</u>	<u>\$ 143,622.31</u>	<u>\$ 305,481.40</u>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Proprietary Funds  
 Business-Type Activities - Enterprise Funds  
 Combining Statement of Revenues, Expenses and Changes in Fund Net Position  
 For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>	<u>Totals</u>
<b>OPERATING REVENUES:</b>			
Charges for Services:			
Daily Sales - Reimbursable	\$ 86,179.93	\$ -	\$ 86,179.93
Daily Sales - Non-Reimbursable	45,408.39		45,408.39
Program Fees		202,592.42	202,592.42
Total Operating Revenues	<u>131,588.32</u>	<u>202,592.42</u>	<u>334,180.74</u>
<b>OPERATING EXPENSES:</b>			
Salaries and Benefits	171,462.86	140,922.34	312,385.20
Supplies and Materials	13,901.92	2,923.30	16,825.22
Cost of Sales - Reimbursable Programs	134,009.25		134,009.25
Cost of Sales - Non-reimbursable Programs	32,621.00		32,621.00
Management Fee	23,499.84		23,499.84
Purchased Professional Educational Services	5,316.75		5,316.75
Depreciation	4,146.25		4,146.25
Miscellaneous	13,761.31	410.00	14,171.31
Total Operating Expenses	<u>398,719.18</u>	<u>144,255.64</u>	<u>542,974.82</u>
Operating Income / (Loss)	<u>(267,130.86)</u>	<u>58,336.78</u>	<u>(208,794.08)</u>
<b>NONOPERATING REVENUES:</b>			
State Sources:			
State School Lunch Program	4,419.40		4,419.40
Federal Sources:			
National School Lunch Program	207,044.46		207,044.46
National School Breakfast Program	44,802.06		44,802.06
Special Milk Program	957.54		957.54
Snack Program	12,350.46		12,350.46
Food Distribution Program	33,827.28		33,827.28
Total Nonoperating Revenues	<u>303,401.20</u>	<u>-</u>	<u>303,401.20</u>
Change in Net Position	36,270.34	58,336.78	94,607.12
Net Position -- July 1	<u>125,588.75</u>	<u>85,285.53</u>	<u>210,874.28</u>
Net Position -- June 30	<u>\$ 161,859.09</u>	<u>\$ 143,622.31</u>	<u>\$ 305,481.40</u>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Proprietary Funds  
Business-Type Activities - Enterprise Funds  
Combining Statement of Cash Flows  
For the Fiscal Year Ended June 30, 2017

	<u>Food Service</u>	<u>After School Program</u>	<u>Total</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Receipts from Customers	\$ 131,588.32	\$ 202,592.42	\$ 334,180.74
Payments for Salaries and Benefits	(158,826.14)	(140,922.34)	(299,748.48)
Payments to Suppliers	(181,789.37)	(3,886.43)	(185,675.80)
Net Cash Provided by (used for) Operating Activities	<u>(209,027.19)</u>	<u>57,783.65</u>	<u>(151,243.54)</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:</b>			
Federal and State Sources	<u>267,303.88</u>		<u>267,303.88</u>
Net Cash Provided by (used for) Non-Capital Financing Activities	<u>267,303.88</u>	-	<u>267,303.88</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:</b>			
Purchase of Capital Assets	<u>(8,688.86)</u>	-	<u>(8,688.86)</u>
Net Cash Provided by (used for) Capital and Related Financing Activities	<u>(8,688.86)</u>	-	<u>(8,688.86)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	49,587.83	57,783.65	107,371.48
Cash and Cash Equivalents -- July 1	<u>54,069.92</u>	<u>85,838.66</u>	<u>139,908.58</u>
Cash and Equivalents -- June 30	<u>\$ 103,657.75</u>	<u>\$ 143,622.31</u>	<u>\$ 247,280.06</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>			
Operating Income (Loss)	\$ (267,130.86)	\$ 58,336.78	\$ (208,794.08)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (used for) Operating Activities:			
Depreciation	4,146.25		4,146.25
Food Distribution Program	33,827.28		33,827.28
(Increase) Decrease in Inventories	182.30		182.30
Increase (Decrease) in Unearned Revenue	48.42		48.42
Increase (Decrease) in Accounts Payable	19,899.42	(553.13)	19,346.29
Total Adjustments	<u>58,103.67</u>	<u>(553.13)</u>	<u>57,550.54</u>
Net Cash Provided by (used for) Operating Activities	<u>\$ (209,027.19)</u>	<u>\$ 57,783.65</u>	<u>\$ (151,243.54)</u>

FIDUCIARY FUNDS

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Combining Statement of Fiduciary Net Position  
 June 30, 2017

	Private-Purpose Trust Funds	Agency Funds		Total
	Unemployment Compensation Trust	Student Activity	Payroll	
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 24,674.98	\$ 56,685.61	\$ 1,180.35	\$ 82,540.94
Total Assets	<u>24,674.98</u>	<u>\$ 56,685.61</u>	<u>\$ 1,180.35</u>	<u>82,540.94</u>
<b>LIABILITIES:</b>				
Payable to Student Groups		\$ 56,685.61	\$ -	\$ 56,685.61
Payroll Deductions Payable			1,180.02	1,180.02
Interfund Payable	10.16		0.33	10.49
Total Liabilities	<u>10.16</u>	<u>\$ 56,685.61</u>	<u>\$ 1,180.35</u>	<u>57,876.12</u>
<b>NET POSITION:</b>				
Held in Trust for Unemployment Claims and Other Purposes	<u>24,664.82</u>			<u>24,664.82</u>
Total Net Position	<u>\$ 24,664.82</u>			<u>\$ 24,664.82</u>

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Statement of Changes in Fiduciary Net Position  
 For the Fiscal Year Ended June 30, 2017

---

	Private-Purpose Trust Fund
	Unemployment Compensation Trust
ADDITIONS:	
Contributions:	
Employee Payroll Deductions	\$ 14,105.00
DEDUCTIONS:	
Unemployment Claims	5,694.74
Change in Net Position	8,410.26
Net Position -- July 1	16,254.56
Net Position -- June 30	\$ 24,664.82

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Student Activity Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2017

---

	<u>Balance</u> <u>June 30, 2016</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Balance</u> <u>June 30, 2017</u>
Ridgway School	\$ 35,241.06	\$ 48,198.23	\$ 45,195.04	\$ 38,244.25
Magowan School	<u>22,268.14</u>	<u>34,489.07</u>	<u>38,315.85</u>	<u>18,441.36</u>
Total all Schools	<u>\$ 57,509.20</u>	<u>\$ 82,687.30</u>	<u>\$ 83,510.89</u>	<u>\$ 56,685.61</u>



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Fiduciary Funds  
 Payroll and Agency Fund Schedule of Receipts and Disbursements  
 For the Fiscal Year Ended June 30, 2017

	Balance June 30, 2016	Additions	Deletions	Balance June 30, 2017
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 575.70	\$ 8,789,947.06	\$ 8,789,342.41	\$ 1,180.35
<b>LIABILITIES:</b>				
Net Payroll	\$ -	\$ 4,717,945.48	\$ 4,717,945.48	\$ -
Payroll Deductions and Withholdings	575.70	4,071,422.84	4,070,818.52	1,180.02
Contra		572.68	572.68	
Interfund Payable: General Fund		6.06	5.73	0.33
Total Liabilities	\$ 575.70	\$ 8,789,947.06	\$ 8,789,342.41	\$ 1,180.35

LONG-TERM DEBT

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Debt Service Fund  
Schedule of Serial Bonds

For the Fiscal Year Ended June 30, 2017

<u>Issue</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Annual Maturities Date</u>	<u>Annual Maturities Amount</u>	<u>Interest Rate</u>	<u>Balance June 30, 2016</u>	<u>Issued</u>	<u>Paid</u>	<u>Balance June 30, 2017</u>
School Bonds, Series 2016	08/31/16	\$ 16,169,000.00	07/15/17	\$ 624,000.00	2.000%				
			07/15/18	640,000.00	2.000%				
			07/15/19	650,000.00	2.000%				
			07/15/20	665,000.00	2.000%				
			07/15/21	680,000.00	2.000%				
			07/15/22	695,000.00	2.000%				
			07/15/23	710,000.00	2.000%				
			07/15/24	730,000.00	2.000%				
			07/15/25	750,000.00	2.000%				
			07/15/26	770,000.00	2.000%				
			07/15/27	795,000.00	2.000%				
			07/15/28	820,000.00	2.000%				
			07/15/29	845,000.00	2.125%				
			07/15/30	870,000.00	2.250%				
			07/15/31	905,000.00	3.000%				
			07/15/32	935,000.00	3.000%				
			07/15/33	965,000.00	3.000%				
			07/15/34	1,000,000.00	3.000%				
			07/15/35	1,040,000.00	3.000%				
			07/15/36	1,080,000.00	3.000%				
						\$ -	\$ 16,169,000.00	\$ -	\$ 16,169,000.00

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Debt Service Fund

Budgetary Comparison Schedule

For the Fiscal Year Ended June 30, 2017

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	Variance Positive (Negative) <u>Final to Actual</u>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	\$ -	-	\$ 144,697.97	\$ 144,697.97	\$ -
Total Expenditures	-	-	144,697.97	144,697.97	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(144,697.97)	(144,697.97)	-
Other Financing Sources:					
Transfer in from Capital Reserve	-	-	130,000.00	130,000.00	-
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	-	(14,697.97)	(14,697.97)	-
Fund Balance, July 1	25,610.00	-	25,610.00	25,610.00	-
Fund Balance, June 30	\$ 25,610.00	-	\$ 10,912.03	\$ 10,912.03	\$ -
Recapitulation:					
Restricted Fund Balance			\$ 10,912.03	\$ 10,912.03	

