

SCHOOL DISTRICT OF NEPTUNE TOWNSHIP



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

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**School District of
Neptune Township**

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

Comprehensive Annual Financial Report
For the Year Ended June 30, 2018

Prepared by

Neptune Township School District
Business Division

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Introductory Section

NEPTUNE TOWNSHIP SCHOOL DISTRICT



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

February 6, 2019

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

Dear Board Members and Constituents:

The comprehensive annual financial report of the Neptune Township School District (the "District") as of and for the year ended June 30, 2018 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information at June 30, 2018 and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

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

1. Reporting Entity and its Services

The District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (“GASB”). All funds and the government-wide financial statements of the District are included in this report. The Neptune Township Board of Education with all its schools constitute the District’s reporting entity and does not have any component units and is not considered a component unit of any other governmental entity. The District provides a full range of educational services appropriate to grade levels Pre-K through 12. These include regular, vocational, as well as special education for handicapped students. The District completed the 2017-2018 fiscal year with an average daily enrollment of 3,986 students. The following details the changes in the student enrollment of the District over the last five years.

Average Daily Enrollment		
Fiscal Year	Student Enrollment	Percent Change
2018	3,986	(4.37)%
2017	4,169	(2.26)
2016	4,265	(0.81)
2015	4,300	(3.02)
2014	4,434	(0.14)

Comprehensive academic services are offered to all students beginning in preschool at the age of three and continuing up to grade twelve. Preschool classes for approximately 429 [down 2 from the prior year] youngsters are housed in the Early Childhood Center as well as in each of the five neighborhood elementary schools located throughout the Township. Grades kindergarten through five enrolled 1,491 [down 99] on average during the school year while the Neptune Middle School averaged 738 [down 59] teenagers in grades six through eight and Neptune High School averaged 1,327 [down 23] students in grades nine through twelve.

The Neptune Township School District operates during the traditional school year from September through June for 180 instructional days and supplements this with a 20-day summer program for regular and special education needs.

2. Economic Condition and Outlook

A careful review of the New Jersey economy by Rutgers’ Edward J. Bloustein School of Planning and Public Policy indicates that the state’s economic recovery continues to trail its neighbors and that of the nation. One key indicator of the health of an economy is the rate of unemployment – the percentage of unemployed workers in the total labor force (a labor force that includes only people who are actively looking for work). The rate sheds light on the performance of the economy along with certain business sectors therein. In January the NJ unemployment rate was 5.0% while the national rate sat at 4.4%. A steady decline - to a 10-year low - reflected a June NJ rate of 4.3% and a national rate of 4.0%. On a local level, the Neptune Township area held steady with a 5% rate of unemployment.

Wage rates in the Garden State have been relatively stagnant. While there are jobs available, many appear to pay too little to attract workers. The recent gubernatorial election focused on raising the minimum wage to \$15 per hour. Legislative action has not been forthcoming to make that happen.

Some other market-related indicators that reflect on the health of the economy are home construction (starts), home prices and mortgage rates. Data from the Commerce Department and the National Association of Realtors for the spring of 2018 show a flattening housing market, particularly in the new home buyer range of \$250,000 or less. With inventories of homes dwindling, home prices will rise. A national index of 20-city home prices reported a 6.5% increase in home sales in May over the year prior. To compound matters, the cost of borrowing money i.e. 30-year fixed-rate mortgage rates inched up to 4.6%. This is up from 3.93% a year ago.

Economic indicators are predicting a moderate level of job growth over the next three to five years. The jobs on the rise in the state will most likely be in the health care industry.

3. Initiatives

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

On an annual basis, the Neptune Township Board of Education in conjunction with the Chief School Administrator convene a meeting to formulate District goals. The weight and importance of the preceding year's goals warrant a continued and renewed focus for the ensuing school year.

Below are the key areas of concern for the Board and Administration:

- Provide a physically and socially /emotionally safe, secure, and responsive environment for students and staff through continued attention to district safety planning and training as well as to school culture.
- Provide support for students and increased teacher capacity in the area of reading instruction.
- Implement phase three of one-to-one technology device roll-out, complete with training.
- Employ efficient and effective fiscal management practices.
- Strengthen communications practices to promote the positive work that happens in the district.

Through various avenues – emails, newsletters, website, in-person training – these initiatives are becoming a reality.

4. Service Efforts and Accomplishments

Professional associations that have formed over the years, between the Neptune Township Public School District and various respected community organizations, continue to yield dividends for our students. Renewed agreements with the local Brookdale Community College offer college level academic credit well before the students formally graduate from high school. A “Dual Enrollment” option provides seniors in good academic standing with the opportunity to earn up to six college credits at no cost to the student. A recent, more comprehensive agreement called the Poseidon Early College High School will result in select high school students graduating with a recognized Associates Degree from Brookdale. The program is entering its fifth

year of operation and this past spring saw the inaugural class of 19 students receive their diplomas a month before receiving their High School diplomas.

The District maintains a solid relationship with its neighbor, Hackensack Meridian Health Jersey Shore University Medical Center, to provide practical and actual medical experiences from shadowing doctors to observing live surgical operations. This partnership bolsters one of the various specialty Academies that are offered at Neptune High School. Some of the other Academies focus on environmental sciences, engineering, education, communications, law and criminal justice, performing arts, hospitality and tourism. Each academy seeks to foster connections with relevant organizations that can offer real-world experiences to the students and ultimately help in post-high school decisions.

5. Major Operational or Financial Concerns

New Jersey public schools have become increasingly dependent upon local property taxes to support their mission as state aid for public school education has remained relatively static over the past several years. Couple this with the legislative restriction whereby local property tax increases are limited to a 2% levy increase each year, it would essentially limit the budgetary growth of the school to 2% or less. In Neptune Township where the tax levy represents about half of the requisite revenue, its budget growth would essentially be limited to 1% each year, assuming there were no increases in state and federal revenue. Status quo would be acceptable if it weren't for the inflationary impact of operational expenses such as salaries, health insurance, pupil transportation and general repairs and maintenance of equipment and facilities. The first two mentioned expenses comprise nearly 70% of the school budget. Negotiated salaries are running above 2% and health insurance costs locally and nationally are above 12%. Therein lies a problem that cannot simply be solved by "budgetary austerity." On the heels of a change in governorship, the District witnessed an unexpected reduction in state aid of nearly \$700 thousand after the 2017-18 school budget was finalized. As of this writing, another \$700 thousand was cut from the 2018-19 school appropriations. The forecast for further reductions in the coming years is quite clear.

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

6. Significant Budget Variances or Budget Modifications

Overall revenues earned in excess of expenditures effectively served to restore the District's permitted capital and maintenance reserve accounts at year's end. The District witnessed an increase in unanticipated revenue of nearly \$800 thousand from tuitions, transportation, facility rentals and E-rate reimbursements. This was in contrast to an unexpected, last minute reduction in state adjustment aid of \$655 thousand. The 2018 fiscal year ended with expenditures of \$94.16 million, down \$4.66 million from the prior year. Minor budget modifications occur throughout the year. Appropriation adjustments took place as contractual salaries were aligned with staffing transfers, midyear retirements and new hire salaries. Other budget variations resulted from changes in out-of-district tuition placements; increase in charter school tuition from the newly established

College Achieve Charter School; expansion of required professional consultant student services; and the realignment in appropriations due to the reduced aid.

7. Internal Control

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

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

8. Budgetary Controls

In addition to internal controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. The Board of Education of Neptune Township approves modifications to the budget. The legal level of budgetary control is established at line item accounts within each fund. Annual appropriated budgets are adopted for the general fund and the special revenue fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section. An encumbrance accounting system is used to record outstanding purchase commitments on a line-item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as assignments of fund balance at June 30, 2018 in the basic financial statements.

9. Accounting Systems and Reports

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

10. Other Information

A. Independent Audit: State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Wiss and Company, LLP was selected by the full Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Uniform Guidance and New Jersey OMB's Circular 15-08. The

auditors' report on the basic financial statements and specific required supplementary information is included in the financial section of this report. The auditors' reports related specifically to the Single Audit are included in the Single Audit section of this report.

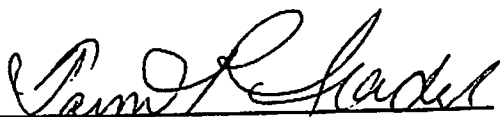
B. Awards: The Association of School Business Officials (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report for the fiscal year ended June 30, 2017. This was the twenty-third consecutive year that the District has received this prestigious award and is the only District in the State of New Jersey to receive twenty-three consecutive awards. In order to be awarded this certificate, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both accounting principles generally accepted in the United States and applicable legal requirements.

The Certificate is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Programs' requirements and we are submitting it to ASBO to determine its eligibility for the fiscal year 2017-18 certificate.

11. Acknowledgments

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

Respectfully Submitted,



Tami R. Crader, Ed.D
Superintendent

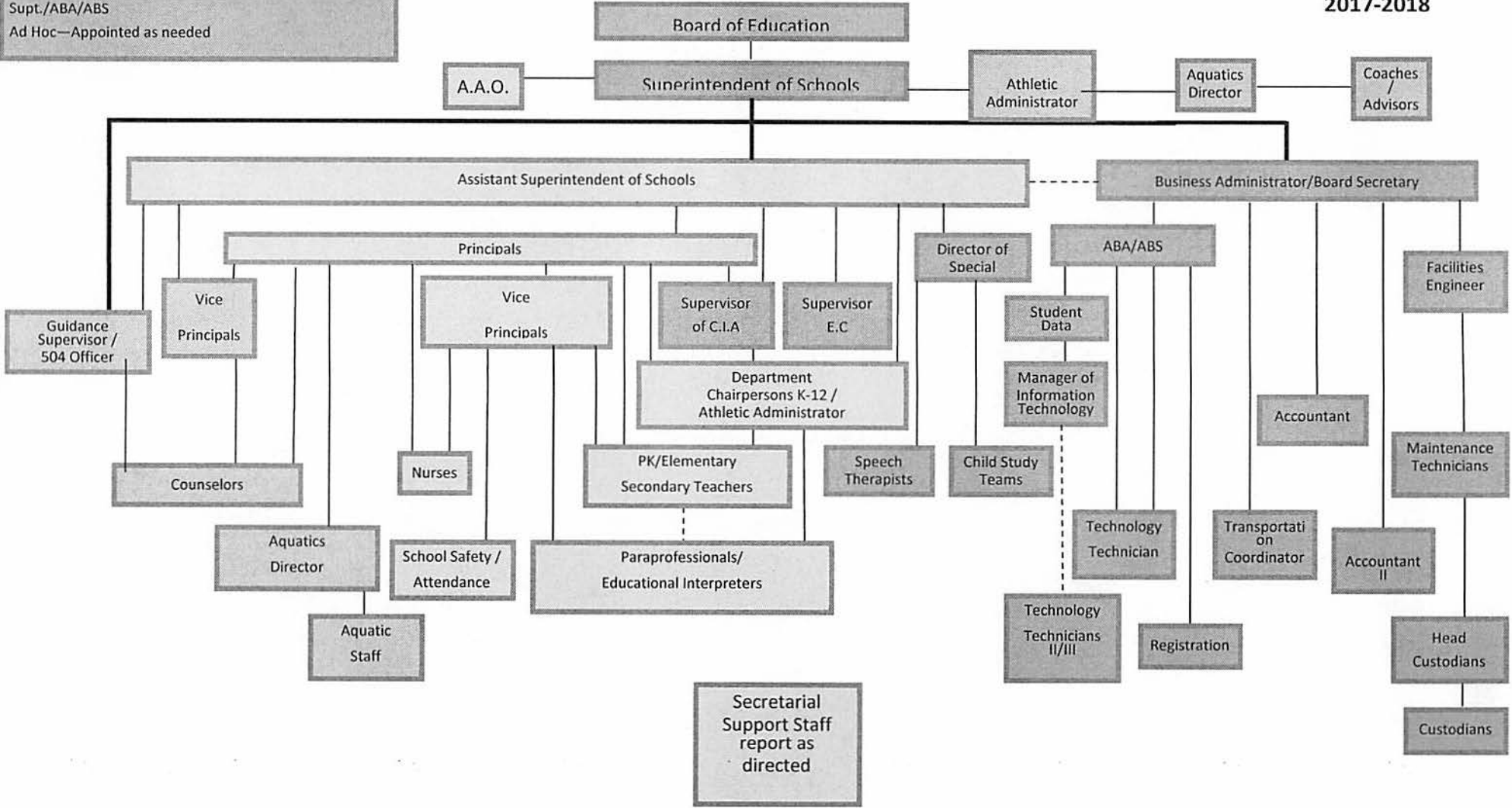


Peter J. Leonard
Business Administrator/Board Secretary

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

Neptune Township School District Organization Chart 2017-2018

2017-2018



Neptune Township School District
Neptune, New Jersey

Roster of Officials
June 30, 2018

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Dorothea L. Fernandez, President	2020
Laura G. Granelli, Vice President	2021
Brady M. Connaughton	2020
Nicole M. Green	2020
Jerome M. Hubbard	2021
Jason A. Jones	2019
Mark A. Matson	2021
Michelle A. Moss	2019
Donna L. Puryear	2019
Antonio López, Neptune City Representative, appointed	2019

Other Officials

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

Committees

Operations

Laura G. Granelli, Chairperson
Dorothea L. Fernandez
Jerome M. Hubbard

Education

Donna L. Puryear, Chairperson
Jason A. Jones
Mark A. Matson
Antonio López

Personnel

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

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors

Architects

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

Attorneys

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

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

Independent Auditors

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

Consulting Engineers

JDC Energy Services
100 Lenox Drive
Lawrenceville, New Jersey 08648

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

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

Neptune Township School District
Neptune, New Jersey

Independent Auditors and Advisors (continued)

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

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

NJ Schools Insurance Group
6000 Midatlantic Drive, Suite 300N
Mount Laurel, New Jersey 08054

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

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

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

The Coaster
1011 Main Street
Asbury Park, New Jersey 07712



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

Neptune Township Board of Education

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.

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



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.'.

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

A handwritten signature in black ink that reads 'John D. Musso'.

John D. Musso, CAE
Executive Director

Financial Section

Independent Auditors' Report

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Neptune Township School District, County of Monmouth, New Jersey (the "District"), as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information such as the school based budget schedules combining and individual fund financial statements, and the schedules of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200 Uniform Administrative*

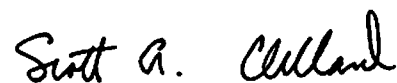
Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid, respectively, and the other information, such as the introductory and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

February 6, 2019
Livingston, New Jersey

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

Neptune Township School District
Neptune, New Jersey

Management's Discussion and Analysis
Year ended June 30, 2018

The discussion and analysis of the Neptune Township School District's (the "District") financial performance provides an overall review of the District's financial activities for the year ended June 30, 2018. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements, notes and additional information in the transmittal letter to enhance their understanding of the District's financial performance.

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

Financial Highlights

Key financial highlights for fiscal year 2018 are as follows:

- The total net position of the District decreased \$4,208,654 during the current fiscal year, which was mostly attributable to a decrease in state aid revenues and tuition revenues.
- General revenues of \$98,560,911 in both governmental activities and business-type activities accounted for 86% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$16,237,257 or 14% of total revenues of \$114,798,168, of which \$112,248,742 pertained to governmental activities and \$2,549,426 pertained to business-type activities.
- The District generated fund balance in excess of 2% in the current year in the general fund in the amount of \$2,000,000.
- The District maintains restricted reserves for capital and maintenance of \$7,314,815 and \$1,798,000, respectively in the general fund.
- The District implemented GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the 2018 fiscal year resulting in the recording of additional revenue and expense in the amount of \$10,247,099 related to post-employment health benefits.

Using this Comprehensive Annual Financial Report (CAFR)

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

Reporting the School District as a Whole

Government-wide Statements

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

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

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

- **Governmental activities** - All of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- **Business-type activities** - Programs reported here are used to account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the costs of providing goods and services be financed through user charges. The District operates two enterprise funds. The Food Service and Aquatic Center enterprise funds are reported as business-type activities. The District uses an internal service fund to account for its self-insurance prescription drug program which is considered to be a major fund of the District. The internal service fund has been included within the governmental activities in the government-wide financial statements.

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

Reporting the District's Funds

Fund Financial Statements

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

Governmental Funds

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

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

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

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

Proprietary Funds

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

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

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside of the governmental entity. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District utilizes a long established unemployment compensation trust fund to account for contributions from the District and employees to reimburse the State of New Jersey for the cost of approved unemployment compensation claims. The District uses separate and distinct agency funds to account for resources held for student activity groups as well as for payroll-related liabilities. The basic fiduciary fund financial statements can be found on pages 33 and 34 of this report.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 35 to 71 of this report.

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of a government's financial position. The District's financial position is the product of varied financial transactions including the net results of activities, the acquisition and disposal of capital assets, and the depreciation of capital assets.

The following table provides a summary of the District's net position at June 30, 2018 and 2017:

Neptune Township School District Net Position June 30,

	2018			2017		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 14,105,003	\$1,227,148	\$ 15,332,151	\$ 13,821,807	\$1,495,353	\$ 15,317,160
Capital assets, net	236,264,522	827,306	237,091,828	240,474,059	734,246	241,208,305
Total assets	250,369,525	2,054,454	252,423,979	254,295,866	2,229,599	256,525,465
Deferred outflow of resources:						
Pension deferrals	7,627,123		7,627,123	10,483,601		10,483,601
Liabilities:						
Current liabilities and other	2,044,808	184,740	2,229,548	2,778,361	380,299	3,158,660
Long-term liabilities						
outstanding	25,908,464		25,908,464	32,669,887		32,669,887
Total liabilities	27,953,272	184,740	28,132,012	35,448,248	380,299	35,828,547
Deferred inflow of resources:						
Pension deferrals	4,941,225		4,941,225			
Net position:						
Investment in capital assets	236,264,522	827,306	237,091,828	240,474,059	734,246	241,208,305
Restricted	11,112,815		11,112,815	9,293,018		9,293,018
Unrestricted (deficit)	(22,275,186)	1,042,408	(21,232,778)	(20,435,858)	1,115,054	(19,320,804)
Total net position	\$ 225,102,151	\$ 1,869,714	\$ 226,971,865	\$ 229,331,219	\$ 1,849,300	\$ 231,180,519

The largest portion of the District's net position is its investment in capital assets (e.g., land, buildings and improvements, furniture and equipment and construction in progress). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Capital assets, net, and the net investment in capital assets decreased mainly due to current year depreciation exceeding current year capital asset additions. Current liabilities decreased from the prior year as the District had recorded a significant retroactive payroll accrual which was paid to employees in the current year. Long term liabilities and deferred outflows of resources decreased while the deferred inflow of resources increased due to the actuarial calculation related to net pension liability of the District.

Total net position of the District decreased by \$4,208,654 during the current fiscal year. This was primarily the result of the decrease in revenues exceeding the decrease in expenditures. The following table shows changes in net position for fiscal years ended June 30, 2018 and 2017:

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

	2018			2017		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 5,857,896	\$ 1,005,909	\$ 6,863,805	\$ 6,319,418	\$ 984,664	\$ 7,304,082
Operating grants and contributions	7,837,918	1,535,534	9,373,452	7,900,664	1,653,545	9,554,209
General revenues:						
Property taxes	37,491,489		37,491,489	36,756,362		36,756,362
Federal and state aid not restricted to specific purposes	59,309,626		59,309,626	56,052,469		56,052,469
Earnings on investments	52,240	7,983	60,223	21,156	3,337	24,493
Miscellaneous	1,699,573		1,699,573	714,009		714,009
Total revenues	112,248,742	2,549,426	112,248,742	107,764,078	2,641,546	110,405,624
Expenses:						
Instruction	69,463,599		69,463,599	68,016,717		68,016,717
Support services	45,631,246	2,529,012	48,160,258	45,231,088	2,465,980	47,697,068
Charter schools	1,382,965		1,382,965	520,780		520,780
Total expenses	116,477,810	2,529,012	119,006,822	113,768,585	2,465,980	116,234,565
Change in net position before Special item	(4,229,068)	20,414	(4,208,654)	(6,004,507)	175,566	(5,828,941)
Special item – prior year accrual cancelled				999,544		999,544
Change in net position	(4,229,068)	20,414	(4,208,654)	(5,004,963)	175,566	(4,829,397)
Net position – beginning	229,331,219	1,849,300	231,180,519	234,336,182	1,673,734	236,009,916
Net position – ending	\$ 225,102,151	\$ 1,869,714	\$ 226,971,865	\$ 229,331,219	\$ 1,849,300	\$ 231,180,519

The decrease in charges for services was the result of decreased enrollment in the current year.

The increase in federal and state aid was the result of the implementation of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the District to record approximately \$10.2 million in revenues, which were contributions made on-behalf of the District by the State for post-employment benefits. This increase was offset by a decrease in the TPAF adjustment in regards to GASB 68 of approximately \$5.4 million.

The increase in miscellaneous revenue was the result of insurance proceeds received, as well as increased E-rate funds in the current year.

Expenses increased due to approximately \$10.2 million in expenses reported for contributions made on behalf of the District by the State for post-employment benefits due to the implementation of GASB 75. This was offset by a decrease in the TPAF adjustment in regards to GASB 68 of approximately \$5.4 million.

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirements to annually seek voter approval for District operations. Property taxes made up 35.7 percent of revenues for governmental activities in the Neptune Township School District for fiscal year 2018. Unrestricted federal and state aid accounted for another 49.5 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised 14.8 percent of the total governmental revenues.

The total cost of all programs and services was \$109,062,375. Instruction comprised 59.3 percent of District expenses. Instructional expenses include activities directly dealing with the teaching of pupils and the interaction between teacher and student, including extracurricular activities. It is important to note that additional instructional costs are included with support services, which is in conformity with New Jersey Budget Guidelines.

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

Business-Type Activities

Revenues for the District's business-type activities were comprised of charges for services and federal and state reimbursements. Charges for services were \$1,005,909 or 39.4 percent of revenue. This represents amounts paid by patrons for daily food service and use of the aquatic center. Federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast, and donated commodities amounted to \$1,535,534 or 60.2 percent of total revenue. The balance of revenues generated from investment income comprised 0.4 percent of the total business-type revenues.

Financial Analysis of the District's Funds

Governmental Funds

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

General Fund. The general fund is the main operating fund of the District. At the end of the current fiscal year, the total fund balance was \$13,095,350 including funds restricted for capital and maintenance reserves in the amount of \$9,112,815 and excess surplus of \$2,000,000.

Special Revenue Fund. The special revenue fund is used to track the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes, other than debt service or capital projects. Revenue and expenditures for the current fiscal year were comparable to the prior fiscal year. IDEA continues to be the largest federal grant in the special revenue fund, with expenditures in the current fiscal year of \$1,249,739. The District's largest state grant is the Preschool Education Childhood Aid with expenditures in the current fiscal year of \$5,251,016.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the revenues of the General Fund and Special Revenue Fund for the fiscal year ended June 30, 2018, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase from 2017	Percent of Increase
Local sources	\$ 44,499,362	47.0%	\$ 688,417	1.5%
State sources	47,683,591	50.3	614,188	1.3
Federal sources	2,564,665	2.7	6,142	0.2
Total	\$ 94,747,618	100.0%	\$ 1,308,747	1.4%

Local sources increased due to the increased local tax levy, as well as an increase in facility rentals during the year.

The following schedule presents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2018, and the amount and percentage of increases and decreases in relation to prior year expenditures.

Expenditures	Amount	Percent of Total	(Decrease) Increase from 2017	Percent of (Decrease) Increase
Current expenditures:				
Instruction	\$ 38,264,216	40.6%	\$ (221,442)	(0.6) %
Support services	51,390,866	54.6	967,265	1.9
Capital outlay	3,125,079	3.3	(6,276,722)	(66.7)
Charter schools	1,382,965	1.5	862,185	165.6
Total	\$94,163,126	100.0%	\$ 4,668,714	4.7 %

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

Capital outlay expenditures decreased as a direct result of the District's capital projects that were on going during the prior year were completed with minimal costs in the current year, specifically renovations at the Middle School.

Charter school expenditures increased as more students enrolled in charter schools within the District boundaries.

General Fund Budgeting Highlights

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

During the course of the year under audit, the District made several necessary revisions to its annual operating budget. Overall, the original budget differed from the final budget due to the reduction of state aid which was offset by increasing the appropriations of extraordinary aid. In addition there was an appropriation of fund balance into Capital Outlay to fund the construction projects that were on going. Revisions in the budget were made to prevent over-expenditures in specific line item accounts. Several of these significant revisions are mentioned below:

There were significant budget transfers out of Regular Programs – Instruction due to decreased enrollment, as well as the need to send special education students to private schools and charter schools within the state based on current student needs.

There were significant transfers to Undistributed Expenditures – Other Support Services – Students related Services – Purchased Professional – Education Services due to the additional need for students to receive various therapy services and the District contracted with a variety of vendors to satisfy this need.

There were significant budget transfers out of Undistributed Expenditures - Custodial Services - Electricity. As the District budgets conservatively, and as the utility expenses are volatile based on

current conditions and energy savings initiatives, funds were utilized in other areas of need as the District surpassed the winter months with a significant excess.

There were significant budget transfers out of Unallocated Benefits Health Benefits due to the District moving out of a private insurance plan (off of the state health benefit plan) and utilizing a self-insurance plan for prescription benefits which allowed the District to save costs and utilize the funds elsewhere.

There were significant budget transfers out of Unallocated Benefits – Other Employee Benefits due to the decrease in the waiver payments required to be made in the current year compared to the prior year, which was what the original budget was based on.

There were significant budget transfers to Facilities Acquisition and Construction Service to fund projects including the renovations at the District Data Center, RAC Running Track, RAC Turf Baseball Field.

Capital Assets

At the end of the fiscal year 2018, the District had \$237,091,828 invested in land, construction in progress, land improvements, building and building improvements and machinery, equipment and vehicles, net of accumulated depreciation. The following presents a comparison of capital assets, net of depreciation, held at June 30, 2018 and 2017:

	Governmental and Business-Type Activities	
	2018	2017
Land	\$ 4,790,571	\$ 4,790,571
Construction in progress	547,357	9,923,766
Land improvements	3,498,350	3,190,387
Building and building improvements	224,667,979	219,228,530
Machinery, equipment and vehicles	3,587,571	4,075,051
Total	\$237,091,828	\$241,208,305

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

Long-Term Liabilities

At June 30, 2018, the District had \$26,033,664 of outstanding long-term liabilities relating to compensated absences and the net pension liability. The District does not have any other long-term debt as of June 30, 2018.

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

For the Future

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

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

Contacting the District's Financial Management

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

Basic Financial Statements

Government-wide Financial Statements

The government-wide financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all governmental activities and business-type activities as of and for the year ended June 30, 2018.

Neptune Township School District

Statement of Net Position

June 30, 2018

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 2,866,515	\$ 1,190,407	\$ 4,056,922
Accounts receivable	1,984,216	129,566	2,113,782
Internal balances	141,457	(141,457)	
Inventories		48,632	48,632
Restricted assets:			
Cash and cash equivalents	9,112,815		9,112,815
Capital assets, non-depreciable	5,337,928		5,337,928
Capital assets, depreciable, net	230,926,594	827,306	231,753,900
Total assets	<u>250,369,525</u>	<u>2,054,454</u>	<u>252,423,979</u>
Deferred Outflow of Resources			
Pension deferrals	<u>7,627,123</u>		<u>7,627,123</u>
Liabilities			
Accounts payable	1,561,308	141,687	1,702,995
Intergovernmental accounts payable:			
State	5,613		5,613
Federal	155,778		155,778
Unearned revenue	196,909	43,053	239,962
Net pension liability	23,917,075		23,917,075
Current portion of long-term obligations	125,200		125,200
Noncurrent portion of long-term obligations	1,991,389		1,991,389
Total liabilities	<u>27,953,272</u>	<u>184,740</u>	<u>28,138,012</u>
Deferred Inflow of Resources			
Pension deferrals	<u>4,941,225</u>		<u>4,941,225</u>
Net Position			
Net investment in capital assets	236,264,522	827,306	237,091,828
Restricted for:			
Excess Surplus - current year	2,000,000		2,000,000
Capital Reserve	7,314,815		7,314,815
Maintenance Reserve	1,798,000		1,798,000
Unrestricted (deficit)	(22,275,186)	1,042,408	(21,232,778)
Total net position	<u>\$ 225,102,151</u>	<u>\$ 1,869,714</u>	<u>\$ 226,971,865</u>

See accompanying notes to basic financial statements.

Neptune Township School District
Statement of Activities

Year ended June 30, 2018

Functions/Programs	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position		Total
		Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	
Governmental activities						
Instruction	\$ 69,463,599	\$ 5,300,608	\$ 3,604,565	\$ (60,558,426)		\$ (60,558,426)
Support services:						
Attendance/social work	649,173		4,233,353	3,584,180		3,584,180
Health services	1,494,220			(1,494,220)		(1,494,220)
Other support services	11,112,965			(11,112,965)		(11,112,965)
Improvement of instruction	1,431,875			(1,431,875)		(1,431,875)
School library	1,812,837			(1,812,837)		(1,812,837)
General administration	2,133,802			(2,133,802)		(2,133,802)
School administration	6,590,063			(6,590,063)		(6,590,063)
Required maintenance	4,012,216			(4,012,216)		(4,012,216)
Operation of plant	9,547,554			(9,547,554)		(9,547,554)
Security	1,131,291			(1,131,291)		(1,131,291)
Student transportation	3,211,524	557,288		(2,654,236)		(2,654,236)
Business and other support services and benefits	2,503,726			(2,503,726)		(2,503,726)
Charter schools	1,382,965			(1,382,965)		(1,382,965)
Total governmental activities	116,477,810	5,857,896	7,837,918	(102,781,996)		(102,781,996)
Business-type activities						
Food Service	2,247,277	700,209	1,535,534		\$ (11,534)	(11,534)
Aquatic Center	281,735	305,700			23,965	23,965
Total business-type activities	2,529,012	1,005,909	1,535,534		12,431	12,431
Total primary government	\$ 119,006,822	\$ 6,863,805	\$ 9,373,452	(102,781,996)	12,431	(102,769,565)
General revenues:						
Property taxes, levied for general purposes				37,491,489		37,491,489
State Sources				59,156,143		59,156,143
Federal Sources				153,483		153,483
Interest Earnings				52,240	7,983	60,223
Miscellaneous Income				1,699,573		1,699,573
Total general revenues				98,552,928	7,983	98,560,911
Change in net position				(4,229,068)	20,414	(4,208,654)
Net position-beginning				229,331,219	1,849,300	231,180,519
Net position-ending				\$ 225,102,151	\$ 1,869,714	\$ 226,971,865

See accompanying notes to basic financial statements.

