

**WEST LONG BRANCH
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL
FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 2017**

**SCHOOL DISTRICT
OF
WEST LONG BRANCH**

***West Long Branch Board of Education
West Long Branch, New Jersey***

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

**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**

Of The

**WEST LONG BRANCH BOARD OF EDUCATION
WEST LONG BRANCH, NEW JERSEY**

For the Fiscal Year Ended June 30, 2017

Prepared by

**West Long Branch Board of Education
Business Office**

STATE BOARD OF EDUCATION

ARCELIO APONTE President	Middlesex
ANDREW J. MULVIHILL Vice President	Sussex
RONALD K. BUTCHER.....	Gloucester
JACK FORNARO.....	Warren
EDITHE FULTON.....	Ocean
ERNEST P. LEPORE, PH.D.....	Hudson

**Kimberly Harrington Commissioner of Education
Secretary, State Board of Education**

**WEST LONG BRANCH BOARD OF EDUCATION
OUTLINE FOR COMPREHENSIVE ANNUAL FINANCIAL REPORT**

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	1
Organizational Chart	5
Roster of Officials	6
Consultants and Advisors	7
FINANCIAL SECTION	
Independent Auditor's Report	8
Required Supplementary Information - Part I	
Management's Discussion and Analysis	11
Basic Financial Statements	
A. District-wide Financial Statements:	
A-1 Statement of Net Position	17
A-2 Statement of Activities	18
B. Fund Financial Statements:	
Governmental Funds:	
B-1 Balance Sheet	19
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balances	20
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	21
Proprietary Funds:	
B-4 Statement of Net Position	22
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	23
B-6 Statement of Cash Flows	24
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	25
B-8 Statement of Changes in Fiduciary Net Position	26
Notes to the Financial Statements	27

Required Supplementary Information - Part II

C. Budgetary Comparison Schedules:

C-1	Budgetary Comparison Schedule – General Fund	61
C-1a	Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual	N/A
C-1b	American Recovery and Reinvestment Act - Budget and Actual	N/A
C-2	Budgetary Comparison Schedule – Special Revenue Fund	70

Notes to Required Supplementary Information - Part II

C-3	Budget-to-GAAP Reconciliation	72
-----	-------------------------------	----

Required Supplementary Information - Part III

L. Schedules Related to Accounting and Reporting for Pensions (GASB 68):

L-1	Schedule of District's Proportionate Share of Net Pension Liability - PERS	73
L-2	Schedule of District's Contributions - PERS	74
L-3	Schedule of District's Proportionate Share of Net Pension Liability - TPAF	75

Notes to Required Supplementary Information - Part III

Other Supplementary Information

D. School Based Budget Schedules

D-1	Combining Balance Sheet	N/A
D-2	Blended Resource Fund – Schedule of Expenditures Allocated by Resource Type - Actual	N/A
D-3	Blended Resource Fund – Schedule of Blended Expenditures – Budget and Actual	N/A

E. Special Revenue Fund:

E-1	Combining Schedule of Program Revenues and Expenditures – Budgetary Basis	77
E-2	Preschool Education Aid Schedule(s) of Expenditures - Budgetary Basis	NA

F. Capital Projects Fund:

F-1	Summary Schedule of Project Expenditures	N/A
F-2	Summary Schedule of Revenues, Expenditures and Changes in Fund Balance - Budgetary Basis	81
F-2(a)	Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis	82
F-2(b)	Schedule(s) of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis	N/A

G. Proprietary Funds:

Enterprise Fund:

G-1	Combining Schedule of Net Position	N/A
G-2	Combining Schedule of Revenues, Expenses and Changes in Fund Net Position	N/A
G-3	Combining Schedule of Cash Flows	N/A

Internal Service Fund:

G-4	Combining Schedule of Net Position	N/A
G-5	Combining Schedule of Revenues, Expense and Changes in Fund Net Position	N/A
G-6	Combining Schedule of Cash Flows	N/A

H. Fiduciary Fund:

H-1	Combining Statement of Fiduciary Net Position	83
H-2	Combining Statement of Changes in Fiduciary Net Position	84
H-3	Student Activity Agency Fund Schedule of Receipts and Disbursements	85
H-4	Payroll Agency Fund Schedule of Receipts and Disbursements	86
H-5	Liquidation of Merged Non-Operating District, Schedule of Liquidation Period Receipts, Disbursements and Fund Balance	N/A

I. Long-Term Debt:

I-1	Schedule of Serial Bonds & Loans	87
I-2	Schedule of Obligations Under Capital Leases	88
I-3	Debt Service Fund Budgetary Comparison Schedule	89

STATISTICAL SECTION (Unaudited)

Introduction to the Statistical Section

Financial Trends

J-1	Net Assets by Component	90
J-2	Changes in Net Assets/Net Position	91
J-3	Fund Balances - Governmental Funds	93
J-4	Changes in Fund Balances - Governmental Funds	94
J-5	General Fund Other Local Revenue by Source	96

Revenue Capacity

J-6	Assessed Value and Estimated Actual Value of Taxable Property	97
J-7	Direct and Overlapping Property Tax Rates	98
J-8	Principal Property Tax Payers	99
J-9	Property Tax Levies and Collections	100

Debt Capacity		
J-10	Ratios of Outstanding Debt by Type	101
J-11	Ratios of General Bonded Debt Outstanding	102
J-12	Direct and Overlapping Governmental Activities Debt	103
J-13	Legal Debt Margin Information	104
Demographic and Economic Information		
J-14	Demographic and Economic Statistics	105
J-15	Principal Employers	106
Operating Information		
J-16	Full-time Equivalent District Employees by Function/Program	107
J-17	Operating Statistics	108
J-18	School Building Information	109
J-19	Schedule of Required Maintenance Expenditures by School Facility	110
J-20	Insurance Schedule	111
J-21	Charter School Performance Framework, Financial Performance, Fiscal Ratios/Renaissance School Project Framework, Financial Performance, Fiscal Ratios	N/A

SINGLE AUDIT SECTION

K-1	Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards	114
K-2	Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 04-04	116
K-3	Schedule of Expenditures of Federal Awards, Schedule A	120
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	121
K-5	Notes to the Schedules of Awards and Financial Assistance	122
K-6	Schedule of Findings and Questioned Costs	124
K-7	Summary Schedule of Prior Audit Findings	128

INTRODUCTORY SECTION



WEST LONG BRANCH PUBLIC SCHOOLS

Administrative Offices

135 Locust Avenue

West Long Branch, New Jersey 07764

(732) 222-5900 Fax (732) 222-9325

Thomas G. Farrell
 Superintendent of Schools

Corey J. Lowell, SFO
 School Business Administrator

November 30, 2017

Honorable President and
 Members of the Board of Education
 West Long Branch School District
 County of Monmouth
 West Long Branch, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the West Long Branch School District ("District") for the fiscal year ended June 30, 2017 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rest with the management of the West Long Branch Board of Education ("Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the general-purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Title 2 U.S. Code of Federal Regulations, Part 200, "Audits of State and Local Governments" and the State Treasury Circular Letter 15-08 OMB, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid Payments".

Information related to this single audit, including the auditor's report on the internal structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES:

The West Long Branch School District is an independent reporting entity within the criteria adopted by the GASB as established by Statement No. 14 as amended by GASB Statement No. 39. All funds

and account groups of the District are included in this report. The West Long Branch Board of Education and its two schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-K through 8. These include regular instruction and special education for handicapped students in and out of district. The District completed the 2016-2017 fiscal year with an enrollment of 552 students, which reflects a decrease of 27 students.

The following details the changes in the student enrollment over the last seven years:

Fiscal Year	Students on Roll
2010-2011	619
2011-2012	602
2012-2013	601
2013-2014	603
2014-2015	576
2015-2016	579
2016-2017	552

2. ECONOMIC CONDITION AND OUTLOOK:

West Long Branch is a suburban residential community with large retail stores located at its perimeter on Route 36. Single-family home developments are occurring in the Borough. These developments are not expected to have a significant impact on district enrollments. The most recent large development is Avalon at West Long Branch: a 180 unit, four building development of loft, one bedroom, two bedrooms and three bedrooms apartments, which was completed around 2012. Although marketed to "young professionals", the units may eventually have an impact on student enrollment.

3. MAJOR INITIATIVES:

We are most pleased that several initiatives were supported through local funding for fiscal year 2017. More specifically, instructional materials and resources, curricula writing stipends, and professional development services encompassed the relative purchases.

At the preschool level, the My Math program was implemented, which included consumables and online accounts. Additionally, a grades K-5 textbook series for mathematics was introduced in both hard copy and online format. With respect to grades 6-8, a science textbook series and accompanying laboratory kits were incorporated into daily instruction. Equally as essential, among our assessment purchases were the Kindergarten Readiness Test, Lollipop Test, DIBELS, WADE, SAGES, and Study Island.

In conjunction with the purchase of instructional materials and resources, curricula writing was completed for these courses: grades K-8 English language arts, grades K-8 mathematics, grades K-8 social studies, and grades 6-8 science. Curricula writing included alignment to content standards and additional New Jersey Department of Education requirements (e.g., differentiation).

Lastly, our professional development emphasis was placed on instructional coaching and out-of-district presenters for sessions regarding differentiation, instructional technologies, and the Danielson staff evaluation model. Differentiation and instructional technologies were two of our

district goals for fiscal year 2017. Also noteworthy was the district's participation in two professional development consortia, Brookdale Education Networks and the Regional Professional Development Academy.

4. INTERNAL ACCOUNTING CONTROLS:

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

As a recipient of Federal and State financial assistance, the District is also responsible for insuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. The internal control structure is subject to periodic evaluation by District management and the auditor.

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

5. BUDGETARY CONTROLS

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and debt service fund. Project-length budgets are approved for the capital improvements accounting for 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 purchase commitments on a line item basis. Open encumbrances at year-end are either cancelled or are included as re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated as reported as reservations of fund balance at June 30, 2017.

6. ACCOUNTING SYSTEMS AND REPORTS:

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

7. RISK MANAGEMENT

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

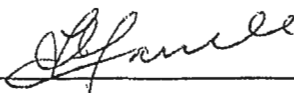
8. INDEPENDENT AUDIT:

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

9. ACKNOWLEDGMENTS:

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

Respectfully submitted,

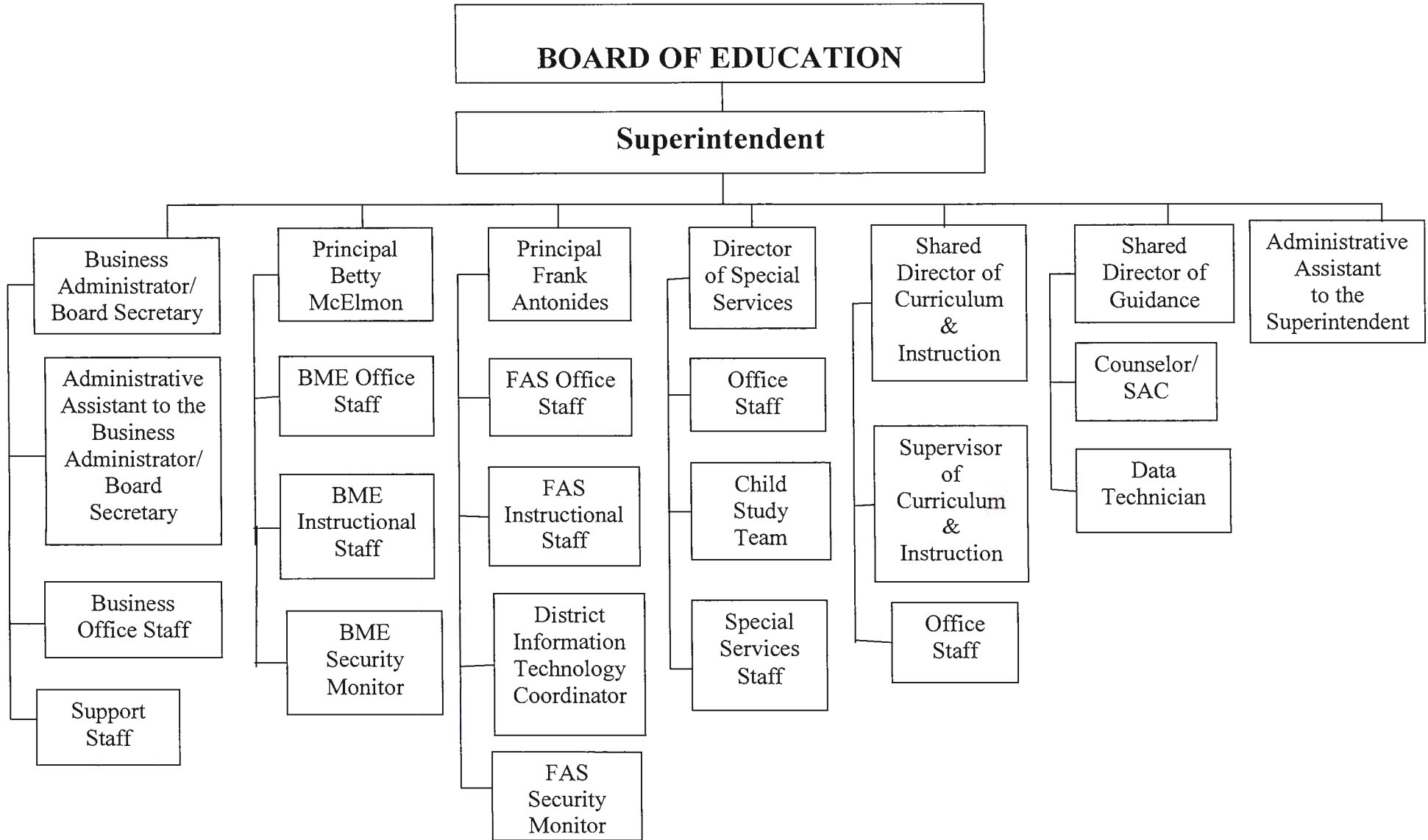


Thomas G. Farrell
Superintendent



Corey J. Lowell, SFO
Business Administrator/Board Secretary

WEST LONG BRANCH BOARD OF EDUCATION ORGANIZATIONAL CHART 2016-2017



**WEST LONG BRANCH BOARD OF EDUCATION
WEST LONG BRANCH, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2017**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Brian Kramer, President	2018
Paul J. Christopher, Vice President	2017
Kristin Arvanitis	2017
Meaghan Cavanaugh	2017
Tracy Cistaro	2018
Lauren Gassman	2019
Erin K. Hegglin	2018
Patricia Bambach-McLaughlin	2019
Christine Skellinger	2019

Other Officials

Corey J. Lowell, SFO, Business Administrator/ Board Secretary

Thomas Farrell, Superintendent

Viola S. Lordi, Esq.

WEST LONG BRANCH BOARD OF EDUCATION
WEST LONG BRANCH, NEW JERSEY

CONSULTANTS AND ADVISORS

June 30, 2017

Audit Firm

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

Attorneys

Wilentz, Goldman & Spitzer, P.A.
Attorneys at Law
90 Woodbridge Center Drive, Suite 900
Woodbridge, New Jersey 07095
Viola S. Lordi, Esq.

McOmber & McOmber, P.C.
54 Shrewsbury Avenue
Red Bank, NJ 07701

Official Depositories

Investors Bank

FINANCIAL SECTION

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

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

MEMBER:

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

Independent Auditor's Report

The Honorable President and
Members of the Board of Education
West Long Branch School District
County of Monmouth
West Long Branch, New Jersey

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the West Long Branch School District Board of Education, in the County of Monmouth, State of New Jersey, as of and for the fiscal year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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

Accounting principles generally accepted in the United States of America require that the Management Discussion and Analysis and Budgetary Comparison Information on pages 11 through 16 and 61 through 72 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2017 on our consideration of West Long Branch School District Board of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the West Long Branch School District Board of Education's internal control over financial reporting and compliance.



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

November 30, 2017

***REQUIRED SUPPLEMENTARY INFORMATION
PART I***

MANAGEMENT'S DISCUSSION AND ANALYSIS

WEST LONG BRANCH SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

The discussion and analysis of West Long Branch Public School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ending June 30, 2017. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal, which is found in the Introductory Section, and the School District's financial statements found in the Financial Section and the notes thereto.

Financial Highlights

Key Financial highlights for the 2016-2017 fiscal year are as follows:

- The local tax levy supports 82% of the operating budget. The tax levy increased 131% in the debt service fund due to the first year of repayment for a new bond issue.
- Other major revenue sources include the state aid, federal aid, and tuition. State aid increased \$112,482 for the 2016-2017 school year – mainly due to the on-behalf payment of TPAF pension contributions.
- There was an increase of \$910,683 in operating expenditures – of which \$290,513 is due to an 11% increase in the cost of employee benefits.

Using this Comprehensive Annual Financial Report (CAFR)

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

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

The School Board's auditor has provided assurance in his Independent Auditor's Report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. A user of this report should read the Independent Auditor's Report carefully to ascertain the level of assurance being provided for each of the other parts of the Financial Section.

Statement of Net Assets and the Statement of Activities

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2016-2017 fiscal year?" The Statement of Net Assets and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of

accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

- **Governmental activities** – All of the School District's programs and services are reported here including, but not limited to, instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-Type Activities** – This service is provided on a charge for goods or services basis to recover all the expense of the goods or services provided. The Food Service Enterprise Fund is reported as a business activity.

Fund Financial Statements

The analysis of the School District's major (all) funds begins with exhibit B-1. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund and Debt Service Fund.

Governmental Funds

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

Enterprise Fund

The Enterprise Fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. In addition, the accountability focus is on operational accountability. The measurement focus is on economic resources, which directs itself on a more long-term vision than in governmental funds.

The School District as a Whole

Table 1 provides a summary of the School District's net assets for the fiscal year 2017.

Table 1
Net Position

	<u>2017</u>	<u>2016</u>
<u>Assets</u>		
Current and Other Assets	\$ 5,533,672	\$10,631,887
Capital Assets, Net	<u>15,481,257</u>	<u>10,326,496</u>
Total Assets	<u>21,014,929</u>	<u>20,958,383</u>
 <u>Deferred Outflow of Resources</u>		
Contribution to Pension Plan	<u>\$920,937</u>	<u>\$613,755</u>
 <u>Deferred Inflow of Resources</u>		
Pension Deferrals	<u>\$355,779</u>	<u>\$384,748</u>
 <u>Liabilities</u>		
Long-Term Liabilities	\$8,641,939	\$11,551,527
Other Liabilities	<u>4,433,377</u>	<u>1,044,052</u>
Total Liabilities	<u>13,075,316</u>	<u>12,595,579</u>
 <u>Net Position</u>		
Invested in Capital Assets, Net of Debt	\$6,097,197	\$509,496
Restricted	1,226,150	10,162,326
Unrestricted	<u>616,266</u>	<u>(2,080,011)</u>
Total Net Position	<u>\$7,939,613</u>	<u>\$8,591,811</u>

Table 2 shows the changes in net assets for fiscal year 2017 with selected comparative data for 2016.

Table 2
Changes in Net Assets

	<u>2017</u>	<u>2016</u>
<u>Revenues</u>		
Program Revenues		
Charges for Services	\$544,013	\$275,875
Operating Grants and Contributions	1,761,959	575,838
General Revenues		
Property Taxes	10,419,526	9,738,312
Grants and Entitlements	331,820	1,437,186
Other Revenue	<u>(128,732)</u>	<u>42,545</u>
Total Revenues	<u>12,928,586</u>	<u>12,069,756</u>
 <u>Program Expenses</u>		
Instruction	4,801,350	4,719,444
Support Services	7,353,841	7,250,643
Interest on Long Term Debt	419,551	260,975
Food Services	156,478	183,103
Other	<u>598,585</u>	<u>833,614</u>
Total Expenses	<u>13,580,784</u>	<u>13,247,779</u>
Increase/ (Decrease) in Net Assets	<u>\$(652,198)</u>	<u>\$(1,178,023)</u>

Governmental Activities

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

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

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

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

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

Curriculum and staff development includes expenses related to planning, research, development and evaluation of support services, as well as the reporting of this information internally and to the public.

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

Extracurricular activities includes expenses related to student activities provided by the school district which are designed to provide opportunities for students to participate in school events, public events, or a combination of these for the purposes of motivation, enjoyment and skill improvement.

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

Unallocated depreciation is associated with current year depreciation expenditures for capital assets.

Food Service includes costs for food service operations.

School District's Funds

The School District uses funds to control and manage money for particular purposes. The Fund's basic financial statement allows the School District to demonstrate its stewardship over and accountability for resources received from the West Long Branch Borough's taxpayer's and other entities, including the State of New Jersey and the Federal Government. These statements also allow the reader to obtain more insight into the financial workings of the School District, and assess further the School District's overall financial health.