STATISTICAL SECTION

## Financial Trends Information

Financial trends information is intended to assist the user in understanding and assessing how the School District's financial position has changed over time. Please refer to the following exhibits for a historical view of the School District's financial performance.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Net Position by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Governmental Activities:</b>										
Net Investment in Capital Assets	\$ 928,888.00	\$ 701,504.00	\$ 2,378,037.00	\$ 2,716,856.00	\$ 2,402,879.00	\$ 3,027,183.62	\$ 3,440,407.48	\$ 3,720,743.43	\$ 3,731,333.85	\$ 3,203,857.07
Restricted for:										
Special Revenue			59,851.00							
Capital Projects	277,216.00	600,000.00	236,279.00	1,722,439.00	236,279.00	1,016,110.04	236,279.06	377,852.80	177,709.84	6,625,863.88
Debt Services	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	14,345.00	39,028.33	46,936.67	25,610.00	-
Other Purposes	1,344,435.00	1,984,839.00	2,213,903.00	969,902.00	2,818,173.00	861,195.14	1,013,877.55	326,331.03	643,097.85	933,756.05
Unrestricted	(804,147.00)	(1,014,507.00)	(1,025,217.00)	(1,007,367.00)	(848,256.00)	(62,801.62)	(726,857.19)	(5,071,117.25)	(5,140,923.33)	(11,832,830.19)
Total Governmental Activities Net Position	\$ 1,797,108.00	\$ 2,515,340.00	\$ 4,106,513.00	\$ 4,457,906.00	\$ 4,664,995.00	\$ 4,856,032.18	\$ 4,002,735.24	\$ (599,253.32)	\$ (663,171.79)	\$ (1,069,353.19)
<b>Business-Type Activities:</b>										
Net Investment in Capital Assets	\$ 25,034.00	\$ 20,662.00	\$ 20,298.00	\$ 16,835.00	\$ 17,320.00	\$ 39,043.14	\$ 34,647.29	\$ 30,708.11	\$ 27,225.59	\$ 31,768.20
Unrestricted	1,495,119.00	1,593,384.00	1,614,260.00	1,666,276.00	1,656,077.00	1,042,912.44	486,110.59	250,419.74	183,648.69	273,713.20
Total Business-Type Activities Net Position	\$ 1,520,153.00	\$ 1,614,046.00	\$ 1,634,558.00	\$ 1,683,111.00	\$ 1,673,397.00	\$ 1,081,955.58	\$ 520,757.88	\$ 281,127.85	\$ 210,874.28	\$ 305,481.40
<b>District-Wide:</b>										
Net Investment in Capital Assets	\$ 953,922.00	\$ 722,166.00	\$ 2,398,335.00	\$ 2,733,691.00	\$ 2,420,199.00	\$ 3,066,226.76	\$ 3,475,054.77	\$ 3,751,451.54	\$ 3,758,559.44	\$ 3,235,625.27
Restricted for:										
Special Revenue			59,851.00							
Capital Projects	277,216.00	600,000.00	236,279.00	1,722,439.00	236,279.00	1,016,110.04	236,279.06	377,852.80	177,709.84	6,625,863.88
Debt Services	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	14,345.00	39,028.33	46,936.67	25,610.00	-
Other Purposes	1,344,435.00	1,984,839.00	2,213,903.00	969,902.00	2,818,173.00	861,195.14	1,013,877.55	326,331.03	643,097.85	933,756.05
Unrestricted	690,972.00	578,877.00	589,043.00	658,909.00	807,821.00	980,110.82	(240,746.59)	(4,820,697.51)	(4,957,274.64)	(11,559,116.99)
Total District Net Position	\$ 3,317,261.00	\$ 4,129,386.00	\$ 5,741,071.00	\$ 6,141,017.00	\$ 6,338,392.00	\$ 5,937,987.76	\$ 4,523,493.12	\$ (318,125.47)	\$ (952,297.51)	\$ (763,871.79)

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's. 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

Source: District Records

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
*Unaudited*

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Expenses:</b>										
<b>Governmental Activities:</b>										
<b>Instruction:</b>										
Regular	\$ 4,096,225.00	\$ 4,078,792.00	\$ 4,362,150.00	\$ 3,998,979.00	\$ 3,461,004.00	\$ 4,213,669.81	\$ 4,697,897.80	\$ 4,707,528.68	\$ 4,645,241.93	\$ 4,293,836.67
Special Education	643,885.00	585,746.00	629,881.00	672,747.00	914,127.00	785,533.38	699,195.94	1,036,383.65	786,826.75	985,191.30
Other Instruction	208,503.00	254,895.00	295,098.00	298,916.00	275,705.00	223,510.84	233,443.79	308,388.42	253,685.92	338,320.94
<b>Support Services:</b>										
Tuition	3,418,504.00	3,293,937.00	3,230,821.00	3,751,993.00	3,466,698.00	3,334,580.18	3,543,568.74	3,669,008.77	3,829,275.91	4,012,042.70
Student and Instruction Related Services	1,124,607.00	1,448,990.00	1,354,787.00	1,430,520.00	1,508,836.00	1,388,114.38	1,597,339.93	1,519,194.43	1,524,883.50	1,606,841.26
School Administrative Services	380,253.00	334,038.00	377,882.00	377,820.00	420,180.00	337,431.35	504,715.77	429,219.88	562,980.64	883,207.52
General and Business Administrative Services	603,082.00	628,155.00	645,400.00	657,265.00	664,693.00	404,098.90	364,165.92	472,181.53	421,205.78	426,537.67
Central Services						265,543.43	225,567.87	205,040.07	263,027.38	280,365.09
Administrative Information Technology						109,313.70	259,668.73	141,721.14	217,377.98	270,011.87
Plant Operations and Maintenance	968,082.00	1,247,774.00	729,597.00	942,418.00	826,412.00	1,123,567.11	1,118,011.25	858,922.10	825,305.49	856,036.92
Pupil Transportation	573,872.00	580,545.00	541,161.00	552,677.00	501,700.00	614,394.69	613,075.32	546,866.68	565,896.23	666,596.44
Unallocated Benefits	3,180,355.00	2,772,279.00	3,007,955.00	3,006,220.00	3,314,531.00	3,689,828.04	3,701,826.63	5,403,504.35	6,078,241.84	7,149,404.45
Transfer to Charter School								65,537.00	52,850.00	29,220.00
Special Schools	13,405.00	14,738.00	12,244.00							61,771.00
Interest on Long-Term Debt	82,391.00	73,635.00	88,177.00	52,107.00	42,956.00	40,079.67	34,251.67	24,931.66	15,511.67	141,972.38
Unallocated Depreciation	74,852.00	77,900.00	77,150.00	83,477.00	158,306.00	168,588.54	175,687.34	182,746.06	177,448.45	177,509.35
<b>Total Governmental Activities Expenses</b>	<b>15,368,016.00</b>	<b>15,341,424.00</b>	<b>15,352,303.00</b>	<b>15,824,939.00</b>	<b>15,555,148.00</b>	<b>16,698,254.02</b>	<b>17,768,416.70</b>	<b>19,571,174.42</b>	<b>20,219,759.47</b>	<b>22,178,865.56</b>
<b>Business-Type Activities:</b>										
Food Service	271,939.00	332,400.00	361,489.00	358,309.00	379,474.00	390,529.46	400,188.67	399,764.68	382,609.33	398,719.18
After School Program	103,736.00	123,296.00	111,190.00	109,262.00	143,154.00	169,282.22	206,330.21	212,895.50	162,812.35	144,265.64
Tuition Program	696,441.00	918,299.00	839,909.00	916,997.00	815,044.00	812,553.81	583,647.57	612,660.18	545,421.68	542,974.82
<b>Total Business-Type Activities Expense</b>	<b>1,072,118.00</b>	<b>1,373,997.00</b>	<b>1,312,588.00</b>	<b>1,384,568.00</b>	<b>1,337,672.00</b>	<b>1,372,365.49</b>	<b>1,190,166.45</b>	<b>612,660.18</b>	<b>545,421.68</b>	<b>542,974.82</b>
<b>Total District Expenses</b>	<b>\$ 16,440,134.00</b>	<b>\$ 16,715,421.00</b>	<b>\$ 16,664,891.00</b>	<b>\$ 17,209,507.00</b>	<b>\$ 16,892,820.00</b>	<b>\$ 18,070,619.51</b>	<b>\$ 18,958,583.15</b>	<b>\$ 20,183,834.60</b>	<b>\$ 20,765,181.15</b>	<b>\$ 22,721,840.38</b>



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Changes in Net Position  
Last Ten Fiscal Years  
(accrual basis of accounting)  
Unaudited