Fund Financial Statements

Governmental Funds

**Neptune Township School District
Governmental Funds**

Balance Sheet

June 30, 2018

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Assets			
Cash and cash equivalents	\$ 2,204,579		\$ 2,204,579
Accounts receivable:			
Intergovernmental-state	710,522		710,522
Intergovernmental-federal	3,737	\$ 15,648	19,385
Accounts receivable - other	1,206,990	5,609	1,212,599
Interfund receivable	361,726		361,726
Restricted assets:			
Cash and cash equivalents	9,112,815		9,112,815
Total assets	\$ 13,600,369	\$ 21,257	\$ 13,621,626
Liabilities and Fund balances			
Liabilities:			
Accounts payable	\$ 505,019		\$ 505,019
Intergovernmental accounts payable:			
State		\$ 5,613	5,613
Federal		155,778	155,778
Interfund payable		178,559	178,559
Unearned revenue		196,909	196,909
Total liabilities	505,019	536,859	1,041,878
Fund balances:			
Restricted for:			
Excess surplus current year	2,000,000		2,000,000
Maintenance reserve	1,798,000		1,798,000
Capital reserve	7,314,815		7,314,815
Assigned to:			
Designated for subsequent year expenditures	1,982,535		1,982,535
Unassigned:			
Special revenue fund (deficit)		(515,602)	(515,602)
Total fund balances (deficit)	13,095,350	(515,602)	12,579,748
Total liabilities and fund balances	\$ 13,600,369	\$ 21,257	
<p>Amounts reported for <i>governmental activities</i> in the statement of net position (A-1) are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$321,921,410 and the accumulated depreciation is \$85,656,888. 236,264,522</p> <p>Deferred pension costs in governmental activities are not financial resources and therefore are not reported in the funds. 2,685,898</p> <p>Accrued pension contributions for the June 30, 2018 plan year end are not paid with current economic resources and are therefore not reported as a liability in the funds, but are included in accounts payable in the government-wide statement of net position. (996,189)</p> <p>Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds. (23,917,075)</p> <p>Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds. (2,116,589)</p> <p>Internal service funds are used by the District to charge the costs of the self-insurance program to the individual fund. The activities of this fund are included in the Statement of Activities. 601,836</p> <p style="text-align: right;">Net position of governmental activities \$ 225,102,151</p>			

Neptune Township School District
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2018

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Revenues			
Local sources:			
Local tax levy	\$ 37,491,489		\$ 37,491,489
Interest on investments	52,240		52,240
Transportation fees from other LEAs within the State	557,288		557,288
Tuition from other LEAs within the State	5,300,608		5,300,608
Miscellaneous	<u>1,097,737</u>		<u>1,097,737</u>
Total revenues-local sources	44,499,362		44,499,362
State sources	42,256,855	\$ 5,426,736	47,683,591
Federal sources	<u>153,483</u>	<u>2,411,182</u>	<u>2,564,665</u>
Total revenues	86,909,700	7,837,918	94,747,618
Expenditures			
Current:			
Instruction	27,834,786	2,797,620	30,632,406
Undistributed:			
Instruction	7,631,810		7,631,810
Attendance/social work	299,155		299,155
Health services	702,770		702,770
Guidance services	1,377,906		1,377,906
Speech, OT, PT and related services	1,433,231		1,433,231
Child study teams / special education	1,257,127	3,285,737	4,542,864
Improvement of instruction	732,070		732,070
School library	853,439		853,439
General administration	1,304,437		1,304,437
School administration	3,086,644		3,086,644
Central services	779,804		779,804
Administrative information technology	440,010		440,010
Required maintenance	2,930,383		2,930,383
Custodial services	5,303,020		5,303,020
Care and upkeep of grounds	735,247		735,247
Security	561,717		561,717
Student transportation	2,780,152		2,780,152
Personnel services-			
unallocated employee benefits	14,033,250		14,033,250
On-behalf payments-TPAF, FICA, long term disability, medical and pension	9,494,767		9,494,767
Charter schools - current	1,382,965		1,382,965
Capital outlay	<u>3,125,079</u>		<u>3,125,079</u>
Total expenditures	88,079,769	6,083,357	94,163,126
(Deficiency) Excess of Revenues (Under) Over Expenditures	(1,170,069)	1,754,561	584,492
Other financing sources (uses):			
Transfers in	1,735,587		1,735,587
Transfers out		<u>(1,735,587)</u>	<u>(1,735,587)</u>
Total other financing sources (uses)	1,735,587	(1,735,587)	-
Net change in fund balances	565,518	18,974	584,492
Fund balances (deficit), July 1	<u>12,529,832</u>	<u>(534,576)</u>	<u>11,995,256</u>
Fund balances (deficit), June 30	\$ 13,095,350	\$ (515,602)	\$ 12,579,748

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

Neptune Township School District
Governmental Funds

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

Year ended June 30, 2018

Total net change in fund balances - governmental funds (B-2) **\$ 584,492**

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 depreciation expense exceeded capital asset additions in the period.

Depreciation expense	\$ (7,362,774)	
Capital additions	<u>3,153,237</u>	(4,209,537)

In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). The amount represents the net change. (109,761)

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

Pension expense	(1,096,098)
-----------------	-------------

The internal service fund is used by the District to charge the costs of the self-insurance program to the individual fund. The assets and liabilities of the internal service fund is included with governmental activities. 601,836

Change in net position of governmental activities (A-2) **\$ (4,229,068)**

Proprietary Funds

Neptune Township School District
Proprietary Funds

Statement of Net Position

June 30, 2018

	Business-Type Activities Major Enterprise Funds			Major Internal Service Fund
	Food Service	Aquatic Center	Totals	
Assets				
Current assets:				
Cash and cash equivalents	\$ 179,087	\$ 1,011,320	\$ 1,190,407	\$ 661,936
Accounts receivable:				
State	1,650		1,650	
Federal	96,158		96,158	
Other	31,758		31,758	
Interfund receivable		14,343	14,343	
Inventories	48,632		48,632	
Total current assets	<u>357,285</u>	<u>1,025,663</u>	<u>1,382,948</u>	<u>661,936</u>
Noncurrent assets:				
Capital assets, depreciable, net	653,482	173,824	827,306	
Total capital assets	<u>653,482</u>	<u>173,824</u>	<u>827,306</u>	
Total assets	<u>1,010,767</u>	<u>1,199,487</u>	<u>2,210,254</u>	<u>661,936</u>
Liabilities				
Current liabilities:				
Accounts payable	141,687		141,687	60,100
Interfund payable	10,800	145,000	155,800	
Unearned revenue	20,247	22,806	43,053	
Total current liabilities	<u>172,734</u>	<u>167,806</u>	<u>340,540</u>	<u>60,100</u>
Total liabilities	<u>172,734</u>	<u>167,806</u>	<u>340,540</u>	<u>60,100</u>
Net position				
Investment in capital assets	653,482	173,824	827,306	
Unrestricted	184,551	857,857	1,042,408	601,836
Total net position	<u>\$ 838,033</u>	<u>\$ 1,031,681</u>	<u>\$ 1,869,714</u>	<u>\$ 601,836</u>

Neptune Township School District
Proprietary Funds

Statement of Revenues, Expenses and
Changes in Fund Net Position

Year ended June 30, 2018

	Business Type Activities Major Enterprise Funds			Major Internal Service Fund
	Food Service	Aquatic Center	Totals	
Operating revenues:				
Local sources:				
Insurance proceeds				\$ 1,868,977
Daily food sales-reimbursable programs	\$ 379,337		\$ 379,337	
Daily food sales-non-reimbursable programs	320,872		320,872	
Daily swim revenue		\$ 36,251	36,251	
Swim membership revenue		28,328	28,328	
Swim rental revenue		136,240	136,240	
Swim seminar revenue		99,857	99,857	
Miscellaneous		5,024	5,024	
Total operating revenues	700,209	305,700	1,005,909	1,868,977
Operating expenses:				
Salaries	690,163	187,487	877,650	
Employee benefits and taxes	186,982		186,982	1,267,141
Supplies and materials	409,642	44,859	454,501	
Cost of sales - reimbursable programs	523,162		523,162	
Cost of sales - non-reimbursable programs	94,825		94,825	
Depreciation	78,098	3,456	81,554	
Management services	165,036		165,036	
Purchased services	63,734	45,933	109,667	
Miscellaneous	35,635		35,635	
Total operating expenses	2,247,277	281,735	2,529,012	1,267,141
Operating (loss) income	(1,547,068)	23,965	(1,523,103)	601,836
Nonoperating revenues:				
State sources:				
School lunch program	22,969		22,969	
Federal sources:				
School breakfast program	258,525		258,525	
School lunch program	1,029,402		1,029,402	
Healthy Hunger-Free Kids Act (HHFKA)	25,709		25,709	
Food donation program	198,929		198,929	
Interest revenue		7,983	7,983	
Total nonoperating revenues	1,535,534	7,983	1,543,517	
Change in net position	(11,534)	31,948	20,414	601,836
Total net position, beginning	849,567	999,733	1,849,300	-
Total net position, ending	\$ 838,033	\$ 1,031,681	\$ 1,869,714	\$ 601,836

Neptune Township School District
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2018

	Business Type Activities Major Enterprise Funds			Major Internal Service Fund
	Food Service	Aquatic Center	Totals	
Cash flows from operating activities				
Receipts from services provided to other funds				\$ 1,868,977
Receipts from customers	\$ 707,944	\$ 324,134	\$ 1,032,078	
Payments to employees	(690,163)	(187,487)	(877,650)	
Payments for employee benefits	(186,982)		(186,982)	(1,207,041)
Payments to consultants	(14,184)		(14,184)	
Payments to management company	(165,036)		(165,036)	
Payments to suppliers	(1,304,847)	(105,135)	(1,409,982)	
Net cash (used in) provided by operating activities	<u>(1,653,268)</u>	<u>31,512</u>	<u>(1,621,756)</u>	<u>661,936</u>
Cash flows from investing activity				
Interest received		7,983	7,983	
Net cash provided by investing activity		<u>7,983</u>	<u>7,983</u>	
Cash flows from noncapital financing activities				
Payments to other funds	(142,242)		(142,242)	
Cash received from state and federal sources	1,534,528		1,534,528	
Net cash provided by noncapital financing activities	<u>1,392,286</u>		<u>1,392,286</u>	
Cash flows from capital and related financing activity				
Purchase of capital assets	(29,614)		(29,614)	
Net cash (used in) capital and related financing activity	<u>(29,614)</u>		<u>(29,614)</u>	
Net (decrease) increase in cash and cash equivalents	(290,596)	39,495	(251,101)	661,936
Cash and cash equivalents, beginning of year	469,683	971,825	1,441,508	-
Cash and cash equivalents, end of year	<u>\$ 179,087</u>	<u>\$ 1,011,320</u>	<u>\$ 1,190,407</u>	<u>\$ 661,936</u>
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities				
Operating (loss) income	\$(1,547,068)	\$ 23,965	\$ (1,523,103)	\$ 601,836
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:				
Depreciation	78,098	3,456	81,554	
Change in assets and liabilities:				
Decrease in accounts receivable	7,557		7,557	
(Increase) in interfund receivable		(14,343)	(14,343)	
Decrease in inventory	13,462		13,462	
(Decrease) in accounts payable	(205,495)		(205,495)	60,100
Increase in unearned revenue	178	18,434	18,612	
Net cash (used in) provided by operating activities	<u>\$(1,653,268)</u>	<u>\$ 31,512</u>	<u>\$ (1,621,756)</u>	<u>\$ 661,936</u>
Noncash noncapital financing activities				
The District received \$190,253 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2018.				

See accompanying notes to basic financial statements.

Fiduciary Funds

Neptune Township School District
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2018

	Unemployment Compensation Trust	Agency Funds
Assets		
Cash and cash equivalents	\$ 1,115,009	\$ 681,544
Interfund receivable	21,261	
Total assets	1,136,270	\$ 681,544
Liabilities		
Payroll deductions and withholdings payable		\$ 456,051
Interfund payable		41,710
Flexible spending payable		13,010
Accounts payable	4,380	21,261
Due to student groups		149,512
Total liabilities	4,380	\$ 681,544
Net position		
Held in trust for unemployment benefits	\$ 1,131,890	

Neptune Township School District
Fiduciary Funds

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2018

	<u>Unemployment Compensation Trust</u>
Additions	
Interest received	\$ 12,480
Contributions-employees	<u>64,693</u>
Total additions	<u>77,173</u>
 Deductions	
Unemployment claims	<u>58,925</u>
Total deductions	<u>58,925</u>
 Change in net position	 18,248
 Net position-beginning of year	 <u>1,113,642</u>
Net position-end of year	<u><u>\$ 1,131,890</u></u>

Neptune Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2018

1. Summary of Significant Accounting Policies

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

A. Reporting Entity

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

The District reports the following major governmental funds:

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

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

The District reports the following major proprietary funds:

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

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

The District reports the following internal service fund:

Self-Insurance Fund: The self-insurance fund is used to record the activity of the District's prescription benefit expenses.

Additionally, the District reports the following fiduciary fund types:

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

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

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

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

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

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

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

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

D. Budgets/Budgetary Control

Annual appropriated budgets are adopted each year for the general and special revenue funds. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2018 were made and properly

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

approved by School Board Resolution and were made in accordance with statutory guidelines. The amendments made by the District were not deemed significant and were part of the normal course of operations. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

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

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

E. Deposits and Investments

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

F. Interfund Receivables/Payables

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

G. Inventories

Inventories which benefit future periods, other than those recorded in the enterprise fund, are recorded as an expenditure during the year of purchase. Enterprise fund inventories are valued at cost, which approximates market, using the first-in, first-out (FIFO) method and the District uses the consumption method for expensing inventory. At June 30, 2018, the unused Food Donation Program commodities of \$7,383 are reported as unearned revenue.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

H. Capital Assets

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

Donated capital assets are valued at their acquisition value on the date of acquisition.

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

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

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

I. Accrued Salaries and Wages

Employees, who provide services to the Board over the ten-month academic year do not have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is no accrual as of June 30, 2018 for such.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

J. Compensated Absences

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

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

The liability for vested compensated absences of the District recorded in the government-wide financial statements amounted to \$2,116,589 at June 30, 2018. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

K. Unearned Revenue

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

L. Long-Term Obligations

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

M. Fund Balances

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

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

Of the \$13,095,350 of fund balance in the General Fund at June 30, 2018, encumbrances of \$1,469,739 are partially offset by an unrestricted deficit of \$123,752, and a portion of the \$2,106,287 assigned to designated for subsequent year expenditures \$2,000,000 is restricted for current year excess surplus, and \$7,314,815 is restricted in a capital reserve and \$1,798,000 is restricted in a maintenance reserve.

N. Net Position

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

O. Management Estimates

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

P. On-Behalf Payments

Revenues and expenditures of the general fund include payments made by the State of New Jersey for social security and post-retirement pension and medical contributions for certified teacher and other members of the New Jersey Teachers Pension and Annuity Fund. Additionally, revenues and expenses related to on-behalf pension contributions in the government-wide financial statements have been increased by \$9,494,767 to adjust for the full accrual basis expense incurred by the State of New Jersey during the most recent measurement period. The amounts are not required to be included in the District's annual budget.

Q. Calculation of Excess Surplus

The designation for restricted fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The District generated excess surplus of \$2,000,000 during the 2017-2018 school year that will be utilized in the 2019-2020 fiscal year budget.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

R. GASB Pronouncements

GASBs Pronouncements Implemented in the 2018 Fiscal Year

In June 2015, GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. This Statement replaces the requirements of Statement 45 and requires governments to report a liability on the face of the financial statements for the OPEB that they provide. Statement No. 75 requires governments in all types of OPEB plans to present more extensive note disclosures and required supplementary information (RSI) about their OPEB liabilities. The requirements of this Statement are effective for financial statements for reporting periods beginning after June 15, 2017. The District has adopted GASB No. 75 during the year ended June 30, 2018, which resulted in an increase in full accrual revenues and expenses and additional disclosures in the notes to the basic financial statements.

In March, 2017, GASB issued Statement No. 85, *Omnibus 2017*. This Statement establishes accounting and financial reporting requirements for blending component units, goodwill, fair value measurement and application, and postemployment benefits (pensions and other postemployment benefits). The requirements of this Statement are effective for periods beginning after June 15, 2017. The District has adopted GASB Statement No. 85 during the year ended June 30, 2018, which did not have a significant impact on the financial statements.

Recently Issued and Adopted Accounting Principles

The GASB issued Statement No. 84, *Fiduciary Activities* in January 2017. This Statement establishes standards of accounting and financial reporting for fiduciary activities. The requirements of this Statement are effective for periods beginning after December 15, 2018. Management has not yet determined the impact of the statement on the financial statements.

The GASB issued Statement No. 87, *Leases* in June 2017. This Statement establishes standards of accounting and financial reporting for leases by lessees and lessors. The requirements of this Statement are effective for periods beginning after December 15, 2019. Management has not yet determined the impact of the statement on the financial statements.

S. Deferred Outflows/Inflows of Resources

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

1. Summary of Significant Accounting Policies (continued)

This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District does have one item that qualifies for reporting in this category at June 30, 2018, including deferred amounts related to pensions.

T. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2018 and February 6, 2019, the date that the financial statements were issued for possible disclosure and recognition in the financial statements, and no items have come to the attention of the District that would require disclosure.

2. Reconciliation of Government-Wide and Fund Financial Statements

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

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that long-term liabilities are not due and payable in the current period and therefore are not reported in the funds. The \$2,116,589 difference is attributable to the compensated absences liability.

3. Deposits and Investments

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

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

Additionally, the District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

3. Deposits and Investments (continued)

Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 to protect Government Units from a loss of funds on deposit with a failed banking institution in New Jersey.

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

Deposits

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

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

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

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

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

Operating cash accounts are held in the District's name by several commercial banking institutions. At June 30, 2018, the carrying amount of the District's deposits was \$9,710,695, and the bank balance was \$12,192,156. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2018 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$11,304,685. \$637,471 held in the District agency accounts are not covered by GUDPA.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

3. Deposits and Investments (continued)

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

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

Investments

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

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

In order to maximize liquidity, the District utilizes the New Jersey Cash Management Fund ("NJCMF") as its sole investment. The NJCMF is administered by the State of New Jersey, Department of the Treasury. It invests pooled monies from various State and non-State agencies in primarily short-term investments. The fair value of the position in the pool is the same as the fair value of the pool shares. These investments include: U.S. Treasuries, short-term Commercial Paper, U.S. Agency Bonds, Corporate Bonds, and Certificates of Deposit. Agencies that participate in the NJCMF typically earn returns that mirror short-term investments rates. Monies can be freely added or withdrawn from the NJCMF on a daily basis without penalty. At June 30, 2018, the District's balance was \$5,255,595 and is classified as cash equivalents at June 30, 2018 due to its short-term nature and is considered a Level 1 investment under GASB No. 72. The debt instruments in the NJCMF are rated by three national rating agencies.

All investments in the Fund are governed by the regulations of the Investment Council, which prescribes specific standards designed to ensure the quality of investments and to minimize the risks related to

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

3. Deposits and Investments (continued)

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

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

Credit Risk: The District does not have an investment policy regarding the management of credit risk. GASB 40 requires that disclosure be made as to the credit rating of all debt security investments except for obligations of the U.S. government or investments guaranteed by the U.S. government. The District did not have any funds invested in debt securities.

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

Concentration of Credit Risk: The District places no limit on the amount the District may invest in any one issuer. At June 30, 2018, all of the District's investments were invested in NJCMF.

All of the District's investments are classified as cash equivalents at June 30, 2018.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2018:

	Beginning Balance	Increases	Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,790,571			\$ 4,790,571
Construction in progress	9,923,766	\$ 2,790,361	\$ (12,166,770)	547,357
Total capital assets, not being depreciated	14,714,337	2,790,361	(12,166,770)	5,337,928
Capital assets, being depreciated:				
Land improvements	9,261,871		863,101	10,124,972
Buildings and building improvements	284,172,244	116,590	11,270,325	295,559,159
Machinery, equipment and vehicles	10,619,721	246,286	33,344	10,899,351
Total capital assets being depreciated	304,053,836	362,876	12,166,770	316,583,482
Less accumulated depreciation for:				
Land improvements	6,071,484	555,138		6,626,622
Buildings and building improvements	64,943,714	6,092,466		71,036,180
Machinery, equipment and vehicles	7,278,916	715,170		7,994,086
Total accumulated depreciation	78,294,114	7,362,774		85,656,888
Total capital assets being depreciated, net	225,759,722	(6,898,898)	12,166,770	230,926,594
Governmental activities capital assets, net	\$ 240,474,059	\$ (4,209,537)	\$ -	\$236,264,522

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

4. Capital Assets (continued)

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

Instruction	\$3,256,807
Undistributed instruction	816,739
Attendance and social work	31,806
Health services	74,717
Guidance Services	146,496
Other support services –related services	152,378
Other support - regular	482,987
Improvement of instruction	77,832
School library	90,736
General administration	138,685
School administration	328,165
Central Services	82,907
Administrative information technology	46,781
Required maintenance of plant	638,994
Operation of plant and upkeep of grounds	563,273
Care and Upkeep of Grounds	78,170
Security	59,721
Student transportation	295,580
Total allocated depreciation expense	<u>\$7,362,774</u>

The following is a summary of business-type changes in capital assets for the year ended June 30, 2018:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:			
Equipment	\$ 1,346,464	\$ 174,614	\$ 1,521,078
Less accumulated depreciation for:			
Equipment	<u>(612,218)</u>	<u>(81,554)</u>	<u>(693,772)</u>
Total business-type activities capital assets, net	<u>\$ 734,246</u>	<u>\$ 93,060</u>	<u>\$ 827,306</u>

5. Long-Term Liabilities

Bonds

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

5. Long-Term Liabilities (continued)

There are no serial bonds outstanding or bonds or notes authorized not issued at June 30, 2018.

Changes in long-term liabilities

The following presents the change in long-term liabilities.

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due within One Year</u>
Governmental activities:					
Net Pension Liability	\$ 30,663,059		\$ 6,745,984	\$ 23,917,075	
Compensated absences	2,006,828	\$ 274,956	165,195	2,116,589	\$ 125,200
Governmental activity long-term liabilities	<u>\$ 32,896,513</u>	<u>\$ 9,007,412</u>	<u>\$ 6,911,179</u>	<u>\$ 26,033,664</u>	<u>\$ 125,200</u>

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

6. Pension Plans

Description of Systems

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

Teachers' Pension and Annuity Fund

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employee's Retirement System

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

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

Funding Policy

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

During the year ended June 30, 2018, the State of New Jersey contributed \$7,221,111 to the TPAF for on-behalf medical benefits, long-term disability insurance, and pension contributions on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66, the State of New Jersey reimbursed the District \$2,273,656 during the year ended June 30, 2018 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the Government-wide and fund financial statements.

The District's actuarially determined contributions to PERS for the years ended June 30, 2018, 2017 and 2016 were \$969,379, \$919,759, and \$847,193, respectively, equal to the required contributions for each year.

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

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

Public Employee's Retirement System (PERS)

At June 30, 2018, the District reported a liability of \$23,917,075 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2016, which was rolled forward to June 30, 2017. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2017, the District's proportion was 0.1027436297 percent, which was a decrease of 0.0007878637 from its proportion measured as of June 30, 2016.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

For the year ended June 30, 2018, the District recognized full accrual pension expense of \$2,060,140 in the government-wide financial statements. At June 30, 2018, the District reported deferred outflows of resources related to PERS from the following sources:

	Deferred Outflows Of Resources	Deferred Inflows Of Resources
Differences between expected and actual experience	\$ 563,165	
Changes of assumptions	4,818,466	\$ 4,800,801
Net difference between projected and actual earnings on pension plan investments	162,859	
Changes in proportion and differences between district contributions and proportionate share contributions	1,086,444	140,424
District contributions subsequent to the measurement date	996,189	
	<u>\$ 7,627,123</u>	<u>\$ 4,941,225</u>

\$996,189 is reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date. Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2019	\$ 890,367
2020	1,158,950
2021	765,860
2022	(606,364)
2023	(519,104)
	<u>\$ 1,689,709</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

Actuarial Assumptions

The total pension liability for the June 30, 2017 measurement date was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate	2.25%
Salary increase through 2026	1.65 - 4.15%
	based on age
Thereafter	2.65 - 5.15%
	based on age
Investment rate of return	7.00%

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2011 to June 30, 2014. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates, the larger the impact on future financial statements.

Mortality Rates

Pre-retirement mortality rates were based on the RP-2000 Preretirement Mortality Table for male and female active participants. For State employees, mortality tables are set back 4 years for males and females. For local employees, mortality tables are set back 2 years for males and 7 years for females. In addition, the tables provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Post-retirement mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (set back 1 year for males and females) for service retirements and beneficiaries of former members and a one-year static projection based on mortality improvement Scale AA. In addition, the tables for service retirements and beneficiaries of formers members provide for future improvements in mortality from the base year of 2013 using a generational approach based on the plan actuary's modified MP-2014 projection scale. Disability retirement rates used to value disabled retirees were based on the RP-2000 Disabled Mortality Table (set back 3 years for males and set forward 1 year for females).

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

Long-Term Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2017 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 5.00% as of June 30, 2017 and 3.98% as of June 30, 2016. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed 40% of the actuarially determined contributions and the local employers contributed 100% of their actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2040. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2040 and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the District's proportionate share of the net pension liability as of June 30, 2017 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (4.00 percent) or 1-percentage-point higher (6.00 percent) than the current rate:

	At 1% Decrease (4.00%)	At Current Discount Rate (5.00%)	At 1% Increase (6.00%)
District's proportionate share of the net pension liability	\$ 29,670,755	\$ 23,917,075	\$ 19,123,547

Pension Plan Fiduciary Net Position

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

Additional Information

Collective balances of the Local Group at June 30, 2017 are as follows:

Deferred outflows of resources	\$ 6,424,455,842
Deferred inflows of resources	\$ 5,700,625,981
Net pension liability	\$ 23,278,401,588
District's Proportion	0.1027436297%

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

Collective pension expense for the Local Group for the measurement period ended June 30, 2017 is \$1,694,305,613.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2017, 2016, 2015 and 2014 is 5.48, 5.57, 5.72, and 6.44 years, respectively.

Teachers Pensions and Annuity Fund (TPAF) – Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State in accordance with N.J.S.A. 18:66-33. Therefore, these local participating employers are considered to be in a special funding situation as defined by GASB Statement No. 68 and the State is treated as a nonemployer contributing entity. Since the local participating employers do not contribute directly to the plan (except for employer specific financed amounts), there is no net pension liability or deferred outflows or inflows to report in the financial statements of the local participating employers. However, the notes to the financial statements of the local participating employers must disclose the portion of the nonemployer contributing entities' total proportionate share of the net pension liability that is associated with the local participating employer. The State's proportionate share of the TPAF net pension liability associated with the District as of June 30, 2017 was \$200,188,670. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016, which was rolled forward to June 30, 2017. The State's proportionate share of the net pension liability associated with the District was based on a projection of the State's long-term contributions to the pension plan associated with the District relative to the projected contributions by the State associated with all participating school districts, actuarially determined. At June 30, 2017, the State's proportionate share of the TPAF net pension liability associated with the District was 0.2969118423 percent, which was a decrease of 0.0019517952 from its proportion measured as of June 30, 2016.

For the year ended June 30, 2018, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$13,868,057 for contributions incurred by the State.

Actuarial assumptions

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

Inflation rate	2.25%
Salary increases: 2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.00%

Mortality Rates

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

The actuarial assumptions used in the July 1, 2016 valuation were based on the results of an actuarial experience study for the period July 1, 2012 to June 30, 2015.

Long-Term Expected Rate of Return

In accordance with State statute, the long-term expected rate of return on plan investments (7.00% at June 30, 2017) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2017 are summarized in the following table:

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Absolute return/risk mitigation	5.00%	5.51%
Cash equivalents	5.50%	1.00%
U.S. Treasuries	3.00%	1.87%
Investment grade credit	10.00%	3.78%
Public high yield	2.50%	6.82%
Global diversified credit	5.00%	7.10%
Credit oriented hedge funds	1.00%	6.60%
Debt related private equity	2.00%	10.63%
Debt related real estate	1.00%	6.61%
Private real asset	2.50%	11.83%
Equity related real estate	6.25%	9.23%
U.S. Equity	30.00%	8.19%
Non-U.S. developed markets equity	11.50%	9.00%
Emerging markets equity	6.50%	11.64%
Buyouts/venture capital	8.25%	13.08%
	<u>100.00%</u>	

Discount Rate

The discount rate used to measure the total pension liability was 4.25% as of June 30, 2017 and 3.22% as of June 30, 2016. This single blended discount rate was based on the long-term rate of return on pension plan investments of 7.00%, and a municipal bond rate of 3.58% as of June 30, 2017 based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State contributed 40% of the actuarially determined contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2036. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2036, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2017 calculated using the discount rate as disclosed above as well as what

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

6. Pension Plans (continued)

the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (3.25%) or 1-percentage-point higher (5.25%) than the current rate:

	Decrease (3.25%)	Discount Rate (4.25%)	Increase (5.25%)
State's proportionate share of the net pension liability associated with the District	\$ 237,830,419	\$ 200,188,670	\$ 169,179,233

Pension plan fiduciary net position

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

Additional Information

Collective balances of the Local Group at June 30, 2017 are as follows:

Deferred outflows of resources	\$ 14,251,854,934
Deferred inflows of resources	\$ 11,807,238,433
Net pension liability	\$ 67,423,605,859

State's proportionate share associated with the District	0.2969118423%
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Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2017 is \$4,682,493,081.

The average of the expected remaining service lives of all employees that are provided with pension through the pension plan (active and inactive employees) determined at July 1, 2017, 2016, 2015 and 2014 is 8.3, 8.3, 8.3, and 8.5 years, respectively.

7. Post-Retirement Benefits

Plan description and benefits provided

The School District contributes to the New Jersey State Health Benefits Program (the "SHBP"), a multiple-employer defined benefit postemployment healthcare plan administered by the State of New Jersey Division of Pension and Benefits. SHBP provide medical, prescription drug, mental

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

7. Post-Retirement Benefits (continued)

health/substance abuse and Medicare Part B reimbursement to retirees and their covered dependents. The State Health Benefits Program Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. The State of New Jersey Division of Pension and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for SHBP. That report may be obtained by writing to Division of Pension and Benefits, PO Box 295, Trenton, NJ 08625-0295.

The State's contributions to the SHBP Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2018, 2017 and 2016 were \$2,831,664, \$2,782,708 and \$2,849,185 respectively, which equaled the required contributions for each year.

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired state employees and retired educational employees. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994. As the employer contributions for local government education employers are legally required to be funded by the State, this constitutes a special funding situation as defined by GASB Statement No. 75 (GASB 75) and the State is treated as a non-employer contributing entity.

The State is also responsible for the cost attributable P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program (APB) who retired from a board of education or county college with 25 years of service.

The School Employees Health Benefits Program (SEHBP) Act is found in New Jersey Statutes Annotated, Title 52, Article 17.25 et.seq. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code.

The State provides OPEB benefits through a defined benefit OPEB plan that is not administered through a trust that meets the criteria in paragraph 4 of GASB 75. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75.