The School District's budget is prepared according to New Jersey law, and is based on accounting for certain transactions on a basis of cash receipts, disbursements and encumbrances. The most significant budgeted fund is the General Fund. This past year, the district implemented a zero-based budgeting approach whereby every expenditure is supported by rationale.

Over the course of the year, the School District revises its budget as it attempts to take into consideration unexpected changes in revenue and expenditures.

A schedule showing the School District's original and final budget compared with actual operating results is provided in the section of the CAFR, entitled Budgetary Comparison Schedules.

Capital Assets

At June 30, 2017, the School District had approximately \$24,262,209 invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date.

	<u>Governmental Activities</u>	<u>Business Type Activities</u>
Capital Assets at June 30, 2017		
Land	\$ 82,140	
Site Improvements	262,757	
Buildings	14,426,463	
Machinery and Equipment	<u>705,311</u>	<u>4,586</u>
Total	<u>\$15,476,671</u>	<u>\$4,586</u>

Long-Term Debt

At year-end, the District had \$6,785,000 in general obligation bonds outstanding – a reduction of \$870,000 in bonds from last year. In addition, there was a net increase of \$704,800 of other long-term liabilities – as shown below:

Outstanding Long-Term Liabilities

	<u>Total School District</u>		<u>Percentage Change</u>
	<u>2016-2017</u>	<u>2015-2016</u>	
General Obligation Bonds	\$ 9,152,000	\$ 9,817,000	-6.77%
Other Long-Term Liabilities	3,147,278	2,442,478	+28.86%
Total Long-Term Liabilities	\$12,299,278	\$ 12,259,478	0.32%

Economic Factors and Next Year's Budget

The West Long Branch Borough is primarily a residential community. The majority of revenues needed to operate the District are derived from homeowners through property tax assessments and collections.

For the 2016-2017 school year, the School District was able to sustain its general fund budget through the local tax levy, tuition from a nearby district, federal grants, and other miscellaneous revenues. Although the District participates in cooperative purchasing for electricity, consumption is dependent on variable weather conditions. Other rising utility costs include communications, refuse removal, sewage and water. The budget includes funds for repair and maintenance of the District's equipment. Special education programs and related services, including transportation, cannot be predicted with absolute certainty; however, the District maintains its commitment to meet the needs of these students.

The West Long Branch School District has consistently committed itself to sound, conservative fiscal management, providing the most efficient and effective education possible for the students of West Long Branch. The West Long Branch School District is committed to annually review and evaluation of best practices.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, please contact Corey Lowell, School Business Administrator/Board Secretary at West Long Branch Board of Education, 135 Locust Ave, West Long Branch, NJ 07764.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

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

West Long Branch Board of Education
Statement of Net Position
6/30/2017

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	\$ 3,123,545	\$ 41,567	\$ 3,165,112
Investments			-
Receivables, governmental entities	842,923	2,202	845,125
Other receivables (net)	125,810		125,810
Inventory		1,151	1,151
Restricted assets:			-
Cash and cash equivalents	172,305		172,305
Capital reserve account - cash	303,232		303,232
Capital assets, net (Note 4):	15,476,671	4,586	15,481,257
Deferred outflows of resources related to pensions	920,937		920,937
Total Assets	20,965,423	49,506	21,014,929
LIABILITIES			
Cash Overdraft			-
Accounts payable	122,995	5,597	128,592
Accrued Interest Expense	251,971		251,971
			-
Payable to state government	16,271		16,271
Deferred revenues	23,425		23,425
Deferred inflows of resources related to pensions	355,779		355,779
Pension liability for PERS - non current	2,802,838		2,802,838
Noncurrent liabilities (Note 5):			
Due within one year	854,501		854,501
Due beyond one year	8,641,939		8,641,939
Total liabilities	13,069,719	5,597	13,075,316
NET ASSETS			
Invested in capital assets, net of related debt	6,092,611	4,586	6,097,197
Restricted for:			
Debt service			-
Capital projects	303,232		303,232
Other purposes	922,918		922,918
Unrestricted	576,943	39,323	616,266
Total net assets	\$ 7,895,704	\$ 43,909	\$ 7,939,613

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

West Long Branch Board of Education
Statement of Activities
For the Year Ended June 30, 2017

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	\$ 3,641,369	\$ 430,607	\$ 310,151	\$ (2,900,611)		\$ (2,900,611)	
Special education	705,810			(705,810)		(705,810)	
Other special instruction	454,171			(454,171)		(454,171)	
Vocational				-		-	
Other instruction				-		-	
Nonpublic school programs				-		-	
Adult/continuing education programs				-		-	
Support services:							
Tuition	635,903		203,041	(432,862)		(432,862)	
Student & instruction related services	1,312,082			(1,312,082)		(1,312,082)	
School administrative services	391,486			(391,486)		(391,486)	
General and business administrative services	339,417			(339,417)		(339,417)	
Central Services	183,675			(183,675)		(183,675)	
Admin information technology	83,885			(83,885)		(83,885)	
Plant operations and maintenance	1,004,947			(1,004,947)		(1,004,947)	
Pupil transportation	468,056			(468,056)		(468,056)	
Business and other support services				-		-	
Compensated absences	(7,480)			7,480		7,480	
Unallocated Benefits	2,941,870		1,217,848	(1,724,022)		(1,724,022)	
Special schools	20,079			(20,079)		(20,079)	
Pension plan expense	230,900			(230,900)		(230,900)	
Debt service				-		-	
Interest on long-term debt	419,551			(419,551)		(419,551)	
Unallocated depreciation	598,585			(598,585)		(598,585)	
Total governmental activities	13,424,306	430,607	1,731,040	(11,262,659)	-	(11,262,659)	
Business-type activities:							
Food Service	156,478	113,406	30,919		(12,153)	(12,153)	
Total business-type activities	156,478	113,406	30,919	-	(12,153)	(12,153)	
Total primary government	\$ 13,580,784	\$ 544,013	\$ 1,761,959	\$ (11,262,659)	\$ (12,153)	\$ (11,274,812)	
General revenues:							
Taxes:							
Property taxes, levied for general purposes, net				9,366,733		\$ 9,366,733	
Taxes levied for debt service				1,052,793		1,052,793	
Federal and State aid not restricted				331,820		331,820	
Investment Earnings				33,780	211	33,991	
Miscellaneous Income				3,033		3,033	
Adjustments:							
Fixed Assets				(211,963)		(211,963)	
Capital Lease Payments				46,207		46,207	
				-		-	
Total general revenues, special items, extraordinary items and transfers				10,622,403	211	10,622,614	
Change in Net Assets				(640,256)	(11,942)	(652,198)	
Net Assets—beginning				8,535,960	55,851	8,591,811	
Net Assets—ending				\$ 7,895,704	\$ 43,909	\$ 7,939,613	

FUND FINANCIAL STATEMENTS

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

GOVERNMENTAL FUNDS

West Long Branch Board of Education
Balance Sheet
Governmental Funds
June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
ASSETS					
Cash and cash equivalents	667,594	(124,627)	2,540,756	39,822	3,123,545
Investments					
Receivables, net	125,810				125,810
Due from other funds	611,870	32,761	108,827	12,973	766,431
Receivables - Local Government				611,793	611,793
Receivables - State	85,012				85,012
Receivables - Federal		146,118			146,118
Interest receivable on investments					
Inventory					
Restricted cash and cash equivalents	475,537				475,537
Other assets					
	<u>1,965,823</u>	<u>54,252</u>	<u>2,649,583</u>	<u>664,588</u>	<u>5,334,246</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	108,439	14,556			122,995
Interfund payable	141,588		13,050	611,793	766,431
Payable to federal government					
Payable to state government		16,271			16,271
Payable to local government					
Deferred revenue		<u>23,425</u>			<u>23,425</u>
Total liabilities	<u>250,027</u>	<u>54,252</u>	<u>13,050</u>	<u>611,793</u>	<u>929,122</u>
Fund Balances:					
Restricted Fund Balance:					
Reserve for Capital Reserve	303,232				303,232
Maintenance Reserve	71,251				71,251
Emergency Reserve	101,054				101,054
Reserved Excess Surplus - Designated for					
Subsequent Year's Expenditures	400,146				400,146
Reserve for Excess Surplus	350,467				350,467
Assigned Fund Balance:					
Unreserved - Designated for					
Subsequent Year's Expenditures					
Committed Fund Balance					
Reserve for encumbrances	196,244		2,203,564		2,399,808
Unreserved, reported in:					
General fund	293,402				293,402
Special Revenue fund					
Debt service fund				52,795	52,795
Capital projects fund			432,969		432,969
Permanent fund					
Total Fund balances	<u>1,715,796</u>	<u>54,252</u>	<u>2,636,533</u>	<u>52,795</u>	<u>4,405,124</u>
Total liabilities and fund balances	<u>1,965,823</u>	<u>54,252</u>	<u>2,649,583</u>	<u>664,588</u>	

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

The net pension liability for PERS is not due and payable in the current period and is not reported in the governmental funds \$ (2,802,838)

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

Deferred outflows of resources related to pensions \$ 920,937
Deferred inflows of resources related to pensions \$ (355,779)

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$24,860,794 and the accumulated depreciation is \$9,384,123 (See Note 4) 15,476,671

Accrued interest on long term debt (251,971)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 5) (9,496,440)

Net assets of governmental activities \$ 7,895,704

West Long Branch Board of Education
Statement of Revenues, Expenditures, And Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2017

	General Fund	Special Revenue Fund	Capital Projects Fund	Debt Service Fund	Total Governmental Funds
REVENUES					
Local sources:					
Local tax levy	\$ 9,366,733			\$ 1,052,793	\$ 10,419,526
Transportation Fees					-
Rental Facilities					-
Interest on Investments	8,822			24,958	33,780
Tuition charges	430,607				430,607
Miscellaneous	3,033	16,433			19,466
Total - Local Sources	9,809,195	16,433	-	1,077,751	10,903,379
State sources	1,549,668	227,990			1,777,658
Federal sources	-	268,769			268,769
Total revenues	11,358,863	513,192	-	1,077,751	12,949,806
EXPENDITURES					
Current:					
Regular instruction	3,331,218	310,151			3,641,369
Special education instruction	705,810				705,810
Other special instruction	454,171				454,171
Vocational education					-
Other instruction					-
Nonpublic school programs					-
Adult/continuing education programs					-
Support services and undistributed costs:					
Tuition	432,862				432,862
Student & instruction related services	1,312,082	203,041			1,515,123
School administrative services	391,486				391,486
General administrative services	339,417				339,417
Central services	183,675				183,675
Administrative information technology	83,885				83,885
Plant operations and maintenance	1,004,947				1,004,947
Pupil transportation	468,056				468,056
Undistributed expenditures - Food Services					-
Unallocated benefits	2,941,870				2,941,870
Special schools	20,079				20,079
ARRA - Equalization Stabilization Fund (ESF)					-
ARRA - Government Services Fund (GSF)					-
Transfer to charter school					-
Debt service:					
Principal				665,000	665,000
Interest and other charges				387,468	387,468
Capital outlay	237,873		5,620,929		5,858,802
Total expenditures	11,907,431	513,192	5,620,929	1,052,468	19,094,020
Excess (Deficiency) of revenues over expenditures	(548,568)	-	(5,620,929)	25,283	(6,144,214)
OTHER FINANCING SOURCES (USES)					
Capital leases (non-budgeted)	191,436				191,436
Capital Outlay Expenditures incurred by Capital Projects Fund(non-budgeted)	(108,827)				(108,827)
Transfers in					-
Transfers out					-
Total Other Financing Sources and Uses	82,609	-	-	-	82,609
Net change in fund balances	(465,959)	-	(5,620,929)	25,283	(6,061,605)
Fund balance—July 1	2,181,755		8,257,462	27,512	10,466,729
Fund balance—June 30	\$ 1,715,796	\$ -	\$ 2,636,533	\$ 52,795	\$ 4,405,124

**West Long Branch Board of Education
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Year Ended June 30, 2017**

Total net change in fund balances - governmental funds (from B-2) **\$ (6,061,605)**

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

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

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

Depreciation expense	\$ (598,585)	
Fixed assets adjustment	(211,963)	
Capital outlays	<u>5,967,629</u>	
		\$ 5,157,081

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets:

Repayment of Bond Principal	\$ 665,000	
Retirement of Bonds Outstanding	<u> </u>	
		\$ 665,000

Payment of long-term liabilities is an expenditure in the governmental funds and reduces long-term liabilities in the statement of net assets.

Capital Lease Payments	\$ 53,912	
Capital Lease Adjustment to beginning balances	<u>(7,705)</u>	
		\$ 46,207

The net pension liability reported in the statement of activities does not require the use of current financial resources and is not reported as an expenditure in the governmental funds:

Change in Pension Liability (net)	(567,051)	
Change in Deferred Outflows	307,182	
Change in Deferred Inflows	<u>28,969</u>	
		\$ (230,900)

Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.

Proceeds from issuance of long-term debt		
Refunds - bond insurance		
Acceptance of Voluntary Separation Program		
Capital lease proceeds	<u>(191,436)</u>	
		\$ (191,436)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).

Prior year accrued interest on long term debt which was paid in the current year	\$ 219,888	
Current year accrued interest on long term debt	\$ (251,971)	
Decrease in compensated absences payable	<u>7,480</u>	
		\$ (24,603)

Change in net assets of governmental activities **\$ (640,256)**

PROPRIETARY FUNDS

West Long Branch Board of Education
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities - Enterprise Funds	
	Food Service	Totals
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 41,567	\$ 41,567
Investments		-
Accounts Receivable - Federal	83	83
Accounts Receivable - State	2,119	2,119
Inventories:		
Commodities		-
Regular	1,151	1,151
Total current assets	44,920	44,920
Noncurrent assets:		
Furniture, machinery & equipment	77,030	77,030
Less accumulated depreciation	(72,444)	(72,444)
Total noncurrent assets	4,586	4,586
Total assets	49,506	49,506
LIABILITIES		
Current liabilities:		
Accounts payable	5,597	5,597
Interfund payable		-
Deposits payable		-
Compensated absences		-
Total current liabilities	5,597	5,597
Noncurrent Liabilities:		
Compensated absences		-
Total noncurrent liabilities	-	-
Total liabilities	5,597	5,597
NET ASSETS		
Invested in capital assets net of related debt	4,586	4,586
Restricted for:		
Capital projects		-
Unrestricted	39,323	39,323
Total net assets	\$ 43,909	\$ 43,909

Exhibit B-5

West Long Branch Board of Education
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Year Ended June 30, 2017

	Business-type Activities -	
	Enterprise Fund	
	Food	Total
	Service	Enterprise
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	\$ 56,935	56,935
Daily sales - non-reimbursable programs	45,720	45,720
Special functions		-
Deductions from employees' salaries		-
Food Distribution Program	10,751	10,751
Total operating revenues	<u>113,406</u>	<u>113,406</u>
Operating expenses:		
Cost of sales	55,917	55,917
Salaries	65,917	65,917
Employee benefits		-
Purchased property service		-
Other purchased professional services		-
Cleaning, repair and maintenance services	1,029	1,029
Management Fees	8,585	8,585
Rentals		-
Insurance	1,694	1,694
Uniforms	330	330
General supplies	5,208	5,208
Miscellaneous expense	4,727	4,727
Depreciation	2,320	2,320
Food distribution program expense	10,751	10,751
Total Operating Expenses	<u>156,478</u>	<u>156,478</u>
Operating income (loss)	<u>(43,072)</u>	<u>(43,072)</u>
Nonoperating revenues:		
State sources:		
State school lunch program	1,198	1,198
Federal sources:		
National school lunch and breakfast program	29,721	29,721
Special milk program		-
Interest and investment revenue	211	211
Subsidy Operating - General Fund		-
Total nonoperating revenues	<u>31,130</u>	<u>31,130</u>
Income (loss) before contributions & transfers	<u>(11,942)</u>	<u>(11,942)</u>
Capital contributions		-
Change in net assets	(11,942)	(11,942)
Total net assets—beginning	<u>55,851</u>	<u>55,851</u>
Total net assets—ending	<u>\$ 43,909</u>	<u>\$ 43,909</u>

**West Long Branch Board of Education
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2017**

	Business-type Activities - Enterprise Funds	
	Food Service	Total Enterprise
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ (36,709)	\$ (36,709)
Payments to employees		-
Payments for employee benefits		-
Payments to suppliers		-
Net cash provided by (used for) operating activities	<u>(36,709)</u>	<u>(36,709)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
State Sources	1,198	1,198
Federal Sources	29,721	29,721
Operating subsidies and transfers from other funds		-
Net cash provided by (used for) non-capital financing activities	<u>30,919</u>	<u>30,919</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Change in capital contributions		-
Purchases of capital assets		-
Gain/Loss on sale of fixed assets (proceeds)		-
Net cash provided by (used for) capital and related financing activities	<u>-</u>	<u>-</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends	211	211
Proceeds from sale/maturities of investments		-
Net cash provided by (used for) investing activities	<u>211</u>	<u>211</u>
Net increase (decrease) in cash and cash equivalents	(5,579)	(5,579)
Balances—beginning of year	47,146	47,146
Balances—end of year	<u>41,567</u>	<u>41,567</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities:		
Operating income (loss)	(43,071)	(43,071)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		-
Depreciation and net amortization	2,320	2,320
Purchase of Fixed Assets		-
(Increase) decrease in accounts receivable, net	4,067	4,067
(Increase) decrease in inventories	2,255	2,255
(Increase) decrease in other current assets		-
Increase (decrease) in accounts payable	(2,280)	(2,280)
Increase (decrease) in due to general fund		-
Total adjustments	<u>6,362</u>	<u>6,362</u>
Net cash provided by (used for) operating activities	<u>\$ (36,709)</u>	<u>\$ (36,709)</u>

FIDUCIARY FUNDS

**West Long Branch Board of Education
Statement of Fiduciary Net Position
Fiduciary Funds
6/30/2017**

	Unemployment Compensation Trust	Private Purpose Scholarship Fund	Agency Fund
ASSETS			
Cash and cash equivalents	\$ 972	\$ 10,042	\$ 30,680
Investments, at fair value:			
U.S. government obligations			
NJ municipal bonds			
Total investments	-	-	-
Total assets	972	10,042	\$ 30,680
LIABILITIES			
Accounts payable			
Payable to student groups			19,057
Payroll deductions and withholdings			11,623
Payable to teachers			
Total liabilities	-	-	\$ 30,680
NET ASSETS			
Held in trust for unemployment claims and other purposes	\$ 972		
Reserved for scholarships		\$ 10,042	
Reserved for other trusts			

West Long Branch Board of Education
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended June 30, 2017

	<u>Unemployment Compensation Trust</u>	<u>Private Purpose Scholarship Fund</u>
ADDITIONS		
Contributions:		
Plan member	\$ 11,372	
Other		
Total Contributions	<u>11,372</u>	<u>-</u>
Investment earnings:		
Net increase (decrease) in fair value of investments		
Interest	10	46
Dividends		
Less investment expense		
Net investment earnings	<u>10</u>	<u>46</u>
Total additions	<u>11,382</u>	<u>46</u>
DEDUCTIONS		
Quarterly contribution reports		
Unemployment claims	12,129	
Scholarships awarded		500
Refunds of contributions		
Administrative expenses		
Total deductions	<u>12,129</u>	<u>500</u>
Change in net assets	(747)	(454)
Net assets—beginning of the year	<u>1,719</u>	<u>10,496</u>
Net assets—end of the year	<u>\$ 972</u>	<u>\$ 10,042</u>

NOTES TO THE FINANCIAL STATEMENTS

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

The accompanying financial statements present the financial position of the District and the various funds and fund types, the result of operations of the District and the various fund and fund types, and the cash flows of the proprietary funds. The financial statements are presented as of June 30, 2017.

A. Reporting Entity:

West Long Branch School District Board of Education is a Type II district located in the County of Monmouth, State of New Jersey. As a Type II district, the District functions independently through a Board of Education (Board). The Board is comprised of nine members appointed to three-year terms.

The District provides a full range of educational services appropriate to grade levels Pre-K through 8. These include regular, vocational, as well as special education for handicapped youngsters.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is the degree of oversight responsibility maintained by the District. Oversight responsibility includes financial interdependency, selection of governing authority, designation of management, ability to significantly influence operations and accountability for fiscal matters. The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include educational services to grade levels Pre-K through 8. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

B. Basis of Presentation, Basis of Accounting:

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation

District-wide Statements: The statement of net assets and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. These statements distinguish between the governmental and business-type activity of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

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

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

Governmental Fund Types

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

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

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

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

Proprietary Fund Type

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

Fiduciary Fund Types

Trust and Agency Funds: The trust and agency funds are used to account for assets held by the District on behalf of outside parties, including other governments, or on behalf of other funds within the District.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

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

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

C. Basis of Accounting:

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Accounting(Continued):

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

It is the District's policy, that when an expenditure is incurred for which both restricted and unrestricted (committed, assigned, or unassigned) amounts are available, to apply restricted resources first followed by unrestricted resources. Similarly, within unrestricted fund balance, it is the District's policy to apply committed resources first followed by assigned resources and then unassigned resources when an expenditure is incurred for which amounts in any of those unrestricted fund balance classifications could be used.