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Program Revenues:</b>										
Governmental Activities:										
Operating Grants and Contributions	\$ 2,275,786.00	\$ 2,608,825.00	\$ 2,951,109.00	\$ 1,867,115.00	\$ 1,920,292.00	\$ 1,868,202.00	\$ 1,888,983.00	\$ 1,881,382.27	\$ 4,156,919.16	\$ 4,981,068.77
Charges for Services	2,275,786.00	2,608,825.00	2,951,109.00	1,867,115.00	1,920,292.00	1,868,202.00	1,888,983.00	1,897,459.77	4,276,546.33	5,292,330.91
<b>Total Governmental Activities Program Revenues</b>										
Business-Type Activities:										
Charges for Services:										
Food Service	90,316.00	114,385.00	108,967.00	166,223.00	160,664.00	152,709.00	155,982.00	131,467.86	129,694.61	131,588.32
After School Program	129,146.00	125,593.00	170,514.00	199,996.00	159,446.00	164,875.00	158,922.00	185,396.90	182,593.50	202,592.42
Tuition Program	1,178,398.00	791,163.00	958,302.00	1,013,234.00	969,735.00	1,054,004.00	875,506.00	248,800.00	301,620.00	303,401.20
Operating Grants and Contributions	128,893.00	131,652.00	152,809.00	169,145.00	211,314.00	201,438.00	230,425.00	295,967.35	613,908.11	637,581.94
Total Business-Type Activities Program Revenues	1,526,853.00	1,462,793.00	1,390,592.00	1,548,598.00	1,501,159.00	1,573,026.00	1,420,835.00	821,632.11	1,489,218.62	1,619,162.85
Total District Program Revenues	\$ 3,802,639.00	\$ 3,771,618.00	\$ 4,341,701.00	\$ 3,415,713.00	\$ 3,421,451.00	\$ 3,441,228.00	\$ 3,309,818.00	\$ 2,719,091.88	\$ 4,890,454.44	\$ 5,929,912.85
Net (Expense)/Revenue:										
Governmental Activities	\$ (12,759,191.00)	\$ (12,390,315.00)	\$ (13,485,188.00)	\$ (13,904,647.00)	\$ (13,686,946.00)	\$ (14,809,271.02)	\$ (15,870,956.93)	\$ (16,117,432.03)	\$ (15,943,213.14)	\$ (16,886,534.65)
Business-Type Activities	90,675.00	16,595.00	236,010.00	116,591.00	235,354.00	48,469.51	668,534.34	(29,822.74)	66,486.43	94,607.12
Total District-Wide Net Expense	\$ (12,668,516.00)	\$ (12,373,720.00)	\$ (13,249,178.00)	\$ (13,788,056.00)	\$ (13,451,592.00)	\$ (14,760,801.51)	\$ (15,202,422.59)	\$ (16,147,254.77)	\$ (15,876,726.71)	\$ (16,791,927.53)
<b>General Revenues and Other Changes in Net Position:</b>										
Governmental Activities:										
Property Taxes Levied for General Purposes, net	\$ 7,000,303.00	\$ 7,317,531.00	\$ 7,491,510.00	\$ 7,791,170.00	\$ 7,960,155.00	\$ 7,771,800.00	\$ 7,987,511.88	\$ 8,556,158.00	\$ 8,939,088.19	\$ 9,409,647.00
Unrestricted Grants and Contributions	5,043,229.00	5,305,011.00	6,300,808.00	6,152,782.00	6,022,648.00	6,429,017.00	6,620,279.86	6,635,688.94	6,644,562.36	6,834,796.24
State Aid Restricted for Capital Projects				694,298.00						
Miscellaneous Income	211,798.00	185,918.00	172,677.00	206,073.00	175,327.00	249,220.00	216,676.45	326,555.24	256,904.12	137,249.77
Loss on Disposal of Equipment		(113,972.00)				(676,783.00)				(1,339.76)
Transfers	311,891.00	67,916.00	227,546.00	178,841.00	150,000.00	100,000.00	193,192.00	209,807.29	138,740.00	
Total Governmental Activities	12,567,221.00	12,762,404.00	14,192,541.00	15,023,164.00	14,308,130.00	13,873,254.00	15,017,659.99	15,728,209.47	15,979,294.67	16,380,353.25
Business-Type Activities:										
Investment Earnings	63,866.00	40,116.00	13,574.00	11,082.00	9,795.00	3,346.00	528.64			
Transfers	(311,891.00)	(67,916.00)	(94,282.00)	(178,841.00)	(150,000.00)	(100,000.00)	(193,192.00)	(209,807.29)	(138,740.00)	
Total Business-Type Activities	(248,025.00)	(27,800.00)	(80,708.00)	(167,759.00)	(140,205.00)	(92,877.00)	(192,663.36)	(209,807.29)	(138,740.00)	
Total District-Wide	\$ 12,319,196.00	\$ 12,734,604.00	\$ 14,111,833.00	\$ 14,855,405.00	\$ 14,167,925.00	\$ 13,780,377.00	\$ 14,824,996.63	\$ 15,518,402.18	\$ 15,840,554.67	\$ 16,380,353.25
<b>Change in Net Position:</b>										
Governmental Activities	\$ (191,970.00)	\$ 372,089.00	\$ 707,353.00	\$ 1,118,517.00	\$ 621,184.00	\$ (936,017.02)	\$ (853,296.94)	\$ (389,222.56)	\$ 36,081.53	\$ (506,181.40)
Business-Type Activities	(157,350.00)	(11,205.00)	155,302.00	(51,168.00)	95,149.00	(44,407.49)	(561,197.70)	(239,630.03)	(70,253.57)	94,607.12
Total District	\$ (349,320.00)	\$ 360,884.00	\$ 862,655.00	\$ 1,067,349.00	\$ 716,333.00	\$ (890,424.51)	\$ (1,414,494.64)	\$ (628,852.59)	\$ (34,172.04)	\$ (411,574.28)

In accordance with GASBS No. 65, effective for the fiscal year ended June 30, 2013, the method to expense debt issuance costs was changed.

For the fiscal year ended June 30, 2015, the School District adopted GASBS No's 68 and 71, which required the School District to record its proportionate share of the net pension liability and related deferred outflows and inflows of resources in the government-wide financial statements. Balances prior to June 30, 2015 are shown as originally reported and have not been restated for this adoption.

Source: District Records

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

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

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund:										
Restricted for:										
Capital Reserve	\$ 33,712.00	\$ 783,712.00	\$ 787,573.00	\$ 1,486,160.00	\$ 1,244,348.00	\$ 779,830.98	\$ 361,916.51	\$ 141,573.74	\$ 141,715.38	\$ 61,792.15
Excess Surplus	590,375.00	303,791.00	559,449.00	72,080.00	916,409.00	1,198,755.14	427,812.67	145,466.67	224,337.16	546,779.97
Emergency Reserve		250,000.00	250,000.00	262,000.00	262,000.00	184,000.00	184,102.35	176,784.64	176,961.51	200,000.00
Maintenance Reserve					100,001.00	100,001.00	40,046.02	4,079.72	100,083.80	125,183.93
Assigned to:										
Encumbrances			81,523.00			101,589.56	14,198.28	34,270.64		
Designated for Subsequent Year's Budget	754,060.00	647,336.00	535,358.00	635,842.00	295,415.00		98,321.00	101,760.82	200,000.00	#REF!
Unassigned	16,297.00	(307,397.00)	(302,759.00)	(248,157.00)	(293,216.00)	(285,501.83)	(275,266.32)	(293,314.88)	(266,553.52)	(108,148.58)
Total General Fund	<u>\$1,394,444.00</u>	<u>\$1,677,442.00</u>	<u>\$1,911,144.00</u>	<u>\$2,207,925.00</u>	<u>\$2,524,957.00</u>	<u>\$2,078,674.85</u>	<u>\$ 851,130.51</u>	<u>\$ 310,621.35</u>	<u>\$ 576,544.33</u>	<u>#REF!</u>
All Other Governmental Funds:										
Unassigned, Reported In:										
Special Revenue Fund	\$ (43,967.00)	\$ -	\$ 59,851.00	\$ -	\$ -	\$ (12,506.00)	\$ (11,355.10)	\$ (9,380.30)	\$ (9,380.30)	\$ (9,874.00)
Restricted, Reported In:										
Capital Projects Fund	243,504.00	600,000.00	236,279.00	236,279.00	236,279.00	236,279.06	236,279.06	236,279.06	2,877,709.84	6,625,863.88
Debt Service Fund	50,716.00	243,504.00	243,660.00	56,076.00	55,920.00	26,095.00	46,895.00	50,920.00	25,610.00	10,912.03
Total All Other Governmental Funds	<u>\$ 250,253.00</u>	<u>\$ 843,504.00</u>	<u>\$ 539,790.00</u>	<u>\$ 292,355.00</u>	<u>\$ 292,199.00</u>	<u>\$ 249,868.06</u>	<u>\$ 271,818.96</u>	<u>\$ 277,818.76</u>	<u>\$2,893,939.54</u>	<u>\$6,626,901.91</u>

In accordance with GASBS No. 54, effective for the fiscal year ended June 30, 2011, the description and terminology utilized to identify Fund Balance was changed.

Source: District Records

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Changes in Fund Balances, Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Unaudited

