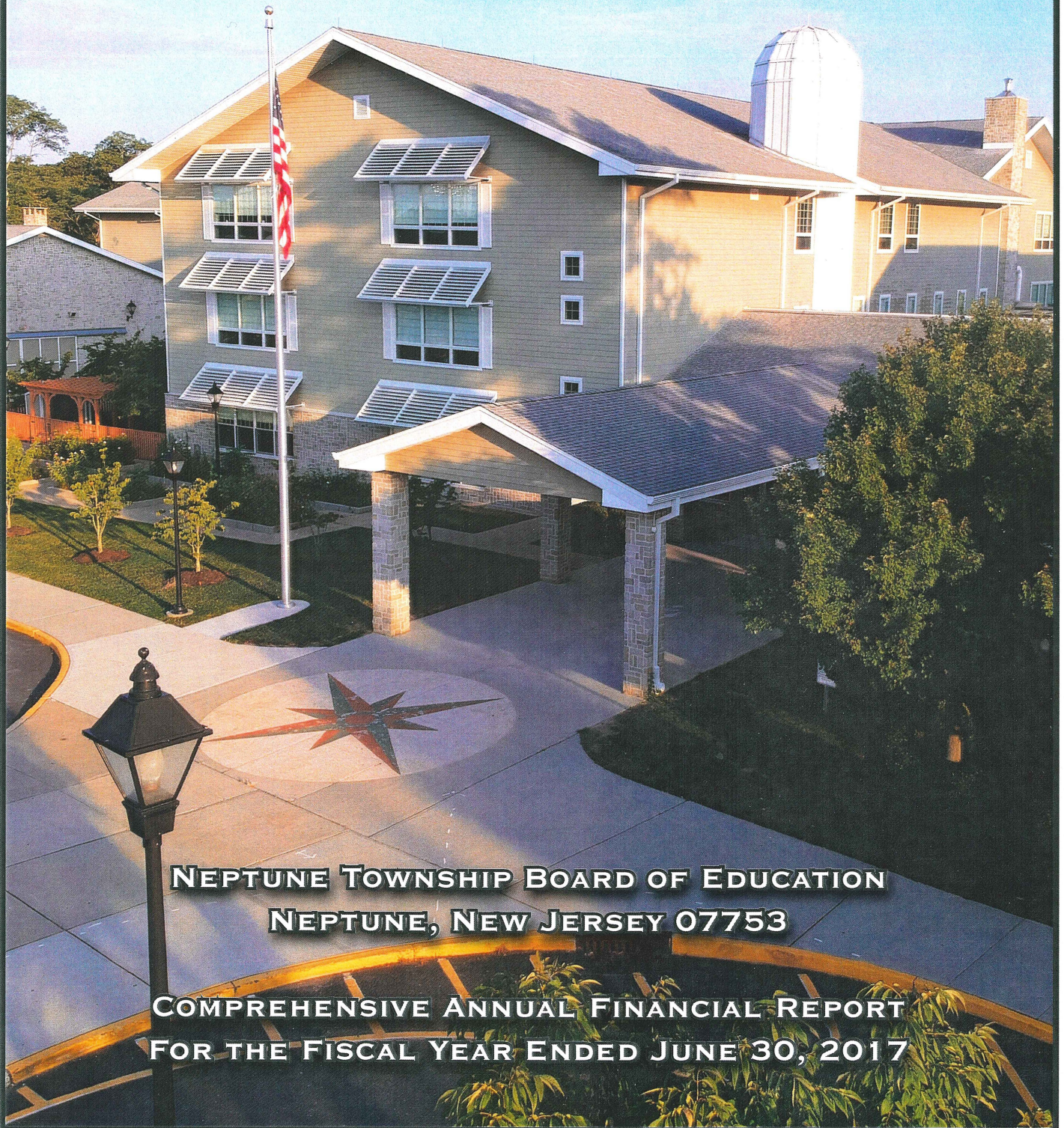


SCHOOL DISTRICT OF NEPTUNE TOWNSHIP



**NEPTUNE TOWNSHIP BOARD OF EDUCATION
NEPTUNE, NEW JERSEY 07753**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

**School District of
Neptune Township**

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

Comprehensive Annual Financial Report
For the Year Ended June 30, 2017

Prepared by

Neptune Township School District
Business Division

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Introductory Section

NEPTUNE TOWNSHIP SCHOOL DISTRICT



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

November 27, 2017

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

Dear Board Members and Constituents:

The comprehensive annual financial report of the Neptune Township School District (the "District") as of and for the year ended June 30, 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 Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2017 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter (designed to be read in conjunction with management's discussion and analysis), the District's organization chart, independent auditors and advisors, certificate of excellence in financial reporting, and a roster of officials. The financial section includes Management's discussion and analysis (presented immediately after the report of independent auditors), the basic financial statements, required supplementary information, supplementary and other information, as well as the auditors' report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis and is unaudited. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996, Title 2 U.S. Code of Federal Regulation (CFR) Part 200 *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance)* and the New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments*. Information related to this Single Audit, including the auditors' report on internal control and compliance with applicable laws and regulations and findings and recommendations, if applicable, are included in the single audit section of this report.

1. Reporting Entity and its Services

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”). All funds and the government-wide financial statements of the District are included in this report. The Neptune Township Board of Education with all its schools constitute the District’s reporting entity and does not have any component units and is not considered a component unit of any other governmental entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped students. The District completed the 2016-2017 fiscal year with an average daily enrollment of 4,169 students. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2017	4,169	(2.26)%
2016	4,265	(0.81)
2015	4,300	(3.02)
2014	4,434	(0.14)
2013	4,440	1.52

Comprehensive academic services are offered to all students beginning in preschool at the age of three and continuing up to grade twelve. Preschool classes for approximately 431 [up 3 from the prior year] youngsters are housed in the Early Childhood Center as well as in each of the five neighborhood elementary schools located throughout the Township. Grades kindergarten through five enrolled 1,590 [down 75] on average during the school year while the Neptune Middle School averaged 797 [down 1] teenagers in grades six through eight and Neptune High School averaged 1,350 [down 25] students in grades nine through twelve.

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

2. Economic Condition and Outlook

A critical analysis of the New Jersey economy by Rutgers’ Edward J. Bloustein School of Planning and Public Policy indicates that the state’s economic recovery still trails its neighbors and that of the nation. The prediction over the next three years is one of “moderate” growth – the creation of 136,000 jobs. By the end of 2024 the state’s employment base will reflect a net positive position of approximately 234,000 jobs above the 4.1 million mark achieved just prior to the financial meltdown of January 2008. Overall, the New Jersey economy and the US economy have trended in a positive direction during the past few years. The former however showed uneven growth with a certain degree of disappointment considering the caliber of the workforce and the favorable geographic location of the state in proximity and access to major markets.

Nationally, the unemployment rate has edged downward to 4.4% from 4.9% a year ago, a stark contrast to the 8.0% four years ago. Meanwhile, New Jersey’s falling unemployment rate notched its way down to 4.1% from

5.1%. This downward trend in the unemployment rate is encouraging, however, Census Bureau data seem to reflect a very modest hourly wage growth with no real concrete evidence of economic progress in the average worker's paycheck. Neptune Township unemployment rates lag behind the state rate by a full percentage point.

A glance at other economic indicators showed a 4.8% decline in housing starts from the year prior. Single family homes fell .5% while multi-family units dropped 15.3%. Several significant factors impacting the housing market are the shortage of skilled laborers and the increasing costs of building materials. Mortgage rates remained fairly stable over the prior 12-month period. All told, these economic indicators reflect a general, positive trend that is likely to bolster the overall national and state economies.

3. Initiatives

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

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

The District is in its second phase of a 1:1 technology initiative. During the first year of this pilot, all teaching staff and students in grades 5, 6, and 9 received Chromebooks. District technology specialists and teachers were trained over the summer on the use of the Chromebooks and Google Apps for Education. Through this 3-year process, the District is allowing both staff and students to have continuous access to dynamic information; this will shift the traditional methods of instruction to allow for an environment that is both student-centered and real-world based. Integration of these tools will stress the importance of creativity, innovation, research, collaboration, critical thinking, problem solving, and digital citizenship, as outlined in the International Society for Technology in Education (ISTE) standards. Current devices are supported by robust technology-based instructional tools and resources that will enhance curriculum and instruction.

Lastly, one of the District's paramount goals, is to have all students read at or above grade level. Supports have been put into place at the elementary level to build the foundational skills of our students, as well as expand the knowledge-base of our teachers on reading strategies and interventions. Additional reading teachers and literacy coaches are on board to address the needs of students in both reading and writing. Utilizing assessments and programs such as DRA², Wilson Foundations, Running Records, Notice and Note,

Reader's and Writer's Workshop, in addition to revised curriculum, will help the Neptune Township School District realize its goal.

4. Service Efforts and Accomplishments

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

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

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

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

5. Major Operational or Financial Concerns

New Jersey public schools have become increasingly dependent upon local property taxes to support their mission as state aid for public school education has remained relatively static over the past several years. Couple this with the legislative restriction whereby local property tax increases are limited to a 2% levy increase each year, it would essentially limit the budgetary growth of the school to 2% or less. In Neptune Township where the tax levy represents about half of the requisite revenue, its budget growth would essentially be limited to 1% each year, assuming there were no increases in state and federal revenue. Status quo would be acceptable if it weren't for the inflationary impact of operational expenses such as salaries, health insurance, pupil transportation and general repairs and maintenance of equipment and facilities. The first two mentioned expenses comprise nearly 70% of the school budget. Negotiated salaries are running above 2% and health insurance costs locally and nationally are well above 12%. Therein lies a problem that cannot simply be solved by "budgetary austerity."

The student data above, reflecting a declining enrollment, is a trend witnessed in many of the public schools throughout Monmouth County, NJ. This decline is attributable in part, to the relatively high cost of living in this area of the state. It is also, in part, the response from parents to the academic options available to them. State-approved "Choice" schools and the growing number of Charter schools are drawing students away from the traditional public school. With education funding already stretched thin, the growth of these tax-funded alternative programs is having a fiscal impact that is becoming more and more difficult to reconcile.

6. Significant Budget Variances or Budget Modifications

The 2017 fiscal year ended with expenditures of \$98.8 million, up \$9.8 million from the prior year. Revenues in excess of expenditures served to restore the District's permitted capital reserve account. Yearend transfers into this account enable the district to maintain safe, secure and attractive facilities which further enhance student learning experiences. Minor budget modifications occur throughout the year. Appropriation adjustments took place as contractual salaries were aligned with staffing transfers, midyear retirements and new hire salaries. Other budget variations resulted from changes in out-of-district tuition placements and required professional consultant student services.

7. Internal Control

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

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

8. Budgetary Controls

In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2017 in the basic financial statements.

9. Accounting Systems and Reports

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

10. Other Information

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

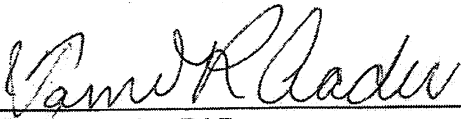
B. Awards: The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2016. This was the twenty-second consecutive year that the District has received this prestigious award and is the only District in the State of New Jersey to receive twenty-two consecutive awards. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2016-17 certificate.

11. Acknowledgments

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

Respectfully Submitted,



Tami R. Crader, Ed.D
Superintendent

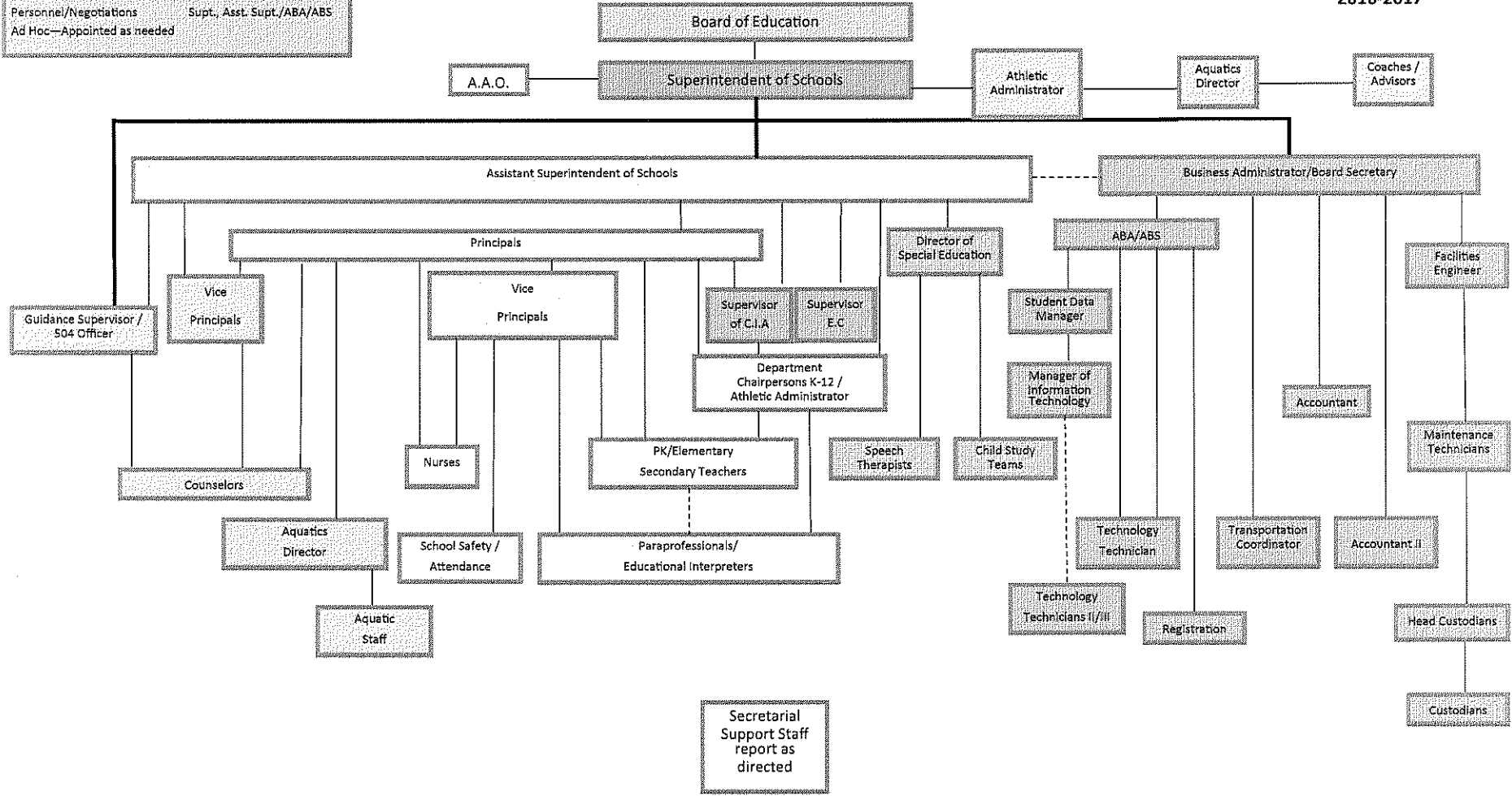


Peter J. Leonard
Business Administrator/Board Secretary

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

Neptune Township School District Organization Chart 2016-2017

2016-2017



Neptune Township School District
Neptune, New Jersey

Roster of Officials
June 30, 2017

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Laura G. Granelli, President	2018
Monica Kowalski-Lodato, Vice President	2018
Brady M. Connaughton	2020
Dorothea L. Fernandez	2020
Nicole M. Green	2020
Chanta L. Jackson	2018
Jason A. Jones	2019
Michelle A. Moss	2019
Donna L. Puryear	2019

Other Officials

Dr. Tami R. Crader, Superintendent
Dr. Matthew Gristina, Assistant Superintendent
Peter J. Leonard, Business Administrator/Board Secretary
Peter I. Bartlett, Asst. Business Administrator/Asst. Board Secretary

Committees

Operations

Monica Kowalski-Lodato, Chairperson
Laura G. Granelli
Chanta L. Jackson

Education

Dorothea L. Fernandez, Chairperson
Jason A. Jones
Donna L. Puryear

Personnel

Brady M. Connaughton, Chairperson
Nicole M. Green
Michelle A. Moss

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors

Architects

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

Attorneys

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

Weiner Law Group, LLP
629 Parsippany Road
Parsippany, New Jersey 07054

Independent Auditors

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

Consulting Engineers

JDC Energy Services
100 Lenox Drive
Lawrenceville, New Jersey 08648

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

Leon S. Avakian, Inc.
788 Wayside Road
Neptune, New Jersey 07753

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors (continued)

Health Benefits Broker

Business & Governmental Insurance Agency
900 Route 9 North, Suite 503
Woodbridge, New Jersey 07095

Insurance Broker

CBIZ Insurance Services
219 South Street
New Providence, New Jersey 07974

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

Official Depositories

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

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

Official Newspapers

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

The Coaster
1011 Main Street
Asbury Park, New Jersey 07712



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Neptune Township Board of Education

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

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



A handwritten signature in cursive script, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

A handwritten signature in cursive script, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director

Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

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

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the combining and individual fund financial statements, and the schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and

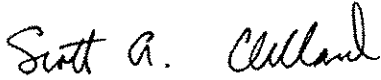
the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 27, 2017 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.


Scott A. Clelland
Licensed Public School Accountant
No. 1049


WISS & COMPANY, LLP

November 27, 2017
Livingston, New Jersey

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

Neptune Township School District
Neptune, New Jersey

Management's Discussion and Analysis
Year ended June 30, 2017

The discussion and analysis of the Neptune Township School District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2017. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements, notes and additional information in the transmittal letter to enhance their understanding of the District's financial performance.

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

Financial Highlights

Key financial highlights for fiscal year 2017 are as follows:

- The total net position of the District decreased \$4,829,397 during the current fiscal year, which was mostly attributable to an increase in the net pension liability of approximately \$8.5 million, offset by positive operating results, including a cancellation of the prior year retroactive payroll accrual.
- General revenues of \$93,547,333 in both governmental activities and business-type activities accounted for 85% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$16,858,291 or 15% of total revenues of \$110,405,624, of which \$107,764,078 pertained to governmental activities and \$2,641,546 pertained to business-type activities.
- The District did not generate fund balance in excess of 2% in the current year in the general fund.
- The District maintains restricted reserves for capital and maintenance of \$7,693,018 and \$1,600,000, respectively in the general fund.

Using this Comprehensive Annual Financial Report (CAFR)

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

Reporting the School District as a Whole

Government-wide Statements

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

These statements include all assets, deferred outflows of resources, deferred inflows of resources and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into consideration all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. The change in net position is important because it informs the reader that, for the School District as a whole, the financial position of the School District has improved or worsened. The causes of the change may be the result of many factors, some financial and some not. Non-financial factors include the District's property tax base, current laws in New Jersey restricting revenue growth, facility conditions, and required educational programs to cite just a few. In the *Statement of Net Position* and the *Statement of Activities*, the District is divided into two distinct types of activities:

- **Governmental activities** - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-type activities** - Programs reported here are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods and services be financed through user charges. The District operates two enterprise funds. The Food Service and Aquatic Center enterprise funds are reported as business-type activities.

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

Reporting the District's Funds

Fund Financial Statements

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

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

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

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35 to 68 of this report.

The School District as a Whole

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

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

The following table provides a summary of the District's net position at June 30, 2017 and 2016:

Neptune Township School District Net Position June 30,

	2017			2016		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 13,821,807	\$ 1,495,353	\$ 15,317,160	\$ 18,378,679	\$ 1,594,808	\$ 19,973,487
Capital assets, net	240,474,059	734,246	241,208,305	238,639,534	266,897	238,906,431
Total assets	254,295,866	2,229,599	256,525,465	257,018,213	1,861,705	258,879,918
Deferred outflow of resources:						
Pension deferrals	10,483,601		10,483,601	4,626,660		4,626,660
Liabilities:						
Current liabilities and other	2,778,361	380,299	3,158,660	2,909,757	187,971	3,097,728
Long-term liabilities						
outstanding	32,669,887		32,669,887	24,043,277		24,043,277
Total liabilities	35,448,248	380,299	35,828,547	26,953,034	187,971	27,141,005
Deferred inflow of resources:						
Pension deferrals				355,657		355,657
Net position:						
Net investment in capital assets	240,474,059	734,246	241,208,305	238,639,534	266,897	238,906,431
Restricted	9,293,018		9,293,018	14,754,667		14,754,667
Unrestricted (deficit)	(20,435,858)	1,115,054	(19,320,804)	(19,058,019)	1,406,837	(17,651,182)
Total net position	\$ 229,331,219	\$ 1,849,300	\$ 231,180,519	\$ 234,336,182	\$ 1,673,734	\$ 236,009,916

The largest portion of the District’s net position is its net investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Current and other assets decreased due to the decrease in cash which was the result of current year operations, where expenditures exceeded revenues. Capital assets, net, and the net investment in capital assets increased mainly due to current year capital additions exceeding current year depreciation expense. Long term liabilities and the deferred outflow of resources increased due to the 2016 actuarial calculation related to net pension liability of the District.

Total net position of the District decreased by \$4,829,397 during the current fiscal year. This was primarily the result of the increase in the net pension liability on the full accrual financial statements.

The following table shows changes in net position for fiscal years ended June 30, 2017 and 2016:

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

	2017			2016		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 6,319,418	\$ 984,664	\$ 7,304,082	\$ 6,087,345	\$ 921,394	\$ 7,008,739
Operating grants and contributions	7,900,664	1,653,545	9,554,209	8,606,563	1,662,103	10,268,666
General revenues:						
Property taxes	36,756,362		36,756,362	36,035,649		36,035,649
Federal and state aid not restricted to specific purposes	56,052,469		56,052,469	49,883,714		49,883,714
Earnings on investments	21,156	3,337	24,493	9,064	1,465	10,529
Miscellaneous	714,009		714,009	581,027	50,000	631,027
Total revenues	<u>107,764,078</u>	<u>2,641,546</u>	<u>110,405,624</u>	<u>101,203,362</u>	<u>2,634,962</u>	<u>103,838,324</u>
Expenses:						
Instruction	68,016,717		68,016,717	61,558,098		61,558,098
Support services	45,231,088	2,465,980	47,697,068	41,367,235	2,318,202	43,685,437
Charter schools	520,780		520,780	532,146		532,146
Total expenses	<u>113,768,585</u>	<u>2,645,980</u>	<u>116,234,565</u>	<u>103,457,479</u>	<u>2,318,202</u>	<u>105,775,681</u>
Change in net position before special item	(6,004,507)	175,566	(5,828,941)	(2,254,117)	316,760	(1,937,357)
Special item – prior year accrual cancelled	999,544		999,544			
Change in net position after special item	<u>(5,004,963)</u>	<u>175,566</u>	<u>(4,829,397)</u>	<u>(2,254,117)</u>	<u>316,760</u>	<u>(1,937,357)</u>
Net position – beginning	234,336,182	1,673,734	236,009,916	236,590,299	1,356,974	237,947,273
Net position – ending	<u>\$ 229,331,219</u>	<u>\$ 1,849,300</u>	<u>\$ 231,180,519</u>	<u>\$ 234,336,182</u>	<u>\$ 1,673,734</u>	<u>\$ 236,009,916</u>

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

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

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for District operations. Property taxes made up 34.1 percent of revenues for governmental activities in the Neptune Township School District for fiscal year 2017. Unrestricted federal and state aid accounted for another 52.0 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised 13.8 percent of the total governmental revenues.

The total cost of all programs and services was \$113,768,585. Instruction comprised 59.7 percent of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. It is important to note that additional instructional costs are included with support services, which is in conformity with New Jersey Budget Guidelines.

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

Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements. Charges for services were \$984,664 or 37.3 percent of revenue. This represents amounts paid by patrons for daily food service and use of the aquatic center. Federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast, and donated commodities amounted to \$1,653,545 or 62.6 percent of total revenue. The balance of revenues generated from investment income comprised 0.1 percent of the total business-type revenues.

Financial Analysis of the District's Funds

Governmental Funds

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

General Fund. The general fund is the main operating fund of the District. At the end of the current fiscal year, the total fund balance was \$12,529,832 including funds restricted for capital and maintenance reserves in the amount of \$9,293,018. The District did not generate any excess surplus in the prior year or the current year.

Special Revenue Fund. The special revenue fund is used to track the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes, other than debt service or capital projects. Revenue and expenditures for the current fiscal year were comparable to the prior fiscal year. IDEA continues to be the largest federal grant in the special revenue fund, with expenditures in the current fiscal year of \$1,235,777. The District’s largest state grant is the Preschool Education Childhood Aid with expenditures in the current fiscal year of \$5,260,241.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the revenues of the General Fund and Special Revenue Fund for the fiscal year ended June 30, 2017, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) from 2016	Percent of Increase (Decrease)
Local sources	\$ 43,810,945	46.9%	\$ 1,097,860	2.5%
State sources	47,069,403	50.4	357,453	0.7
Federal sources	2,558,523	2.7	(256,565)	(9.1)
Total	\$ 93,438,871	100.0%	\$ 1,198,748	1.2%

Federal sources of revenue decreased mainly due to a decrease in Medicaid Assistance Aid. State sources increased due to the additional TPAF pension contribution by the State on behalf of the District. Local sources increased due to the increased local tax levy, addition of tuition from increased students, as well as an increase in facility rentals during the year.

The following schedule presents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2017, and the amount and percentage of increases and decreases in relation to prior year expenditures.

Expenditures	Amount	Percent of Total	Increase (Decrease) from 2016	Percent of Increase (Decrease)
Current expenditures:				
Instruction	\$ 38,485,658	39.0%	\$ 10,729	0.0 %
Support services	50,423,601	51.0	3,091,768	6.5
Capital outlay	9,401,801	9.5	6,694,789	(247.3)
Charter schools	520,780	0.5	(11,366)	(2.1)
Total	\$ 98,831,840	100.0%	\$ 9,785,920	10.9 %

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

Capital outlay expenditures increased as a direct result of the District's capital projects that were on going during the year, specifically renovations at the Middle School.

General Fund Budgeting Highlights

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

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

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

There were significant budget transfers to Undistributed Expenditures – Instruction due to increased need to send special education students to private schools within the state based on current student needs.

There were significant budget transfers out of Undistributed Expenditures - Custodial Services - Electricity. As the District budgets conservatively, and as the utility expenses are volatile based on current conditions and energy savings initiatives, funds were utilized in other areas of need.

There were significant budget transfers out of Unallocated Benefits Health Benefits due to the District's health insurance provider increasing rates substantially in the current year, however, at the time of the budget preparation, the District budgeted excess for health benefits as the rate increases were unknown. Upon evaluation after rates were issued, the District was able to utilize the excess budgeted funds elsewhere.

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

Capital Assets

At the end of the fiscal year 2017, the District had \$241,208,305 invested in land, construction in progress, land improvements, building and building improvements and machinery, equipment and vehicles, net of accumulated depreciation. The following presents a comparison of capital assets, net of depreciation, held at June 30, 2017 and 2016:

	Governmental and Business-Type Activities	
	2017	2016
Land	\$ 4,790,571	\$ 4,790,571
Construction in progress	9,923,766	1,220,129
Land improvements	3,190,387	3,659,215
Building and building improvements	219,228,530	224,932,968
Machinery, equipment and vehicles	4,075,051	4,174,470
Total	<u>\$241,208,305</u>	<u>\$238,639,534</u>

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

Long-Term Liabilities

At June 30, 2017, the District had \$32,669,887 of outstanding long-term liabilities relating to compensated absences and the net pension liability. The District does not have any long-term debt as of June 30, 2017.

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

For the Future

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

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

Contacting the District's Financial Management

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

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2017.

Neptune Township School District

Statement of Net Position

June 30, 2017

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 1,771,948	\$ 1,441,508	\$ 3,213,456
Accounts receivable	2,603,799	144,793	2,748,592
Internal balances	153,042	(153,042)	-
Inventories		62,094	62,094
Restricted assets:			
Cash and cash equivalents	9,293,018		9,293,018
Capital assets, non-depreciable	14,714,337		14,714,337
Capital assets, depreciable, net	<u>225,759,722</u>	<u>734,246</u>	<u>226,493,968</u>
Total assets	<u>254,295,866</u>	<u>2,229,599</u>	<u>256,525,465</u>
Deferred outflow of resources			
Pension deferrals	<u>10,483,601</u>		<u>10,483,601</u>
Liabilities			
Accounts payable	1,319,994	347,182	1,667,176
Intergovernmental accounts payable:			
State	10,513		10,513
Federal	155,778		155,778
Accrued salaries and wages	1,018,763		1,018,763
Unearned revenue	273,313	33,117	306,430
Net pension liability	30,663,059		30,663,059
Current portion of long-term obligations	122,650		122,650
Noncurrent portion of long-term obligations	<u>1,884,178</u>		<u>1,884,178</u>
Total liabilities	<u>35,448,248</u>	<u>380,299</u>	<u>35,828,547</u>
Net Position			
Net investment in capital assets	240,474,059	734,246	241,208,305
Restricted for:			
Other purposes	9,293,018		9,293,018
Unrestricted (deficit)	<u>(20,435,858)</u>	<u>1,115,054</u>	<u>(19,320,804)</u>
Total net position	<u>\$ 229,331,219</u>	<u>\$ 1,849,300</u>	<u>\$ 231,180,519</u>

See accompanying notes to basic financial statements.