Under the terms of grant agreements, the District may fund certain programs by a combination of specific cost reimbursement grants, categorical block grants and general revenue. Therefore, when program expenses are incurred, both restricted and unrestricted net position may be available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs followed by general revenue.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6:20-2A.2(m)1.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Budgets/Budgetary Control (Continued):

All budget amendments must be approved by School Board resolution. Budget amendments were made during the year ended June 30, 2017.

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)
**Explanation of Differences between Budgetary Inflows and Outflows and GAAP
Revenues and Expenditures**

	<u>General Fund</u>	<u>Special Revenue Fund</u>
Sources/inflows of resources		
Actual amounts (budgetary) "revenues"	\$ 11,383,085	\$ 514,653
Adjust for State Aid Payment:		
Add: Prior Year Payment	1,117	
Less: Current Year Payment	(25,339)	
Adjust for Encumbrances:		
Add: Prior Year Encumbrances		
Less: Current Year Encumbrances		(1,461)
Total Revenues (GAAP Basis)	<u>\$ 11,358,863</u>	<u>\$ 513,192</u>
Uses/outflows of resources		
Actual amounts (budgetary) "total outflows"	\$ 11,907,431	514,653
Adjustments:		
Add: Prior Year Encumbrances		
Less: Current Year Encumbrances		(1,461)
Total Expenditures (GAAP Basis)	<u>\$ 11,907,431</u>	<u>\$ 513,192</u>

E. Encumbrances:

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Short-term Interfund Receivables/Payables:

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

G. Inventories and Prepaid Expenses:

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

H. Fixed Assets:

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

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Fixed Assets (Continued):

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

I. Accrued Salaries and Wages:

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

J. Compensated Absences:

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

J. Compensated Absences (Continued):

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

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

K. Deferred Revenue:

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

L. Accrued Liabilities and Long-Term Obligations:

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

M. Net Assets:

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

N. Fund Balance Reserves:

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

O. Memorandum Only - Total Columns:

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

P. Memorandum Only - Total Columns:

Cash and Cash equivalents include petty cash, change funds, cash in banks and all highly liquid investments with a maturity of three months or less at the time of purchase and are stated at cost plus accrued interest. U.S. Treasury and agency obligations and certificates of deposit with maturities of one year or less when purchased are stated at cost.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

New Jersey School Districts are limited as to the types of investments and types of financial institutions they may invest in. *N.J.S.J8A: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 Governmental Units from loss of funds on deposit with a failed banking institution in New Jersey.

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

Q. Tuition Receivable/Payable:

Tuition charges are established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined. These adjustments are recorded upon certification by the State Board of Education, which is normally three years following the contract year.

Accordingly, the tuition rate adjustments for the years 2014-2015 have been certified and finalized. Tuition charges for the years subsequent to the years 2014-2015 have been estimated and projected based on calculated tuition costs per pupil and number of students.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 2. CASH AND CASH EQUIVALENTS AND INVESTMENTS

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

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

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

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

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

A. Deposits:

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

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

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

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

A. Deposits (Continued):

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

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

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

B. Investments:

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

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

B. Investments (Continued):

- Any other obligations with maturities not exceeding 397 days, as permitted by the Division of Investments, New Jersey State Department of Treasury.
- Local government investment pools.
- New Jersey State Cash Management Fund.
- Repurchase agreements of fully collateralized securities, subject to special conditions.

As of June 30, 2017, cash and cash equivalents of the District consisted of the following:

	<u>Cash and Cash Equivalents</u>
Checking, Savings and Money Management	\$3,671,329

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

Risk Category

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

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

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

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

B. Investments (Continued):

As of June 30, 2017, the Board has funds invested and on deposit in checking accounts and Money Market/Statement Savings. These funds constitute "deposits with financial institutions" as defined by GASB Statement No. 3 and are summarized as follows:

<u>Risk Category</u>	<u>Amount</u>
1	\$3,671,329
2	None
3	None
	<u>\$3,671,329</u>
	=====

NOTE 3. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (GUDPA)

The District has deposited cash in 2017 with an approved public fund depository qualified under the provisions of the Government Unit Deposit Protection Act. In addition to savings and checking accounts the District invests monies in certificates of deposits.

The Governmental Unit Deposit Protection Act P.L. 1970, Chapter 236, was passed to afford protection against bankruptcy or default by a depository. C.17:9-42 provides that no governmental unit shall deposit funds in a public depository unless such funds are secured in accordance with this act. C.17:9-42 provides that every public depository having public funds on deposit shall, as security for such deposits, maintain eligible collateral having a market value at least equal to either (1) 5% of the average daily balance of collected public funds on deposit during the 6 month period ending on the next preceding valuation date (June 30 or December 31) or (2) at the election of the depository, at least equal to 5% of the average balance of collected public funds on deposit on the first, eighth, fifteenth, and twenty-second days of each month in the 6 month period ending on the next preceding valuation date (June 30 or December 31). No public depository shall be required to maintain any eligible collateral pursuant to this act as security for any deposit or deposits of any governmental unit to the extent such deposits are insured by F.D.L.C. or any other U.S. agency which insures public depository funds.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 3. GOVERNMENTAL UNIT DEPOSIT PROTECTION ACT (GUDPA)
(Continued)

No public depository shall at any time receive and hold on deposit for any period in excess of 15 days public funds of a governmental unit(s) which, in the aggregate, exceed 75% of the capital funds of the depository, unless such depository shall, in addition to the security required to be maintained under the paragraph above, secure such excess by eligible collateral with a market value at least equal to 100% of such excess.

In the event of a default, the Commissioner of Banking within 20 days after the default occurrence shall ascertain the amount of public funds on deposit in the defaulting depository and the amounts covered by federal deposit insurance and certify the amounts to each affected governmental unit. Within 10 days after receipt of the certification, each unit shall furnish to the Commissioner verified statements of its public deposits. The Commissioner shall ascertain the amount derived or to be derived from the liquidation of the collateral maintained by the defaulting depository and shall distribute such proceeds pro rata among the governmental units to satisfy the net deposit liabilities to such units.

If the proceeds of the sale of the collateral are insufficient to pay in full the liability to all affected governmental units, the Commissioner shall assess the deficiency against all other public depositories having public funds on deposit determined by a formula determined by law. All sums collected by the Commissioner shall be paid to the governmental units having deposits in the defaulting depository in the proportion that the net deposit liability to each such governmental unit bears to the aggregate of the net deposit liabilities to all such governmental units.

All public depositories are required to furnish information and reports dealing with public funds on deposit every six months, June 30th and December 31st, with the Commissioner of Banking. Any public depository which refuses or neglects to give any information so requested may be excluded by the Commissioner from the right to receive public funds for deposit until such time as the Commissioner shall acknowledge that such depository has furnished the information requested.

Upon review and approval of the Certification Statement that the public depository complies with statutory requirements, the Commissioner issues forms approving the bank as a municipal depository. The District should request copies of these approval forms semiannually to assure that all depositories are complying with requirements.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 4. CAPITAL ASSETS

Fixed asset activity for the fiscal year ended June 30, 2017 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements/ Adjustments</u>	<u>Ending Balance</u>
Governmental activities:				
<i>Capital assets not being depreciated:</i>				
Land	82,140	-	-	82,140
Land Improvements				-
Construction in progress	-	5,729,756		5,729,756
Total capital assets not being depreciated	<u>82,140</u>	<u>5,729,756</u>	<u>-</u>	<u>5,811,896</u>
<i>Capital assets being depreciated:</i>				
Building and building improvements	16,524,503			16,524,503
Machinery and equipment	2,498,485	25,910		2,524,395
Totals at historical cost	<u>19,022,988</u>	<u>25,910</u>	<u>-</u>	<u>19,048,898</u>
Less accumulated depreciation for :				
Building, Improvements, and Equipment	<u>(8,785,538)</u>	<u>(598,585)</u>		<u>(9,384,123)</u>
Total	<u>(8,785,538)</u>	<u>(598,585)</u>	<u>-</u>	<u>(9,384,123)</u>
Total capital assets being depreciated, net of accumulated depreciation	<u>10,237,450</u>	<u>624,495</u>	<u>-</u>	<u>28,433,021</u>
Governmental activity capital assets, net	<u>\$ 10,319,590</u>	<u>\$ 5,157,081</u>	<u>\$ -</u>	<u>\$ 15,476,671</u>
Business-type activities:				
<i>Capital assets being depreciated:</i>				
Equipment	\$ 77,030	\$ -		\$ 77,030
Less accumulated depreciation	<u>70,124</u>	<u>2,320</u>		<u>\$ 72,444</u>
Enterprise fund capital assets, net	<u>\$ 6,906</u>	<u>\$ (2,320)</u>	<u>\$ -</u>	<u>\$ 4,586</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 4. CAPITAL ASSETS (Continued)

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

Depreciation expense was charged to functions as follows:

Instruction	
Student and Instruction - Related Services	-
School Administrative Related Services	-
General and Business Administrative Services	-
Central Services	
Administrative Information Technology	-
Plant Operations and Maintenance	
Pupil Transportation	-
Business and Other Support Services	-
Unallocated	598,585
Total	<u>\$ 598,585</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 5. GENERAL LONG-TERM DEBT

During the fiscal year ended June 30, 2017, the following changes occurred in liabilities reported in the general long-term debt account group:

	Balance 7/1/2016	Adjustments	Issued	Retired	Balance 6/30/2017	Amounts Due Within One Year
Capital Lease Payable	\$ 86,831	\$ 7,705	\$ 191,436	\$ 53,912	\$ 232,060	\$ 76,501
Bonds Payable	\$ 9,817,000			\$ 665,000	\$ 9,152,000	\$ 778,000
Compensated Absences Payable	119,860			7,480	112,380	-
	<u>\$ 10,023,691</u>	<u>\$ 7,705</u>	<u>\$ 191,436</u>	<u>\$ 726,392</u>	<u>\$ 9,496,440</u>	<u>\$ 854,501</u>

A. Bonds Payable:

As of June 30, 2017, the District's outstanding bonds are the following:

Year Ending June 30,	Principal	Interest	Total
2017/2018	\$ 778,000	251,971	1,029,971
2018/2019	375,000	229,221	604,221
2019/2020	380,000	221,671	601,671
2020/2021	390,000	213,972	603,972
2022/2026	2,075,000	946,197	3,021,197
2027/2031	2,375,000	655,763	3,030,763
2032/2036	2,779,000	247,085	3,026,085
	<u>\$ 9,152,000</u>	<u>2,765,880</u>	<u>11,917,880</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 5. GENERAL LONG-TERM DEBT (Continued)

Bonds were issued 11/15/2003 for \$5,538,000 at an annual interest rate between 3.375% to 3.750% and maturing on 6/30/18. The balance at June 30, 2017 was \$408,000.

Bonds were issued 7/16/2015 for \$8,999,000 at an annual interest rate between 2.000% to 3.500% and maturing on 7/15/35. The balance at June 30, 2017 was \$8,744,000.

B. Bonds Authorized But Not Issued:

As of June 30, 2017, the District had no authorized but not used bonds.

C. Capital Leases Payable:

The District is leasing several copiers under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the net minimum lease payments at June 30, 2017.

	<u>Total</u>
Year ending June 30,	
2018	90,603
2019	42,343
2020	42,343
2021	42,343
2022	<u>33,156</u>
Total Minimum Lease Payments	250,788
Less: Amount Representing Interest	<u>(18,728)</u>
Net Minimum Lease Payments	<u>\$ 232,060</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS

Plan Descriptions

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

Teachers' Pension and Annuity Fund (TPAF)

The TPAF was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The TPAF is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related noncontributing employers.

Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the DOE who have titles that are unclassified, professional and certified.

Public Employees' Retirement System (PERS)

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued)

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

For the year ended June 30, 2017, the District recognized pension expense of \$312,785, consisting of employer contributions of \$84,073 and non-employer contributions of \$228,712. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 52,124	\$ -
Changes of assumptions	580,598	-
Net difference between projected and actual earnings on pension plan investments	106,875	
Changes in proportion and differences between District contributions and proportionate share of contributions	181,340	355,779
District contributions subsequent to the measurement date	-	
Total:	<u>\$ 920,937</u>	<u>\$ 355,779</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS (Continued)

Public Employees' Retirement System (PERS) (Continued):

\$0 reported as deferred outflows of resources related to pensions resulting from school district, charter school, or renaissance school project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2017, the plan measurement date is June 30, 2016) will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended June 30:

2017	\$	166,514
2018	\$	166,514
2019	\$	192,912
2020	\$	162,074
2021	\$	51,584
Total	\$	739,598

Additional Information

Collective balances at December 31, 2015 and 2016 are as follows:

	12/31/2015	12/31/2016
Collective deferred outflows of resources	\$ 613,755	\$ 920,937
Collective deferred inflows of resources	384,748	355,779
Collective net pension liability	2,235,787	2,802,838
District's Proportion	0.0099%	0.0095%

The District made an adjustment in the District-Wide Financial Statements to record the collective net pension liability reported above of \$2,235,787. This liability was recorded as of June 30, 2016, and is a result of implementing Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment to GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS (Continued)

Teachers' Pension and Annuity Fund (TPAF)

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

For the year ended June 30, 2017, the District recognized pension expense of \$2,504,165 and revenue of \$2,504,165 for support provided by the State. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 116,911	\$ 56,736
Changes of assumptions	6,622,228	-
Net difference between projected and actual earnings on pension plan investments	605,060	
Changes in proportion and differences between District contributions and proportionate share of contributions	44,566	25,891
District contributions subsequent to the measurement date	-	-
Total:	<u>\$ 7,388,765</u>	<u>\$ 82,627</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS (Continued)

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

\$0 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

2017	\$ 1,075,495
2018	1,075,495
2019	1,259,922
2020	1,178,305
2021	995,342
Therafter	<u>1,736,487</u>
Total	<u>\$ 7,321,046</u>

Vesting and Benefit Provisions

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 6. PENSION PLANS (Continued)

Significant Legislation

During the year ended June 30, 1997, legislation was enacted (Chapter 114, P.L. 1997) authorizing the New Jersey Economic Development Authority to issue bonds, notes or other obligations for the purpose of financing, in full or in part, the State of New Jersey's portion of the unfunded accrued liability under the State of New Jersey retirement systems. Additional legislation enacted during the year ended June 30, 1997 (Chapter 115, P.L. 1997) changed the asset valuation method from market related value to full-market value. This legislation also contained a provision to reduce the employee contribution rate by ½ of 1% to 4.5% for calendar years 1998 and 1999, and to allow for a reduction in the employee's rate after calendar year 1999, providing excess valuation assets are available. The legislation also provided that the Districts' normal contributions to the Fund may be reduced based on the revaluation of assets. Due to recognition of the bond proceeds and the change in asset valuation method as a result of enactment of Chapters 114 and 115, all unfunded accrued liabilities were eliminated, except for the unfunded liability for local early retirement incentive benefits, accordingly, the pension costs for TPAF and PERS were reduced.

Contribution Requirements

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

During the fiscal year ended June 30, 2017, the State of New Jersey contributed \$883,040 to the TPAF for normal and post-retirement benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$334,808 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. This amount has been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as a revenue and expenditure in accordance with GASB 27.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 7. POST-EMPLOYMENT BENEFITS

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required TPAF and PERS, respectively, to fund post-retirement medical benefits for those State employees who retire accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2016, there were 110,512 retirees receiving post retirement medical benefits. The state contributed \$1.37 on their behalf. The cost of these benefits is funded through contributions by the State in accordance with Chapter 62, P.L. 1994. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to Chapter 126, P.L. 1992, which provides employer paid health benefits to members of PERS, and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$231.2 million toward Chapter 126 benefits for 20,045 eligible retired members in Fiscal Year 2016.

For the fiscal year ended June 30, 2017, the State of New Jersey contributed on behalf of the District \$334,808 to the TPAF for post-retirement benefits.

NOTE 8. INTERFUND RECEIVABLES AND PAYABLES

The following interfund balances remained on the balance sheet at June 30, 2017.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 611,870	\$ 141,588
Special Revenue Fund	32,761	
Capital Projects Fund	108,827	13,050
Debt Service Fund	12,973	611,793
Enterprise Fund		
Trust and Agency Fund		
	<u>\$766,431</u>	<u>\$766,431</u>

These amounts represent temporary advances between the various funds.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 9. CONTINGENCIES

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2009-2010 fiscal year were subject to the Single Audit Act of 1984 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the Board's annual audit. Substantially, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. Further, the School Child Nutrition Program is a recipient of federal (USDA) reimbursements and is subject to certain related federal regulations. The federal reimbursements are subject to subsequent audit and interpretation by the New Jersey Department of Education. The Board and management do not believe such an audit would result in material amounts of disallowed costs.

NOTE 10. LITIGATION

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

NOTE 11. COMPENSATED ABSENCES

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 11. COMPENSATED ABSENCES (Continued)

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

Compensated absences will be paid from the fund from which the employees' salaries are paid.

NOTE 12. DEFERRED COMPENSATION

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

NOTE 13. RISK MANAGEMENT

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

Property and Liability Insurance – The District maintains commercial insurance coverage for property, liability, student accident and surety bonds. A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance – The District has elected to fund its New Jersey Unemployment Compensation 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 the State.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 14. CALCULATION OF EXCESS SURPLUS

The designation for Reserved Fund Balance – Excess Surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the end of the fiscal year of June 30 if a required minimum amount is not appropriated as budgeted fund balance in their subsequent year's budget. The Excess Fund Balance at June 30, 2017 is \$350,467. The Excess Fund Balance at June 30, 2016 was \$400,146.

NOTE 15. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 16. OTHER

Revenues and expenditures reported under the Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

During preparation of the 2016-2017 budget, the District inadvertently did not budget for a new debt issue relating to improvements to the Frank Antonides and Betty McElmon Elementary Schools. On August 30, 2016 the Monmouth County Superintendent approved a plan submitted by the District to resolve the budget shortfall by borrowing from available funds as follows:

Capital Reserve Account	\$ 302,455
Maintenance Reserve	71,068
Emergency	<u>100,796</u>
	474,319
Excess Surplus – 6-30-16	<u>137,473</u>
Total	<u>\$ 611,792</u>

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 16. OTHER (Continued)

The borough is paying the \$611,792 balance over a twelve month period. The reserves will be restored to their original levels at the close of the 2017-2018 fiscal year when the levy has been fully collected.

NOTE 17. SUBSEQUENT EVENTS

The West Long Branch Board of Education has evaluated subsequent events occurring after June 30, 2017 through the date of November 30, 2017, which is the date the financial statements were available to be issued.

NOTE 18. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the West Long Branch Board of Education on September 1, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund, and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both. A district may also appropriated additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A.19:60-2. Pursuant to N.J.A.C.6:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 18. CAPITAL RESERVE ACCOUNT (Continued)

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	\$ 303,225
Increased by:	
Interest Earnings	7
Transfers	
	<hr/>
Ending Balance, June 30, 2017	<u><u>\$ 303,232</u></u>

NOTE 19. 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 combined financial statements for such contingencies.

The District is occasionally involved in certain legal claims arising in the ordinary course of its operations. It is believed that the outcome, or exposure to the Board, from such litigation is either unknown or potential losses, if any, would not be material to the financial statements.

NOTE 20. 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.

NOTE 21. GASB #54 – FUND BALANCE DISCLOSURES

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the West Long Branch Board of Education classifies governmental fund balances as follows:

**WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2017**

NOTE 21. GASB #54 – FUND BALANCE DISCLOSURES (Continued)

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

General Fund – Of the \$1,741,135 General Fund fund balance at June 30, 2017, \$350,467 is restricted for excess surplus – current year; \$875,683 is restricted for other purposes. \$196,244 is assigned for other purposes; \$0 is assigned as designated for subsequent year's expenditures and \$318,741 is unassigned.