	Fiscal Year Ending June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>Revenues:</b>										
Tax Levy	\$ 7,317,531.00	\$ 7,491,510.00	\$ 7,791,170.00	\$ 7,960,155.00	\$ 7,771,800.00	\$ 7,927,236.00	\$ 7,987,511.88	\$ 8,556,158.00	\$ 8,939,088.19	\$ 9,409,647.00
Transportation Fees					16,428.00					
Interest Earnings	982.00	514.00	3,915.00	5,929.00	2,839.00					
Unrestricted Miscellaneous Revenues	184,936.00	172,163.00	202,158.00	319,398.00	229,953.00	154,703.30	232,753.95	494,111.27	376,531.29	591,850.51
State Sources	7,645,926.00	7,360,155.00	6,867,774.00	7,065,078.00	7,387,336.00	8,061,297.48	7,854,742.13	8,077,124.00	8,228,185.87	8,433,714.33
Federal Sources	610,194.00	807,768.00	1,899,598.00	769,305.00	930,664.00	543,242.98	646,919.80	615,289.30	688,107.65	647,366.48
Local Sources										2,985.20
<b>Total Revenue</b>	<b>15,759,569.00</b>	<b>15,832,110.00</b>	<b>16,764,615.00</b>	<b>16,119,865.00</b>	<b>16,339,020.00</b>	<b>16,686,479.76</b>	<b>16,721,927.76</b>	<b>17,742,682.57</b>	<b>18,231,913.00</b>	<b>19,085,563.52</b>
<b>Expenditures:</b>										
<b>Instruction:</b>										
Regular Instruction	3,944,836.00	4,133,576.00	4,349,689.00	3,944,400.00	3,639,215.00	4,184,238.47	4,673,040.81	4,673,571.30	4,673,571.30	4,257,334.03
Special Education Instruction	643,885.00	585,746.00	629,861.00	672,747.00	914,127.00	785,533.38	699,195.94	1,036,383.65	786,828.75	985,191.30
Other Instruction	208,503.00	254,895.00	295,098.00	298,916.00	275,705.00	223,510.84	233,443.79	308,388.42	253,685.92	338,320.94
<b>Support Services:</b>										
Tuition	3,418,504.00	3,293,937.00	3,230,821.00	3,751,993.00	3,466,698.00	3,334,580.18	3,543,568.74	3,669,008.77	3,829,275.91	4,012,042.70
Student & Inst. Related Services	1,124,607.00	1,448,990.00	1,354,787.00	1,430,520.00	1,508,836.00	1,388,114.38	1,597,339.93	1,519,194.43	1,524,883.50	1,606,841.26
School Administrative Services	380,253.00	334,038.00	377,882.00	377,620.00	420,180.00	404,098.90	364,165.92	421,181.53	421,205.78	426,537.67
General and Business Administrative Services	594,322.00	613,246.00	630,637.00	642,502.00	650,739.00	316,294.67	470,320.69	368,425.32	502,804.01	823,512.19
Central Services						265,543.43	225,567.87	205,040.07	263,027.38	280,365.09
Administrative Information Technology						109,313.70	259,668.73	141,721.14	217,377.98	270,011.87
Plant Operations and Maintenance	965,386.00	1,064,002.00	949,257.00	884,385.00	918,784.00	1,057,771.24	1,114,718.91	855,997.84	803,460.66	852,283.99
Pupil Transportation	556,528.00	561,727.00	523,849.00	535,365.00	489,274.00	605,328.09	607,068.15	543,918.95	565,210.50	658,699.26
Employee Benefits	3,180,355.00	2,722,279.00	3,007,955.00	3,006,220.00	3,314,531.00	3,744,906.04	3,637,015.94	4,035,109.86	4,032,517.86	4,311,582.24
Transfer to Charter Schools	13,405.00	14,738.00	12,244.00					65,537.00	52,850.00	29,220.00
Special Schools										61,771.00
Capital Outlay	106,972.00	449,598.00	1,353,490.00	237,002.00	244,195.00	681,709.06	321,134.69	330,705.94	78,198.10	9,490,364.90
Debt Service:										
Principal	233,000.00	233,000.00	233,000.00	233,000.00	233,000.00	233,000.00	336,328.09	233,000.00	239,000.00	
Interest and Other Charges	82,391.00	73,635.00	64,898.00	55,869.00	46,840.00	43,963.00	38,135.00	28,815.00	19,495.00	
<b>Total Expenditures</b>	<b>15,452,947.00</b>	<b>15,783,407.00</b>	<b>17,013,468.00</b>	<b>16,070,539.00</b>	<b>16,122,124.00</b>	<b>17,377,905.38</b>	<b>18,120,713.20</b>	<b>18,486,999.22</b>	<b>18,188,609.24</b>	<b>154,632.97</b>
<b>Excess (Deficiency) of Revenues over (under) Expenditures</b>	<b>306,622.00</b>	<b>48,703.00</b>	<b>(248,853.00)</b>	<b>49,326.00</b>	<b>216,896.00</b>	<b>(691,425.62)</b>	<b>(1,398,785.44)</b>	<b>(744,316.65)</b>	<b>43,303.76</b>	<b>(9,473,147.89)</b>
<b>Other Financing Sources (Uses):</b>										
Proceeds from Borrowing		600,000.00							2,700,000.00	16,169,000.00
Bond Anticipation Notes Paid with Bond Issue Proceeds										(2,700,000.00)
Cancellation of Project Against State SDA Grant Receivable										(143,338.60)
Transfers In	77,804.00	506,050.00	178,895.00	57,342.00	222,149.00	214,614.34	193,192.00	209,807.29	138,740.00	222,940.46
Transfers Out	(9,888.00)	(278,504.00)	(54.00)	(57,342.00)	(122,149.00)					(222,940.46)
<b>Total Other Financing Sources (Uses)</b>	<b>67,916.00</b>	<b>827,546.00</b>	<b>178,841.00</b>	<b>-</b>	<b>100,000.00</b>	<b>214,614.34</b>	<b>193,192.00</b>	<b>209,807.29</b>	<b>2,838,740.00</b>	<b>13,325,661.40</b>
<b>Net Change in Fund Balances</b>	<b>\$ 374,538.00</b>	<b>\$ 876,249.00</b>	<b>\$ (70,012.00)</b>	<b>\$ 49,326.00</b>	<b>\$ 316,896.00</b>	<b>\$ (476,811.28)</b>	<b>\$ (1,205,593.44)</b>	<b>\$ (534,509.36)</b>	<b>\$ 2,882,043.76</b>	<b>\$ 3,852,513.51</b>
<b>Debt Service as a Percentage of Noncapital Expenditures</b>	2.06%	2.00%	1.90%	1.82%	1.76%	1.66%	2.10%	1.44%	1.43%	0.81%

Source: District Records

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 General Fund - Other Local Revenue By Source  
 Last Ten Fiscal Years  
*Unaudited*

	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Interest	\$ 69,895.00	\$ 24,040.00	\$ 25,258.00	\$ 25,863.00	\$ 14,218.00	\$ 3,341.05	\$ 1,952.03	\$ 1,812.01	\$ 7,727.22	\$ 73,142.87
Tuition	6,061.00	47,215.00	20,783.00	31,965.00	16,428.00				119,627.17	311,262.14
Premium of BAN									8,913.00	
E-Rate			9,541.00	16,352.00	17,426.00	18,122.63	21,747.23	65,010.49	92,979.49	119,378.68
Donations				5,695.00	1,126.00					
Prior Year Refunds	39,180.00	36,456.00	51,284.00	6,440.00	107,084.00	17,260.31	2,761.29	39,235.79	23,135.00	
Rentals	65,038.00	62,051.00	90,861.00	88,992.00	68,440.00	75,871.87	88,550.00		85,050.00	
Sale of Bus							35,000.00			51,975.00
Prior Year Cancelled Checks								55,180.26		
Miscellaneous	5,744.00	2,915.00	8,346.00	20.00	24,498.00	12,761.91	65,978.05	52,026.13	39,099.41	36,091.82
	<u>\$ 185,918.00</u>	<u>\$ 172,677.00</u>	<u>\$ 206,073.00</u>	<u>\$ 175,327.00</u>	<u>\$ 249,220.00</u>	<u>\$ 127,357.77</u>	<u>\$ 215,988.60</u>	<u>\$ 213,264.68</u>	<u>\$ 376,531.29</u>	<u>\$ 591,850.51</u>

Source: District Records

## Revenue Capacity Information

Revenue capacity information is intended to assist users in understanding and assessing the factors affecting the School District's ability to generate revenues. Please refer to the following exhibits for a historical view of these factors and how they relate to the School District's ability to generate revenues.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Assessed Value and Actual Value of Taxable Property  
 Last Ten Years  
*Unaudited*

Year	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Tax - Exempt Property	Estimated Actual (County Equalized) Value	Total Direct School Tax Rate <sup>b</sup>
2017	\$ 7,660,500	\$ 451,854,100	\$ 586,700	\$ 168,000	\$ 59,429,600	\$ 8,627,900	\$ 63,064,200	\$ 591,391,000	\$	\$ 591,391,100	\$ 79,995,800	\$ 538,411,326	\$ 1.691
2016	9,579,200	452,815,100	1,236,700	166,900	60,053,700	8,627,900	63,064,200	595,543,700	100	595,543,800	79,676,600	531,925,420	1.576
2015	8,453,400	458,273,500	1,236,700	166,900	64,046,100	7,027,900	64,891,400	604,095,900	100	604,096,000	79,587,700	579,301,884	1.480
2014	7,693,400	461,491,000	1,236,700	166,900	65,565,600	7,027,900	64,891,400	608,072,900	430,120	608,503,020	80,368,900	654,847,299	1.359
2013	8,058,700	463,867,700	1,236,700	166,900	65,670,500	7,351,900	64,891,400	611,243,800	602,419	611,846,219	80,212,800	569,624,761	1.300
2012	9,118,700	465,201,000	1,236,700	166,900	64,329,500	7,501,900	69,104,400	616,659,100	657,881	617,316,981	79,875,200	587,422,706	1.272
2011	R 9,456,800	469,168,600	1,236,700	166,900	64,429,000	7,614,500	69,402,900	621,475,400	682,336	622,157,736	78,685,200	623,764,882	1.264
2010	3,420,800	238,723,600	602,200	134,700	33,643,600	4,442,100	26,297,800	307,264,800	412,610	307,677,410	43,563,000	638,237,202	2.560
2009	3,518,100	238,411,200	602,200	134,700	34,055,300	4,442,100	28,767,400	309,931,000	394,085	310,325,085	43,593,100	675,262,675	2.462
2008	3,678,100	237,762,400	602,200	134,700	34,417,300	4,442,100	29,717,400	310,754,200	379,967	311,134,167	43,593,100	642,390,317	2.380

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

b Tax rates are per \$100

R Revaluation Year

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Direct and Overlapping Property Tax Rates

Per \$100.00 of Assessed Valuation

Last Ten Years

*Unaudited*

Year	School District Direct Rate			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct School Tax Rate	Township of Edgewater Park	Fire District	Burlington County	
2017	\$ 1.691	\$ -	\$ 1.691	\$ 0.820	\$ 0.069	\$ 0.372	\$ 2.952
2016	1.576		1.576	0.779	0.067	0.365	2.787
2015	1.480		1.480	0.741	0.065	0.399	2.685
2014	1.359		1.359	0.706	0.063	0.412	2.540
2013	1.300		1.300	0.659	0.053	0.356	2.368
2012	1.272		1.272	0.638	0.053	0.360	2.323
2011	R 1.264		1.264	0.618	0.051	0.381	2.314
2010	2.560		2.560	0.193	0.101	0.788	3.642
2009	2.462		2.462	1.064	0.100	0.828	4.454
2008	2.380		2.380	0.990	0.100	0.803	4.273

Source: Abstract of Ratables for the County of Burlington

R - Revaluation

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Principal Property Taxpayers  
Current Year and Nine Years Ago  
*Unaudited*