Total OPEB Liability

The net OPEB liability from New Jersey's plan is \$53,639,841,858.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

7. Post-Retirement Benefits (continued)

Changes in the District's Total OPEB Liability

Below represents the changes in the District's total OPEB liability for the year ended June 30, 2017:

	<u>Total OPEB Liability</u>
Beginning Total OPEB Liability, June 30, 2016	\$ 169,479,950
Changes for the year:	
Service cost	7,424,322
Interest	4,992,097
Changes in assumptions or other inputs	(21,025,959)
Member contributions	134,210
Benefit payments	<u>(3,644,788)</u>
Net changes	<u>(12,120,118)</u>
Ending Total OPEB Liability, June 30, 2017	<u>\$ 157,359,832</u>

Employees covered by benefit terms

The following employees were covered by the benefit terms:

<u>Local Education</u>	<u>June 30, 2017</u>
Active Plan Members	223,747
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	142,331
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	<u>-</u>
Total Plan Members	366,078

The State, a nonemployer contributing entity, is the only entity that has a legal obligation to make employer contributions to OPEB for qualified retired PERS and TPAF participants. The District's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the District did not recognize any portion of the collective net OPEB liability on the Statement of Net Position. The State's proportionate share of the net OPEB liability associated with the District as of June 30, 2017 was \$157,359,832. Additional information can be obtained from the State of New Jersey's comprehensive annual financial report.

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2018 actuarial valuation reported by the State in the State's most recently issued financial statements was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

7. Post-Retirement Benefits (continued)

	TPAF	PERS
Inflation rate	2.50%	2.50%
Salary increase through 2026	1.55 - 4.55%	2.15 - 4.15%
	based on years of service	based on age
Thereafter	2.00 - 5.45%	3.15 - 5.15%
	based on years of service	based on age

The actuarial assumptions used in the June 30, 2017 valuation were based on the results of the actual experience studies for the periods July 1, 2012 – June 30, 2015 and July 1, 2011 – June 30, 2014 for TPAF and PERS, respectively.

Discount Rate

The discount rate for June 30, 2017 and 2016 was 3.58% and 2.85%, respectively. This represents the municipal bond return rate as chosen by the Division. The source is the Bond Buyer Go 20-Bond Municipal Bond Index, which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality Rates

Preretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Employee Male/Female Mortality table for males or females, as appropriate, with adjustments for mortality improvements based on MP- 2017 scale. Postretirement mortality rates were based on the RP-2014 Headcount-Weighted Healthy Annuitant Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale. Disability mortality was based on the RP-2014 Headcount-Weighted Disabled Male/Female mortality table with fully generational improvement projections from the central year using the MP-2017 scale.

Health Care Trend Assumptions

For pre-Medicare preferred provider organization (PPO) medical benefits, this amount initially is 5.9% and decreases to a 5.0% long-term trend rate after nine years. For self-insured post-65 PPO medical benefits, the trend rate is 4.5%. For health maintenance organization (HMO) medical benefits, the trend rate is initially 5.9% and decreases to a 5.0% long-term trend rate after nine years. For prescription drug benefits, the initial trend rate is 10.5% decreasing to a 5.0% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%. The Medicare Advantage trend rate is 4.5% and will continue in all future years.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

7. Post-Retirement Benefits (continued)

The following represents sensitivity of the State's proportionate share of the net OPEB liability associated with the District to changes in the discount rate and healthcare cost trend rate.

The following presents the State's proportionate share of the net OPEB liability associated with the District as of June 30, 2017 calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	At 1% decrease (2.58%)	At current discount rate (3.58%)	At 1% increase (4.58%)
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 186,797,474	\$ 157,359,832	\$ 134,009,615

The following presents the State's proportionate share of the net OPEB liability associated with the District as of June 30, 2017 calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rate:

	At 1% decrease	Healthcare Cost Trend Rates	At 1% increase
Net OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 129,413,250	\$ 157,359,832	\$ 194,472,564

OPEB Expense and Deferred Outflows of resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2018, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$10,247,099 for OPEB expenses incurred by the State. Collective balances of the Education Group at June 30, 2017 are as follows:

Deferred outflows of resources	\$ 99,843,255
Deferred inflows of resources	\$ 6,443,612,287
Collective OPEB Expense	\$ 3,348,490,523
District's Proportion	0.29%

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

7. Post-Retirement Benefits (continued)

Special Funding Situation

The employer contributions for local participating employers are legally required to be funded by the State, therefore, the District records an expense and corresponding revenue for its respective share of total OPEB expense and revenue attributable to the State of New Jersey.

8. Interfund Receivables and Payables

The total interfund accounts receivable and payable balances for the District amounted to the following as of June 30, 2018:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 361,726	
Special Revenue Fund		\$ 178,559
Food Service Enterprise Fund		10,800
Aquatic Center Enterprise Fund	14,343	145,000
Unemployment Trust Fund	21,261	
Payroll Agency Fund		41,710
	<u>\$ 397,330</u>	<u>\$ 397,330</u>

The interfund payable in the general fund represents the balance due to refund the aquatic center enterprise fund for COBRA payments made. The interfund payable in the special revenue fund represents a cash loan from the general fund not returned at June 30, 2018. The interfund between the food service enterprise fund and the general fund represents funds not returned by the food service enterprise fund by June 30, 2018 for expenditures paid on behalf of the food service enterprise fund by the general fund. The interfund payable in the aquatic center enterprise fund represents the balance due to refund the general fund for capital expenditures for expenditures paid on behalf of the aquatic center by the general fund. The interfund payable between the payroll agency fund and unemployment fund represents quarterly unemployment expenses. All interfunds are expected to be repaid within one year.

9. 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.

10. Deferred Compensation

The District offers its employees deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457(b). The plans, which are administered by Equitable, Fidelity and the Seely Agency, permit participants to defer a portion of their salary until future years.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

10. Deferred Compensation (continued)

Amounts deferred under the plans are not available to employees until termination, retirement, death or an unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with the amounts, and all income attributable to these amounts are held in trust for the exclusive benefit of participating employees and their beneficiaries.

11. 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, 2018 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying basic financial statements for such contingencies. The District is also involved in several other claims and lawsuits incidental to its operations. In the opinion of the administration and legal counsel, the ultimate resolution of these matters will not have a materially adverse effect on the financial position of the District.

12. Risk Management

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

Property and Liability Insurance

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

New Jersey Unemployment Compensation Insurance

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

13. Transfers

The following presents a reconciliation of transfers made during the 2018 fiscal year:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,735,587	
Special Revenue Fund		\$1,735,587
	<u>\$1,735,587</u>	<u>\$1,735,587</u>

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

14. Commitments-General Fund

The District has contractual commitments of \$1,469,739 at June 30, 2018 to various vendors, which are recorded in the general fund as a component of designated for subsequent year expenditures.

15. Deficit Fund Balance

The District has an unassigned deficit fund balance of \$515,602 in the special revenue fund at June 30, 2018 as reported in the fund financial statements (modified accrual basis). N.J.S.A. 18A:22-44.2 provides that in the event a state school aid payment is not made available until the following budget year, districts must record the last state aid payments as revenue, for budget purposes only, in the current school budget year. The bill provides the legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset, liability) should be in symmetry (i.e., if one government recognizes an asset, the other government recognizes a liability). Since the State is recording the last state aid payments in the subsequent fiscal year, the school district cannot recognize the last state aid payments on the GAAP financial statements until the year the State records the payable. The deficit amounts listed above in the special revenue fund represent a deficit that was incurred as a direct result of the State of New Jersey's deferral of the District's final two state aid payments.

16. Capital Reserve Account

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

16. Capital Reserve Account (continued)

annual general fund budget certified for taxes or by transfer by board resolution at year end (June 1 to June 30) of any unanticipated revenue or unexpended line – item appropriation amounts, or both. A district may also appropriate additional amounts when the express approval of the voters has been obtained either by a separate proposal at budget time or by a special question at one of the four special elections authorized pursuant to N.J.S.A. 19:60-2. Pursuant to N.J.A.C. 6A:23A-14.1(g), the balance in the account cannot at any time exceed the local support costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning balance, July 1, 2017	\$	7,693,018
Increased By:		
Deposit approved at the June 2018		
Board meeting		1,616,923
Unspent capital outlay funds		187,891
Interest		16,983
Decreased By: Budget withdrawal		(2,200,000)
Ending balance, June 30, 2018	\$	<u>7,314,815</u>

Of the balance in reserve at June 30, 2018, \$3,500,000 is included to be utilized in the 2018-19 approved budget. The withdrawal from the capital reserve was for use in DOE approved facilities projects, consistent with the District's LRFP. The June 30, 2018 LRFP balance of local support costs of uncompleted projects exceeds the amount set aside in capital reserve.

17. Maintenance Reserve Account

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

17. Maintenance Reserve Account (continued)

The activity of the maintenance reserve for the July 1, 2017 to June 30, 2018 fiscal year is as follows:

Beginning balance, June 30, 2017	\$ 1,600,000
Increased by:	
Deposit approved at the June 2018	
Board meeting	695,000
Interest	3,000
Decreased by:	
Budget withdrawal	<u>(500,000)</u>
Ending balance, June 30, 2018	<u>\$ 1,798,000</u>

Of the balance in reserve at June 30, 2018, \$850,000 is included to be utilized in the 2018-19 approved budget.

18. Restricted Assets

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

19. Rental Agreements

Effective July 1, 2017, the District entered into a new lease with Brookdale Community College to rent the second floor of the building, for the period from September 1, 2017 through June 30, 2020. Payments made from the College to the District during fiscal year 2018 totaled \$107,500. As of June 30, 2018, the lease for the second floor was not renewed.

Effective September 1, 2017, the District entered into a new lease with Brookdale Community College to rent the first floor of the building, for the period from September 1, 2017 through June 30, 2020. Payments made from the College to the District during fiscal year 2018 totaled \$165,735. Under the contract the District is required to pay the remaining amounts of \$144,891 and \$147,789 during fiscal year 2019 and 2020, respectively.

20. GASB 77 Tax Abatements

As defined by the Governmental Accounting Standards Board (GASB), a tax abatement is an agreement between a government and an individual or entity in which the government promises to forgo tax revenues and the individual or entity promises to subsequently take a specific action that contributes to economic development or otherwise benefits the government or its citizens.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2018

20. GASB 77 Tax Abatements (continued)

However, the county or municipality in which the school district is situated may have entered into tax abatement agreements, and that potential must be disclosed in these financial statements. If the county or municipality entered into tax abatement agreements, those agreements will not directly affect the school district's local tax revenue because N.J.S.A. 54:4-75 and N.J.S.A. 54:4-76 require that amounts so forgiven must effectively be recouped from other taxpayers and remitted to the school district.

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

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

The Township of Neptune recognized revenue of \$244,018 from the annual service charge in lieu of payment of taxes in 2017 and taxes in 2017 that otherwise would have been due on these long-term tax exemptions amounted to \$465,128, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$221,110 abatement would have been allocated to the District.

21. Lease Commitments - Operating Lease

The District leases copiers from Municipal Capital Lease (Lessor) under a fifteen-year lease. The initial five-year period commenced on July 1, 2016. The Lease expense, excluding additional operating expenses, amounted to \$52,366 for fiscal year 2018. The future minimum lease payments under the lease agreement over the remaining life of the lease is \$174,260.

Required Supplementary Information
Part II

Newburg Township Board of Education
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Public Employees' Retirement System
 Required Supplementary Information

	Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
District's proportion of the net pension liability - Local Group	N/A	N/A	N/A	N/A	N/A	0.092590616807%	0.0962857403%	0.0985418447%	0.1035314934%	0.107316397%
District's proportionate share of the net pension liability (asset)	N/A	N/A	N/A	N/A	N/A	\$ 17,756,315	\$ 18,027,511	\$ 22,120,602	\$ 30,663,059	\$ 23,917,075
District's covered-employee payroll	\$ 5,431,676	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,918	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288	\$ 7,014,635
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	N/A	N/A	272.09%	268.06%	316.88%	439.41%	340.96%
Plan fiduciary net position as a percentage of the total pension liability - Local Group	N/A	N/A	N/A	N/A	N/A	48.73%	52.08%	47.97%	40.14%	48.10%

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

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

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

Last Ten Fiscal Years

	Year Ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Contractually required contribution	\$ 461,533	\$ 494,153	\$ 666,709	\$ 701,513	\$ 683,560	\$ 794,760	\$ 793,774	\$ 847,193	\$ 919,759	\$ 969,379
Contributions in relation to the contractually required contribution	(461,533)	(494,153)	(666,709)	(701,513)	(683,560)	(794,760)	(793,774)	(847,193)	(919,759)	(969,379)
Contribution deficiencies (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 5,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288	\$ 7,014,655	\$ 7,317,916
Contributions as a percentage of covered-employee payroll	8.00%	8.24%	10.99%	11.20%	10.47%	11.82%	11.37%	12.14%	13.11%	13.25%

See accompanying notes to required supplementary information.

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

Last Ten Fiscal Years*

	Year Ended June 30,			
	2018	2017	2016	2015
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.2969118423%	0.2988636375%	0.2942601365%	0.3018486894%
District's proportionate share of the net pension liability (asset)	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability (asset) associated with the District	\$ 200,188,670	\$ 235,105,166	\$ 185,984,972	\$ 161,328,300
Total proportionate share of the net pension liability (asset) associated with the District	<u>\$ 200,188,670</u>	<u>\$ 235,105,166</u>	<u>\$ 185,984,972</u>	<u>\$ 161,328,300</u>
Plan fiduciary net position as a percentage of the total pension liability	25.41%	22.33%	28.71%	33.64%

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

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

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

Neptune Township Board of Education
 Schedule of the State's Proportionate Share of the Net OPEB Liability Associated with the District
 and Changes in the Total OPEB Liability and Related Ratios
 Public Employee's Retirement System and Teachers' Pension and Annuity Fund
 Required Supplementary Information

Last Ten Fiscal Years*

	2018	2017
State's proportion of the net OPEB liability (asset) associated with the District	0.29%	0.29%
District's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability associated with the District	\$ 157,359,832	\$ 169,479,950
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 157,359,832</u>	<u>\$ 169,479,950</u>
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%

	2018	2017**
Total OPEB Liability		
Service cost	\$ 7,424,322	
Interest cost	4,992,097	
Changes of assumptions	(21,025,959)	
Member contributions	134,210	
Gross benefit payments	(3,644,788)	
Net change in total OPEB liability	<u>(12,120,118)</u>	
Total OPEB liability - beginning	<u>169,479,950</u>	
Total OPEB liability - ending	<u>\$ 157,359,832</u>	
Covered-employee payroll	<u>\$ 36,370,626</u>	
Total OPEB liability as a percentage of covered-employee payroll	<u>432.66%</u>	

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

* This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the District should present information for those years for which information is available.

** information not available

Neptune Township Board of Education
Notes to Required Supplementary Information
Year ended June 30, 2018

PENSION - PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 3.98% as of June 30, 2016 to 5.00% as of June 30, 2017.

PENSION - TEACHERS PENSION AND ANNUITY FUND

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 3.22% as of June 30, 2016 to 4.25% as of June 30, 2017.

**OTHER POST-RETIREMENT BENEFIT PLAN - PUBLIC EMPLOYEES' RETIREMENT SYSTEM
AND TEACHERS' PENSION AND ANNUITY FUND**

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 2.85% as of June 30, 2016 to 3.58% as of June 30, 2017.

Required Supplementary Information

Part III

Budgetary Comparison Schedules

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

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 37,491,489		\$ 37,491,489	\$ 37,491,489	
Tuition from other LEAs within the State	4,850,000	\$ 5,396	4,855,396	5,300,608	\$ 445,212
Transportation fees from other LEAs within the State	425,000		425,000	557,288	132,288
Interest Earned on Investments	15,000	14,578	29,578	52,240	22,662
Miscellaneous	504,255	(150,040)	354,215	1,097,737	743,522
Total - Local Sources	43,285,744	(130,066)	43,155,678	44,499,362	1,343,684
State Sources:					
Equalization Aid	25,407,093		25,407,093	25,407,093	
Special Education Aid	2,404,326		2,404,326	2,404,326	
Transportation Aid	1,363,716		1,363,716	1,363,716	
Security Aid	1,222,886		1,222,886	1,222,886	
Adjustment Aid	2,234,768	(654,934)	1,579,834	1,579,834	
PARCC Readiness Aid	113,930	(75,280)	38,650	38,650	
Per Pupil Growth Aid		38,650	38,650	38,650	
Professional Learning Community Aid		36,630	36,630	36,630	
Additional Non-Public Transportation Aid				16,838	16,838
Extraordinary Aid	275,000	285,000	560,000	585,130	25,130
TPAF Pension (On-Behalf - Non-Budgeted)				4,384,204	4,384,204
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)				2,831,664	2,831,664
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				5,243	5,243
TPAF Social Security (Reimbursed - Non-Budgeted)				2,273,656	2,273,656
Total State Sources	33,021,719	(369,934)	32,651,785	42,188,520	9,536,735
Federal Sources:					
Medical Assistance Program	184,521		184,521	153,483	(31,038)
Total - Federal Sources	184,521		184,521	153,483	(31,038)
Total Revenues	76,491,984	(500,000)	75,991,984	86,841,365	10,849,381
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	1,039,469	(187,999)	851,470	851,470	
Grades 1-5 - Salaries of Teachers	5,873,007	93,196	5,966,203	5,818,176	148,027
Grades 6-8 - Salaries of Teachers	4,135,496	(399,369)	3,736,127	3,648,775	87,352
Grades 9-12 - Salaries of Teachers	5,410,179	(145,389)	5,264,790	5,191,376	73,414
Regular Programs - Home Instruction					
Salaries of Teachers	200,000	410	200,410	200,410	
Purchased Professional-Educational Services	85,000	(725)	84,275	55,601	28,674
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	475,022	(46,288)	428,734	390,380	38,354
Purchased Professional-Educational Services	220,113	(30,286)	189,827	179,204	10,623
Purchased Technical Services	280,533	81,524	362,057	345,402	16,655
Other Purchased Services	398,000	57,117	455,117	445,802	9,315
General Supplies	592,152	50,758	642,910	608,334	34,576
Textbooks	111,183	40,866	152,049	151,236	813
Other Objects	43,860	8,694	52,554	48,247	4,307
TOTAL REGULAR PROGRAMS - INSTRUCTION	18,864,014	(477,491)	18,386,523	17,934,413	452,110
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	715,157	18,590	733,747	733,747	
Other Salaries for Instruction	274,945	61,601	336,546	336,545	1
Purchased Professional-Educational Services	77,800	20,365	98,165	98,165	
Other Purchased Services	1,450	778	2,228	2,228	
General Supplies	5,300	23,196	28,496	28,496	
Total Learning and/or Language Disabilities	1,074,652	124,530	1,199,182	1,199,181	1
Auditory Impairments					
Salaries of Teachers	756,010	(22,810)	733,200	730,669	2,531
Other Salaries for Instruction	435,880	(13,719)	422,161	417,246	4,915
Purchased Professional-Educational Services	9,000		9,000	9,000	
Other Purchased Services	40,700	(17,000)	23,700	22,304	1,396
General Supplies	12,000	(4,000)	8,000	6,962	1,038
Total Auditory Impairments	1,253,590	(57,529)	1,196,061	1,186,181	9,880

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral Disabilities					
Salaries of Teachers	\$ 161,871	\$ 4,603	\$ 166,474	\$ 166,474	
Other Salaries for Instruction	48,117	(2,431)	45,686	45,574	\$ 112
Purchased Professional-Educational Services	800		800	800	
General Supplies	1,000		1,000	963	37
Total Behavioral Disabilities	211,788	2,172	213,960	213,811	149
Multiple Disabilities					
Salaries of Teachers	410,461	(6,763)	403,698	403,138	560
Other Salaries for Instruction	254,433	5,464	259,897	211,143	48,754
General Supplies	2,500	2,000	4,500	4,432	68
Total Multiple Disabilities	667,394	701	668,095	618,713	49,382
Resource Room/Resource Center					
Salaries of Teachers	3,168,522	114,105	3,282,627	3,241,045	41,582
Other Salaries for Instruction	218,096	10,202	228,298	227,792	506
Purchased Professional-Educational Services					
General Supplies	12,500	3,500	16,000	15,957	43
Total Resource Room/Resource Center	3,399,118	127,807	3,526,925	3,484,794	42,131
Preschool Disabilities - Full-Time					
Salaries of Teachers	378,560	(6,906)	371,654	369,937	1,717
Other Salaries for Instruction	120,940	(23,820)	97,120	88,030	9,090
Purchased Professional-Educational Services	5,000	(25)	4,975	1,286	3,689
Other Purchased Services	300	1,428	1,728	1,728	
General Supplies	6,000	825	6,825	6,772	53
Total Preschool Disabilities - Full-Time	\$10,800	(28,498)	482,302	467,753	14,549
TOTAL SPECIAL EDUCATION - INSTRUCTION	7,117,342	169,183	7,286,525	7,170,433	116,092
Bilingual Education - Instruction					
Salaries of Teachers	303,872	(702)	303,170	303,170	
General Supplies	1,560	(8)	1,492	1,490	2
Total Bilingual Education - Instruction	305,372	(710)	304,662	304,660	2
Total Vocational Programs- Local Instruction					
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	223,000	(4,819)	218,181	209,341	8,840
Purchased Services	20,000	(2,000)	18,000	10,351	7,649
Other Objects	2,000	(1,000)	1,000	985	15
Total School-Spon. Cocurricular Actvts. - Inst.	245,000	(7,819)	237,181	220,677	16,504
School-Spon. Athletics					
Salaries	1,028,200	49,009	1,077,209	972,811	104,398
Purchased Services	309,887	(60,900)	248,987	179,438	69,549
Supplies and Materials	103,000	6,900	109,900	108,083	1,817
Total School-Spon. Athletics	1,441,087	(4,991)	1,436,096	1,260,332	175,764
Other Supplementary/At-Risk Program- Instruction					
Salaries of Reading Specialists	948,927	(3,794)	945,133	944,271	862
Total Other Supplementary/At-Risk Program- Instruction	948,927	(3,794)	945,133	944,271	862
Community Services Programs/Operations					
Supplies and Materials	3,000		3,000		3,000
Other Objects	5,500		5,500		5,500
Total Community Services Programs/Operations	8,500		8,500		8,500
TOTAL INSTRUCTION	28,930,242	(325,622)	28,604,620	27,834,786	769,834
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	290,280	(174,000)	116,280	83,389	32,891
Tuition to Other LEAs Within the State - Special	570,297	(74,459)	495,838	430,210	65,628
Tuition to County Voc. School Dist. - Regular	173,640		173,640	182,810	(9,170)
Tuition to County Voc. School Dist. - Special	242,000	(30,680)	211,320	191,125	20,195
Tuition to CSSD & Regional Day Schools		6,447	6,447		6,447
Tuition to Private Schools for the Disabled - Within State	6,533,423	128,617	6,662,040	6,594,468	67,572
Tuition - State Facilities	149,808		149,808	149,808	
Total Undistributed Expenditures - Instruction	7,959,448	(134,905)	7,824,543	7,631,810	192,733

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attend. & Social Work					
Salaries	\$ 262,570	\$ 1,161	\$ 263,731	\$ 255,244	\$ 8,487
Salaries of Drop-Out Prevention Officer/Coordinator	42,865	83	42,948	42,948	
Other Purchased Services	1,300		1,300	963	337
Total Undistributed Expend. - Attend. & Social Work	306,735	1,244	307,979	299,155	8,824
Undist. Expend. - Health Services					
Salaries	662,852	29,589	692,441	668,203	24,238
Purchased Professional and Technical Services		2,500	2,500	720	1,780
Other Purchased Services	7,000	1,500	8,500	8,080	420
Supplies and Materials	28,300	(1,904)	26,396	25,767	629
Total Undistributed Expenditures - Health Services	698,152	31,685	729,837	702,770	27,067
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	425,027	(37,087)	387,940	387,395	545
Purchased Professional - Educational Services	490,000	554,556	1,044,556	1,044,547	9
Supplies and Materials	1,300		1,300	1,289	11
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	916,327	517,469	1,433,796	1,433,231	565
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,066,281	17,067	1,083,348	1,061,577	21,771
Salaries of Secretarial and Clerical Assistants	137,132	(1,092)	136,040	136,040	
Purchased Professional - Educational Services	38,500	9,700	48,200	48,042	158
Other Purchased Services	116,400	(18,189)	98,211	98,198	13
Supplies and Materials	41,750	(7,620)	34,130	34,049	81
Total Undist. Expend. - Guidance	1,400,063	(134)	1,399,929	1,377,906	22,023
Undist. Expend. - Child Study Team					
Salaries of Other Professional Staff	960,050	110,083	1,070,133	1,069,366	767
Salaries of Secretarial and Clerical Assistants	202,220	(51,240)	150,980	150,389	591
Other Purchased Services	3,750		3,750	2,015	1,735
Miscellaneous Purchased Services	5,000	17,828	22,828	20,913	1,915
Supplies and Materials	6,850	7,747	14,597	13,884	713
Other Objects	1,000		1,000	560	440
Total Undist. Expend. - Child Study Team	1,178,870	84,418	1,263,288	1,257,127	6,161
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	273,648	192	273,840	273,840	
Salaries of Other Professional Staff	306,000	(33,180)	272,820	267,706	5,114
Salaries of Secretarial and Clerical Assistants	44,660	87	44,747	44,747	
Purchased Prof. - Educational Services	158,500	(21,802)	136,698	127,724	8,974
Other Purchased Services	2,000		2,000	954	1,046
Supplies and Materials	10,000	(2,000)	8,000	1,232	6,768
Other Objects	17,000		17,000	15,867	1,133
Total Undist. Expend. - Improvement of Inst. Serv.	811,808	(56,703)	755,105	732,070	23,035
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	923,103	(63,014)	860,089	816,671	43,418
Supplies and Materials	46,000	(7,907)	38,093	36,768	1,325
Total Undist. Expend. - Edu. Media Serv./Sch. Library	969,103	(70,921)	898,182	853,439	44,743
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	622,214	33,728	655,942	649,341	6,601
Legal Services	100,000	105,500	205,500	200,577	4,923
Audit Fees	72,000	1,000	73,000	72,915	85
Architectural/Engineering Services	25,000	(20,000)	5,000		5,000
Purchased Technical Services	36,500	(1,500)	35,000	32,312	2,688
Communications/Telephone	178,500	(61,700)	116,800	109,091	7,709
Board of Education Other Purchased Services	7,800	(1,500)	6,300	4,687	1,613
Other Purchased Services	171,064	1,319	172,383	167,037	5,346
General Supplies	29,500	2,000	31,500	25,370	6,130
Board of Education In-House Training/Meeting Supplies	7,000	(1,500)	5,500	3,129	2,371
Miscellaneous Expenditures	7,800	(2,000)	5,800	4,489	1,311
Board of Education Dues and Fees	46,000	(8,500)	37,500	35,489	2,011
Total Undist. Expend. - Supp. Serv. - General Admin.	1,303,378	46,847	1,350,225	1,304,437	45,788

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	\$ 1,732,475	\$ 2	\$ 1,732,477	\$ 1,663,323	\$ 69,154
Salaries - Other Professional Staff	643,552	9,996	653,548	630,643	22,905
Salaries of Secretarial and Clerical Assistants	693,654	2,275	695,929	691,243	4,686
Other Purchased Services	63,550	(2,513)	61,037	54,227	6,810
Supplies and Materials	50,632	128	50,760	46,992	3,768
Other Objects	1,700	(292)	1,408	216	1,192
Total Undist. Expend. - Support Serv. - School Admin.	3,185,563	9,596	3,195,159	3,086,644	108,515
Undist. Expend. - Central Services					
Salaries	791,381	(65,073)	726,308	726,307	1
Purchased Technical Services	33,439	871	34,310	34,310	
Misc Purchased Services	46,500	(13,000)	33,500	15,847	17,653
Supplies and Materials	7,000	(871)	6,129	3,340	2,789
Total Undist. Expend. - Central Services	878,320	(78,073)	800,247	779,804	20,443
Undist. Expend. - Technology Admin.					
Salaries	339,321	19,515	358,836	358,835	1
Purchased Technical Services	100,000	58	100,058	63,855	36,203
Travel	8,000	(5,000)	3,000	1,584	1,416
Supplies and Materials	35,000		35,000	15,736	19,264
Total Undist. Expend. - Technology Admin.	482,321	14,573	496,894	440,010	56,884
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	438,832	3,484	442,316	438,100	4,216
Cleaning, Repair and Maintenance Services	2,198,000	194,300	2,392,300	2,311,315	80,985
General Supplies	209,000	1,300	210,300	151,452	58,848
Other Objects	27,000	3,000	30,000	29,516	484
Total Undist. Expend. - Required Maint. for Sch. Facil.	2,872,832	202,084	3,074,916	2,930,383	144,533
Undist. Expend. - Custodial Services					
Salaries	2,631,025	115,718	2,746,743	2,700,904	45,839
Cleaning, Repair and Maintenance Services	90,000	19,000	109,000	91,870	17,130
Other Purchased Property Services	123,600	(2,786)	120,814	117,397	3,417
Insurance	362,274	(21,145)	341,129	341,128	1
General Supplies	205,000	6,000	211,000	192,569	18,431
Natural Gas	314,000	(12,000)	302,000	269,414	32,586
Electricity	2,054,000	(211,000)	1,843,000	1,589,738	253,262
Total Undist. Expend. - Custodial Services	5,779,899	(106,213)	5,673,686	5,303,020	370,666
Undist. Expend. - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	814,000	(7,669)	806,331	710,605	95,726
General Supplies	20,000	6,932	26,932	24,642	2,290
Total Undist. Expend. - Care and Upkeep of Grounds	834,000	(737)	833,263	735,247	98,016
Undist. Expend. - Security					
Salaries	465,451	16,188	481,639	479,337	2,302
Purchased Professional & Technical Services	80,000		80,000	59,953	20,047
General Supplies	27,800	2,047	29,847	22,427	7,420
Total Undist. Expend. - Security	573,251	18,235	591,486	561,717	29,769
Undist. Expend. - Student Transportation Serv.					
Salaries for Pupil Trans. (Between Home & School) - Regular	128,263	(398)	127,865	127,665	200
Other Purchased Professional and Technical Services	4,500		4,500	4,500	
Contracted Services Aid In Lieu of Payment for Non-public School Students	44,000	(20,000)	24,000	19,899	4,101
Contracted Services Aid In Lieu of Payment for Charter School Students	1,700	(1,700)			
Contracted Services (Between Home and School) - Vendors	1,327,425	(190,693)	1,136,732	1,012,085	124,647
Contracted Services (Other than Between Home and School) - Vendors	262,900	(1,543)	261,357	246,983	14,374
Contracted Services (Sp. Ed.) - Vendors	1,230,000	160,728	1,390,728	1,365,173	25,555
General Supplies	5,300	1,025	6,325	3,847	2,478
Total Undist. Expend. - Student Transportation Serv.	3,004,088	(52,581)	2,951,507	2,780,152	171,355
Unallocated Benefits					
Social Security Contributions	1,039,591	55,395	1,094,986	1,090,494	4,492
Other Retirement Contributions - PERS	894,046	80,000	974,046	971,736	2,310
Workmen's Compensation	480,936	24,861	505,797	505,784	13
Health Benefits	12,671,000	(411,861)	12,259,139	10,982,152	1,276,987
Tuition Reimbursement	20,000		20,000	5,555	14,445
Other Employee Benefits	760,000	(207,600)	552,400	477,629	74,871
Total Unallocated Benefits	15,865,573	(459,205)	15,406,368	14,033,250	1,373,118