Neptune Township School District

Statement of Activities

Year ended June 30, 2017

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities						
Instruction	\$ 68,016,717	\$ 5,741,618	\$ 3,617,497	\$ (58,657,602)		\$ (58,657,602)
Support services:						
Attendance/social work	629,712			(629,712)		(629,712)
Health services	1,397,622			(1,397,622)		(1,397,622)
Other support services	10,473,878		4,283,167	(6,190,711)		(6,190,711)
Improvement of instruction	1,506,670			(1,506,670)		(1,506,670)
School library	1,871,351			(1,871,351)		(1,871,351)
General administration	2,342,088			(2,342,088)		(2,342,088)
School administration	6,455,303			(6,455,303)		(6,455,303)
Required maintenance	4,660,454			(4,660,454)		(4,660,454)
Operation of plant	9,111,451			(9,111,451)		(9,111,451)
Security	1,088,176			(1,088,176)		(1,088,176)
Student transportation	3,235,470	577,800		(2,657,670)		(2,657,670)
Business and other support services and benefits	2,458,913			(2,458,913)		(2,458,913)
Charter schools	520,780			(520,780)		(520,780)
Total governmental activities	<u>113,768,585</u>	<u>6,319,418</u>	<u>7,900,664</u>	<u>(99,548,503)</u>		<u>(99,548,503)</u>
Business-type activities						
Food Service	2,223,356	647,091	1,653,545		\$ 77,280	77,280
Aquatic Center	242,624	337,573			94,949	94,949
Total business-type activities	<u>2,465,980</u>	<u>984,664</u>	<u>1,653,545</u>		<u>172,229</u>	<u>172,229</u>
Total primary government	<u>\$ 116,234,565</u>	<u>\$ 7,304,082</u>	<u>\$ 9,554,209</u>	<u>(99,548,503)</u>	<u>172,229</u>	<u>(99,376,274)</u>
General revenues:						
Property taxes, levied for general purposes				36,756,362		36,756,362
State Sources				55,896,075		55,896,075
Federal Sources				156,394		156,394
Interest Earnings				21,156	3,337	24,493
Miscellaneous Income				714,009		714,009
Total general revenues				<u>93,543,996</u>	<u>3,337</u>	<u>93,547,333</u>
Change in net position before special item				(6,004,507)	175,566	(5,828,941)
Special item - prior year accrual cancelled				999,544		999,544
Change in net position				<u>(5,004,963)</u>	<u>175,566</u>	<u>(4,829,397)</u>
Net position-beginning				234,336,182	1,673,734	236,009,916
Net position-ending				<u>\$ 229,331,219</u>	<u>\$ 1,849,300</u>	<u>\$ 231,180,519</u>

Fund Financial Statements

Governmental Funds

Neptune Township School District
Governmental Funds

Balance Sheet

June 30, 2017

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Assets			
Cash and cash equivalents	\$ 1,771,948		\$ 1,771,948
Accounts receivable:			
Intergovernmental--state	700,704		700,704
Intergovernmental--federal		\$ 242,358	242,358
Other	1,650,231	10,506	1,660,737
Interfund receivable	415,174		415,174
Restricted assets:			
Cash and cash equivalents	9,293,018		9,293,018
Total assets	<u>\$ 13,831,075</u>	<u>\$ 252,864</u>	<u>\$ 14,083,939</u>
Liabilities and Fund balances			
Liabilities:			
Accounts payable	\$ 368,184		\$ 368,184
Intergovernmental accounts payable:			
State		\$ 10,513	10,513
Federal		155,778	155,778
Accrued salaries and wages	933,059	85,704	1,018,763
Interfund payable		262,132	262,132
Unearned revenue		273,313	273,313
Total liabilities	<u>1,301,243</u>	<u>787,440</u>	<u>2,088,683</u>
Fund balances:			
Restricted for:			
Maintenance reserve	1,600,000		1,600,000
Capital reserve	7,693,018		7,693,018
Assigned to:			
Designated for subsequent year expenditures	626,819		626,819
Designated for subsequent year expenditures - ARRA SEMI	23,181		23,181
Other purposes	2,586,814		2,586,814
Unassigned:			
Special revenue fund (deficit)		(534,576)	(534,576)
Total fund balances (deficit)	<u>12,529,832</u>	<u>(534,576)</u>	<u>11,995,256</u>
Total liabilities and fund balances	<u>\$ 13,831,075</u>	<u>\$ 252,864</u>	

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 \$318,768,173 and the accumulated depreciation is \$78,294,114. 240,474,059

Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds. 10,483,601

Accrued pension contributions for the June 30, 2017 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. (951,810)

Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds. (30,663,059)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. (2,006,828)

Net position of governmental activities \$ 229,331,219

Neptune Township School District
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2017

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Revenues			
Local sources:			
Local tax levy	\$ 36,756,362		\$ 36,756,362
Interest on investments	21,156		21,156
Transportation fees from other LEAs within the State	577,800		577,800
Tuition from other LEAs within the State	5,741,618		5,741,618
Miscellaneous	714,009		714,009
Total revenues-local sources	43,810,945		43,810,945
State sources	41,570,868	\$ 5,498,535	47,069,403
Federal sources	156,394	2,402,129	2,558,523
Total revenues	85,538,207	7,900,664	93,438,871
Expenditures			
Current:			
Instruction	27,671,443	2,815,529	30,486,972
Undistributed:			
Instruction	7,998,686		7,998,686
Attendance/social work	296,577		296,577
Health services	674,765		674,765
Guidance services	1,379,016		1,379,016
Speech, OT, PT and related services	1,238,768		1,238,768
Child study teams / special education	1,111,610	3,333,625	4,445,235
Improvement of instruction	812,163		812,163
School library	907,170		907,170
General administration	1,517,394		1,517,394
School administration	3,090,738		3,090,738
Central services	828,450		828,450
Administrative information technology	393,190		393,190
Required maintenance	2,784,632		2,784,632
Custodial services	5,275,087		5,275,087
Care and upkeep of grounds	723,305		723,305
Security	602,809		602,809
Student transportation	2,835,922		2,835,922
Personnel services- unallocated employee benefits	14,381,272		14,381,272
On-behalf payments-TPAF FICA and Pension	8,237,108		8,237,108
Charter schools - current	520,780		520,780
Capital outlay	9,401,801		9,401,801
Total expenditures	92,682,686	6,149,154	98,831,840
(Deficiency) Excess of Revenues (Under) Over Expenditures	(7,144,479)	1,751,510	(5,392,969)
Other financing sources (uses):			
Transfers in	1,673,869		1,673,869
Transfers out		(1,673,869)	(1,673,869)
Total other financing sources (uses)	1,673,869	(1,673,869)	-
Net change in fund balances before special item	(5,470,610)	77,641	(5,392,969)
Special item - prior year accrual cancelled	999,544		999,544
Net change in fund balances after special item	(4,471,066)	77,641	(4,393,425)
Fund balances (deficit), July 1	17,000,898	(612,217)	16,388,681
Fund balances (deficit), June 30	\$ 12,529,832	\$ (534,576)	\$ 11,995,256

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

Neptune Township School District
Governmental Funds

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

Year ended June 30, 2017

Total net change in fund balances - governmental funds (B-2) **\$ (4,393,425)**

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

Capital outlays are reported in governmental funds as expenditures.

However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

This is the amount by which capital additions exceeded depreciation expense in the period.

Depreciation expense	\$ (7,262,101)	
Capital additions	<u>9,096,626</u>	1,834,525

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). The amount represents the net change.

(84,153)

Certain expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds

Pension expense	(2,361,910)
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Change in net position of governmental activities (A-2)

\$ (5,004,963)

Enterprise Funds

Neptune Township School District
Enterprise Funds

Statement of Net Position

June 30, 2017

	Business-Type Activities		
	Major Enterprise Funds		
Assets	Food Service	Aquatic Center	Totals
Current assets:			
Cash and cash equivalents	\$ 469,683	\$ 971,825	\$ 1,441,508
Accounts receivable:			
State	1,711		1,711
Federal	103,767		103,767
Other	39,315		39,315
Inventories	62,094		62,094
Total current assets	<u>676,570</u>	<u>971,825</u>	<u>1,648,395</u>
Noncurrent assets:			
Capital assets, depreciable, net	701,966	32,280	734,246
Total capital assets	<u>701,966</u>	<u>32,280</u>	<u>734,246</u>
Total assets	<u>1,378,536</u>	<u>1,004,105</u>	<u>2,382,641</u>
Liabilities			
Current liabilities:			
Accounts payable	347,182		347,182
Interfund payable	153,042		153,042
Unearned revenue	28,745	4,372	33,117
Total current liabilities	<u>528,969</u>	<u>4,372</u>	<u>533,341</u>
Total liabilities	<u>528,969</u>	<u>4,372</u>	<u>533,341</u>
Net position			
Net investment in capital assets	701,966	32,280	734,246
Unrestricted	147,601	967,453	1,115,054
Total net position	<u>\$ 849,567</u>	<u>\$ 999,733</u>	<u>\$ 1,849,300</u>

Neptune Township School District
Enterprise Funds

Statement of Revenues, Expenses and
Changes in Fund Net Position

Year ended June 30, 2017

	Business Type Activities Major Enterprise Funds		
	Food Service	Aquatic Center	Totals
Operating revenues:			
Local sources:			
Daily food sales-reimbursable programs	\$ 396,131		\$ 396,131
Daily food sales-non-reimbursable programs	250,960		250,960
Daily swim revenue		\$ 52,367	52,367
Swim membership revenue		21,121	21,121
Swim rental revenue		152,408	152,408
Swim seminar revenue		105,673	105,673
Miscellaneous		6,004	6,004
Total operating revenues	<u>647,091</u>	<u>337,573</u>	<u>984,664</u>
Operating expenses:			
Salaries	682,230	186,779	869,009
Employee benefits and taxes	172,324		172,324
Supplies and materials	334,926	22,115	357,041
Cost of sales - reimburseable programs	577,402		577,402
Cost of sales - non-reimburseable programs	70,268		70,268
Depreciation	31,962	2,282	34,244
Management services	173,946		173,946
Purchased services	180,298	31,448	211,746
Total operating expenses	<u>2,223,356</u>	<u>242,624</u>	<u>2,465,980</u>
Operating (loss) income	(1,576,265)	94,949	(1,481,316)
Nonoperating revenues:			
State sources:			
School lunch program	23,500		23,500
Federal sources:			
School breakfast program	281,920		281,920
School lunch program	1,091,023		1,091,023
Seamless summer program	62,016		62,016
Healthy Hunger-Free Kids Act (HHFKA)	28,521		28,521
Food donation program	166,565		166,565
Interest revenue		3,337	3,337
Total nonoperating revenues	<u>1,653,545</u>	<u>3,337</u>	<u>1,656,882</u>
Change in net position	77,280	98,286	175,566
Total net position, beginning	<u>772,287</u>	<u>901,447</u>	<u>1,673,734</u>
Total net position, ending	<u>\$ 849,567</u>	<u>\$ 999,733</u>	<u>\$ 1,849,300</u>

See accompanying notes to basic financial statements.

Neptune Township School District
Enterprise Funds

Statement of Cash Flows

Year ended June 30, 2017

	Business Type Activities		
	Major Enterprise Funds		
	Food Service	Aquatic Center	Totals
Cash flows from operating activities			
Receipts from customers	\$ 633,207	\$ 331,647	\$ 964,854
Payments to employees	(682,230)	(186,779)	(869,009)
Payments for employee benefits	(172,324)		(172,324)
Payments to consultants	(13,908)		(13,908)
Payments for credit card fees	(11,974)		(11,974)
Payments to management company	(173,946)		(173,946)
Payments to suppliers	(926,549)	(53,563)	(980,112)
Net cash (used in) provided by operating activities	<u>(1,347,724)</u>	<u>91,305</u>	<u>(1,256,419)</u>
Cash flows from investing activity			
Interest received		3,337	3,337
Net cash provided by investing activity		<u>3,337</u>	<u>3,337</u>
Cash flows from noncapital financing activities			
Payments to other funds	(7,649)		(7,649)
Cash received from state and federal sources	1,635,794		1,635,794
Net cash provided by noncapital financing activities	<u>1,628,145</u>		<u>1,628,145</u>
Cash flows from capital and related financing activity			
Purchase of capital assets	(467,031)	(34,562)	(501,593)
Net cash (used in) capital and related financing activity	<u>(467,031)</u>	<u>(34,562)</u>	<u>(501,593)</u>
Net (decrease) increase in cash and cash equivalents	(186,610)	60,080	(126,530)
Cash and cash equivalents, beginning of year	656,293	911,745	1,568,038
Cash and cash equivalents, end of year	<u>\$ 469,683</u>	<u>\$ 971,825</u>	<u>\$ 1,441,508</u>
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities			
Operating (loss) income	\$(1,576,265)	\$ 94,949	\$ (1,481,316)
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:			
Depreciation	31,962	2,282	34,244
Change in assets and liabilities:			
(Increase) in accounts receivable	(13,866)		(13,866)
Decrease in inventory	3,894		3,894
Increase (decrease) in accounts payable	206,569	(3,325)	203,244
(Decrease) in unearned revenue	(18)	(2,601)	(2,619)
Net cash (used in) provided by operating activities	<u>\$(1,347,724)</u>	<u>\$ 91,305</u>	<u>\$ (1,256,419)</u>

Noncash noncapital financing activities

The District received \$158,268 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2017.

Fiduciary Funds

Neptune Township School District
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2017

	Unemployment Compensation Trust	Agency Funds
Assets		
Cash and cash equivalents	\$ 1,123,306	\$ 518,231
Accounts receivable	19,822	
Total assets	1,143,128	\$ 518,231
Liabilities		
Payroll deductions and withholdings payable		\$ 371,409
Flexible spending payable		6,386
Accounts payable	29,486	19,822
Due to student groups		120,614
Total liabilities	29,486	\$ 518,231
Net position		
Held in trust for unemployment benefits	\$ 1,113,642	

Neptune Township School District
Fiduciary Funds

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2017

	<u>Unemployment Compensation Trust</u>
Additions	
Interest received	\$ 5,219
Contributions-employees	62,626
Total additions	<u>67,845</u>
Deductions	
Unemployment claims	<u>108,374</u>
Total deductions	<u>108,374</u>
Change in net position	(40,529)
Net position-beginning of year	<u>1,154,171</u>
Net position-end of year	<u><u>\$ 1,113,642</u></u>

Neptune Township School District
Notes to the Basic Financial Statements

Year ended June 30, 2017

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

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

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

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

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

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

The District reports the following major governmental funds:

General Fund: The general fund is the general operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

Included are certain expenditures for vehicles and movable instructional or non-instructional equipment, which are classified in the capital outlay subfund.

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

The District reports the following major enterprise funds:

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

Food Service and Aquatic Center Enterprise Funds: The food service fund accounts for all revenues and expenses pertaining to cafeteria operations. The food service fund is utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The Aquatic Center fund accounts for all revenues and expenses in the operation of the aquatic center similar to a private business enterprise. The stated intent is that the costs (i.e., expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

Additionally, the District reports the following fiduciary fund types:

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

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

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

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

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are adopted each year for the general and special revenue funds. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2017 were made and properly approved by School Board Resolution and were made in accordance with statutory guidelines. The amendments made by the District were not deemed significant and were part of the normal course of operations. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

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

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

E. Deposits and Investments

Cash and cash equivalents include petty cash, change funds, amounts on deposit and short-term investments with original maturities of three months or less. Investments are stated at fair value. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase as investments and are stated at cost. All other investments are stated at fair value.

F. Interfund Receivables/Payables

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

G. Inventories

Inventories which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method and the District uses the consumption method for expensing inventory. At June 30, 2017, the unused Food Donation Program commodities of \$16,059 are reported as unearned revenue.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

H. Capital Assets

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

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

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

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

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

I. Accrued Salaries and Wages

Employees, who provide services to the Board over the ten-month academic year do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2017 for such. There was an accrual at June 30, 2017 for accrued salaries and wages in the amount of \$1,018,763 pertaining to unsettled contracts at year end recorded in the general fund and special revenue fund. This amount was subsequently paid to employees after June 30, 2017.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

I. Summary of Significant Accounting Policies (continued)

J. Compensated Absences

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

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

The liability for vested compensated absences of the District recorded in the government-wide financial statements amounted to \$2,006,828 at June 30, 2017. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Unearned Revenue

Unearned revenue in the special revenue fund represents cash which has been received but not yet earned. Unearned revenue in the food service enterprise fund represents the unused portion of Food Donation Program commodities and positive balances on students’ prepaid meal cards. Unearned revenue in the Aquatic Center Enterprise Fund relates to funds received for summer swim team, swim lessons and pool memberships.

L. Long-Term Obligations

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

M. Fund Balances

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

- 1) Nonspendable – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Assets included in this fund balance category include prepaid assets, inventories, long-term receivables, and corpus of any permanent funds.
- 2) Restricted - includes amounts that can be spent only for the specific purposes stipulated by constitution, external resource providers, or through enabling legislation.
- 3) Committed - includes amounts that can be used only for the specific purposes imposed by a formal action of the government's highest level of decision-making authority. The District's highest level of decision-making authority is the Board of Education (the "Board") and formal action is taken by resolution of the Board at publicly held meetings. Once committed, amounts cannot be used for other purposes unless the Board revises or changes the specified use by taking the same action (resolution) taken to originally commit these funds.
- 4) Assigned – amounts intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed. Intent is expressed by either the Board or Business Administrator, to whom the Board has delegated the authority to assign amounts to be used for specific purposes, including the encumbering of funds.
- 5) Unassigned - includes all spendable amounts not contained in the other classifications in the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund. The general fund is the only fund that reports a positive unassigned fund balance amount. In the other governmental funds, if expenditures incurred for specific purposes exceed the amounts restricted, committed or assigned to those purposes, it may be necessary to report a negative unassigned fund balance.

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

Of the \$12,529,832 of fund balance in the General Fund at June 30, 2017, encumbrances of \$3,825,095 are partially offset by an unrestricted deficit of \$1,238,281 and reported as assigned to other purposes,

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

\$626,819 is designated for subsequent year's expenditures, \$23,181 is designated for subsequent year – ARRA SEMI, \$7,693,018 is restricted in a capital reserve and \$1,600,000 is restricted in a maintenance reserve.

N. Net Position

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

O. Management Estimates

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

P. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security and post-retirement pension and medical contributions for certified teacher and other members of the New Jersey Teachers Pension and Annuity Fund. Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been increased by \$8,237,108 to adjust for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

Q. Calculation of Excess Surplus

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

R. GASB Pronouncements

GASB Pronouncements implemented in the 2017 Fiscal Year

The GASB issued Statement 77, *Tax Abatement Disclosures* in August 2015. This Statement is intended to improve financial reporting by requiring disclosure of tax abatement information about a reporting government's own tax abatement agreements and those that are entered into by other governments and that reduce the reporting government's tax revenues. The requirements of this Statement are effective for financial statements for reporting periods beginning after December 31, 2015. As the District is not a taxing government, the Statement did not result in a change in the District's assets, revenues or fund balance. However, certain required disclosures were included in Note 20.

Recently Issued Accounting Pronouncements

GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions* ("GASB No. 75"). This Statement replaces the requirements of Statement 45 and the primary objective of this Statement is to improve accounting and reporting by state and local governments for postemployment benefits other than pensions (other postemployment benefits or OPEB). It also improves information provided by state and local government employers about financial support for OPEB that is provided by other entities. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 30, 2017. Management has not yet determined the impact of the Statement on the financial statements.

S. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has one item that qualifies for reporting in this category, deferred amounts related to pensions. In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District does not have any items that qualify for reporting in this category at June 30, 2017.

T. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2017 and November 27, 2017, the date that the financial statements were issued for possible disclosure

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

1. Summary of Significant Accounting Policies (continued)

and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure, other than the following:

The District's state aid was reduced for fiscal year 2018 by \$645,934 and as a result the District adjusted its 2017-2018 budget to include \$500,000 of its maintenance reserve and increase the budgeted tuition revenue.

2. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The \$2,006,828 difference is attributable to the compensated absences liability.

3. Deposits and Investments

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

Investments are stated at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools* and Statement No. 72, *Fair Value Measurement and Application*. The District classifies certificates of deposit, which have original maturity dates of more than three months but less than twelve months from the date of purchase, as investments and are stated at cost. All other investments are stated at fair value. New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

N.J.S.A. 17:9-41 et. seq. establishes the requirements for the security of deposits of governmental units. The statute requires that no governmental unit shall deposit public funds in a public depository unless such funds are secured in accordance with the Act. Public depositories include savings and loan institutions, banks (both state and national banks) and savings banks, the deposits

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

3. Deposits and Investments (continued)

of which are federally insured. All public depositories must pledge collateral, having a market value at least equal to 5% of the average daily balance of collected public funds, to secure the deposits of Governmental Units. If a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of their deposits to the Governmental Units.

Deposits

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

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

The market value of the collateral must equal at least 5% of the average daily balance of collected public funds on deposit.

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

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

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2017, the carrying amount of the District's deposits was \$8,960,716, and the bank balance was \$12,783,677. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2017 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$12,129,837. \$403,840 held in the District agency accounts are not covered by GUDPA.

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

3. Deposits and Investments (continued)

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

Investments

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

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

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investment. The NJCMF is administered by the State of New Jersey, Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. The fair value of the position in the pool is the same as the fair value of the pool shares. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At June 30, 2017, the District's balance was \$5,187,295.

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

3. Deposits and Investments (continued)

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

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

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. At June 30, 2017, all of the District's investments were invested in NJCMF.

All of the District's investments are classified as cash equivalents at June 30, 2017.

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2017:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,790,571			\$ 4,790,571
Construction in progress	1,220,129	\$ 8,703,637		9,923,766
Total capital assets, not being depreciated	6,010,700	8,703,637		14,714,337
Capital assets, being depreciated:				
Land improvements	9,261,871			9,261,871
Buildings and building improvements	284,004,914	167,330		284,172,244
Machinery, equipment and vehicles	10,404,084	225,659	\$ 10,022	10,619,721
Total capital assets being depreciated	303,670,869	392,989	10,022	304,053,836
Less accumulated depreciation for:				
Land improvements	5,602,656	468,828		6,071,484
Buildings and building improvements	59,071,946	5,871,768		64,943,714
Machinery, equipment and vehicles	6,367,433	921,505	10,022	7,278,916
Total accumulated depreciation	71,042,034	7,262,101	10,022	78,294,114
Total capital assets being depreciated, net	232,628,834	(6,869,112)		225,759,722
Governmental activities capital assets, net	\$ 238,639,534	\$ 1,834,525	\$ -	\$ 240,474,059

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

4. Capital Assets (continued)

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

Instruction	\$2,929,689
Undistributed instruction	768,705
Attendance and social work	28,454
Health services	64,738
Guidance Services	132,305
Other support services –related services	118,850
Other support - regular	426,484
Improvement of instruction	77,920
School library	87,036
General administration	145,582
School administration	296,531
Central Services	79,483
Administrative information technology	37,723
Required maintenance of plant	1,159,490
Operation of plant and upkeep of grounds	506,386
Care and Upkeep of Grounds	72,806
Security	57,835
Student transportation	272,084
Total allocated depreciation expense	<u>\$7,262,101</u>

The following is a summary of business-type changes in capital assets for the year ended June 30, 2017:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Deletions</u>	<u>Transfers</u>	<u>Ending Balance</u>
Capital assets, not being depreciated:					
Construction in progress	\$ 129,078	\$ 459,008	\$ -	\$ (588,086)	\$ -
Total capital assets not being depreciated	<u>129,078</u>	<u>459,008</u>	<u>-</u>	<u>(588,086)</u>	<u>-</u>
Capital assets, being depreciated:					
Equipment	<u>721,093</u>	<u>42,585</u>	<u>(5,300)</u>	<u>588,086</u>	<u>1,346,464</u>
Less accumulated depreciation for:					
Equipment	<u>(583,274)</u>	<u>(34,244)</u>	<u>5,300</u>		<u>(612,218)</u>
Total business-type activities capital assets, net	<u>\$ 266,897</u>	<u>\$ 467,349</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 734,246</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

5. Long-Term Liabilities

Bonds

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

There are no serial bonds outstanding at June 30, 2017.

Changes in long-term liabilities

The following presents the change in long-term liabilities.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Net Pension Liability	\$ 22,120,602	\$ 8,542,457		\$ 30,663,059	
Compensated absences	1,922,675	192,006	\$ (107,853)	2,006,828	\$ 122,650
Governmental activity long-term liabilities	<u>\$ 24,043,277</u>	<u>\$ 9,007,412</u>	<u>\$ (154,176)</u>	<u>\$ 32,896,513</u>	<u>\$ 175,016</u>

Compensated absences, obligations under capital leases and the net pension liability are liquidated by the general fund.

6. Pension Plans

Description of Systems

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

Teachers' Pension and Annuity Fund

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

Public Employee's Retirement System

The Public Employees' Retirement System was established in January 1955 under the provisions of N.J.S.A. 43:15A to provide coverage including post-retirement health care to substantially all fulltime employees of the State or any county, municipality, school District or public agency, provided the employee is not a member of another State- administered retirement system. Age eligibility and benefit provisions were affected by Chapters 92 and 103, P.L. 2007, Chapter 89, P.L. 2008, Chapter 1, P.L. 2010, and Chapter 78, P.L. 2011. Members are classified into one of five tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

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

Funding Policy

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

During the year ended June 30, 2017, the State of New Jersey contributed \$6,128,470 to the TPAF for on-behalf medical benefits, long-term disability insurance, and pension contributions on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the District \$2,108,638 during the year ended June 30, 2017 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the Government-wide and fund financial statements.

The Board's actuarially determined contributions to PERS for the years ended June 30, 2017, 2016 and 2015 were \$919,759, \$847,193, and \$793,774, respectively, equal to the required contributions for each year.

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

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

Public Employee's Retirement System (PERS)

At June 30, 2017, the District reported a liability of \$30,663,059 for its proportionate share of 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 July 1, 2015, which was rolled forward to June 30, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2016, the District's proportion was 0.1035314934 percent, which was an increase of 0.0049899487 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized full accrual pension expense of \$3,281,669 in the government-wide financial statements. At June 30, 2017, the District reported deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows Of Resources
Differences between expected and actual experience	\$ 570,240
Changes of assumptions	6,351,748
Net difference between projected and actual earnings on pension plan investments	1,169,210
Changes in proportion and differences between district contributions and proportionate share contributions	1,440,593
District contributions subsequent to the measurement date	951,810
	<u>\$ 10,483,601</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

\$951,810 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2018	\$ 2,176,888
2019	2,176,890
2020	2,445,473
2021	2,052,383
2022	680,157
	<u>\$ 9,531,791</u>

Actuarial Assumptions

The total pension liability for the June 30, 2016 measurement date was determined by an actuarial valuation as of July 1, 2015, which was rolled forward to June 30, 2016. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	3.08%
Salary increase through 2026	1.65 - 4.15%
	based on age
Thereafter	2.65 - 5.15%
	based on age
Investment rate of return	7.65%

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, 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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

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 formers 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).

Long-Term Rate of Return

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 real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2016 are summarized in the following table:

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	5.00%	0.87%
U.S. Treasuries	1.50%	1.74%
Investment grade credit	8.00%	1.79%
Mortgages	2.00%	1.67%
High yield bonds	2.00%	4.56%
Inflation-indexed bonds	1.50%	3.44%
Broad U.S. equities	26.00%	8.53%
Developed foreign equities	13.25%	6.83%
Emerging market equities	6.50%	9.95%
Private equity	9.00%	12.40%
Hedge funds/Absolute return	12.50%	4.68%
Real Estate (property)	2.00%	6.91%
Commodities	0.50%	5.45%
Global debt ex U.S.	5.00%	-0.25%
REIT	5.25%	5.63%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 3.98% as of June 30, 2016. This single blended discount rate was 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 rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 30% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2034. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2034 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2016 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.98 percent) or 1-percentage-point higher (4.98 percent) than the current rate:

	At 1% Decrease (2.98%)	At Current Discount Rate (3.98%)	At 1% Increase (4.98%)
District's proportionate share of the net pension liability	\$ 37,574,000	\$ 30,663,059	\$ 24,957,478

Pension Plan Fiduciary Net Position

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

Additional Information

Collective balances of the Local Group at June 30, 2016 are as follows:

Deferred outflows of resources	\$ 8,685,338,380
Deferred inflows of resources	\$ 870,133,995
Net pension liability	\$ 29,617,131,759
 District's Proportion	 0.1035314934%

Collective pension expense for the Local Group for the measurement period ended June 30, 2016 is \$2,830,763,540

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2015 (the beginning of the measurement period ended June 30, 2016) is 5.57 years and 5.72 years for the measurement period ended June 30, 2015.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

Teachers Pensions and Annuity Fund (TPAF)

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2016 was \$235,105,166. The District's proportionate share was \$0.

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, which was rolled forward to June 30, 2016. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2016, the State's proportionate share of the TPAF net pension liability associated with the District was 0.2988636375 percent, which was an increase of 0.0046035010 from its proportion measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$17,664,882 for contributions incurred by the State.