Taxpayer	2017			2008		
	Taxable Assessed Value	Rank	% to Total District Net Assessed Value	Taxable Assessed Value	Rank	% to Total District Net Assessed Value
Edgewater Park Real Estate	\$ 19,350,000.00	1	3.27%	\$ 10,000,000.00	1	3.21%
Edgewater Manor Apartments	17,500,000.00	2	2.96%	8,750,000.00	2	2.81%
AION Woodlane Crossings	15,372,900.00	3	2.60%			
Rosemar Properties	9,599,000.00	4	1.62%	3,043,900.00	5	0.98%
Edgewater Park Plaza LLC	4,917,000.00	5	0.83%			
ALDI, Inc	4,510,000.00	6	0.76%			
Burlington Coat Factory Warehouse	3,876,100.00	7	0.66%			
Ariel Realty	3,661,000.00	8	0.62%			
Edgewater Commons, LLC	3,366,000.00	9	0.57%			
Public Storage Management	3,068,900.00	10	0.52%	1,808,300.00	9	0.58%
Edgewater Beach Apartments				5,250,000.00	3	1.69%
Pathmark				4,700,000.00	4	1.51%
Edgewater Partnership				2,236,900.00	6	0.72%
Rosemar Properties				2,190,000.00	7	0.70%
D.S.I. Realty				2,000,300.00	8	0.64%
L&M Distribution Center				1,545,600.00	10	0.50%
<b>Total</b>	<b>\$ 65,870,900.00</b>		<b>11.14%</b>	<b>41,525,000.00</b>		<b>10.13%</b>

Source: Municipal Tax Assessor



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
Property Tax Levies and Collections  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy (1)		Collections in Subsequent Years
		Amount	Percentage of Levy	
2017	\$ 9,409,647.00	\$ 9,409,647.00	100.00%	\$ -
2016	8,939,088.19	8,939,088.19	100.00%	-
2015	8,556,158.00	8,556,158.00	100.00%	-
2014	7,986,736.00	7,986,736.00	100.00%	-
2013	7,927,236.00	7,187,167.38	90.66%	647,650.00
2012	7,771,800.00	7,771,800.00	100.00%	-
2011	7,960,155.00	7,960,155.00	100.00%	-
2010	7,791,170.00	7,791,170.00	100.00%	-
2009	7,491,510.00	7,491,510.00	100.00%	-
2008	7,317,531.00	7,317,531.00	100.00%	-

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

Source: District Records

## Debt Capacity Information

Debt capacity information is intended to assist users in understanding and assessing the School District's debt burden and its ability to issue additional debt. Please refer to the following exhibits for a historical view of the School District's outstanding debt and its debt capacity.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Ratios of Outstanding Debt by Type  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income (1)	Per Capita (2)
	General Obligation Bonds	Bond Anticipation Notes	Capital Leases			
2017	\$ 16,169,000.00	\$ -	\$ -	\$ 16,169,000.00	Not Available	Not Available
2016	-	2,700,000.00	-	2,700,000.00	Not Available	\$ 308.47
2015	239,000.00	-	-	239,000.00	0.05%	27.20
2014	472,000.00	-	-	472,000.00	0.10%	53.50
2013	705,000.00	-	103,328.09	808,328.09	0.18%	91.48
2012	938,000.00	-	202,969.00	1,140,969.00	0.25%	128.56
2011	1,171,000.00	-	299,056.00	1,470,056.00	0.33%	165.57
2010	1,404,000.00	-	422,872.00	1,826,872.00	0.43%	205.59
2009	1,637,000.00	-	645,220.00	2,282,220.00	0.62%	295.59
2008	1,870,000.00	-	58,359.00	1,928,359.00	0.52%	250.47

(1) Personal income has been estimated based upon the municipal population and per capita

(2) Population information provided by the NJ Dept. Of Labor and Workforce Development

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Ratios of Net General Bonded Debt Outstanding  
 Last Ten Fiscal Years  
*Unaudited*

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property (1)	Per Capita (2)
	General Obligation Bonds	Bond Anticipation Notes	Net General Bonded Debt Outstanding		
2017	\$ 16,169,000.00	\$ -	\$ 16,169,000.00	2.73%	Not Available
2016	-	2,700,000.00	2,700,000.00	0.45%	\$ 308.47
2015	239,000.00	-	239,000.00	0.04%	27.20
2014	472,000.00	-	472,000.00	0.08%	53.50
2013	705,000.00	-	705,000.00	0.12%	79.79
2012	938,000.00	-	938,000.00	0.15%	105.69
2011	1,171,000.00	-	1,171,000.00	0.19%	131.88
2010	1,404,000.00	-	1,404,000.00	0.46%	158.00
2009	1,637,000.00	-	1,637,000.00	0.53%	212.02
2008	1,870,000.00	-	1,870,000.00	0.60%	242.89

(1) Net Assessed Valuation provided by Abstract of Ratables, County Board of Taxation

(2) Population information provided by the NJ Dept. Of Labor and Workforce Development

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Direct and Overlapping Governmental Activities Debt  
 As of December 31, 2016  
*Unaudited*

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Net Debt Estimated Share of Overlapping Debt</u>
Debt Repaid with Property Taxes:			
Township of Edgewater Park (1)	\$ 7,074,412.43	100.00%	\$ 7,074,412.43
Burlington County General Obligation Debt (1)(A)	236,515,006.00	1.15%	<u>2,715,979.17</u>
Subtotal, Overlapping Debt			9,790,391.60
Edgewater Park Township School District Direct Debt (2)	16,169,000.00	100.00%	<u>16,169,000.00</u>
Total Direct and Overlapping Debt			<u>\$ 25,959,391.60</u>

Sources:

- (1) Entity's Audit Report
- (2) District Records
- (A) The debt for this entity was apportioned to Edgewater Park Township by dividing the Township's 2016 equalized value by the total 2016 equalized value for the County of Burlington, which results in an apportionment of 1.15%.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Computation of Legal Debt Margin  
 Last Ten Fiscal Years  
*Unaudited*

**Legal Debt Margin Calculation for Fiscal Year 2017**

	Fiscal Year Ended June 30,									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Debit Limit	\$ 16,648,716.02	\$ 17,764,862.05	\$ 18,109,857.46	\$ 18,146,105.62	\$ 17,791,674.05	\$ 18,434,787.00	\$ 19,284,981.00	\$ 19,464,055.00	\$ 18,805,083.00	\$ 17,030,168.00
Total net debt applicable to limit (3)	16,169,000.00		239,000.00	472,000.00	705,000.00	938,000.00	1,171,000.00	1,404,000.00	1,637,000.00	1,870,000.00
Legal Debt Margin	\$ 479,716.02	\$ 17,764,862.05	\$ 17,870,857.46	\$ 17,674,105.62	\$ 17,086,674.05	\$ 17,496,787.00	\$ 18,113,981.00	\$ 18,060,055.00	\$ 17,168,083.00	\$ 15,160,168.00
Total net debt applicable to the limit as a percentage of debt limit	97.12%	-	1.32%	2.60%	3.96%	5.09%	6.07%	7.21%	8.71%	10.98%

	Equalized Valuation Basis (1)			
	2016	2015	2014	[A]
	\$ 542,192,007.00	539,564,041.00	583,115,554.00	\$ 1,664,871,602.00
Average equalized valuation of taxable property	[A/3]			\$ 554,957,200.67
Debt limit (3% of average equalization value) (2)	[B]			\$ 16,648,716.02
Total Net Debt Applicable to Limit	[C]			16,169,000.00
Legal Debt Margin	[B-C]			\$ 479,716.02

Sources:  
 (1) Equalized valuation bases were provided by the Annual Report of the State of New Jersey, Department of Treasury, Division of Taxation  
 (2) Limit set by NJSA 18A:24-19 for a K through 8 district.  
 (3) District Records

## Demographic and Economic Information

Demographic and economic information is intended (1) to assist users in understanding the socioeconomic environment within which the School District operates and (2) to provide information that facilitates comparisons of financial statement information over time and among school districts. Please refer to the following exhibits for a historical view of the demographic and economic statistics and factors prevalent in the location in which the School District operates.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Demographic and Economic Statistics  
 Last Ten Years  
*Unaudited*

---

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Unemployment Rate (4)</u>
2016	8,753	Not Available	Not Available	5.00%
2015	8,788	\$ 485,334,876.00	\$ 55,227.00	5.10%
2014	8,823	474,209,781.00	53,747.00	7.60%
2013	8,836	457,572,260.00	51,785.00	10.40%
2012	8,875	456,086,250.00	51,390.00	11.90%
2011	8,879	443,550,445.00	49,955.00	11.50%
2010	8,886	426,945,642.00	48,047.00	11.80%
2009	7,721	367,897,929.00	47,649.00	11.10%
2008	7,699	368,135,384.00	47,816.00	6.50%
2007	7,756	358,234,128.00	46,188.00	4.80%

- (1) Population information provided by the NJ Dept. Of Labor and Workforce Development  
 (2) Personal income has been estimated based upon the municipal population and per capita  
 (3) Per Capita personal income by municipality-estimated based upon the 2000 Census published  
 (4) Unemployment data provided by the NJ Dept. of Labor and Workforce Development



**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Principal Employers

Current Year and Nine Years Ago

*Unaudited*

Employer	2017		2008	
	Approximate Number of Employees	Percentage of Total Municipal Employment (1)	Approximate Number of Employees	Rank
				Rank
				Percentage of Total Municipal Employment (1)

**Information Not Available**

## Operating Information

Operating information is intended to provide contextual information about the School District's operations and resources to assist readers in using financial statement information to understand and assess the School District's economic condition. Please refer to the following exhibits for a historical view of the factors and statistics pertinent to the School District's operations.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Full-time Equivalent District Employees by Function/Program  
 Last Ten Fiscal Years  
*Unaudited*

<u>Function/Program</u>	Fiscal Year Ended June 30,									
	<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>2017</u>
Instruction:										
Regular	63	69	69	69	69	69	49	51	57	49
Special Education	14	12	12	12	12	12	12	12	10	32
Other Instruction	7	6	6	7	7	7	12	11	5	2
Support Services:										
Student and Instruction Related Services	16	15	15	16	16	16	10	10	6	68
School Administrative Services	10	9	9	9	8	8	6	6	5	2
General Administration	4	4	4	4	4	4	1	4	1	4
Plant Operations and Maintenance	12	12	12	11	11	11	4	4	4	14
Pupil Transportation	4	3	3	2	2	1	1			
Food Service	4	2	2							
<b>Total</b>	<b>134</b>	<b>132</b>	<b>132</b>	<b>130</b>	<b>129</b>	<b>128</b>	<b>95</b>	<b>97</b>	<b>89</b>	<b>171</b>