REQUIRED SUPPLEMENTARY INFORMATION
PART II

BUDGETARY COMPARISON SCHEDULES

West Long Branch Board of Education
Budgetary Comparison Schedule
General Fund
Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 9,366,733	\$ -	\$ 9,366,733	\$ 9,366,733	\$ -
Transportation Fees From Other LEAs		-			-
Rental Facilities		-			-
Tuition	340,000	-	340,000	430,607	90,607
Interest Income - Other		-		8,822	8,822
Interest Earned on Capital Reserve Funds.		-			-
Miscellaneous	15,000	-	15,000	6,892	(8,108)
Total - Local Sources	<u>9,721,733</u>	<u>-</u>	<u>9,721,733</u>	<u>9,813,054</u>	<u>91,321</u>
State Sources:					
Categorical Special Education Aid	237,996	-	237,996	237,996	-
Categorical Transportation Aid	16,545	-	16,545	16,545	-
Categorical Security Aid	12,310	-	12,310	12,310	-
Equalization Aid		-			-
Extraordinary Aid -Current Year		-			-
Extraordinary Aid -Prior Year		-			-
Adjustment Aid	1	-	1	1	-
PARCC Readiness Aid	5,550	-	5,550	5,550	-
Per Pupil Growth Aid	5,550	-	5,550	5,550	-
Professional Learning Community	5,490	-	5,490	5,490	-
Extraordinary Aid		-		64,882	64,882
Non Public Transportation Aid		-		3,859	3,859
Other State Aid		-			-
TPAF Pension (On-Behalf - Non-Budgeted)		-		883,040	-
TPAF Social Security (Reimbursed - Non-Budgeted)		-		334,808	-
Total State Sources	<u>283,442</u>	<u>-</u>	<u>283,442</u>	<u>1,570,031</u>	<u>1,286,589</u>
Federal Sources:					
Impact Aid		-			-
Education Jobs Fund		-			-
Total - Federal Sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	<u>10,005,175</u>	<u>-</u>	<u>10,005,175</u>	<u>11,383,085</u>	<u>1,377,910</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Local Contrib. - Trans to Special Rev - Regular		-			-
Preschool - Salaries of Teachers	62,602	-	62,602	60,735	1,867
Kindergarten - Salaries of Teachers	218,175	38,145	256,320	255,476	844
Grades 1-5 - Salaries of Teachers	1,359,571	53,719	1,413,290	1,393,500	19,790
Grades 6-8 - Salaries of Teachers	1,126,571	35,523	1,162,094	1,158,003	4,091
Grades 9-12 - Salaries of Teachers		-			-
Regular Programs - Home Instruction:					
Salaries of Teachers	3,000	-	3,000	2,232	768
Purchased Professional-Educational Services	1,500	2,650	4,150	3,300	850
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	36,168	6,681	42,849	42,267	582
Purchased Professional-Educational Services		-			-
Purchased Technical Services	76,527	(3,700)	72,827	72,792	35
Other Purchased Services (400-500 series)	23,175	4,100	27,275	21,552	5,723
General Supplies	250,920	(13,669)	237,251	204,481	32,770
Textbooks	119,850	5,668	125,518	115,838	9,680
Miscellaneous Expenses	3,600	1,200	4,800	1,042	3,758
Other Objects		-			-
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>3,281,659</u>	<u>130,317</u>	<u>3,411,976</u>	<u>3,331,218</u>	<u>80,758</u>
SPECIAL EDUCATION - INSTRUCTION					
Cognitive - Mild:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Cognitive - Mild	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Cognitive - Moderate:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Cognitive - Moderate	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Learning and/or Language Disabilities:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Learning and/or Language Disabilities		-			-
Visual Impairments:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services	6,100	(6,100)	-	-	-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Visual Impairments	6,100	(6,100)	-	-	-
Auditory Impairments:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Auditory Impairments		-			-
Behavioral Disabilities:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Behavioral Disabilities		-			-
Multiple Disabilities:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Multiple Disabilities		-			-
Resource Room/Resource Center:					
Salaries of Teachers	811,646	(125,655)	685,991	685,991	-
Other Salaries for Instruction	19,526	-	19,526	17,543	1,983
Purchased Professional-Educational Services	4,661	(957)	3,704	2,276	1,428
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Resource Room/Resource Center	835,833	(126,612)	709,221	705,810	3,411
Autism:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Autism		-			-

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Preschool Disabilities - Part-Time:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Preschool Disabilities - Part-Time					
Preschool Disabilities - Full-Time:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Preschool Disabilities - Full-Time					
Cognitive - Severe:					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Cognitive - Severe					
TOTAL SPECIAL EDUCATION - INSTRUCTION	841,933	(132,712)	709,221	705,810	3,411
Basic Skills/Remedial - Instruction					
Salaries of Teachers	189,830	(4,600)	185,230	184,956	274
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies	838	(500)	338	187	151
Textbooks		-			-
Other Objects		-			-
Total Basic Skills/Remedial - Instruction	190,668	(5,100)	185,568	185,143	425
Bilingual Education - Instruction					
Salaries of Teachers	71,720	-	71,720	71,720	-
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies	475	-	475	-	475
Textbooks		-			-
Other Objects		-			-
Total Bilingual Education - Instruction	72,195	-	72,195	71,720	475
School-Spon. Athletics - Inst.					
Salaries of Teachers	37,515	700	38,215	38,068	147
Other Salaries for Instruction		-			-
Purchased Professional-Educational Services		-			-
Purchased Technical Services		-			-
Other Purchased Services (300-500 series)	18,980	(3,133)	15,847	11,894	3,953
General Supplies	8,027	7,478	15,505	14,472	1,033
Textbooks		-			-
Other Objects	1,000	-	1,000		1,000
Total School-Spon. Athletics - Inst.	65,522	5,045	70,567	64,434	6,133
School-Spon. Cccurricular Actvts. - Inst.					
Salaries	52,542	950	53,492	53,457	35
Purchased Services (300-500 series)		-			-
Supplies and Materials	1,340	(100)	1,240	833	407
Other Objects	7,383	5,043	12,426	11,994	432
Transfers to Cover Deficit (Agency Funds)		-			-
Total School-Spon. Cccurricular Actvts. - Inst.	61,265	5,893	67,158	66,284	874
Other Instructional Programs - Instruction					
Salaries	62,515	-	62,515	62,515	-
Purchased Services (300-500 series)		-			-
Supplies and Materials		-			-
Other Objects	5,650	-	5,650	4,075	1,575
Transfers to Cover Deficit (Agency Funds)		-			-
Total Other Instructional Programs - Instruction	68,165	-	68,165	66,590	1,575
Total Instruction	4,581,407	3,443	4,584,850	4,491,199	93,651

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expenditures - Instruction:					
Tuition to CSSD & Regional Day Schools	-	-	-	-	-
Tuition to Private Schools for the Disabled - Within State	48,000	(708)	47,292	47,292	-
Tuition to Private Schools for the Disabled & Oth LEAs-Spl - o/s NJ	415,872	(30,197)	385,675	385,570	105
Tuition -County Voc School Dist.-Regular	-	-	-	-	-
Tuition -County Voc School Dist.-Special	-	-	-	-	-
Tuition - State Facilities	-	-	-	-	-
Tuition - Other	-	-	-	-	-
Tuition - Other LEAs Within State-Regular	-	-	-	-	-
Tuition - Other LEAs Within State-Special	-	-	-	-	-
Total Undistributed Expenditures - Instruction:	463,872	(30,905)	432,967	432,862	105
Undistributed Expend. - Attendance & Social Work					
Salaries	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Undistributed Expend. - Attendance & Social Work	-	-	-	-	-
Undist. Expend. - Health Services					
Salaries	73,410	1,845	75,255	74,955	300
Purchased Professional and Technical Services	6,250	1,644	7,894	7,400	494
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	3,713	(244)	3,469	3,419	50
Other Objects	1,275	-	1,275	129	1,146
Total Undistributed Expenditures - Health Services	84,648	3,245	87,893	85,903	1,990
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries of Other Professional Staff	60,165	(5,165)	55,000	55,000	-
Purchased Professional - Educational Services	115,000	80,784	195,784	194,489	1,295
Supplies and Materials	394	100	494	412	82
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	175,559	75,719	251,278	249,901	1,377
Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.					
Salaries	150,000	33,681	183,681	183,681	-
Purchased Professional - Educational Services	156,220	(93,332)	62,888	60,459	2,429
Supplies and Materials	-	-	-	-	-
Total Undist. Expend. - Other Supp. Serv. Students - Extra. Serv.	306,220	(59,651)	246,569	244,140	2,429
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	58,210	-	58,210	58,210	-
Salaries of Secretarial and Clerical Assistants	34,370	3,523	37,893	37,893	-
Other Salaries	-	-	-	-	-
Purchased Professional - Educational Services	262	-	262	-	262
Other Purchased Prof. and Tech. Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	1,120	-	1,120	501	619
Other Objects	-	-	-	-	-
Total Undist. Expend. - Guidance	93,962	3,523	97,485	96,604	881
Undist. Expend. - Child Study Teams					
Salaries of Other Professional Staff	392,009	4,743	396,752	394,358	2,394
Salaries of Secretarial and Clerical Assistants	38,972	(500)	38,472	37,972	500
Purchased Professional Educational Services	30,000	5,390	35,390	30,451	4,939
Other Purchased Prof and Tech Services	750	-	750	373	377
Misc. Purch Serv (400 - 500 series of/than resid costs)	-	-	-	-	-
Supplies and Materials	4,310	839	5,149	4,071	1,078
Other Objects	1,200	-	1,200	1,045	155
Total Undist. Expend. - Child Study Teams	467,241	10,472	477,713	468,270	9,288
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisor of Instruction	-	-	-	-	-
Salaries of Other Professional Staff	42,972	10,800	53,772	39,802	13,970
Salaries of Secr and Clerical Assist.	-	-	-	-	-
Other Salaries	-	-	-	-	-
Purchased Prof- Educational Services	40,000	-	40,000	38,000	2,000
Other Purch Prof. and Tech. Services	-	-	-	-	-
Other Purch Services (400-500)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	-	-	-	-
Total Undist. Expend. - Improvement of Inst. Serv.	82,972	10,800	93,772	77,802	15,970

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	77,830	-	77,830	77,806	24
Other Purchased Prof. and Tech. Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	12,997	600	13,597	11,656	1,941
Other Objects	-	-	-	-	-
Total Undist. Expend. - Edu. Media Serv./Sch. Library	90,827	600	91,427	89,462	1,965
Undist. Expend. - Instructional Staff Training Serv.					
Salaries of Supervisors of Instruction	82,000	-	82,000	82,000	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assist	-	-	-	-	-
Other Salaries	-	-	-	-	-
Purchased Professional - Educational Serv	-	15,000	15,000	14,267	733
Other Purchased Prof. and Tech. Services	20,180	(9,575)	10,605	8,766	1,839
Other Purchased Services (400-500 series)	-	-	-	-	-
Supplies and Materials	-	-	-	-	-
Other Objects	-	75	75	75	-
Total Undist. Expend. - Instructional Staff Training Serv.	102,180	5,500	107,680	105,108	2,572
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	52,770	-	52,770	52,747	23
Legal Services	61,000	(4,961)	56,039	40,762	15,277
Audit Fees	16,500	(1,500)	15,000	15,000	-
Architectural/Engineering Services	-	-	-	-	-
Other Purchased Professional Services	66,534	15,697	82,231	79,798	2,433
Communications/Telephone	35,160	(3)	35,157	32,116	3,041
BOE Other Purchased Services	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	-	-
Other Purchased Prof. and Tech. Services	-	-	-	-	-
Rental	-	-	-	-	-
Travel	2,100	43	2,143	1,391	752
Supplies and Materials	-	-	-	-	-
General Supplies	2,850	-	2,850	1,845	1,005
BOE In house Training/Meeting Supplies	3,000	199	3,199	1,840	1,359
BOE Membership Dues and Fees	7,750	418	8,168	8,168	-
Judgements Against The School District	-	-	-	-	-
Miscellaneous Expenditures	1,300	(388)	912	642	270
Total Undist. Expend. - Supp. Serv. - General Admin.	248,964	9,505	258,469	234,309	24,160
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	241,000	-	241,000	241,000	-
Salaries of Other Professional Staff	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	137,975	(30)	137,945	135,769	2,176
Other Salaries	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Other Purchased Services (400-500 series)	12,660	(1,900)	10,760	6,704	4,056
Supplies and Materials	11,285	(518)	10,767	5,834	4,933
Rental	-	-	-	-	-
Other Objects	1,359	820	2,179	2,179	-
Total Undist. Expend. - Support Serv. - School Admin.	404,279	(1,628)	402,651	391,486	11,165
Undist. Expend. - Central Services					
Salaries	109,591	(6,814)	102,777	94,084	8,693
Purchased Professional and Technical Services	91,850	(3,840)	88,010	80,155	7,855
Other Purchased Services (400-500 series)	2,150	(120)	2,030	1,597	433
Sale/Lease Back Payments	3,850	-	3,850	3,502	348
Supplies and Materials	1,500	2,351	3,851	3,612	239
Interest on Current Loans	-	-	-	-	-
Miscellaneous Expenditures	500	225	725	725	-
Total Undist. Expend. - Central Services	209,441	(8,198)	201,243	183,675	17,568
Undist. Expend. - Admin. Info. Tech.					
Salaries	80,909	431	81,340	81,340	-
Purchased Technical Services	5,344	(881)	4,463	2,095	2,368
Supplies and Materials	-	-	-	-	-
Other Objects	-	450	450	450	-
Total Undist. Expend. - Admin. Info. Tech.	86,253	-	86,253	83,885	2,368
Undist. Expend. - Required Maint.- School Facilities					
Salaries	-	-	-	-	-
Salaries of Secretarial and Clerical Assistants	-	-	-	-	-
Other Salaries	-	-	-	-	-
Purchased Professional and Technical Services	-	-	-	-	-
Cleaning, Repair and Maintenance Services	39,500	133,204	172,704	164,664	8,040
Other Purchased Property Services	-	-	-	-	-
Insurance	-	-	-	-	-
Miscellaneous Purchased Services-Rental	-	-	-	-	-
General Supplies	11,000	(6,463)	4,537	2,465	2,072
Energy (Energy and Electricity)	-	-	-	-	-
Other Objects	5,500	1,913	7,413	3,413	4,000
Total Undist. Expend. - Required Maint.- School Facilities	56,000	128,654	184,654	170,542	14,112

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Oth. Oper. & Maint. of Plant					
Salaries	85,694	1,700	87,394	80,511	6,883
Salaries of Secretarial and Clerical Assistants		-			-
Other Salaries	7,786	22,059	29,845	29,845	-
Purchased Professional and Technical Services	13,920	6,492	20,412	18,362	2,050
Cleaning, Repair and Maintenance Services	253,200	4,680	257,880	249,371	8,509
Other Purchased Property Services	76,136	585	76,721	72,296	4,425
Insurance	85,200	1,415	86,615	86,615	-
Miscellaneous Purchased Services-Rental		-			-
General Supplies	33,250	(6,918)	26,332	14,049	12,283
Energy-Natural Gas	67,000	5,000	72,000	68,281	3,719
Energy-Electricity	144,000	26,355	170,355	127,322	43,033
Energy-Gasoline		-			-
Other Objects	500	-	500	394	106
Total Undist. Expend. - Other Oper. & Maint. Of Plant	766,686	61,368	828,054	747,046	81,008
Undist. Expend. - Care & Upkeep of Grounds					
Salaries	-	22,060	22,060	22,060	-
Purchased Professional and Technical Services	25,800	(6,515)	19,285	3,442	15,843
Cleaning, Repair and Maintenance Services	14,500	-	14,500	3,018	11,482
General Supplies	14,000	(4,290)	9,710	3,637	6,073
Total Undist. Expend. - Care & Upkeep of Grounds	54,300	11,255	65,555	32,157	33,398
Undist. Expend. - Security					
Salaries	52,000	3,830	55,830	54,068	1,762
Purchased Professional and Technical Services	2,000	5,170	7,170	1,116	6,054
General Supplies	550	-	550	18	532
Total Undist. Expend. - Security	54,550	9,000	63,550	55,202	8,348
Undist. Expend. - Student Transportation Serv.					
Management Fees - ESC & CTSA Transportation Programs		-			-
Other Purchased Professional & Technical Services	-	22,900	22,900	22,900	-
Cleaning, Repair and Maintenance Services	-	36,675	36,675	34,199	2,476
Salaries for pupil trans - (Between Home and School) - Reg	5,190	83,929	89,119	89,118	1
Salaries for pupil trans - (Between Home and School) - Sp Ed		-			-
Salaries for pupil trans - (Other than Bet. Home and School)	-	10,849	10,849	7,420	3,429
Lease Purchase Payments - School Buses	44,828	-	44,828	44,828	-
Contract Services - (Other than Bet. Home and School) - Vendors	420,000	(271,405)	148,595	39,166	109,429
Contract Services - (Between Home and School) - Vendors		-			-
Contract Services - (Between Home and School) - Joint		-			-
Contract Services - (Special Ed Stds) - Vendors		-			-
Contract Services - (Special Ed Stds) - Joint		-			-
Contract Services - (Reg Ed Stds) - ESCs & CTSA	-	119,623	119,623	119,621	2
Contract Services - (Special Ed Stds) - ESCs & CTSA	-	65,115	65,115	65,115	-
Contract Services - Aid in Lieu Of Pymts-NonPub Sch	-	30,498	30,498	26,962	3,536
Miscellaneous Purchased Services-Transportation	5,000	(5,000)	-	-	-
Supplies and Materials	-	18,728	18,728	18,727	1
Transportation Supplies		-			-
Other Objects		-			-
Total Undist. Expend. - Student Transportation Serv.	475,018	111,912	586,930	468,056	118,874
Undist. Expend. - Business and Other Support Serv.					
Salaries		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Interest on Current Loans		-			-
Total Undist. Expend. - Business and Other Support Serv.	-	-	-	-	-
Undist. Expend. - Food Services					
Transfers to Cover Deficit (Enterprise Fund)		-			-
Total Undist. Expend. - Food Services	-	-	-	-	-
UNALLOCATED BENEFITS					
Group Insurance		-			-
Social Security Contributions	92,000	19,100	111,100	108,369	2,731
T.P.A.F. Contributions - ERIP		-			-
Other Retirement Contributions - PERS	80,000	6,155	86,155	85,263	892
Other Retirement Contributions - Deferred PERS		-			-
Other Retirement Contributions - Regular	8,000	750	8,750	7,965	785
Unemployment Compensation	10,000	-	10,000	5,465	4,535
Workmen's Compensation	81,620	(20,615)	61,005	51,287	9,718
Health Benefits	1,390,000	67,204	1,457,204	1,433,151	24,053
Tuition Reimbursement	26,000	8,491	34,491	28,522	5,969
Other Employee Benefits	17,000	(1,000)	16,000	4,000	12,000
TOTAL UNALLOCATED BENEFITS	1,704,620	80,085	1,784,705	1,724,022	60,683
On-Behalf TPAF Pension Contributions (non-budgeted)		-		883,040	(883,040)
Reimbursed TPAF Social Security Contributions (non-budgeted)		-		334,808	(334,808)
TOTAL ON-BEHALF CONTRIBUTIONS	-	-	-	1,217,848	(1,217,848)
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	1,704,620	80,085	1,784,705	2,941,870	(1,157,165)
TOTAL UNDISTRIBUTED EXPENDITURES	5,927,592	421,256	6,348,848	7,158,280	(809,587)
TOTAL GENERAL CURRENT EXPENSE	10,508,999	424,699	10,933,698	11,649,479	(715,781)