Actuarial assumptions

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

Inflation rate	2.50%
Salary increases: 2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.65%

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

Mortality Rates

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.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long-Term Expected Rate of Return

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 real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2016 are summarized in the following table:

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	5.00%	0.39%
US Government Bonds	1.50%	1.28%
US Credit Bonds	13.00%	2.76%
US Mortgages	2.00%	2.38%
US Inflation-Indexed Bonds	1.50%	1.41%
US High Yield Bonds	2.00%	4.70%
US Equity Market	26.00%	5.14%
Foreign Developed Equity	13.25%	5.91%
Emerging Market Equity	6.50%	8.16%
Private Real Estate Property	5.25%	3.64%
Timber	1.00%	3.86%
Farmland	1.00%	4.39%
Private Equity	9.00%	8.97%
Commodities	0.50%	2.87%
Hedge Funds - Multi Strategy	5.00%	3.70%
Hedge Funds - Equity Hedge	3.75%	4.72%
Hedge Funds - Distressed	3.75%	3.49%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 3.22% as of June 30, 2016. This single blended discount rate was based on the long-term 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 rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 30% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2029. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2029, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2016 calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (2.22 percent) or 1-percentage-point higher (4.22 percent) than the current rate:

	At 1% Decrease (2.22%)	At Current Discount Rate (3.22%)	At 1% Increase (4.22%)
State's proportionate share of the net pension liability associated with the District	\$ 280,768,108	\$ 235,105,166	\$ 197,815,481

Pension plan fiduciary net position

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

Additional Information

Collective balances of the Local Group at June 30, 2016 are as follows:

Deferred outflows of resources	\$ 17,440,003,201
Deferred inflows of resources	\$ 195,027,919
Net pension liability	\$ 78,666,367,052

State's proportionate share associated with the District	0.2988636375%
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Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2016 is \$5,915,082,656.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2015 (the beginning of the measurement period ended June 30, 2016) is 8.3 years.

Post-Retirement Benefits

Plan Description

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

Funding Policy

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. Chapter 103 of Public Laws 2007 amended the law to eliminate the funding of post-retirement medical benefits through TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post-retirement 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 benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 C.126, which provides employee paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in fiscal year 2016. The State Employees Health Benefits Program (SEHBP) Act is found in the 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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

6. Pension Plans (continued)

supplementary information for SEHBP. That report may be obtained from the Treasury website. The State will set the contribution rate based on the *annual required contribution of the employers* (ARC), an amount actuarially determined in accordance with parameters of GASB 45. The ARC represents the level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2017, 2016 and 2015 were \$2,782,708 \$2,849,185, and \$2,525,520, respectively, which equaled the required contributions for each year. The State's contributions to the SHBP Fund for PERS retirees' post-retirement benefits on behalf of the District was not determined or made available by the State of New Jersey.

7. Interfund Receivables and Payables

The total interfund accounts receivable and payable balances for the District amounted to the following as of June 30, 2017:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 415,174	
Special Revenue Fund		\$ 262,132
Food Service Enterprise Fund		153,042
	<u>\$ 415,174</u>	<u>\$ 415,174</u>

The interfund payable in the special revenue fund represents a cash loan from the general fund not returned at June 30, 2017. The interfund between the food service enterprise fund and the general fund represents funds not returned by the food service enterprise fund by June 30, 2017 for expenditures paid on behalf of the food service enterprise fund by the general fund. All interfunds are expected to be repaid within one year.

8. Economic Dependency

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

9. Deferred Compensation

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

9. Deferred Compensation (continued)

property and rights purchased with the amounts, and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

10. Contingent Liabilities

The District participates in numerous state and federal grant programs, which are governed by various rules and regulations of the grantor agencies; therefore, to the extent that the District has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable at June 30, 2017 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies. The District is also involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a materially adverse effect on the financial position of the District.

11. Risk Management

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

Property and Liability Insurance

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

New Jersey Unemployment Compensation Insurance

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method." Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State. There are sufficient funds maintained in the separate unemployment compensation trust fund account to pay current billings.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

12. Transfers

The following presents a reconciliation of transfers made during the 2017 fiscal year:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,673,869	
Special Revenue Fund		\$1,673,869
	<u>\$1,673,869</u>	<u>\$1,673,869</u>

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

13. Commitments-General Fund

The District has contractual commitments of \$3,825,095 at June 30, 2017 to various vendors, which are recorded in the general fund as a component of fund balance assigned to other purposes.

14. Deficit Fund Balance

The District has an unassigned deficit fund balance of \$534,576 in the special revenue fund at June 30, 2017 as reported in the fund financial statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made available until the following budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides the legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The deficit amounts listed above in the special revenue fund represent a deficit that was incurred as a direct result of the State of New Jersey's deferral of the District's final two state aid payments.

15. Capital Reserve Account

A capital reserve account was established by the District in June 2008 and issued for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget. Funds placed in the capital reserve account are restricted to capital projects in the District's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the Department, a district may increase the balance in the capital reserve by appropriating funds in the

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

15. Capital Reserve Account (continued)

annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to 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	\$	11,789,499
Increased By:		
Deposit approved at the June 2017		
Board meeting		1,588,090
Unspent capital outlay funds		3,208,669
Interest		14,576
Decreased By: Budget withdrawal		(8,907,816)
Ending balance, June 30, 2017	\$	<u>7,693,018</u>

Of the balance in reserve at June 30, 2017, \$2,200,000 is included to be utilized in the 2017-18 approved budget. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District’s LRFP. The June 30, 2017 LRFP balance of local support costs of uncompleted projects exceeds the amount set aside in capital reserve.

16. Maintenance Reserve Account

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

16. Maintenance Reserve Account (continued)

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

Beginning balance, June 30, 2016	\$ 1,775,000
Increased by:	
Deposit approved at the June 2017 Board meeting	800,000
Decreased By:	
Budget Withdrawal	(975,000)
Ending balance, June 30, 2017	<u>\$ 1,600,000</u>

The District did not include any use of the reserve balance at June 30, 2017 in the original 2017-18 approved budget. However, due to the subsequent reduction in state aid, the District adjusted its 2017-18 budget to include \$500,000 of its maintenance reserve.

17. Restricted Assets

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

18. Rental Agreements

Effective July 1, 2012, Brookdale Community College entered into an agreement with the District to rent building space for the period from July 1, 2012 through June 30, 2017. As part of the agreement, the College is required to pay the remaining amount to the District in the amount of \$189,425 for the year ended June 30, 2017. Effective July 1, 2017, the District entered into a new lease with Brookdale Community College to rent the second floor of the building, for the period from September 1, 2017 through June 30, 2020.

Effective July 1, 2014, Brookdale Community College entered into an agreement with the District to rent the second floor of the District-owned building for the period from July 1 2014 through June 30, 2017. The College is required to pay the District an additional \$143,222 for the year ended June 30, 2017. Effective September 1, 2017, the District entered into a new lease with Brookdale Community College to rent the first floor of the building, for the period from September 1, 2017 through June 30, 2020.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2017

19. Special Item – Prior Year Accrual Canceled

As of June 30, 2016, the District had several unsettled contracts with the various unions. A retroactive payroll accrual was calculated in the prior year and current year, as the contracts settled near the current year end, however, the retro was not paid until subsequent to year end. Upon final settlement, the terms of the contracts called for lower retro pay than was initially calculated in the prior year. As such, the District canceled the liability from the prior year and recorded it as a special item during the 2017 fiscal year. This resulted in a special item of \$999,544.

20. GASB 77 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. 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.

For a local school district board of education or board of school estimate that has elected to raise their minimum tax levy using the required local share provision at N.J.S.A. 18A:7F-5(b), the loss of revenue resulting from the municipality or county having entered into a tax abatement agreement is indeterminate due to the complex nature of the calculation of required local share performed by the New Jersey Department of Education based upon district property value and wealth.

The Township of Neptune provides for long-term tax exemptions, as authorized by New Jersey State Statutes. N.J.S.A. 40A:20-1 et seq. sets forth the criteria and mechanism by which property taxes can and are abated. The exemptions provided by the Township of Neptune are for affordable housing projects. Taxes abated include municipal, local school and county taxes.

The Township of Neptune recognized revenue of \$215,004 from the annual service charge in lieu of payment of taxes in 2016 and taxes in 2016 that otherwise would have been due on these long-term tax exemptions amounted to \$384,725, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$169,721 abatement would have been allocated to the District.

21. Lease Commitments - Operating Lease

The District leases copiers from Municipal Capital Lease (Lessor) under a fifteen-year lease. The initial five-year period commenced on July 1, 2016. The Lease expense, excluding additional operating expenses, amounted to \$46,323 for fiscal year 2017. The future minimum lease payments under the lease agreement over the remaining life of the lease is \$226,626.

Required Supplementary Information
Part II

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

Last Ten Fiscal Years

	Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
District's proportion of the net pension liability (asset) - Local Group	N/A	N/A	N/A	N/A	N/A	N/A	0.0929061680%	0.0962867403%	0.0985415447%	0.1035314934%
District's proportionate share of the net pension liability (asset)	N/A	N/A	N/A	N/A	N/A	N/A	\$ 17,756,215	\$ 18,027,511	\$ 22,120,602	\$ 30,663,059
District's covered-employee payroll	\$ 5,429,515	\$ 5,434,676	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	N/A	272.09%	268.06%	316.88%	439.41%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	N/A	N/A	N/A	N/A	N/A	N/A	48.19%	50.09%	48.62%	50.19%

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

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

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

Last Ten Fiscal Years

	Year Ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Contractually required contribution	\$ 318,517	\$ 461,533	\$ 494,153	\$ 666,709	\$ 701,513	\$ 683,560	\$ 794,760	\$ 793,774	\$ 847,193	\$ 919,759
Contributions in relation to the contractually required contribution	(318,517)	(461,533)	(494,153)	(666,709)	(701,513)	(683,560)	(794,760)	(793,774)	(847,193)	(919,759)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,434,676	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288	\$ 7,014,655
Contributions as a percentage of covered-employee payroll	5.86%	8.00%	8.24%	10.99%	11.20%	10.47%	11.82%	11.37%	12.14%	13.11%

See accompanying notes to required supplementary information.

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

Last Ten Fiscal Years*

	Year Ended June 30,		
	2017	2016	2015
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.2988636375%	0.2942601365%	0.3018486894%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 235,105,166	\$ 185,984,972	\$ 161,328,300
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 235,105,166</u>	<u>\$ 185,984,972</u>	<u>\$ 161,328,300</u>
Plan fiduciary net position as a percentage of the total pension liability	22.33%	28.71%	33.64%

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

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

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

Neptune Township Board of Education
Notes to Required Supplementary Information
Year ended June 30, 2017

PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.90% as of June 30, 2015 to 3.98% as of June 30, 2016.

TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.13% as of June 30, 2015 to 3.22% as of June 30, 2016.

Required Supplementary Information

Part III

Budgetary Comparison Schedules

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

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 36,756,362		\$ 36,756,362	\$ 36,756,362	
Tuition from other LEAs within the State	4,868,088		4,868,088	5,741,618	\$ 873,530
Transportation fees from other LEAs within the State	350,000		350,000	577,800	227,800
Interest Earned on Investments	2,000		2,000	21,156	19,156
Miscellaneous	616,503		616,503	714,009	97,506
Total - Local Sources	42,592,953		42,592,953	43,810,945	1,217,992
State Sources:					
Equalization Aid	25,407,093		25,407,093	25,407,093	
Special Education Aid	2,404,326		2,404,326	2,404,326	
Transportation Aid	1,363,716		1,363,716	1,363,716	
Security Aid	1,222,886		1,222,886	1,222,886	
Adjustment Aid	2,234,768		2,234,768	2,234,768	
PARCC Readiness Aid	38,650		38,650	38,650	
Per Pupil Growth Aid	38,650		38,650	38,650	
Professional Learning Communication Aid	36,630		36,630	36,630	
Non-Public Transportation Aid				14,462	14,462
Extraordinary Aid	250,000		250,000	582,605	332,605
TPAF Pension, disability insurance and medical (On-Behalf - Non-Budgeted)				6,128,470	6,128,470
TPAF Social Security (Reimbursed - Non-Budgeted)				2,108,638	2,108,638
Total State Sources	32,996,719		32,996,719	41,580,894	8,584,175
Federal Sources:					
Medical Assistance Program	158,834		158,834	156,394	(2,440)
Total - Federal Sources	158,834		158,834	156,394	(2,440)
Total Revenues	75,748,506		75,748,506	85,548,233	9,799,727
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	915,413	\$ 95,640	1,011,053	980,274	30,779
Grades 1-5 - Salaries of Teachers	6,585,653	(637,934)	5,947,719	5,646,499	301,220
Grades 6-8 - Salaries of Teachers	4,248,222	(139,282)	4,108,940	3,969,587	139,353
Grades 9-12 - Salaries of Teachers	5,282,757	39,254	5,322,011	5,054,353	267,658
Regular Programs - Home Instruction					
Salaries of Teachers	210,000	36,106	246,106	231,576	14,530
Purchased Professional-Educational Services	80,000	(30,855)	49,145	43,217	5,928
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	380,001	57,957	437,958	425,480	12,478
Purchased Professional-Educational Services	275,950	(72,696)	203,254	145,456	57,798
Purchased Technical Services	239,614	57,650	297,264	292,244	5,020
Other Purchased Services	422,100	14,421	436,521	364,388	72,133
General Supplies	731,450	629,735	1,361,185	995,755	365,430
Textbooks	123,810	6,076	129,886	110,428	19,458
Other Objects	73,450	(4,986)	68,464	54,274	14,190
TOTAL REGULAR PROGRAMS - INSTRUCTION	19,568,420	51,086	19,619,506	18,313,531	1,305,975
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	903,033	(207,995)	695,038	669,796	25,242
Other Salaries for Instruction	278,747	9,320	288,067	286,081	1,986
Purchased Professional-Educational Services	4,050	82,590	86,640	86,639	1
Other Purchased Services	1,500		1,500	900	600
General Supplies	6,200	(940)	5,260	4,679	581
Total Learning and/or Language Disabilities	1,193,530	(117,025)	1,076,505	1,048,095	28,410
Auditory Impairments					
Salaries of Teachers	738,372	(3,475)	734,897	703,627	31,270
Other Salaries for Instruction	431,314	24,334	455,648	434,673	20,975
Purchased Professional-Educational Services	10,000		10,000	4,803	5,197
Other Purchased Services	43,400	(700)	42,700	31,201	11,499
General Supplies	12,000		12,000	10,494	1,506
Total Auditory Impairments	1,235,086	20,159	1,255,245	1,184,798	70,447

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral Disabilities					
Salaries of Teachers	\$ 157,462		\$ 157,462	\$ 150,242	\$ 7,220
Other Salaries for Instruction	46,807		46,807	45,843	964
Purchased Professional-Educational Services	1,000		1,000	1,000	
General Supplies	900		900	900	
Total Behavioral Disabilities	206,169		206,169	197,985	8,184
Multiple Disabilities					
Salaries of Teachers	529,120	\$ (130,420)	398,700	383,448	15,252
Other Salaries for Instruction	250,941	(3,439)	247,502	244,211	3,291
General Supplies	2,700	200	2,900	2,834	66
Total Multiple Disabilities	782,761	(133,659)	649,102	630,493	18,609
Resource Room/Resource Center					
Salaries of Teachers	2,811,116	252,473	3,063,589	2,935,711	127,878
Other Salaries for Instruction	170,091	29,767	199,858	193,682	6,176
Purchased Professional-Educational Services		23,500	23,500	20,000	3,500
General Supplies	11,200	940	12,140	11,819	321
Total Resource Room/Resource Center	2,992,407	306,680	3,299,087	3,161,212	137,875
Preschool Disabilities - Full-Time					
Salaries of Teachers	404,412	(48,712)	355,700	344,442	11,258
Other Salaries for Instruction	94,658	22,570	117,228	105,704	11,524
Purchased Professional-Educational Services	7,500	(2,000)	5,500	4,000	1,500
Other Purchased Services	350		350	96	254
General Supplies	6,500	2,000	8,500	8,073	427
Total Preschool Disabilities - Full-Time	513,420	(26,142)	487,278	462,315	24,963
TOTAL SPECIAL EDUCATION - INSTRUCTION	6,923,373	50,013	6,973,386	6,684,898	288,488
Bilingual Education - Instruction					
Salaries of Teachers	300,140	(4,544)	295,596	289,521	6,075
General Supplies	1,500	738	2,238	922	1,316
Total Bilingual Education - Instruction	301,640	(3,806)	297,834	290,443	7,391
Total Vocational Programs- Local Instruction					
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	225,000	(4,430)	220,570	206,180	14,390
Purchased Services	27,100	(3,200)	23,900	10,099	13,801
Other Objects	2,500		2,500	2,184	316
Total School-Spon. Cocurricular Actvts. - Inst.	254,600	(7,630)	246,970	218,463	28,507
School-Spon. Athletics					
Salaries	1,026,019	(37,509)	988,510	923,648	64,862
Purchased Services	232,300	56,369	288,669	260,347	28,322
Supplies and Materials	144,000	(51,427)	92,573	85,203	7,370
Total School-Spon. Athletics	1,402,319	(32,567)	1,369,752	1,269,198	100,554
Other Supplementary/At-Risk Program- Instruction					
Salaries of Reading Specialists	630,598	281,433	912,031	894,910	17,121
Total Other Supplementary/At-Risk Program- Instruction	630,598	281,433	912,031	894,910	17,121
Community Services Programs/Operations					
Supplies and Materials	5,000		5,000		5,000
Other Objects	5,500		5,500		5,500
Total Community Services Programs/Operations	10,500		10,500		10,500
TOTAL INSTRUCTION	29,091,450	338,529	29,429,979	27,671,443	1,758,536
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	291,870	(129,849)	162,021	157,033	4,988
Tuition to Other LEAs Within the State - Special	366,810	194,615	561,425	561,425	
Tuition to County Voc. School Dist. - Regular	178,720	(5,736)	172,984	172,984	
Tuition to County Voc. School Dist. - Special	237,600	(17,280)	220,320	220,320	
Tuition to CSSD & Regional Day Schools		13,300	13,300	13,300	
Tuition to Private Schools for the Disabled - Within State	6,370,880	439,939	6,810,819	6,761,737	49,082
Tuition - State Facilities	111,887		111,887	111,887	
Total Undistributed Expenditures - Instruction	7,557,767	494,989	8,052,756	7,998,686	54,070

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work					
Salaries	\$ 259,474	\$ (1,100)	\$ 258,374	\$ 253,853	\$ 4,521
Salaries of Drop-Out Prevention Officer/Coordinator	42,169	(472)	41,697	41,697	
Other Purchased Services	3,000	(1,973)	1,027	1,027	
Total Undistributed Expend. - Attend. & Social Work	304,643	(3,545)	301,098	296,577	4,521
Undist. Expend. - Health Services					
Salaries	654,593	(4,187)	650,406	635,635	14,771
Purchased Professional and Technical Services	5,000	(4,600)	400		400
Other Purchased Services	8,000		8,000	8,000	
Supplies and Materials	36,000	(140)	35,860	31,130	4,730
Total Undistributed Expenditures - Health Services	703,593	(8,927)	694,666	674,765	19,901
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	503,379	(78,575)	424,804	411,154	13,650
Purchased Professional - Educational Services	475,000	352,021	827,021	826,961	60
Supplies and Materials	1,350		1,350	653	697
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	979,729	273,446	1,253,175	1,238,768	14,407
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,167,402	(54,525)	1,112,877	1,067,301	45,576
Salaries of Secretarial and Clerical Assistants	131,354	2,043	133,397	131,645	1,752
Purchased Professional - Educational Services	37,300	636	37,936	37,645	291
Other Purchased Services	122,000	(5,275)	116,725	104,402	12,323
Supplies and Materials	48,500	(7,924)	40,576	38,023	2,553
Total Undist. Expend. - Guidance	1,506,556	(65,045)	1,441,511	1,379,016	62,495
Undist. Expend. - Child Study Team					
Salaries of Other Professional Staff	1,063,899	(123,925)	939,974	939,973	1
Salaries of Secretarial and Clerical Assistants	100,522	11,640	112,162	112,161	1
Other Purchased Services	3,000		3,000	1,314	1,686
Miscellaneous Purchased Services	3,000	47,600	50,600	47,323	3,277
Supplies and Materials	12,150	(1,150)	11,000	9,881	1,119
Other Objects	1,000	91	1,091	958	133
Total Undist. Expend. - Child Study Team	1,183,571	(65,744)	1,117,827	1,111,610	6,217
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	156,929	110,000	266,929	261,806	5,123
Salaries of Other Professional Staff	776,550	(219,545)	557,005	295,613	261,392
Salaries of Secretarial and Clerical Assistants	43,720	(276)	43,444	43,444	
Purchased Prof. - Educational Services	371,850	(24,716)	347,134	189,609	157,525
Other Purchased Services	10,000	(4,000)	6,000	831	5,169
Supplies and Materials	15,000	4,675	19,675	11,856	7,819
Other Objects	29,000	(1,100)	27,900	9,004	18,896
Total Undist. Expend. - Improvement of Inst. Serv.	1,403,049	(134,962)	1,268,087	812,163	455,924
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	947,272	(42,327)	904,945	852,951	51,994
Supplies and Materials	64,800	(7,061)	57,739	54,219	3,520
Total Undist. Expend. - Edu. Media Serv./Sch. Library	1,012,072	(49,388)	962,684	907,170	55,514
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	809,695	(131,692)	678,003	660,380	17,623
Legal Services	99,000	111,430	210,430	194,507	15,923
Audit Fees	73,400	(765)	72,635	72,635	
Architectural/Engineering Services	45,000	(35,000)	10,000		10,000
Purchased Technical Services	56,000	(21,013)	34,987	33,586	1,401
Communications/Telephone	189,500	(18,000)	171,500	139,738	31,762
Board of Education Other Purchased Services	11,000		11,000	4,905	6,095
Other Purchased Services	163,650	7,661	171,311	143,377	27,934
General Supplies	46,100	(500)	45,600	27,347	18,253
Board of Education In-House Training/Meeting Supplies	11,000		11,000	4,306	6,694
Judgements Against the School District		196,334	196,334	196,333	1
Miscellaneous Expenditures	8,000		8,000	6,592	1,408
Board of Education Dues and Fees	52,000	(7,505)	44,495	33,688	10,807
Total Undist. Expend. - Supp. Serv. - General Admin.	1,564,345	100,950	1,665,295	1,517,394	147,901

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	\$ 1,544,243	\$ 154,263	\$ 1,698,506	\$ 1,698,506	
Salaries - Other Professional Staff	632,605	(1,645)	630,960	630,930	\$ 30
Salaries of Secretarial and Clerical Assistants	691,822	(13,459)	678,363	653,971	24,392
Other Purchased Services	67,000	2,573	69,573	61,089	8,484
Supplies and Materials	59,000	(4,337)	54,663	45,552	9,111
Other Objects	2,550	(727)	1,823	690	1,133
Total Undist. Expend. - Support Serv. - School Admin.	2,997,220	136,668	3,133,888	3,090,738	43,150
Undist. Expend. - Central Services					
Salaries	803,124	(29,461)	773,663	760,251	13,412
Purchased Technical Services	34,000	(727)	33,273	33,272	1
Misc Purchased Services	77,500	(11,000)	66,500	28,106	38,394
Supplies and Materials	5,500	4,000	9,500	6,821	2,679
Total Undist. Expend. - Central Services	920,124	(37,188)	882,936	828,450	54,486
Undist. Expend. - Technology Admin.					
Salaries	331,845	(1,766)	330,079	328,921	1,158
Purchased Technical Services	135,000	(903)	134,097	46,224	87,873
Travel	8,000		8,000	2,384	5,616
Supplies and Materials	33,615	13,000	46,615	15,661	30,954
Total Undist. Expend. - Technology Admin.	508,460	10,331	518,791	393,190	125,601
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	424,727	6,023	430,750	399,816	30,934
Cleaning, Repair and Maintenance Services	2,850,419	(249,333)	2,601,086	2,203,682	397,404
General Supplies	277,000	(8,674)	268,326	150,944	117,382
Other Objects	30,000	1,000	31,000	30,190	810
Total Undist. Expend. - Required Maint. for Sch. Facil.	3,582,146	(250,984)	3,331,162	2,784,632	546,530
Undist. Expend. - Custodial Services					
Salaries	2,585,359	(30,856)	2,554,503	2,463,975	90,528
Cleaning, Repair and Maintenance Services	103,000	7,100	110,100	82,147	27,953
Other Purchased Property Services	131,300	173	131,473	116,261	15,212
Insurance	342,645	5,572	348,217	348,217	
General Supplies	247,000	12,000	259,000	217,287	41,713
Natural Gas	335,000	(23,218)	311,782	295,978	15,804
Electricity	2,175,000	(174,700)	2,000,300	1,751,222	249,078
Total Undist. Expend. - Custodial Services	5,919,304	(203,929)	5,715,375	5,275,087	440,288
Undist. Expend. - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	920,000	(97,400)	822,600	705,828	116,772
General Supplies	20,000	1,227	21,227	17,477	3,750
Total Undist. Expend. - Care and Upkeep of Grounds	940,000	(96,173)	843,827	723,305	120,522
Undist. Expend. - Security					
Salaries	428,311	9,880	438,191	415,740	22,451
Purchased Professional & Technical Services	85,000	41,384	126,384	126,384	
General Supplies	33,750	30,964	64,714	60,685	4,029
Total Undist. Expend. - Security	547,061	82,228	629,289	602,809	26,480
Undist. Expend. - Student Transportation Serv.					
Salaries for Pupil Trans. (Between Home & School) - Regular	125,739	(961)	124,778	123,949	829
Other Purchased Professional and Technical Services	4,500		4,500	4,500	
Contracted Services Aid In Lieu of Payment for Non-public School Students	60,000	(20,000)	40,000	25,991	14,009
Contracted Services Aid In Lieu of Payment for Charter School Students	1,000	(1,000)			
Contracted Services Aid In Lieu of Payment for Choice School Students	1,000	(1,000)			
Contracted Services (Between Home and School) - Vendors	1,308,000	(2,765)	1,305,235	1,188,400	116,835
Contracted Services (Other than Between Home and School) - Vendors	313,600	(30,981)	282,619	268,893	13,726
Contracted Services (Sp. Ed.) - Vendors	1,240,000	19,250	1,259,250	1,218,339	40,911
General Supplies	5,800	500	6,300	5,850	450
Total Undist. Expend. - Student Transportation Serv.	3,059,639	(36,957)	3,022,682	2,835,922	186,760
Unallocated Benefits					
Social Security Contributions	1,057,625	35,500	1,093,125	1,093,034	91
Other Retirement Contributions - PERS	872,100	55,940	928,040	928,040	
Workmen's Compensation	587,240	(146,842)	440,398	440,398	
Health Benefits	11,835,886	(448,246)	11,387,640	11,115,575	272,065
Tuition Reimbursement	25,000	(3,163)	21,837	20,237	1,600
Other Employee Benefits	800,000	(7,157)	792,843	783,988	8,855
Total Unallocated Benefits	15,177,851	(513,968)	14,663,883	14,381,272	282,611