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On-behalf Contributions					
TPAF Pension (On-Behalf - Non-Budgeted)				\$ 4,384,204	\$ (4,384,204)
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)				2,831,664	(2,831,664)
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				5,243	(5,243)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,273,656	(2,273,656)
Total On-behalf Contributions				9,494,767	(9,494,767)
TOTAL UNDISTRIBUTED EXPENDITURES	\$ 49,019,731	\$ (33,321)	\$ 48,986,410	55,736,939	(6,750,529)
TOTAL GENERAL CURRENT EXPENSE	77,949,973	(358,943)	77,591,030	83,571,725	(5,980,695)
CAPITAL OUTLAY					
Equipment					
Regular Programs-Instruction:					
Grades 1-5		78,444	78,444	78,444	
Grades 6-8		34,493	34,493	34,493	
Undistributed Expenditures:					
Undistributed Exp.-Custodial Services		50,246	50,246	50,246	
Total Equipment		163,183	163,183	163,183	
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	200,000	255,403	455,403	252,326	203,077
Construction Services	2,000,000	2,164,123	4,164,123	2,709,570	1,454,553
Total Facilities Acquisition and Construction Services	2,200,000	2,419,526	4,619,526	2,961,896	1,657,630
TOTAL CAPITAL OUTLAY	2,200,000	2,582,709	4,782,709	3,125,079	1,657,630
Contribution to Charter Schools	1,007,011	418,588	1,425,599	1,382,965	42,634
TOTAL EXPENDITURES	81,156,984	2,642,354	83,799,338	88,079,769	(4,280,431)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(4,665,000)	(3,142,354)	(7,807,354)	(1,238,404)	15,129,812
Other Financing Sources (Uses):					
Transfer in - Contribution to school based budgets- GF	44,985,000	(2,450,748)	42,534,252	41,876,329	(657,923)
Transfer in - Contribution to school based budgets- SRF	1,815,000	(64,000)	1,751,000	1,735,587	(15,413)
Transfer out - Contribution to school based budgets	(44,985,000)	2,450,748	(42,534,252)	(41,876,329)	657,923
Total Other Financing Sources (Uses)	1,815,000	(64,000)	1,751,000	1,735,587	(15,413)
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(2,850,000)	(3,206,354)	(6,056,354)	497,183	15,114,399
Fund Balance, July 1	15,770,614		15,770,614	15,770,614	
Fund Balance, June 30	\$ 12,920,614	\$ (3,206,354)	\$ 9,714,260	\$ 16,267,797	\$ 15,114,399
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Excess Surplus-current year				\$ 2,000,000	
Capital Reserve				7,314,815	
Maintenance Reserve				1,798,000	
Assigned to:					
Designated for Subsequent Year's Expenditures				2,106,287	
Year End Encumbrances				1,469,739	
Unassigned Fund Balance				1,578,956	
				16,267,797	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Final State Aid Payments Not Realized on GAAP Basis				(3,172,447)	
Fund balance per Governmental Funds (GAAP)				\$ 13,095,350	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund IS	Total General Fund	Operating Fund 11-13	Blended Resource Fund IS	Total General Fund	Operating Fund 11-13	Blended Resource Fund IS	Total General Fund	Operating Fund 11-13	Blended Resource Fund IS	Total General Fund
REVENUES:												
Local Sources:												
Local Tax Levy	\$ 37,491,489		\$ 37,491,489			\$ 37,491,489			\$ 37,491,489			\$ 37,491,489
Tuition from other LEAs within the State	4,850,000		4,850,000	5,396		5,396	4,855,396		4,855,396	5,300,608		5,300,608
Transportation fees from other LEAs within the State	425,000		425,000			425,000			425,000	557,288		557,288
Interest Earned on Investments	15,000		15,000	14,578		14,578	29,578		29,578	52,240		52,240
Miscellaneous	504,255		504,255	(150,040)		(150,040)	354,215		354,215	1,097,737		1,097,737
Total - Local Sources	43,285,744		43,285,744	(130,066)		(130,066)	43,155,678		43,155,678	44,499,362		44,499,362
State Sources:												
Equalization Aid	25,407,093		25,407,093			25,407,093			25,407,093	25,407,093		25,407,093
Special Education Aid	2,404,326		2,404,326			2,404,326			2,404,326	2,404,326		2,404,326
Transportation Aid	1,363,716		1,363,716			1,363,716			1,363,716	1,363,716		1,363,716
Security Aid	1,222,886		1,222,886			1,222,886			1,222,886	1,222,886		1,222,886
Adjustment Aid	2,234,768		2,234,768	(654,934)		(654,934)	1,579,834		1,579,834	1,579,834		1,579,834
PARCC Readiness Aid	113,930		113,930	(75,280)		(75,280)	38,650		38,650	38,650		38,650
Per Pupil Growth Aid				38,650		38,650	38,650		38,650	38,650		38,650
Professional Learning Communication Aid				36,630		36,630	36,630		36,630	36,630		36,630
Non-Public Transportation Aid												
Extraordinary Aid	275,000		275,000	285,000		285,000	560,000		560,000	585,130		585,130
TPAF Pension (On-Behalf - Non-Budgeted)										4,384,204		4,384,204
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)										2,831,664		2,831,664
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)										5,243		5,243
TPAF Social Security (Reimbursed - Non-Budgeted)										2,273,656		2,273,656
Total State Sources	33,021,719		33,021,719	(369,934)		(369,934)	32,651,785		32,651,785	42,188,520		42,188,520
Federal Sources:												
Medical Assistance Program	184,521		184,521			184,521			184,521	153,483		153,483
Total - Federal Sources	184,521		184,521			184,521			184,521	153,483		153,483
Total Revenues	76,491,984		76,491,984	(500,000)		(500,000)	75,991,984		75,991,984	86,841,365		86,841,365
EXPENDITURES:												
Current Expense:												
Regular Programs - Instruction												
Preschool - Salaries of Teachers												
Kindergarten - Salaries of Teachers	\$ 1,039,469		1,039,469			(187,999)	(187,999)		851,470	851,470		851,470
Grades 1-5 - Salaries of Teachers	488,800	5,384,207	5,873,007	(73,005)		166,201	93,196	415,795	5,550,408	5,966,203	268,388	5,549,788
Grades 6-8 - Salaries of Teachers	215,000	3,920,496	4,135,496	(5,000)		(394,369)	(399,369)	210,000	3,326,127	3,736,127	127,845	3,520,930
Grades 9-12 - Salaries of Teachers	281,000	5,129,179	5,410,179	36,622		(182,011)	(145,389)	317,622	4,947,168	5,264,790	312,851	4,878,525
Regular Programs - Home Instruction	200,000		200,000	410		410	200,410		200,410	200,410		200,410
Purchased Professional-Educational Services	85,000		85,000	(725)		(725)	84,275		84,275	55,601		55,601
Regular Programs - Undistributed Instruction	75,000	400,022	475,022	2,850		(49,138)	(46,288)	77,850	350,884	428,734	39,995	350,385
Purchased Professional-Educational Services		220,113	220,113			(30,286)	(30,286)		189,827	189,827		179,204
Purchased Technical Services		280,533	280,533			81,524	81,524		362,057	362,057		345,402
Other Purchased Services		398,000	398,000			57,117	57,117		455,117	455,117		445,802
General Supplies		592,152	592,152	5,000		45,758	50,758	5,000	637,910	642,910	198	608,136
Textbooks		111,183	111,183			40,866	40,866		152,049	152,049		151,236
Other Objects		43,860	43,860			8,694	8,694		52,554	52,554		48,247
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,344,800	17,519,214	18,864,014	(33,848)		(443,643)	(477,491)	1,310,952	17,075,571	18,386,523	1,005,288	16,929,125
SPECIAL EDUCATION - INSTRUCTION												
Learning and/or Language Disabilities												
Salaries of Teachers	715,157		715,157			18,590	18,590		733,747	733,747		733,747
Other Salaries for Instruction	274,945		274,945			61,601	61,601		336,546	336,546		336,545
Purchased Professional-Educational Services	77,800		77,800			20,365	20,365		98,165	98,165		98,165
Other Purchased Services	1,450		1,450			778	778		2,228	2,228		2,228
General Supplies	5,300		5,300			23,196	23,196		28,496	28,496		28,496
Total Learning and/or Language Disabilities	1,074,652		1,074,652			124,530	124,530		1,199,182	1,199,182		1,199,181
Auditory Impairments												
Salaries of Teachers	756,010		756,010			(22,810)	(22,810)		733,200	733,200		730,669
Other Salaries for Instruction	435,880		435,880			(13,719)	(13,719)		422,161	422,161		417,246
Purchased Professional-Educational Services	9,000		9,000						9,000	9,000		9,000
Other Purchased Services	40,700		40,700			(17,000)	(17,000)		23,700	23,700		22,304
General Supplies	12,000		12,000			(4,000)	(4,000)		8,000	8,000		6,962
Total Auditory Impairments	1,253,590		1,253,590			(57,529)	(57,529)		1,196,061	1,196,061		1,186,181

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Behavioral Disabilities												
Salaries of Teachers	\$ 161,871	\$ 161,871		\$ 4,603	\$ 4,603		\$ 166,474	\$ 166,474		\$ 166,474	\$ 166,474	
Other Salaries for Instruction	48,117	48,117		(2,431)	(2,431)		45,686	45,686		45,574	45,574	
Purchased Professional-Educational Services	800	800					800	800		800	800	
General Supplies	1,000	1,000					1,000	1,000		963	963	
Total Behavioral Disabilities	211,788	211,788		2,172	2,172		213,960	213,960		213,811	213,811	
Multiple Disabilities												
Salaries of Teachers	410,461	410,461		(6,763)	(6,763)		403,698	403,698		403,138	403,138	
Other Salaries for Instruction	254,433	254,433		5,464	5,464		259,897	259,897		211,143	211,143	
General Supplies	2,500	2,500		2,000	2,000		4,500	4,500		4,432	4,432	
Total Multiple Disabilities	667,394	667,394		701	701		668,095	668,095		618,713	618,713	
Resource Room/Resource Center												
Salaries of Teachers	3,168,522	3,168,522		114,105	114,105		3,282,627	3,282,627		3,241,045	3,241,045	
Other Salaries for Instruction	218,096	218,096		10,202	10,202		228,298	228,298		227,792	227,792	
General Supplies	12,500	12,500		3,500	3,500		16,000	16,000		15,957	15,957	
Total Resource Room/Resource Center	3,399,118	3,399,118		127,807	127,807		3,526,925	3,526,925		3,484,794	3,484,794	
Preschool Disabilities - Full-Time												
Salaries of Teachers	\$ 378,560	378,560	\$ (6,906)	(6,906)		\$ 371,654	371,654	\$ 369,937		369,937	369,937	
Other Salaries for Instruction	120,940	120,940	(23,820)	(23,820)		97,120	97,120	88,030		88,030	88,030	
Purchased Professional-Educational Services	5,000	5,000	(25)	(25)		4,975	4,975	1,286		1,286	1,286	
Other Purchased Services	300	300	1,428	1,428		1,728	1,728	1,728		1,728	1,728	
General Supplies	6,000	6,000	825	825		6,825	6,825	6,772		6,772	6,772	
Total Preschool Disabilities - Full-Time	510,800	510,800	(28,498)	(28,498)		482,302	482,302	467,753		467,753	467,753	
TOTAL SPECIAL EDUCATION - INSTRUCTION	510,800	6,606,542	7,117,342	(28,498)	197,681	169,183	482,302	7,286,525	7,286,525	467,753	6,702,680	7,170,433
Bilingual Education - Instruction												
Salaries of Teachers	303,872	303,872		(702)	(702)		303,170	303,170		303,170	303,170	
General Supplies	1,500	1,500		(8)	(8)		1,492	1,492		1,490	1,490	
Total Bilingual Education - Instruction	305,372	305,372		(710)	(710)		304,662	304,662		304,660	304,660	
School-Spon. Co-curricular Actvts. - Inst.												
Salaries	223,000	223,000		(4,819)	(4,819)		218,181	218,181		209,341	209,341	
Purchased Services	20,000	20,000		(2,000)	(2,000)		18,000	18,000		10,351	10,351	
Other Objects	2,000	2,000		(1,000)	(1,000)		1,000	1,000		985	985	
Total School-Spon. Co-curricular Actvts. - Inst.	245,000	245,000		(7,819)	(7,819)		237,181	237,181		220,677	220,677	
School-Spon. Athletics												
Salaries	1,028,200	1,028,200		49,009	49,009		1,077,209	1,077,209		972,811	972,811	
Purchased Services	309,887	309,887		(60,900)	(60,900)		248,987	248,987		179,438	179,438	
Supplies and Materials	103,000	103,000		6,900	6,900		109,900	109,900		108,083	108,083	
Total School-Spon. Athletics	1,441,087	1,441,087		(4,991)	(4,991)		1,436,096	1,436,096		1,260,332	1,260,332	
Other Supplementary/At-Risk Program- Instruction												
Salaries of Reading Specialists	948,927	948,927		(3,794)	(3,794)		945,133	945,133		944,271	944,271	
Total Other Supplementary/At-Risk Program- Instruction	948,927	948,927		(3,794)	(3,794)		945,133	945,133		944,271	944,271	
Community Services Programs/Operations												
Supplies and Materials	3,000	3,000					3,000	3,000				
Other Objects	5,500	5,500					5,500	5,500				
Total Community Services Programs/Operations	8,500	8,500					8,500	8,500				
TOTAL INSTRUCTION	1,864,100	27,066,142	28,930,242	(62,346)	(263,276)	(325,622)	1,801,754	26,802,866	28,604,620	1,473,041	26,361,745	27,834,786
Undistributed Expenditures - Instruction												
Tuition to Other LEAs Within the State - Regular	290,280	290,280	(174,000)	(174,000)		116,280	116,280	83,389		83,389	83,389	
Tuition to Other LEAs Within the State - Special	570,297	570,297	(74,459)	(74,459)		495,838	495,838	430,210		430,210	430,210	
Tuition to County Voc. School Dist. - Regular	173,640	173,640	9,170	9,170		182,810	182,810	182,810		182,810	182,810	
Tuition to County Voc. School Dist. - Special	242,000	242,000	(30,680)	(30,680)		211,320	211,320	191,125		191,125	191,125	
Tuition to CSSD & Regional Day Schools			6,447	6,447		6,447	6,447	6,447		6,447	6,447	
Tuition to Private Schools for the Disabled - Within State	6,533,423	6,533,423	128,617	128,617		6,662,040	6,662,040	6,594,468		6,594,468	6,594,468	
Tuition - State Facilities	149,808	149,808				149,808	149,808	149,808		149,808	149,808	
Total Undistributed Expenditures - Instruction	7,959,448	7,959,448	(134,905)	(134,905)		7,824,543	7,824,543	7,631,810		7,631,810	7,631,810	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Undistributed Expend. - Attend. & Social Work												
Salaries	\$ 2,000	\$ 260,570	\$ 262,570	\$ 700	\$ 461	\$ 1,161	\$ 2,700	\$ 261,031	\$ 261,731	\$ 2,686	\$ 252,558	\$ 255,244
Salaries of Drop-Out Prevention Officer/Coordinator		42,865	42,865		83	83		42,948	42,948		42,948	42,948
Other Purchased Services	500	800	1,300	(200)	200		300	1,000	1,300		963	963
Total Undistributed Expend. - Attend. & Social Work	2,500	304,235	306,735	500	744	1,244	3,000	304,979	307,979	2,686	296,469	299,155
Undist. Expend. - Health Services												
Salaries	49,500	613,352	662,852	16,397	13,192	29,589	65,897	626,544	692,441	62,251	605,952	668,203
Purchased Professional and Technical Services					2,500	2,500		2,500	2,500		720	720
Other Purchased Services	7,000		7,000	1,500		1,500	8,500		8,500	8,080		8,080
Supplies and Materials	5,000	23,300	28,300	500	(2,404)	(1,904)	5,500	20,896	26,196		20,546	25,767
Total Undistributed Expenditures - Health Services	61,500	636,652	698,152	18,397	13,288	31,685	79,897	649,940	729,837	75,552	627,218	702,770
Undist. Expend. - Other Supp. Serv. Students - Related Serv.												
Salaries	425,027		425,027	(37,087)		(37,087)	387,940		387,940		387,395	387,395
Purchased Professional - Educational Services	490,000		490,000	554,556		554,556	1,044,556		1,044,556	1,044,547		1,044,547
Supplies and Materials	1,300		1,300				1,300		1,300		1,289	1,289
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	916,327		916,327	517,469		517,469	1,433,796		1,433,796	1,433,231		1,433,231
Undist. Expend. - Guidance												
Salaries of Other Professional Staff		1,066,281	1,066,281		17,067	17,067		1,083,348	1,083,348		1,061,577	1,061,577
Salaries of Secretarial and Clerical Assistants		137,132	137,132		(1,092)	(1,092)		136,040	136,040		136,040	136,040
Purchased Professional - Educational Services		38,500	38,500		9,700	9,700		48,200	48,200		48,042	48,042
Other Purchased Services		116,400	116,400		(18,189)	(18,189)		98,211	98,211		98,198	98,198
Supplies and Materials		41,750	41,750		(7,620)	(7,620)		34,130	34,130		34,039	34,039
Total Undist. Expend. - Guidance		1,400,063	1,400,063		(134)	(134)		1,399,929	1,399,929		1,377,906	1,377,906
Undist. Expend. - Child Study Team												
Salaries of Other Professional Staff	960,050		960,050	110,083		110,083	1,070,133		1,070,133	1,069,366		1,069,366
Salaries of Secretarial and Clerical Assistants	202,220		202,220	(51,240)		(51,240)	150,980		150,980	150,389		150,389
Other Purchased Services	3,750		3,750				3,750		3,750	2,015		2,015
Miscellaneous Purchased Services	5,000		5,000	17,828		17,828	22,828		22,828	20,913		20,913
Supplies and Materials	6,850		6,850	7,747		7,747	14,597		14,597	13,884		13,884
Other Objects	1,000		1,000				1,000		1,000	560		560
Total Undist. Expend. - Child Study Team	1,178,870		1,178,870	84,418		84,418	1,263,288		1,263,288	1,257,127		1,257,127
Undist. Expend. - Improvement of Inst. Serv.												
Salaries of Supervisors of Instruction	273,648		273,648	192		192	273,840		273,840	273,840		273,840
Salaries of Other Professional Staff		306,000	306,000		(33,180)	(33,180)		272,820	272,820	267,706		267,706
Salaries of Secretarial and Clerical Assistants	44,660		44,660	87		87	44,747		44,747	44,747		44,747
Purchased Prof. - Educational Services		158,500	158,500		(21,802)	(21,802)		136,698	136,698	127,724		127,724
Other Purchased Services	2,000		2,000				2,000		2,000	954		954
Supplies and Materials	10,000		10,000	(2,000)		(2,000)	8,000		8,000	1,232		1,232
Other Objects	17,000		17,000				17,000		17,000	15,867		15,867
Total Undist. Expend. - Improvement of Inst. Serv.	347,308	464,500	811,808	(1,721)	(54,982)	(56,703)	345,587	409,518	755,105	336,640	395,430	732,070
Undist. Expend. - Edu. Media Serv./Sch. Library												
Salaries		923,103	923,103		(63,014)	(63,014)		860,089	860,089		816,671	816,671
Supplies and Materials		46,000	46,000		(7,907)	(7,907)		38,093	38,093		36,768	36,768
Total Undist. Expend. - Edu. Media Serv./Sch. Library		969,103	969,103		(70,921)	(70,921)		898,182	898,182		853,439	853,439
Undist. Expend. - Supp. Serv. - General Admin.												
Salaries	622,214		622,214	33,728		33,728	655,942		655,942	649,341		649,341
Legal Services	100,000		100,000	105,500		105,500	205,500		205,500	200,577		200,577
Audit Fees	72,000		72,000	1,000		1,000	73,000		73,000	72,915		72,915
Architectural/Engineering Services	25,000		25,000	(20,000)		(20,000)	5,000		5,000			
Purchased Technical Services	36,500		36,500	(1,500)		(1,500)	35,000		35,000	32,312		32,312
Communications/Telephone	178,500		178,500	(61,700)		(61,700)	116,800		116,800	109,091		109,091
Board of Education Other Purchased Services	7,800		7,800	(1,500)		(1,500)	6,300		6,300	4,687		4,687
Miscellaneous Purchased Services	171,064		171,064	1,319		1,319	172,383		172,383	167,037		167,037
General Supplies	29,500		29,500	2,000		2,000	31,500		31,500	25,370		25,370
Board of Education In-House Training/Meeting Supplies	7,000		7,000	(1,500)		(1,500)	5,500		5,500	3,129		3,129
Miscellaneous Expenditures	7,800		7,800	(2,000)		(2,000)	5,800		5,800	4,489		4,489
Board of Education Dues and Fees	46,000		46,000	(8,500)		(8,500)	37,500		37,500	35,489		35,489
Total Undist. Expend. - Supp. Serv. - General Admin.	1,303,378		1,303,378	46,847		46,847	1,350,225		1,350,225	1,304,437		1,304,437

Neptunae Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Undist. Expend. - Support Serv. - School Admin.												
Salaries of Principals/Assistant Principals		\$ 1,732,475	\$ 1,732,475	\$ 2	\$ 2		\$ 1,732,477	\$ 1,732,477		\$ 1,663,323	\$ 1,663,323	
Salaries - Other Professional Staff		643,552	643,552	9,996	9,996		653,548	653,548		630,643	630,643	
Salaries of Secretarial and Clerical Assistants	\$ 21,000	672,654	693,654	2,015	260	2,275	672,914	695,929	\$ 19,205	672,038	691,243	
Other Purchased Services		63,550	63,550	(2,513)	(2,513)		61,037	61,037		54,227	54,227	
Supplies and Materials		50,632	50,632	128	128		50,760	50,760		46,992	46,992	
Other Objects		1,700	1,700	(292)	(292)		1,408	1,408		216	216	
Total Undist. Expend. - Support Serv. - School Admin.	21,000	3,164,563	3,185,563	2,015	7,581	9,596	3,172,144	3,195,159	19,205	3,067,439	3,086,644	
Undist. Expend. - Central Services												
Salaries	791,381		791,381	(65,073)		(65,073)	726,308	726,308	726,307		726,307	
Purchased Technical Services	33,439		33,439	871		871	34,310	34,310	34,310		34,310	
Misc Purchased Services	46,500		46,500	(13,000)		(13,000)	33,500	33,500	15,847		15,847	
Supplies and Materials	7,000		7,000	(871)		(871)	6,129	6,129	3,340		3,340	
Total Undist. Expend. - Central Services	878,320		878,320	(78,073)		(78,073)	800,247	800,247	779,804		779,804	
Undist. Expend. - Technology Admin.												
Salaries	339,321		339,321	19,515		19,515	358,836	358,836	358,835		358,835	
Purchased Technical Services	100,000		100,000	58		58	100,058	100,058	63,855		63,855	
Travel	8,000		8,000	(5,000)		(5,000)	3,000	3,000	1,584		1,584	
Supplies and Materials	35,000		35,000				35,000	35,000	15,736		15,736	
Total Undist. Expend. - Technology Admin.	482,321		482,321	14,573		14,573	496,894	496,894	440,010		440,010	
Undist. Expend. - Required Maint. for Sch. Facil.												
Salaries	438,832		438,832	3,484		3,484	442,316	442,316	438,100		438,100	
Cleaning, Repair and Maintenance Services	2,198,000		2,198,000	194,300		194,300	2,392,300	2,392,300	2,311,315		2,311,315	
General Supplies	209,000		209,000	1,300		1,300	210,300	210,300	151,452		151,452	
Other Objects	27,000		27,000	3,000		3,000	30,000	30,000	29,516		29,516	
Total Undist. Expend. - Required Maint. for Sch. Facil.	2,872,832		2,872,832	202,084		202,084	3,074,916	3,074,916	2,930,383		2,930,383	
Undist. Expend. - Custodial Services												
Salaries	2,631,025		2,631,025	115,718		115,718	2,746,743	2,746,743	2,700,904		2,700,904	
Cleaning, Repair and Maintenance Services	90,000		90,000	19,000		19,000	109,000	109,000	91,870		91,870	
Other Purchased Property Services	123,600		123,600	(2,786)		(2,786)	120,814	120,814	117,397		117,397	
Insurance	362,274		362,274	(21,145)		(21,145)	341,129	341,129	341,128		341,128	
General Supplies	205,000		205,000	6,000		6,000	211,000	211,000	192,569		192,569	
Natural Gas	314,000		314,000	(12,000)		(12,000)	302,000	302,000	269,414		269,414	
Electricity	2,054,000		2,054,000	(211,000)		(211,000)	1,843,000	1,843,000	1,589,738		1,589,738	
Total Undist. Expend. - Custodial Services	5,779,899		5,779,899	(106,213)		(106,213)	5,673,686	5,673,686	5,303,020		5,303,020	
Undist. Expend. - Care and Upkeep of Grounds												
Cleaning, Repair and Maintenance Services	814,000		814,000	(7,669)		(7,669)	806,331	806,331	710,605		710,605	
General Supplies	20,000		20,000	6,932		6,932	26,932	26,932	24,642		24,642	
Total Undist. Expend. - Care and Upkeep of Grounds	834,000		834,000	(737)		(737)	833,263	833,263	735,247		735,247	
Undist. Expend. - Security												
Salaries	2,000	463,451	463,451		16,188	16,188	2,000	479,639	481,639	225	479,112	479,337
Purchased Professional & Technical Services	60,000	20,000	80,000				60,000	20,000	80,000	39,953	20,000	59,953
General Supplies	20,000	7,800	27,800		2,047	2,047	20,000	9,847	12,723	9,704	22,427	22,427
Total Undist. Expend. - Security	82,000	491,251	573,251		18,235	18,235	82,000	509,486	591,486	52,901	508,816	561,717
Undist. Expend. - Student Transportation Serv.												
Salaries for Pupil Trans. (Between Home & School) - Regular	128,263		128,263	(398)		(398)	127,865	127,865	127,665		127,665	
Other Purchased Professional and Technical Services	4,500		4,500				4,500	4,500	4,500		4,500	
Contracted Services Aid In Lieu of Payment for Non-public School Students	44,000		44,000	(20,000)		(20,000)	24,000	24,000	19,899		19,899	
Contracted Services Aid In Lieu of Payment for Charter School Students	1,700		1,700	(1,700)		(1,700)						
Contracted Services (Between Home and School) - Vendors	1,327,425		1,327,425	(190,693)		(190,693)	1,136,732	1,136,732	1,012,085		1,012,085	
Contracted Services (Other than Between Home and School) - Vendors	1,500	261,400	262,900	372	(1,915)	(1,543)	1,872	259,485	1,872	245,111	246,983	
Contracted Services (Sp. Ed.) - Vendors	1,230,000		1,230,000	160,728		160,728	1,390,728	1,390,728	1,365,173		1,365,173	
General Supplies	5,300		5,300	1,025		1,025	6,325	6,325	3,847		3,847	
Total Undist. Expend. - Student Transportation Serv.	2,742,688	261,400	3,004,088	(50,666)	(1,915)	(52,581)	2,692,022	2,951,507	2,535,041	245,111	2,780,152	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2018

	Original Budget			Budget Transfers			Final Budget			Actual		
	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Total General Fund
Unallocated Benefits												
Social Security Contributions	\$ 697,500	\$ 342,091	\$ 1,039,591	\$ 50,000	\$ 5,395	\$ 55,395	\$ 747,500	\$ 347,486	\$ 1,094,986	\$ 743,388	\$ 347,106	\$ 1,090,494
Other Retirement Contributions - PERS	894,046		894,046	80,000		80,000	974,046		974,046	971,736		971,736
Workmen's Compensation	480,936		480,936	24,861		24,861	505,797		505,797	505,784		505,784
Health Benefits	971,000	11,700,000	12,671,000	1,869,839	(2,281,700)	(411,861)	2,840,839	9,418,300	12,259,139	1,563,852	9,418,300	10,982,152
Tuition Reimbursement	20,000		20,000				20,000		20,000	5,555		5,555
Other Employee Benefits	760,000		760,000	(207,600)		(207,600)	552,400		552,400	477,529		477,529
Total Unallocated Benefits	3,823,482	12,042,091	15,865,573	1,817,100	(2,276,305)	(459,205)	5,640,582	9,765,786	15,406,368	4,267,844	9,765,406	14,033,250
On-behalf Contributions												
TPAF Pension (On-Behalf - Non-Budgeted)										4,384,204		4,384,204
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)										2,831,664		2,831,664
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)										5,243		5,243
Reimbursed TPAF Social Security Contributions (non-budgeted)										2,273,656		2,273,656
Total On-behalf Contributions										9,494,767		9,494,767
TOTAL UNDISTRIBUTED EXPENDITURES	29,285,873	19,733,858	49,019,731	2,331,088	(2,364,409)	(33,321)	31,616,961	17,369,449	48,986,410	38,599,705	17,137,234	55,736,939
TOTAL GENERAL CURRENT EXPENSE	31,149,973	46,800,000	77,949,973	2,268,742	(2,627,685)	(358,943)	33,418,715	44,172,315	77,591,030	40,072,746	43,498,979	83,571,723
CAPITAL OUTLAY												
Equipment												
Regular Programs-Instruction:												
Grades 1-5					78,444	78,444		78,444	78,444		78,444	78,444
Grades 6-8					34,493	34,493		34,493	34,493		34,493	34,493
Undistributed Expenditures:												
Undistributed Exp -Custodial Services				50,246		50,246	50,246		50,246	50,246		50,246
Total Equipment				50,246	112,937	163,183	50,246	112,937	163,183	50,246	112,937	163,183
Facilities Acquisition and Construction Services												
Architectural/Engineering Services	200,000		200,000	255,403		255,403	455,403		455,403	252,326		252,326
Construction Services	2,000,000		2,000,000	2,164,123		2,164,123	4,164,123		4,164,123	2,709,570		2,709,570
Total Facilities Acquisition and Construction Services	2,200,000		2,200,000	2,419,526		2,419,526	4,619,526		4,619,526	2,961,896		2,961,896
TOTAL CAPITAL OUTLAY	2,200,000		2,200,000	2,469,772	112,937	2,582,709	4,669,772	112,937	4,782,709	3,012,142	112,937	3,125,079
Contribution to Charter Schools	1,007,011		1,007,011	418,588		418,588	1,425,599		1,425,599	1,382,965		1,382,965
Total General Fund Expenditures	1,007,011		1,007,011	418,588		418,588	1,425,599		1,425,599	1,382,965		1,382,965
TOTAL EXPENDITURES	34,356,984	46,800,000	81,156,984	5,157,102	(2,514,748)	2,642,354	39,514,086	44,285,252	83,799,338	44,467,833	43,611,916	88,079,769
(Deficiency) Excess of Revenues (Under) Over Expenditures	42,135,000	(46,800,000)	(4,665,000)	(5,637,102)	2,514,748	(3,142,354)	36,477,898	(44,285,252)	(7,807,354)	42,373,512	(43,611,916)	(1,238,404)
Other Financing Sources (Uses):												
Transfer In - Contribution to school based budgets- GF		44,985,000	44,985,000					42,534,252	42,534,252		41,876,329	41,876,329
Transfer In - Contribution to school based budgets- SRF		1,815,000	1,815,000	(64,000)		(64,000)		1,751,000	1,751,000		1,735,587	1,735,587
Transfer out - Contribution to school based budgets	(44,985,000)		(44,985,000)	2,450,748		2,450,748	(42,534,252)		(42,534,252)	(41,876,329)		(41,876,329)
Transfer of encumbrances										842,476		(842,476)
Total Other Financing Sources (Uses)	(44,985,000)	46,800,000	1,815,000	2,386,748		2,386,748	(42,534,252)	44,285,252	1,751,000	(41,033,853)	42,769,440	1,735,587
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(2,850,000)		(2,850,000)	(3,270,354)	2,514,748	(755,606)	(6,056,354)		(6,056,354)	1,339,659	(842,476)	497,183
Fund Balance, July 1	14,928,138	842,476	15,770,614				14,928,138	842,476	15,770,614	14,928,138	842,476	15,770,614
Fund Balance, June 30	\$ 12,078,138	\$ 842,476	\$ 12,920,614	\$ (3,270,354)	\$ 2,514,748	\$ (755,606)	\$ 8,871,784	\$ 842,476	\$ 9,714,260	\$ 16,267,797	\$ -	\$ 16,267,797