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
CAPITAL OUTLAY					
Equipment					
Regular Programs - Instruction:					
Instruction		-			-
Grades 1-5		-			-
Grades 6-8		-			-
Grades 9-12		-			-
Home Instruction		-			-
Special Education - Instruction:					
Cognitive - Mild		-			-
Cognitive - Moderate		-			-
Learning and/or Language Disabilities		-			-
Visual Impairments		-			-
Auditory Impairments		-			-
Behavioral Disabilities		-			-
Multiple Disabilities		-			-
Resource Room/Resource Center		-			-
Autism		-			-
Preschool Disabilities - Part-Time		-			-
Preschool Disabilities - Full-Time		-			-
Cognitive - Severe		-			-
Basic Skills/Remedial - Instruction		-			-
Bilingual Education - Instruction		-			-
Vocational Programs - Local - Instruction		-			-
School-Sponsored and Other Instructional Program		-			-
Undistributed Expenditures - Instruction		-			-
Undist.Expend.-Support Serv.-Students - Reg.		-			-
Undist.Expend.-Support Serv.-Related & Extra		-			-
Undist.Expend.-Non-Instructional Services		10,000	10,000	-	10,000
Undistributed Expenditures - General Admin.		-			-
Undistributed Expenditures - School Admin.		-			-
Undistributed Expenditures - Central Services		-			-
Undistributed Expenditures - Operation of Plant Services		-			-
Undistributed Expenditures - Admin Info Tech	12,000	(6,020)	5,980		5,980
Undistributed Expenditures - Required Maintenance for School Fac.	20,000	6,020	26,020	25,910	
Schools Buses - Regular		-			-
Special Schools (All Programs)		-			-
Total Equipment	<u>32,000</u>	<u>10,000</u>	<u>42,000</u>	<u>25,910</u>	<u>16,090</u>
Facilities Acquisition and Construction Services					
Construction Services		-			-
Architectural/Engineering Services		-			-
Other Purchased Prof. Service	20,527	-	20,527	20,527	
Assessment for Debt Service on SDA Funding		-			-
Lease Purchase Agreements		-			-
Total Facilities Acquisition and Construction Services	<u>20,527</u>	<u>-</u>	<u>20,527</u>	<u>20,527</u>	<u>-</u>
Assets Acquired Under Capital Leases (non-budgeted)					
Undistributed Expenditures:					
Capital Leases		-		191,436	(191,436)
Assets Acquired Under Capital Leases (non-budgeted)	<u>-</u>	<u>-</u>	<u>-</u>	<u>191,436</u>	<u>(191,436)</u>
TOTAL CAPITAL OUTLAY	<u>52,527</u>	<u>10,000</u>	<u>62,527</u>	<u>237,873</u>	<u>(175,346)</u>
SPECIAL SCHOOLS					
Summer School - Instruction					
Salaries of Teachers	18,848	1,231	20,079	20,079	
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Summer School - Instruction	<u>18,848</u>	<u>1,231</u>	<u>20,079</u>	<u>20,079</u>	<u>-</u>
Summer School - Support Services					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects		-			-
Total Summer School - Support Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Summer School	<u>18,848</u>	<u>1,231</u>	<u>20,079</u>	<u>20,079</u>	<u>-</u>
Other Special Schools - Instruction					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Other Special Schools - Instruction	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Other Special Schools - Support Services					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects		-			-
Total Other Special Schools - Support Services		-			-
Total Other Special Schools		-			-
Accred. Even./Adult H.S./Post-Grad.-Inst.					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Accred. Even./Adult H.S./Post-Grad.-Inst.		-			-
Accred. Even./Adult H.S./Post-Grad.-Supp. Service					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects		-			-
Total Accred. Even./Adult H.S./Post-Grad.-Supp. Service		-			-
Total Accred. Even./Adult H.S./Post-Grad.		-			-
Adult Education-Local-Instruction					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Adult Education-Local-Instruction		-			-
Adult Education-Local -Support Serv.					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects		-			-
Total Adult Education-Local -Support Serv.		-			-
Total Adult Education-Local		-			-
Vocational Evening-Local-Instruction					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Vocational Evening-Local-Instruction		-			-
Vocational Evening-Local-Support Serv.					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects		-			-
Total Vocational Evening-Local-Support Serv.		-			-
Total Vocational Evening-Local		-			-

West Long Branch Board of Education
 Budgetary Comparison Schedule
 General Fund
 Fiscal Year Ended June 30, 2017

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Even.-Sch.-Foreign-Born-Local-Inst.					
Salaries of Teachers		-			-
Other Salaries for Instruction		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
General Supplies		-			-
Textbooks		-			-
Other Objects		-			-
Total Even.-Sch.-Foreign-Born-Local-Inst.	-	-	-	-	-
Even.-Sch.-Foreign-Born-Local-Sup. Serv.					
Salaries		-			-
Personal Services - Employee Benefits		-			-
Purchased Professional and Technical Services		-			-
Other Purchased Services (400-500 series)		-			-
Supplies and Materials		-			-
Other Objects (rounding)		-			-
Total Even.-Sch.-Foreign-Born-Local-Sup. Serv.	-	-	-	-	-
Total Even.-Sch.-Foreign-Born-Local	-	-	-	-	-
TOTAL SPECIAL SCHOOLS	18,848	1,231	20,079	20,079	-
Transfer of Funds to Charter Schools		-			-
TOTAL EXPENDITURES	10,580,374	435,930	11,016,304	11,907,431	(891,127)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(575,199)	(435,930)	(1,011,129)	(524,346)	486,783
Other Financing Sources(Uses):					
Capital Leases (non-budgeted)		-		191,436	(191,436)
Capital Outlay Expenditures incurred by Capital Projects Fund (non-budgeted)		-		(108,827)	108,827
Transfer to Special Revenue		-			-
		-			-
Total Other Financing Sources:	-	-	-	82,609	(82,609)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(575,199)	(435,930)	(1,011,129)	(441,737)	404,174
Fund Balance, July 1		2,182,872	2,182,872	2,182,872	-
Fund Balance, June 30	<u>\$ (575,199)</u>	<u>\$ 1,746,942</u>	<u>\$ 1,171,743</u>	<u>\$ 1,741,135</u>	<u>\$ 404,174</u>
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Reserve for Capital Reserve				\$ 303,232	
Maintenance Reserve				71,251	
Emergency Reserve				101,054	
Tuition Reserve					
Reserved Excess Surplus - Designated for Subsequent Year's Expenditures				400,146	
Reserve for Excess Surplus				350,467	
Committed Fund Balance:					
Reserve for encumbrances				196,244	
Assigned Fund Balance:					
Unreserved - Designated for Subsequent Year's Expenditures					
Unrestricted Fund Balance				318,741	
				1,741,135	
Reconciliation to Governmental Funds Statements (GAAP):					
Last State Aid Payment not recognized on GAAP basis				(25,339)	
Fund Balance per Governmental Funds (GAAP)				<u>\$ 1,715,796</u>	

**West Long Branch Board of Education
Budgetary Comparison Schedule
Special Revenue Fund
For the Fiscal Year Ended June 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	\$ 14,347	985	\$ 15,332	\$ 16,532	\$ 1,200
State Sources	303,148	(49,651)	253,497	227,990	(25,507)
Federal Sources	257,938	22,467	280,405	270,131	(10,274)
Total Revenues	575,433	(26,199)	549,234	514,653	(34,581)
EXPENDITURES:					
Instruction					
Salaries of Teachers	257,938	(221,519)	36,419	36,419	-
Other Salaries for Instruction		-			-
Other Salaries		-			-
Purchased Professional - Educational Services	303,148	(257,140)	46,008		46,008
Purchased Professional and Technical Services		-		32,881	(32,881)
Supplies and Materials		-			-
Other Purchased Services (400-500 series)		168,248	168,248	168,248	-
General Supplies	14,347	38,663	53,010	31,772	21,238
Textbooks		18,272	18,272	17,292	980
Tuition		25,000	25,000	25,000	-
Other Objects		-			-
Total Instruction	575,433	(228,476)	346,957	311,612	35,345
Support Services					
Salaries of Other Professional Staff		-			-
Salaries of Secretaries & Clerical Assistants		-			-
Other Salaries		-			-
Personal Services - Employee Benefits		2,678	2,678	2,678	-
Purchased Professional Services		164,458	164,458	164,593	(135)
Other Purchased Professional Services		-			-
Purchased Technical Services		-			-
Rentals		-			-
Contracted Services Transportation		-			-
Tuition		-			-
Travel		-			-
Other Purchased Services (400-500 series)		13,830	13,830	11,088	2,742
Supplies & Materials		21,311	21,311	24,682	(3,371)
Other Objects		-			-
Total Support Services	-	202,277	202,277	203,041	(764)

**West Long Branch Board of Education
 Budgetary Comparison Schedule
 Special Revenue Fund
 For the Fiscal Year Ended June 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
EXPENDITURES (CONT'D.)					
Facilities Acquisition and Construction Services:					
Buildings		-			-
Instructional Equipment		-			-
Noninstructional Equipment		-			-
Total Facilities Acquisition and Construction Services	-	-	-	-	-
Transfer to Charter School					-
Total Expenditures	575,433	(26,199)	549,234	514,653	34,581
Other Financing Sources (Uses)					
Transfer in from General Fund		-			-
Transfer Out to Whole School Reform (General Fund)		-			-
Total Other Financing Sources (Uses)	-	-	-	-	-
Total Outflows	575,433	(26,199)	549,234	514,653	34,581
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -

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

**West Long Branch Board of Education
Required Supplementary Information
Budgetary Comparison Schedule
Note to RSI
For the Fiscal Year Ended June 30, 2017**

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

		General Fund		Special Revenue Fund
Sources/inflows of resources				
Actual amounts (budgetary basis) "revenue"				
from the budgetary comparison schedule	[C-1]	\$ 11,383,085	[C-2]	\$ 514,653
Difference - budget to GAAP:				
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized				(1,461)
State aid payment recognized for budgetary purposes, not recognized for GAAP statements		(25,339)		
Prior year state aid payment recognized for GAAP purposes in current year		1,117		
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	 [B-2]	 \$ 11,358,863	 [B-2]	 \$ 513,192
 Uses/outflows of resources				
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]	11,907,431	[C-2]	514,653
Differences - budget to GAAP				
The district budgets for claims and compensated absences only to the extent expected to be paid, rather than on the modified accrual basis.				
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for <i>budgetary</i> purposes, but in the year the supplies are received for <i>financial reporting</i> purposes.				(1,461)
Transfers to and from other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.				
Net transfers (outflows) to general fund				-
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	 [B-2]	 \$ 11,907,431	 [B-2]	 \$ 513,192

*REQUIRED SUPPLEMENTARY INFORMATION
PART III*

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

West Long Branch Board of Education
Schedules of Required Supplementary Information
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
PERS
Last Five Fiscal Years*

	2013	2014	2015	2016
District's proportion of the net pension liability	100.00%	100.00%	100.00%	0.0095%
District's proportionate share of the net pension liability	\$ 1,983,718	\$2,275,883	\$ 2,235,787	\$ 2,802,838
District's covered employee payroll	\$ 781,995	\$ 755,528	\$ 685,634	\$ 528,172
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	253.67%	301.23%	326.09%	530.67%
Plan fiduciary net position as a percentage of the total pension liability	40.71%	42.74%	38.21%	40.14%

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

West Long Branch Board of Education
Schedules of Required Supplementary Information
SCHEDULE OF DISTRICT CONTRIBUTIONS
PERS
Last Five Fiscal Years*

	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Contractually required contribution	\$ 98,278	80,446	100,210	84,073
Contributions in relation to the contractually required contribution	\$ (98,278)	(80,446)	(100,210)	(84,073)
Contribution deficiency (excess)	<u>\$ 0</u>	<u>0</u>	<u>0</u>	<u>0</u>
District's covered employee payroll	\$ 781,995	755,528	685,634	528,172
Contributions as a percentage of its covered-employee payroll	12.57%	10.65%	14.62%	15.92%

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

West Long Branch Board of Education
Schedules of Required Supplementary Information
**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY**
TPAF
Last Five Fiscal Years*

	2014	2015	2016	2017
District's proportion of the net pension liability	0.00%	0.00%	0.00%	0.042%
State's proportionate share of the net pension liability attributable to the District	\$ 20,794,392	\$ 20,326,536	\$ 25,961,214	\$ 33,328,391
District's covered employee payroll	\$ 3,922,160	\$ 4,226,385	\$ 4,257,834	\$ 4,538,192
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	530.18%	480.94%	609.73%	734.40%
Plan fiduciary net position as a percentage of the total pension liability	33.76%	33.64%	28.71%	22.33%

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

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

WEST LONG BRANCH BOARD OF EDUCATION
Notes to Required Supplementary Information - Part III
For the Year Ended June 30, 2017

A. PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were no changes.

Changes of Assumptions

The discount rate changed from 4.9% as of June 30, 2015 to 3.98% as of June 30, 2016. The inflation rate changed from 3.04% as of June 30, 2015 to 3.08% as of June 30, 2015.

B. TEACHERS PENSION AND ANNUITY FUND (TPAF)

Benefit Changes

There were no changes.

Changes of Assumptions

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

OTHER SUPPLEMENTARY INFORMATION

SCHOOL BASED BUDGET SCHEDULES

NOT APPLICABLE

***SPECIAL REVENUE FUND
DETAIL STATEMENTS***

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

West Long Branch Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2017

	Total Brought Forward (Ex. E-1a)	Foundation Grants	Safety Grant	Title I Part A	Title II Part A	I.D.E.A. - Part B			NJ Non-Public Auxillary Services Chapter English as a Second Language			Total
						Basic	Basic Carryover (2015-2016)	PreSchool	Compensatory Education	Transportation		
REVENUES												
State Sources	\$ 162,027			69,450	11,088	174,724	2,872	11,997	\$ 50,165	\$ 3,198	\$ 12,600	\$ 227,990
Federal Sources	-											270,131
Local Sources	-	14,771	1,761									16,532
Total Revenues	162,027	14,771	1,761	69,450	11,088	174,724	2,872	11,997	50,165	3,198	12,600	514,653
EXPENDITURES:												
Instruction:												
Salaries of Teachers	1,419			35,000								36,419
Other Salaries for Instruction	-											-
Purchased Professional - Educational Services	-											-
Purchased Professional and Technical Services	32,881											32,881
Other Purchased Services (400-500 series)	102,285								50,165	3,198	12,600	168,248
General Supplies	-			31,772								31,772
Tuition	-					25,000						25,000
Textbooks	17,292											17,292
Total instruction	153,877	-	-	66,772	-	25,000	-	-	50,165	3,198	12,600	311,612
Support services:												
Salaries of Other Professional Staff	-											-
Salaries -Support Staff	-											-
Other Salaries	-											-
Personal Services - Employee Benefits	-			2,678								2,678
Tuition	-											-
Purchased Professional Services	-					149,724	2,872	11,997				164,593
Other Purchased Professional Services	-											-
Purchased Technical Services	-											-
Rentals	-											-
Travel	-											-
Other Purchased Services (400-500 series)	-				11,088							11,088
Supplies & Materials	8,150	14,771	1,761									24,682
Total support services	8,150	14,771	1,761	2,678	11,088	149,724	2,872	11,997	-	-	-	203,041

West Long Branch Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2017

	Total Brought Forward (Ex. E-1a)	Foundation Grants	Safety Grant	Title I Part A	Title II Part A	I.D.E.A. - Part B			NJ Non-Public Auxillary Services Chapter			Total
						Basic	Basic Carryover (2015-2016)	PreSchool	Compensatory Education	English as a Second Language	Transportation	
EXPENDITURES (CONT'D):												
Facilities acquisition and const. serv.:												
Buildings	-											-
Instructional Equipment	-											-
Noninstructional Equipment	-											-
Total facilities acquisition and const. serv.	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to Charter Schools	-											-
Total Expenditures	162,027	14,771	1,761	69,450	11,088	174,724	2,872	11,997	50,165	3,198	12,600	514,653
Other Financing Sources (Uses)												
Transfer In from General Fund	-											
Contribution to Whole School Reform	-											
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-	-
Total Outflows	162,027	14,771	1,761	69,450	11,088	174,724	2,872	11,997	50,165	3,198	12,600	514,653
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

West Long Branch Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2017

	Annual Examination & Classification	Initial Examination & Classification	NJ Non-Public Handicapped Services Chapter			Non-Public Technology	Non-Public Textbooks	Non-Public Security Aid	Home Instruction	Total Carried Forward
			Corrective Speech	Supplementary Education	Non-Public Nursing Services					
REVENUES										
State Sources	\$ 12,996	\$ 23,938	\$ 30,039	\$ 35,312	\$ 26,730	\$ 6,151	\$ 17,292	\$ 8,150	\$ 1,419	\$ 162,027
Federal Sources										-
Local Sources										-
Total Revenues	12,996	23,938	30,039	35,312	26,730	6,151	17,292	8,150	1,419	162,027
EXPENDITURES:										
Instruction:										
Salaries of Teachers									1,419	1,419
Other Salaries for Instruction										-
Purchased Professional - Educational Services					26,730	6,151	-			32,881
Purchased Professional and Technical Services										102,285
Other Purchased Services (400-500 series)	12,996	23,938	30,039	35,312						-
General Supplies										-
Tuition										-
Textbooks							17,292			17,292
Total instruction	12,996	23,938	30,039	35,312	26,730	6,151	17,292	-	1,419	153,877
Support services:										
Salaries of Other Professional Staff										-
Salaries -Support Staff										-
Other Salaries										-
Personal Services - Employee Benefits										-
Tuition										-
Purchased Professional Services										-
Other Purchased Professional Services										-
Purchased Technical Services										-
Rentals										-
Travel										-
Other Purchased Services (400-500 series)										-
Supplies & Materials								8,150		8,150
Total support services	-	-	-	-	-	-	-	8,150	-	8,150

West Long Branch Board of Education
 Special Revenue Fund
 Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
 For the Fiscal Year Ended June 30, 2017

	Annual	Initial	NJ Non-Public Handicapped Services Chapter				Non-Public Technology	Non-Public Textbooks	Non-Public Security Aid	Home Instruction	Total Carried Forward
	Examination & Classification	Examination & Classification	Corrective Speech	Supplementary Education	Non-Public Nursing Services						
EXPENDITURES (CONT'D):											
Facilities acquisition and const. serv.:											
Buildings											-
Instructional Equipment											-
Noninstructional Equipment											-
Total facilities acquisition and const. serv.	-	-	-	-	-	-	-	-	-	-	-
Transfer to Charter Schools											-
Total Expenditures	12,996	23,938	30,039	35,312	26,730	6,151	17,292	8,150	1,419	162,027	
Other Financing Sources (Uses)											
Transfer In from General Fund											-
Contribution to Whole School Reform											-
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	-	-	-	-
Total Outflows	12,996	23,938	30,039	35,312	26,730	6,151	17,292	8,150	1,419	162,027	
Excess (Deficiency) of Revenues Over (Under)											
Expenditures and Other Financing Sources (Uses)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

***CAPITAL PROJECTS FUND
DETAIL STATEMENTS***

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

Exhibit F-2

**West Long Branch Board of Education
Capital Projects Fund
Summary Schedule of Revenues, Expenditures, and
Changes in Fund Balance - Budgetary Basis
For the Year Ended June 30, 2017**

Revenues and Other Financing Sources:

Transfers from Capital Reserve	
Interest Income	-
Transfers from General Fund	-
Total Revenues	<u>-</u>

Expenditures and Other Financing Uses:

Purchased Professional and Technical Services	295,823
Land and Improvements	
Construction services	5,325,106
Bond Issuance Costs	
Equipment Purchases	
Total Expenditures	<u>5,620,929</u>
Excess (Deficiency) of revenues over (under) expenditures	(5,620,929)
Fund Balance - Beginning	<u>8,257,462</u>
Fund Balance - Ending	<u>\$ 2,636,533</u>

West Long Branch Board of Education
Schedule of Project Revenues, Expenditures, Project Balance, and Project Status - Budgetary Basis
Summer Project - Security Entrance
From Inception and for the Year Ended June 30, 2017

	<u>Prior Periods</u>	<u>Current Period</u>	<u>Totals</u>	<u>Revised</u> <u>Authorized</u> <u>Cost</u>
Revenues and Other Financing Sources:				
Bond Proceeds and Transfers	\$ 8,999,900	-	8,999,900	8,999,900
Total Revenues	<u>8,999,900</u>	<u>-</u>	<u>8,999,900</u>	<u>8,999,900</u>
Expenditures and Other Financing Uses:				
Purchased Professional and Technical Services	676,319	295,823	972,142	1,080,025
Other Purchased Professional and Technical Services	2,562	-	2,562	4,100
Construction Services	63,557	5,325,106	5,388,663	7,915,775
Total Expenditures	<u>742,438</u>	<u>5,620,929</u>	<u>6,363,367</u>	<u>8,999,900</u>
Excess (Deficiency) of revenues over (under) expenses	<u>\$ 8,257,462</u>	<u>\$ (5,620,929)</u>	<u>\$ 2,636,533</u>	<u>\$ -</u>
Additional Project Information:				
Project Number	5640-050-15-1000/5640-080-15-1000			
Grant Date	N/A			
Bond Authorization Date	7/15/2015			
Bonds Authorized	\$8,999,900			
Bonds Issued	\$8,999,900			
Original Project Authorized Cost	\$8,999,900			
Additional Authorized Cost	\$8,999,900			
Revised Authorized Cost	\$8,999,900			
Percentage Increase Over				
Original Authorized Cost	0%			
Percentage Completion	95.00%			
Original Target Completion Date	9/30/2016			
Revised Target Completion Date	6/30/2017			