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On-behalf Contributions					
TPAF Pension, disability insurance and medical (On-Behalf - Non-Budgeted)				\$ 6,128,470	\$ (6,128,470)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,108,638	(2,108,638)
Total On-behalf Contributions				8,237,108	(8,237,108)
TOTAL UNDISTRIBUTED EXPENDITURES	\$ 49,867,130	\$ (368,198)	\$ 49,498,932	55,088,662	(5,589,730)
TOTAL GENERAL CURRENT EXPENSE	78,958,580	(29,669)	78,928,911	82,760,105	(3,831,194)
CAPITAL OUTLAY					
Equipment					
Regular Programs-Instruction:					
Grades 1-5		20,788	20,788	20,685	103
Grades 9-12		8,881	8,881	8,881	
Special Education-Instruction:					
School- Spons. & Other Instruction Program	25,000	(5,480)	19,520	19,520	
Undistributed Expenditures:					
Undistributed Exp.-Instruction	5,000	8,500	13,500	13,500	
Undistributed Exp.-Req. Maint. of School Facilities	15,000	(7,100)	7,900	7,900	
Undistributed Exp.-Custodial Services	25,000	28,526	53,526	2,962	50,564
Undistributed Exp.-Care and Upkeep of Grounds	25,000	10,554	35,554	35,554	
Total Equipment	95,000	64,669	159,669	109,002	50,667
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	1,000,000		1,000,000	580,675	419,325
Construction Services	7,907,816	3,593,652	11,501,468	8,712,124	2,789,344
Total Facilities Acquisition and Construction Services	8,907,816	3,593,652	12,501,468	9,292,799	3,208,669
TOTAL CAPITAL OUTLAY	9,002,816	3,658,321	12,661,137	9,401,801	3,259,336
Contribution to Charter Schools	610,094		610,094	520,780	89,314
TOTAL EXPENDITURES	88,571,490	3,628,652	92,200,142	92,682,686	(482,544)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(12,822,984)	(3,628,652)	(16,451,636)	(7,134,453)	10,282,271
Other Financing Sources (Uses):					
Transfer in - Contribution to school based budgets- GF	43,900,000		43,900,000	41,708,246	(2,191,754)
Transfer in - Contribution to school based budgets- SRF	1,750,000		1,750,000	1,673,869	(76,131)
Transfer out - Contribution to school based budgets	(43,900,000)		(43,900,000)	(41,708,246)	2,191,754
Special item - prior year accrual cancelled				999,544	999,544
Total Other Financing Sources (Uses)	1,750,000		1,750,000	2,673,413	923,413
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(11,072,984)	(3,628,652)	(14,701,636)	(4,461,040)	11,205,684
Fund Balance, July 1	12,940,728	(213,117)	12,727,611	20,231,654	7,504,043
Fund Balance, June 30	\$ 1,867,744	\$ (3,841,769)	\$ (1,974,025)	\$ 15,770,614	\$ 18,709,727
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Capital Reserve				\$ 7,693,018	
Maintenance Reserve				1,600,000	
Assigned to:					
Designated for Subsequent Year's Expenditures				626,819	
Designated for Subsequent Year's Expenditures-Assigned-SEMI ARRA				23,181	
Year End Encumbrances				3,825,095	
Unassigned Fund Balance				2,002,501	
				15,770,614	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Final State Aid Payments Not Realized on GAAP Basis				(3,240,782)	
Fund balance per Governmental Funds (GAAP)				\$ 12,529,832	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget		Budget Transfers			Final Budget		Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	
REVENUES:										
Local Sources:										
Local Tax Levy	\$ 36,756,362		\$ 36,756,362			\$ 36,756,362	\$ 36,756,362		\$ 36,756,362	
Tuition from other LEAs within the State	4,868,088		4,868,088			4,868,088	5,741,618		5,741,618	
Transportation fees from other LEAs within the State	350,000		350,000			350,000	577,800		577,800	
Interest Earned on Investments	2,000		2,000			2,000	21,156		21,156	
Miscellaneous	616,503		616,503			616,503	714,009		714,009	
Total - Local Sources	42,592,953		42,592,953			42,592,953	43,810,945		43,810,945	
State Sources:										
Equalization Aid	25,407,093		25,407,093			25,407,093	25,407,093		25,407,093	
Special Education Aid	2,404,326		2,404,326			2,404,326	2,404,326		2,404,326	
Transportation Aid	1,363,716		1,363,716			1,363,716	1,363,716		1,363,716	
Security Aid	1,222,886		1,222,886			1,222,886	1,222,886		1,222,886	
Adjustment Aid	2,234,768		2,234,768			2,234,768	2,234,768		2,234,768	
PARCC Readiness Aid	38,650		38,650			38,650	38,650		38,650	
Per Pupil Growth Aid	38,650		38,650			38,650	38,650		38,650	
Professional Learning Communication Aid	36,630		36,630			36,630	36,630		36,630	
Non-Public Transportation Aid							14,462		14,462	
Extraordinary Aid	250,000		250,000			250,000	582,605		582,605	
TPAF Pension, disability insurance and medical (On-Behalf - Non-Budgeted)							6,128,470		6,128,470	
TPAF Social Security (Reimbursed - Non-Budgeted)							2,108,638		2,108,638	
Total State Sources	32,996,719		32,996,719			32,996,719	41,580,894		41,580,894	
Federal Sources:										
Medical Assistance Program	158,834		158,834			158,834	156,394		156,394	
Total - Federal Sources	158,834		158,834			158,834	156,394		156,394	
Total Revenues	75,748,506		75,748,506			75,748,506	85,548,233		85,548,233	
EXPENDITURES:										
Current Expense:										
Regular Programs - Instruction										
Preschool - Salaries of Teachers		915,413	915,413		95,640	95,640	1,011,053	1,011,053	980,274	980,274
Kindergarten - Salaries of Teachers		6,006,153	6,585,653	(110,973)	(526,961)	(637,934)	5,479,192	5,947,719	436,186	5,210,313
Grades 1-5 - Salaries of Teachers	579,500	3,968,222	4,248,222	(43,802)	(95,480)	(139,282)	236,198	4,108,940	231,615	3,737,972
Grades 6-8 - Salaries of Teachers	343,800	4,938,957	5,282,757	(1,313)	40,567	39,254	342,487	5,322,011	336,975	4,718,278
Grades 9-12 - Salaries of Teachers										
Regular Programs - Home Instruction										
Salaries of Teachers	210,000		210,000	36,106		36,106	246,106	246,106	231,576	231,576
Purchased Professional-Educational Services	80,000		80,000	(30,855)		(30,855)	49,145	49,145	43,217	43,217
Regular Programs - Undistributed Instruction										
Other Salaries for Instruction	38,000	342,001	380,001	10,830	47,127	57,957	48,830	389,128	437,958	45,240
Purchased Professional-Educational Services	1,100	274,850	275,950	(72,696)		(72,696)	1,100	202,154	203,254	145,456
Purchased Technical Services		239,614	239,614		57,650	57,650		297,264	297,264	292,244
Other Purchased Services		422,100	422,100		14,421	14,421		436,521	436,521	364,388
General Supplies	9,000	722,450	731,450	(8,000)	637,735	629,735	1,000	1,361,185	1,361,185	995,603
Textbooks		123,810	123,810		6,076	6,076		129,886	129,886	110,428
Other Objects	2,500	70,950	73,450		(4,986)	(4,986)	2,500	65,964	68,464	53,154
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,543,900	18,024,520	19,568,420	(148,007)	199,093	51,086	1,395,893	18,223,613	19,619,506	1,325,181
SPECIAL EDUCATION - INSTRUCTION										
Learning and/or Language Disabilities										
Salaries of Teachers		903,033	903,033		(207,995)	(207,995)	695,038	695,038	669,796	669,796
Other Salaries for Instruction		278,747	278,747		9,320	9,320	288,067	288,067	286,081	286,081
Purchased Professional-Educational Services		4,050	4,050		82,590	82,590	86,640	86,640	86,639	86,639
Other Purchased Services		1,500	1,500				1,500	1,500	900	900
General Supplies		6,200	6,200		(940)	(940)	5,260	5,260	4,679	4,679
Total Learning and/or Language Disabilities		1,193,530	1,193,530		(117,025)	(117,025)	1,076,505	1,076,505	1,048,095	1,048,095
Auditory Impairments										
Salaries of Teachers		738,372	738,372		(3,475)	(3,475)	734,897	734,897	703,627	703,627
Other Salaries for Instruction		431,314	431,314		24,334	24,334	455,648	455,648	434,673	434,673
Purchased Professional-Educational Services		10,000	10,000				10,000	10,000	4,803	4,803
Other Purchased Services		43,400	43,400		(700)	(700)	42,700	42,700	31,201	31,201
General Supplies		12,000	12,000				12,000	12,000	10,494	10,494
Total Auditory Impairments		1,235,086	1,235,086		20,159	20,159	1,255,245	1,255,245	1,184,798	1,184,798

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Behavioral Disabilities												
Salaries of Teachers	\$ 157,462	\$ 157,462					\$ 157,462	\$ 157,462		\$ 150,242	\$ 150,242	
Other Salaries for Instruction	46,807	46,807					46,807	46,807		45,843	45,843	
Purchased Professional-Educational Services	1,000	1,000					1,000	1,000		1,000	1,000	
General Supplies	900	900					900	900		900	900	
Total Behavioral Disabilities	206,169	206,169					206,169	206,169		197,985	197,985	
Multiple Disabilities												
Salaries of Teachers	529,120	529,120		\$ (130,420)	\$ (130,420)		398,700	398,700		383,448	383,448	
Other Salaries for Instruction	250,941	250,941		(3,439)	(3,439)		247,502	247,502		244,211	244,211	
General Supplies	2,700	2,700		200	200		2,900	2,900		2,834	2,834	
Total Multiple Disabilities	782,761	782,761		(133,659)	(133,659)		649,102	649,102		630,493	630,493	
Resource Room/Resource Center												
Salaries of Teachers	2,811,116	2,811,116		252,473	252,473		3,063,589	3,063,589		2,935,711	2,935,711	
Other Salaries for Instruction	170,091	170,091		29,767	29,767		199,858	199,858		193,682	193,682	
Purchased Professional-Educational Services				23,500	23,500		23,500	23,500		20,000	20,000	
General Supplies	11,200	11,200		940	940		12,140	12,140		11,819	11,819	
Total Resource Room/Resource Center	2,992,407	2,992,407		306,680	306,680		3,299,087	3,299,087		3,161,212	3,161,212	
Preschool Disabilities - Full-Time												
Salaries of Teachers	\$ 404,412	404,412	\$ (48,712)		(48,712)		355,700	355,700		344,442	344,442	
Other Salaries for Instruction	94,658	94,658	22,570		117,228		117,228	117,228		105,704	105,704	
Purchased Professional-Educational Services	7,500	7,500	(2,000)		(2,000)		5,500	5,500		4,000	4,000	
Other Purchased Services	350	350			350		350	350		96	96	
General Supplies	6,500	6,500	2,000		2,000		8,500	8,500		8,073	8,073	
Total Preschool Disabilities - Full-Time	513,420	513,420	(26,142)		(26,142)		487,278	487,278		462,315	462,315	
TOTAL SPECIAL EDUCATION - INSTRUCTION	513,420	6,409,953	6,923,373	(26,142)	76,155	50,013	487,278	6,486,108	6,973,386	462,315	6,222,383	6,684,898
Bilingual Education - Instruction												
Salaries of Teachers	300,140	300,140		(4,544)	(4,544)		295,596	295,596		289,521	289,521	
General Supplies	1,500	1,500		738	738		2,238	2,238		922	922	
Total Bilingual Education - Instruction	301,640	301,640		(3,806)	(3,806)		297,834	297,834		290,443	290,443	
School-Spon. Cocurricular Actvts. - Inst.												
Salaries	225,000	225,000		(4,430)	(4,430)		220,570	220,570		206,180	206,180	
Purchased Services	27,100	27,100		(3,200)	(3,200)		23,900	23,900		10,099	10,099	
Other Objects	2,500	2,500					2,500	2,500		2,184	2,184	
Total School-Spon. Cocurricular Actvts. - Inst.	254,600	254,600		(7,630)	(7,630)		246,970	246,970		218,463	218,463	
School-Spon. Athletics												
Salaries	1,026,019	1,026,019		(37,509)	(37,509)		988,510	988,510		923,648	923,648	
Purchased Services	232,300	232,300		56,369	56,369		288,669	288,669		260,347	260,347	
Supplies and Materials	144,000	144,000		(51,427)	(51,427)		92,573	92,573		85,203	85,203	
Total School-Spon. Athletics	1,402,319	1,402,319		(32,567)	(32,567)		1,369,752	1,369,752		1,269,198	1,269,198	
Other Supplementary/At-Risk Program- Instruction												
Salaries of Reading Specialists	630,598	630,598		281,433	281,433		912,031	912,031		894,910	894,910	
Total Other Supplementary/At-Risk Program- Instruction	630,598	630,598		281,433	281,433		912,031	912,031		894,910	894,910	
Community Services Programs/Operations												
Supplies and Materials	5,000	5,000					5,000	5,000				
Other Objects	5,500	5,500					5,500	5,500				
Total Community Services Programs/Operations	10,500	10,500					10,500	10,500				
TOTAL INSTRUCTION	2,067,820	27,023,630	29,091,450	(174,149)	512,678	338,529	1,893,671	27,536,308	29,429,979	1,787,496	25,883,947	27,671,443
Undistributed Expenditures - Instruction												
Tuition to Other LEAs Within the State - Regular	291,870	291,870	(129,849)		(129,849)		162,021	162,021		157,033	157,033	
Tuition to Other LEAs Within the State - Special	366,810	366,810	194,615		194,615		561,425	561,425		561,425	561,425	
Tuition to County Voc. School Dist. - Regular	178,720	178,720	(5,736)		(5,736)		172,984	172,984		172,984	172,984	
Tuition to County Voc. School Dist. - Special	237,600	237,600	(17,280)		(17,280)		220,320	220,320		220,320	220,320	
Tuition to CSSD & Regional Day Schools			13,300		13,300		13,300	13,300		13,300	13,300	
Tuition to Private Schools for the Disabled - Within State	6,370,880	6,370,880	439,939		439,939		6,810,819	6,810,819		6,761,737	6,761,737	
Tuition - State Facilities	111,887	111,887					111,887	111,887		111,887	111,887	
Total Undistributed Expenditures - Instruction	7,557,767	7,557,767	494,989		494,989		8,052,756	8,052,756		7,998,686	7,998,686	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Undistributed Expend. - Attend. & Social Work												
Salaries	\$ 6,000	\$ 253,474	\$ 259,474	\$ (1,100)	\$ (1,100)	\$ (1,100)	\$ 4,900	\$ 253,474	\$ 258,374	\$ 4,000	\$ 249,853	\$ 253,853
Salaries of Drop-Out Prevention Officer/Coordinator		42,169	42,169		(472)	(472)		41,697	41,697		41,697	41,697
Other Purchased Services	2,500	500	3,000	(2,500)	527	(1,973)		1,027	1,027		1,027	1,027
Total Undistributed Expend. - Attend. & Social Work	8,500	296,143	304,643	(3,600)	55	(3,545)	4,900	296,198	301,098	4,000	292,577	296,577
Undist. Expend. - Health Services												
Salaries	56,400	598,193	654,593	(2,641)	(1,546)	(4,187)	53,759	596,647	650,406	49,040	586,595	635,635
Purchased Professional and Technical Services	3,000	2,000	5,000	(3,000)	(1,600)	(4,600)		400	400			
Other Purchased Services	8,000		8,000				8,000		8,000	8,000		8,000
Supplies and Materials	11,000	25,000	36,000	(900)	760	(140)	10,100	25,760	35,860	8,720	22,410	31,130
Total Undistributed Expenditures - Health Services	78,400	625,193	703,593	(6,541)	(2,386)	(8,927)	71,859	622,807	694,666	65,760	609,005	674,765
Undist. Expend. - Other Supp. Serv. Students - Related Serv.												
Salaries	503,379		503,379	(78,375)		(78,375)	424,804		424,804	411,154		411,154
Purchased Professional - Educational Services	475,000		475,000	352,021		352,021	827,021		827,021	826,961		826,961
Supplies and Materials	1,350		1,350				1,350		1,350	653		653
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	979,729		979,729	273,446		273,446	1,253,175		1,253,175	1,238,768		1,238,768
Undist. Expend. - Guidance												
Salaries of Other Professional Staff		1,167,402	1,167,402		(54,525)	(54,525)		1,112,877	1,112,877		1,067,301	1,067,301
Salaries of Secretarial and Clerical Assistants		131,354	131,354		2,043	2,043		133,397	133,397		131,645	131,645
Purchased Professional - Educational Services		37,300	37,300		636	636		37,936	37,936		37,645	37,645
Other Purchased Services		122,000	122,000		(5,275)	(5,275)		116,725	116,725		104,402	104,402
Supplies and Materials		48,500	48,500		(7,924)	(7,924)		40,576	40,576		38,023	38,023
Total Undist. Expend. - Guidance		1,506,556	1,506,556		(65,045)	(65,045)		1,441,511	1,441,511		1,379,016	1,379,016
Undist. Expend. - Child Study Team												
Salaries of Other Professional Staff	1,063,899		1,063,899	(123,925)		(123,925)	939,974		939,974	939,973		939,973
Salaries of Secretarial and Clerical Assistants	100,522		100,522	11,640		11,640	112,162		112,162	112,161		112,161
Other Purchased Services	3,000		3,000				3,000		3,000			3,114
Miscellaneous Purchased Services	3,000		3,000	47,600		47,600	50,600		50,600	47,323		47,323
Supplies and Materials	12,150		12,150	(1,150)		(1,150)	11,000		11,000	9,881		9,881
Other Objects	1,000		1,000	91		91	1,091		1,091	958		958
Total Undist. Expend. - Child Study Team	1,183,571		1,183,571	(65,744)		(65,744)	1,117,827		1,117,827	1,111,610		1,111,610
Undist. Expend. - Improvement of Inst. Serv.												
Salaries of Supervisors of Instruction	156,929		156,929	110,000		110,000	266,929		266,929	261,806		261,806
Salaries of Other Professional Staff	205,500	571,050	776,550	(205,500)	(14,045)	(219,545)		557,005	557,005	295,613		295,613
Salaries of Secretarial and Clerical Assistants	43,720		43,720	(276)		(276)	43,444		43,444	43,444		43,444
Purchased Prof. - Educational Services		371,850	371,850		(24,716)	(24,716)		347,134	347,134		189,609	189,609
Other Purchased Services	10,000		10,000	(4,000)		(4,000)	6,000		6,000	831		831
Supplies and Materials	15,000		15,000	4,675		4,675	19,675		19,675	11,856		11,856
Other Objects	29,000		29,000	(1,100)		(1,100)	27,900		27,900	9,004		9,004
Total Undist. Expend. - Improvement of Inst. Serv.	460,149	942,900	1,403,049	(96,201)	(38,761)	(134,962)	363,948	904,139	1,268,087	326,341	485,222	812,163
Undist. Expend. - Edu. Media Serv./Sch. Library												
Salaries		947,272	947,272		(42,327)	(42,327)		904,945	904,945		852,951	852,951
Supplies and Materials		64,800	64,800		(7,061)	(7,061)		57,739	57,739		54,219	54,219
Total Undist. Expend. - Edu. Media Serv./Sch. Library		1,012,072	1,012,072		(49,388)	(49,388)		962,684	962,684		907,170	907,170
Undist. Expend. - Supp. Serv. - General Admin.												
Salaries	809,695		809,695	(131,692)		(131,692)	678,003		678,003	660,380		660,380
Legal Services	99,000		99,000	111,430		111,430	210,430		210,430	194,507		194,507
Audit Fees	73,400		73,400	(765)		(765)	72,635		72,635	72,635		72,635
Architectural/Engineering Services	45,000		45,000	(35,000)		(35,000)	10,000		10,000			
Purchased Technical Services	56,000		56,000	(21,013)		(21,013)	34,987		34,987	33,586		33,586
Communications/Telephone	189,500		189,500	(18,000)		(18,000)	171,500		171,500	139,738		139,738
Board of Education Other Purchased Services	11,000		11,000				11,000		11,000	4,905		4,905
Other Purchased Services	163,650		163,650	7,661		7,661	171,311		171,311	143,377		143,377
General Supplies	46,100		46,100	(500)		(500)	45,600		45,600	27,347		27,347
Board of Education In-House Training/Meeting Supplies	11,000		11,000				11,000		11,000	4,306		4,306
Judgements Against the School District				196,334		196,334	196,334		196,334	196,333		196,333
Miscellaneous Expenditures	8,000		8,000				8,000		8,000	6,592		6,592
Board of Education Dues and Fees	52,000		52,000	(7,505)		(7,505)	44,495		44,495	33,688		33,688
Total Undist. Expend. - Supp. Serv. - General Admin.	1,564,345		1,564,345	100,950		100,950	1,665,295		1,665,295	1,517,394		1,517,394

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Support Serv. - School Admin.												
Salaries of Principals/Assistant Principals		\$ 1,544,243	\$ 1,544,243		\$ 154,263	\$ 154,263		\$ 1,698,506	\$ 1,698,506		\$ 1,698,506	\$ 1,698,506
Salaries - Other Professional Staff		632,605	632,605		(1,645)	(1,645)		630,960	630,960		630,930	630,930
Salaries of Secretarial and Clerical Assistants	\$ 27,000	664,822	691,822	\$ 3,140	(16,599)	(13,459)	\$ 30,140	648,223	678,363	\$ 19,760	634,211	653,971
Other Purchased Services		67,000	67,000		2,573	2,573		69,573	69,573		61,089	61,089
Supplies and Materials		59,000	59,000		(4,337)	(4,337)		54,663	54,663		45,552	45,552
Other Objects		2,550	2,550		(727)	(727)		1,823	1,823		690	690
Total Undist. Expend. - Support Serv. - School Admin.	27,000	2,970,220	2,997,220	3,140	133,928	136,668	30,140	3,103,748	3,133,888	19,760	3,070,978	3,090,738
Undist. Expend. - Central Services												
Salaries	803,124		803,124	(29,461)		(29,461)	773,663		773,663	760,251		760,251
Purchased Technical Services	34,000		34,000	(727)		(727)	33,273		33,273	33,272		33,272
Misc Purchased Services	77,500		77,500	(11,000)		(11,000)	66,500		66,500	28,106		28,106
Supplies and Materials	5,500		5,500	4,000		4,000	9,500		9,500	6,821		6,821
Total Undist. Expend. - Central Services	920,124		920,124	(37,188)		(37,188)	882,936		882,936	828,450		828,450
Undist. Expend. - Technology Admin.												
Salaries	331,845		331,845	(1,766)		(1,766)	330,079		330,079	328,921		328,921
Purchased Technical Services	135,000		135,000	(903)		(903)	134,097		134,097	46,224		46,224
Travel	8,000		8,000				8,000		8,000	2,384		2,384
Supplies and Materials	33,615		33,615	13,000		13,000	46,615		46,615	15,661		15,661
Total Undist. Expend. - Technology Admin.	508,460		508,460	10,331		10,331	518,791		518,791	393,190		393,190
Undist. Expend. - Required Maint. for Sch. Facil.												
Salaries	424,727		424,727	6,023		6,023	430,750		430,750	399,816		399,816
Cleaning, Repair and Maintenance Services	2,850,419		2,850,419	(249,333)		(249,333)	2,601,086		2,601,086	2,203,682		2,203,682
General Supplies	277,000		277,000	(8,674)		(8,674)	268,326		268,326	150,944		150,944
Other Objects	30,000		30,000	1,000		1,000	31,000		31,000	30,190		30,190
Total Undist. Expend. - Required Maint. for Sch. Facil.	3,582,146		3,582,146	(250,984)		(250,984)	3,331,162		3,331,162	2,784,632		2,784,632
Undist. Expend. - Custodial Services												
Salaries	2,585,359		2,585,359	(30,856)		(30,856)	2,554,503		2,554,503	2,463,975		2,463,975
Cleaning, Repair and Maintenance Services	103,000		103,000	7,100		7,100	110,100		110,100	82,147		82,147
Other Purchased Property Services	131,300		131,300	173		173	131,473		131,473	116,261		116,261
Insurance	342,645		342,645	5,572		5,572	348,217		348,217	348,217		348,217
General Supplies	247,000		247,000	12,000		12,000	259,000		259,000	217,287		217,287
Natural Gas	335,000		335,000	(23,218)		(23,218)	311,782		311,782	295,978		295,978
Electricity	2,175,000		2,175,000	(174,700)		(174,700)	2,000,300		2,000,300	1,751,222		1,751,222
Total Undist. Expend. - Custodial Services	5,919,304		5,919,304	(203,929)		(203,929)	5,715,375		5,715,375	5,275,087		5,275,087
Undist. Expend. - Care and Upkeep of Grounds												
Cleaning, Repair and Maintenance Services	920,000		920,000	(97,400)		(97,400)	822,600		822,600	705,828		705,828
General Supplies	20,000		20,000	1,227		1,227	21,227		21,227	17,477		17,477
Total Undist. Expend. - Care and Upkeep of Grounds	940,000		940,000	(96,173)		(96,173)	843,827		843,827	723,305		723,305
Undist. Expend. - Security												
Salaries	5,000	423,311	428,311	(2,500)	12,380	9,880	2,500	435,691	438,191	325	415,415	415,740
Purchased Professional & Technical Services	65,000	20,000	85,000	36,384	5,000	41,384	101,384	25,000	126,384	101,384	25,000	126,384
General Supplies	25,000	8,750	33,750	31,900	(936)	30,964	56,900	7,814	64,714	52,871	7,814	60,685
Total Undist. Expend. - Security	95,000	452,061	547,061	65,784	16,444	82,228	160,784	468,505	629,289	154,580	448,229	602,809
Undist. Expend. - Student Transportation Serv.												
Salaries for Pupil Trans. (Between Home & School) - Regular	125,739		125,739	(961)		(961)	124,778		124,778	123,949		123,949
Other Purchased Professional and Technical Services	4,500		4,500				4,500		4,500	4,500		4,500
Contracted Services Aid In Lieu of Payment for Non-public School Students	60,000		60,000	(20,000)		(20,000)	40,000		40,000	25,991		25,991
Contracted Services Aid In Lieu of Payment for Charter School Students	1,000		1,000	(1,000)		(1,000)						
Contracted Services Aid In Lieu of Payment for Choice School Students	1,000		1,000	(1,000)		(1,000)						
Contracted Services (Between Home and School) - Vendors	1,308,000		1,308,000	(2,765)		(2,765)	1,305,235		1,305,235	1,188,400		1,188,400
Contracted Services (Other than Between Home and School) - Vendors	5,000	308,600	313,600	700	(31,681)	(30,981)	5,700	276,919	282,619	268,893		268,893
Contracted Services (Sp. Ed.) - Vendors	1,240,000		1,240,000	19,250		19,250	1,259,250		1,259,250	1,218,339		1,218,339
General Supplies	5,800		5,800	500		500	6,300		6,300	5,850		5,850
Total Undist. Expend. - Student Transportation Serv.	2,751,039	308,600	3,059,639	(5,276)	(31,681)	(36,957)	2,745,763	276,919	3,022,682	2,567,029	268,893	2,835,922

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2017

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Unallocated Benefits												
Social Security Contributions	\$ 700,000	\$ 357,625	\$ 1,057,625	\$ (32,000)	\$ 67,500	\$ 35,500	\$ 668,000	\$ 425,125	\$ 1,093,125	\$ 667,909	\$ 425,125	\$ 1,093,034
Other Retirement Contributions - PERS	872,100		872,100	55,940		55,940	928,040		928,040	928,040		928,040
Workmen's Compensation	587,240		587,240	(146,842)		(146,842)	440,398		440,398	440,398		440,398
Health Benefits	1,680,886	10,155,000	11,835,886	124,367	(572,613)	(448,246)	1,805,253	9,582,387	11,387,640	1,533,188	9,582,387	11,115,575
Tuition Reimbursement	25,000		25,000	(3,163)		(3,163)	21,837		21,837	20,237		20,237
Other Employee Benefits	800,000		800,000	(7,157)		(7,157)	792,843		792,843	783,988		783,988
Total Unallocated Benefits	4,665,226	10,512,625	15,177,851	(8,855)	(505,113)	(513,968)	4,656,371	10,007,512	14,663,883	4,373,760	10,007,512	14,381,272
On-behalf Contributions												
TPAF Pension, disability insurance and medical (On-Behalf - Non-Budgeted)										6,128,470		6,128,470
Reimbursed TPAF Social Security Contributions (non-budgeted)										2,108,638		2,108,638
Total On-behalf Contributions										8,237,108		8,237,108
TOTAL UNDISTRIBUTED EXPENDITURES	31,240,760	18,626,370	49,867,130	174,149	(542,347)	(368,198)	31,414,909	18,084,023	49,498,932	37,620,060	17,468,602	55,088,662
TOTAL GENERAL CURRENT EXPENSE	33,308,580	45,650,000	78,958,580		(29,669)	(29,669)	33,308,580	45,620,331	78,928,911	39,407,556	43,352,549	82,760,105
CAPITAL OUTLAY												
Equipment												
Regular Programs-Instruction:												
Grades 1-5					20,788	20,788		20,788	20,788		20,685	20,685
Grades 9-12					8,881	8,881		8,881	8,881		8,881	8,881
Special Education-Instruction:												
School- Spons. & Other Instruction Program	25,000		25,000	(5,480)		(5,480)	19,520		19,520	19,520		19,520
Undistributed Expenditures:												
Undistributed Exp.-Instruction	5,000		5,000	8,500		8,500	13,500		13,500	13,500		13,500
Undistributed Exp.-Req. Maint. of School Facilities	15,000		15,000	(7,100)		(7,100)	7,900		7,900	7,900		7,900
Undistributed Exp.-Custodial Services	25,000		25,000	28,526		28,526	53,526		53,526	2,962		2,962
Undistributed Exp.-Care and Upkeep of Grounds	25,000		25,000	10,554		10,554	35,554		35,554	35,554		35,554
Total Equipment	95,000	95,000	95,000	35,000	29,669	64,669	130,000	29,669	159,669	79,436	29,566	109,002
Facilities Acquisition and Construction Services												
Architectural/Engineering Services	1,000,000		1,000,000				1,000,000		1,000,000	580,675		580,675
Construction Services	7,907,816		7,907,816	3,593,652		3,593,652	11,501,468		11,501,468	8,712,124		8,712,124
Total Facilities Acquisition and Construction Services	8,907,816	8,907,816	3,593,652	3,593,652	12,501,468	12,501,468	12,501,468	29,292,799	12,501,468	9,292,799	29,292,799	9,292,799
TOTAL CAPITAL OUTLAY	9,002,816	9,002,816	3,628,652	29,669	3,658,321	12,631,468	29,669	12,661,137	9,372,235	29,566	9,401,801	9,401,801
Contribution to Charter Schools	610,094		610,094				610,094		610,094	520,780		520,780
Total General Fund Expenditures	610,094	610,094	610,094				610,094		610,094	520,780		520,780
TOTAL EXPENDITURES	42,921,490	45,650,000	88,571,490	3,628,652	3,628,652	46,550,142	45,650,000	92,200,142	49,300,571	43,382,115	92,682,686	92,682,686
(Deficiency) Excess of Revenues (Under) Over Expenditures	32,827,016	(45,650,000)	(12,822,984)	(3,628,652)		(3,628,652)	29,198,364	(45,650,000)	(16,451,636)	36,247,662	(43,382,115)	(7,134,453)
Other Financing Sources (Uses):												
Transfer in - Contribution to school based budgets- GF		43,900,000	43,900,000					43,900,000	43,900,000		41,708,246	41,708,246
Transfer in - Contribution to school based budgets- SRF		1,750,000	1,750,000					1,750,000	1,750,000		1,673,869	1,673,869
Transfer out - Contribution to school based budgets	(43,900,000)		(43,900,000)				(43,900,000)		(43,900,000)	(41,708,246)		(41,708,246)
Special item - prior year accrual cancelled									157,068	842,476		999,544
Total Other Financing Sources (Uses)	(43,900,000)	45,650,000	1,750,000				(43,900,000)	45,650,000	1,750,000	(41,551,178)	44,224,591	2,673,413
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(11,072,984)		(11,072,984)	(3,628,652)		(3,628,652)	(14,701,636)		(14,701,636)	(5,303,516)	842,476	(4,461,040)
Fund Balance, July 1	12,940,728		12,940,728				12,727,611		12,727,611	20,231,654		20,231,654
Fund Balance, June 30	\$ 1,867,744	\$ -	\$ 1,867,744	\$ (3,628,652)	\$ -	\$ (3,628,652)	\$ (1,974,025)	\$ -	\$ (1,974,025)	\$ 14,928,138	\$ 842,476	\$ 15,770,614