Neptune Township School District
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State Sources	\$ 5,401,016	\$ 12,359	\$ 5,413,375	\$ 5,407,762	\$ (5,613)
Federal Sources	2,300,000	351,683	2,651,683	2,411,182	(240,501)
Total revenues	<u>7,701,016</u>	<u>364,042</u>	<u>8,065,058</u>	<u>7,818,944</u>	<u>(246,114)</u>
Expenditures:					
Instruction:					
Salaries of teachers	1,780,546	(13,789)	1,766,757	1,765,171	1,586
Other salaries for instruction	715,301	15,031	730,332	728,560	1,772
Other purchased services	35,000	3,378	38,378	38,378	
General supplies	239,500	86,697	326,197	255,457	70,740
Textbooks	7,000	286	7,286	7,266	20
Other objects	4,000	150	4,150	2,788	1,362
Total instruction	<u>2,781,347</u>	<u>91,753</u>	<u>2,873,100</u>	<u>2,797,620</u>	<u>75,480</u>
Support services:					
Salaries of supervisors of instruction	108,058		108,058	108,058	
Salaries of program directors	130,730	2,500	133,230	133,230	
Salaries of other professional staff	118,579	(16,225)	102,354	102,354	
Salaries of secretarial and clerical assistants	46,649	(4,574)	42,075	42,075	
Salaries of master teachers	67,934	89,045	156,979	156,979	
Other salaries	149,119	(125,157)	23,962	21,773	2,189
Personal services—employee benefits	1,929,760	48,812	1,978,572	1,978,572	
Other purchase professional - technical services	225,000	155,223	380,223	325,955	54,268
Other purchased professional services		255	255	255	
Contr Serv - Trans (bet home & school)	303,340	681	304,021	304,021	
Other purchased services		72,860	72,860	50,361	22,499
Supplies and materials		42,268	42,268	30,049	12,219
Miscellaneous	25,500	6,601	32,101	32,055	46
Total support services	<u>3,104,669</u>	<u>272,289</u>	<u>3,376,958</u>	<u>3,285,737</u>	<u>91,221</u>
Other financing uses:					
Contribution to school based budgets	1,815,000		1,815,000	1,735,587	79,413
Total other financing uses	<u>1,815,000</u>	<u>-</u>	<u>1,815,000</u>	<u>1,735,587</u>	<u>79,413</u>
Total expenditures and other financing uses	<u>7,701,016</u>	<u>364,042</u>	<u>8,065,058</u>	<u>7,818,944</u>	<u>246,114</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2018

**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, C-2)	\$ 86,841,365	\$ 7,818,944
Differences - Budgetary to GAAP:		
State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	3,240,782	534,576
Current year	(3,172,447)	(515,602)
	<u>\$ 86,909,700</u>	<u>\$ 7,837,918</u>
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	<u>\$ 86,909,700</u>	<u>\$ 7,837,918</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 88,079,769	\$ 7,818,944
Differences - Budgetary to GAAP:		
Transfers to other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		(1,735,587)
		<u>(1,735,587)</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	<u>\$ 88,079,769</u>	<u>\$ 6,083,357</u>

Other Supplementary Information

School Based Budget Schedules

Neptune Township School District
General Fund

Combining Balance Sheet

June 30, 2018

	Operating Fund Fund 11-13	Blended Resource Fund 15	Total General Fund
Assets			
Cash and cash equivalents	\$ 2,171,880	\$ 32,699	\$ 2,204,579
Interfund receivable	376,069		376,069
Intergovernmental accounts receivable—federal	3,737		3,737
Intergovernmental accounts receivable—state	3,882,969		3,882,969
Other accounts receivable	1,206,990		1,206,990
Restricted assets:			
Cash and cash equivalents	9,112,815		9,112,815
Total assets	\$ 16,754,460	\$ 32,699	\$ 16,787,159
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 472,320	\$ 32,699	\$ 505,019
Interfund Payable	14,343		14,343
Total liabilities	486,663	32,699	519,362
Fund balances:			
Restricted for:			
Excess surplus current year	2,000,000		2,000,000
Maintenance reserve	1,798,000		1,798,000
Capital reserve	7,314,815		7,314,815
Assigned to:			
Designated	2,106,287		2,106,287
Year-end Encumbrances	1,469,739		1,469,739
Unassigned	1,578,956		1,578,956
Total fund balances	16,267,797	-	16,267,797
Total liabilities and fund balances	\$ 16,754,460	\$ 32,699	\$ 16,787,159

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

District-wide

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 41,373,224		\$ 40,715,301	\$ 657,923
General Fund Reserve for Encumbrances at June 30, 2017	<u>1,161,028</u>		<u>1,161,028</u>	<u>-</u>
General Fund Contribution	<u>42,534,252</u>	<u>96.36%</u>	<u>41,876,329</u>	<u>657,923</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	680,000	1.27	673,503	6,497
Title II, Part A: NCLB	111,000	0.35	110,348	652
IDEIA, Part B	<u>960,000</u>	<u>2.02</u>	<u>951,736</u>	<u>8,264</u>
Restricted Federal Resources Total	<u>1,751,000</u>	<u>3.64</u>	<u>1,735,587</u>	<u>15,413</u>
Total	<u><u>\$ 44,285,252</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 43,611,916</u></u>	<u><u>\$ 673,336</u></u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Midtown Community Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 4,206,870		\$ 4,199,782	\$ 7,088
General Fund Reserve for Encumbrances at June 30, 2017	<u>171,933</u>		<u>171,933</u>	<u>-</u>
General Fund Contribution	<u>4,378,803</u>	<u>93.05%</u>	<u>4,371,715</u>	<u>7,088</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	171,723	3.66	171,445	278
Title II, Part A: NCLB	18,436	0.39	18,406	30
IDEIA, Part B	<u>137,088</u>	<u>2.90</u>	<u>136,866</u>	<u>222</u>
Restricted Federal Resources Total	<u>327,247</u>	<u>6.95</u>	<u>326,717</u>	<u>530</u>
Total	<u>\$ 4,706,050</u>	<u>100.00%</u>	<u>\$ 4,698,432</u>	<u>\$ 7,618</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Gables Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 2,870,368		\$ 2,866,724	\$ 3,644
General Fund Reserve for Encumbrances at June 30, 2017	<u>52,736</u>		<u>52,736</u>	<u>-</u>
General Fund Contribution	<u>2,923,104</u>	<u>92.34%</u>	<u>2,919,460</u>	<u>3,644</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	87,091	2.75	86,982	109
Title II, Part A: NCLB	18,436	0.58	18,413	23
IDEIA, Part B	<u>137,088</u>	<u>4.33</u>	<u>136,917</u>	<u>171</u>
Restricted Federal Resources Total	<u>242,615</u>	<u>7.66</u>	<u>242,312</u>	<u>303</u>
Total	<u>\$ 3,165,719</u>	<u>100.00%</u>	<u>\$ 3,161,772</u>	<u>\$ 3,947</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Green Grove Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 3,215,423		\$ 3,209,908	\$ 5,515
General Fund Reserve for Encumbrances at June 30, 2017	<u>124,243</u>		<u>124,243</u>	<u>-</u>
General Fund Contribution	<u>3,339,666</u>	<u>92.83%</u>	<u>3,334,151</u>	<u>5,515</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	102,554	2.84	102,385	169
Title II, Part A: NCLB	18,436	0.51	18,406	30
IDEIA, Part B	<u>137,088</u>	<u>3.82</u>	<u>136,862</u>	<u>226</u>
Restricted Federal Resources Total	<u>258,078</u>	<u>7.17</u>	<u>257,653</u>	<u>425</u>
Total	<u><u>\$ 3,597,744</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 3,591,804</u></u>	<u><u>\$ 5,940</u></u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Shark River Hills Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 2,859,401		\$ 2,855,479	\$ 3,922
General Fund Reserve for Encumbrances at June 30, 2017	<u>70,980</u>		<u>70,980</u>	<u>-</u>
General Fund Contribution	<u>2,930,381</u>	<u>94.96%</u>	<u>2,926,459</u>	<u>3,922</u>
Restricted Federal Resources:				
Title II, Part A: NCLB	18,436	0.60	18,411	25
IDEIA, Part B	<u>137,088</u>	<u>4.44</u>	<u>136,904</u>	<u>184</u>
Restricted Federal Resources Total	<u>155,524</u>	<u>5.04</u>	<u>155,315</u>	<u>209</u>
Total	<u>\$ 3,085,905</u>	<u>100.00%</u>	<u>\$ 3,081,774</u>	<u>\$ 4,131</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Summerfield Elementary School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 4,472,558		\$ 4,458,351	\$ 14,207
General Fund Reserve for Encumbrances at June 30, 2017	<u>103,590</u>		<u>103,590</u>	<u>-</u>
General Fund Contribution	<u>4,576,148</u>	<u>94.69%</u>	<u>4,561,941</u>	<u>14,207</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	101,332	2.09	101,017	315
Title II, Part A: NCLB	18,436	0.38	18,379	57
IDEIA, Part B	<u>137,088</u>	<u>2.84</u>	<u>136,662</u>	<u>426</u>
Restricted Federal Resources Total	<u>256,856</u>	<u>5.31</u>	<u>256,058</u>	<u>798</u>
Total	<u>\$ 4,833,004</u>	<u>100.00%</u>	<u>\$ 4,817,999</u>	<u>\$ 15,005</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Neptune Middle School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 9,558,556		\$ 9,304,981	\$ 253,575
General Fund Reserve for Encumbrances at June 30, 2017	<u>236,112</u>		<u>236,112</u>	<u>-</u>
General Fund Contribution	<u>9,794,668</u>	<u>96.33%</u>	<u>9,541,093</u>	<u>253,575</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	217,300	2.13	211,674	5,626
Title II, Part A: NCLB	18,820	0.19	18,333	487
IDEIA, Part B	<u>137,088</u>	<u>1.35</u>	<u>133,539</u>	<u>3,549</u>
Restricted Federal Resources Total	<u>373,208</u>	<u>3.67</u>	<u>363,546</u>	<u>9,662</u>
Total	<u><u>\$ 10,167,876</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 9,904,639</u></u>	<u><u>\$ 263,237</u></u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2018

Neptune High School

Resources	Resource Amount	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution	\$ 14,190,048		\$ 13,820,076	\$ 369,972
General Fund Reserve for Encumbrances at June 30, 2017	<u>401,434</u>		<u>401,434</u>	<u>-</u>
General Fund Contribution	<u>14,591,482</u>	<u>99.07%</u>	<u>14,221,510</u>	<u>369,972</u>
Restricted Federal Resources:				
IDEIA, Part B	<u>137,472</u>	<u>0.93</u>	<u>133,986</u>	<u>3,486</u>
Restricted Federal Resources Total	<u>137,472</u>	<u>0.93</u>	<u>133,986</u>	<u>3,486</u>
Total	<u>\$ 14,728,954</u>	<u>100.00%</u>	<u>\$ 14,355,496</u>	<u>\$ 373,458</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

District-Wide Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 1,039,469	\$ (187,999)	\$ 851,470	\$ 851,470	
Grades 1-5	5,384,207	166,201	5,550,408	5,549,788	\$ 620
Grades 6-8	3,920,496	(394,369)	3,526,127	3,520,930	5,197
Grades 9-12	5,129,179	(182,011)	4,947,168	4,878,525	68,643
Undistributed Instruction:					
Other Salaries of Instruction	400,022	(49,138)	350,884	350,385	499
Purchased Professional & Educational Services	220,113	(30,286)	189,827	179,204	10,623
Purchased Technical Services	280,533	81,524	362,057	345,402	16,655
Other Purchased Services	398,000	57,117	455,117	445,802	9,315
General Supplies	592,152	45,758	637,910	608,136	29,774
Textbooks	111,183	40,866	152,049	151,236	813
Other Objects	43,860	8,694	52,554	48,247	4,307
Total Regular Programs	17,519,214	(443,643)	17,075,571	16,929,125	146,446
Learning and/or Language Disabilities:					
Salaries of Teachers	715,157	18,590	733,747	733,747	
Other Salaries of Instruction	274,945	61,601	336,546	336,545	1
Purchased Professional & Educational Services	77,800	20,365	98,165	98,165	
Other Purchased Services	1,450	778	2,228	2,228	
General Supplies	5,300	23,196	28,496	28,496	
Total Learning and/or Language Disabilities	1,074,652	124,530	1,199,182	1,199,181	1
Auditory Impairments:					
Salaries of Teachers	756,010	(22,810)	733,200	730,669	2,531
Other Salaries of Instruction	435,880	(13,719)	422,161	417,246	4,915
Purchased Professional & Educational Services	9,000		9,000	9,000	
Other Purchased Services	40,700	(17,000)	23,700	22,304	1,396
General Supplies	12,000	(4,000)	8,000	6,962	1,038
Total Auditory Impairments	1,253,590	(57,529)	1,196,061	1,186,181	9,880
Behavioral Disabilities:					
Salaries of Teachers	161,871	4,603	166,474	166,474	
Other Salaries of Instruction	48,117	(2,431)	45,686	45,574	112
Purchased Professional & Educational Services	800		800	800	
General Supplies	1,000		1,000	963	37
Total Behavioral Disabilities	211,788	2,172	213,960	213,811	149
Multiple Disabilities:					
Salaries of Teachers	410,461	(6,763)	403,698	403,138	560
Other Salaries of Instruction	254,433	5,464	259,897	211,143	48,754
General Supplies	2,500	2,000	4,500	4,432	68
Total Multiple Disabilities	667,394	701	668,095	618,713	49,382
Resource Room/Resource Center:					
Salaries of Teachers	3,168,522	114,105	3,282,627	3,241,045	41,582
Other Salaries of Instruction	218,096	10,202	228,298	227,792	506
General Supplies	12,500	3,500	16,000	15,957	43
Total Resource Room/Resource Center	3,399,118	127,807	3,526,925	3,484,794	42,131
Total Special Education	6,606,542	197,681	6,804,223	6,702,680	101,543
Bilingual Education:					
Salaries of Teachers	303,872	(702)	303,170	303,170	
General Supplies	1,500	(8)	1,492	1,490	2
Total Bilingual Education	305,372	(710)	304,662	304,660	2

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Co-curricular Activities:					
Salaries	\$ 223,000	\$ (4,819)	\$ 218,181	\$ 209,341	\$ 8,840
Purchased Services	20,000	(2,000)	18,000	10,351	7,649
Other Objects	2,000	(1,000)	1,000	985	15
Total School Sponsored Co-curricular Activities	245,000	(7,819)	237,181	220,677	16,504
School Sponsored Athletics:					
Salaries	1,028,200	49,009	1,077,209	972,811	104,398
Purchased Services (300-500 series)	309,887	(60,900)	248,987	179,438	69,549
Supplies and Materials	103,000	6,900	109,900	108,083	1,817
Total School Sponsored Athletics	1,441,087	(4,991)	1,436,096	1,260,332	175,764
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	948,927	(3,794)	945,133	944,271	862
Total Other Supplemental/At-Risk Programs - Instruction	948,927	(3,794)	945,133	944,271	862
Total Instruction	27,066,142	(263,276)	26,802,866	26,361,745	441,121
Attendance and Social Work Services:					
Salaries	260,570	461	261,031	252,558	8,473
Salaries of Drop Out Prevention Officer Coordinator	42,865	83	42,948	42,948	
Other Purchased Services	800	200	1,000	963	37
Total Attendance and Social Work Services	304,235	744	304,979	296,469	8,510
Health Services:					
Salaries	613,352	13,192	626,544	605,952	20,592
Purchased Professional and Technical Services		2,500	2,500	720	1,780
Supplies and Materials	23,300	(2,404)	20,896	20,546	350
Total Health Services	636,652	13,288	649,940	627,218	22,722
Guidance:					
Salaries of Other Professional Staff	1,066,281	17,067	1,083,348	1,061,577	21,771
Salaries of Secretarial and Clerical Assistants	137,132	(1,092)	136,040	136,040	
Purchased Professional - Educational Services	38,500	9,700	48,200	48,042	158
Other Purchased Services	116,400	(18,189)	98,211	98,198	13
Supplies and Materials	41,750	(7,620)	34,130	34,049	81
Total Guidance	1,400,063	(134)	1,399,929	1,377,906	22,023
Improvement of Instruction Services:					
Salaries of Other Professional Staff	306,000	(33,180)	272,820	267,706	5,114
Purchased Professional - Education Services	158,500	(21,802)	136,698	127,724	8,974
Total Improvement of Instruction Services	464,500	(54,982)	409,518	395,430	14,088
Educational Media/Library Services:					
Salaries	923,103	(63,014)	860,089	816,671	43,418
Supplies and Materials	46,000	(7,907)	38,093	36,768	1,325
Total Educational Media/Library Services	969,103	(70,921)	898,182	853,439	44,743
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	1,732,475	2	1,732,477	1,663,323	69,154
Salaries of Other Professional Staff	643,552	9,996	653,548	630,643	22,905
Salaries of Secretarial and Clerical Assistants	672,654	260	672,914	672,038	876
Other Purchased Services (400-500 series)	63,550	(2,513)	61,037	54,227	6,810
Supplies and Materials	50,632	128	50,760	46,992	3,768
Other Objects	1,700	(292)	1,408	216	1,192
Total Support Services - School Administration	3,164,563	7,581	3,172,144	3,067,439	104,705

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
Security:					
Salaries	\$ 463,451	\$ 16,188	\$ 479,639	\$ 479,112	\$ 527
Purchased Professional and Technical Services	20,000		20,000	20,000	
General Supplies	7,800	2,047	9,847	9,704	143
Total Security	491,251	18,235	509,486	508,816	670
Student Transportation Services:					
Contracted Services - Transportation (Other than Between Home and School) - Vendors	261,400	(1,915)	259,485	245,111	14,374
Total Student Transportation Services	261,400	(1,915)	259,485	245,111	14,374
Unallocated Benefits:					
Social Security Contributions	342,091	5,395	347,486	347,106	380
Health Benefits	11,700,000	(2,281,700)	9,418,300	9,418,300	
Total Unallocated Benefits	12,042,091	(2,276,305)	9,765,786	9,765,406	380
Total Undistributed Expenditures	19,733,858	(2,364,409)	17,369,449	17,137,234	232,215
Total Expenditures - Current	46,800,000	(2,627,685)	44,172,315	43,498,979	673,336
Capital Outlay					
Equipment:					
Regular Programs - Instruction					
Grades 1-5		78,444	78,444	78,444	
Grades 6-8		34,493	34,493	34,493	
Total Equipment	-	112,937	112,937	112,937	-
Total Capital Outlay	-	112,937	112,937	112,937	-
Total Expenditures - School Based	46,800,000	(2,514,748)	44,285,252	43,611,916	673,336
Other Financing Sources:					
Transfers In	46,800,000	(2,514,748)	44,285,252	43,611,916	673,336
Total Other Financing Sources	46,800,000	(2,514,748)	44,285,252	43,611,916	673,336
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Midtown Community Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 227,298	\$ (54,408)	\$ 172,890	\$ 172,890	
Grades 1- 5	1,277,045	61,205	1,338,250	1,338,249	\$ 1
Undistributed Instruction:					
Other Salaries of Instruction	115,780	(24,063)	91,717	91,717	
Purchased Professional & Educational Services	15,815	(2,211)	13,604	13,604	
Purchased Technical Services	39,576	7,987	47,563	47,563	
Other Purchased Services	56,000	4,144	60,144	60,143	1
General Supplies	69,700	(5,267)	64,433	60,650	3,783
Textbooks	7,400	367	7,767	7,767	
Other Objects	3,000	(1,095)	1,905	1,905	
Total Regular Programs	1,811,614	(13,341)	1,798,273	1,794,488	3,785
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	220,495	33,320	253,815	253,815	
Other Salaries of Instruction	68,465	49,860	118,325	118,325	
Purchased Professional & Educational Services	600	(16)	584	584	
Other Purchased Services	300	304	604	604	
General Supplies	1,300	5,016	6,316	6,316	
Total Learning and/or Language Disabilities	291,160	88,484	379,644	379,644	-
Multiple Disabilities:					
Salaries of Teachers	200,462	(40,785)	159,677	159,677	
Other Salaries of Instruction	115,941	(20,520)	95,421	95,421	
General Supplies	900		900	900	
Total Multiple Disabilities	317,303	(61,305)	255,998	255,998	-
Resource Room/Resource Center:					
Salaries of Teachers	209,820	(33,621)	176,199	176,199	
Other Salaries of Instruction		13,967	13,967	13,967	
General Supplies	800	3,000	3,800	3,800	
Total Resource Room/Resource Center	210,620	(16,654)	193,966	193,966	-
Total Special Education	819,083	10,525	829,608	829,608	-
Bilingual Education:					
Salaries of Teachers	191,672	(3,896)	187,776	187,776	
General Supplies	1,500	(8)	1,492	1,490	2
Total Bilingual Education	193,172	(3,904)	189,268	189,266	2
Other Supplemental/At-Risk Programs - Instruction					
Salaries of Reading Specialists	188,927	(1,987)	186,940	186,940	-
Total Other Supplemental/At-Risk Programs - Instruction	188,927	(1,987)	186,940	186,940	-
Total Instruction	3,012,796	(8,707)	3,004,089	3,000,302	3,787
Attendance and Social Work Services:					
Salaries	12,758	(6,564)	6,194	6,194	
Total Attendance and Social Work Services	12,758	(6,564)	6,194	6,194	-

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Midtown Community Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Health Services:					
Salaries	\$ 82,441	\$ 10,775	\$ 93,216	\$ 93,215	\$ 1
Supplies and Materials	4,800	315	5,115	5,040	75
Total Health Services	87,241	11,090	98,331	98,255	76
Guidance:					
Salaries of Other Professional Staff	86,072	(795)	85,277	85,277	
Other Purchased Services	14,700	(3,482)	11,218	11,217	1
Supplies and Materials	3,250	(737)	2,513	2,512	1
Total Guidance	104,022	(5,014)	99,008	99,006	2
Improvement of Instruction Services:					
Salaries of Other Professional Staff	21,000	577	21,577	21,576	1
Purchased Professional - Education Services	23,500	1,968	25,468	21,728	3,740
Total Improvement of Instruction Services	44,500	2,545	47,045	43,304	3,741
Educational Media/Library Services:					
Salaries	132,949	(26,492)	106,457	106,456	1
Supplies and Materials	4,700	(405)	4,295	4,285	10
Total Educational Media/Library Services	137,649	(26,897)	110,752	110,741	11
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	163,256	1	163,257	163,257	
Salaries of Other Professional Staff	68,004	(1,725)	66,279	66,279	
Salaries of Secretarial and Clerical Assistants	52,525	(882)	51,643	51,643	
Other Purchased Services (400-500 series)	3,500	(1,316)	2,184	2,184	
Supplies and Materials	4,500	(237)	4,263	4,263	
Other Objects	100	(42)	58	58	
Total Support Services - School Administration	291,885	(4,201)	287,684	287,684	-
Security:					
Salaries	36,103	(688)	35,415	35,415	
General Supplies	800	(4)	796	795	1
Total Security	36,903	(692)	36,211	36,210	1
Student Transportation Services					
Contracted Services - Transportation (Other than Between Home and School) - Vendors	8,000	(892)	7,108	7,108	
Total Student Transportation Services	8,000	(892)	7,108	7,108	-
Unallocated Benefits:					
Social Security Contributions	34,246	5,528	39,774	39,774	
Health Benefits	1,200,000	(239,052)	960,948	960,948	
Total Unallocated Benefits	1,234,246	(233,524)	1,000,722	1,000,722	
Total Undistributed Expenditures	1,957,204	(264,149)	1,693,055	1,689,224	3,831
Total Expenditures - Current	4,970,000	(272,856)	4,697,144	4,689,526	7,618
Capital Outlay					
Equipment:					
Regular Programs - Instruction					
Grades 1-5		8,906	8,906	8,906	
Total Equipment	-	8,906	8,906	8,906	-
Total Capital Outlay	-	8,906	8,906	8,906	-
Total Expenditures - School Based	4,970,000	(263,950)	4,706,050	4,698,432	7,618
Other Financing Sources					
Transfers In	4,970,000	(263,950)	4,706,050	4,698,432	7,618
Total Other Financing Sources	4,970,000	(263,950)	4,706,050	4,698,432	7,618
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Gables Elementary School

Expenditures

Current:

Instruction - regular programs:

Salaries of Teachers:

Kindergarten	\$ 147,651	\$ (172)	\$ 147,479	\$ 147,479	
Grades 1 - 5	858,501	(37,530)	820,971	820,970	\$ 1

Undistributed Instruction:

Other Salaries of Instruction	47,388	(67)	47,321	47,321	
Purchased Professional & Educational Services	15,806	(2,062)	13,744	13,744	
Purchased Technical Services	39,576	9,886	49,462	49,462	
Other Purchased Services	56,000	4,427	60,427	60,427	
General Supplies	65,800	(15,536)	50,264	50,067	197
Textbooks	7,400	210	7,610	7,609	1
Other Objects	3,000	166	3,166	3,166	

Total Regular Programs	1,241,122	(40,678)	1,200,444	1,200,245	199
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Instruction - Special Education:

Learning and/or Language Disabilities:

Salaries of Teachers	146,667	(389)	146,278	146,278	
Other Salaries of Instruction	47,938	22,096	70,034	70,034	
Purchased Professional & Educational Services	400		400	400	
Other Purchased Services	300	16	316	316	
General Supplies	1,000	3,000	4,000	4,000	
Total Learning and/or Language Disabilities	196,305	24,723	221,028	221,028	-

Resource Room/Resource Center:

Salaries of Teachers	218,806	3,795	222,601	222,600	1
General Supplies	700		700	700	

Total Resource Room/Resource Center	219,506	3,795	223,301	223,300	1
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Total Special Education	415,811	28,518	444,329	444,328	1
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Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists	228,826	(7,501)	221,325	221,325	
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Total Other Supplemental/At-Risk Programs - Instruction	228,826	(7,501)	221,325	221,325	-
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Total Instruction	1,885,759	(19,661)	1,866,098	1,865,898	200
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Attendance and Social Work Services:

Salaries	12,758	(6,564)	6,194	6,194	
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Total Attendance and Social Work Services	12,758	(6,564)	6,194	6,194	-
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Health Services:

Salaries	74,911	972	75,883	75,882	1
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Supplies and Materials	2,500	(131)	2,369	2,369	
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Total Health Services	77,411	841	78,252	78,251	1
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Guidance:

Salaries of Other Professional Staff	73,963	(186)	73,777	73,777	
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Other Purchased Services	12,500	(11)	12,489	12,489	
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Supplies and Materials	3,250	(823)	2,427	2,427	
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Total Guidance	89,713	(1,020)	88,693	88,693	-
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Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Gables Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 21,000	\$ (7,671)	\$ 13,329	\$ 13,328	\$ 1
Purchased Professional - Education Services	23,500	3,555	27,055	23,315	3,740
Total Improvement of Instruction Services	44,500	(4,116)	40,384	36,643	3,741
Educational Media/Library Services:					
Salaries	127,178	(26,621)	100,557	100,556	1
Supplies and Materials	4,700	(518)	4,182	4,181	1
Total Educational Media/Library Services	131,878	(27,139)	104,739	104,737	2
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	154,764		154,764	154,764	
Salaries of Other Professional Staff	68,004	(3,225)	64,779	64,778	1
Salaries of Secretarial and Clerical Assistants	58,689	(13,669)	45,020	45,020	
Other Purchased Services (400-500 series)	3,650	20	3,670	3,668	2
Supplies and Materials	4,500	5,467	9,967	9,967	
Total Support Services - School Administration	289,607	(11,407)	278,200	278,197	3
Security:					
General Supplies	500	2,425	2,925	2,925	
Total Security	500	2,425	2,925	2,925	-
Student Transportation Services:					
Contracted Services - Transportation (Other than Between Home and School) - Vendors	6,850	(10)	6,840	6,840	
Total Student Transportation Services	6,850	(10)	6,840	6,840	-
Unallocated Benefits:					
Social Security Contributions	11,024	2,937	13,961	13,961	
Health Benefits	800,000	(124,767)	675,233	675,233	
Total Unallocated Benefits	811,024	(121,830)	689,194	689,194	
Total Undistributed Expenditures	1,464,241	(168,820)	1,295,421	1,291,674	3,747
Total Expenditures - Current	3,350,000	(188,481)	3,161,519	3,157,572	3,947
Capital Outlay					
Equipment					
Regular Programs - Instruction:					
Grades 1-5		4,200	4,200	4,200	
Total Equipment	-	4,200	4,200	4,200	-
Total Capital Outlay	-	4,200	4,200	4,200	-
Total Expenditures - School Based	3,350,000	(184,281)	3,165,719	3,161,772	3,947
Other Financing Sources:					
Transfers In	3,350,000	(184,281)	3,165,719	3,161,772	3,947
Total Other Financing Sources	3,350,000	(184,281)	3,165,719	3,161,772	3,947
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Green Grove Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 218,572	\$ (52,383)	\$ 166,189	\$ 166,189	
Grades 1 - 5	1,065,718	(40,052)	1,025,666	1,025,051	\$ 615
Undistributed Instruction:					
Other Salaries of Instruction	68,109	1,808	69,917	69,917	
Purchased Professional & Educational Services	15,815	(1,512)	14,303	14,303	
Purchased Technical Services	41,077	5,209	46,286	46,286	
Other Purchased Services	56,000	12,809	68,809	68,809	
General Supplies	68,700	(2,162)	66,538	63,059	3,479
Textbooks	7,400	370	7,770	7,770	
Other Objects	3,500	(1,900)	1,600	1,518	82
Total Regular Programs	1,544,891	(77,813)	1,467,078	1,462,902	4,176
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	113,381	(4,288)	109,093	109,093	
Other Salaries of Instruction	67,069	(7,018)	60,051	60,051	
Purchased Professional & Educational Services	75,000	20,381	95,381	95,381	
Other Purchased Services	250	182	432	432	
General Supplies	1,000	5,180	6,180	6,180	
Total Learning and/or Language Disabilities	256,700	14,437	271,137	271,137	-
Resource Room/Resource Center:					
Salaries of Teachers	153,831	43,943	197,774	197,774	
Other Salaries of Instruction	89,058	(21,434)	67,624	67,624	
General Supplies	800		800	800	
Total Resource Room/Resource Center	243,689	22,509	266,198	266,198	-
Total Special Education	500,389	36,946	537,335	537,335	-
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	185,678	2,662	188,340	188,340	-
Total Other Supplemental/At-Risk Programs - Instruction	185,678	2,662	188,340	188,340	-
Total Instruction	2,230,958	(38,205)	2,192,753	2,188,577	4,176
Attendance and Social Work Services:					
Salaries	21,635	(15,441)	6,194	6,194	
Total Attendance and Social Work Services	21,635	(15,441)	6,194	6,194	-
Health Services:					
Salaries	78,621	262	78,883	78,882	1
Supplies and Materials	2,500	46	2,546	2,545	1
Total Health Services	81,121	308	81,429	81,427	2
Guidance:					
Salaries of Other Professional Staff	70,144	248	70,392	70,392	
Other Purchased Services	12,000		12,000	11,989	11
Supplies and Materials	3,250		3,250	3,237	13
Total Guidance	85,394	248	85,642	85,618	24