***PROPRIETARY FUNDS
DETAIL STATEMENTS***

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

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

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

***FIDUCIARY FUNDS
DETAIL STATEMENTS***

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

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

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

**WEST LONG BRANCH BOARD OF EDUCATION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Agency			Trust		Total Trust	Totals
	Student Activities	Payroll	Total Agency	Unemployment Compensation	Scholarship Fund		
ASSETS:							
Cash and Cash Equivalents	\$ 19,057	\$ 11,623	\$ 30,680	\$ 972	\$ 10,042	\$ 11,014	\$ 41,694
			-				-
Total Assets	\$ 19,057	\$ 11,623	\$ 30,680	\$ 972	\$ 10,042	\$ 11,014	\$ 41,694
LIABILITIES:							
Accounts Payable	\$	\$	\$ -	\$	\$	\$	\$ -
Interfund Payable - General Fund			-				-
Accrued Salaries and Wages			-			-	-
Payroll Deductions and Withholdings		11,623	11,623			-	11,623
Due to Student Groups	19,057		19,057			-	19,057
Total Liabilities	\$ 19,057	\$ 11,623	\$ 30,680	\$ -	\$ -	\$ -	\$ 30,680
NET ASSETS:							
Reserved for Unemployment Claims	\$	\$	\$	\$ 972	\$	\$ 972	\$ 972
Reserved for Scholarships					10,042	10,042	10,042
Total Net Assets	\$ -	\$ -	\$ -	\$ 972	\$ 10,042	\$ 11,014	\$ 11,014

**WEST LONG BRANCH BOARD OF EDUCATION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	Unemployment Compensation Trust	Scholarship Fund	Total
ADDITIONS:			
Contributions:			
Plan Member	\$ 11,372	\$	\$ 11,372
Other	<u> </u>	<u> </u>	<u> </u>
Total Contributions	\$ 11,372	\$ -	\$ 11,372
Investment Earnings:			
Interest & Dividends	\$ 10	\$ 46	\$ 56
Net Investment Earnings	<u>10</u>	<u>46</u>	<u>56</u>
Total Additions	<u>\$ 11,382</u>	<u>\$ 46</u>	<u>\$ 11,428</u>
DEDUCTIONS:			
Quarterly Contribution Reports	\$	\$	\$ -
Unemployment Claims	12,129		12,129
Scholarships Awarded		500	500
Miscellaneous	<u> </u>	<u> </u>	<u> </u>
Total Deductions	<u>\$ 12,129</u>	<u>\$ 500</u>	<u>\$ 12,629</u>
Change in Net Assets	\$ (747)	\$ (454)	\$ (1,201)
Net Assets - Beginning of Fiscal Year	<u>\$ 1,719</u>	<u>\$ 10,496</u>	<u>\$ 12,215</u>
Net Assets - End of Fiscal Year	<u><u>\$ 972</u></u>	<u><u>\$ 10,042</u></u>	<u><u>\$ 11,014</u></u>

Exhibit H-3

**WEST LONG BRANCH BOARD OF EDUCATION
STUDENT ACTIVITY AGENCY FUND
STATEMENT OF ACTIVITY
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

<u>Schools</u>	<u>Balance July 1, 2016</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2017</u>
FAS Student Activity Account	<u>\$ 24,366</u>	<u>\$ 29,477</u>	<u>\$ 34,786</u>	<u>\$ 19,057</u>
Total	<u>\$ 24,366</u>	<u>\$ 29,477</u>	<u>\$ 34,786</u>	<u>\$ 19,057</u>

**WEST LONG BRANCH BOARD OF EDUCATION
PAYROLL AGENCY FUND
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

	<u>Balance July 1, 2016</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2017</u>
ASSETS:				
Cash and cash equivalents	\$ 6,920	\$ 6,778,569	6,773,866	\$ 11,623
Total Assets	<u>\$ 6,920</u>	<u>\$ 6,778,569</u>	<u>6,773,866</u>	<u>\$ 11,623</u>
 LIABILITIES:				
Payroll deductions and withholdings	\$ 6,920	\$ 2,977,986	\$ 2,973,283	\$ 11,623
Summer payment plan				-
Net payroll	-	3,800,583	3,800,583	(0)
Due to General Fund	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities	<u>\$ 6,920</u>	<u>\$ 6,778,569</u>	<u>\$ 6,773,866</u>	<u>\$ 11,623</u>

LONG-TERM DEBT SCHEDULES

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

**WEST LONG BRANCH BOARD OF EDUCATION
GENERAL LONG-TERM DEBT ACCOUNT GROUP
STATEMENT OF SERIAL BONDS AND LOANS
June 30, 2017**

Issue	Date of Issue	Amount of Issue	Annual Maturities of Bonds and Loans Outstanding June 30, 2017		Interest Rate	Balance July 1, 2016	Issued	Retired	Balance June 30, 2017
			Date	Amount					
Additions & Renovations of Betty McElmon Elementary School	11/15/2003	5,538,000	6/30/2018	408,000	3.750%	818,000		410,000	408,000
2015 Issue	7/15/2015	8,999,000	7/15/2017	370,000	2.000%	8,999,000		255,000	8,744,000
			7/15/2018	375,000	2.000%				
			7/15/2019	380,000	2.000%				
			7/15/2020	390,000	2.000%				
			7/15/2021	395,000	2.000%				
			7/15/2022	405,000	2.000%				
			7/15/2023	415,000	2.000%				
			7/15/2024	425,000	2.250%				
			7/15/2025	435,000	2.375%				
			7/15/2026	445,000	3.000%				
			7/15/2027	460,000	3.000%				
			7/15/2028	475,000	3.000%				
			7/15/2029	490,000	3.000%				
			7/15/2030	505,000	3.000%				
			7/15/2031	520,000	3.250%				
			7/15/2032	535,000	3.250%				
			7/15/2033	555,000	3.500%				
			7/15/2034	575,000	3.500%				
			7/15/2035	594,000	3.500%				
						<u>\$9,817,000</u>	<u>\$ -</u>	<u>\$ 665,000</u>	<u>\$ 9,152,000</u>

WEST LONG BRANCH BOARD OF EDUCATION
 COUNTY OF MONMOUTH
 GENERAL LONG-TERM DEBT ACCOUNT GROUP
 STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
 June 30, 2017

Series	Amount of Original Issue	Amount Outstanding July 1, 2016	Issued Current Year	Retired Current Year	Amount Outstanding June 30, 2017
Passenger Buses (2)	\$ 200,819	\$ 86,831		\$ 42,951	\$ 43,880
Savin Digital Copier (MPC5502)	20,229	7,705		3,955	3,750
Savin MP Copier (MP2554SP)	53,910	0	53,910	5,719	48,191
Savin Copier (DD5450)	17,923	0	17,923	1,287	16,636
Textbooks	119,603	0	119,603	0	119,603
Total		<u>94,536</u>	<u>191,436</u>	<u>53,912</u>	<u>232,060</u>

**West Long Branch Board of Education
Budgetary Comparison Schedule
Debt Service Fund
For the Fiscal Year Ended June 30, 2017**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 441,000	\$ 611,793	\$ 1,052,793	\$ 1,052,793	\$ -
State Sources:					
Debt Service Aid Type II		-			-
Debt Service Aid Type I		-			-
Total - State Sources	-	-	-	-	-
Total Revenues	441,000	611,793	1,052,793	1,052,793	-
EXPENDITURES:					
Regular Debt Service:					
Interest	387,793	-	387,793	387,468	(325)
Redemption of Principal	665,000	-	665,000	665,000	-
Total Regular Debt Service	1,052,793	-	1,052,793	1,052,468	(325)
Total expenditures	1,052,793	-	1,052,793	1,052,468	(325)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(611,793)	611,793	-	325	325
Other Financing Sources:					
Transfers from General Fund	611,793			-	-
Interest Income		-		24,958	
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	-	611,793	-	25,283	325
Fund Balance, July 1	27,512	-	27,512	27,512	-
Fund Balance, June 30	<u>\$ 27,512</u>	<u>\$ 611,793</u>	<u>\$ 27,512</u>	<u>\$ 52,795</u>	<u>\$ 325</u>
Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures					
Budgeted Fund Balance	<u>\$ 27,512</u>		<u>\$ 27,512</u>	<u>\$ 52,795</u>	<u>\$ 25,283</u>

STATISTICAL SECTION

INTRODUCTION TO THE STATISTICAL SECTION

**West Long Branch Board of Education
Introduction to the Statistical Section**

<u>Contents</u>	<u>Page</u>
Financial Trends These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	90-96
Revenue Capacity These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	97-100
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.	101-104
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.	105-106
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.	107-111

FINANCIAL TRENDS

WEST LONG BRANCH BOARD OF EDUCATION
Net Assets by Component,
Last ten fiscal years
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Governmental activities										
Invested in capital assets, net of related debt	\$ 4,772,195	\$ 5,308,580	\$ 6,463,455	\$ 6,548,006	\$ 7,116,976	\$ 7,547,084	\$ 9,357,256	\$ 9,965,608	\$ 502,590	\$ 6,092,611
Restricted (Deficit)	1,060,817	1,340,990	1,711,843	2,422,915	2,485,916	2,478,352	2,011,636	1,976,581	10,162,326	1,226,150
Unrestricted (Deficit)	140,114	10,381	71,003	139,316	156,908	106,166	353,021	(2,237,588)	(2,127,956)	576,943
Total governmental activities net assets	\$ 5,973,126	\$ 6,659,951	\$ 8,246,301	\$ 9,110,237	\$ 9,759,800	\$ 10,131,602	\$ 11,721,913	\$ 9,704,601	\$ 8,536,960	\$ 7,895,704
Business-type activities										
Invested in capital assets, net of related debt	\$ 3,996	\$ 2,765	\$ 1,600	\$ 25,917	\$ 21,728	\$ 17,937	\$ 8,644	\$ 9,226	\$ 6,906	\$ 4,586
Restricted										
Unrestricted	4,427	16,757	48,486	34,516	30,392	41,502	44,237	55,894	48,945	39,323
Total business-type activities net assets	\$ 8,423	\$ 19,522	\$ 50,086	\$ 60,433	\$ 52,120	\$ 59,439	\$ 52,881	\$ 65,120	\$ 55,851	\$ 43,909
District-wide										
Invested in capital assets, net of related debt	\$ 4,776,191	\$ 5,311,345	\$ 6,465,055	\$ 6,573,923	\$ 7,138,704	\$ 7,565,021	\$ 9,365,900	\$ 9,974,834	\$ 509,496	\$ 6,097,197
Restricted (Deficit)	1,060,817	1,340,990	1,711,843	2,422,915	2,485,916	2,478,352	2,011,636	1,976,581	10,162,326	1,226,150
Unrestricted (Deficit)	144,541	27,138	119,489	173,832	187,300	147,668	397,258	(2,181,694)	(2,079,011)	616,266
Total district net assets	\$ 5,981,549	\$ 6,679,473	\$ 8,296,387	\$ 9,170,670	\$ 9,811,920	\$ 10,191,041	\$ 11,774,794	\$ 9,769,721	\$ 8,592,811	\$ 7,939,613

Source: School District Financial Reports

WEST LONG BRANCH BOARD OF EDUCATION
Changes in Net Assets/Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Expenses										
Governmental activities										
Instruction										
Regular	\$ 4,553,586	\$ 4,469,709	\$ 4,534,616	\$ 4,527,973	\$ 4,611,668	\$ 4,917,566	\$ 3,248,440	\$ 3,270,755	\$ 3,166,145	\$ 3,641,369
Special education	886,182	793,679	651,830	742,089	888,005	90,822	560,747	1,114,606	1,116,136	705,810
Other special education										
Vocational										
Other instruction	220,229	271,530	533,885	587,988	602,393	463,905	372,594	417,790	437,163	454,171
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Instruction	476,225	452,371	263,105	365,302	391,241	534,477	410,752	298,058	363,452	635,903
Student & instruction related services	1,245,389	1,285,058	1,250,458	1,114,672	1,226,308	1,411,709	784,450	1,217,796	1,415,882	1,312,082
General and Business Administrative services	509,682	327,026	360,662	391,427	354,448	438,210	62,859	538,550	455,922	339,417
School Administrative services	553,046	511,660	548,042	421,025	364,867	501,393	369,074	378,670	398,862	391,486
Central Services & Administrative info tech	296,768	309,362	353,768	382,478	369,615	368,014	252,623	2,938,576	4,166,146	267,560
Plant operations and maintenance	1,109,530	1,197,769	1,086,021	966,294	1,107,375	1,026,509	929,839	870,614	818,519	1,004,947
Improvement of instructional staff										
Pupil transportation	706,680	720,539	569,270	541,939	638,553	639,934	600,793	478,355	449,009	468,056
Unallocated Benefits										
Special Schools	22,803	19,984	11,738	3,150	4,988	5,000	7,623	14,076	16,465	20,079
Interest on Long-Term Debt	196,139	174,055	147,064	111,913	100,212	87,050	73,725	64,337	260,975	419,551
Compensated absences										(7,480)
Compensated absences - unallocated										2,941,870
Proportionate share of pension plan expense										230,900
Fixed asset adjustment										
Transfer to Food Service										
Unallocated depreciation										598,585
Total governmental activities expenses	10,776,259	10,532,742	10,310,459	10,156,250	10,659,673	10,484,589	7,673,519	11,602,183	13,064,676	13,424,306
Business-type activities:										
Food service	182,319	167,560	137,109	123,577	172,425	165,665	129,116	142,847	183,103	156,478
Enrichment Program										
Total business-type activities expense	182,319	167,560	137,109	123,577	172,425	165,665	129,116	142,847	183,103	156,478
Total district expenses	\$ 10,958,578	\$ 10,700,302	\$ 10,447,568	\$ 10,279,827	\$ 10,832,098	\$ 10,650,254	\$ 7,802,635	\$ 11,745,030	\$ 13,247,779	\$ 13,580,784
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)									\$ 180,323	\$ 430,607
Special Education										
Plant Operations and Maintenance										
Pupil transportation										
Central and other support services										
Operating grants and contributions	1,415,424	1,090,202	1,172,048	1,142,380	1,284,864	1,413,417	1,413,417	831,625	497,699	1,731,040
Capital grants and contributions										
Total governmental activities program revenues	1,415,424	1,090,202	1,172,048	1,142,380	1,284,864	1,413,417	1,413,417	831,625	678,022	2,161,647
Business-type activities:										
Charges for services:										
Food service	\$ 126,809	\$ 136,909	\$ 137,383	\$ 127,603	\$ 122,346	\$ 124,062	\$ 129,116	\$ 107,942	\$ 95,552	\$ 113,406
Enrichment Program										
Operating grants and contributions	36,336	41,578	34,355	37,493	41,766	48,922	48,922	43,656	78,139	30,919
Capital grants and contributions										
Total business type activities program revenues	163,145	178,487	171,738	165,096	164,112	172,984	178,038	151,598	173,691	144,325
Total district program revenues	\$ 1,578,569	\$ 1,268,689	\$ 1,343,786	\$ 1,307,476	\$ 1,448,976	\$ 1,586,401	\$ 1,591,455	\$ 983,223	\$ 851,713	\$ 2,305,972

WEST LONG BRANCH BOARD OF EDUCATION
Changes in Net Assets/Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Net (Expense)/Revenue										
Governmental activities	\$ (9,360,835)	\$ (9,442,540)	\$ (9,138,411)	\$ (9,013,870)	\$ (9,374,809)	\$ (9,071,172)	\$ (6,260,102)	\$ (10,770,558)	\$ (12,386,654)	\$ (11,262,659)
Business-type activities	(19,174)	10,927	34,629	41,519	(8,313)	7,319	48,922	8,751	(9,412)	(12,153)
Total district-wide net expense	\$ (9,380,009)	\$ (9,431,613)	\$ (9,103,782)	\$ (8,972,351)	\$ (9,383,122)	\$ (9,063,853)	\$ (6,211,180)	\$ (10,761,807)	\$ (12,396,066)	\$ (11,274,812)
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 8,485,037	\$ 8,744,590	\$ 8,969,374	\$ 9,193,149	\$ 9,010,204	\$ 9,190,408	\$ 9,766,036	\$ 9,282,312	\$ 9,282,312	\$ 9,366,733
Taxes levied for debt service	1,077,688	1,000,353	1,070,636	501,913	505,212	497,050	483,724	470,000	455,000	1,052,793
Unrestricted grants and contributions	550,581	467,815	610,696	136,751	276,009	287,027	242,744	1,247,153	1,437,186	331,820
Payments in lieu of taxes										
Investment earnings	72,987	21,530	7,633	2,836	1,892	338	592		37,809	33,780
Miscellaneous income	12,508	33,602	62,252	11,962	231,056	64,797	11,063	15,142	4,736	3,033
Cancellation of receivables/payables										
Transfers			4,170	31,195				(17,226)		
Other Adjustments		(138,525)								(165,756)
Total governmental activities	10,198,801	10,129,365	10,724,761	9,877,806	10,024,373	10,039,620	10,504,159	10,997,381	11,218,043	10,622,403
Business-type activities:										
Investment earnings	909	172	105	23					143	211
Miscellaneous Income										
Transfers			(4,170)	(31,195)						
Total business-type activities	909	172	(4,065)	(31,172)	-	-	-	-	143	211
Total district-wide	\$ 10,199,710	\$ 10,129,537	\$ 10,720,696	\$ 9,846,634	\$ 10,024,373	\$ 10,039,620	\$ 10,504,159	\$ 10,997,381	\$ 11,218,186	\$ 10,622,614
Change in Net Assets										
Governmental activities	\$ 837,966	\$ 686,825	\$ 1,586,350	\$ 863,936	\$ 649,564	\$ 968,448	\$ 4,244,057	\$ 226,823	\$ (1,168,611)	\$ (640,256)
Business-type activities	(18,265)	11,099	30,564	10,347	(8,313)	7,319	48,922	8,751	(9,269)	(11,942)
Total district	\$ 819,701	\$ 697,924	\$ 1,616,914	\$ 874,283	\$ 641,251	\$ 975,767	\$ 4,292,979	\$ 235,574	\$ (1,177,880)	\$ (652,198)

Source: School District Financial Reports

WEST LONG BRANCH BOARD OF EDUCATION
Fund Balances, Governmental Funds,
Last Nine Fiscal Years
(modified accrual basis of accounting)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
General Fund										
Reserved	\$ 865,455	\$ 475,028	\$ 1,379,678	\$ 2,188,839	\$ 9,485,915	\$ 2,478,351	\$ 2,011,636	\$ 1,973,581	\$ 1,877,352	\$ 1,226,150
Committed										196,244
Assigned										
Unreserved	326,417	975,365	186,153	239,542	231,985	220,325	220,325	287,535	304,403	293,402
Total general fund	<u>\$ 1,191,872</u>	<u>\$ 1,450,393</u>	<u>\$ 1,565,831</u>	<u>\$ 2,428,381</u>	<u>\$ 9,717,900</u>	<u>\$ 2,698,676</u>	<u>\$ 2,231,961</u>	<u>\$ 2,261,116</u>	<u>\$ 2,181,755</u>	<u>\$ 1,715,796</u>
All Other Governmental Funds										
Reserved, reported in:										
Capital projects fund	\$ 95,360		\$ 332,164	\$ 234,075					\$ 8,257,462	\$ 2,203,564
Debt service fund										
Committed, reported in:										
Capital projects fund										
Unreserved, reported in:										
Special revenue fund										
Capital projects fund										432,969
Debt service fund	1	2	1	1	1	1	1		27,512	52,795
Permanent fund										
Total all other governmental funds	<u>\$ 95,361</u>	<u>\$ 2</u>	<u>\$ 332,165</u>	<u>\$ 234,076</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 8,284,974</u>	<u>\$ 2,689,328</u>

Source: School District Financial Reports

WEST LONG BRANCH BOARD OF EDUCATION
 Changes in Fund Balances, Governmental Funds,
 Last Ten Fiscal Years
 (modified accrual basis of accounting)