Neptune Township School District
Special Revenue Fund

Budgetary Comparison Schedule

(Budgetary Basis)

Year ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State Sources	\$ 5,490,760	\$ 26,166	\$ 5,516,926	\$ 5,420,894	\$ (96,032)
Federal Sources	2,241,336	367,754	2,609,090	2,402,129	(206,961)
Total revenues	<u>7,732,096</u>	<u>393,920</u>	<u>8,126,016</u>	<u>7,823,023</u>	<u>(302,993)</u>
Expenditures:					
Instruction:					
Salaries of teachers	1,902,156	(43,394)	1,858,762	1,800,512	58,250
Other salaries for instruction	748,836	(23,831)	725,005	716,334	8,671
Purchased professional and technical services		1,620	1,620	1,620	
Other purchased services	39,650	235	39,885	39,885	
General supplies	63,000	274,064	337,064	244,375	92,689
Textbooks	10,000	(2,103)	7,897	7,876	21
Other objects	6,000	(1,073)	4,927	4,927	
Total instruction	<u>2,769,642</u>	<u>205,518</u>	<u>2,975,160</u>	<u>2,815,529</u>	<u>159,631</u>
Support services:					
Salaries of supervisors of instruction	107,238	(1,299)	105,939	105,939	
Salaries of program directors	128,166		128,166	128,166	
Salaries of other professional staff	178,157	1,739	179,896	174,970	4,926
Salaries of secretarial and clerical assistants	102,604	918	103,522	100,970	2,552
Salaries of master teachers	153,387		153,387	150,354	3,033
Other salaries	196,620	24,707	221,327	203,017	18,310
Personal services—employee benefits	1,580,306	72,822	1,653,128	1,653,128	
Other purchase professional - technical services	200,000	117,593	317,593	298,441	19,152
Other purchase professional - educational services	500	4,450	4,950	4,950	
Other purchased professional services	3,000	(2,600)	400	400	
Contr Serv - Trans (bet home & school)	307,440	(1,960)	305,480	305,480	
Other purchased services		6,400	6,400	6,000	400
Supplies and materials	226,336	(33,613)	192,723	174,134	18,589
Miscellaneous	28,700	(755)	27,945	27,676	269
Total support services	<u>3,212,454</u>	<u>188,402</u>	<u>3,400,856</u>	<u>3,333,625</u>	<u>67,231</u>
Other financing uses:					
Contribution to school based budgets	1,750,000		1,750,000	1,673,869	76,131
Total other financing uses	<u>1,750,000</u>	<u>-</u>	<u>1,750,000</u>	<u>1,673,869</u>	<u>76,131</u>
Total expenditures and other financing uses	<u>7,732,096</u>	<u>393,920</u>	<u>8,126,016</u>	<u>7,823,023</u>	<u>302,993</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2017

	General Fund	Special Revenue Fund
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 85,548,233	\$ 7,823,023
Differences - Budgetary to GAAP:		
State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	3,230,756	612,217
Current year	(3,240,782)	(534,576)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	\$ 85,538,207	\$ 7,900,664
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 92,682,686	\$ 7,823,023
Differences - Budgetary to GAAP:		
Transfers to other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		(1,673,869)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	\$ 92,682,686	\$ 6,149,154

Other Supplementary Information

School Based Budget Schedules

Neptune Township School District
General Fund

Combining Balance Sheet

June 30, 2017

	Operating Fund Fund 11-13	Blended Resource Fund 15	Total General Fund
Assets			
Cash and cash equivalents	\$ 1,771,948		\$ 1,771,948
Interfund receivable	415,174		415,174
Intergovernmental accounts receivable—state	3,941,486		3,941,486
Other accounts receivable	1,650,231		1,650,231
Internal balance	(1,610,838)	\$ 1,610,838	-
Restricted assets:			
Cash and cash equivalents	9,293,018		9,293,018
Total assets	\$ 15,461,019	\$ 1,610,838	\$ 17,071,857
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 354,491	\$ 13,693	\$ 368,184
Accrued salaries and wages	178,390	754,669	933,059
Total liabilities	532,881	768,362	1,301,243
Fund balances:			
Restricted for:			
Maintenance reserve	1,600,000		1,600,000
Capital reserve	7,693,018		7,693,018
Assigned to:			
Designated	650,000		650,000
Year-end Encumbrances	2,664,067	1,161,028	3,825,095
Unassigned	2,321,053	(318,552)	2,002,501
Total fund balances	14,928,138	842,476	15,770,614
Total liabilities and fund balances	\$ 15,461,019	\$ 1,610,838	\$ 17,071,857

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

District-wide

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 43,900,000	96.36%	\$ 41,708,246	\$ 2,191,754
General Fund Contribution	43,900,000	96.36%	41,708,246	2,191,754
Restricted Federal Resources:				
Title I, Part A: NCLB	635,000	1.27	608,380	26,620
Title II, Part A: NCLB	115,000	0.35	110,310	4,690
IDEIA, Part B	1,000,000	2.02	955,179	44,821
Restricted Federal Resources Total	<u>1,750,000</u>	<u>3.64</u>	<u>1,673,869</u>	<u>76,131</u>
Total	<u>\$ 45,650,000</u>	<u>100.00%</u>	<u>\$ 43,382,115</u>	<u>\$ 2,267,885</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Midtown Community Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 4,596,908	93.43%	\$ 4,360,932	\$ 235,976
Restricted Federal Resources:				
Title I, Part A: NCLB	161,192	3.29	152,917	8,275
Title II, Part A: NCLB	19,100	0.39	18,120	980
IDEIA, Part B	142,800	2.89	135,470	7,330
Restricted Federal Resources Total	<u>323,092</u>	<u>6.57</u>	<u>306,507</u>	<u>16,585</u>
Total	<u>\$ 4,920,000</u>	<u>100.00%</u>	<u>\$ 4,667,439</u>	<u>\$ 252,561</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Gables Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,048,383	92.66%	\$ 2,936,419	\$ 111,964
Restricted Federal Resources:				
Title I, Part A: NCLB	79,717	2.42	76,789	2,928
Title II, Part A: NCLB	19,100	0.58	18,398	702
IDEIA, Part B	142,800	4.34	137,555	5,245
Restricted Federal Resources Total	<u>241,617</u>	<u>7.34</u>	<u>232,742</u>	<u>8,875</u>
Total	<u>\$ 3,290,000</u>	<u>100.00%</u>	<u>\$ 3,169,161</u>	<u>\$ 120,839</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Green Grove Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,565,894	93.47%	\$ 3,414,975	\$ 150,919
Restricted Federal Resources:				
Title I, Part A: NCLB	87,206	2.28	83,515	3,691
Title II, Part A: NCLB	19,100	0.50	18,292	808
IDEIA, Part B	142,800	3.75	136,756	6,044
Restricted Federal Resources Total	<u>249,106</u>	<u>6.53</u>	<u>238,563</u>	<u>10,543</u>
Total	<u>\$ 3,815,000</u>	<u>100.00%</u>	<u>\$ 3,653,538</u>	<u>\$ 161,462</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Shark River Hills Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,463,100	95.53%	\$ 3,333,835	\$ 129,265
Restricted Federal Resources:				
Title II, Part A: NCLB	19,100	0.53	18,387	713
IDEIA, Part B	142,800	3.94	137,470	5,330
Restricted Federal Resources Total	<u>161,900</u>	<u>4.47</u>	<u>155,857</u>	<u>6,043</u>
Total	<u>\$ 3,625,000</u>	<u>100.00%</u>	<u>\$ 3,489,692</u>	<u>\$ 135,308</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Summerfield Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 4,472,654	94.66%	\$ 4,296,759	\$ 175,895
Restricted Federal Resources:				
Title I, Part A: NCLB	90,446	1.91	86,889	3,557
Title II, Part A: NCLB	19,100	0.41	18,349	751
IDEIA, Part B	142,800	3.02	137,184	5,616
Restricted Federal Resources Total	<u>252,346</u>	<u>5.34</u>	<u>242,422</u>	<u>9,924</u>
Total	<u>\$ 4,725,000</u>	<u>100.00%</u>	<u>\$ 4,539,181</u>	<u>\$ 185,819</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Neptune Middle School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 10,196,261	96.42%	\$ 9,811,427	\$ 384,834
Restricted Federal Resources:				
Title I, Part A: NCLB	216,439	2.05	208,270	8,169
Title II, Part A: NCLB	19,500	0.18	18,764	736
IDEIA, Part B	142,800	1.35	137,410	5,390
Restricted Federal Resources Total	<u>378,739</u>	<u>3.58</u>	<u>364,444</u>	<u>14,295</u>
Total	<u>\$ 10,575,000</u>	<u>100.00%</u>	<u>\$ 10,175,871</u>	<u>\$ 399,129</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2017

Neptune High School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 14,556,800	99.03%	\$ 13,553,899	\$ 1,002,901
Restricted Federal Resources:				
IDEIA, Part B	143,200	0.97	133,334	9,866
Restricted Federal Resources Total	143,200	0.97	133,334	9,866
Total	\$ 14,700,000	100.00%	\$ 13,687,233	\$ 1,012,767

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

District-Wide Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 915,413	\$ 95,640	\$ 1,011,053	\$ 980,274	\$ 30,779
Grades 1- 5	6,006,153	(526,961)	5,479,192	5,210,313	268,879
Grades 6-8	3,968,222	(95,480)	3,872,742	3,737,972	134,770
Grades 9-12	4,938,957	40,567	4,979,524	4,718,278	261,246
Undistributed Instruction:					
Other Salaries of Instruction	342,001	47,127	389,128	380,240	8,888
Purchased Professional & Educational Services	274,850	(72,696)	202,154	145,456	56,698
Purchased Technical Services	239,614	57,650	297,264	292,244	5,020
Other Purchased Services	422,100	14,421	436,521	364,388	72,133
General Supplies	722,450	637,735	1,360,185	995,603	364,582
Textbooks	123,810	6,076	129,886	110,428	19,458
Other Objects	70,950	(4,986)	65,964	53,154	12,810
Total Regular Programs	18,024,520	199,093	18,223,613	16,988,350	1,235,263
Learning and/or Language Disabilities:					
Salaries of Teachers	903,033	(207,995)	695,038	669,796	25,242
Other Salaries of Instruction	278,747	9,320	288,067	286,081	1,986
Purchased Professional & Educational Services	4,050	82,590	86,640	86,639	1
Other Purchased Services	1,500		1,500	900	600
General Supplies	6,200	(940)	5,260	4,679	581
Total Learning and/or Language Disabilities	1,193,530	(117,025)	1,076,505	1,048,095	28,410
Auditory Impairments:					
Salaries of Teachers	738,372	(3,475)	734,897	703,627	31,270
Other Salaries of Instruction	431,314	24,334	455,648	434,673	20,975
Purchased Professional & Educational Services	10,000		10,000	4,803	5,197
Other Purchased Services	43,400	(700)	42,700	31,201	11,499
General Supplies	12,000		12,000	10,494	1,506
Total Auditory Impairments	1,235,086	20,159	1,255,245	1,184,798	70,447
Behavioral Disabilities:					
Salaries of Teachers	157,462		157,462	150,242	7,220
Other Salaries of Instruction	46,807		46,807	45,843	964
Purchased Professional & Educational Services	1,000		1,000	1,000	
General Supplies	900		900	900	
Total Behavioral Disabilities	206,169	-	206,169	197,985	8,184
Multiple Disabilities:					
Salaries of Teachers	529,120	(130,420)	398,700	383,448	15,252
Other Salaries of Instruction	250,941	(3,439)	247,502	244,211	3,291
General Supplies	2,700	200	2,900	2,834	66
Total Multiple Disabilities	782,761	(133,659)	649,102	630,493	18,609
Resource Room/Resource Center:					
Salaries of Teachers	2,811,116	252,473	3,063,589	2,935,711	127,878
Other Salaries of Instruction	170,091	29,767	199,858	193,682	6,176
Purchased Professional & Educational Services		23,500	23,500	20,000	3,500
General Supplies	11,200	940	12,140	11,819	321
Total Resource Room/Resource Center	2,992,407	306,680	3,299,087	3,161,212	137,875
Total Special Education	6,409,953	76,155	6,486,108	6,222,583	263,525
Bilingual Education:					
Salaries of Teachers	300,140	(4,544)	295,596	289,521	6,075
General Supplies	1,500	738	2,238	922	1,316
Total Bilingual Education	301,640	(3,806)	297,834	290,443	7,391

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Co-curricular Activities:					
Salaries	\$ 225,000	\$ (4,430)	\$ 220,570	\$ 206,180	\$ 14,390
Purchased Services	27,100	(3,200)	23,900	10,099	13,801
Other Objects	2,500		2,500	2,184	316
Total School Sponsored Co-curricular Activities	254,600	(7,630)	246,970	218,463	28,507
School Sponsored Athletics:					
Salaries	1,026,019	(37,509)	988,510	923,648	64,862
Purchased Services (300-500 series)	232,300	56,369	288,669	260,347	28,322
Supplies and Materials	144,000	(51,427)	92,573	85,203	7,370
Total School Sponsored Athletics	1,402,319	(32,567)	1,369,752	1,269,198	100,554
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	630,598	281,433	912,031	894,910	17,121
Total Other Supplemental/At-Risk Programs - Instruction	630,598	281,433	912,031	894,910	17,121
Total Instruction	27,023,630	512,678	27,536,308	25,883,947	1,652,361
Attendance and Social Work Services:					
Salaries	253,474		253,474	249,853	3,621
Salaries of Drop Out Prevention Officer Coordinator	42,169	(472)	41,697	41,697	
Other Purchased Services	500	527	1,027	1,027	
Total Attendance and Social Work Services	296,143	55	296,198	292,577	3,621
Health Services:					
Salaries	598,193	(1,546)	596,647	586,595	10,052
Purchased Professional and Technical Services	2,000	(1,600)	400		400
Supplies and Materials	25,000	760	25,760	22,410	3,350
Total Health Services	625,193	(2,386)	622,807	609,005	13,802
Guidance:					
Salaries of Other Professional Staff	1,167,402	(54,525)	1,112,877	1,067,301	45,576
Salaries of Secretarial and Clerical Assistants	131,354	2,043	133,397	131,645	1,752
Purchased Professional - Educational Services	37,300	636	37,936	37,645	291
Other Purchased Services	122,000	(5,275)	116,725	104,402	12,323
Supplies and Materials	48,500	(7,924)	40,576	38,023	2,553
Total Guidance	1,506,556	(65,045)	1,441,511	1,379,016	62,495
Improvement of Instruction Services:					
Salaries of Other Professional Staff	571,050	(14,045)	557,005	295,613	261,392
Purchased Professional - Education Services	371,850	(24,716)	347,134	189,609	157,525
Total Improvement of Instruction Services	942,900	(38,761)	904,139	485,222	418,917
Educational Media/Library Services:					
Salaries	947,272	(42,327)	904,945	852,951	51,994
Supplies and Materials	64,800	(7,061)	57,739	54,219	3,520
Total Educational Media/Library Services	1,012,072	(49,388)	962,684	907,170	55,514
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	1,544,243	154,263	1,698,506	1,698,506	
Salaries of Other Professional Staff	632,605	(1,643)	630,960	630,930	30
Salaries of Secretarial and Clerical Assistants	664,822	(16,599)	648,223	634,211	14,012
Other Purchased Services (400-500 series)	67,000	2,573	69,573	61,089	8,484
Supplies and Materials	59,000	(4,337)	54,663	45,552	9,111
Other Objects	2,550	(727)	1,823	690	1,133
Total Support Services - School Administration	2,970,220	133,528	3,103,748	3,070,978	32,770

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
Security:					
Salaries	\$ 423,311	\$ 12,380	\$ 435,691	\$ 415,415	\$ 20,276
Purchased Professional and Technical Services	20,000	5,000	25,000	25,000	
General Supplies	8,750	(936)	7,814	7,814	
Total Security	452,061	16,444	468,505	448,229	20,276
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	308,600	(31,681)	276,919	268,893	8,026
Total Student Transportation Services	308,600	(31,681)	276,919	268,893	8,026
Unallocated Benefits:					
Social Security Contributions	357,625	67,500	425,125	425,125	
Health Benefits	10,155,000	(572,613)	9,582,387	9,582,387	
Total Unallocated Benefits	10,512,625	(505,113)	10,007,512	10,007,512	
Total Undistributed Expenditures	18,626,370	(542,347)	18,084,023	17,468,602	615,421
Total Expenditures - Current	45,650,000	(29,669)	45,620,331	43,352,549	2,267,782
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		20,788	20,788	20,685	103
Grades 9-12		8,881	8,881	8,881	
Total Equipment		29,669	29,669	29,566	103
Total Expenditures - School Based	45,650,000	-	45,650,000	43,382,115	2,267,885
Other Financing Sources:					
Transfers In	45,650,000		45,650,000	43,382,115	2,267,885
Total Other Financing Sources	45,650,000	-	45,650,000	43,382,115	2,267,885
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Midtown Community Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 173,503	\$ 47,604	\$ 221,107	\$ 216,715	\$ 4,392
Grades 1- 5	1,408,833	(48,519)	1,360,314	1,285,194	75,120
Undistributed Instruction:					
Other Salaries of Instruction	88,888	23,739	112,627	110,252	2,375
Purchased Professional & Educational Services	26,253	(11,358)	14,895	13,587	1,308
Purchased Technical Services	33,283	7,600	40,883	39,878	1,005
Other Purchased Services	49,550	(2,600)	46,950	38,407	8,543
General Supplies	83,000	46,288	129,288	126,484	2,804
Textbooks	11,000	(1,714)	9,286	9,281	5
Other Objects	3,600		3,600	1,759	1,841
Total Regular Programs	1,877,910	61,040	1,938,950	1,841,557	97,393
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	159,980	53,871	213,851	205,104	8,747
Other Salaries of Instruction	96,723	(22,695)	74,028	74,028	
Purchased Professional & Educational Services	600		600	600	
Other Purchased Services	300		300		300
General Supplies	1,300		1,300	1,300	
Total Learning and/or Language Disabilities	258,903	31,176	290,079	281,032	9,047
Multiple Disabilities:					
Salaries of Teachers	244,962	(50,704)	194,258	186,179	8,079
Other Salaries of Instruction	113,781	(998)	112,783	110,942	1,841
General Supplies	900		900	900	
Total Multiple Disabilities	359,643	(51,702)	307,941	298,021	9,920
Resource Room/Resource Center:					
Salaries of Teachers	204,105		204,105	143,809	60,296
General Supplies	800		800	750	50
Total Resource Room/Resource Center	204,905	-	204,905	144,559	60,346
Total Special Education	823,451	(20,526)	802,925	723,612	79,313
Bilingual Education:					
Salaries of Teachers	241,698	(55,246)	186,452	180,434	6,018
General Supplies	1,500	738	2,238	922	1,316
Total Bilingual Education	243,198	(54,508)	188,690	181,356	7,334
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	119,592	53,139	172,731	169,418	3,313
Total Other Supplemental/At-Risk Programs - Instruction	119,592	53,139	172,731	169,418	3,313
Total Instruction	3,064,151	39,145	3,103,296	2,915,943	187,353
Attendance and Social Work Services:					
Salaries	12,411		12,411	11,982	429
Total Attendance and Social Work Services	12,411	-	12,411	11,982	429

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Midtown Community Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Health Services:					
Salaries	\$ 80,195		\$ 80,195	\$ 78,888	\$ 1,307
Supplies and Materials	5,500	\$ (272)	5,228	4,431	797
Total Health Services	85,695	(272)	85,423	83,319	2,104
Guidance:					
Salaries of Other Professional Staff	83,743		83,743	82,060	1,683
Other Purchased Services	12,000	2,250	14,250	5,937	8,313
Supplies and Materials	3,750	(1,105)	2,645	2,644	1
Total Guidance	99,493	1,145	100,638	90,641	9,997
Improvement of Instruction Services:					
Salaries of Other Professional Staff	52,500	(2,800)	49,700	24,609	25,091
Purchased Professional –Education Services	53,000	(5,570)	47,430	31,246	16,184
Total Improvement of Instruction Services	105,500	(8,370)	97,130	55,855	41,275
Educational Media/Library Services:					
Salaries	129,327	5,158	134,485	126,645	7,840
Supplies and Materials	7,000	(2,098)	4,902	4,758	144
Total Educational Media/Library Services	136,327	3,060	139,387	131,403	7,984
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	160,055		160,055	160,055	
Salaries of Other Professional Staff	66,670		66,670	66,664	6
Salaries of Secretarial and Clerical Assistants	51,094	500	51,594	50,934	660
Other Purchased Services (400-500 series)	3,750	(291)	3,459	3,459	
Supplies and Materials	5,000	500	5,500	5,428	72
Other Objects	250		250	117	133
Total Support Services – School Administration	286,819	709	287,528	286,657	871
Security:					
Salaries	34,803	(1,550)	33,253	32,187	1,066
General Supplies	850		850	850	
Total Security	35,653	(1,550)	34,103	33,037	1,066
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	9,200		9,200	7,725	1,475
Total Student Transportation Services	9,200	-	9,200	7,725	1,475
Unallocated Benefits:					
Social Security Contributions	34,751		34,751	34,751	
Health Benefits	1,050,000	(45,155)	1,004,845	1,004,845	
Total Unallocated Benefits	1,084,751	(45,155)	1,039,596	1,039,596	
Total Undistributed Expenditures	1,855,849	(50,433)	1,805,416	1,740,215	65,201
Total Expenditures - Current	4,920,000	(11,288)	4,908,712	4,656,158	252,554
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		11,288	11,288	11,281	7
Total Equipment	-	11,288	11,288	11,281	7
Total Expenditures - School Based	4,920,000	-	4,920,000	4,667,439	252,561
Other Financing Sources:					
Transfers In	4,920,000		4,920,000	4,667,439	252,561
Total Other Financing Sources	4,920,000	-	4,920,000	4,667,439	252,561
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1					
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Gables Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 143,630		\$ 143,630	\$ 141,194	\$ 2,436
Grades 1- 5	849,299	\$ (14,181)	835,118	818,606	16,512
Undistributed Instruction:					
Other Salaries of Instruction	46,098		46,098	45,373	725
Purchased Professional & Educational Services	27,383	(7,000)	20,383	13,957	6,426
Purchased Technical Services	30,990	8,600	39,590	38,590	1,000
Other Purchased Services	49,550	(1,600)	47,950	37,963	9,987
General Supplies	82,500	46,177	128,677	128,662	15
Textbooks	11,000	(391)	10,609	10,470	139
Other Objects	3,600		3,600	2,028	1,572
Total Regular Programs	1,244,050	31,605	1,275,655	1,236,843	38,812
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	142,672		142,672	140,121	2,551
Other Salaries of Instruction	46,632		46,632	46,632	
Purchased Professional & Educational Services	450		450	450	
Other Purchased Services	300		300	300	
General Supplies	1,000		1,000	918	82
Total Learning and/or Language Disabilities	191,054	-	191,054	188,421	2,633
Resource Room/Resource Center:					
Salaries of Teachers	219,164	27,729	246,893	234,412	12,481
Other Salaries of Instruction	22,856	(22,856)			
General Supplies	700		700	679	21
Total Resource Room/Resource Center	242,720	4,873	247,593	235,091	12,502
Total Special Education	433,774	4,873	438,647	423,512	15,135
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	157,533	65,061	222,594	215,127	7,467
Total Other Supplemental/At-Risk Programs - Instruction	157,533	65,061	222,594	215,127	7,467
Total Instruction	1,835,357	101,539	1,936,896	1,875,482	61,414
Attendance and Social Work Services:					
Salaries	12,411		12,411	11,982	429
Total Attendance and Social Work Services	12,411	-	12,411	11,982	429
Health Services:					
Salaries	72,871		72,871	72,121	750
Supplies and Materials	2,000	(151)	1,849	1,796	53
Total Health Services	74,871	(151)	74,720	73,917	803
Guidance:					
Salaries of Other Professional Staff	71,964		71,964	70,780	1,184
Other Purchased Services	13,000	(750)	12,250	11,822	428
Supplies and Materials	3,800		3,800	3,699	101
Total Guidance	88,764	(750)	88,014	86,301	1,713

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Gables Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 52,500		\$ 52,500	\$ 22,044	\$ 30,456
Purchased Professional --Education Services	53,000	\$ (50)	52,950	33,451	19,499
Total Improvement of Instruction Services	105,500	(50)	105,450	55,495	49,955
Educational Media/Library Services:					
Salaries	131,026	(5,484)	125,542	123,347	2,195
Supplies and Materials	7,000	(250)	6,750	6,545	205
Total Educational Media/Library Services	138,026	(5,734)	132,292	129,892	2,400
Support Services -- School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	149,175	2,555	151,730	151,730	
Salaries of Other Professional Staff	66,670		66,670	66,664	6
Salaries of Secretarial and Clerical Assistants	57,090		57,090	55,844	1,246
Other Purchased Services (400-500 series)	3,750	(1,970)	1,780	1,705	75
Supplies and Materials	5,000	3,376	8,376	8,178	198
Other Objects	250	(250)			
Total Support Services -- School Administration	281,935	3,711	285,646	284,121	1,525
Security:					
General Supplies	850	(61)	789	789	
Total Security	850	(61)	789	789	-
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	8,000		8,000	5,400	2,600
Total Student Transportation Services	8,000	-	8,000	5,400	2,600
Unallocated Benefits:					
Social Security Contributions	19,286		19,286	19,286	
Health Benefits	725,000	(98,504)	626,496	626,496	
Total Unallocated Benefits	744,286	(98,504)	645,782	645,782	
Total Undistributed Expenditures	1,454,643	(101,539)	1,353,104	1,293,679	59,425
Total Expenditures - Current	3,290,000	-	3,290,000	3,169,161	120,839
Total Expenditures - School Based	3,290,000	-	3,290,000	3,169,161	120,839
Other Financing Sources:					
Transfers In	3,290,000		3,290,000	3,169,161	120,839
Total Other Financing Sources	3,290,000	-	3,290,000	3,169,161	120,839
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Green Grove Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 236,394	\$ (23,880)	\$ 212,514	\$ 200,131	\$ 12,383
Grades 1- 5	1,222,441	(177,288)	1,045,153	962,587	82,566
Undistributed Instruction:					
Other Salaries of Instruction	66,606	(352)	66,254	65,394	860
Purchased Professional & Educational Services	25,433	(11,350)	14,083	14,082	1
Purchased Technical Services	31,336	8,600	39,936	38,931	1,005
Other Purchased Services	49,550	(5,129)	44,421	38,336	6,085
General Supplies	83,000	44,833	127,833	127,468	365
Textbooks	11,000	(2,350)	8,650	8,645	5
Other Objects	3,600	(3,000)	600	555	45
Total Regular Programs	1,729,360	(169,916)	1,559,444	1,456,129	103,315
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	110,292		110,292	105,367	4,925
Other Salaries of Instruction	44,716	20,526	65,242	64,794	448
Purchased Professional & Educational Services	1,000	82,590	83,590	83,589	1
Other Purchased Services	300		300	300	
General Supplies	1,200		1,200	1,146	54
Total Learning and/or Language Disabilities	157,508	103,116	260,624	255,196	5,428
Resource Room/Resource Center:					
Salaries of Teachers	177,370	(27,729)	149,641	143,310	6,331
Other Salaries of Instruction	44,294	42,338	86,632	86,621	11
General Supplies	700		700	620	80
Total Resource Room/Resource Center	222,364	14,609	236,973	230,551	6,422
Total Special Education	379,872	117,725	497,597	485,747	11,850
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	110,998	69,622	180,620	178,430	2,190
Total Other Supplemental/At-Risk Programs - Instruction	110,998	69,622	180,620	178,430	2,190
Total Instruction	2,220,230	17,431	2,237,661	2,120,306	117,355
Attendance and Social Work Services:					
Salaries	21,046		21,046	20,141	905
Total Attendance and Social Work Services	21,046	-	21,046	20,141	905
Health Services:					
Salaries	76,480		76,480	75,158	1,322
Supplies and Materials	3,000	(42)	2,958	2,835	123
Total Health Services	79,480	(42)	79,438	77,993	1,445
Guidance:					
Salaries of Other Professional Staff	68,250		68,250	67,050	1,200
Other Purchased Services	12,500	(750)	11,750	10,604	1,146
Supplies and Materials	3,800		3,800	3,779	21
Total Guidance	84,550	(750)	83,800	81,433	2,367