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Green Grove Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 21,000	\$ (59)	\$ 20,941	\$ 20,519	\$ 422
Purchased Professional -Education Services	23,500	(2,861)	20,639	20,639	
Total Improvement of Instruction Services	44,500	(2,920)	41,580	41,158	422
Educational Media/Library Services:					
Salaries	134,684	(3,757)	130,927	130,630	297
Supplies and Materials	4,700	(145)	4,555	4,071	484
Total Educational Media/Library Services	139,384	(3,902)	135,482	134,701	781
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	143,717		143,717	143,717	
Salaries of Other Professional Staff	68,003	(2,924)	65,079	65,078	1
Salaries of Secretarial and Clerical Assistants	44,775	245	45,020	45,020	
Other Purchased Services (400-500 series)	3,550	(1,406)	2,144	2,144	
Supplies and Materials	4,500	(200)	4,300	4,300	
Other Objects	150		150	150	
Total Support Services - School Administration	264,695	(4,285)	260,410	260,409	1
Security:					
General Supplies	500	4,091	4,591	4,591	
Total Security	500	4,091	4,591	4,591	-
Student Transportation Services					
Contracted Services -Transportation (Other than Between Home and School) - Vendors	7,850	1,984	9,834	9,300	534
Total Student Transportation Services	7,850	1,984	9,834	9,300	534
Unallocated Benefits:					
Social Security Contributions	18,963	1,686	20,649	20,649	
Health Benefits	900,000	(178,238)	721,762	721,762	
Total Unallocated Benefits	918,963	(176,552)	742,411	742,411	
Total Undistributed Expenditures	1,564,042	(196,469)	1,367,573	1,365,809	1,764
Total Expenditures - Current	3,795,000	(234,674)	3,560,326	3,554,386	5,940
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		37,418	37,418	37,418	
Total Equipment	-	37,418	37,418	37,418	-
Total Capital Outlay	-	37,418	37,418	37,418	-
Total Expenditures - School Based	3,795,000	(197,256)	3,597,744	3,591,804	5,940
Other Financing Sources:					
Transfers In	3,795,000	(197,256)	3,597,744	3,591,804	5,940
Total Other Financing Sources	3,795,000	(197,256)	3,597,744	3,591,804	5,940
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1					
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Shark River Hills Elementary School

Expenditures

Current:

Instruction - regular programs

Salaries of Teachers:

Kindergarten

Grades 1- 5

Undistributed Instruction:

Other Salaries of Instruction

Purchased Professional & Educational Services

Purchased Technical Services

Other Purchased Services

General Supplies

Textbooks

Other Objects

Total Regular Programs

Instruction - Special Education:

Resource Room/Resource Center:

Salaries of Teachers

Other Salaries of Instruction

General Supplies

Total Resource Room/Resource Center

Total Special Education

Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists

Total Other Supplemental/At-Risk Programs - Instruction

Total Instruction

Attendance and Social Work Services:

Salaries

Total Attendance and Social Work Services

Health Services:

Salaries

Supplies and Materials

Total Health Services

Guidance:

Salaries of Other Professional Staff

Other Purchased Services

Supplies and Materials

Total Guidance

Improvement of Instruction Services:

Salaries of Other Professional Staff

Purchased Professional - Education Services

Total Improvement of Instruction Services

Educational Media/Library Services:

Salaries

Supplies and Materials

Total Educational Media/Library Services

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs					
Salaries of Teachers:					
Kindergarten	\$ 200,626	\$ (7,553)	\$ 193,073	\$ 193,073	
Grades 1- 5	846,527	20,627	867,154	867,153	\$ 1
Undistributed Instruction:					
Other Salaries of Instruction	69,388	(798)	68,590	68,589	1
Purchased Professional & Educational Services	15,806	(1,062)	14,744	14,744	
Purchased Technical Services	39,576	7,058	46,634	46,634	
Other Purchased Services	56,000	14,000	70,000	68,894	1,106
General Supplies	66,700	(5,288)	61,412	59,947	1,465
Textbooks	7,400	5,178	12,578	12,578	
Other Objects	2,760	(1,950)	810	750	60
Total Regular Programs	1,304,783	30,212	1,334,995	1,332,362	2,633
Instruction - Special Education:					
Resource Room/Resource Center:					
Salaries of Teachers	165,189	3,501	168,690	168,690	
Other Salaries of Instruction	46,735	(23,222)	23,513	23,513	
General Supplies	700		700	700	
Total Resource Room/Resource Center	212,624	(19,721)	192,903	192,903	-
Total Special Education	212,624	(19,721)	192,903	192,903	-
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	170,513	1,425	171,938	171,076	862
Total Other Supplemental/At-Risk Programs - Instruction	170,513	1,425	171,938	171,076	862
Total Instruction	1,687,920	11,916	1,699,836	1,696,341	3,495
Attendance and Social Work Services:					
Salaries	68,024	15,102	83,126	83,126	
Total Attendance and Social Work Services	68,024	15,102	83,126	83,126	-
Health Services:					
Salaries	71,310	1,872	73,182	72,869	313
Supplies and Materials	2,000	(422)	1,578	1,533	45
Total Health Services	73,310	1,450	74,760	74,402	358
Guidance:					
Salaries of Other Professional Staff	57,372	(1,730)	55,642	55,642	
Other Purchased Services	12,000	(91)	11,909	11,909	
Supplies and Materials	3,250	(1,248)	2,002	2,001	1
Total Guidance	72,622	(3,069)	69,553	69,552	1
Improvement of Instruction Services:					
Salaries of Other Professional Staff	21,000	(4,231)	16,769	16,769	
Purchased Professional - Education Services	23,500	(1,779)	21,721	21,721	
Total Improvement of Instruction Services	44,500	(6,010)	38,490	38,490	-
Educational Media/Library Services:					
Salaries	153,027	(2,714)	150,313	150,215	98
Supplies and Materials	4,700	(1,024)	3,676	3,651	25
Total Educational Media/Library Services	157,727	(3,738)	153,989	153,866	123

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Shark River Hills Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 130,730		\$ 130,730	\$ 130,730	
Salaries of Other Professional Staff	68,003	\$ (3,524)	64,479	64,478	\$ 1
Salaries of Secretarial and Clerical Assistants	42,496	(4,223)	38,273	38,272	1
Other Purchased Services (400-500 series)	3,350		3,350	3,326	24
Supplies and Materials	4,500	648	5,148	5,148	
Other Objects	100	(50)	50		50
Total Support Services – School Administration	249,179	(7,149)	242,030	241,954	76
Security:					
General Supplies	500	(183)	317	317	
Total Security	500	(183)	317	317	-
Student Transportation Services:					
Contracted Services –Transportation (Other than Between Home and School) – Vendors	6,850		6,850	6,772	78
Total Student Transportation Services	6,850	-	6,850	6,772	78
Unallocated Benefits:					
Social Security Contributions	14,368	(2,592)	11,776	11,776	
Health Benefits	900,000	(207,505)	692,495	692,495	
Total Unallocated Benefits	914,368	(210,097)	704,271	704,271	
Total Undistributed Expenditures	1,587,080	(213,694)	1,373,386	1,372,750	636
Total Expenditures - Current	3,275,000	(201,778)	3,073,222	3,069,091	4,131
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		12,683	12,683	12,683	
Total Equipment	-	12,683	12,683	12,683	-
Total Capital Outlay	-	12,683	12,683	12,683	-
Total Expenditures - School Based	3,275,000	(189,095)	3,085,905	3,081,774	4,131
Other Financing Sources:					
Transfers In	3,275,000	(189,095)	3,085,905	3,081,774	4,131
Total Other Financing Sources	3,275,000	(189,095)	3,085,905	3,081,774	4,131
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Summerfield Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Kindergarten	\$ 245,322	\$ (73,483)	\$ 171,839	\$ 171,839	
Grades 1-5	1,336,416	161,951	1,498,367	1,498,365	\$ 2
Undistributed Instruction:					
Other Salaries of Instruction	99,357	(26,018)	73,339	72,841	498
Purchased Professional & Educational Services	15,815	(1,808)	14,007	14,006	1
Purchased Technical Services	41,576	6,384	47,960	47,959	1
Other Purchased Services	56,000	8,209	64,209	64,209	
General Supplies	69,700	(1,642)	68,058	61,570	6,488
Textbooks	7,400	370	7,770	7,770	
Other Objects	3,500	700	4,200	4,154	46
Total Regular Programs	1,875,086	74,663	1,949,749	1,942,713	7,036
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	130,842	(1,863)	128,979	128,979	
Other Salaries of Instruction	91,473	(3,337)	88,136	88,135	1
Purchased Professional & Educational Services	800		800	800	
Other Purchased Services	300	276	576	576	
General Supplies	1,200	5,000	6,200	6,200	
Total Learning and/or Language Disabilities	224,615	76	224,691	224,690	1
Auditory Impairments:					
Salaries of Teachers	437,474	(55,200)	382,274	379,744	2,530
Other Salaries of Instruction	182,291	(49,972)	132,319	131,728	591
Purchased Professional & Educational Services	7,000		7,000	7,000	
Other Purchased Services	25,700	(17,000)	8,700	7,404	1,296
General Supplies	8,000	(4,000)	4,000	3,266	734
Total Auditory Impairments	660,465	(126,172)	534,293	529,142	5,151
Resource Room/Resource Center:					
Salaries of Teachers	188,071	370	188,441	188,441	
Other Salaries of Instruction	47,899	(1,928)	45,971	45,971	
General Supplies	800		800	800	
Total Resource Room/Resource Center	236,770	(1,558)	235,212	235,212	-
Total Special Education	1,121,850	(127,654)	994,196	989,044	5,152
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	174,983	1,607	176,590	176,590	-
Total Other Supplemental/At-Risk Programs - Instruction	174,983	1,607	176,590	176,590	-
Total Instruction	3,171,919	(51,384)	3,120,535	3,108,347	12,188
Attendance and Social Work Services:					
Salaries	58,859	(52,665)	6,194	6,194	
Total Attendance and Social Work Services	58,859	(52,665)	6,194	6,194	-
Health Services:					
Salaries	98,803	(1,035)	97,768	97,767	1
Supplies and Materials	3,000	(200)	2,800	2,650	150
Total Health Services	101,803	(1,235)	100,568	100,417	151

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Summerfield Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Guidance:					
Salaries of Other Professional Staff	\$ 59,335	\$ (744)	\$ 58,591	\$ 58,591	
Other Purchased Services	12,000		12,000	12,000	
Supplies and Materials	3,550	785	4,335	4,285	\$ 50
Total Guidance	74,885	41	74,926	74,876	50
Improvement of Instruction Services:					
Salaries of Other Professional Staff	21,000	(1,984)	19,016	18,968	48
Purchased Professional - Education Services	23,500	(1,970)	21,530	21,030	500
Total Improvement of Instruction Services	44,500	(3,954)	40,546	39,998	548
Educational Media/Library Services:					
Salaries	143,069	(240)	142,829	142,731	98
Supplies and Materials	4,700	(2,921)	1,779	1,779	
Total Educational Media/Library Services	147,769	(3,161)	144,608	144,510	98
Support Services - School Administration					
Salaries of Principals/Assistant Principals/Program Directors	146,323		146,323	146,323	
Salaries of Other Professional Staff	68,000	(3,221)	64,779	64,778	1
Salaries of Secretarial and Clerical Assistants	46,750	(415)	46,335	46,335	
Other Purchased Services (400-500 series)	3,750		3,750	2,354	1,396
Supplies and Materials	4,500	(1,300)	3,200	3,191	9
Other Objects	100	(50)	50		50
Total Support Services - School Administration	269,423	(4,986)	264,437	262,981	1,456
Security:					
General Supplies	500	(175)	325	325	
Total Security	500	(175)	325	325	-
Student Transportation Services					
Contracted Services - Transportation (Other than Between Home and School) - Vendors	6,850		6,850	6,336	514
Total Student Transportation Services	6,850	-	6,850	6,336	514
Unallocated Benefits					
Social Security Contributions	38,492	(5,382)	33,110	33,110	
Health Benefits	1,200,000	(174,332)	1,025,668	1,025,668	
Total Unallocated Benefits	1,238,492	(179,714)	1,058,778	1,058,778	
Total Undistributed Expenditures	1,943,081	(245,849)	1,697,232	1,694,415	2,817
Total Expenditures - Current	5,115,000	(297,233)	4,817,767	4,802,762	15,005
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 1-5		15,237	15,237	15,237	
Total Equipment	-	15,237	15,237	15,237	-
Total Capital Outlay	-	15,237	15,237	15,237	-
Total Expenditures - School Based	5,115,000	(281,996)	4,833,004	4,817,999	15,005
Other Financing Sources:					
Transfers In	5,115,000	(281,996)	4,833,004	4,817,999	15,005
Total Other Financing Sources	5,115,000	(281,996)	4,833,004	4,817,999	15,005
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - regular programs:					
Salaries of Teachers:					
Grades 6-8	\$ 3,920,496	\$ (394,369)	\$ 3,526,127	\$ 3,520,930	\$ 5,197
Undistributed Instruction:					
Purchased Professional & Educational Services	33,256	(8,000)	25,256	16,275	8,981
Purchased Technical Services	39,576	20,000	59,576	51,937	7,639
Other Purchased Services	58,000	11,697	69,697	61,489	8,208
General Supplies	90,000	(23,235)	66,765	61,752	5,013
Textbooks	5,850	(5,000)	850	75	775
Other Objects	3,000	1,099	4,099	4,099	
Total Regular Programs	4,150,178	(397,808)	3,752,370	3,716,557	35,813
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	103,772	(8,190)	95,582	95,582	
Purchased Professional & Educational Services	1,000		1,000	1,000	
Other Purchased Services	300		300	300	
General Supplies	800	5,000	5,800	5,800	
Total Learning and/or Language Disabilities	105,872	(3,190)	102,682	102,682	-
Auditory Impairments:					
Salaries of Teachers	153,926	(31,523)	122,403	122,402	1
Other Salaries of Instruction	103,598	(581)	103,017	100,148	2,869
Purchased Professional & Educational Services	1,000		1,000	1,000	
Other Purchased Services	7,500		7,500	7,450	50
General Supplies	2,000		2,000	2,000	
Total Auditory Impairments	268,024	(32,104)	235,920	233,000	2,920
Multiple Disabilities:					
Salaries of Teachers	57,882	29,860	87,742	87,182	560
Other Salaries of Instruction	66,226	26,781	93,007	44,253	48,754
General Supplies	800	2,000	2,800	2,800	
Total Multiple Disabilities	124,908	58,641	183,549	134,235	49,314
Resource Room/Resource Center:					
Salaries of Teachers	1,191,950	(37,396)	1,154,554	1,112,974	41,580
Other Salaries of Instruction	5,000	42,610	47,610	47,524	86
General Supplies	5,000	500	5,500	5,484	16
Total Resource Room/Resource Center	1,201,950	5,714	1,207,664	1,165,982	41,682
Total Special Education	1,700,754	29,061	1,729,815	1,635,899	93,916
Bilingual Education:					
Salaries of Teachers	52,122	1,425	53,547	53,547	
Total Bilingual Education	52,122	1,425	53,547	53,547	-
School Sponsored Co-curricular Activities:					
Salaries	45,000	538	45,538	45,538	
Other Objects	2,000	(1,000)	1,000	985	15
Total School Sponsored Co-curricular Activities	47,000	(462)	46,538	46,523	15

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 126,000	\$ 13,711	\$ 139,711	\$ 121,267	\$ 18,444
Purchased Services (300-500 series)	48,500	(18,000)	30,500	18,938	11,562
Supplies and Materials	8,000	(5,000)	3,000	2,586	414
Total School Sponsored Athletics	182,500	(9,289)	173,211	142,791	30,420
Total Instruction	6,132,554	(377,073)	5,755,481	5,595,317	160,164
Attendance and Social Work Services:					
Salaries	80,102	(226)	79,876	71,403	8,473
Total Attendance and Social Work Services	80,102	(226)	79,876	71,403	8,473
Health Services:					
Salaries	105,277	2,054	107,331	107,331	
Purchased Professional and Technical Services		500	500	25	475
Supplies and Materials	4,000	(420)	3,580	3,577	3
Total Health Services	109,277	2,134	111,411	110,933	478
Guidance:					
Salaries of Other Professional Staff	260,257	28,778	289,035	286,626	2,409
Salaries of Secretarial and Clerical Assistants	44,884	136	45,020	45,020	
Other Purchased Services	23,200	(5,207)	17,993	17,993	
Supplies and Materials	9,000	(2,198)	6,802	6,797	5
Total Guidance	337,341	21,509	358,850	356,436	2,414
Improvement of Instruction Services:					
Salaries of Other Professional Staff	80,000	(18,060)	61,940	57,550	4,390
Purchased Professional -Education Services	23,500	(7,500)	16,000	15,006	994
Total Improvement of Instruction Services	103,500	(25,560)	77,940	72,556	5,384
Educational Media/Library Services:					
Salaries	132,850	(3,070)	129,780	86,858	42,922
Supplies and Materials	12,000	(1,550)	10,450	9,658	792
Total Educational Media/Library Services	144,850	(4,620)	140,230	96,516	43,714
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	402,557	1	402,558	402,558	
Salaries of Other Professional Staff	151,769		151,769	128,869	22,900
Salaries of Secretarial and Clerical Assistants	182,985	(4,234)	178,751	177,876	875
Other Purchased Services (400-500 series)	20,750	189	20,939	16,831	4,108
Supplies and Materials	9,000		9,000	8,283	717
Other Objects	250	(150)	100		100
Total Support Services - School Administration	767,311	(4,194)	763,117	734,417	28,700
Security:					
Salaries	184,765	20,586	205,351	204,824	527
Purchased Professional and Technical Services	10,000		10,000	10,000	
General Supplies	2,500	(2,000)	500	358	142
Total Security	197,265	18,586	215,851	215,182	669
Student Transportation Services:					
Contracted Services -Transportation (Other than Between Home and School) - Vendors	33,000	5,500	38,500	25,259	13,241
Total Student Transportation Services	33,000	5,500	38,500	25,259	13,241

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Unallocated Benefits:					
Social Security Contributions	\$ 64,800	\$ 3,218	\$ 68,018	\$ 68,018	
Health Benefits	2,900,000	(375,891)	2,524,109	2,524,109	
Total Unallocated Benefits	2,964,800	(372,673)	2,592,127	2,592,127	
Total Undistributed Expenditures	4,737,446	(359,544)	4,377,902	4,274,829	\$ 103,073
Total Expenditures - Current	10,870,000	(736,617)	10,133,383	9,870,146	263,237
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8		34,493	34,493	34,493	
Total Equipment	-	34,493	34,493	34,493	-
Total Capital Outlay	-	34,493	34,493	34,493	-
Total Expenditures - School Based	10,870,000	(702,124)	10,167,876	9,904,639	263,237
Other Financing Sources:					
Transfers In	10,870,000	(702,124)	10,167,876	9,904,639	263,237
Total Other Financing Sources	10,870,000	(702,124)	10,167,876	9,904,639	263,237
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune High School

Expenditures

Current:

Instruction - regular programs:

Salaries of Teachers:

Grades 9-12

	Original Budget	Transfers	Final Budget	Expenditures	Variance
\$ 5,129,179	\$ (182,011)	\$ 4,947,168	\$ 4,878,525	\$ 68,643	

Undistributed Instruction:

Purchased Professional & Educational Services

107,800	(13,631)	94,169	92,528	1,641
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Purchased Technical Services

39,576	25,000	64,576	55,561	9,015
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Other Purchased Services

60,000	1,831	61,831	61,831	
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General Supplies

161,552	98,888	260,440	251,091	9,349
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Textbooks

68,333	39,371	107,704	107,667	37
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Other Objects

25,100	11,674	36,774	32,655	4,119
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Total Regular Programs

5,591,540	(18,878)	5,572,662	5,479,858	92,804
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Instruction - Special Education:

Auditory Impairments:

Salaries of Teachers

164,610	63,913	228,523	228,523	
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Other Salaries of Instruction

149,991	36,834	186,825	185,370	1,455
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Purchased Professional & Educational Services

1,000		1,000	1,000	
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Other Purchased Services

7,500		7,500	7,450	50
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General Supplies

2,000		2,000	1,696	304
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Total Auditory Impairments

325,101	100,747	425,848	424,039	1,809
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Behavioral Disabilities:

Salaries of Teachers

161,871	4,603	166,474	166,474	
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Other Salaries of Instruction

48,117	(2,431)	45,686	45,574	112
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Purchased Professional & Educational Services

800		800	800	
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General Supplies

1,000		1,000	963	37
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Total Behavioral Disabilities

211,788	2,172	213,960	213,811	149
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Multiple Disabilities:

Salaries of Teachers

152,117	4,162	156,279	156,279	
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Other Salaries of Instruction

72,266	(797)	71,469	71,469	
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General Supplies

800		800	732	68
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Total Multiple Disabilities

225,183	3,365	228,548	228,480	68
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Resource Room/Resource Center:

Salaries of Teachers

1,040,855	133,513	1,174,368	1,174,367	1
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Other Salaries of Instruction

29,404	209	29,613	29,193	420
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General Supplies

3,700		3,700	3,673	27
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Total Resource Room/Resource Center

1,073,959	133,722	1,207,681	1,207,233	448
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Total Special Education

1,836,031	240,006	2,076,037	2,073,563	2,474
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Bilingual Education:

Salaries of Teachers

60,078	1,769	61,847	61,847	
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Total Bilingual Education

60,078	1,769	61,847	61,847	-
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School Sponsored Co-curricular Activities:

Salaries

178,000	(5,357)	172,643	163,803	8,840
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Purchased Services

20,000	(2,000)	18,000	10,351	7,649
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Total School Sponsored Co-curricular Activities

198,000	(7,357)	190,643	174,154	16,489
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Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune High School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 902,200	\$ 35,298	\$ 937,498	\$ 851,544	\$ 85,954
Purchased Services (300-500 series)	261,387	(42,900)	218,487	160,500	57,987
Supplies and Materials	95,000	11,900	106,900	105,497	1,403
Total School Sponsored Athletics	1,258,587	4,298	1,262,885	1,117,541	145,344
Total Instruction	8,944,236	219,838	9,164,074	8,906,963	257,111
Attendance and Social Work Services:					
Salaries	6,434	66,819	73,253	73,253	
Salaries of Drop Out Prevention Officer Coordinator	42,865	83	42,948	42,948	
Other Purchased Services	800	200	1,000	963	37
Total Attendance and Social Work Services	50,099	67,102	117,201	117,164	37
Health Services:					
Salaries	101,989	(1,708)	100,281	80,006	20,275
Purchased Professional and Technical Services		2,000	2,000	695	1,305
Supplies and Materials	4,500	(1,592)	2,908	2,832	76
Total Health Services	106,489	(1,300)	105,189	83,533	21,656
Guidance:					
Salaries of Other Professional Staff	459,138	(8,504)	450,634	431,272	19,362
Salaries of Secretarial and Clerical Assistants	92,248	(1,228)	91,020	91,020	
Purchased Professional - Educational Services	38,500	9,700	48,200	48,042	158
Other Purchased Services	30,000	(9,398)	20,602	20,601	1
Supplies and Materials	16,200	(3,399)	12,801	12,790	11
Total Guidance	636,086	(12,829)	623,257	603,725	19,532
Improvement of Instruction Services:					
Salaries of Other Professional Staff	121,000	(1,752)	119,248	118,996	252
Purchased Professional - Education Services	17,500	(13,215)	4,285	4,285	
Total Improvement of Instruction Services	138,500	(14,967)	123,533	123,281	252
Educational Media/Library Services:					
Salaries	99,346	(120)	99,226	99,225	1
Supplies and Materials	10,500	(1,344)	9,156	9,143	13
Total Educational Media/Library Services	109,846	(1,464)	108,382	108,368	14
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	591,128		591,128	521,974	69,154
Salaries of Other Professional Staff	151,769	24,615	176,384	176,383	1
Salaries of Secretarial and Clerical Assistants	244,434	23,438	267,872	267,872	
Other Purchased Services (400-500 series)	25,000		25,000	23,720	1,280
Supplies and Materials	19,132	(4,250)	14,882	11,840	3,042
Other Objects	1,000		1,000	8	992
Total Support Services - School Administration	1,032,463	43,803	1,076,266	1,001,797	74,469
Security:					
Salaries	242,583	(3,710)	238,873	238,873	
Purchased Professional and Technical Services	10,000		10,000	10,000	
General Supplies	2,500	(2,107)	393	393	
Total Security	255,083	(5,817)	249,266	249,266	-

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2018

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	\$ 192,000	\$ (8,497)	\$ 183,503	\$ 183,496	\$ 7
Total Student Transportation Services	192,000	(8,497)	183,503	183,496	7
Unallocated Benefits:					
Social Security Contributions	160,198	-	160,198	159,818	380
Health Benefits	3,800,000	(981,915)	2,818,085	2,818,085	-
Total Unallocated Benefits	3,960,198	(981,915)	2,978,283	2,977,903	380
Total Undistributed Expenditures	6,480,764	(915,884)	5,564,880	5,448,533	116,347
Total Expenditures - Current	15,425,000	(696,046)	14,728,954	14,355,496	373,458
Total Expenditures - School Based	15,425,000	(696,046)	14,728,954	14,355,496	373,458
Other Financing Sources:					
Transfers In	15,425,000	(696,046)	14,728,954	14,355,496	373,458
Total Other Financing Sources	15,425,000	(696,046)	14,728,954	14,355,496	373,458
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	-
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ -

Special Revenue Fund

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2018

	Nonpublic							
	Nursing	Text books	Security Aid	Technology Initiative	Auxiliary Services Chapter 192	Exam and Class	Speech	Supplemental Instruction
Revenues:								
State sources	\$ 12,855	\$ 7,266	\$ 9,975	\$ 4,921	\$ 69,556	\$ 18,746	\$ 15,982	\$ 17,445
Federal sources								
Total revenues	\$ 12,855	\$ 7,266	\$ 9,975	\$ 4,921	\$ 69,556	\$ 18,746	\$ 15,982	\$ 17,445
Expenditures:								
Current expenditures:								
Instruction:								
Salaries of teachers							\$ 15,982	\$ 17,445
Other salaries for instruction					\$ 69,556			
Other purchased services								
General supplies								
Textbooks		\$ 7,266						
Other objects								
Total instruction		7,266			69,556		15,982	17,445
Support services:								
Salaries of supervisors of instruction								
Salaries of program directors								
Salaries of other professional staff								
Salaries of secretarial and clerical assistants								
Salaries of master teachers								
Other salaries						\$ 18,746		
Personal services-employee benefits								
Other purchased professional - technical services								
Other purchased professional services								
Contr Serv - Trans (bet home & school)								
Other purchased services								
Supplies and materials								
Miscellaneous	\$ 12,855		\$ 9,975	\$ 4,921				
Total support services	12,855		9,975	4,921		18,746		
Contribution to school based budgets								
Total expenditures	\$ 12,855	\$ 7,266	\$ 9,975	\$ 4,921	\$ 69,556	\$ 18,746	\$ 15,982	\$ 17,445

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures –
Budgetary Basis

Year ended June 30, 2018

	Title II - A		I.D.E.A.		Title I	
	Regular Program	Regular Program	Preschool Program	Preschool Program	Regular Program	Regular Program
Revenues:						
State sources						
Federal sources	\$ 145,945	\$ 1,211,361	\$ 38,378		\$ 939,733	
Total revenues	\$ 145,945	\$ 1,211,361	\$ 38,378		\$ 939,733	
Expenditures:						
Current expenditures:						
Instruction:						
Salaries of teachers						
Other salaries for instruction						
Other purchased services			\$ 38,378			
General supplies					\$ 197,959	
Textbooks						
Other objects						
Total instruction			38,378		197,959	
Support services:						
Salaries of supervisors of instruction						
Salaries of program directors						
Salaries of other professional staff						
Salaries of secretarial and clerical assistants						
Salaries of master teachers						
Other salaries						
Personal services-employee benefits						
Other purchased professional - technical services	\$ 25,256	\$ 259,625			41,074	
Other purchased professional services						
Contr Serv - Trans (bet home & school)						
Other purchased services	9,641				348	
Supplies and materials	700				26,849	
Miscellaneous						
Total support services	35,597	259,625			68,271	
Contribution to school based budgets	110,348	951,736			673,503	
Total expenditures	\$ 145,945	\$ 1,211,361	\$ 38,378		\$ 939,733	