Fiscal Year Ending June 30, 2017

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Revenues										
Local Tax levy	\$ 10,419,526	\$ 9,738,312	\$ 9,752,312	\$ 9,766,036	\$ 9,687,458	\$ 9,515,416	\$ 9,695,062	\$ 10,040,010	\$ 9,744,943	\$ 9,562,725
Tuition Charges	430,607	180,323	305,404	120,584						
Transportation Fees										
Interest Earnings	33,780	10,730	7,544	2,919	338	1,892	2,836	7,633	21,530	72,987
Other Local Revenue	19,466	12,816	10,512	24,006	287,087	231,056	22,843	62,252	41,152	12,508
State sources	1,777,658	1,636,753	1,475,773	529,484	1,420,529	1,232,006	919,546	1,487,266	1,329,021	1,728,199
Federal sources	268,769	289,075	294,687	135,907	270,979	328,867	348,704	295,478	221,446	237,806
Total revenue	12,949,806	11,868,009	11,846,232	10,578,936	11,666,391	11,309,237	10,988,991	11,892,639	11,358,092	11,614,225
Expenditures										
Instruction:										
Regular	3,641,369	3,161,945	3,270,755	3,248,440	3,337,290	3,200,325	3,217,070	3,337,898	3,290,615	3,230,358
Special	705,810	1,116,136	1,114,606	560,747	497,069	586,896	506,732	451,707	383,690	619,456
Other-Special										
Other	454,171	437,163	417,790	372,594	385,555	405,122	402,064	389,340	365,378	135,332
School-Sponsored/Other Instructional										
Total Instruction	4,801,350	4,715,244	4,803,151	4,181,781	4,219,914	4,192,343	4,125,866	4,178,945	4,039,683	3,985,146
Undistributed:										
Tuition	432,862	363,452	298,058	410,752	534,477	391,241	365,302	263,105	452,371	476,225
Student and Instruction Related Services	1,515,123	1,415,882	1,217,796	784,450	992,880	851,496	789,387	902,991	987,643	931,492
Instruction										
Support Services-Students										
Support Services-Instructional Staff										
General Administration	339,417	187,682	538,550		405,017	236,534	305,563	275,325	285,119	376,655
School Administration	391,486	398,862	378,670	369,074	362,225	333,344	282,354	368,614	354,127	368,621
Other Administration										
Central Services	183,675	189,687		252,623		223,076	209,573	233,022	261,259	232,555
Admin. Information Technology	83,885	78,553		62,859	289,805	108,090	69,132	69,441	524	64,213
Operations and Maintenance	1,004,947	818,519	870,614	929,839	835,460	934,280	813,760	920,005	999,750	931,100
Improvement of Instructional Staff										
Student Transportation	468,056	449,009	478,355	600,793	521,486	481,623	450,482	470,934	596,805	598,875
Business and Other Support Services:										
Employee Benefits										
Other										
Food Services										
Unallocated Benefits	2,941,870	2,651,357	2,628,739	1,675,854	2,560,772	2,409,331	2,247,651	2,058,258	1,979,132	2,284,998
On-behalf TPAF Pension Contributions										
Reimbursed TPAF Social Security										
Contributions										
Total Undistributed	7,361,321	6,553,003	6,410,782	5,086,244	6,502,122	5,969,015	5,533,204	5,561,695	5,916,730	6,264,734
Capital Outlay:										
Unallocated Benefits	5,858,802	952,173	231,538	330,111	662,348	700,801	91,592	626,193	122,821	131,477
Total Capital Outlay	5,858,802	952,173	231,538	330,111	662,348	700,801	91,592	626,193	122,821	131,477
Special Schools	20,079	16,465	14,076	7,623	5,000	4,988	3,150	11,738	19,984	22,803
Total General Fund Expenditures	18,041,552	12,236,885	11,459,547	9,605,759	11,389,384	10,867,147	9,753,812	10,378,571	10,099,218	10,404,160

WEST LONG BRANCH BOARD OF EDUCATION
Changes in Fund Balances, Governmental Funds,
Last Ten Fiscal Years
(modified accrual basis of accounting)

Fiscal Year Ending June 30, 2017

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
Special Revenue:										
Federal								-		
State								-		
Other								-		
Total Special Revenue Expenditures	-	-	-	-	-	-	-	-	-	-
Debt Service Expenditures:										
Principal	665,000	410,000	410,000	410,000	410,000	405,000	390,000	930,000	930,000	890,000
Interest and Other Charges	387,468	45,537	59,887	73,725	87,050	100,212	111,913	140,637	165,713	187,688
Total Debt Service Expenditures	1,052,468	455,537	469,887	483,725	497,050	505,212	501,913	1,070,637	1,095,713	1,077,688
Total Governmental Fund Expenditures	<u>\$ 19,094,020</u>	<u>\$ 12,692,422</u>	<u>\$ 11,929,434</u>	<u>\$ 10,089,484</u>	<u>\$ 11,886,434</u>	<u>\$ 11,372,359</u>	<u>\$ 10,255,725</u>	<u>\$ 11,449,208</u>	<u>\$ 11,194,931</u>	<u>\$ 11,481,848</u>
Excess (Deficiency) of revenues over (under) expenditures	(6,144,214)	(824,413)	(83,202)	489,452	(220,043)	(63,122)	733,266	443,431	163,161	132,377
Other Financing sources (uses)										
Proceeds from borrowing		9,026,913								
Capital leases (non-budgeted)	191,436			200,819	200,819	118,566				
Proceeds from refunding										
Payments to escrow agent										
Adjustment	(108,827)		(17,226)							
Accounts Receivable/Payable Canceled										
Transfers in						135,516	652,220	676,886	95,737	1,468
Transfers out						(135,516)	(621,025)	(672,716)	(95,737)	(1,468)
Total other financing sources (uses)	82,609	9,026,913	(17,226)	200,819	200,819	118,566	31,195	4,170	-	-
Net change in fund balances	<u>\$ (6,061,605)</u>	<u>\$ 8,202,500</u>	<u>\$ (100,428)</u>	<u>\$ 690,271</u>	<u>\$ (19,224)</u>	<u>\$ 55,444</u>	<u>\$ 764,461</u>	<u>\$ 447,601</u>	<u>\$ 163,161</u>	<u>\$ 132,377</u>
Debt service as a percentage of noncapital expenditures	7.95%	3.88%	4.02%	4.96%	4.43%	4.73%	4.94%	9.89%	9.90%	9.49%

Source: District records

Notes: Noncapital expenditures are total expenditures less capital outlay.
Central Service and Administrative Information Technology account classifications were added beginning with year end June 30, 2005.
Prior to June 30, 2005, Central Service and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

Exhibit J-5

**WEST LONG BRANCH BOARD OF EDUCATION
GENERAL FUND OTHER LOCAL REVENUE BY SOURCE
LAST TEN FISCAL YEARS
MODIFIED ACCRUAL BASIS OF ACCOUNTING**

<u>Fiscal Year Ended June 30,</u>	<u>Interest Income</u>	<u>Prior Year Refunds</u>	<u>Miscellaneous</u>	<u>Annual Totals</u>
2008	71,522	12,508		84,030
2009	21,153	33,602		54,755
2010	6,694	54,962		61,656
2011	2,475	11,962		14,437
2012	1,892	15,085		16,977
2013	338	64,798		65,136
2014	2,919	43,546	12,943	59,408
2015	7,544	252		7,796
2016	10,730	3,759		14,489
2017	8,822		3,033	11,855

Source: District Records

REVENUE CAPACITY

Exhibit J-6

**WEST LONG BRANCH BOARD OF EDUCATION
 ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
 LAST TEN FISCAL YEARS
 UNAUDITED**

BOROUGH OF WEST LONG BRANCH

<u>Year Ended June 30,</u>	<u>Net Assessed Valuations</u>	<u>Estimated Full Cash Valuations</u>	<u>Percentage of Net Assessed to Estimated Full Cash Valuations</u>
2008	1,355,949,450	1,463,073,787	92.68%
2009	1,357,946,491	1,431,169,976	94.88%
2010	1,356,679,559	1,378,188,012	98.44%
2011	1,344,898,134	1,329,061,308	101.19%
2012	1,353,201,480	1,235,297,174	109.54%
2013	1,122,639,005	1,286,974,317	87.23%
2014	1,120,352,990	1,246,166,572	89.90%
2015	1,195,860,380	1,249,907,428	95.68%
2016	1,214,075,733	1,238,330,325	98.04%
2017	1,239,617,200	1,302,569,411	95.17%

Source: New Jersey's Monmouth County Board of Taxation Website

**WEST LONG BRANCH BOARD OF EDUCATION
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
PER \$100 OF ASSESSED VALUATION
LAST TEN FISCAL YEARS
UNAUDITED**

Borough of West Long Branch

Fiscal Year Ended June 30,	District Direct Rate			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct School Tax Rate	Borough of West Long Branch	Monmouth County	
2008	0.909	0.104	1.013	0.384	0.284	1.681
2009	0.937	0.112	1.049	0.404	0.275	1.728
2010	0.979	0.121	1.100	0.469	0.280	1.849
2011	1.046	0.057	1.103	0.502	0.275	1.880
2012	1.038	0.058	1.096	0.524	0.267	1.887
2013	1.228	0.067	1.295	0.669	0.347	2.311
2014	1.228	0.066	1.294	0.692	0.345	2.331
2015	1.201	b	1.201	0.660	0.313	2.174
2016	1.205	b	1.205	0.663	0.303	2.172

Source: Borough Tax Collector

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

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

b Rates for debt service are based on each year's requirements. At the time of the CAFR completion, this data was not available.

Exhibit J-8

**WEST LONG BRANCH BOARD OF EDUCATION
SCHEDULE OF PRINCIPAL TAXPAYERS
FOR YEAR ENDED DECEMBER 31, 2016**

Borough of West Long Branch	Assessed Valuation	As a % of District's
Taxpayer	2016	Net Assessed
		Valuation
BG Monmouth, LLC	N/A	N/A
Avalon West Long Branch, LLC	N/A	N/A
WLB of New Jersey, LLC	N/A	N/A
185 Monmouth Parkway Associates	N/A	N/A
136 Monmouth Road Holding, LLC	N/A	N/A
West Long Branch Shopping Center	N/A	N/A
West Long Branch Lodging Realty, LLC	N/A	N/A
WLB Empire, LLC	N/A	N/A
WEP Investments, LLC	N/A	N/A
Cedar Village Group, LLC	N/A	N/A
Total	\$ <u>0</u>	<u>0.00%</u>

Note: N/A - Not Available

Source: Municipal Tax Assessor

Exhibit J-9

**WEST LONG BRANCH BOARD OF EDUCATION
MUNICIPAL PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
UNAUDITED**

<u>Year Ended June 30,</u>	<u>Total Tax Levy</u>	<u>Current Tax Collections</u>	<u>Percent of Tax Levy Collected</u>
2008	23,481,959	23,083,958	98.31%
2009	24,395,876	24,015,382	98.44%
2010	25,133,408	24,522,944	97.57%
2011	25,780,638	25,121,932	97.44%
2012	25,563,538	25,011,447	97.84%
2013	25,945,164	25,549,674	98.48%
2014	25,999,177	25,999,177	100.00%
2015	35,861,822	35,861,822	100.00%
2016	26,517,400	26,085,417	98.37%

Source: Municipal Tax Collector

DEBT CAPACITY

WEST LONG BRANCH BOARD OF EDUCATION
Ratios of Outstanding Debt by Type
Last ten fiscal years

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Leases	Compensated Absences Payable			
2008	5,113,000	25,198	-	5,138,198	1.04	615
2009	4,183,000	-	-	4,183,000	0.89	497
2010	3,253,000	-	-	3,253,000	0.71	402
2011	2,863,000	-	-	2,863,000	0.61	359
2012	2,458,000	78,566	-	2,536,566	0.50	317
2013	2,048,000	70,838	-	2,118,838	0.42	249
2014	1,638,000	257,747	-	1,895,747	0.36	223
2015	1,638,000	193,310	-	1,831,310	N/A	219
2016	9,817,000	102,748	-	9,919,748	N/A	1,110
2017	9,152,000	232,060	112,380	9,496,440	1.72	1,193

Source: School District Financial Reports

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

**WEST LONG BRANCH BOARD OF EDUCATION
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
UNAUDITED**

<u>Fiscal Year Ended June 30,</u>	<u>Net Bonded Debt</u>	<u>Ratio of Bonded Debt to Assessed Value</u>	<u>Net Bonded Debt per Capita</u>
2008	5,113,000	0.377	612
2009	4,183,000	0.308	497
2010	3,253,000	0.240	402
2011	2,863,000	0.213	359
2012	2,458,000	0.182	307
2013	2,048,000	0.182	240
2014	1,638,000	0.146	192
2015	1,638,000	0.137	196
2016	9,169,721	0.755	1,098
2017	9,152,000	0.738	1,149

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

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

Exhibit J-12

**WEST LONG BRANCH BOARD OF EDUCATION
COMPUTATION OF DIRECT AND OVERLAPPING BONDED DEBT
FOR FISCAL YEAR ENDED JUNE 30, 2017
UNAUDITED**

Net Direct Debt of School District as of June 30, 2017		\$ 9,152,000
Net Overlapping Debt of School District:		
Borough of West Long Branch	\$ 11,351,960	
County of Monmouth (1.14%)	<u>5,188,691</u>	
		<u>16,540,651</u>
Total Direct and Overlapping Bonded Debt as of June 30, 2017		<u><u>\$ 25,692,651</u></u>

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

WEST LONG BRANCH BOARD OF EDUCATION
 COMPUTATION OF LEGAL DEBT MARGIN
 LAST TEN FISCAL YEARS

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

Year	West Long Branch
2017	1,302,569,411
2016	1,238,330,325
2015	1,225,860,984
Total	<u>3,766,760,720</u>
Average Equalized Valuation of Taxable Property	1,263,602,388
Debt Limit (3% of Average Equalization Value)	<u>37,908,072</u> *
	<u>37,908,072</u>

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Debt Limit	\$ 40,964,853	\$ 43,180,004	\$ 42,724,318	\$ 41,542,561	\$ 39,583,833	\$ 38,752,285	\$ 38,752,285	\$ 35,836,025	\$ 37,094,289	\$ 37,908,072
Total Net Debt Applicable to Limit	<u>5,113,000</u>	<u>4,183,000</u>	<u>3,253,000</u>	<u>2,863,000</u>	<u>2,458,000</u>	<u>2,048,000</u>	<u>2,429,771</u>	<u>1,638,000</u>	<u>9,169,721</u>	<u>9,152,000</u>
Legal Debt Margin	<u>35,851,853</u>	<u>38,997,004</u>	<u>39,471,318</u>	<u>38,679,561</u>	<u>37,125,833</u>	<u>36,704,285</u>	<u>36,322,514</u>	<u>34,198,025</u>	<u>27,924,568</u>	<u>28,756,072</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	12.48%	9.69%	7.61%	6.89%	6.21%	5.28%	6.27%	4.57%	24.72%	24.14%

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

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

DEMOGRAPHIC AND ECONOMIC INFORMATION

Exhibit J-14

WEST LONG BRANCH BOARD OF EDUCATION
 DEMOGRAPHIC AND ECONOMIC STATISTICS
 LAST TEN FISCAL YEARS
 UNAUDITED

<u>Year Ended June 30,</u>	<u>Unemployment Rate</u>	<u>Monmouth County Per Capita Income</u>	<u>Estimated School District Population (as of July 1)</u>
2008	5.20%	59,334	8,353
2009	8.50%	55,764	8,416
2010	8.60%	56,955	8,093
2011	8.70%	58,355	7,985
2012	9.10%	63,001	8,000
2013	9.50%	63,067	7,991
2014	8.80%	66,019	7,880
2015	6.50%	69,410	7,994
2016	5.20%	69,410	7,963
2017	4.60%	69,410	7,963

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

N/A- Not Available

Exhibit J-15

**WEST LONG BRANCH BOARD OF EDUCATION
Principal Employers,
Current Year
Unaudited**

	2017		
Employer	Employees	Rank [Optional]	Percentage of Total Municipal Employment
Monmouth University	N/A	N/A	N/A
Tanon Manufacturing, Inc			
Advanced Urethane Technologies			
Foxtons, Inc			
BJ Builders of NJ, Inc			
Gowad Legacy, Inc			
Diversant, LLC			
Meridian Health Resources, Inc			
Systems Technologies, Inc			
	-		0.00%
	-		0.00%

Note: N/A = Not Available

OPERATING INFORMATION

**WEST LONG BRANCH BOARD OF EDUCATION
Full-time Equivalent District Employees by Function/Program,
For the Year Ended June 30, 2017**

<u>Function/Program</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>
Instruction										
Regular	55	58	60	54	50	44	47	41	41	45
Special education	6	6	8	10	11	13	13	10	19	16
Other special education					7	6	6	6	3	
Vocational										
Other instruction						2	4	4		
Nonpublic school programs										
Adult/continuing education programs										
Support Services:										
Student & instruction related services	8	7	8	1	9	9	9	10	12	3
General administration	2	2	2	2	5	4	4	4	1	1
School administrative services	6	6	11	7	2	2	1	2	3	3
Other administrative services								1		
Central services	3	3	2	2	4	4	4	5	3	3
Administrative Information Technology	1	1	1	1	1	1	1	1	1	1
Plant operations and maintenance	7	6	6	6	6	6	5	1	1	
Pupil transportation	6	6	6	6	6	6	6	5		
Other support services					6	12	12			4
Special Schools										
Food Service										
Child Care										
Total	<u>94</u>	<u>95</u>	<u>104</u>	<u>89</u>	<u>107</u>	<u>109</u>	<u>112</u>	<u>90</u>	<u>84</u>	<u>76</u>

Source: District Personnel Records

N/A - Not Available

WEST LONG BRANCH BOARD OF EDUCATION
 Operating Statistics,
 Last ten fiscal years

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Pupil/Teacher Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Betty McElmon Elementary	Frank Antonides					
2008	695	10,272,683	\$ 14,781	#DIV/0!	64	17:1	20:1	681	654	-2.58%	96.04%	
2009	652	9,976,397	\$ 15,301	3.52%	64	10:1	10:1	641	624	-5.87%	97.35%	
2010	604	9,752,378	\$ 16,146	5.52%	68	8:1	10:1	604	577	-5.77%	95.53%	
2011	587	9,662,220	\$ 16,460	1.94%	64	8:1	10:1	587	572	-2.81%	97.44%	
2012	600	10,166,346	\$ 16,944	2.94%	61	10:1	10.3:1	602	576	-2.56%	95.68%	
2013	600	10,727,036	\$ 17,878	5.52%	57	9:1	8.5:1	600	571	-0.28%	95.17%	
2014	596	9,984,316	\$ 16,752	-6.30%	68	9:1	8.75:1	600	570	-0.05%	95.00%	
2015	596	10,240,700	\$ 17,182	2.57%	64	8.75:1	9.5:1	585	557	-2.50%	95.21%	
2016	579	10,996,748	\$ 18,993	10.54%	63	9:1	9:1	579	594	-1.03%	102.59%	
2017	550	12,182,750	\$ 22,150	16.63%	63	9.8:1	9.8:1	553	526	-4.49%	95.12%	

Source: District records

Note: Enrollment based on annual October district count.

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

WEST LONG BRANCH BOARD OF EDUCATION
School Building Information
Last Ten Fiscal Years

District Building	<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>
Elementary Schools:										
Betty McElmon Elementary School										
Square Feet	30,858	30,858	30,858	30,858	30,858	30,858	30,858	30,858	38,700	38,700
Capacity (students)	320	320	320	320	320	320	320	320	320	320
Enrollment	291	286	260	265	241	249	247	249	308	290
Frank Antonides School										
Square Feet	63,388	63,388	63,388	63,388	63,388	63,388	63,388	63,388	68,451	68,451
Capacity (students)	510	510	510	510	510	510	510	510	510	510
Enrollment	404	366	344	350	359	351	349	347	271	260
Number of Schools at June 30, 2016										
Elementary School	2									

Source: District Records
 October 15, Enrollment data

Note: Increases in square footage and capacity are the result of additions.