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Green Grove Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 49,850	\$ (10,650)	\$ 39,200	\$ 28,225	\$ 10,975
Purchased Professional --Education Services	53,000	(13,651)	39,349	31,014	8,335
Total Improvement of Instruction Services	102,850	(24,301)	78,549	59,239	19,310
Educational Media/Library Services:					
Salaries	131,016		131,016	110,944	20,072
Supplies and Materials	7,000	2,416	9,416	9,415	1
Total Educational Media/Library Services	138,016	2,416	140,432	120,359	20,073
Support Services -- School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	140,899		140,899	140,899	
Salaries of Other Professional Staff	66,669		66,669	66,664	5
Salaries of Secretarial and Clerical Assistants	43,555		43,555	43,555	
Other Purchased Services (400-500 series)	3,500	(716)	2,784	2,783	1
Supplies and Materials	5,000	(113)	4,887	4,886	1
Other Objects	250	(250)			
Total Support Services -- School Administration	259,873	(1,079)	258,794	258,787	7
Security:					
General Supplies	850		850	850	
Total Security	850	-	850	850	-
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	9,200	925	10,125	10,125	
Total Student Transportation Services	9,200	925	10,125	10,125	-
Unallocated Benefits:					
Social Security Contributions	18,905		18,905	18,905	
Health Benefits	880,000	5,400	885,400	885,400	
Total Unallocated Benefits	898,905	5,400	904,305	904,305	
Total Undistributed Expenditures	1,594,770	(17,431)	1,577,339	1,533,232	44,107
Total Expenditures - Current	3,815,000	-	3,815,000	3,653,538	161,462
Total Expenditures - School Based	3,815,000	-	3,815,000	3,653,538	161,462
Other Financing Sources:					
Transfers In	3,815,000		3,815,000	3,653,538	161,462
Total Other Financing Sources	3,815,000	-	3,815,000	3,653,538	161,462
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Shark River Hills Elementary School

Expenditures

Current:

Instruction - regular programs:

Salaries of Teachers:

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Kindergarten	\$ 195,590	\$ (428)	\$ 195,162	\$ 190,927	\$ 4,235
Grades 1- 5	1,184,300	(307,328)	876,972	826,198	50,774

Undistributed Instruction:

Other Salaries of Instruction	67,498		67,498	66,402	1,096
Purchased Professional & Educational Services	25,433	(8,293)	17,140	14,408	2,732
Purchased Technical Services	31,468	8,600	40,068	39,063	1,005
Other Purchased Services	50,400	(2,600)	47,800	37,815	9,985
General Supplies	83,000	43,979	126,979	126,368	611
Textbooks	11,000	1,600	12,600	12,185	415
Other Objects	3,600	(2,500)	1,100	600	500

Total Regular Programs	1,652,289	(266,970)	1,385,319	1,313,966	71,353
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Instruction - Special Education:

Resource Room/Resource Center:

Salaries of Teachers	179,128	(29,080)	150,048	150,048	
Other Salaries of Instruction	45,463		45,463	45,463	
General Supplies	700		700	581	119

Total Resource Room/Resource Center	225,291	(29,080)	196,211	196,092	119
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Total Special Education	225,291	(29,080)	196,211	196,092	119
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Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists	126,915	38,954	165,869	164,180	1,689
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Total Other Supplemental/At-Risk Programs - Instruction	126,915	38,954	165,869	164,180	1,689
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Total Instruction	2,004,495	(257,096)	1,747,399	1,674,238	73,161
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Attendance and Social Work Services:

Salaries	66,171		66,171	65,679	492
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Total Attendance and Social Work Services	66,171	-	66,171	65,679	492
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Health Services:

Salaries	69,368		69,368	68,971	397
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Supplies and Materials	2,500	550	3,050	2,962	88
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Total Health Services	71,868	550	72,418	71,933	485
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Guidance:

Salaries of Other Professional Staff	55,825		55,825	53,338	2,487
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Other Purchased Services	12,500	(1,300)	11,200	10,080	1,120
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Supplies and Materials	3,800		3,800	3,724	76
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Total Guidance	72,125	(1,300)	70,825	67,142	3,683
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Improvement of Instruction Services:

Salaries of Other Professional Staff	50,500		50,500	22,716	27,784
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Purchased Professional -Education Services	53,000		53,000	29,415	23,585
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Total Improvement of Instruction Services	103,500	-	103,500	52,131	51,369
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Educational Media/Library Services:

Salaries	148,859		148,859	144,498	4,361
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Supplies and Materials	7,000	(2,129)	4,871	4,543	328
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Total Educational Media/Library Services	155,859	(2,129)	153,730	149,041	4,689
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Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Shark River Hills Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 128,166		\$ 128,166	\$ 128,166	
Salaries of Other Professional Staff	66,669		66,669	66,664	\$ 5
Salaries of Secretarial and Clerical Assistants	41,338		41,338	40,760	578
Other Purchased Services (400-500 series)	3,500	\$ 150	3,650	3,333	317
Supplies and Materials	5,000		5,000	4,969	31
Other Objects	250		250	202	48
Total Support Services – School Administration	244,923	150	245,073	244,094	979
Security:					
General Supplies	850	(400)	450	450	
Total Security	850	(400)	450	450	-
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	8,500		8,500	8,050	450
Total Student Transportation Services	8,500	-	8,500	8,050	450
Unallocated Benefits:					
Social Security Contributions	16,709		16,709	16,709	
Health Benefits	880,000	260,225	1,140,225	1,140,225	
Total Unallocated Benefits	896,709	260,225	1,156,934	1,156,934	
Total Undistributed Expenditures	1,620,505	257,096	1,877,601	1,815,454	62,147
Total Expenditures - Current	3,625,000	-	3,625,000	3,489,692	135,308
Total Expenditures - School Based	3,625,000	-	3,625,000	3,489,692	135,308
Other Financing Sources:					
Transfers In	3,625,000		3,625,000	3,489,692	135,308
Total Other Financing Sources	3,625,000	-	3,625,000	3,489,692	135,308
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Summerfield Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 166,296	\$ 72,344	\$ 238,640	\$ 231,307	\$ 7,333
Grades 1- 5	1,341,280	20,355	1,361,635	1,317,728	43,907
Undistributed Instruction:					
Other Salaries of Instruction	72,911	23,740	96,651	92,819	3,832
Purchased Professional & Educational Services	25,483	(7,000)	18,483	14,392	4,091
Purchased Technical Services	31,579	8,600	40,179	39,174	1,005
Other Purchased Services	49,550	(1,600)	47,950	35,434	12,516
General Supplies	83,000	49,530	132,530	132,427	103
Textbooks	11,000	(2,350)	8,650	8,645	5
Other Objects	3,600		3,600	3,567	33
Total Regular Programs	1,784,699	163,619	1,948,318	1,875,493	72,825
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	127,808	(530)	127,278	123,722	3,556
Other Salaries of Instruction	90,676	11,489	102,165	100,627	1,538
Purchased Professional & Educational Services	1,000		1,000	1,000	
Other Purchased Services	300		300		300
General Supplies	1,200		1,200	755	445
Total Learning and/or Language Disabilities	220,984	10,959	231,943	226,104	5,839
Auditory Impairments:					
Salaries of Teachers	435,317	(10,280)	425,037	407,668	17,369
Other Salaries of Instruction	178,407	534	178,941	164,643	14,298
Purchased Professional & Educational Services	7,000		7,000	3,200	3,800
Other Purchased Services	25,700		25,700	14,451	11,249
General Supplies	8,000		8,000	7,034	966
Total Auditory Impairments	654,424	(9,746)	644,678	596,996	47,682
Resource Room/Resource Center:					
Salaries of Teachers	114,218	68,731	182,949	179,030	3,919
Other Salaries of Instruction	23,739	10,285	34,024	34,024	
General Supplies	700		700	649	51
Total Resource Room/Resource Center	138,657	79,016	217,673	213,703	3,970
Total Special Education	1,014,065	80,229	1,094,294	1,036,803	57,491
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	115,560	54,657	170,217	167,755	2,462
Total Other Supplemental/At-Risk Programs - Instruction	115,560	54,657	170,217	167,755	2,462
Total Instruction	2,914,324	298,505	3,212,829	3,080,051	132,778
Attendance and Social Work Services:					
Salaries	57,256		57,256	57,180	76
Total Attendance and Social Work Services	57,256	-	57,256	57,180	76
Health Services:					
Salaries	76,480	19,632	96,112	94,068	2,044
Supplies and Materials	3,000	275	3,275	3,213	62
Total Health Services	79,480	19,907	99,387	97,281	2,106

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Summerfield Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Guidance:					
Salaries of Other Professional Staff	\$ 57,735		\$ 57,735	\$ 55,838	\$ 1,897
Other Purchased Services	17,000	\$ (750)	16,250	16,221	29
Supplies and Materials	3,800		3,800	3,743	57
Total Guidance	78,535	(750)	77,785	75,802	1,983
Improvement of Instruction Services:					
Salaries of Other Professional Staff	50,500	(275)	50,225	23,946	26,279
Purchased Professional –Education Services	49,850	(150)	49,700	32,183	17,517
Total Improvement of Instruction Services	100,350	(425)	99,925	56,129	43,796
Educational Media/Library Services:					
Salaries	181,173	(42,001)	139,172	137,593	1,579
Supplies and Materials	7,000	(5,000)	2,000	1,678	322
Total Educational Media/Library Services	188,173	(47,001)	141,172	139,271	1,901
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	140,899	2,555	143,454	143,454	
Salaries of Other Professional Staff	66,666		66,666	66,664	2
Salaries of Secretarial and Clerical Assistants	45,476	250	45,726	45,087	639
Other Purchased Services (400-500 series)	3,500	750	4,250	2,744	1,506
Supplies and Materials	5,000	(3,000)	2,000	1,962	38
Other Objects	250	(227)	23		23
Total Support Services – School Administration	261,791	328	262,119	259,911	2,208
Security:					
General Supplies	850		850	850	
Total Security	850	-	850	850	-
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	8,000		8,000	7,125	875
Total Student Transportation Services	8,000	-	8,000	7,125	875
Unallocated Benefits:					
Social Security Contributions	36,241		36,241	36,241	
Health Benefits	1,000,000	(280,064)	719,936	719,936	
Total Unallocated Benefits	1,036,241	(280,064)	756,177	756,177	
Total Undistributed Expenditures	1,810,676	(308,005)	1,502,671	1,449,726	52,945
Total Expenditures - Current	4,725,000	(9,500)	4,715,500	4,529,777	185,723
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		9,500	9,500	9,404	96
Total Equipment		9,500	9,500	9,404	96
Total Expenditures - School Based	4,725,000	-	4,725,000	4,539,181	185,819
Other Financing Sources:					
Transfers In	4,725,000		4,725,000	4,539,181	185,819
Total Other Financing Sources	4,725,000	-	4,725,000	4,539,181	185,819
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Grades 6-8	\$ 3,968,222	\$ (95,480)	\$ 3,872,742	\$ 3,737,972	\$ 134,770
Undistributed Instruction:					
Purchased Professional & Educational Services	23,910	2,805	26,715	22,867	3,848
Purchased Technical Services	37,222	7,250	44,472	44,472	
Other Purchased Services	78,750	(6,250)	72,500	49,615	22,885
General Supplies	120,000	44,590	164,590	159,394	5,196
Textbooks	26,625	(7,500)	19,125	18,896	229
Other Objects	7,000	(986)	6,014	5,492	522
Total Regular Programs	4,261,729	(55,571)	4,206,158	4,038,708	167,450
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	362,281	(261,336)	100,945	95,482	5,463
Purchased Professional & Educational Services	1,000		1,000	1,000	
Other Purchased Services	300		300	300	
General Supplies	1,500	(940)	560	560	
Total Learning and/or Language Disabilities	365,081	(262,276)	102,805	97,342	5,463
Auditory Impairments:					
Salaries of Teachers	149,733		149,733	143,913	5,820
Other Salaries of Instruction	100,776		100,776	95,877	4,899
Purchased Professional & Educational Services	1,000		1,000	353	647
Other Purchased Services	9,100		9,100	8,950	150
General Supplies	2,000		2,000	1,960	40
Total Auditory Impairments	262,609	-	262,609	251,053	11,556
Multiple Disabilities:					
Salaries of Teachers	142,021	(85,716)	56,305	54,002	2,303
Other Salaries of Instruction	66,863	(2,441)	64,422	64,422	
General Supplies	900		900	900	
Total Multiple Disabilities	209,784	(88,157)	121,627	119,324	2,303
Resource Room/Resource Center:					
Salaries of Teachers	903,335	256,150	1,159,485	1,114,634	44,851
Other Salaries of Instruction	5,000		5,000	910	4,090
General Supplies	3,800	940	4,740	4,740	
Total Resource Room/Resource Center	912,135	257,090	1,169,225	1,120,284	48,941
Total Special Education	1,749,609	(93,343)	1,656,266	1,588,003	68,263
Bilingual Education:					
Salaries of Teachers	29,221	21,481	50,702	50,702	
Total Bilingual Education	29,221	21,481	50,702	50,702	-
School Sponsored Co-curricular Activities:					
Salaries	45,000	2,370	47,370	43,958	3,412
Other Objects	2,500		2,500	2,184	316
Total School Sponsored Co-curricular Activities	47,500	2,370	49,870	46,142	3,728

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 128,000	\$ (8,000)	\$ 120,000	\$ 95,179	\$ 24,821
Purchased Services (300-500 series)	21,000	20,630	41,630	39,630	2,000
Supplies and Materials	11,000	(3,000)	8,000	3,544	4,456
Total School Sponsored Athletics	160,000	9,630	169,630	138,353	31,277
Total Instruction	6,248,059	(115,433)	6,132,626	5,861,908	270,718
Attendance and Social Work Services:					
Salaries	77,920		77,920	76,631	1,289
Total Attendance and Social Work Services	77,920	-	77,920	76,631	1,289
Health Services:					
Salaries	98,029	4,381	102,410	101,457	953
Purchased Professional and Technical Services	1,000	(1,000)			
Supplies and Materials	4,500		4,500	3,916	584
Total Health Services	103,529	3,381	106,910	105,373	1,537
Guidance:					
Salaries of Other Professional Staff	279,660	(25,069)	254,591	249,000	5,591
Salaries of Secretarial and Clerical Assistants	43,661		43,661	43,055	606
Other Purchased Services	25,000	(3,250)	21,750	20,463	1,287
Supplies and Materials	9,750		9,750	8,583	1,167
Total Guidance	358,071	(28,319)	329,752	321,101	8,651
Improvement of Instruction Services:					
Salaries of Other Professional Staff	132,000		132,000	74,018	57,982
Purchased Professional –Education Services	55,000	(4,895)	50,105	23,960	26,145
Total Improvement of Instruction Services	187,000	(4,895)	182,105	97,978	84,127
Educational Media/Library Services:					
Salaries	129,231		129,231	125,497	3,734
Supplies and Materials	14,500		14,500	13,807	693
Total Educational Media/Library Services	143,731	-	143,731	139,304	4,427
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	388,486	6,178	394,664	394,664	
Salaries of Other Professional Staff	103,085	45,708	148,793	148,788	5
Salaries of Secretarial and Clerical Assistants	176,414	1,323	177,737	171,252	6,485
Other Purchased Services (400-500 series)	21,000	2,250	23,250	20,892	2,358
Supplies and Materials	11,000	(500)	10,500	8,865	1,635
Other Objects	300		300	24	276
Total Support Services – School Administration	700,285	54,959	755,244	744,485	10,759
Security:					
Salaries	216,715	(34,704)	182,011	164,390	17,621
Purchased Professional and Technical Services	10,000	2,500	12,500	12,500	
General Supplies	1,500	(475)	1,025	1,025	
Total Security	228,215	(32,679)	195,536	177,915	17,621
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	33,000	1,461	34,461	34,461	
Total Student Transportation Services	33,000	1,461	34,461	34,461	-

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Unallocated Benefits:					
Social Security Contributions	\$ 75,190	\$ 4,000	\$ 79,190	\$ 79,190	
Health Benefits	2,420,000	117,525	2,537,525	2,537,525	
Total Unallocated Benefits	2,495,190	121,525	2,616,715	2,616,715	
Total Undistributed Expenditures	4,326,941	115,433	4,442,374	4,313,963	\$ 128,411
Total Expenditures - Current	10,575,000	-	10,575,000	10,175,871	399,129
Total Expenditures - School Based	10,575,000	-	10,575,000	10,175,871	399,129
Other Financing Sources:					
Transfers In	10,575,000		10,575,000	10,175,871	399,129
Total Other Financing Sources	10,575,000	-	10,575,000	10,175,871	399,129
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune High School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Grades 9-12	\$ 4,938,957	\$ 40,567	\$ 4,979,524	\$ 4,718,278	\$ 261,246
Undistributed Instruction:					
Purchased Professional & Educational Services	120,955	(30,500)	90,455	52,163	38,292
Purchased Technical Services	43,736	8,400	52,136	52,136	
Other Purchased Services	94,750	34,200	128,950	126,818	2,132
General Supplies	187,950	362,338	550,288	194,800	355,488
Textbooks	42,185	18,781	60,966	42,306	18,660
Other Objects	45,950	1,500	47,450	39,153	8,297
Total Regular Programs	5,474,483	435,286	5,909,769	5,225,654	684,115
Instruction - Special Education:					
Auditory Impairments:					
Salaries of Teachers	153,322	6,805	160,127	152,046	8,081
Other Salaries of Instruction	152,131	23,800	175,931	174,153	1,778
Purchased Professional & Educational Services	2,000		2,000	1,250	750
Other Purchased Services	8,600	(700)	7,900	7,800	100
General Supplies	2,000		2,000	1,500	500
Total Auditory Impairments	318,053	29,905	347,958	336,749	11,209
Behavioral Disabilities:					
Salaries of Teachers	157,462		157,462	150,242	7,220
Other Salaries of Instruction	46,807		46,807	45,843	964
Purchased Professional & Educational Services	1,000		1,000	1,000	
General Supplies	900		900	900	
Total Behavioral Disabilities	206,169	-	206,169	197,985	8,184
Multiple Disabilities:					
Salaries of Teachers	142,137	6,000	148,137	143,267	4,870
Other Salaries of Instruction	70,297		70,297	68,847	1,450
General Supplies	900	200	1,100	1,034	66
Total Multiple Disabilities	213,334	6,200	219,534	213,148	6,386
Resource Room/Resource Center:					
Salaries of Teachers	1,013,796	(43,328)	970,468	970,468	
Other Salaries of Instruction	28,739		28,739	26,664	2,075
Purchased Professional & Educational Services		23,500	23,500	20,000	3,500
General Supplies	3,800		3,800	3,800	
Total Resource Room/Resource Center	1,046,335	(19,828)	1,026,507	1,020,932	5,575
Total Special Education	1,783,891	16,277	1,800,168	1,768,814	31,354
Bilingual Education:					
Salaries of Teachers	29,221	29,221	58,442	58,385	57
Total Bilingual Education	29,221	29,221	58,442	58,385	57
School Sponsored Co-curricular Activities:					
Salaries	180,000	(6,800)	173,200	162,222	10,978
Purchased Services	27,100	(3,200)	23,900	10,099	13,801
Total School Sponsored Co-curricular Activities	207,100	(10,000)	197,100	172,321	24,779

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 898,019	\$ (29,509)	\$ 868,510	\$ 828,469	\$ 40,041
Purchased Services (300-500 series)	211,300	35,739	247,039	220,717	26,322
Supplies and Materials	133,000	(48,427)	84,573	81,659	2,914
Total School Sponsored Athletics	1,242,319	(42,197)	1,200,122	1,130,845	69,277
Total Instruction	8,737,014	428,587	9,165,601	8,356,019	809,582
Attendance and Social Work Services:					
Salaries	6,259		6,259	6,258	1
Salaries of Drop Out Prevention Officer Coordinator	42,169	(472)	41,697	41,697	
Other Purchased Services	500	527	1,027	1,027	
Total Attendance and Social Work Services	48,928	55	48,983	48,982	1
Health Services:					
Salaries	124,770	(25,559)	99,211	95,932	3,279
Purchased Professional and Technical Services	1,000	(600)	400		400
Supplies and Materials	4,500	400	4,900	3,257	1,643
Total Health Services	130,270	(25,759)	104,511	99,189	5,322
Guidance:					
Salaries of Other Professional Staff	550,225	(29,456)	520,769	489,235	31,534
Salaries of Secretarial and Clerical Assistants	87,693	2,043	89,736	88,590	1,146
Purchased Professional - Educational Services	37,300	636	37,936	37,645	291
Other Purchased Services	30,000	(725)	29,275	29,275	
Supplies and Materials	19,800	(6,819)	12,981	11,851	1,130
Total Guidance	725,018	(34,321)	690,697	656,596	34,101
Improvement of Instruction Services:					
Salaries of Other Professional Staff	183,200	(320)	182,880	100,055	82,825
Purchased Professional - Education Services	55,000	(400)	54,600	8,340	46,260
Total Improvement of Instruction Services	238,200	(720)	237,480	108,395	129,085
Educational Media/Library Services:					
Salaries	96,640		96,640	84,427	12,213
Supplies and Materials	15,300		15,300	13,473	1,827
Total Educational Media/Library Services	111,940	-	111,940	97,900	14,040
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	436,563	142,975	579,538	579,538	
Salaries of Other Professional Staff	196,176	(47,353)	148,823	148,822	1
Salaries of Secretarial and Clerical Assistants	249,855	(18,672)	231,183	226,779	4,404
Other Purchased Services (400-500 series)	28,000	2,400	30,400	26,173	4,227
Supplies and Materials	23,000	(4,600)	18,400	11,264	7,136
Other Objects	1,000		1,000	347	653
Total Support Services - School Administration	934,594	74,750	1,009,344	992,923	16,421
Security:					
Salaries	171,793	48,634	220,427	218,838	1,589
Purchased Professional and Technical Services	10,000	2,500	12,500	12,500	
General Supplies	3,000		3,000	3,000	
Total Security	184,793	51,134	235,927	234,338	1,589

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2017

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) – Vendors	\$ 232,700	\$ (34,067)	\$ 198,633	\$ 196,007	\$ 2,626
Total Student Transportation Services	232,700	(34,067)	198,633	196,007	2,626
Unallocated Benefits:					
Social Security Contributions	156,543	63,500	220,043	220,043	
Health Benefits	3,200,000	(532,040)	2,667,960	2,667,960	
Total Unallocated Benefits	3,356,543	(468,540)	2,888,003	2,888,003	
Total Undistributed Expenditures	5,962,986	(437,468)	5,525,518	5,322,333	203,185
Total Expenditures - Current	14,700,000	(8,881)	14,691,119	13,678,352	1,012,767
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 9-12		8,881	8,881	8,881	
Total Equipment	-	8,881	8,881	8,881	-
Total Expenditures - School Based	14,700,000	-	14,700,000	13,687,233	1,012,767
Other Financing Sources:					
Transfers In	14,700,000		14,700,000	13,687,233	1,012,767
Total Other Financing Sources	14,700,000	-	14,700,000	13,687,233	1,012,767
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Special Revenue Fund Detail Statements

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2017

	Nonpublic							
	Nursing	Text books	Security Aid	Technology Initiative	Auxiliary Services Chapter 192	Exam and Class	Speech	Supplemental Instruction
Revenues:								
State sources	\$ 12,064	\$ 7,876	\$ 6,850	\$ 3,559	\$ 71,547	\$ 23,237	\$ 15,903	\$ 19,617
Federal sources								
Total revenues	<u>\$ 12,064</u>	<u>\$ 7,876</u>	<u>\$ 6,850</u>	<u>\$ 3,559</u>	<u>\$ 71,547</u>	<u>\$ 23,237</u>	<u>\$ 15,903</u>	<u>\$ 19,617</u>
Expenditures:								
Current expenditures:								
Instruction:								
Salaries of teachers							\$ 15,903	\$ 19,617
Other salaries for instruction					\$ 71,547			
Purchased professional and technical services								
Other purchased services								
General supplies								
Textbooks		\$ 7,876						
Other objects								
Total instruction		<u>7,876</u>			<u>71,547</u>		<u>15,903</u>	<u>19,617</u>
Support services:								
Salaries of supervisors of instruction								
Salaries of program directors								
Salaries of other professional staff								
Salaries of secretarial and clerical assistants								
Salaries of master teachers								
Other salaries						\$ 23,237		
Personal services--employee benefits								
Other purchased professional - technical services								
Other purchased professional - educational services								
Other purchased professional services								
Contr Serv - Trans (bet home & school)								
Other purchased services								
Supplies and materials								
Miscellaneous	<u>\$ 12,064</u>		<u>\$ 6,850</u>	<u>\$ 3,559</u>				
Total support services	12,064		6,850	3,559		23,237		
Contribution to school based budgets								
Total expenditures	<u>\$ 12,064</u>	<u>\$ 7,876</u>	<u>\$ 6,850</u>	<u>\$ 3,559</u>	<u>\$ 71,547</u>	<u>\$ 23,237</u>	<u>\$ 15,903</u>	<u>\$ 19,617</u>

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2017

	Title II - A		I.D.E.I.A.		Title I	
	Regular Program	Regular Program	Preschool Program	Regular Program	Regular Program	Regular Program
Revenues:						
State sources						
Federal sources	\$ 143,472	\$ 1,197,355	\$ 38,422	\$ 857,391		
Total revenues	\$ 143,472	\$ 1,197,355	\$ 38,422	\$ 857,391		
Expenditures:						
Current expenditures:						
Instruction:						
Salaries of teachers						
Other salaries for instruction						
Purchased professional and technical services						
Other purchased services			\$ 38,422			
General supplies				\$ 177,380		
Textbooks						
Other objects						
Total instruction			38,422	177,380		
Support services:						
Salaries of supervisors of instruction						
Salaries of program directors						
Salaries of other professional staff						
Salaries of secretarial and clerical assistants						
Salaries of master teachers						
Other salaries						
Personal services—employee benefits						
Other purchased professional - technical services	\$ 20,000	\$ 239,438		36,285		
Other purchased professional - educational services						
Other purchased professional services						
Contr Serv - Trans (bet home & school)						
Other purchased services					4,000	
Supplies and materials	13,162	2,738			31,346	
Miscellaneous						
Total support services	33,162	242,176			71,631	
Contribution to school based budgets	110,310	955,179			608,380	
Total expenditures	\$ 143,472	\$ 1,197,355	\$ 38,422	\$ 857,391		

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2017

	Preschool Education Aid	Title III			Totals
	Regular Program	Regular Program	Immigrant	FEMA	
Revenues:					
State sources	\$ 5,260,241				\$ 5,420,894
Federal sources		\$ 31,446	\$ 17,707	\$ 116,336	2,402,129
Total revenues	\$ 5,260,241	\$ 31,446	\$ 17,707	\$ 116,336	\$ 7,823,023
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 1,764,992				\$ 1,800,512
Other salaries for instruction	644,787				716,334
Purchased professional and technical services		\$ 1,620			1,620
Other purchased services	1,463				39,885
General supplies	29,887	25,108	\$ 12,000		244,375
Textbooks					7,876
Other objects	4,927				4,927
Total instruction	2,446,056	26,728	12,000		2,815,529
Support services:					
Salaries of supervisors of instruction	105,939				105,939
Salaries of program directors	128,166				128,166
Salaries of other professional staff	174,970				174,970
Salaries of secretarial and clerical assistants	100,970				100,970
Salaries of master teachers	150,354				150,354
Other salaries	179,780				203,017
Personal services--employee benefits	1,653,128				1,653,128
Other purchased professional - technical services		2,718			298,441
Other purchased professional - educational services	4,950				4,950
Other purchased professional services	400				400
Contr Serv - Trans (bet home & school)	305,480				305,480
Other purchased services			2,000		6,000
Supplies and materials	4,845	2,000	3,707	\$ 116,336	174,134
Miscellaneous	5,203				27,676
Total support services	2,814,185	4,718	5,707	116,336	3,333,625
Contribution to school based budgets					1,673,869
Total expenditures	\$ 5,260,241	\$ 31,446	\$ 17,707	\$ 116,336	\$ 7,823,023

Neptune Township School District
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures
Budgetary Basis

Year ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 1,871,156	\$ (51,838)	\$ 1,819,318	\$ 1,764,992	\$ 54,326
Other salaries for instruction	693,836	(40,378)	653,458	644,787	8,671
Other purchased services	4,650	(3,187)	1,463	1,463	
General supplies	28,000	1,887	29,887	29,887	
Other objects	6,000	(1,073)	4,927	4,927	
	<u>2,603,642</u>	<u>(94,589)</u>	<u>2,509,053</u>	<u>2,446,056</u>	<u>62,997</u>
Support services:					
Salaries of supervisors of instruction	107,238	(1,299)	105,939	105,939	
Salaries of program directors	128,166		128,166	128,166	
Salaries of other professional staff	178,157	1,739	179,896	174,970	4,926
Salaries of secretarial and clerical assistants	102,604	918	103,522	100,970	2,552
Salaries of master teachers	153,387		153,387	150,354	3,033
Other salaries	171,620	20,171	191,791	179,780	12,011
Personal services-employee benefits	1,580,306	72,822	1,653,128	1,653,128	
Other purchased professional - educational services	500	4,450	4,950	4,950	
Other purchased professional services	3,000	(2,600)	400	400	
Contr Serv - Trans (bet home & school)	307,440	(1,960)	305,480	305,480	
Supplies and materials	5,000	(155)	4,845	4,845	
Miscellaneous	4,700	503	5,203	5,203	
	<u>2,742,118</u>	<u>94,589</u>	<u>2,836,707</u>	<u>2,814,185</u>	<u>22,522</u>
Total expenditures	<u>\$ 5,345,760</u>	<u>\$ -</u>	<u>\$ 5,345,760</u>	<u>\$ 5,260,241</u>	<u>\$ 85,519</u>