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2018

	Preschool Education Aid Regular Program	Title III Regular Program	Title IV	FEMA	Totals
Revenues:					
State sources	\$ 5,251,016				\$ 5,407,762
Federal sources		\$ 28,655	\$ 11,339	\$ 35,771	2,411,182
Total revenues	\$ 5,251,016	\$ 28,655	\$ 11,339	\$ 35,771	\$ 7,818,944
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 1,731,744				\$ 1,765,171
Other salaries for instruction	659,004				728,560
Other purchased services					38,378
General supplies	25,043	\$ 21,116	\$ 11,339		255,457
Textbooks					7,266
Other objects	2,350	438			2,788
Total instruction	2,418,141	21,554	11,339		2,797,620
Support services:					
Salaries of supervisors of instruction	108,058				108,058
Salaries of program directors	133,230				133,230
Salaries of other professional staff	102,354				102,354
Salaries of secretarial and clerical assistants	42,075				42,075
Salaries of master teachers	156,979				156,979
Other salaries	3,027				21,773
Personal services-employee benefits	1,978,572				1,978,572
Other purchased professional - technical services					325,955
Other purchased professional services	255				255
Contr Serv - Trans (bet home & school)	304,021				304,021
Other purchased services		4,601		\$ 35,771	50,361
Supplies and materials		2,500			30,049
Miscellaneous	4,304				32,055
Total support services	2,832,875	7,101		35,771	3,285,737
Contribution to school based budgets					1,735,587
Total expenditures	\$ 5,251,016	\$ 28,655	\$ 11,339	\$ 35,771	\$ 7,818,944

Neptune Township School District
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures
Budgetary Basis

Year ended June 30, 2018

	Original Budget	Budget Transfers	Final Budget	Actual	Variance
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 1,745,546	\$ (13,802)	\$ 1,731,744	\$ 1,731,744	
Other salaries for instruction	652,301	6,703	659,004	659,004	
General supplies	14,500	10,543	25,043	25,043	
Other objects	4,000	(1,650)	2,350	2,350	
	<u>2,416,347</u>	<u>1,794</u>	<u>2,418,141</u>	<u>2,418,141</u>	<u>-</u>
Support services:					
Salaries of supervisors of instruction	108,058		108,058	108,058	
Salaries of program directors	130,730	2,500	133,230	133,230	
Salaries of other professional staff	118,579	(16,225)	102,354	102,354	
Salaries of secretarial and clerical assistants	46,649	(4,574)	42,075	42,075	
Salaries of master teachers	67,934	89,045	156,979	156,979	
Other salaries	124,119	(121,092)	3,027	3,027	
Personal services—employee benefits	1,929,760	48,812	1,978,572	1,978,572	
Other purchased professional services		255	255	255	
Contr Serv - Trans (bet home & school)	303,340	681	304,021	304,021	
Miscellaneous	5,500	(1,196)	4,304	4,304	
	<u>2,834,669</u>	<u>(1,794)</u>	<u>2,832,875</u>	<u>2,832,875</u>	<u>-</u>
Total expenditures	<u>\$ 5,251,016</u>	<u>\$ -</u>	<u>\$ 5,251,016</u>	<u>\$ 5,251,016</u>	<u>\$ -</u>

Calculation of Budget and Carryover

Total 2017-18 Preschool Education Aid allocation	\$ 5,156,016
Add: Actual carryover (June 30, 2017)	<u>268,903</u>
Total Preschool Education Aid funds available for 2017-18 Budget	5,424,919
Less: 2017-18 budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(5,251,016)</u>
Available and unbudgeted Preschool Education Aid funds as of June 30, 2018	173,903
Add: June 30, 2018 unexpended Preschool Education Aid	-
2017-2018 actual carryover - Preschool Education Aid	<u>\$ 173,903</u>
2017-2018 Preschool Education Aid carryover budgeted in 2018-19	<u>\$ 173,903</u>

Fiduciary Funds

Neptune Township School District
Fiduciary Funds

Combining Statement of Fiduciary Net Position

June 30, 2018

	<u>Trust</u>	<u>Agency</u>		<u>Totals</u>
	<u>Unemployment Compensation</u>	<u>Student Activity</u>	<u>Payroll</u>	
Assets				
Cash and cash equivalents	\$ 1,115,009	\$ 149,512	\$ 532,032	\$ 681,544
Accounts receivable	21,261			
Total assets	<u>1,136,270</u>	<u>\$ 149,512</u>	<u>\$ 532,032</u>	<u>\$ 681,544</u>
Liabilities				
Payroll deductions and withholdings payable			\$ 456,051	\$ 456,051
Interfund payable			41,710	41,710
Flexible spending payable			13,010	13,010
Accounts payable	4,380		21,261	21,261
Due to student groups		\$ 149,512		149,512
Total liabilities	<u>4,380</u>	<u>\$ 149,512</u>	<u>\$ 532,032</u>	<u>\$ 681,544</u>
Net position-held in trust for unemployment benefits	<u>\$ 1,131,890</u>			

Neptune Township School District
Student Activity Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2018

	<u>Balance July 1, 2017</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2018</u>
Middle school accounts				
Neptune Middle School	\$ 25,438	\$ 75,599	\$ 80,704	\$ 20,333
High school accounts				
Neptune High School	76,226	233,536	200,850	108,912
Athletic Fund	18,950	67,559	66,242	20,267
	<u>95,176</u>	<u>301,095</u>	<u>267,092</u>	<u>129,179</u>
Total all schools	<u>\$ 120,614</u>	<u>\$ 376,694</u>	<u>\$ 347,796</u>	<u>\$ 149,512</u>

Neptune Township School District
Payroll Agency Fund

Schedule of Cash Receipts and Cash Disbursements

Year ended June 30, 2018

	Balance July 1, 2017	Cash Receipts	Cash Disbursements	Balance June 30, 2018
Assets				
Cash and cash equivalents	\$ 397,617	\$ 59,418,609	\$ 59,284,194	\$ 532,032
Total assets	<u>\$ 397,617</u>	<u>\$ 59,418,609</u>	<u>\$ 59,284,194</u>	<u>\$ 532,032</u>
Liabilities				
Payroll deductions and withholdings payable	\$ 371,409	\$ 59,275,923	\$ 59,191,281	\$ 456,051
Flexible spending payable	6,386	79,715	73,091	13,010
Accounts payable	19,822	21,261	19,822	21,261
Interfunds payable		41,710		41,710
Total liabilities	<u>\$ 397,617</u>	<u>\$ 59,418,609</u>	<u>\$ 59,284,194</u>	<u>\$ 532,032</u>

Statistical Section

**Statistical Section
Unaudited**

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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

J-1

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Governmental activities										
Net investment in capital assets	\$ 245,407,223	\$ 250,385,213	\$ 246,690,255	\$ 246,697,421	\$ 246,620,314	\$ 244,561,949	\$ 243,130,740	\$ 238,639,534	\$ 240,474,059	\$ 236,264,522
Restricted	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018	11,112,815
Unrestricted (deficit)	(1,780,880)	(1,668,099)	(1,884,320)	(1,470,762)	(744,968)	(788,319)	(21,685,461)	(19,058,019)	(20,435,858)	(22,275,186)
Total governmental activities net position	<u>\$ 247,823,962</u>	<u>\$ 252,058,641</u>	<u>\$ 251,243,802</u>	<u>\$ 251,263,307</u>	<u>\$ 251,106,285</u>	<u>\$ 252,645,666</u>	<u>\$ 236,590,299</u>	<u>\$ 234,336,182</u>	<u>\$ 229,331,219</u>	<u>\$ 225,102,151</u>
Business-type activities										
Investment in capital assets	\$ 74,090	\$ 117,021	\$ 106,847	\$ 100,336	\$ 77,050	\$ 55,871	\$ 135,157	\$ 266,897	\$ 734,246	\$ 827,306
Unrestricted	123,737	650,930	889,478	1,150,766	1,039,799	1,210,181	1,221,817	1,406,837	1,115,054	1,042,408
Total business-type activities net position	<u>\$ 197,827</u>	<u>\$ 767,951</u>	<u>\$ 996,325</u>	<u>\$ 1,251,102</u>	<u>\$ 1,116,849</u>	<u>\$ 1,266,052</u>	<u>\$ 1,356,974</u>	<u>\$ 1,673,734</u>	<u>\$ 1,849,300</u>	<u>\$ 1,869,714</u>
Government-wide										
Net investment in capital assets	\$ 245,481,313	\$ 250,502,234	\$ 246,797,102	\$ 246,797,757	\$ 246,697,364	\$ 244,617,820	\$ 243,265,897	\$ 238,906,431	\$ 241,208,305	\$ 237,091,828
Restricted	4,197,619	3,341,527	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018	11,112,815
Unrestricted (deficit)	(1,657,143)	(1,017,169)	(994,842)	(319,996)	294,831	421,862	(20,463,644)	(17,651,182)	(19,320,804)	(21,232,778)
Total government-wide net position	<u>\$ 248,021,789</u>	<u>\$ 252,826,592</u>	<u>\$ 252,240,127</u>	<u>\$ 252,514,409</u>	<u>\$ 252,223,134</u>	<u>\$ 253,911,718</u>	<u>\$ 237,947,273</u>	<u>\$ 236,009,916</u>	<u>\$ 231,180,519</u>	<u>\$ 226,971,865</u>

Source: CAFR Schedule A-1 and District records

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

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

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

J-2
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	Year ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenses										
Governmental activities										
Instruction	\$ 47,747,170	\$ 49,086,517	\$ 47,980,683	\$ 49,659,574	\$ 51,432,258	\$ 50,543,012	\$ 56,819,973	\$ 61,558,098	\$ 68,016,717	\$ 69,463,599
Support Services:										
Attendance and social work	776,158	860,446	573,664	593,874	455,715	384,145	493,566	537,656	629,712	649,173
Health services	840,461	879,442	818,143	959,041	1,019,352	1,022,406	1,096,410	1,168,649	1,397,622	1,494,220
Other support services	8,241,452	8,878,331	8,742,643	9,703,100	9,312,585	8,789,298	10,070,595	10,770,176	10,473,878	11,112,965
Improvement of instruction	845,813	856,175	754,990	745,595	888,067	947,507	1,124,571	1,234,053	1,506,670	1,431,875
Other support instructional staff	1,888,374	1,896,216	1,732,379	1,696,484	1,704,395	1,481,037	1,626,305	1,787,309	1,871,351	1,812,837
General administration	2,617,559	2,288,414	2,321,299	2,161,427	1,914,283	1,843,255	2,041,007	2,498,249	2,342,088	2,133,802
School administration	3,844,218	3,963,288	3,681,649	4,017,927	4,469,822	4,331,300	5,037,316	5,431,073	6,455,303	6,590,063
Required maintenance of plant	5,209,266	4,954,414	4,713,431	7,120,516	4,122,997	4,490,042	3,846,369	3,516,361	4,660,454	4,012,216
Operation of plant	7,257,068	8,502,313	8,002,675	7,187,294	7,394,582	7,666,845	8,189,819	8,400,432	9,111,451	9,547,554
Security			461,211	454,225	522,732	765,779	881,204	1,088,176	1,131,291	1,131,291
Student transportation	3,762,466	3,677,636	3,313,121	2,643,718	2,792,366	2,811,022	2,967,966	2,976,104	3,235,470	3,211,524
Business and other support services and benefits	1,703,072	1,697,916	1,516,929	1,727,678	1,792,316	2,169,430	2,047,053	2,165,971	2,458,913	2,503,726
Charter Schools	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,144	520,780	1,382,965
Interest on long-term debt	310,084	290,377	267,736	237,837	143,704	600				
Total governmental activities expenses	85,474,792	88,215,673	84,879,324	89,611,345	88,431,750	87,611,538	96,752,951	101,457,479	113,768,585	116,477,810
Business-type activities										
Food service	1,926,104	1,942,047	1,849,157	1,997,365	2,140,193	2,080,336	2,205,465	2,076,449	2,223,356	2,247,277
Aquatic center		42,190	143,100	327,778	331,730	269,941	314,312	241,753	242,624	281,735
Total business-type activities expense	1,926,104	1,984,237	1,992,257	2,325,143	2,471,923	2,350,277	2,519,777	2,318,202	2,465,980	2,529,012
Total district expenses	\$ 87,400,896	\$ 90,199,910	\$ 86,871,581	\$ 91,936,488	\$ 90,903,673	\$ 89,961,815	\$ 99,272,728	\$ 105,775,681	\$ 116,234,565	\$ 119,006,822
Program Revenues										
Governmental activities										
Charges for services										
Instruction (tuition)	\$ 3,172,528	\$ 3,025,839	\$ 3,748,115	\$ 5,104,323	\$ 4,792,109	\$ 5,822,990	\$ 6,533,294	\$ 5,520,923	\$ 5,741,618	\$ 5,300,608
Student transportation	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422	577,800	557,288
Operating grants and contributions	7,344,441	7,921,340	7,820,320	9,334,560	8,506,678	7,994,917	8,179,337	8,606,563	7,900,664	7,837,918
Capital grants and contributions	14,735,769	8,531,828	151,054	580,077	127					
Total governmental activities program revenues	25,657,692	19,920,044	12,031,225	15,357,145	13,633,096	14,330,438	15,352,696	14,693,908	14,220,082	13,695,814

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

J-2
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	Year ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Business-type activities										
Charges for services										
Food service	\$ 723,167	\$ 754,688	\$ 596,762	\$ 577,907	\$ 551,906	\$ 595,778	\$ 629,380	\$ 595,414	\$ 647,091	\$ 700,209
Aquatic center		18,931	241,231	253,049	238,420	311,144	339,552	325,980	337,573	305,700
Operating grants and contributions	1,199,999	1,349,774	1,379,601	1,493,576	1,546,914	1,592,217	1,641,382	1,662,103	1,653,545	1,535,534
Total business-type activities program revenues	<u>1,923,166</u>	<u>2,123,393</u>	<u>2,217,594</u>	<u>2,324,532</u>	<u>2,337,240</u>	<u>2,499,139</u>	<u>2,610,314</u>	<u>2,583,497</u>	<u>2,638,209</u>	<u>2,541,443</u>
Total district program revenues	<u>\$ 27,580,858</u>	<u>\$ 22,043,437</u>	<u>\$ 14,248,819</u>	<u>\$ 17,681,677</u>	<u>\$ 15,970,336</u>	<u>\$ 16,829,577</u>	<u>\$ 17,963,010</u>	<u>\$ 17,277,405</u>	<u>\$ 16,858,291</u>	<u>\$ 16,237,257</u>
Net (Expense)/Revenue										
Governmental activities	\$ (59,817,100)	\$ (68,295,629)	\$ (72,848,099)	\$ (74,254,200)	\$ (74,798,654)	\$ (73,281,100)	\$ (81,400,255)	\$ (88,763,571)	\$ (99,548,503)	\$ (102,781,996)
Business-type activities	(2,938)	139,156	225,337	(611)	(134,683)	148,862	90,537	265,295	172,229	12,431
Total district-wide net (expense)/revenue	<u>\$ (59,820,038)</u>	<u>\$ (68,156,473)</u>	<u>\$ (72,622,762)</u>	<u>\$ (74,254,811)</u>	<u>\$ (74,933,337)</u>	<u>\$ (73,132,238)</u>	<u>\$ (81,309,718)</u>	<u>\$ (88,498,276)</u>	<u>\$ (99,376,274)</u>	<u>\$ (102,769,565)</u>
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes levied for general purposes	\$ 31,395,338	\$ 32,651,152	\$ 33,957,198	\$ 33,957,198	\$ 33,957,198	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649	36,756,362	37,491,489
Property taxes levied for debt service	590,914	294,400	608,133	596,900	574,252					
Unrestricted grants and contributions	37,972,016	38,761,487	36,251,321	39,017,032	39,338,301	39,766,755	46,846,336	49,883,714	56,052,469	59,309,626
Investment earnings	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064	21,156	52,240
Miscellaneous income	824,735	792,115	1,203,381	701,379	769,595	415,341	923,384	581,027	714,009	1,699,573
Transfers	(53,920)									
Loss on sale of capital assets	(717)									
Special item - prior year accrual cancelled									999,544	
Total governmental activities	<u>70,809,182</u>	<u>72,530,308</u>	<u>72,033,260</u>	<u>74,273,705</u>	<u>74,641,612</u>	<u>74,820,481</u>	<u>81,101,103</u>	<u>86,509,454</u>	<u>94,543,540</u>	<u>98,552,928</u>
Business-type activities										
Other	101,930	430,968	3,037	255,388	430	341	385	51,465	3,337	7,983
Transfers	53,920									
Total business-type activities	<u>155,850</u>	<u>430,968</u>	<u>3,037</u>	<u>255,388</u>	<u>430</u>	<u>341</u>	<u>385</u>	<u>51,465</u>	<u>3,337</u>	<u>7,983</u>
Total district-wide	<u>\$ 70,965,032</u>	<u>\$ 72,961,276</u>	<u>\$ 72,036,297</u>	<u>\$ 74,529,093</u>	<u>\$ 74,642,062</u>	<u>\$ 74,820,822</u>	<u>\$ 81,101,488</u>	<u>\$ 86,560,919</u>	<u>\$ 94,546,877</u>	<u>\$ 98,560,911</u>
Change in Net Position										
Governmental activities	\$ 10,992,082	\$ 4,234,679	\$ (814,839)	\$ 19,505	\$ (157,022)	\$ 1,539,381	\$ 1,700,848	\$ (2,254,117)	\$ (5,004,963)	\$ (4,229,068)
Business-type activities	152,912	570,124	228,374	254,777	(134,253)	149,203	90,922	316,760	175,566	20,414
Total district	<u>\$ 11,144,994</u>	<u>\$ 4,804,803</u>	<u>\$ (586,465)</u>	<u>\$ 274,282</u>	<u>\$ (291,275)</u>	<u>\$ 1,688,584</u>	<u>\$ 1,791,770</u>	<u>\$ (1,937,357)</u>	<u>\$ (4,829,397)</u>	<u>\$ (4,208,654)</u>

Source: CAFR Schedule A-2 and District records.

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

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

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

GASB 75 was implemented in the 2018 fiscal year, which increased the unrestricted grants and contributions and various expense lines from the previous year.

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

J-3

	June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
General Fund										
Reserved	\$ 5,727,715	\$ 5,768,475								
Unreserved (deficit)	(703,433)	(1,679,851)								
Restricted			\$ 6,437,867	\$ 7,784,498	\$ 5,230,939	\$ 8,872,036	\$ 15,145,020	\$ 14,754,667	\$ 9,293,018	\$ 11,112,815
Assigned to			563,189		1,530,301	1,446,475		2,246,231	3,236,814	1,982,535
Unassigned (deficit) fund balance				(853,153)			(1,355,431)			
Total general fund	<u>\$ 5,024,282</u>	<u>\$ 4,088,624</u>	<u>\$ 7,001,056</u>	<u>\$ 6,931,345</u>	<u>\$ 6,761,240</u>	<u>\$ 10,318,511</u>	<u>\$ 13,789,589</u>	<u>\$ 17,000,898</u>	<u>\$ 12,529,832</u>	<u>\$ 13,095,350</u>
All Other Governmental Funds										
Reserved	\$ 9,584	\$ 158								
Unassigned-special revenue fund (deficit)			\$ (598,554)	\$ (626,485)	\$ (572,778)	\$ (591,845)	\$ (595,111)	\$ (612,217)	\$ (534,576)	\$ (515,602)
Unreserved, reported in:										
Special revenue fund (deficit)	(519,944)	(591,683)								
Debt service fund	158									
Total all other governmental funds	<u>\$ (510,202)</u>	<u>\$ (591,525)</u>	<u>\$ (598,554)</u>	<u>\$ (626,485)</u>	<u>\$ (572,778)</u>	<u>\$ (591,845)</u>	<u>\$ (595,111)</u>	<u>\$ (612,217)</u>	<u>\$ (534,576)</u>	<u>\$ (515,602)</u>

Source: CAFR Schedule B-1 and District records.

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

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

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

	Year ended June 30,									
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Revenues										
Tax levy	\$ 31,986,252	\$ 32,945,552	\$ 34,565,331	\$ 34,554,098	\$ 34,531,450	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649	\$ 36,756,362	\$ 37,491,489
Tuition charges	3,172,528	3,025,839	3,748,115	5,104,323	4,792,109	5,822,990	6,533,294	5,520,923	5,741,618	5,300,608
Transportation fees	404,954	441,037	311,736	338,185	334,182	512,531	640,065	566,422	577,800	557,288
Interest earnings	80,816	31,154	13,227	1,196	2,286	2,043	2,315	9,064	21,156	52,240
Miscellaneous	824,735	792,115	1,203,381	701,379	683,104	415,341	923,384	581,027	714,009	1,097,737
State sources	57,167,117	47,026,348	40,793,432	44,768,850	45,159,401	45,550,014	45,504,438	46,711,950	47,069,403	47,683,591
Federal sources	2,885,109	8,188,307	3,429,263	4,162,819	2,685,705	2,211,658	2,431,136	2,815,088	2,558,523	2,564,665
Total revenue	96,521,511	92,450,352	84,064,485	89,630,850	88,188,237	89,150,919	91,363,700	92,240,123	93,438,871	94,747,618
Expenditures										
Instruction										
Regular and Special Education Instruction	35,768,872	35,565,498	34,150,760	35,106,067	35,299,548	35,409,155	36,293,143	38,474,929	38,485,658	38,264,216
Support Services:										
Attendance and social work	512,016	574,892	372,281	390,137	308,837	249,674	279,571	292,453	296,577	299,155
Health services	567,791	608,502	553,923	674,046	672,915	689,880	650,333	665,854	674,765	702,770
Other support services	6,690,538	6,974,725	6,768,042	7,560,746	7,054,925	6,657,031	7,117,676	7,494,551	7,063,019	7,354,001
Improvement of instruction	585,723	620,538	521,288	545,713	652,599	719,314	803,641	874,028	812,163	732,070
School library	1,055,279	1,092,814	1,139,672	1,116,033	1,075,343	956,821	945,071	992,076	907,170	853,439
Instructional staff training	7,593	17,059	3,300							
General administration	1,892,000	1,518,592	1,854,570	1,710,602	1,409,429	1,388,744	1,414,399	1,650,624	1,517,394	1,304,437
School administration	2,751,777	2,672,635	2,410,661	2,621,072	2,790,090	2,794,312	2,886,452	2,992,232	3,090,738	3,086,644
Central services	815,247	850,743	787,786	805,899	814,631	840,494	845,575	839,666	828,450	779,804
Information technology	264,280	257,677	222,732	365,222	341,949	682,111	371,008	392,956	393,190	440,010
Required maintenance of plant	4,827,159	4,486,980	5,681,587	5,874,318	3,199,273	3,498,453	3,102,554	2,938,903	2,784,632	2,930,383
Operation of plant	5,869,659	6,892,061	6,392,637	5,999,691	6,057,966	6,545,991	6,512,922	6,579,764	6,601,201	6,599,984
Student transportation	3,485,782	3,130,917	2,972,357	2,361,935	2,467,605	2,487,772	2,604,317	2,604,089	2,835,922	2,780,152
Business and other support services and benefits	11,367,318	12,459,632	11,492,920	11,866,966	12,327,307	11,259,837	11,419,999	11,601,462	14,381,272	14,033,250
On-behalf payments	4,002,701	3,945,565	4,122,345	4,834,047	6,142,553	5,608,253	6,319,011	7,413,175	8,237,108	9,494,767
Charter schools	431,631	384,188	459,982	696,069	535,083	608,907	626,222	532,146	520,780	1,382,965
Capital outlay	15,096,262	10,437,175	478,634	5,235,661	3,617,698	5,067,341	5,703,994	2,707,012	9,401,801	3,125,079
Debt service										
Principal	472,000	485,000	503,000	1,716,140	3,470,000	145,000				
Interest and other charges	313,127	292,140	270,605	248,128	153,375	3,625				
Total expenditures	96,776,755	93,467,333	81,159,082	89,728,492	88,391,126	85,612,715	87,895,888	89,045,920	98,831,840	94,163,126
Excess (Deficiency) of revenues over (under) expenditures	(255,244)	(1,016,981)	2,905,403	(97,642)	(202,889)	3,538,204	3,467,812	3,194,203	(5,392,969)	584,492
Other Financing sources (uses)										
Transfers in	2,422,849	1,842,515	1,509,929	2,772,393	4,432,270	2,182,521	1,535,199	1,583,727	1,673,869	1,735,587
Transfers out	(2,476,769)	(1,842,515)	(1,509,929)	(2,772,393)	(4,432,270)	(2,182,521)	(1,535,199)	(1,583,727)	(1,673,869)	(1,735,587)
Proceeds from insurance					86,491					
Special item - prior year accrual cancelled									999,544	
Total other financing sources (uses)	(53,920)	-	-	-	86,491	-	-	-	999,544	-
Net change in fund balances	\$ (309,164)	\$ (1,016,981)	\$ 2,905,403	\$ (97,642)	\$ (116,398)	\$ 3,538,204	\$ 3,467,812	\$ 3,194,203	\$ (4,393,425)	\$ 584,492
Debt service as a percentage of noncapital expenditures	1.0%	0.9%	1.0%	2.3%	4.3%	0.2%	0.0%	0.0%	0.0%	0.0%

Source: CAFR Schedule B-2.

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

Fiscal Year Ended June 30,	Refund of Prior Year Expenditures	Void Checks of prior year	Utility Rebates	Facility Rentals	Misc.	Total
2009	\$ 91,143			\$ 482,608	\$ 250,984	\$ 824,735
2010	58,322		\$ 30,178	500,102	172,359	760,961
2011	520,591		36,850	389,271	47,599	994,311
2012	151,239		22,278	390,274	137,588	701,379
2013	168,240	\$ 6,089	11,733	387,310	109,732	683,104
2014	40,855		121,926	231,814	20,459	415,054
2015	436,640	1,153	102,522	373,651	9,417	923,384
2016	2,273	502	109,105	400,466	68,681	581,027
2017	116,812	1,716	80,126	437,469	77,886	714,009
2018	40,027	3,471	414,626	366,536	273,077	1,097,737

Source: District records.

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

J-6

Fiscal Year Ended June 30,	Vacant Land	Residential	Farm Reg.	Ofarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2009	\$ 32,036,800	\$ 2,334,168,100	\$ 601,000	\$ 16,100	\$ 403,116,100	\$ 66,831,700	\$ 88,702,000	\$ 2,925,471,800	\$ 5,168,938	\$ 2,930,640,738	\$ 1.124	\$ 3,940,560,075
2010	36,214,500	2,323,286,400	601,000	16,100	387,008,100	66,471,800	89,185,500	2,902,783,400	5,437,906	2,908,221,306	1.188	3,789,039,812
2011	35,964,600	2,321,826,600	601,000	16,100	384,342,700	64,489,400	90,747,800	2,897,988,200	5,364,247	2,903,352,447	1.190	3,650,778,786
2012	39,161,300	2,319,104,800	601,000	16,100	391,353,700	63,807,800	90,771,800	2,904,816,500	5,640,333	2,910,456,833	1.186	3,666,486,310
2013	36,583,800	2,316,591,000	601,000	16,100	393,364,400	62,881,200	89,953,900	2,899,991,400	5,640,333	2,905,631,733	1.193	3,585,548,220
2014	36,376,700	2,220,414,000	601,000	16,100	398,406,880	62,881,200	88,611,400	2,807,307,280	-	2,807,307,280	1.259	3,400,323,740
2015	41,063,350	2,742,469,140	612,800	16,800	534,199,000	68,542,400	121,581,800	3,508,485,290	-	3,508,485,290	1.027	3,508,485,290
2016	43,696,200	2,787,426,410	619,500	16,800	508,736,700	67,108,300	129,652,100	3,537,256,010	-	3,537,256,010	1.039	3,537,256,010
2017	52,887,300	2,827,296,800	274,800	9,800	513,065,000	64,298,800	157,863,300	3,615,695,800	-	3,615,695,800	1.037	3,615,695,800
2018	54,355,300	3,064,590,900	286,800	9,800	560,720,800	68,656,000	157,773,100	3,906,392,700	-	3,906,392,700	0.979	3,906,392,700

Note

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

- a Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies -
No longer subject to property tax, phased out through gross receipts tax or, as in the case of Verizon, statutory relief as dialtone service declined
- b Tax rates are per \$100

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

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

(Rate per \$100 of assessed value)

Fiscal Year Ended	Neptune Township School District			Overlapping Rates				Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2009	\$ 1.114	\$ 0.010	\$ 1.124	\$ 0.746		\$ 0.129	\$ 0.351	\$ 2.350
2010	1.168	0.020	1.188	0.786		0.129	0.353	2.456
2011	1.170	0.020	1.190	0.777	\$ 0.044	0.130	0.356	2.497
2012	1.166	0.020	1.186	0.808	0.042	0.130	0.355	2.521
2013	1.193	-	1.193	0.837	0.041	0.132	0.363	2.566
2014	1.259	-	1.259	0.908	0.042	0.139	0.361	2.709
2015	1.027	-	1.027	0.762	0.033	0.113	0.292	2.227
2016	1.039	-	1.039	0.785	0.035	0.112	0.294	2.265
2017	1.037	-	1.037	0.788	0.035	0.097	0.290	2.247
2018	0.979	-	0.979	0.759	0.034	0.104	0.294	2.170

(Percentage of total tax rate)

Fiscal Year Ended	Neptune Township School District			Overlapping Rates				Percentage Total Direct and Overlapping Tax Rate
	Basic Rate	General Obligation Debt Service	Total Direct	Neptune Township	Library	Neptune Fire Districts	Monmouth County	
2009	47.40 %	0.43 %	47.83 %	31.74 %		5.49 %	14.94 %	100.00 %
2010	47.56	0.81	48.37	32.01		5.25	14.37	100.00
2011	46.86	0.80	47.66	31.11	1.76 %	5.21	14.26	100.00
2012	46.25	0.79	47.04	32.05	1.67	5.16	14.08	100.00
2013	46.49	-	46.49	32.62	1.60	5.14	14.15	100.00
2014	46.47	-	46.47	33.52	1.55	5.13	13.33	100.00
2015	46.12	-	46.12	34.22	1.48	5.07	13.11	100.00
2016	45.87	-	45.87	34.66	1.55	4.94	12.98	100.00
2017	46.15	-	46.15	35.07	1.56	4.32	12.90	100.00
2018	45.11	-	45.11	34.98	1.57	4.79	13.55	100.00

Source: District records and Municipal Tax Assessor.

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

J-8

Taxpayer	2018			2009		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Neptune Partners, LLC % BNE Real Estate	\$ 38,925,200	1	1.00%			
Neptune Plaza Shopping Center, LLC	34,135,600	2	0.87%	\$ 27,692,100	1	0.95%
Jumping Brook Real % Mack-Cali Corp	26,175,600	3	0.67%	20,596,200	2	0.70%
Walmart Real Estate Prop Tax Dep	23,741,700	4	0.61%	13,709,400	4	0.47%
Woodlands Neptune, LLC	22,947,100	5	0.59%	16,800,000	3	0.57%
JB Neptune Holdings	22,805,100	6	0.58%			
Ocean Grove Camp Meeting Assoc.	19,327,600	7	0.49%			
HD Development of Maryland	16,503,300	8	0.42%	13,391,600	5	0.46%
Ocean Grove NJ, LLC	15,155,000	9	0.39%			
OFW, LLC	12,504,000	10	0.32%			
West Grove Square Assoc., LLC				9,728,300	9	0.33%
Neptune Park for Industry				9,804,600	8	0.33%
Gannett Partners				10,200,000	6	0.35%
East Coast Jumping Brook				10,200,000	6	0.35%
Jumping Brook Country Club				9,425,200	7	0.32%
Total	\$ 232,220,200		5.94%	\$ 141,547,400		4.83%

Source: Municipal Tax Assessor.