Exhibit J-19

**WEST LONG BRANCH BOARD OF EDUCATION
General Fund
Schedule Of Required Maintenance For School Facilities
Last ten fiscal years**

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

	*School Facilities	Betty McElmon Elementary School	Frank Antonides School	Grand Total
2008		142,386	48,019	190,405
2009		96,744	140,083	236,827
2010		45,245	99,392	144,637
2011		48,584	74,626	123,210
2012		64,308	132,131	196,439
2013		58,179	94,924	153,103
2014		34,890	87,756	122,646
2015		40,922	105,741	146,663
2016		146,085	157,307	303,392
2017		62,827	107,217	170,044
Total School Facilities		<u>\$ 740,170</u>	<u>\$ 1,047,196</u>	<u>1,787,366</u>

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

**WEST LONG BRANCH BOARD OF EDUCATION
INSURANCE SCHEDULE
June 30, 2017
UNAUDITED**

Type of Policy	Coverage	Deductible
Coverage Provided by: New Jersey School Boards Association Insurance Group Monmouth Ocean County Shared Services Insurance Fund		
Property		
Blanket Real & Personal Property, per occurrence	\$ 17,273,480	\$ 5,000
Blanket Extra Expense	50,000,000	5,000
Blanket Valuable Papers & Records, per occurrence	10,000,000	5,000
Demolition & Increased Cost of Construction, per occurrence	25,000,000	
Fire Department Service Charge	10,000	
Arson Reward	10,000	
Pollutant Cleanup & Removal	250,000	
Sublimits		
Flood Zones (SFHA), per occurrence	20,000,000	
NJSBAIG Annual Aggregate	20,000,000	
Accounts Receivable	250,000	
All Other Flood Zones, per occurrence/NJSBAIG Annual Aggregate	75,000,000	
Deductible, per member/ per occurrence		10,000
Deductibles, Zones Prefix A & V		
Per Building		500,000
Per Building Contents		500,000
Earthquake		
Per Occurrence	50,000,000	
NJSBAIG Annual Aggregate	50,000,000	
Terrorism		
Per Occurrence	1,000,000	
NJSBAIG Annual Aggregate	1,000,000	
Electronic Data Processing		
Blanket Hardware/Software, per occurrence	600,000	1,000
Coverage Extensions		
Transit	25,000	
Loss of Income	10,000	
Flood, per occurrence	500,000	
Zones A & V, per building contents	500,000	500,000
All Other Flood Zones, per member/per occurrence	10,000	10,000
Equipment Breakdown		
Combined Single Limit per Accident for Property Damage & Business Income	100,000,000	
Sublimits		
Off Premises Property Damage	100,000	5,000
Extra Expense	10,000,000	
Service Interruption	10,000,000	
Perishable Goods	500,000	
Data Restoration	100,000	
Contingent Business Income	100,000	
Demolition	1,000,000	
Ordinance or Law	1,000,000	
Expediting Expenses	500,000	
Hazardous Substances	500,000	
Newly Aquired Locations (60 days notice)	250,000	
Crime & Fidelity		
Public Employee Dishonesty with Faithful Performance	250,000	1,000
Theft, Disappearance & Distruction - Loss of Money & Security On or Off Premises	50,000	500
Theft, Disappearance & Distruction - Money Orders & Counterfeit Paper Currency	50,000	500

Forgery or Alteration	50,000	500
Computer Fraud	100,000	1,000

**Coverage Provided by: New Jersey School Boards Association Insurance Group
Monmouth Ocean County Shared Services Insurance Fund**

(continued)

Comprehensive General Liability

Bodily Injury & Property Damage, Combined Single Limit	\$ 11,000,000	
Bodily Injury & Property Damage from Products & Completed Operations, Annual Aggregate	11,000,000	
Sexual Abuse		
Per Occurrence	11,000,000	
Annual Pool Aggregate	17,000,000	
Personal Injury & Advertising Injury, per occurrence/annual aggregate	11,000,000	
Employee Benefits Liability, per occurrence/annual aggregate	11,000,000	
Each Claim		\$ 1,000
Premise Medical Payments, per accident	10,000	
Limit per person		5,000
Terrorism, per occurrence/annual NJSBAIG aggregate	1,000,000	

Automobiles

Liability

Combined Single Limit for Bodily Injury & Personal Damage, Per Accident	11,000,000	
Symbol 6 Uninsured/Underinsured Motorists - Private Passenger Auto, Combined Single	1,000,000	
Symbol 6 Uninsured/Underinsured Motorists - All Other Vehicles		
Bodily Injury per person	15,000	
Bodily Injury per accident	30,000	
Property Damage per accident	5,000	
Symbol 5 percent Injury Protection (including pedestrians)	250,000	
Medical Payments		
Private Passenger Vehicles	10,000	
All Other Vehicles	5,000	
Terrorism, per occurrence/NJSBAIG annual aggregate	1,000,000	
Physical Damage (Scheduled Vehicles Only)		
Symbol 7 Comprehensive		1,000
Symbol 7 Collision		1,000
Symbol 7 Hired Car Physical Damage, \$115,000 per limit		1,000
Symbol 7 Replacement Cost		1,000

School Leaders Errors & Omissions Liability Policy

Coverage A		
Limit of Liability, each policy period	11,000,000	
Deductible, each claim		5,000
Coverage B		
Each Claim	100,000	5,000
Each Policy Period	300,000	

Worker's Compensation & Employer's Liability Declarations

Estimated Professional & Clerical	5,547,000	
Estimated non-professional & Driver		
Limits		
Bodily Injury by accident, each accident	Statutory	
Bodily Injury by disease, each employee	2,000,000	
Bodily Injury by disease, aggregate limit	2,000,000	

Coverage Provided By: Selective Insurance Company of America

Fidelity Bond

Treasurer of School Monies	250,000
Board Secretary	250,000

Coverage Provided by: Monumental Life Insurance Company

**Student Accident Insurance, Benefit Blanket Coverage
Including Interscholastic Athletics Except Football**

Maximum Benefit \$ 500,000

**Round the Clock Voluntary Student Coverage,
excluding school sponsored athletics & activities**

Maximum Benefit 500,000

Coverage Provided by: ACE American Insurance Company

Public/Education Pollution Liability Insurance Policy

Limits of Liability, per pollution condition 1,000,000

Limits of Liability, all pollution conditions 1,000,000

Limits of Liability, total policy aggregate 1,000,000

\$ 25,000

Source: District records.

SINGLE AUDIT SECTION

Certified Public Accountants

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

MEMBER:

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

K-1

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

The Honorable President and
Members of the Board of Education
West Long Branch Board of Education
County of Monmouth
West Long Branch, New Jersey

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

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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



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

November 30, 2017

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

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

K-2

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

The Honorable President and
Members of the Board of Education
West Long Branch Board of Education
County of Monmouth
West Long Branch, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the West Long Branch School District, in the County of Burlington, compliance with the types of compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement* and the *New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the fiscal year ended June 30, 2017. The West Long Branch School District Board of Education's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of West Long Branch School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with

auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and the New Jersey OMB Circular 15-08 State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about West Long Branch School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal and State Program

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

Other Matters

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

Report on Internal Control Over Compliance

Management of West Long Branch School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered West Long Branch School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with Uniform Guidance, the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as prescribed

by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of West Long Branch School District's internal control over compliance.

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

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

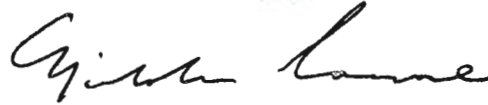
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance and the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements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

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

We have audited the financial statements of West Long Branch School District as of and for the year ended June 30, 2017, and have issued our report thereon dated November 30, 2017, which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and the schedule of expenditures of state financial assistance are presented for purposes of additional analysis as required by Uniform Guidance and the New Jersey State Aid/Grant Compliance Supplement, and the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey and the New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such

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

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



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

November 30, 2017

WEST LONG BRANCH BOARD OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Federal Grantor/ Pass-through Grantor Program Title	Federal CFDA Number	Grant or State Project Number	Grant Period	Award Amount	Balance at June 30, 2016			Carryover Amount/ Walkover	Prior Year Accounts Payable/ Receivable Canceled	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year Balances	Balance at June 30, 2017																							
					Deferred Revenue	Accounts Receivable	Due to Grantor							Deferred Revenue	(Accounts Receivable)	Due to Grantor																					
U.S. Department of Agriculture Passed-through State Department of Education:																																					
Enterprise Fund:																																					
National School Lunch Program	10.555	N/A	09/01/15-06/30/16	\$ 36,052		(2,911)			2,911																												
National School Lunch Program	10.555	N/A	09/01/16-06/30/17	\$ 31,304					29,185	(31,304)																											
Food Distribution		N/A	09/01/16-06/30/17	\$ 10,751					10,751	(10,751)																											
Total U.S. Department of Agriculture						0	(2,911)	0	0	0	42,847	(42,055)	0	0	0	0	(2,119)	0																			
U.S. Department of Education Passed-through State Department of Education:																																					
Special Revenue Fund:																																					
Title I Part A	84.010	N/A	07/01/14-06/30/15	\$ 44,386		(8,231)																															
Title I Part A	84.010	N/A	07/01/15-06/30/16	\$ 64,239		(497)		(10,834)	497																												
Title I Part A	84.010	N/A	07/01/16-06/30/17	\$ 66,283				10,834	60,099	(69,450)																											
Title II Part A	84.367A	N/A	07/01/15-06/30/16	\$ 13,849		(8,407)		(466)	8,407																												
Title II Part A	84.367A	N/A	07/01/16-06/30/17	\$ 12,654				466	5,670	(11,088)																											
Title III		N/A	07/01/16-06/30/17	\$ 2,668																																	
I.D.E.A. Basic	84.027	N/A	07/01/14-06/30/15	\$ 199,158		(24,245)			24,245																												
I.D.E.A. Basic	84.027	N/A	07/01/15-06/30/16	\$ 212,923		(39,544)		(2,872)	25,418																												
I.D.E.A. Basic	84.027	N/A	07/01/16-06/30/17	\$ 175,299				2,872	69,379	(178,171)																											
I.D.E.A. Preschool	84.173	N/A	07/01/15-06/30/16	\$ 12,190		(925)			925																												
I.D.E.A. Preschool	84.173	N/A	09/01/14-06/30/15	\$ 11,825		(26)			26																												
I.D.E.A. Preschool	84.173	N/A	07/01/16-06/30/17	\$ 11,997					11,997	(11,997)																											
Total U.S. Dept. of Ed. - Special Revenue Fund						0	(81,875)	0	0	206,463	(270,706)	0	0	0	0	(146,118)	0																				
Total Federal Financial Assistance					\$	0	(84,786)	\$	0	\$	249,310	\$	(312,761)	\$	0	\$	0	\$	0	\$	0	(148,237)	\$	0													

See accompanying notes to schedules of financial assistance.

WEST LONG BRANCH BOARD OF EDUCATION
SCHEDULE OF STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

State Grantor/Program Title	Grant or State Project Number	Grant Period	Award Amount	Balance at July 1, 2016		Prior Year Accounts Payable/Receivable/Canceled	Cash Received	Budgetary Expenditures	Adjustments	Repayment of Prior Year's Balances	Balance at June 30, 2017			Memo	
				Deferred Revenue (Accounts Receivable)	Due to Grantor						GAAP Budgetary Deferred Revenue	GAAP Budgetary (Accounts Receivable)	Due to Grantor	Budgetary Receivables	Cumulative Total Expenditures
State Department of Education															
General Fund:															
Special Education Aid	16-495-034-5120-089	7/1/15-6/30/16	\$ 240,707	(973)			973								240,707
Special Education Aid	17-495-034-5120-089	7/1/16-6/30/17	\$ 237,996				216,720	(237,996)						(21,276)	237,996
Security Aid	16-495-034-5120-084	7/1/15-6/30/16	\$ 10,616	(43)			43								10,616
Security Aid	17-495-034-5120-084	7/1/16-6/30/17	\$ 12,310				11,210	(12,310)						(1,100)	12,310
Transportation Aid	16-495-034-5120-014	7/1/15-6/30/16	\$ 14,171	(57)			57								14,171
Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	\$ 16,545				15,066	(16,545)						(1,479)	16,545
Adjustment Aid	17-495-034-5120-084	7/1/16-6/30/17	\$ 1				1	(1)							1
PARCC Readiness Aid	16-495-034-5120-098	7/1/15-6/30/16	\$ 5,550	(22)			22								5,550
PARCC Readiness Aid	17-495-034-5120-098	7/1/16-6/30/17	\$ 5,550				5,054	(5,550)						(496)	5,550
Per Pupil Growth Aid	16-495-034-5120-097	7/1/15-6/30/16	\$ 5,550	(22)			22								5,550
Per Pupil Growth Aid	16-495-034-5120-097	7/1/16-6/30/17	\$ 5,550				5,054	(5,550)						(496)	5,550
Professional Learning Comm.	17-495-034-5120-101	7/1/16-6/30/17	\$ 5,490		5,490		4,988	(5,490)						(492)	5,490
Non-Public Transportation Aid	16-495-034-5129-014	7/1/15-6/30/16	\$ 9,236	(9,236)			9,236								9,236
Non-Public Transportation Aid	17-495-034-5120-014	7/1/16-6/30/17	\$ 3,859					(3,859)			(3,859)			(3,859)	(3,859)
Extraordinary Aid	16-495-034-5120-044	7/1/15-6/30/16	\$ 46,284	(46,284)			46,284				(3,859)			(3,859)	46,284
Extraordinary Aid	17-495-034-5120-044	7/1/16-6/30/17	\$ 64,882					(64,882)			(64,882)			(64,882)	64,882
On Behalf of TPAF Pension Contributions and Post-Retirement Medical Benefits	17-495-034-5095-001	7/1/16-6/30/17	\$ 883,040				883,040	(883,040)							883,040
Reimbursed TPAF Social Security Contributions	16-495-034-50925-002	7/1/15-6/30/16	\$ 339,275	(16,883)			16,883								339,275
Reimbursed TPAF Social Security Contributions	17-495-034-5095-002	7/1/16-6/30/17	\$ 334,808				318,536	(334,808)				(16,272)		(16,272)	334,808
Total General Fund				\$ (68,030)	0	0	1,532,699	(1,570,031)	0	0	(68,741)	(16,272)	0	(110,352)	2,233,702
Special Revenue Fund:															
N.J. Nonpublic Aid:															
Textbook Aid	16-100-034-5120-064	7/1/15-6/30/16	\$ 19,586		461					(461)					19,586
Textbook Aid	17-100-034-5120-064	7/1/16-6/30/17	\$ 18,272				18,272	(17,292)					(980)		17,292
Nursing Services	16-100-034-5120-070	7/1/15-6/30/16	\$ 30,870		156					(156)					30,870
Nursing Services	17-100-034-5120-070	7/1/16-6/30/17	\$ 28,530				28,530	26,730					(1,800)		25,954
Technology Aid	16-100-034-5120-343	7/1/15-6/30/16	\$ 8,918		28					(28)					8,918
Technology Aid	17-100-034-5120-343	7/1/16-6/30/17	\$ 8,242				8,242	(6,151)					(2,091)		6,151
Security Aid	16-100-034-5120-084	7/1/15-6/30/16	\$ 10,350		160					(160)					10,350
Security Aid	17-100-034-5120-084	7/1/16-6/30/17	\$ 19,550				19,550	(8,150)					(11,400)		8,150
Home Instruction	16-100-034-5120-067	7/1/15-6/30/16	\$ 1,419	(1,419)			1,419								1,419
Home Instruction	17-100-034-5120-067	7/1/16-6/30/17	\$ 1,419					(1,419)			1,419				1,419
Supplemental Instruction	16-100-034-5120-066	7/1/15-6/30/16	\$ 36,386		15,594					(15,594)					36,386
Supplemental Instruction	17-100-034-5120-066	7/1/16-6/30/17	\$ 35,312				35,312	(35,312)							35,312
Corrective Speech	16-100-034-5120-066	7/1/15-6/30/16	\$ 31,771		16,722					(16,722)					31,771
Corrective Speech	17-100-034-5120-066	7/1/16-6/30/17	\$ 30,039				30,039	(30,039)							30,039
Examination & Classification Initial	16-100-034-5120-066	7/1/15-6/30/16	\$ 28,614		9,538					(9,538)					28,614
Examination & Classification Initial	17-100-034-5120-066	7/1/16-6/30/17	\$ 23,938				23,938	(23,938)							23,938
Examination & Classification Annual	16-100-034-5120-066	7/1/15-6/30/16	\$ 13,323		5,124					(5,124)					8,199
Examination & Classification Annual	17-100-034-5120-066	7/1/16-6/30/17	\$ 12,996				12,996	(12,996)							12,996
Transportation	17-100-034-5120-067	7/1/16-6/30/17	\$ 12,600				12,600	(12,600)							12,600
Compensatory Education	16-100-034-5120-067	7/1/15-6/30/16	\$ 61,760		10,998					(10,998)					61,670
Compensatory Education	17-100-034-5120-067	7/1/16-6/30/17	\$ 50,165				50,165	(50,165)							50,165
English as a Second Language	16-100-034-5120-067	7/1/15-6/30/16	\$ 5,177		1,726					(1,726)					5,177
English as a Second Language	17-100-034-5120-067	7/1/16-6/30/17	\$ 3,198				3,198	(3,198)							3,198
Total Special Revenue Fund				\$ (1,419)	\$ 60,507	0	\$ 244,261	\$ (174,530)	0	\$ (60,507)	\$ 1,419	0	\$ (16,271)	0	\$ 470,174
Enterprise Fund:															
National School Lunch Program (State)	16-100-010-3350-023	7/1/16-6/30/17	\$ 1,240				1,157	(1,240)			(83)				1,240
National School Lunch Program (State)	16-100-010-3350-023	7/1/15-6/30/16	\$ 1,356	(104)			104								1,356
Total Enterprise Fund				\$ (104)	0	0	\$ 1,261	\$ (1,240)	0	0	\$ (83)	0	0	0	\$ 2,596
Total State Financial Assistance				\$ (69,553)	\$ 60,507	0	\$ 1,778,221	\$ (1,745,801)	0	\$ (60,507)	\$ (67,405)	\$ (16,272)	\$ (16,271)	\$ (110,352)	\$ 2,706,472
Less State Financial Assistance not Subject to New Jersey OMB Circular 04-04 On Behalf of TPAF Pension Contributions															
															\$ (883,040)
Total State Financial Assistance Subject to New Jersey OMB Circular 04-04															
															\$ (862,761)

K-5

WEST LONG BRANCH BOARD OF EDUCATION
 NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
 JUNE 30, 2017

NOTE 1. GENERAL

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

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of financial assistance are presented using the modified accrual basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting and those recorded in the special revenue fund, which are presented using the budgetary basis of accounting.

These bases of accounting are described in Notes 1 to the Board's general purpose financial statements.

NOTE 3. RELATIONSHIP TO GENERAL PURPOSE FINANCIAL STATEMENTS

Amounts reported in the accompanying schedules agree with amounts reported in the Board's general purpose financial statements. The general purpose financial statements present the special revenue fund on both a GAAP basis and a budgetary basis. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The net adjustment to reconcile from the budgetary basis to the GAAP basis for the General Fund is \$(24,222) and for the Special Revenue Fund is \$1,461. Financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund		\$ 1,545,809	\$ 1,545,809
Special Revenue Fund	271,493	227,990	\$ 499,483
Capital Projects			\$ -
Debt Service			\$ -
Food Service	<u>40,472</u>	<u>1,198</u>	<u>\$ 41,670</u>
Total Financial Assistance	<u>\$ 311,965</u>	<u>\$ 1,774,997</u>	<u>\$ 2,086,962</u>

WEST LONG BRANCH BOARD OF EDUCATION
NOTES TO THE SCHEDULES OF AWARDS AND FINANCIAL ASSISTANCE
JUNE 30, 2017

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the district for the year ended June 30, 2017. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2017.

WEST LONG BRANCH
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

Section I - Summary of Auditor's Results

Financial Statements

(Reference - Section .516 and .518 of Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards)

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- 1. Material weakness(es) identified? _____ yes no
- 2. Significant Deficiencies identified? _____ yes none reported

Noncompliance material to basic financial statements noted? _____ yes no

Federal Awards

Internal control over major programs:

- 1. Material weakness(es) identified? _____ yes no
- 2. Significant Deficiencies identified? _____ yes none reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516(a) of Uniform Guidance? _____ yes no

Identification of major programs:

<u>CFDA Number</u>	<u>Name of Federal Program or Cluster</u>
N/A	

Dollar threshold used to distinguish between type A and type B programs: (518) \$750,000

Auditee qualified as low-risk auditee? yes _____ no

WEST LONG BRANCH
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017

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

State Awards

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

Auditee qualified as low risk auditee? ✓ yes _____ no

Internal Control over major programs:

1) Material weakness(es) identified? _____ yes ✓ no

2) Significant deficiencies identified that are not considered to be material weaknesses? _____ yes ✓ none reported

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

Any audit findings disclosed that are required to be reported in accordance with NJOMB Circular Letter 15-08 as applicable? yes ✓ no

Identification of major programs:

<u>State Grant Number</u>	<u>Name of State Program</u>
17-495-034-5120-014	Transportation Aid (State Aid - Public Cluster)
17-495-034-5120-078	Equalization Aid (State Aid - Public Cluster)
17-495-034-5120-084	Security Aid (State Aid - Public Cluster)
17-495-034-5120-085	Adjustment Aid (State Aid - Public Cluster)
17-495-034-5120-089	Special Education Aid (State Aid - Public Cluster)
17-495-034-5120-097	Per Pupil Growth Aid (State Aid - Public Cluster)
17-495-034-5120-098	PARCC Readiness Aid (State Aid - Public Cluster)
17-495-034-5120-101	Prof Learning Comm Aid (State Aid - Public Cluster)

**WEST LONG BRANCH BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Section II - Schedule of Financial Statement Findings

No matters were noted that are required to be reported.

K-6
Sheet 4

**WEST LONG BRANCH BOARD OF EDUCATION
COUNTY OF MONMOUTH
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

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

No federal or state award findings or questioned costs were noted that are required to be reported in accordance with Uniform Guidance or NJ OMB 15-08.

**WEST LONG BRANCH SCHOOL DISTRICT
BOARD OF EDUCATION
COUNTY OF MONMOUTH
SUMMARY OF SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE FISCAL YEAR ENDED JUNE 30, 2017**

Follow-up on Prior Year Findings

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

The District had no prior year audit findings.