Calculation of Carryover

Total 2016-17 Preschool Education Aid allocation	\$ 5,345,760
Add: Actual carryover (June 30, 2016)	95,000
Add: Cancellation of prior year accounts payable	88,384
Total Preschool Education Aid funds available for 2016-17 Budget	<u>5,529,144</u>
Less: 2016-17 budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(5,345,760)</u>
Available and unbudgeted Preschool Education Aid funds as of June 30, 2017	183,384
Add: June 30, 2017 unexpended Preschool Education Aid	<u>85,519</u>
2016-2017 actual carryover - Preschool Education Aid	<u>\$ 268,903</u>
2016-2017 Preschool Education Aid carryover budgeted in 2017-18	<u>\$ 95,000</u>

Fiduciary Funds
Detail Statements

Neptune Township School District
Fiduciary Funds

Combining Statement of Fiduciary Net Position

June 30, 2017

	<u>Trust</u>	<u>Agency</u>		
	<u>Unemployment Compensation</u>	<u>Student Activity</u>	<u>Payroll</u>	<u>Totals</u>
Assets				
Cash and cash equivalents	\$ 1,123,306	\$ 120,614	\$ 397,617	\$ 518,231
Accounts receivable	19,822			
Total assets	<u>1,143,128</u>	<u>\$ 120,614</u>	<u>\$ 397,617</u>	<u>\$ 518,231</u>
Liabilities				
Payroll deductions and withholdings payable			\$ 371,409	\$ 371,409
Flexible spending payable			19,822	19,822
Accounts payable	29,486		6,386	6,386
Due to student groups		\$ 120,614		120,614
Total liabilities	<u>29,486</u>	<u>\$ 120,614</u>	<u>\$ 397,617</u>	<u>\$ 518,231</u>
Net position-held in trust for unemployment benefits	<u>\$ 1,113,642</u>			

Neptune Township School District
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2017

	<u>Balance July 1, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2017</u>
Middle school accounts				
Neptune Middle School	\$ 29,182	\$ 82,455	\$ 86,199	\$ 25,438
High school accounts				
Neptune High School	79,465	282,945	286,184	76,226
Athletic Fund	26,272	64,409	71,731	18,950
	<u>105,737</u>	<u>347,354</u>	<u>357,915</u>	<u>95,176</u>
Total all schools	<u>\$ 134,919</u>	<u>\$ 429,809</u>	<u>\$ 444,114</u>	<u>\$ 120,614</u>

Neptune Township School District
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2017

	Balance July 1, 2016	Cash Receipts	Cash Disbursements	Balance June 30, 2017
Assets				
Cash and cash equivalents	\$ 455,070	\$ 46,228,937	\$ 46,286,390	\$ 397,617
Accounts receivable				
Total assets	<u>\$ 455,070</u>	<u>\$ 46,228,937</u>	<u>\$ 46,286,390</u>	<u>\$ 397,617</u>
Liabilities				
Payroll deductions and withholdings payable	\$ 423,734	\$ 46,168,311	\$ 46,220,636	\$ 371,409
Flexible spending payable	6,375	40,804	40,793	6,386
Accounts payable	24,961	19,822	24,961	19,822
Total liabilities	<u>\$ 455,070</u>	<u>\$ 46,228,937</u>	<u>\$ 46,286,390</u>	<u>\$ 397,617</u>

Statistical Section

Statistical Section
Unaudited

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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

J-1

	June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Net investment in capital assets	\$ 234,106,513	\$ 245,407,223	\$ 250,385,213	\$ 246,690,255	\$ 246,697,421	\$ 246,620,314	\$ 244,561,949	\$ 243,130,740	\$ 238,639,534	\$ 240,474,059
Restricted	3,039,761	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018
Unrestricted (deficit)	(314,394)	(1,780,880)	(1,668,099)	(1,884,320)	(1,470,762)	(744,968)	(788,319)	(21,685,461)	(19,058,019)	(20,435,858)
Total governmental activities net position	<u>\$ 236,831,880</u>	<u>\$ 247,823,962</u>	<u>\$ 252,058,641</u>	<u>\$ 251,243,802</u>	<u>\$ 251,263,307</u>	<u>\$ 251,106,285</u>	<u>\$ 252,645,666</u>	<u>\$ 236,590,299</u>	<u>\$ 234,336,182</u>	<u>\$ 229,331,219</u>
Business-type activities										
Net investment in capital assets	\$ 25,483	\$ 74,090	\$ 117,021	\$ 106,847	\$ 100,336	\$ 77,050	\$ 55,871	\$ 135,157	\$ 266,897	\$ 734,246
Unrestricted	19,432	123,737	650,930	889,478	1,150,766	1,039,799	1,210,181	1,221,817	1,406,837	1,115,054
Total business-type activities net position	<u>\$ 44,915</u>	<u>\$ 197,827</u>	<u>\$ 767,951</u>	<u>\$ 996,325</u>	<u>\$ 1,251,102</u>	<u>\$ 1,116,849</u>	<u>\$ 1,266,052</u>	<u>\$ 1,356,974</u>	<u>\$ 1,673,734</u>	<u>\$ 1,849,300</u>
Government-wide										
Net investment in capital assets	\$ 234,131,996	\$ 245,481,313	\$ 250,502,234	\$ 246,797,102	\$ 246,797,757	\$ 246,697,364	\$ 244,617,820	\$ 243,265,897	\$ 238,906,431	\$ 241,208,305
Restricted	3,039,761	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018
Unrestricted (deficit)	(294,962)	(1,657,143)	(1,017,169)	(994,842)	(319,996)	294,831	421,862	(20,463,644)	(17,651,182)	(19,320,804)
Total government-wide net position	<u>\$ 236,876,795</u>	<u>\$ 248,021,789</u>	<u>\$ 252,826,592</u>	<u>\$ 252,240,127</u>	<u>\$ 252,514,409</u>	<u>\$ 252,223,134</u>	<u>\$ 253,911,718</u>	<u>\$ 237,947,273</u>	<u>\$ 236,009,916</u>	<u>\$ 231,180,519</u>

Source: CAFR Schedule A-1 and District records.

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

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

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

J-2
1 of 2

	Year ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities										
Instruction	\$ 48,095,418	\$ 47,747,170	\$ 49,086,517	\$ 47,980,683	\$ 49,659,574	\$ 51,432,258	\$ 50,543,012	\$ 56,819,973	\$ 61,558,098	\$ 68,016,717
Support Services:										
Attendance and social work	674,188	776,158	860,446	573,664	593,874	455,715	384,145	493,566	537,656	629,712
Health services	756,469	840,461	879,442	818,143	959,041	1,019,352	1,022,406	1,096,410	1,168,649	1,397,622
Other support services	7,868,294	8,241,452	8,878,331	8,742,643	9,703,100	9,312,585	8,789,298	10,070,595	10,770,176	10,473,878
Improvement of instruction	841,579	845,813	856,175	754,990	745,595	888,067	947,507	1,124,571	1,234,053	1,506,670
Other support instructional staff	2,327,656	1,888,374	1,896,216	1,732,379	1,696,484	1,704,395	1,481,037	1,626,305	1,787,309	1,871,351
General administration	2,174,569	2,617,559	2,288,414	2,321,299	2,161,427	1,914,283	1,843,255	2,041,007	2,498,249	2,342,088
School administration	3,184,420	3,844,218	3,963,288	3,681,649	4,017,927	4,469,822	4,331,300	5,037,316	5,431,073	6,455,303
Required maintenance of plant	3,780,944	5,209,266	4,954,414	4,713,431	7,120,516	4,122,997	4,490,042	3,846,369	3,516,361	4,660,454
Operation of plant	6,685,880	7,257,068	8,502,313	8,002,675	7,187,294	7,394,582	7,666,845	8,189,819	8,400,432	9,111,451
Security					461,211	454,225	522,732	765,779	881,204	1,088,176
Student transportation	3,922,909	3,762,466	3,677,636	3,313,121	2,643,718	2,792,366	2,811,022	2,967,966	2,976,104	3,235,470
Business and other support services and benefits	1,485,548	1,703,072	1,697,916	1,516,929	1,727,678	1,792,316	2,169,430	2,047,053	2,165,971	2,458,913
Charter Schools	347,778	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,144	520,780
Interest on long-term debt	321,571	310,084	290,377	267,736	237,837	143,704	600			
Total governmental activities expenses	<u>82,467,223</u>	<u>85,474,792</u>	<u>88,215,673</u>	<u>84,879,324</u>	<u>89,611,345</u>	<u>88,431,750</u>	<u>87,611,538</u>	<u>96,752,951</u>	<u>103,457,479</u>	<u>113,768,585</u>
Business-type activities										
Food service	1,899,052	1,926,104	1,942,047	1,849,157	1,997,365	2,140,193	2,080,336	2,205,465	2,076,449	2,223,356
Aquatic center			42,190	143,100	327,778	331,730	269,941	314,312	241,753	242,624
Total business-type activities expense	<u>1,899,052</u>	<u>1,926,104</u>	<u>1,984,237</u>	<u>1,992,257</u>	<u>2,325,143</u>	<u>2,471,923</u>	<u>2,350,277</u>	<u>2,519,777</u>	<u>2,318,202</u>	<u>2,465,980</u>
Total district expenses	<u>\$ 84,366,275</u>	<u>\$ 87,400,896</u>	<u>\$ 90,199,910</u>	<u>\$ 86,871,581</u>	<u>\$ 91,936,488</u>	<u>\$ 90,903,673</u>	<u>\$ 89,961,815</u>	<u>\$ 99,272,728</u>	<u>\$ 105,775,681</u>	<u>\$ 116,234,565</u>
Program Revenues										
Governmental activities										
Charges for services:										
Instruction (tuition)	\$ 2,981,163	\$ 3,172,528	\$ 3,025,839	\$ 3,748,115	\$ 5,104,323	\$ 4,792,109	\$ 5,822,990	\$ 6,533,294	\$ 5,520,923	\$ 5,741,618
Student transportation	361,322	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422	577,800
Operating grants and contributions	7,168,639	7,344,441	7,921,340	7,820,320	9,334,560	8,506,678	7,994,917	8,179,337	8,606,563	7,900,664
Capital grants and contributions	27,632,552	14,735,769	8,531,828	151,054	580,077	127				
Total governmental activities program revenues	<u>38,143,676</u>	<u>25,657,692</u>	<u>19,920,044</u>	<u>12,031,225</u>	<u>15,357,145</u>	<u>13,633,096</u>	<u>14,330,438</u>	<u>15,352,696</u>	<u>14,693,908</u>	<u>14,220,082</u>

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

J-2
2 of 2

	Year ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Business-type activities										
Charges for services										
Food service	\$ 739,309	\$ 723,167	\$ 754,688	\$ 596,762	\$ 577,907	\$ 551,906	\$ 595,778	\$ 629,380	\$ 595,414	\$ 647,091
Aquatic center			18,931	241,231	253,049	238,420	311,144	339,552	325,980	337,573
Operating grants and contributions	1,099,503	1,199,999	1,349,774	1,379,601	1,493,576	1,546,914	1,592,217	1,641,382	1,662,103	1,653,545
Total business type activities program revenues	1,838,812	1,923,166	2,123,393	2,217,594	2,324,532	2,337,240	2,499,139	2,610,314	2,583,497	2,638,209
Total district program revenues	\$ 39,982,488	\$ 27,580,858	\$ 22,043,437	\$ 14,248,819	\$ 17,681,677	\$ 15,970,336	\$ 16,829,577	\$ 17,963,010	\$ 17,277,405	\$ 16,858,291
Net (Expense)/Revenue										
Governmental activities	\$ (44,323,547)	\$ (59,817,100)	\$ (68,295,629)	\$ (72,848,099)	\$ (74,254,200)	\$ (74,798,654)	\$ (73,281,100)	\$ (81,400,255)	\$ (88,763,571)	\$ (99,548,503)
Business-type activities	(60,240)	(2,938)	139,156	225,337	(611)	(134,683)	148,862	90,537	265,295	172,229
Total district-wide net (expense)/revenue	\$ (44,383,787)	\$ (59,820,038)	\$ (68,156,473)	\$ (72,622,762)	\$ (74,254,811)	\$ (74,933,337)	\$ (73,132,238)	\$ (81,309,718)	\$ (88,498,276)	\$ (99,376,274)
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes levied for general purposes	\$ 30,211,863	\$ 31,395,338	\$ 32,651,152	\$ 33,957,198	\$ 33,957,198	\$ 33,957,198	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649	36,756,362
Property taxes levied for debt service	561,394	590,914	294,400	608,133	596,900	574,252				
Unrestricted grants and contributions	39,961,668	37,972,016	38,761,487	36,251,321	39,017,032	39,338,301	39,766,755	46,846,336	49,883,714	56,052,469
Investment earnings	208,405	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064	21,156
Miscellaneous income	294,968	824,735	792,115	1,203,381	701,379	769,595	415,341	923,384	581,027	714,009
Transfers		(53,920)								
Loss on sale of capital assets	(43,627)	(717)								
Special item - prior year accrual cancelled										999,544
Total governmental activities	71,194,671	70,809,182	72,530,308	72,033,260	74,273,705	74,641,632	74,820,481	83,101,103	86,509,454	94,543,540
Business-type activities										
Other		101,930	430,968	3,037	255,388	430	341	385	51,465	3,337
Transfers		53,920								
Total business-type activities	-	155,850	430,968	3,037	255,388	430	341	385	51,465	3,337
Total district-wide	\$ 71,194,671	\$ 70,965,032	\$ 72,961,276	\$ 72,036,297	\$ 74,529,093	\$ 74,642,062	\$ 74,820,822	\$ 83,101,488	\$ 86,560,919	\$ 94,546,877
Change in Net Position										
Governmental activities	\$ 26,871,124	\$ 10,992,082	\$ 4,234,679	\$ (814,839)	\$ 19,505	\$ (157,022)	\$ 1,539,381	\$ 1,700,848	\$ (2,254,117)	\$ (5,004,963)
Business-type activities	(60,240)	152,912	570,124	228,374	254,777	(134,253)	149,203	90,922	316,760	175,566
Total district	\$ 26,810,884	\$ 11,144,994	\$ 4,804,803	\$ (586,465)	\$ 274,282	\$ (291,275)	\$ 1,688,584	\$ 1,791,770	\$ (1,937,357)	\$ (4,829,397)

Source: CAFR Schedule A-2 and District records.

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

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

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

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

	June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 5,013,416	\$ 5,727,715	\$ 5,768,475							
Unreserved (deficit)	(25,453)	(703,433)	(1,679,851)							
Restricted				\$ 6,437,867	\$ 7,784,498	\$ 5,230,939	\$ 8,872,036	\$ 15,145,020	\$ 14,754,667	\$ 9,293,018
Assigned to				563,189		1,530,301	1,446,475		2,246,231	3,236,814
Unassigned (deficit) fund balance					(853,153)			(1,355,431)		
Total general fund	<u>\$ 4,987,963</u>	<u>\$ 5,024,282</u>	<u>\$ 4,088,624</u>	<u>\$ 7,001,056</u>	<u>\$ 6,931,345</u>	<u>\$ 6,761,240</u>	<u>\$ 10,318,511</u>	<u>\$ 13,789,589</u>	<u>\$ 17,000,898</u>	<u>\$ 12,529,832</u>
All Other Governmental Funds										
Reserved	\$ 9,584	\$ 9,584	\$ 158							
Unassigned-special revenue fund (deficit)				\$ (598,554)	\$ (626,485)	\$ (572,778)	\$ (591,845)	\$ (595,111)	\$ (612,217)	\$ (534,576)
Unreserved, reported in:										
Special revenue fund (deficit)	(174,303)	(519,944)	(591,683)							
Debt service fund		158								
Total all other governmental funds	<u>\$ (164,719)</u>	<u>\$ (510,202)</u>	<u>\$ (591,525)</u>	<u>\$ (598,554)</u>	<u>\$ (626,485)</u>	<u>\$ (572,778)</u>	<u>\$ (591,845)</u>	<u>\$ (595,111)</u>	<u>\$ (612,217)</u>	<u>\$ (534,576)</u>

Source: CAFR Schedule B-1 and District records.

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

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

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

	Year ended June 30,									
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Revenues										
Tax levy	\$ 30,773,257	\$ 31,986,252	\$ 32,945,552	\$ 34,565,331	\$ 34,554,098	\$ 34,531,450	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649	\$ 36,756,362
Tuition charges	2,981,163	3,172,528	3,025,839	3,748,115	5,104,323	4,792,109	5,822,990	6,533,294	5,520,923	5,741,618
Transportation fees	361,322	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422	577,800
Interest earnings	208,405	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064	21,156
Miscellaneous	327,968	824,735	792,115	1,203,381	701,379	683,104	415,341	923,384	581,027	714,009
State sources	72,353,361	57,167,117	47,026,348	40,793,432	44,768,850	45,159,401	45,550,014	45,504,438	46,711,950	47,069,403
Federal sources	2,376,498	2,885,109	8,188,307	3,429,263	4,162,819	2,685,705	2,211,658	2,431,136	2,815,088	2,558,523
Total revenue	109,381,974	96,521,511	92,450,352	84,064,485	89,630,850	88,188,237	89,150,919	91,363,700	92,240,123	93,438,871
Expenditures										
Instruction										
Regular and Special Education Instruction	35,678,467	35,768,872	35,565,498	34,150,760	35,106,067	35,299,548	35,409,155	36,293,143	38,474,929	38,485,658
Support Services:										
Attendance and social work	430,479	512,016	574,892	372,281	390,137	308,837	249,674	279,571	292,453	296,577
Health services	498,516	567,791	608,502	553,923	674,046	672,915	689,880	650,333	665,854	674,765
Other support services	6,235,278	6,690,538	6,974,725	6,768,042	7,560,746	7,054,925	6,657,031	7,117,676	7,494,551	7,063,019
Improvement of instruction	568,459	585,723	620,538	521,288	545,713	652,599	719,314	803,641	874,028	812,163
School library	1,312,028	1,055,279	1,092,814	1,139,672	1,116,033	1,075,343	956,821	945,071	992,076	907,170
Instructional staff training	30,728	7,593	17,059	3,300						
General administration	1,464,183	1,892,000	1,518,592	1,854,570	1,710,602	1,409,429	1,388,744	1,414,399	1,650,624	1,517,394
School administration	2,105,400	2,751,777	2,672,635	2,410,661	2,621,072	2,790,090	2,794,312	2,886,452	2,992,232	3,090,738
Central services	744,667	815,247	850,743	787,786	805,899	814,631	840,494	845,575	839,666	828,450
Information technology	45,289	264,280	257,677	222,732	365,222	341,949	682,111	371,008	392,956	393,190
Required maintenance of plant	3,468,923	4,827,159	4,486,980	5,681,587	5,874,318	3,199,273	3,498,453	3,102,554	2,938,903	2,784,632
Operation of plant	5,291,803	5,869,659	6,892,061	6,392,637	5,999,691	6,057,966	6,545,991	6,512,922	6,579,764	6,601,201
Student transportation	3,614,595	3,485,782	3,330,917	2,972,357	2,361,935	2,467,605	2,487,772	2,604,317	2,604,089	2,835,922
Business and other support services and benefits	9,298,494	11,367,318	12,459,632	11,492,920	11,866,966	12,327,307	11,259,837	11,419,999	11,601,462	14,381,272
On-behalf payments	6,576,891	4,002,701	3,945,565	4,122,345	4,834,047	6,142,553	5,608,253	6,319,011	7,413,175	8,237,108
Charter schools	347,778	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,146	520,780
Capital outlay	27,762,885	15,096,262	10,437,175	478,634	5,235,661	3,617,698	5,067,341	5,703,994	2,707,012	9,401,801
Debt service:										
Principal	458,000	472,000	485,000	503,000	1,716,140	3,470,000	145,000			
Interest and other charges	324,681	313,127	292,140	270,605	248,128	153,375	3,625			
Total expenditures	106,257,544	96,776,755	93,467,333	81,159,082	89,728,492	88,391,126	85,612,715	87,895,888	89,045,920	98,831,840
Excess (Deficiency) of revenues over (under) expenditures	3,124,430	(255,244)	(1,016,981)	2,905,403	(97,642)	(202,889)	3,538,204	3,467,812	3,194,203	(5,392,969)
Other Financing sources (uses)										
Transfers in	7,124,751	2,422,849	1,842,515	1,509,929	2,772,393	4,432,270	2,182,521	1,535,199	1,583,727	1,673,869
Transfers out	(7,124,751)	(2,476,769)	(1,842,515)	(1,509,929)	(2,772,393)	(4,432,270)	(2,182,521)	(1,535,199)	(1,583,727)	(1,673,869)
Proceeds from insurance						86,491				
Special item - prior year accrual cancelled										999,544
Total other financing sources (uses)	-	(53,920)	-	-	-	86,491	-	-	-	999,544
Net change in fund balances	\$ 3,124,430	\$ (309,164)	\$ (1,016,981)	\$ 2,905,403	\$ (97,642)	\$ (116,398)	\$ 3,538,204	\$ 3,467,812	\$ 3,194,203	\$ (4,393,425)
Debt service as a percentage of noncapital expenditures	1.0%	1.0%	0.9%	1.0%	2.3%	4.3%	0.2%	0.0%	0.0%	0.0%

Source: CAFR Schedule B-2.

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

Fiscal Year Ended June 30,	Refund of Prior Year Expenditures	Void Checks of prior year	Utility Rebates	Facility Rentals	Misc.	Total
2008	\$ 65,833	\$ 7,908	\$ 88,226		\$ 133,001	\$ 294,968
2009	91,143			\$ 482,608	250,984	824,735
2010	58,322		30,178	500,102	172,359	760,961
2011	520,591		36,850	389,271	47,599	994,311
2012	151,239		22,278	390,274	137,588	701,379
2013	168,240	6,089	11,733	387,310	109,732	683,104
2014	40,855		121,926	231,814	20,459	415,054
2015	436,640	1,153	102,522	373,651	9,417	923,384
2016	2,273	502	109,105	400,466	68,681	581,027
2017	116,812	1,716	80,126	437,469	77,886	714,009

Source: District records.

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

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Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities *	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2008	\$ 34,046,000	\$ 2,318,015,700	\$ 601,000	\$ 16,100	\$ 410,952,900	\$ 67,131,700	\$ 91,495,500	\$ 2,922,258,900	\$ 4,772,376	\$ 2,927,031,276	\$ 1	\$ 4,132,473,918
2009	32,036,800	2,334,168,100	601,000	16,100	403,116,100	66,831,700	88,702,000	2,925,471,800	5,168,938	2,930,640,738	1.124	3,940,560,075
2010	36,214,500	2,323,286,400	601,000	16,100	387,008,100	66,471,800	89,185,500	2,902,783,400	5,437,906	2,908,221,306	1.188	3,789,039,812
2011	35,964,600	2,321,826,600	601,000	16,100	384,342,700	64,489,400	90,747,800	2,897,988,200	5,364,247	2,903,352,447	1.190	3,650,778,786
2012	39,161,300	2,319,104,800	601,000	16,100	391,353,700	63,807,800	90,771,800	2,904,816,500	5,640,333	2,910,456,833	1.186	3,666,486,310
2013	36,583,800	2,316,591,000	601,000	16,100	393,364,400	62,881,200	89,953,900	2,899,991,400	5,640,333	2,905,631,733	1.193	3,585,548,220
2014	36,376,700	2,220,414,000	601,000	16,100	398,406,880	62,881,200	88,611,400	2,807,307,280	-	2,807,307,280	1.259	3,400,323,740
2015	41,063,350	2,742,469,140	612,800	16,800	534,199,000	68,542,400	121,581,800	3,508,485,290	-	3,508,485,290	1.027	3,508,485,290
2016	43,696,200	2,787,426,410	619,500	16,800	508,736,700	67,108,300	129,652,100	3,537,256,010	-	3,537,256,010	1.039	3,537,256,010
2017	52,887,300	2,827,296,800	274,800	9,800	513,065,000	64,298,800	157,863,300	3,615,695,800	-	3,615,695,800	1.037	3,615,695,800

Note:

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

a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies -
No longer subject to property tax; phased out through gross receipts tax or, as in the case of Verizon, statutory relief as dialtone service declined.

b Tax rates are per \$100

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

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

(Rate per \$100 of assessed value)

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2008	\$ 1.073	\$ 0.020	\$ 1.093	\$ 0.717		\$ 0.128	\$ 0.346	\$ 2.284
2009	1.114	0.010	1.124	0.746		0.129	0.351	2.350
2010	1.168	0.020	1.188	0.786		0.129	0.353	2.456
2011	1.170	0.020	1.190	0.777	\$ 0.044	0.130	0.356	2.497
2012	1.166	0.020	1.186	0.808	0.042	0.130	0.355	2.521
2013	1.193	-	1.193	0.837	0.041	0.132	0.363	2.566
2014	1.259	-	1.259	0.908	0.042	0.139	0.361	2.709
2015	1.027	-	1.027	0.762	0.033	0.113	0.292	2.227
2016	1.039	-	1.039	0.785	0.035	0.112	0.294	2.265
2017	1.037	-	1.037	0.788	0.035	0.097	0.290	2.247

(Percentage of total tax rate)

Fiscal Year Ended June 30,	Neptune Township School District			Overlapping Rates				Percentage Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2008	46.98 %	0.88 %	47.85 %	31.39 %		5.61 %	15.15 %	100.00
2009	47.40	0.43	47.83	31.74		5.49	14.94	100.00
2010	47.56	0.81	48.37	32.01		5.25	14.37	100.00
2011	46.86	0.80	47.66	31.11	1.76 %	5.21	14.26	100.00
2012	46.25	0.79	47.04	32.05	1.67	5.16	14.08	100.00
2013	46.49	-	46.49	32.62	1.60	5.14	14.15	100.00
2014	46.47	-	46.47	33.52	1.55	5.13	13.33	100.00
2015	46.12	-	46.12	34.22	1.48	5.07	13.11	100.00
2016	45.87	-	45.87	34.66	1.55	4.94	12.98	100.00
2017	46.15	-	46.15	35.07	1.56	4.32	12.90	100.00

Source: District records and Municipal Tax Assessor.

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

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Taxpayer	2017			2008		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Neptune Partners, LLC % BNE Real Estate	\$ 38,624,000	1	1.33%			
Neptune Plaza Shopping Center, LLC	33,456,800	2	1.15%	\$ 27,692,100	1	0.95%
Woodlands Neptune, LLC	24,000,000	3	0.82%	16,800,000	3	0.58%
Walmart Real Estate Prop Tax Dep	21,057,000	4	0.72%	13,709,400	6	0.47%
Jumping Brook Real % Mack-Cali Corp	20,766,200	5	0.71%	20,596,200	2	0.71%
Lighthouse Neptune, LLC % Orbach GRP	20,000,000	6	0.69%			
Ocean Grove Camp Meeting Assoc.	17,528,400	7	0.60%	12,914,400	7	0.44%
HD Development of Maryland	14,737,500	8	0.51%	15,020,200	5	0.52%
OFW, LLC	12,438,600	9	0.43%			
Steve Silver Neptune, LLC	12,114,700	10	0.42%			
West Grove Square Assoc., LLC				9,728,300	10	0.33%
Neptune Park for Industry				10,004,700	9	0.34%
Gannett Partners				12,000,000	8	0.41%
East Coast Jumping Brook				15,400,000	4	0.53%
Total	\$ 214,723,200		7.38%	\$ 153,865,300		5.28%

Source: District records & Municipal Tax Assessor.

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

Fiscal Year Ended June 30,	School Taxes Levied and Collected for the Fiscal Year	Municipal Taxes Levied for the Fiscal Year	Municipal Taxes Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
			Amount	Percentage of Levy	
2008	\$ 30,773,257	\$ 64,538,257	\$ 63,343,382	98.15%	1.85%
2009	31,986,252	66,855,097	65,616,236	98.15%	1.85%
2010	32,945,552	68,683,743	67,406,492	98.14%	1.86%
2011	34,565,331	68,696,683	67,405,185	98.12%	1.88%
2012	34,554,098	69,576,960	68,254,998	98.10%	1.90%
2013	34,531,450	70,652,979	69,739,042	98.71%	1.29%
2014	34,636,342	72,147,797	71,202,661	98.69%	1.31%
2015	35,329,068	74,151,121	73,150,000	98.65%	1.35%
2016	36,035,649	76,157,122	75,100,000	98.61%	1.39%
2017	36,756,362	80,311,054	79,172,112 *	98.58% *	1.42% *

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

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

Source: District records and Municipal Tax Collector.