Source: District Personnel Records

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**

Operating Statistics  
Last Ten Fiscal Years  
*Unaudited*

Fiscal Year June 30,	Enrollment	Operating Expenditures <sup>a</sup>	Cost Per Pupil	Percentage Change	Teaching Staff <sup>b</sup>	Pupil/Teacher Ratio		Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School				
2017	868.0	\$ 18,599,934.54	\$ 21,428.50	3.06%	83	1:11	1:11	865.8	819.8	0.68%	94.69%
2016	860.0	17,881,480.02	20,792.42	0.12%	72	1:12	1:12	860.0	817.0	-0.92%	95.00%
2015	868.0	18,026,933.86	20,768.36	2.61%	73	1:12	1:12	868.0	826.0	-0.34%	95.16%
2014	873.0	17,669,321.49	20,239.77	7.36%	81	1:10	1:10	871.0	830.0	4.74%	95.29%
2013	883.0	16,645,864.38	18,851.49	3.09%	81	1:10	1:10	831.6	762.4	-3.53%	91.68%
2012	853.0	15,598,089.00	18,286.15	0.34%	81	1:10	1:10	862.0	813.6	1.52%	94.39%
2011	853.0	15,544,688.00	18,223.55	4.04%	81	1:10	1:10	849.1	799.7	-2.08%	94.18%
2010	877.0	15,362,080.00	17,516.62	-3.37%	81	1:10	1:10	867.1	815.8	3.70%	94.08%
2009	829.0	15,027,174.00	18,126.87	0.34%	81	1:10	1:10	836.2	791.7	1.23%	94.68%
2008	832.0	15,030,584.00	18,065.61	5.69%	80	1:13	1:10	826.0	785.0	-2.91%	95.04%

**Sources:** District records

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

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 School Building Information  
 Last Ten Fiscal Years  
*Unaudited*

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b><u>District Building</u></b>										
<b><u>Elementary</u></b>										
Magowan School (1955):										
Square Feet	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410	68,410
Capacity (students)	736	736	736	736	736	736	736	736	736	598
Enrollment	510	507	520	512	512	520	520	532	538	540
<b><u>Middle School</u></b>										
Ridgway School (1969):										
Square Feet	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744	65,744
Capacity (students)	480	480	480	480	480	480	480	480	480	319
Enrollment	322	322	357	341	341	363	363	336	316	328

Number of Schools at June 30, 2017  
 Elementary = 1  
 Middle School = 1

Source: District Records  
 Note: Enrollment is based on the annual October district count.

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Required Maintenance  
 Last Ten Fiscal Years  
*Unaudited*

Undistributed Expenditures - Required Maintenance for School Facilities 11-000-261-xxx	Fiscal Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
* School Facilities										
Magowan School	\$ 27,319.00	\$ 33,669.00	\$ 29,454.00	\$ 5,684.00	\$ 32,381.00	\$ 43,376.74	\$ 42,442.50	\$ 18,468.73	\$ 94,551.45	\$ 130,655.30
Ridgway School	18,985.00	44,945.00	23,255.00	19,705.00	23,619.00	21,196.27	21,637.24	17,500.95	90,395.64	124,122.36
	<u>\$ 46,304.00</u>	<u>\$ 78,614.00</u>	<u>\$ 52,709.00</u>	<u>\$ 25,389.00</u>	<u>\$ 56,000.00</u>	<u>\$ 64,573.01</u>	<u>\$ 64,079.74</u>	<u>\$ 35,969.68</u>	<u>\$ 184,947.09</u>	<u>\$ 254,777.66</u>

\* School facilities as defined under EFCFA.  
 (N.J.A.C. 6A:26-1.2 and N.J.A.C. 6:24-1.3)

## EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT

Insurance Schedule

June 30, 2017

Unaudited

---

	<u>Coverage</u>	<u>Self-Insured Retention</u>	<u>Deductible</u>
School Package Property (1)			
Building and Contents (All Locations)			
Limits of liability per occurrence	\$ 31,120,811.00		\$ 1,000.00
General Liability (1)	3,000,000.00		1,000.00
Automobile Liability (2)	1,000,000.00		10,000.00
Inland Marine	500,000.00		500.00
Crime Coverage	100,000.00		500.00
Commercial Umbrella (2)	10,000,000.00	\$ 10,000.00	
Workers' Compensation (3)	Statutory		
Student Accident (4)	1,000,000.00		
Surety Bonds (5)			
Business Administrator/Board Secretary	300,000.00		
Treasurer	250,000.00		
Superintendent	225,000.00		

- (1) Republic Franklin Insurance  
(2) Utica Mutual Insurance Company  
(3) New Jersey School Boards Association Insurance Group  
(4) Berkley Life and Health  
(5) RLI Insurance Company

Source: District Records

SINGLE AUDIT SECTION



**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL  
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND  
STATE OF NEW JERSEY CIRCULAR 15-08-OMB**

**INDEPENDENT AUDITOR'S REPORT**

The Honorable President and  
Members of the Board of Education  
Edgewater Park Township School District  
Edgewater Park, New Jersey 08010

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

We have audited the Edgewater Park Township School District's, in the County of Burlington, State of New Jersey, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Grant Compliance Supplement* that could have a direct and material effect on each of the School District's major federal and state programs for the fiscal year ended June 30, 2017. The School District's major federal and state programs are identified in the *Summary of Auditor's Results* section of the accompanying *Schedule of Findings and Questioned Costs*.

**Management's Responsibility**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey; Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards, the Uniform Guidance, and State of New Jersey Circular 15-08-OMB, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the Edgewater Park Township School District's, in the County of Burlington, State of New Jersey, compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

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

In our opinion, the Edgewater Park Township School District, in the County of Burlington, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2017.

### Report on Internal Control Over Compliance

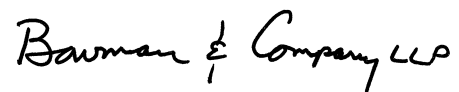
Management of the Edgewater Park Township School District, in the County of Burlington, State of New Jersey, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal or state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and State of New Jersey Circular 15-08-OMB, 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 School District's internal control over compliance.

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

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

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

Respectfully submitted,



BOWMAN & COMPANY LLP  
Certified Public Accountants  
& Consultants



Robert P. Nehila, Jr.  
Certified Public Accountant  
Public School Accountant No. CS 2065

Voorhees, New Jersey  
November 17, 2017

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of Federal Awards, Schedule A  
 For the Fiscal Year Ended June 30, 2017

<u>Federal Grantor/ Pass-through Grantor / Program Title</u>	<u>Federal CFDA Number</u>	<u>Federal FAIN Number</u>	<u>Pass Through Entity Identifying Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2016</u>		
					<u>From</u>	<u>To</u>	<u>(Accounts Receivable) / Unearned Revenue</u>	<u>Due to Grantor</u>	
<b>U.S. Department of Education:</b>									
<b>General Fund:</b>									
Passed-through State Department of Education:									
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	\$ 6,382.02	07/01/16	06/30/17	\$ -	\$ -	
ARRA - Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	694.52	04/01/09	12/31/09			
Total General Fund							-	-	
<b>Special Revenue Fund:</b>									
Passed-through State Department of Education:									
N.C.L.B.:									
Title I, Part A	84.010	S010A150030	NCLB128016	317,742.00	07/01/15	06/30/16	(121,307.12)		
Title I, Part A	84.010	S010A160030	NCLB128017	317,359.00	07/01/16	06/30/17			
Total Title I, Part A							(121,307.12)	-	
Title II, Part A Improving Teacher Quality	84.367A	S364A150029	NCLB128015	23,524.00	07/01/14	06/30/15	(768.00)		
Title II, Part A Improving Teacher Quality	84.367A	S364A150029	NCLB128016	23,275.00	07/01/15	06/30/16	(7,282.74)		
Title II, Part A Improving Teacher Quality	84.367A	S364A160029	NCLB128017	20,614.00	07/01/16	06/30/17			
Total Title II, Part A Improving Teacher Quality							(8,050.74)	-	
Title III, Part A	84.365	S365A150030	NCLB128016	15,291.00	07/01/15	06/30/16	(587.00)		
Title III, Part A	84.365	S365A160030	NCLB128017	11,841.00	07/01/16	06/30/17			
Total Title III, Part A							(587.00)	-	
Title III, Immigrant	84.365	S365A150030	NCLB128016	6,992.00	07/01/15	06/30/16	(3,814.00)		
Title III, Immigrant	84.365	S365A160030	NCLB128017	1,968.00	07/01/16	06/30/17			
Total Title III, Immigrant							(3,814.00)	-	
Total Title III							(4,401.00)	-	
I.D.E.A., Part B:									
Special Education Cluster:									
Preschool	84.173	H173A150114	PS128016	11,346.00	07/01/15	06/30/16	(1,389.00)		
Preschool	84.173	H173A160114	PS128017	11,474.00	07/01/16	06/30/17			
Basic Regular	84.027	H027A160100	FT128017	251,392.00	07/01/16	06/30/17			
Total I.D.E.A. Part B Special Education Cluster							(1,389.00)	-	
Total Special Revenue Fund							(135,147.86)	-	
<b>Enterprise Fund:</b>									
U.S. Department of Agriculture									
Passed-through State Department of Agriculture:									
Child Nutrition Cluster:									
Non-Cash Assistance (Food Distribution):									
Food Distribution Program	10.555	16161NJ304N1099	N/A	39,600.18	07/01/15	06/30/16	7,605.00		
Food Distribution Program	10.555	171NJ304N1099	N/A	33,827.28	07/01/16	06/30/17			
Cash Assistance:									
School Breakfast Program	10.553	15151NJ304N1099	N/A	34,589.54	07/01/14	06/30/15	(3,504.67)		
School Breakfast Program	10.553	16161NJ304N1099	N/A	42,554.93	07/01/15	06/30/16	(2,999.11)		
School Breakfast Program	10.553	171NJ304N1099	N/A	44,802.06	07/01/16	06/30/17			
After School Snack Program	10.555	15151NJ304N1099	N/A	3,841.59	07/01/14	06/30/15	(322.64)		
After School Snack Program	10.555	16161NJ304N1099	N/A	10,910.76	07/01/15	06/30/16	(715.68)		
After School Snack Program	10.555	171NJ304N1099	N/A	12,350.46	07/01/16	06/30/17			
National School Lunch Program	10.555	15151NJ304N1099	N/A	201,661.22	07/01/14	06/30/15	(15,302.98)		
National School Lunch Program	10.555	16161NJ304N1099	N/A	203,003.11	07/01/15	06/30/16	(11,511.42)		
National School Lunch Program	10.555	171NJ304N1099	N/A	207,044.46	07/01/16	06/30/17			
Special Milk Program for Children	10.556	15151NJ304N1099	N/A	897.95	07/01/14	06/30/15	(58.35)		
Special Milk Program for Children	10.556	16161NJ304N1099	N/A	955.94	07/01/15	06/30/16	(42.42)		
Special Milk Program for Children	10.556	171NJ304N1099	N/A	957.54	07/01/16	06/30/17			
Total Child Nutrition Cluster							(26,852.27)	-	
Total Enterprise Fund							(26,852.27)	-	
Total Federal Financial Assistance							\$ (162,000.13)	\$ -	