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

Fiscal Year Ended June 30,	School Taxes Levied and Collected for the Fiscal Year	Municipal Taxes Levied for the Fiscal Year	Municipal Taxes Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
			Amount	Percentage of Levy	
2009	\$ 31,986,252	\$ 66,855,097	\$ 65,616,236	98.15%	1.85%
2010	32,945,552	68,683,743	67,406,492	98.14%	1.86%
2011	34,565,331	68,696,683	67,405,185	98.12%	1.88%
2012	34,554,098	69,576,960	68,254,998	98.10%	1.90%
2013	34,531,450	70,652,979	69,739,042	98.71%	1.29%
2014	34,636,342	72,147,797	71,202,661	98.69%	1.31%
2015	35,329,068	74,151,121	73,150,000	98.65%	1.35%
2016	36,035,649	76,157,122	75,100,000	98.61%	1.39%
2017	36,756,362	80,311,054	79,172,112	98.58%	1.42%
2018	37,491,489	83,650,190 *	82,479,088	98.60% *	1.40% *

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

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

Source: District records and Municipal Tax Collector.

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

J-10

Fiscal Year Ended June 30,	<u>Governmental Activities</u>		Total District	Percentage of Personal Income *	Per Capita ^a
	General Obligation Bonds	Certificates of Participation			
2009	\$ 734,000	\$ 5,590,000	\$ 6,324,000	0.48%	\$ 30,224
2010	584,000	5,255,000	5,839,000	0.52%	30,636
2011	436,000	4,900,000	5,336,000	0.57%	30,404
2012	290,000	3,325,000	3,615,000	0.84%	30,279
2013	145,000	-	145,000	21.95%	31,830
2014	-	-	-	0.00%	-
2015	-	-	-	0.00%	-
2016	-	-	-	0.00%	-
2017	-	-	-	0.00%	-
2018	-	-	-	0.00%	-

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

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

Source: District CAFR Schedule I-1.

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

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
	General Obligation Bonds and Certificates of Participation	Deductions	Net General Bonded Debt Outstanding		
2009	\$ 6,324,000		\$ 6,324,000	0.22%	30,224
2010	5,839,000		5,839,000	0.20%	30,636
2011	5,336,000		5,336,000	0.18%	30,404
2012	3,615,000		3,615,000	0.12%	30,279
2013	145,000		145,000	0.00%	31,830
2014	-		-	0.00%	31,830
2015	-		-	0.00%	31,830
2016	-		-	0.00%	31,897
2017	-		-	0.00%	32,737
2018	-		-	0.00%	33,679

Note:

a See J-6 for property tax data.

b Population data can be found in J-14.

Neptune Township School District
Ratios of Overlapping Governmental Activities Debt
As of June 30, 2018
Unaudited

J-12

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Neptune Township	\$ 26,615,056	100.00%	\$ 26,615,056
Other debt			
Neptune Township Sewerage Authority	3,900,000	100.00%	3,900,000
County of Monmouth	462,342,600	3.21%	14,844,929
Subtotal, overlapping debt			45,359,985
Neptune Township School District Direct Debt			-
Total direct and overlapping debt			\$ 45,359,985

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

Source: District records and Neptune Township Finance Officer.

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

Legal Debt Margin Calculation for Fiscal Year 2018

Equalized valuation basis	
2018	\$ 3,906,392,700
2017	3,615,695,800
2016	3,537,256,010
[A]	<u>\$ 11,059,344,510</u>
Avg. equalized valuation	<u>\$ 3,686,448,170</u>
Debt limit (4 % of AEV)	\$ 147,457,927
Net bonded school debt	[C] -
Legal debt margin	[B-C] <u>\$ 147,457,927</u>

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Debt limit	\$ 116,941,546	\$ 116,878,578	\$ 151,735,466	\$ 148,084,065	\$ 145,370,844	\$ 142,031,444	\$ 122,948,724	\$ 131,373,981	\$ 142,152,495	\$ 147,457,927
Total net debt applicable to limit	<u>6,324,000</u>	<u>5,839,000</u>	<u>5,336,000</u>	<u>3,615,000</u>	<u>145,000</u>	-	-	-	-	-
Legal debt margin	<u>\$ 110,617,546</u>	<u>\$ 111,039,578</u>	<u>\$ 146,399,466</u>	<u>\$ 144,469,065</u>	<u>\$ 145,225,844</u>	<u>\$ 142,031,444</u>	<u>\$ 122,948,724</u>	<u>\$ 131,373,981</u>	<u>\$ 142,152,495</u>	<u>\$ 147,457,927</u>
Total net debt applicable to the limit as a percentage of debt limit	5.41%	5.00%	3.52%	2.44%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%

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

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

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

<u>Year</u>	<u>Population</u>	<u>Per Capita Personal Income</u>	<u>Unemployment Rate</u>
2009	28,410	\$ 30,224	7.1%
2010	28,349	30,636	11.9%
2011	27,935	30,404	12.1%
2012	27,963	30,279	12.0%
2013	27,889	31,830	10.7%
2014	27,914	31,830	8.2%
2015	27,902	31,830	7.8%
2016	27,574	31,897	5.8%
2017	27,789	32,737	5.3%
2018	27,844	33,679	5.0%

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

2009- 2018 Per Capita Income for Neptune Township

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

Employer	2018			2009		
	Employees	Rank (Optional)	Percentage of Total Employment	Employees	Rank (Optional)	Percentage of Total Employment
Jersey Shore University Medical Center	3,808	1	58.33%	2,839	1	41.51%
Neptune Township Board of Education	674	2	10.32%	602	3	8.80%
Children's Center of Monmouth County	355	3	5.44%			
Neptune Township	303	4	4.64%	303	7	4.43%
Wal-Mart	300	5	4.60%	319	6	4.66%
Asbury Park Press / Gannett	282	6	4.32%	1,239	2	18.11%
Neptune Shop-Rite	231	7	3.54%	286	8	4.18%
United Methodist Homes	209	8	3.20%	125	10	1.83%
Home Depot	187	9	2.86%	266	9	3.89%
Sanitary Linen Supply	179	10	2.74%			0.00%
AIG / American General				426	5	6.23%
CPC Behavioral Health				435	4	6.36%
	<u>6,528</u>		<u>100.00%</u>	<u>6,840</u>		<u>100.00%</u>

Source: Neptune Township Finance Officer.

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

<u>Function/Program</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>	<u>2018</u>
Instruction										
Regular	318	321	310	318	324	322	319	319	314	318
Special education	120	123	119	126	122	126	124	135	145	139
Other instruction	10	10	10	11	11	11	12	10	9	12
Support Services:										
Student & instruction related services	78	81	71	73	75	79	80	77	76	75
General administrative services	8	8	8	7	8	7	7	8	7	7
School administrative services	36	36	32	38	39	38	38	38	39	41
Business administrative services	8	8	8	15	15	15	16	20	18	14
Plant operations and maintenance	60	60	60	60	63	64	65	67	65	66
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Total	<u>640</u>	<u>649</u>	<u>620</u>	<u>650</u>	<u>659</u>	<u>664</u>	<u>663</u>	<u>676</u>	<u>675</u>	<u>674</u>

Source: District records.

Neptune Township School District
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

J-17

Fiscal Year	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Teacher/Pupil Ratio			Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School				
2009	4,535	\$ 80,895,366	\$ 17,838	2.70%	358	1:16	1:12	1:16	4,452	4,145	0.06%	93.10%
2010	4,453	82,253,018	18,471	3.55%	365	1:15	1:12	1:16	4,456	4,135	0.09%	92.80%
2011	4,545	79,906,843	17,581	-4.82%	370	1:15	1:12	1:15	4,458	4,151	0.04%	93.11%
2012	4,446	82,528,563	18,562	5.58%	369	1:13	1:11	1:13	4,373	4,078	-1.90%	93.25%
2013	4,450	81,150,053	18,236	-1.76%	376	1:13	1:13	1:14	4,440	4,131	1.52%	93.04%
2014	4,469	80,396,749	17,990	-1.35%	378	1:12	1:10	1:13	4,434	4,123	-0.14%	92.99%
2015	4,408	82,191,894	18,646	3.65%	381	1:12	1:10	1:14	4,300	3,976	-3.02%	92.47%
2016	4,278	86,338,908	20,182	8.24%	386	1:11	1:09	1:14	4,265	3,974	-0.81%	93.18%
2017	4,256	89,430,039	21,013	4.12%	390	1:10	1:09	1:12	4,169	3,849	-2.26%	92.32%
2018	4,213	91,038,047	21,609	2.84%	386	1:11	1:09	1:12	3,986	3,690	-4.37%	92.57%

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

Source: District records.

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

J-18

District Building	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Elementary										
Early Childhood Center (2004)										
Square Feet	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774	44,774
Capacity (students)	270	270	270	270	270	270	270	270	270	270
Enrollment	187	240	220	179	186	203	207	171	159	200
Shark River Hills Elementary										
Square Feet	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327	59,327
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	406	434	435	415	408	385	352	316	282	258
Gables Elementary										
Square Feet	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606	53,606
Capacity (students)	500	500	500	500	500	500	500	500	500	500
Enrollment	414	380	368	341	320	311	287	300	281	272
Green Grove Elementary										
Square Feet	66,567	66,567	66,567	66,567	66,567	66,567	68,524	68,524	68,524	68,524
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	428	412	406	388	377	369	374	365	371	342
Summerfield Elementary (2006)										
Square Feet	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518	102,518
Capacity (students)	725	725	725	725	725	725	725	725	725	725
Enrollment	417	407	432	451	461	460	443	480	492	476
Midtown Community Elementary (2008)										
Square Feet	189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990	189,990
Capacity (students)	750	750	750	750	750	750	750	750	750	750
Enrollment	457	454	435	431	468	489	449	461	434	373
Middle School										
Neptune Middle School										
Square Feet	177,509	177,509	177,509	177,509	177,509	177,509	177,509	177,509	183,109	183,109
Capacity (students)	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
Enrollment	845	840	844	864	888	856	830	798	798	738
High School										
Neptune High School										
Square Feet	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049	277,049
Capacity (students)	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800	2,800
Enrollment	1,299	1,290	1,269	1,304	1,332	1,361	1,358	1,375	1,350	1,327
Other										
Administration Building										
Square Feet	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596	51,596
Aquatic Center		32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000	32,000
Outbuildings - Team, Concession, Storage				18,000	18,000	18,000	18,000	18,000	18,000	18,000

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of building additions. Enrollments are based on average daily enrollments from the School Register Summary Report. One half of the Administration Building is leased effective 2008. The Neptune Aquatic Center, housed in Neptune High School, opened February 27, 2010. Beginning in 2018 Preschool classes from the Midtown school were moved to the Early Childhood Center.

Source: District records.

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

School Facilities	School #	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Neptune High School	50	\$ 1,299,736	\$ 1,206,854	\$ 1,328,093	\$ 1,463,016	\$ 890,022	\$ 975,947	\$ 879,993	\$ 785,988	\$ 669,405	\$ 874,055
Neptune Middle School	55	822,493	887,590	759,468	976,490	544,505	921,212	667,378	579,957	341,607	527,549
Early Childhood Center	59	113,132	189,442	304,115	294,987	152,445	216,736	213,407	290,996	274,699	196,649
Gables Elementary	61	561,563	643,138	878,395	607,809	253,889	229,804	261,566	269,336	200,055	199,671
Green Grove Elementary	63	265,970	344,574	509,840	729,051	306,300	351,759	281,580	233,455	312,009	289,294
Midtown Community Elementary	80	774,216	500,976	511,062	595,775	281,629	225,506	317,895	226,405	316,740	319,735
Shark River Hills Elementary	90	316,603	382,088	986,049	443,182	260,435	205,662	170,845	224,686	258,452	208,652
Summerfield Elementary	100	673,446	332,318	404,565	764,008	510,048	371,827	309,890	328,080	411,665	314,778
Grand Total		<u>\$ 4,827,159</u>	<u>\$ 4,486,980</u>	<u>\$ 5,681,587</u>	<u>\$ 5,874,318</u>	<u>\$ 3,199,273</u>	<u>\$ 3,498,453</u>	<u>\$ 3,102,554</u>	<u>\$ 2,938,903</u>	<u>\$ 2,784,632</u>	<u>\$ 2,930,383</u>

High School expenditures include those of the Annex / BOE.

Source: District records.

Neptune Township School District
Insurance Schedule
Year ended June 30, 2018
Unaudited

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p.1

Type of Coverage	Coverage	Deductible
Multi Peril Package Policy		
Diploma Joint Insurance Fund		
Section I - Property:		
Blanket building and contents	\$ 500,000,000	\$ 2,500
Flood Zone A or V	25,000,000	Excess of NFIP
Flood Zone - All Other	75,000,000	1,000
Earthquake	50,000,000	5%
Valuable papers and records	10,000,000	
Extra expense / business income	50,000,000	
EDP equip, data, media, extra expense	500,000	
Cameras, musical instruments	Inc in property	
Glass coverage	Inc in property	
Demolition/Incr. Cost of Construction	25,000,000	
Blanket contractors equipment	Inc in property	
Energy systems-boiler and machinery	100,000,000	
Section II - General Liability:		
Bodily injury and property damage	11,000,000	
Sexual misconduct	17,000,000	
Section III - School Board Legal Liability Policy:		
Aggregate limit of liability	5,000,000	10,000
Section IV - Crime:		
Blanket employee dishonesty	500,000	1,000
Depositors forgery	500,000	
Computer Fraud	500,000	
Money and securities	25,000	
Workers Compensation:		
Section A	Statutory	
Section B	2,000,000	

Neptune Township School District
Insurance Schedule
Year ended June 30, 2018
Unaudited

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p.2
(Continued)

Type of Coverage	Coverage	Deductible
Automobile:		
Bodily injury and property	\$ 11,000,000	
Personal injury protection	Statutory	
Uninsured/underinsured		
Bodily Injury per Occurance	15,000	
Bodily Injury per Accident	30,000	
Property Damage per Accident	5,000	
Comprehensive and collision	ACV	\$ 1,000
 Environmental Laibility:		
Policy aggregate limit of liability-primary	1,000,000	10,000
 Umbrella Excess Liability:		
Policy Aggregate Limit of Liability - Primary	50,000,000	
 Student Accident:		
Medical per injury	5,000,000	
 Fidelity Bonds:		
Business Administrator/Board Secretary	300,000	
Asst. Bus. Admin. / Asst. Bd. Secretary	300,000	
Accountant I	300,000	

Source: District records.

Single Audit Section

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

Independent Auditors' Report

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Neptune Township School District, in the County of Monmouth, New Jersey (the "District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated February 6, 2019.

Internal Control Over Financial Reporting

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

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

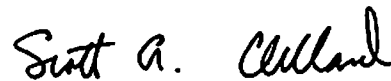
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

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

Purpose of this Report

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



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

February 6, 2019
Livingston, New Jersey

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

Independent Auditors' Report

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

Report on Compliance for Each Major Federal and State Program

We have audited the Neptune Township School District's, in the County of Monmouth, New Jersey (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the District's major federal and state programs for the year ended June 30, 2018. The District's major federal and state programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal and State Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2018.

Report on Internal Control Over Compliance

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

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

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

Purpose of this Report

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

Scott A. Clelland

Scott A. Clelland
Licensed Public School Accountant
No. 1049

Wiss & Company

WISS & COMPANY, LLP

February 6, 2019
Livingston, New Jersey

**Neptune Township School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2018**

**Exhibit K-3
SCHEDULE A**

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance at June 30, 2017	Cash Received	Budgetary Expenditures	Balance at June 30, 2018		
					From	To				Accounts Receivable	Unearned Revenue	Due to Grantor
U.S. Department of Health and Human Services												
Passed-through the State Department of Education												
General Fund												
Medical Assistance Program (SEMI)	93.778	1805NJ5MAP	N/A	\$ 153,483	7/1/17	6/30/18		\$ 149,746	\$ (153,483)	\$ (3,737)		
Total General Fund								<u>149,746</u>	<u>(153,483)</u>	<u>(3,737)</u>		
U.S. Department of Education												
Passed-through State Department of Education												
Special Revenue Fund												
Title I, Part A	84.010	S010A170030	NCLB-XXXX-17	1,111,407	7/1/17	6/30/18	\$ (113,256)	1,105,211	(939,733)	\$ (13,913)		\$ 66,115
Title II, Part A Improving Teacher Quality	84.367A	S367A170029	NCLB-XXXX-17	160,262	7/1/17	6/30/18	4,410	159,472	(145,945)		\$ 17,937	
Title IV	84.365	S424A170031	NCLB-XXXX-17	13,245	7/1/17	6/30/18		11,259	(11,339)	(80)		
Language Instruction for English Learners and Immigrant Students												
Title III	84.365	S365A170039	NCLB-XXXX-17	32,402	7/1/17	6/30/18	(12,438)	19,438	(28,655)	(1,655)		
Title III Immigrant	84.365	S365A160039	NCLB-XXXX-17	5,341	7/1/17	6/30/18	(17,207)	17,207				
Subtotal Language Instruction for English Learners and Immigrant Students							<u>(30,145)</u>	<u>57,145</u>	<u>(28,655)</u>	<u>(1,655)</u>		
Special Education Grant Cluster												
IDEA, Part B, Basic Regular	84.027	H027A170100	NCLB-XXXX-17	1,285,366	7/1/17	6/30/18	56,821	1,249,252	(1,211,361)		5,069	89,643
IDEA, Preschool	84.171	H073A170114	NCLB-XXXX-17	38,378	7/1/17	6/30/18		38,378	(38,378)			
Subtotal of Special Education Grant Cluster							<u>56,821</u>	<u>1,287,630</u>	<u>(1,249,739)</u>		<u>5,069</u>	<u>89,643</u>
U.S. Department of Homeland Security												
Passed-through State Department of Law and Public Safety												
Federal Emergency Management Agency (FEMA)												
	97.036	Not available	Not available	35,771	7/1/17	6/30/18		35,771	(35,771)			
Total Special Revenue Fund							<u>(82,170)</u>	<u>2,656,488</u>	<u>(2,411,182)</u>	<u>(15,648)</u>	<u>23,006</u>	<u>155,778</u>
U.S. Department of Agriculture												
Passed-through State Department of Agriculture												
Enterprise Fund												
Child Nutrition Cluster												
National School Breakfast Program	10.553	181NJ304N1099	N/A	258,525	7/1/17	6/30/18		239,387	(258,525)	(19,138)		
National School Breakfast Program	10.553	171NJ304N1099	N/A	281,920	7/1/16	6/30/17	(21,359)	21,359				
National School Lunch Program	10.555	181NJ304N1099	N/A	1,029,402	7/1/17	6/30/18		954,226	(1,029,402)	(75,176)		
National School Lunch Program	10.555	171NJ304N1099	N/A	1,091,023	7/1/16	6/30/17	(80,399)	80,399				
Healthy Hunger-Free Kids Act	10.555	181NJ304N1099	N/A	25,709	7/1/17	6/30/18		23,865	(25,709)	(1,844)		
Healthy Hunger-Free Kids Act	10.555	171NJ304N1099	N/A	28,521	7/1/16	6/30/17	(2,009)	2,009				
Food Donation (NC)	10.555	181NJ304N1099	N/A	190,252	7/1/17	6/30/18		190,253	(182,870)		7,383	
Food Donation (NC)	10.555	171NJ304N1099	N/A	158,268	7/1/16	6/30/17	(16,059)		(16,059)			
Total Child Nutrition Cluster and Enterprise Fund							<u>(87,708)</u>	<u>1,511,498</u>	<u>(1,512,565)</u>	<u>(96,158)</u>	<u>7,383</u>	
Total Expenditures of Federal Awards							<u>\$ (169,878)</u>	<u>\$ 4,317,732</u>	<u>\$ (4,077,230)</u>	<u>\$ (115,643)</u>	<u>\$ 30,389</u>	<u>\$ 155,778</u>
NC-represents noncash expenditures												

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

**Neptune Township School District
Schedule of Expenditures of State Financial Assistance
Year ended June 30, 2018**

Exhibit K-4
SCHEDULE B

State Objective Program Title	Grant or State Project Number	Program or Award Amount	Fiscal Period		Balance at June 30, 2017		Cash Received	Budgetary Expenditures Plus through Funds	Repayment of Prior Years' Balances	Balance at June 30, 2018			MEMO	
			From	To	Unearned Revenue (Accrs Receivable)	Due to Credits				Intergovernmental (Accounts Receivable)	Unearned Revenue/ Interfund Payable	Due to Credits	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education														
General Fund:														
Equalization Aid	18-495-034-5120-078	\$ 25,407,093	7/1/17	6/30/18			\$ 22,895,465	\$ (25,407,093)					\$ (2,511,628)	\$ (25,407,093)
Equalization Aid	17-495-034-5120-078	25,407,093	7/1/16	6/30/17	\$ (2,514,416)		2,514,416							
Special Education Categorical Aid	18-495-034-5120-089	2,404,326	7/1/17	6/30/18			2,166,645	(2,404,326)					(237,681)	(2,404,326)
Special Education Categorical Aid	17-495-034-5120-089	2,404,326	7/1/16	6/30/17	(237,944)		237,944							
Extraordinary Aid	18-100-034-5120-473	585,130	7/1/17	6/30/18				(585,130)		\$ (585,130)				(585,130)
Extraordinary Aid	17-100-034-5120-473	582,605	7/1/16	6/30/17	(582,605)		582,605							
Security Aid	18-495-034-5120-084	1,222,886	7/1/17	6/30/18			1,101,997	(1,222,886)					(120,889)	(1,222,886)
Security Aid	17-495-034-5120-084	1,222,886	7/1/16	6/30/17	(121,023)		121,023							
Adjustment Aid	18-495-034-5120-085	1,579,834	7/1/17	6/30/18			1,423,659	(1,579,834)					(156,175)	(1,579,834)
Adjustment Aid	17-495-034-5120-085	2,234,768	7/1/16	6/30/17	(221,164)		221,164							
Transportation Aid	18-495-034-5120-014	1,363,716	7/1/17	6/30/18			1,228,903	(1,363,716)					(134,811)	(1,363,716)
Transportation Aid	17-495-034-5120-014	1,363,716	7/1/16	6/30/17	(134,960)		134,960							
Per Pupil Growth Aid	18-495-034-5120-097	18,650	7/1/17	6/30/18			34,829	(38,650)					(3,821)	(38,650)
Per Pupil Growth Aid	17-495-034-5120-097	18,650	7/1/16	6/30/17	(3,825)		3,825							
PARCC Readiness Aid	18-495-034-5120-098	18,650	7/1/17	6/30/18			34,829	(38,650)					(3,821)	(38,650)
PARCC Readiness Aid	17-495-034-5120-098	18,650	7/1/16	6/30/17	(3,825)		3,825							
Professional Learning Community Aid	18-495-034-5120-101	36,630	7/1/17	6/30/18			33,009	(36,630)					(3,621)	(36,630)
Professional Learning Community Aid	17-495-034-5120-101	36,630	7/1/16	6/30/17	(3,625)		3,625							
On-Behalf Teachers' Pension and Annuity Fund	18-495-034-5094-002	4,384,204	7/1/17	6/30/18			4,384,204	(4,384,204)						(4,384,204)
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	18-495-034-5094-001	2,831,664	7/1/17	6/30/18			2,831,664	(2,831,664)						(2,831,664)
On-Behalf Teachers' Pension & Annuity Fund - Non-contributory Insurance	18-495-034-5094-004	5,243	7/1/17	6/30/18			5,243	(5,243)						(5,243)
Reimbursed TPAF Social Security Contributions	18-495-034-5094-003	2,273,656	7/1/17	6/30/18			2,168,102	(2,273,656)			(108,554)			(2,273,656)
Reimbursed TPAF Social Security Contributions	17-495-034-5094-003	2,108,638	7/1/16	6/30/17	(103,637)		103,637							
Other State Aid-ADJ NP Transportation	Not Available	16,838	7/1/17	6/30/18				(16,838)			(16,838)			(16,838)
Other State Aid-ADJ NP Transportation	Not Available	18,362	7/1/17	6/30/18	(18,362)		18,362							
Total General Fund					(8,981,436)		42,247,017	(42,188,520)			(710,422)		(3,172,447)	(42,188,520)
Special Revenue Fund:														
Preschool Education Aid	18-495-034-5120-086	5,156,016	7/1/17	6/30/18			4,680,414	(4,982,115)		\$ 173,903			(515,802)	(4,982,115)
Preschool Education Aid	17-495-034-5120-086	5,345,760	7/1/16	6/30/17	(534,576)		534,576							
Preschool Education Aid	17-495-034-5120-086	5,345,760	7/1/16	6/30/17	268,903			(268,903)						(268,903)
N.J. Neepublic Aid														
Textbook Aid	18-100-034-5120-064	7,286	7/1/17	6/30/18			7,286	(7,266)			\$ 20			(7,266)
Textbook Aid	17-100-034-5120-064	7,897	7/1/16	6/30/17		\$ 21			\$ 21					
Auxiliary Services Chapter 192)														
Compensatory Education	18-100-034-5120-067	61,123	7/1/17	6/30/18			61,123	(59,351)			1,772			(59,351)
English as a Second Language	18-100-034-5120-067	3,975	7/1/17	6/30/18			3,975	(3,975)						(3,975)
Transportation	18-100-034-5120-067	6,230	7/1/17	6/30/18			6,230	(6,230)						(6,230)
Neapublic Handicapped Aid (Chapter 193)														
Corrective Speech	18-100-034-5120-066	15,982	7/1/17	6/30/18			15,982	(15,982)						(15,982)
Examination and Classification	18-100-034-5120-066	20,935	7/1/17	6/30/18			20,935	(18,746)			2,189			(18,746)
Examination and Classification	17-100-034-5120-066	29,536	7/1/16	6/30/17		6,299			6,299					
Supplemental Instruction	18-100-034-5120-066	19,031	7/1/17	6/30/18			19,031	(17,445)			1,586			(17,445)
Supplemental Instruction	17-100-034-5120-066	23,341	7/1/16	6/30/17		3,924			3,924					
Nursing Services Aid	18-100-034-5120-070	12,901	7/1/17	6/30/18			12,901	(12,855)			46			(12,855)
Nursing Services Aid	17-100-034-5120-070	12,330	7/1/16	6/30/17		266			266					
Technology Initiative Aid	18-100-034-5120-373	3,562	7/1/17	6/30/18			4,921	(4,921)						(4,921)
Technology Initiative Aid	17-100-034-5120-373	3,562	7/1/16	6/30/17		3			3					
Security Aid	18-100-034-5120-509	9,975	7/1/17	6/30/18			9,975	(9,975)						(9,975)
Total Special Revenue Fund					(265,673)	10,513	5,337,349	(5,407,762)	10,513		173,903	5,613	(515,602)	(5,407,762)
Enterprise Fund:														
State Department of Agriculture:														
National School Lunch Program (State Share)	18-100-010-3350-023	22,969	7/1/17	6/30/18			21,319	(22,969)			(1,650)			(22,969)
National School Lunch Program (State Share)	17-100-010-3350-023	23,500	7/1/16	6/30/17	(1,711)		1,711							
Total Enterprise Fund					(1,711)		23,030	(22,969)			(1,650)			(22,969)
Total State Financial Assistance Expenditures					\$ (4,208,870)	\$ 10,513	\$ 47,607,416	\$ (47,619,251)	\$ 10,513	\$ (712,172)	\$ 173,903	\$ 5,613	\$ (3,688,049)	\$ (47,619,251)
Less: On-Behalf TPAF Pension System Contributions														
On-Behalf Teachers' Pension and Annuity Fund	18-495-034-5094-002	4,384,204	7/1/17	6/30/18			4,384,204	(4,384,204)						
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	18-495-034-5094-001	2,831,664	7/1/17	6/30/18			2,831,664	(2,831,664)						
On-Behalf Teachers' Pension & Annuity Fund - Non-contributory Insurance	18-495-034-5094-004	5,243	7/1/17	6/30/18			5,243	(5,243)						
							7,221,111	(7,221,111)						
Total for State Financial Assistance-Major Program Determination					\$ (4,208,870)	\$ 10,513	\$ 40,386,305	\$ (40,399,140)	\$ 10,513	\$ (712,172)	\$ 173,903	\$ 5,613	\$ (3,688,049)	\$ (47,619,251)

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

Neptune Township School District

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

Year ended June 30, 2018

1. General

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

2. Basis of Accounting

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

3. Relationship to Basic Financial Statements

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

Neptune Township School District

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

Year ended June 30, 2018

3. Relationship to Basic Financial Statements (continued)

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

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$68,335 for the general fund and \$18,974 for the special revenue fund. See Note to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal and State award revenues are reported in the District's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 153,483	\$ 42,256,855	\$ 42,410,338
Special Revenue Fund	2,411,182	5,426,736	7,837,918
Food Service Enterprise Fund	1,512,565	22,969	1,535,534
Total award revenues	<u>\$4,077,230</u>	<u>\$ 47,706,560</u>	<u>\$ 51,783,790</u>

4. Relationship to Federal and State Financial Reports

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

Neptune Township School District
Notes to Schedules of Expenditures of
Federal Awards and State Financial Assistance
Year ended June 30, 2018

5. School-wide Program Funds

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

IDEA Part B	\$ 951,736
Title I	673,503
Title IIA	110,348
Total	<u>\$ 1,735,587</u>

6. Other

Revenues and expenditures reported under the Food Donation Program represent current year value received and current year distributions, respectively. TPAF Social Security contributions represent the amount reimbursed by the State for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2018.

The post retirement pension, disability insurance and medical benefits received on-behalf of the District for the year ended June 30, 2018 amounted to \$7,221,111. Since on-behalf post retirement pension, disability insurance and medical benefits are paid by the State directly, these expenditures are not subject to a single audit in accordance with New Jersey OMB Circular 15-08, however, they are required to be reported on the Schedule of Expenditures of State Financial Assistance, as directed by the funding agency.

7. Indirect Costs

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

Neptune Township School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2018

Part I – Summary of Auditor’s Results

Financial Statements

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

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None Reported

Noncompliance material to the basic financial statements noted?

_____ Yes X No

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified?

_____ Yes X No

Significant deficiency(ies) identified?

_____ Yes X None Reported

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

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

_____ Yes X No

Identification of federal major programs:

CFDA Number(s)	FAIN Number	Name of Federal Program or Cluster
84.027	H027A170100	Special Education Cluster: I.D.E.A. Part B, Basic Regular I.D.E.A. Preschool
84.173	H173A170114	

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

\$750,000

Auditee qualified as low-risk auditee?

 X Yes _____ No

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2018

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

State Awards

Internal control over major state programs:

Material weakness(es) identified? _____ Yes X No

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

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

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

Identification of major state programs:

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

Dollar threshold used to distinguish between Type A and Type B programs: _____ \$1,211,944

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

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2018

Part II – Schedule of Financial Statement Findings

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

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2018

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

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

Federal Award Programs

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

State Award Programs

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

Neptune Township School District
Summary Schedule of Prior Year Audit Findings
Year ended June 30, 2018

Not applicable as there were no prior year findings.