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

J-10

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation			
2008	\$ 886,000	\$ 5,910,000	\$ 6,796,000	0.67%	\$ 45,507
2009	734,000	5,590,000	6,324,000	0.48%	30,224
2010	584,000	5,255,000	5,839,000	0.52%	30,636
2011	436,000	4,900,000	5,336,000	0.57%	30,404
2012	290,000	3,325,000	3,615,000	0.84%	30,279
2013	145,000	-	145,000	21.95%	31,830
2014	-	-	-	0.00%	31,830
2015	-	-	-	0.00%	31,830
2016	-	-	-	0.00%	31,897
2017	-	-	-	0.00%	32,737

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

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

Source: District CAFR Schedule I-1.

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds and Certificates of Participation	Deductions	Net General Bonded Debt Outstanding		
2008	\$ 6,796,000		\$ 6,796,000	0.23%	45,507
2009	6,324,000		6,324,000	0.22%	30,224
2010	5,839,000		5,839,000	0.20%	30,636
2011	5,336,000		5,336,000	0.18%	30,404
2012	3,615,000		3,615,000	0.12%	30,279
2013	145,000		145,000	0.00%	31,830
2014	-		-	0.00%	31,830
2015	-		-	0.00%	31,830
2016	-		-	0.00%	31,897
2017	-		-	0.00%	32,737

Note:

a See J-6 for property tax data.

b Population data can be found in J-14.

Neptune Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2017
Unaudited

J-12

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Neptune Township	\$ 28,542,772	100.00%	\$ 28,542,772
Other debt			
Neptune Township Sewerage Authority	5,135,000	100.00%	5,135,000
County of Monmouth	456,319,190	3.18%	<u>14,510,950</u>
Subtotal, overlapping debt			48,188,722
Neptune Township School District Direct Debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 48,188,722</u>

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

Source: District records and Neptune Township Finance Officer.

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

Legal Debt Margin Calculation for Fiscal Year 2017

Equalized valuation basis	
2017	\$ 3,615,695,800
2016	3,537,256,010
2015	<u>3,508,485,290</u>
[A]	<u>\$ 10,661,437,100</u>
	\$ 3,553,812,367
Debt limit (4 % of Net bonded school debt	\$ 142,152,495
[C]	-
Legal debt margin	<u>[B-C] \$ 142,152,495</u>

	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt limit	\$ 116,937,901	\$ 116,941,546	\$ 116,878,578	\$ 151,735,466	\$ 148,084,065	\$ 145,370,844	\$ 142,031,444	\$ 122,948,724	\$ 131,373,981	\$ 142,152,495
Total net debt applicable to limit	<u>6,796,000</u>	<u>6,324,000</u>	<u>5,839,000</u>	<u>5,336,000</u>	<u>3,615,000</u>	<u>145,000</u>	-	-	-	-
Legal debt margin	<u>\$ 110,141,901</u>	<u>\$ 110,617,546</u>	<u>\$ 111,039,578</u>	<u>\$ 146,399,466</u>	<u>\$ 144,469,065</u>	<u>\$ 145,225,844</u>	<u>\$ 142,031,444</u>	<u>\$ 122,948,724</u>	<u>\$ 131,373,981</u>	<u>\$ 142,152,495</u>
Total net debt applicable to the limit as a percentage of debt limit	5.81%	5.41%	5.00%	3.52%	2.44%	0.10%	0.00%	0.00%	0.00%	0.00%

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

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

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2008	28,394	\$ 45,507	5.4%
2009	28,410	30,224	7.1%
2010	28,349	30,636	11.9%
2011	27,935	30,404	12.1%
2012	27,963	30,279	12.0%
2013	27,889	31,830	10.7%
2014	27,914	31,830	8.2%
2015	27,902	31,830	7.8%
2016	27,574	31,897	5.8%
2017	27,789	32,737	5.3%

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

2008 Per Capita Income for Monmouth County
2009- 2017 Per Capita Income for Neptune Township

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

Employer	2017			2008		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Jersey Shore University Medical Center	3,710	1	56.34%	2,839	1	41.51%
Neptune Township Board of Education	675	2	10.25%	602	3	8.80%
Excelsior Medical	515	3	7.82%			
Wal-Mart	350	4	5.32%	319	6	4.66%
Neptune Township	339	5	5.15%	303	7	4.43%
Asbury Park Press / Gannett	259	6	3.93%	1,239	2	18.11%
Neptune Shop-Rite	242	7	3.68%	286	8	4.18%
Home Depot	200	8	3.04%	266	9	3.89%
Sanitary Linen Supply	153	9	2.32%			0.00%
Imperial Healthcare	142	10	2.16%			
AIG / American General				426	5	6.23%
United Methodist Homes				125	10	1.83%
CPC Behavioral Health				435	4	6.36%
	<u>6,585</u>		<u>100.00%</u>	<u>6,840</u>		<u>100.00%</u>

Source: Neptune Township Finance Officer.

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

Function/Program	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Instruction										
Regular	299	318	321	310	318	324	322	319	319	314
Special education	113	120	123	119	126	122	126	124	135	145
Other instruction	8	10	10	10	11	11	11	12	10	9
Support Services:										
Student & instruction related services	76	78	81	71	73	75	79	80	77	76
General administrative services	8	8	8	8	7	8	7	7	10	7
School administrative services	31	36	36	32	38	39	38	38	38	39
Business administrative services	8	8	8	8	15	15	15	16	18	18
Plant operations and maintenance	57	60	60	60	60	63	64	65	67	65
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Total	<u>602</u>	<u>640</u>	<u>649</u>	<u>620</u>	<u>650</u>	<u>659</u>	<u>664</u>	<u>663</u>	<u>676</u>	<u>675</u>

Source: District records.

Neptune Township School District
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2008	4,474	\$ 77,711,978	\$ 17,370	-5.73%	340	1:16	1:10	1:15	4,426	4,113	0.52%	92.93%
2009	4,535	80,895,366	17,838	2.70%	358	1:16	1:12	1:16	4,452	4,145	0.06%	93.10%
2010	4,453	82,253,018	18,471	3.55%	365	1:15	1:12	1:16	4,456	4,135	0.09%	92.80%
2011	4,545	79,906,843	17,581	-4.82%	370	1:15	1:12	1:15	4,458	4,151	0.04%	93.11%
2012	4,446	82,528,563	18,562	5.58%	369	1:13	1:11	1:13	4,373	4,078	-1.90%	93.25%
2013	4,450	81,150,053	18,236	-1.76%	376	1:13	1:13	1:14	4,440	4,131	1.52%	93.04%
2014	4,469	80,396,749	17,990	-1.35%	378	1:12	1:10	1:13	4,434	4,123	-0.14%	92.99%
2015	4,408	82,191,894	18,646	3.65%	381	1:12	1:10	1:14	4,300	3,976	-3.02%	92.47%
2016	4,278	86,338,908	20,182	8.24%	386	1:11	1:09	1:14	4,265	3,974	-0.81%	93.18%
2017	4,256	89,430,039	21,013	4.12%	390	1:10	1:09	1:12	4,169	3,849	-2.26%	92.32%

- Notes:
- a Enrollments are based on annual October district count of resident students.
 - a Operating expenditures equal total expenditures less debt service and capital outlay; Schedule J-4.
 - b Teaching staff includes only full-time equivalents of certificated staff.
 - c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS).

Source: District records.

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

J-18

District Building	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<u>Elementary</u>										
Early Childhood Center (2004)										
Square Feet	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774
Capacity (students)	270	270	270	270	270	270	270	270	270	270
Enrollment	200	187	240	220	179	186	203	207	171	159
Shark River Hills Elementary										
Square Feet	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	428	406	434	435	415	408	385	352	316	282
Gables Elementary										
Square Feet	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	433	414	380	368	341	320	311	287	300	281
Green Grove Elementary										
Square Feet	66,567	66,567	66,567	66,567	66,567	66,567	66,567	68,524	68,524	68,524
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	476	428	412	406	388	377	369	374	365	371
Summerfield Elementary (2006)										
Square Feet	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518
Capacity (students)	725	725	725	725	725	725	725	725	725	725
Enrollment	462	417	407	432	451	461	460	443	480	492
Ridge Avenue Elementary / Midtown TCUs										
Square Feet	20,000									
Capacity (students)	350									
Enrollment	285									
Midtown Community Elementary (2008)										
Square Feet		189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990
Capacity (students)		750	750	750	750	750	750	750	750	750
Enrollment		457	454	435	431	468	489	449	461	434
<u>Middle School</u>										
Neptune Middle School										
Square Feet	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509	183,109
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	846	845	840	844	864	888	856	830	798	798
<u>High School</u>										
Neptune High School										
Square Feet	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049
Capacity (students)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Enrollment	1,296	1,299	1,290	1,269	1,304	1,332	1,361	1,358	1,375	1,350
<u>Other</u>										
Administration Building										
Square Feet	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596
Aquatic Center			32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Outbuildings - Team, Concession, Storage					18,000	18,000	18,000	18,000	18,000	18,000

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

Source: District records.

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

School Facilities	School #	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Neptune High School	50	\$ 719,090	\$ 1,299,736	\$ 1,206,854	\$ 1,328,093	\$ 1,463,016	\$ 890,022	\$ 975,947	\$ 879,993	\$ 785,988	\$ 669,405
Neptune Middle School	55	712,407	822,493	887,590	759,468	976,490	544,505	921,212	667,378	579,957	341,607
Early Childhood Center	59	162,208	113,132	189,442	304,115	294,987	152,445	216,736	213,407	290,996	274,699
Gables Elementary	61	507,322	561,563	643,138	878,395	607,809	253,889	229,804	261,566	269,336	200,055
Green Grove Elementary	63	267,824	265,970	344,574	509,840	729,051	306,300	351,759	281,580	233,455	312,009
Midtown Community Elementary	80	260,778	774,216	500,976	511,062	595,775	281,629	225,506	317,895	226,405	316,740
Shark River Hills Elementary	90	201,836	316,603	382,088	986,049	443,182	260,435	205,662	170,845	224,686	258,452
Summerfield Elementary	100	637,458	673,446	332,318	404,565	764,008	510,048	371,827	309,890	328,080	411,665
Grand Total		<u>\$ 3,468,923</u>	<u>\$ 4,827,159</u>	<u>\$ 4,486,980</u>	<u>\$ 5,681,587</u>	<u>\$ 5,874,318</u>	<u>\$ 3,199,273</u>	<u>\$ 3,498,453</u>	<u>\$ 3,102,554</u>	<u>\$ 2,938,903</u>	<u>\$ 2,784,632</u>

High School expenditures include those of the Annex / BOE.

Source: District records.

Neptune Township School District
Insurance Schedule
Year ended June 30, 2017
Unaudited

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p.1
(Continued)

Type of Coverage	Coverage	Deductible
Multi Peril Package Policy		
Diploma Joint Insurance Fund		
Section I - Property:		
Blanket building and contents	\$ 450,000,000	\$ 5,000
Flood Zone A or V	25,000,000	500,000
Flood Zone - All Other	75,000,000	10,000
Earthquake	50,000,000	5%
Valuable papers and records	10,000,000	
Extra expense / business income	50,000,000	
EDP equip, data, media, extra expense	500,000	1,000
Cameras, musical instruments	Inc in property	
Glass coverage	Inc in property	
Demolition/Incr. Cost of Construction	Inc in property	
Blanket contractors equipment	Inc in property	
Energy systems-boiler and machinery	100,000,000	
Section II - General Liability:		
Bodily injury and property damage	11,000,000	
Sexual misconduct	11,000,000	
Section III - School Board Legal Liability Policy:		
Aggregate limit of liability	11,000,000	10,000
Section IV - Crime:		
Blanket employee dishonesty	500,000	1,000
Depositors forgery	50,000	1,000
Computer Fraud	50,000	1,000
Money and securities	5,000	1,000
Workers Compensation:		
Section A	Statutory	
Section B	2,000,000	

Neptune Township School District
Insurance Schedule
Year ended June 30, 2017
Unaudited

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p.2

Type of Coverage	Coverage	Deductible
Automobile:		
Bodily injury and property	\$ 11,000,000	
Personal injury protection	250,000	
Uninsured/underinsured		
Private Passenger Autos - Per Accident	1,000,000	
All Other Vehicles:		
Bodily Injury per Person	15,000	
Bodily Injury per Accident	30,000	
Property Damage per Accident	5,000	
Comprehensive and collision	ACV	\$ 1,000
Environmental Liability:		
Policy aggregate limit of liability-primary	11,000,000	25,000
Umbrella Liability		
Each Claim	5,000,000	
Annual Aggregate	5,000,000	
Umbrella Excess Liability:		
Policy Aggregate Limit of Liability - Primary	50,000,000	
Student Accident:		
Medical per injury	1,000,000	
Fidelity Bonds:		
Business Administrator/Board Secretary	300,000	
Asst. Bus. Admin. / Asst. Bd. Secretary	300,000	
Accountant I	300,000	

Source: District records.

Single Audit Section

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Neptune Township School District, in the County of Monmouth, New Jersey (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 27, 2017.

Internal Control Over Financial Reporting

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

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

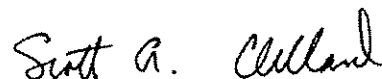
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

November 27, 2017
Livingston, New Jersey

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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

We have audited the Neptune Township School District's, in the County of Monmouth, New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2017. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements of Federal Awards* (Uniform Guidance); and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of*

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

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

Opinion on Each Major Federal and State Program

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

Report on Internal Control Over Compliance

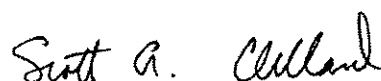
Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and New Jersey OMB Circular 15-08, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

Purpose of this Report

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



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

November 27, 2017
Livingston, New Jersey

Neptune Township School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2017

Exhibit K-3
SCHEDULE A

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2016	Cash Received	Total Budgetary Expenditures	Balance at June 30, 2017		
					From	To				Accounts Receivable	Unearned Revenue	Due to Grantor
U.S. Department of Health and Human Services												
Passed-through the State Department of Education												
General Fund:												
Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	\$ 133,213	7/1/16	6/30/17		\$ 133,213	\$ (133,213)			
Medical Assistance Program (SEMI)	93.778	1605NJ5MAP	N/A	367,131	7/1/15	6/30/16	\$ (194,740)	194,740				
ARRA-Medical Assistance Program (SEMI)	93.778	1705NJ5MAP	N/A	23,181	7/1/16	6/30/17		23,181	(23,181)			
Total General Fund							(194,740)	351,134	(156,394)			
U.S. Department of Education												
Passed-Through State Department of Education												
Special Revenue Fund:												
Title I, Part A												
Title I, Part A	84.010A	S010A160030	NCLB-xxxx-16	1,003,721	7/1/16	6/30/17	51,261	692,874	(857,391)	\$ (179,391)		\$ 66,135
Title II, Part A Improving Teacher Quality	84.367A	S367A160029	NCLB-xxxx-16	153,302	7/1/16	6/30/17	(3,245)	151,127	(143,472)		\$ 4,410	
Language Instruction for English Learners and Immigrant Students:												
Title III												
Title III	84.365	S365A160030	NCLB-xxxx-16	34,971	7/1/16	6/30/17	(10,110)	29,118	(31,446)		(12,438)	
Title III Immigrant	84.365A	S365A160030	NCLB-xxxx-16	17,707	7/1/16	6/30/17			(17,707)		(17,707)	
Subtotal Language Instruction for English Learners and Immigrant Students							(10,110)	29,118	(49,153)		(30,145)	
Special Education Grant Cluster:												
I.D.E.A. Part B, Basic Regular												
I.D.E.A. Part B, Basic Regular	84.027	H027A160100	IDEA-xxxx-16	1,244,733	7/1/16	6/30/17	89,643	1,164,533	(1,197,355)		(32,822)	89,643
I.D.E.A., Preschool	84.173	H173A160114	IDEA-xxxx-16	38,422	7/1/16	6/30/17		38,422	(38,422)			
Subtotal of Special Education Grant Cluster							89,643	1,202,955	(1,235,777)		(32,822)	89,643
U.S. Department of Homeland Security												
Federal Emergency Management Agency (FEMA)												
Federal Emergency Management Agency (FEMA)	97.036	Not available	Not available	116,336	7/1/16	6/30/17		116,336	(116,336)			
Total Special Revenue Fund							127,549	2,192,410	(2,402,129)	(242,358)	4,410	155,778
U.S. Department of Agriculture												
Passed-through State Department of Agriculture												
Enterprise Fund:												
Child Nutrition Cluster:												
National School Breakfast Program	10.553	17171NJ304N1099	N/A	281,920	7/1/16	6/30/17		260,561	(281,920)		(21,359)	
National School Breakfast Program	10.553	16161NJ304N1099	N/A	287,421	7/1/15	6/30/16	(20,355)	20,355				
National School Lunch Program	10.555	17171NJ304N1099	N/A	1,091,023	7/1/16	6/30/17		1,010,624	(1,091,023)		(80,399)	
National School Lunch Program	10.555	16161NJ304N1099	N/A	1,081,221	7/1/15	6/30/16	(69,433)	69,433				
Healthy Hunger-Free Kids Act	10.555	17171NJ304N1099	N/A	28,521	7/1/16	6/30/17		26,512	(28,521)		(2,009)	
Healthy Hunger-Free Kids Act	10.555	16161NJ304N1099	N/A	28,846	7/1/15	6/30/16	(1,790)	1,790				
Summer Food Service Program for Children	10.559	17171NJ304N1099	N/A	62,016	7/1/16	6/30/17		62,016	(62,016)			
Summer Food Service Program for Children	10.559	16166NJ332N1099	N/A	79,674	7/1/15	6/30/16	(2,949)	2,949				
Food Donation (NC)	10.555	17171NJ304N1099	N/A	158,268	7/1/16	6/30/17		158,268	(142,209)			16,059
Food Donation (NC)	10.555	16161NJ304N1099	N/A	172,423	7/1/15	6/30/16	24,356		(24,356)			
Total Child Nutrition Cluster and Enterprise Fund							(70,171)	1,612,508	(1,630,045)	(103,767)	16,059	
Total Federal Financial Awards							\$ (137,362)	\$ 4,156,052	# \$ (4,188,568)	\$ (346,125)	\$ 20,469	\$ 155,778
NC-represents noncash expenditures												

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

**Neptune Township School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2017**

Exhibit K-4
SCHEDULE B

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2016		Transfers	Adjustment	Cash Received	Budgetary Expenditures Pass through Funds	Repayment of Prior Years' Balances	Balance at June 30, 2017			MEMO	
			From	To	Unearned Revenue (Accts Receivable)	Due to Grantor						Intergovernmental (Accounts Receivable)	Unearned Revenue/ Intorfund Payable	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education																
General Fund:																
Equalization Aid	17-495-034-5120-078	\$ 25,407,093	7/1/16	6/30/17					\$ 22,892,677	\$ (25,407,093)					\$ (2,514,416)	\$ (25,407,093)
Equalization Aid	16-495-034-5120-078	25,407,093	7/1/15	6/30/16	\$ (2,509,444)				2,509,444							
Special Education Categorical Aid	17-495-034-5120-089	2,404,326	7/1/16	6/30/17					2,166,382	(2,404,326)					(237,944)	(2,404,326)
Special Education Categorical Aid	16-495-034-5120-089	2,404,326	7/1/15	6/30/16	(237,474)				237,474							
Extraordinary Aid	17-100-034-5120-473	582,605	7/1/16	6/30/17						(582,605)		\$ (582,605)				(582,605)
Extraordinary Aid	16-495-034-5120-473	436,199	7/1/15	6/30/16	(436,199)				436,199							
Security Aid	17-495-034-5120-084	1,222,886	7/1/16	6/30/17					1,101,863	(1,222,886)					(121,023)	(1,222,886)
Security Aid	16-495-034-5120-084	1,222,886	7/1/15	6/30/16	(120,784)				120,784							
Adjustment Aid	17-495-034-5120-085	2,234,768	7/1/16	6/30/17					2,013,604	(2,234,768)					(221,164)	(2,234,768)
Adjustment Aid	16-495-034-5120-085	2,234,768	7/1/15	6/30/16	(220,727)				220,727							
Transportation Aid	17-495-034-5120-014	1,363,716	7/1/16	6/30/17					1,228,756	(1,363,716)					(134,960)	(1,363,716)
Transportation Aid	16-495-034-5120-014	1,363,716	7/1/15	6/30/16	(134,693)				134,693							
Per Pupil Growth Aid	17-495-034-5120-097	38,650	7/1/16	6/30/17					34,825	(38,650)					(3,825)	(38,650)
Per Pupil Growth Aid	16-495-034-5120-097	38,650	7/1/15	6/30/16	(3,817)				3,817							
PARCC Readiness Aid	17-495-034-5120-098	38,650	7/1/16	6/30/17					34,825	(38,650)					(3,825)	(38,650)
PARCC Readiness Aid	16-495-034-5120-098	38,650	7/1/15	6/30/16	(3,817)				3,817							
Professional Learning Community Aid	17-495-034-5120-101	36,630	7/1/16	6/30/17					33,005	(36,630)					(3,625)	(36,630)
On-Behalf-Teachers' Pension and Annuity Fund	17-495-034-5094-002	3,339,674	7/1/16	6/30/17					3,339,674	(3,339,674)						(3,339,674)
On-Behalf-Teachers' Pension and Annuity Fund - Post Retirement Medical	17-495-034-5094-001	2,782,708	7/1/16	6/30/17					2,782,708	(2,782,708)						(2,782,708)
On-Behalf-Teachers' Pension & Annuity Fund - Non-contributory Insurance	17-495-034-5094-004	6,088	7/1/16	6/30/17					6,088	(6,088)						(6,088)
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	2,108,638	7/1/16	6/30/17					2,005,001	(2,108,638)		(103,637)				(2,108,638)
Reimbursed TPAF Social Security Contributions	16-495-034-5094-003	2,171,172	7/1/15	6/30/16	(105,153)				105,153							
Other State Aid-Adult NP Transportation	Not Available	14,462	7/1/16	6/30/17						(14,462)			(14,462)			(14,462)
Other State Aid-Adult NP Transportation	Not Available	18,568	7/1/15	6/30/16	(18,568)				18,568							
Total General Fund					(3,790,676)				41,430,084	(41,580,894)		(700,704)		(3,240,782)	(41,580,894)	
Special Revenue Fund:																
Preschool Education Aid	17-495-034-5120-086	5,345,760	7/1/16	6/30/17			\$ 183,384		4,811,184	(5,260,241)			\$ 268,903		(534,576)	(5,260,241)
Preschool Education Aid	16-495-034-5120-086	6,122,168	7/1/15	6/30/16	(612,217)											
Preschool Education Aid	16-495-034-5120-086	6,122,168	7/1/15	6/30/16	95,000		(183,384)	\$ 88,384								
N.J. Nonpublic Aid:																
Textbook Aid	17-100-034-5120-064	7,897	7/1/16	6/30/17					7,897	(7,876)			\$ 21			(7,876)
Textbook Aid	16-100-034-5120-064	9,136	7/1/15	6/30/16				\$ 680				\$ 680				
Auxiliary Services(Chapter 192):																
Compensatory Education	17-100-034-5120-067	63,602	7/1/16	6/30/17					63,602	(63,602)						(63,602)
English as a Second Language	17-100-034-5120-067	1,645	7/1/16	6/30/17					1,645	(1,645)						(1,645)
Transportation	17-100-034-5120-067	6,300	7/1/16	6/30/17					6,300	(6,300)						(6,300)
Nonpublic Handicapped Aid (Chapter 193):																
Corrective Speech	17-100-034-5120-066	15,903	7/1/16	6/30/17					15,903	(15,903)						(15,903)
Corrective Speech	16-100-034-5120-066	15,049	7/1/15	6/30/16			2,508				2,508					
Examination and Classification	17-100-034-5120-066	29,536	7/1/16	6/30/17					29,536	(23,237)				6,299		(23,237)
Examination and Classification	16-100-034-5120-066	26,739	7/1/15	6/30/16			13,115				13,115					
Supplemental Instruction	17-100-034-5120-066	23,541	7/1/16	6/30/17					23,541	(19,617)				3,924		(19,617)
Nursing Services Aid	17-100-034-5120-070	12,330	7/1/16	6/30/17					12,330	(12,064)				266		(12,064)
Nursing Services Aid	16-100-034-5120-070	14,400	7/1/15	6/30/16			1,080				1,080					
Technology Initiative Aid	17-100-034-5120-373	3,562	7/1/16	6/30/17					3,562	(3,559)				3		(3,559)
Technology Initiative Aid	16-100-034-5120-373	4,160	7/1/15	6/30/16			56				56					
Security Aid	17-100-034-5120-509	6,850	7/1/16	6/30/17					6,850	(6,850)						(6,850)
Total Special Revenue Fund					(517,217)	17,439	-	88,384	4,982,350	(5,420,894)	17,439	268,903	10,513	(534,576)	(5,420,894)	
Enterprise Fund:																
State Department of Agriculture:																
National School Lunch Program (State Share)	17-100-010-3350-023	23,500	7/1/16	6/30/17					21,789	(23,500)			(1,711)			(23,500)
National School Lunch Program (State Share)	16-100-010-3350-023	23,664	7/1/15	6/30/16	(1,497)				1,497							
Total Enterprise Fund					(1,497)	-	-	-	23,286	(23,500)	-	(1,711)	-	-	-	(23,500)
Total State Financial Assistance					\$ (4,309,390)	\$ 17,439	\$ -	\$ 88,384	\$ 46,435,720	\$ (47,025,288)	\$ 17,439	\$ (702,415)	\$ 268,903	\$ 10,513	\$ (3,775,358)	\$ (47,025,288)
Less: On-Behalf TPAF Pension System Contributions																
On-Behalf Teachers' Pension and Annuity Fund	17-495-034-5094-002	3,339,674	7/1/16	6/30/17					3,339,674	(3,339,674)						
On-Behalf-Teachers' Pension and Annuity Fund - Post Retirement Medical	17-495-034-5094-001	2,782,708	7/1/16	6/30/17					2,782,708	(2,782,708)						
On-Behalf- Teachers' Pension & Annuity Fund - Non-contributory Insurance	17-495-034-5094-004	6,088	7/1/16	6/30/17					6,088	(6,088)						
									6,128,470	(6,128,470)						
Total for State Financial Assistance-Major Program Determination					\$ (4,309,390)	\$ 17,439	\$ -	\$ 88,384	\$ 40,307,250	\$ (40,896,618)	\$ 17,439	\$ (702,415)	\$ 268,903	\$ 10,513	\$ (3,775,358)	\$ (47,025,288)

Neptune Township School District

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

Year ended June 30, 2017

1. General

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

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

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

Neptune Township School District

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

Year ended June 30, 2017

3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$10,026 for the general fund and \$77,641 for the special revenue fund. See note to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 156,394	\$ 41,570,868	\$ 41,727,262
Special Revenue Fund	2,402,129	5,498,535	7,900,664
Food Service Enterprise Fund	1,630,045	23,500	1,653,545
Total award revenues	<u>\$4,188,568</u>	<u>\$ 47,092,903</u>	<u>\$ 51,281,471</u>

4. Relationship to Federal and State Financial Reports

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

Neptune Township School District

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

Year ended June 30, 2017

5. School-wide Program Funds

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

IDEA Part B	\$ 955,179
Title I	608,380
Title IIA	<u>110,310</u>
Total	<u>\$ 1,673,869</u>

6. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2017.

The post retirement pension and medical benefits received on-behalf of the District for the year ended June 30, 2017 amounted to \$6,128,470. Since on-behalf post retirement pension, disability insurance and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however, they are required to be reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

7. Indirect Costs

The District did not use the 10% de minimis indirect cost rate.

8. Adjustments

The adjustment presented on schedule K-4 is the result of a retroactive payroll accrual that was calculated in the prior year, however, as the contract settled near current year end, the final terms of the contract settlement called for a lower retro pay than initially calculated. As such, the portion pertaining to the Preschool Education Aid was canceled in the current year and presented as an adjustment.

Neptune Township School District
Schedule of Findings and Questioned Costs

Year ended June 30, 2017

Part I – Summary of Auditor’s Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

Noncompliance material to the basic financial statements noted? _____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None Reported

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

Unmodified

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

Identification of federal major programs:

CFDA Number(s)	FAIN Number	Name of Federal Program or Cluster
84.010A	S010A160030	Title I, Part A

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

Auditee qualified as low-risk auditee? X Yes _____ No

State Awards

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2017

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

Internal control over major state programs:

Material weakness(es) identified? _____ Yes X No

Significant deficiency(ies) identified? _____ Yes X None reported

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

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

Identification of major state programs:

GMIS/Program Number	Name of State Program or Cluster
	General State Aid Cluster:
495-034-5120-078	Equalization Aid
495-034-5120-089	Special Education Categorical Aid
495-034-5120-084	Security Aid
495-034-5120-085	Adjustment Aid
495-034-5120-097	Per Pupil Growth Aid
495-034-5120-098	PARCC Readiness
495-034-5120-101	Professional Learning Community Aid
495-034-5120-086	Preschool Education Aid

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$1,226,905

Auditee qualified as low-risk auditee? X Yes _____ No

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2017

Part II – Schedule of Financial Statement Findings

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

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2017

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

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

Federal Award Programs

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

State Award Programs

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

Neptune Township School District
Summary Schedule of Prior Year Audit Findings
Year ended June 30, 2017

Not Applicable