(a) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Carryover / (Walkover) Amount	Budgetary Expenditures					Balance June 30, 2017				
	Cash Received	Pass Through Funds	Direct Funds	Total Budgetary Expenditures	Passed Through to Subrecipients	Adjustments (a)	Repayment of Prior Years' Balances	(Accounts Receivable)	Unearned Revenue	Due to Grantor
\$ -	\$ 6,382.02	\$ (6,382.02)	\$ -	\$ (6,382.02)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	694.52	(694.52)		(694.52)						
-	7,076.54	(7,076.54)	-	(7,076.54)	-	-	-	-	-	-
(21,066.00)	142,372.00					1.12				
21,066.00	245,431.00	(335,237.20)		(335,237.20)		(1.12)		(71,928.00)	3,186.68	
-	387,803.00	(335,237.20)	-	(335,237.20)	-	-	-	(71,928.00)	3,186.68	-
	768.00									
(13,790.00)	21,073.00					(0.26)				
13,790.00	18,628.00	(34,404.00)		(34,404.00)		(2,202.00)		(4,188.00)		
-	40,469.00	(34,404.00)	-	(34,404.00)	-	(2,202.26)	-	(4,188.00)	-	-
	587.00									
	1,760.00	(4,955.74)		(4,955.74)				(10,081.00)	6,885.26	
-	2,347.00	(4,955.74)	-	(4,955.74)	-	-	-	(10,081.00)	6,885.26	-
	3,814.00									
	1,060.00	(1,060.00)		(1,060.00)				(908.00)	908.00	
-	4,874.00	(1,060.00)	-	(1,060.00)	-	-	-	(908.00)	908.00	-
-	7,221.00	(6,015.74)	-	(6,015.74)	-	-	-	(10,989.00)	7,793.26	-
	1,389.00									
	7,740.00	(11,474.00)		(11,474.00)				(3,734.00)		
	251,392.00	(251,392.00)		(251,392.00)						
-	260,521.00	(262,866.00)	-	(262,866.00)	-	-	-	(3,734.00)	-	-
-	696,014.00	(638,522.94)	-	(638,522.94)	-	(2,202.26)	-	(90,839.00)	10,979.94	-
	33,827.00	(7,605.00)		(7,605.00)					7,285.72	
		(26,541.28)		(26,541.28)						
	2,999.11							(3,504.67)		
	41,399.40	(44,802.06)		(44,802.06)				(3,402.66)		
								(322.64)		
	715.68							(780.88)		
	11,569.58	(12,350.46)		(12,350.46)				(15,302.98)		
	11,511.42									
	193,774.50	(207,044.46)		(207,044.46)				(13,269.96)		
								(58.35)		
	42.42									
	903.61	(957.54)		(957.54)				(53.93)		
-	296,742.72	(299,300.80)	-	(299,300.80)	-	-	-	(36,696.07)	7,285.72	-
-	296,742.72	(299,300.80)	-	(299,300.80)	-	-	-	(36,696.07)	7,285.72	-
\$ -	\$ 999,833.26	\$ (944,900.28)	\$ -	\$ (944,900.28)	\$ -	\$ (2,202.26)	\$ -	\$ (127,535.07)	\$ 18,265.66	\$ -

**EDGEWATER PARK TOWNSHIP SCHOOL DISTRICT**  
 Schedule of Expenditures of State Financial Assistance, Schedule B  
 For the Fiscal Year Ended June 30, 2017

<u>State Grantor/ Program Title</u>	<u>Grant or State Project Number</u>	<u>Program or Award Amount</u>	<u>Grant Period</u>		<u>Balance June 30, 2016</u>	<u>Carryover/ (Walkover) Amount</u>
			<u>From</u>	<u>To</u>		
<b>General Fund:</b>						
Current Expense:						
State Aid - Public Cluster:						
Equalization Aid	17-495-034-5120-078	\$ 5,650,874.00	07/01/16	06/30/17	\$ -	\$ -
Equalization Aid	16-495-034-5120-078	5,627,373.00	07/01/15	06/30/16	(498,492.14)	
Special Education Categorical Aid	17-495-034-5120-089	592,870.00	07/01/16	06/30/17		
Special Education Categorical Aid	16-495-034-5120-089	583,952.00	07/01/15	06/30/16	(51,728.49)	
Under Adequacy Aid	17-495-034-5120-096	4,746.00	07/01/16	06/30/17		
Under Adequacy Aid	16-495-034-5120-096	4,746.00	07/01/15	06/30/16	(420.42)	
Per Pupil Growth Aid	17-495-034-5120-097	10,300.00	07/01/16	06/30/17		
Per Pupil Growth Aid	16-495-034-5120-097	10,300.00	07/01/15	06/30/16	(912.41)	
PARCC Readiness	17-495-034-5120-098	10,300.00	07/01/16	06/30/17		
PARCC Readiness	16-495-034-5120-098	10,300.00	07/01/15	06/30/16	(912.41)	
Professional Learning Community Aid	17-495-034-5120-101	10,060.00	07/01/16	06/30/17		
Security Aid	17-495-034-5120-084	250,922.00	07/01/16	06/30/17		
Security Aid	16-495-034-5120-084	248,909.00	07/01/15	06/30/16	(22,049.22)	
Total State Aid - Public Cluster					(574,515.09)	-
Transportation Aid:						
Categorical Transportation Aid	17-495-034-5120-014	146,445.00	07/01/16	06/30/17		
Categorical Transportation Aid	16-495-034-5120-014	133,655.00	07/01/15	06/30/16	(11,839.62)	
Nonpublic Transportation Aid	17-495-034-5120-014	6,438.00	07/01/16	06/30/17		
Nonpublic Transportation Aid	16-495-034-5120-014	5,916.00	07/01/15	06/30/16	(5,916.00)	
Total Transportation Aid					(17,755.62)	-
Extraordinary Aid						
Extraordinary Aid	17-100-034-5120-044	109,425.00	07/01/16	06/30/17		
Extraordinary Aid	16-100-034-5120-044	38,432.00	07/01/15	06/30/16		
					-	-
Reimbursed TPAF Social Security Contributions (Social Security Tax)	17-495-034-5095-003	407,633.38	07/01/16	06/30/17		
Total General Fund					(592,270.71)	-
<b>Special Revenue Fund:</b>						
New Jersey Department of Education:						
Preschool Education Aid	17-495-034-5120-086	98,740.00	07/01/16	06/30/17		9,451.00
Preschool Education Aid	16-495-034-5120-086	93,803.00	07/01/15	06/30/16	70.70	(9,451.00)
Total Special Revenue Fund					70.70	-
<b>Capital Projects Fund:</b>						
NJ Economic Development Authority:						
EDA Educational Facilities Construction and Financing Act - Section 15: 2009 Allotment:						
Magowan School Renovations	1280-050-09-1001	516,305.00	07/01/09	06/30/10	(197,812.36)	
Ridgway School Renovations	1280-070-09-1002	393,096.00	07/01/09	06/30/10	54,473.76	
Total Capital Projects Fund					(143,338.60)	-
<b>Enterprise Fund:</b>						
State Department of Agriculture						
State School Lunch Program	17-100-010-3350-023	4,419.40	07/01/16	06/30/17		
State School Lunch Program	16-100-010-3350-023	4,595.08	07/01/15	06/30/16	(251.71)	
Total Enterprise Fund					(251.71)	-
Total State Financial Assistance Subject to Major Program Determination for State Single Audit					(735,790.32)	-
State Financial Assistance not Subject to Calculation for Major Program Determination for State Single Audit:						
General Fund (Non-Cash Assistance)						
New Jersey Department of the Treasury:						
On-behalf Contributions:						
Teacher's Pension and Annuity Fund - Post Retirement Medical	17-495-034-5094-001	495,194.00	07/01/16	06/30/17		
Teacher's Pension and Annuity Fund - Long Term Disability Insurance	17-495-034-5094-004	1,503.00	07/01/16	06/30/17		
Teacher's Pension and Annuity Fund - Normal Cost	17-495-034-5094-002	573,529.00	07/01/16	06/30/17		
Teacher's Pension and Annuity Fund - Non-contributory Insurance	17-495-034-5094-004	20,780.00	07/01/16	06/30/17		
Total General Fund (Non-Cash Assistance)					-	-
Total State Financial Assistance					\$ (735,790.32)	\$ -

(a) See Note 6 to the Schedules of Expenditures of Federal Awards and State Financial Assistance

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

Cash Received	Total Budgetary Expenditures	Passed Through to Subrecipients	Adjustments (a)	Repayment of Prior Years' Balances	Balance at June 30, 2017			Memo	
					Accounts Receivable	Unearned Revenue	Due to Grantor at	Budgetary Receivable June 30, 2017	Cumulative Total Expenditures
\$ 5,151,977.54	\$ (5,650,874.00)	\$ -	\$ -	\$ -	\$ (498,896.46)	\$ -	\$ -	\$ (498,896.46)	\$ (5,650,874.00)
498,492.14									
540,527.52	(592,870.00)				(52,342.48)			(52,342.48)	(592,870.00)
51,728.49									
4,326.99	(4,746.00)				(419.01)			(419.01)	(4,746.00)
420.42									
9,390.65	(10,300.00)				(909.35)			(909.35)	(10,300.00)
912.41									
9,390.65	(10,300.00)				(909.35)			(909.35)	(10,300.00)
912.41									
9,171.84	(10,060.00)				(888.16)			(888.16)	(10,060.00)
228,768.95	(250,922.00)				(22,153.05)			(22,153.05)	(250,922.00)
22,049.22									
6,528,069.23	(6,530,072.00)	-	-	-	(576,517.86)	-	-	(576,517.86)	(6,530,072.00)
133,515.87	(146,445.00)				(12,929.13)			(12,929.13)	(146,445.00)
11,839.62	(6,438.00)				(6,438.00)				(6,438.00)
5,916.00									
151,271.49	(152,883.00)	-	-	-	(19,367.13)	-	-	(12,929.13)	(152,883.00)
	(109,425.00)				(109,425.00)				(109,425.00)
38,432.00	(38,432.00)								(38,432.00)
38,432.00	(147,857.00)	-	-	-	(109,425.00)	-	-	-	(147,857.00)
387,579.95	(407,633.38)				(20,053.43)				(407,633.38)
7,105,352.67	(7,238,445.38)	-	-	-	(725,363.42)	-	-	(589,446.99)	(7,238,445.38)
88,866.00	(107,848.95)				(9,874.00)	342.05		(9,874.00)	(107,848.95)
9,380.30									
98,246.30	(107,848.95)	-	-	-	(9,874.00)	342.05	-	(9,874.00)	(107,848.95)
			197,812.36 (54,476.76)						
-	-	-	143,335.60	-	-	-	-	-	-
4,136.45	(4,419.40)				(282.95)				(4,419.40)
251.71									
4,388.16	(4,419.40)	-	-	-	(282.95)	-	-	-	(4,419.40)
7,207,987.13	(7,350,713.73)	-	143,335.60	-	(735,520.37)	342.05	-	(599,320.99)	(7,350,713.73)
495,194.00	(495,194.00)								(495,194.00)
1,503.00	(1,503.00)								(1,503.00)
573,529.00	(573,529.00)								(573,529.00)
20,780.00	(20,780.00)								(20,780.00)
1,091,006.00	(1,091,006.00)	-	-	-	-	-	-	-	(1,091,006.00)
\$ 8,298,993.13	\$ (8,441,719.73)	\$ -	\$ 143,335.60	\$ -	\$ (735,520.37)	\$ 342.05	\$ -	\$ (599,320.99)	\$ (8,441,719.73)

**TOWNSHIP OF EDGEWATER PARK SCHOOL DISTRICT**  
Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance  
For the Fiscal Year Ended June 30, 2017

---

**Note 1: BASIS OF PRESENTATION**

The accompanying schedules of expenditures of federal awards and state financial assistance (“the schedules”) include federal and state award activity of the Township of Edgewater Park School District (hereafter referred to as the “School District”). The School District is defined in note 1 to the School District’s basic financial statements. The information in these schedules is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies, are included on the schedules. Because these schedules present only a selected portion of the operations of the School District, it is not intended to and does not present the financial position and changes in operations of the School District.

**Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying schedules are presented using the budgetary basis of accounting, with the following exceptions: programs recorded in the capital projects fund are presented on the modified accrual basis of accounting and programs recorded in the enterprise fund are presented using the accrual basis of accounting. These bases of accounting are described in note 1 to the School District’s basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and State of New Jersey Circular 15-08-OMB, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

**Note 3: INDIRECT COST RATE**

The School District has elected not to use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS**

The basic financial statements present the general fund and special revenue fund and capital projects 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, payments are not recognized until the subsequent budget year due to the State deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2. The capital projects fund is presented in the accompanying schedules on the modified accrual basis of accounting.

**Note 4: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONT'D)**

The net adjustment to reconcile expenditures from the budgetary basis to the GAAP basis is \$0 for the general fund and \$1,767.00 for the special revenue fund. See exhibit C-3, notes to required supplementary information, for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

Awards and financial assistance expenditures reported in the School District's basic financial statements on a GAAP basis are presented as follows:

<u>Fund</u>	<u>Federal</u>	<u>State</u>	<u>Total</u>
General	\$ 7,076.54	\$ 7,235,353.08	\$ 7,242,429.62
Special Revenue	640,289.94	107,355.25	747,645.19
Food Service	<u>4,419.40</u>	<u>298,981.80</u>	<u>303,401.20</u>
Total Awards and Financial Assistance	<u>\$ 651,785.88</u>	<u>\$ 7,641,690.13</u>	<u>\$ 8,293,476.01</u>

**Note 5: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**Note 6: ADJUSTMENTS**

Amounts reported in the column entitled "adjustments" represent grants which were cancelled.

**Note 7: REIMBURSED AND ON-BEHALF PAYMENTS**

During the fiscal year ended June 30, 2017, the School District was the recipient of federal and state assistance that represented either a reimbursement to the School District or payments made on-behalf of the School District. Revenues and expenditures reported under the federal food distribution program represent the current year value received and the current year distribution, respectively, of American-grown United States Department of Agriculture foods utilized in the School District's food service program. TPAF Social Security Contributions represents the amount reimbursed by the State for the employer's share of social security contributions for TPAF members for the fiscal year. Lastly, the School District has recognized as revenues and expenditures on-behalf payments made by the State for normal costs, non-contributory insurance, post-retirement medical costs, and long-term disability insurance related to TPAF members.

**Note 8: MAJOR PROGRAMS**

Major programs are identified in the *Summary of Auditor's Results* section of the *Schedule of Findings and Questioned Costs*.



**EDGEWATER PARK BOARD OF EDUCATION**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2017

**Section 1- Summary of Auditor's Results**

**Financial Statements**

Type of auditor's report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_ yes X none reported

Noncompliance material to financial statements noted? \_\_\_ yes X no

**Federal Awards**

Internal control over major programs:

Material weakness(es) identified? \_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_ yes X none reported

Type of auditor's report issued on compliance for major programs Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 516 of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)? \_\_\_ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>FAIN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.010</u>	<u>S010A150030</u>	<u>Title I, Part A</u>
		<b>I.D.E.A., Part B - Special Education Cluster:</b>
<u>84.173</u>	<u>H173A160114</u>	<u>Preschool</u>
<u>84.027</u>	<u>H027A160100</u>	<u>Basic Regular</u>

Dollar threshold used to determine Type A programs \$ 750,000.00

Auditee qualified as low-risk auditee? \_\_\_ yes X no

**EDGEWATER PARK BOARD OF EDUCATION**  
 Schedule of Findings and Questioned Costs  
 For the Fiscal Year Ended June 30, 2017

**Section 1- Summary of Auditor's Results (Cont'd)**

**State Financial Assistance**

Internal control over major programs:

Material weakness(es) identified? \_\_\_\_\_ yes X no

Significant deficiency(ies) identified? \_\_\_\_\_ yes X none reported

Type of auditor's report issued on compliance for major programs \_\_\_\_\_ Unmodified \_\_\_\_\_

Any audit findings disclosed that are required to be reported in accordance with New Jersey Circular 15-08-OMB? \_\_\_\_\_ yes X no

Identification of major programs:

**GMIS Number(s)**

**Name of State Program**

495-034-5120-078

**State Aid - Public Cluster:**  
Equalization Aid

495-034-5120-089

Special Education Categorical Aid

495-034-5120-084

Security Aid

495-034-5120-085

Adjustment Aid

495-034-5120-098

PARCC Readiness Aid

495-034-5120-097

Per Pupil Growth Aid

495-034-5120-101

Professional Learning Community Aid

495-034-5095-003

Reimbursed TPAF Social Security Contributions

Dollar threshold used to determine Type A programs \$ \_\_\_\_\_ 750,000.00

Auditee qualified as low-risk auditee? \_\_\_\_\_ yes X no

**EDGEWATER PARK BOARD OF EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

---

***Section 2- Schedule of Financial Statement Findings***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards* and with audit requirements as prescribed by the Division of Administration and Finance, Department of Education, State of New Jersey.

There are no current year findings.

**EDGEWATER PARK BOARD OF EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

---

***Section 3- Schedule of Federal Award Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major Federal programs, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

There are no current year findings.

**EDGEWATER PARK BOARD OF EDUCATION**  
Schedule of Findings and Questioned Costs  
For the Fiscal Year Ended June 30, 2017

---

***Section 4- Schedule of State Financial Assistance Findings and Questioned Costs***

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major State programs, as required by State of New Jersey Circular 15-08-OMB.

There are no current year findings.

**EDGEWATER PARK BOARD OF EDUCATION**  
Summary Schedule of Prior Year Audit Findings  
and Questioned Costs as Prepared by Management

---

This section identifies the status of prior year findings related to the financial statements and federal awards and state financial assistance that are required to be reported in accordance with *Government Auditing Standards*, Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and State of New Jersey Circular 15-08-OMB.

**FINANCIAL STATEMENT FINDINGS**

There were no prior year findings.

**FEDERAL AWARDS**

There were no prior year findings.

**STATE FINANCIAL ASSISTANCE PROGRAMS**

There were no prior year findings.

