

**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, 2020**

**School District of
Neptune Township**

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

Comprehensive Annual Financial Report
For the Year Ended June 30, 2020

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

January 19, 2021

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, 2020 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, 2020 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 2019-2020 fiscal year with an average daily enrollment of 3,890 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
2020	3,890	(1.67)%
2019	3,956	(0.76)
2018	3,986	(4.39)
2017	4,169	(2.26)
2016	4,265	(0.81)

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 441 youngsters [down 9 from the prior year] are housed in the Early Childhood Center as well as in four of the five neighborhood elementary schools located throughout the Township. Grades kindergarten through five enrolled 1,459 on average [down 26] during the school year while the Neptune Middle School averaged 712 teenagers [down 11] in grades six through eight and Neptune High School averaged 1,278 students [down 20] 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 25-day summer program for students with special education needs.

2. Economic Condition and Outlook

A global economic crisis is looming as a result of the COVID-19 health pandemic. New Jersey, like every other state in the union, is facing severe economic conditions likely not seen since the Great Depression of the 1930’s. Similarly, the world is facing a health-related crisis not seen since the Spanish Flu of 1918. As Governor Murphy raised concerns over exposure to this often fatal virus, schools in NJ were forced to close in March and the academic year was completed via online instruction. Businesses of every sort were shuttered in the wake of this viral contagion. The fiscal impact is far-reaching and a return to “normal” remains uncertain.

As the school year labored to an end, the state and national economies were spiraling downward. Unemployment rates rose to 14.7%, shedding 20.5 million jobs resulting in 38 million unemployment claims filed since March 2020. Economists at the Congressional Budget Office are projecting a 39.6% decline in economic activity and acknowledging that a recession is upon us.

This time last year, New Jersey witnessed an unemployment rate of a mere 3.5% with nearly 50,000 new jobs created during that year and an increase in the minimum wage to \$11 per hour. Currently, the state is facing massive revenue shortfalls from all sources as it approaches what is traditionally a June 30 year end. In an effort to mitigate this fiscal crisis, state lawmakers passed a temporary spending plan to keep the state's budget open through September 2020. This required borrowing \$9.9 billion and cutting or delaying certain obligations by \$1.2 billion.

Generally, as the nation goes, so goes New Jersey. The long-term forecast from the CBO has the economy shrinking by 5.6% over the course of a year. Unemployment rates will hover around 16% until the end of 2020. The federal deficit will hit \$3.7 trillion by the end of fiscal 2020. By contrast, the 2019 deficit was \$984 billion. The national debt is currently at \$26.5 trillion. These trends are deleterious to the state and local economies and their impact will be long lasting.

3. Initiatives

Despite the tremendous challenges that the health pandemic has had on the last four months of the school year, the overall District's goal remains unchanged. 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 curricula 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 formalize District goals. The 2020-2021 District Goals are enumerated below:

- Provide a physically and socially / emotionally safe, secure, and responsive environment for students and staff.
- Provide support for students and increase teacher capacity in the area of instruction. Address learning gaps that stem from emergency pandemic school closure.
- Employ efficient and effective fiscal management practices.
- Promote the positive opportunities, accomplishments and work of the District.
- Utilize District technology resources / technology coaches to provide training for teachers in creating unique and engaging learning experiences for students, both remotely and in-person.

Several of the above goals are carried forward from the prior year. Their weight and importance warrant a continued and renewed focus for the ensuing school year.

4. Service Efforts and Accomplishments

Over the years, the Neptune Township Public School District has developed professional associations with other respected community organizations, many of which result in direct benefits to our students. Renewed agreements with 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. The District and Brookdale continue to support the more comprehensive Poseidon Early College High School program. This unique alliance which is cost shared between the two institutions, enables select high school students to earn a recognized Associates Degree from Brookdale while attending Neptune High School. The program is entering its seventh year of operation and has successfully graduated three classes.

The District maintains a strong 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. Numerous other community organizations offer structured learning experiences for students with disabilities which enhance their academic and real-world experiences. Exposure to varied growth opportunities may ultimately help in post-high school career decisions.

5. Major Operational or Financial Concerns

Under “normal” conditions, funding for public schools in NJ has become increasingly difficult due to the rate of growth in educational expenses and a much slower rate of growth in supporting revenues. State aid to the Neptune Township School District has been on a downward trajectory as the District continues to lose student enrollment. Starting in FY 2019, aid was reduced by \$607,176. In the subsequent budget years the reductions are \$1.6 million and \$2.8 million, respectively. Beyond FY 2021, the District will see further reductions of \$2 million per year on average for at least three more years. This was the projected scenario pre-COVID. As noted in the above Section 2, the condition of the State’s budget will likely result in additional reductions to school funding.

While 38% of the District’s revenue comes from state aid, 47% is derived from the local taxpayers. The fiscal burden of supporting the school budget is shifting each year toward the local property owners. Mechanisms were put into place several years ago to cap the amount of taxes that schools could raise each year by 2% of the existing tax levy. In response to public outcry, districts that wish to exceed the 2% levy increase must seek voter approval, generally speaking. There are certain exceptions in the budget process that allow for higher increases without a public vote, however as a responsible steward of public funds, limits must be respected.

School spending is driven principally by mandated and negotiated obligations such as salaries, health insurance premiums, pupil transportation, and out-of-district tuitions. These four categories alone comprise the majority of school budget appropriations. School officials must continually work to achieve a balance among the many competing elements of the annual school budget.

6. Significant Budget Variances or Budget Modifications

School budget development and refinement is an ongoing process that occurs throughout the year with input from many interested parties. Under the best of circumstances, there will be variations between budgeted revenues and actual revenues; budgeted appropriations and actual expenditures. Account modifications are regularly made to ensure that the district remains on course to finish the year in the black.

As a result of the March school shutdown, there were some noticeable variances in discretionary revenue streams, as well as expenditures. On the revenue side of the ledger, income from the rental of District facilities fell short of the mark as many dance groups that rent the Performing Arts Center for spring recitals were locked out. Conversely, miscellaneous revenue saw an unexpected, sizeable energy rebate several years after conservation practices were instituted. Likewise, the District's application for discretionary "Extraordinary Aid" yielded more than \$500,000 of what was originally budgeted. By the end of the school year, the District generated slightly more revenue than budgeted.

In review of last year's budgeted appropriations and final expenditures, most modifications were made to salary accounts due to staff transfers, retirements and new hires. Other budget variations resulted from changes in out-of-district tuition placements and underlying consultant services for students, particularly where personal aides were required as part of a student's individualized education plan ("IEP"). In response to the health emergency, the District redirected some of its resources toward the acquisition of personal protective equipment ("PPE"). A favorable budget surplus in the health insurance premium accounts allowed for acquisition of additional student devices (laptops) to further the District's one-to-one initiative. The District again struggled as it tried to adequately gauge the fiscal impact of the newly created and expanding College Achieve Charter School. Projected enrollments from the Department of Education as provided by the charter school did not materialize, resulting in a sizeable unexpended account balance. Enrollment projections continue to vary greatly resulting in further budget modifications.

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 awards 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 control, 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, 2020 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, 2019. This was the twenty-fifth consecutive year that the District has received this prestigious award and is the only District in the State of New Jersey to receive twenty-five 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.

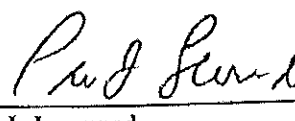
11. Acknowledgments

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 Cuttrel, Township Clerk.

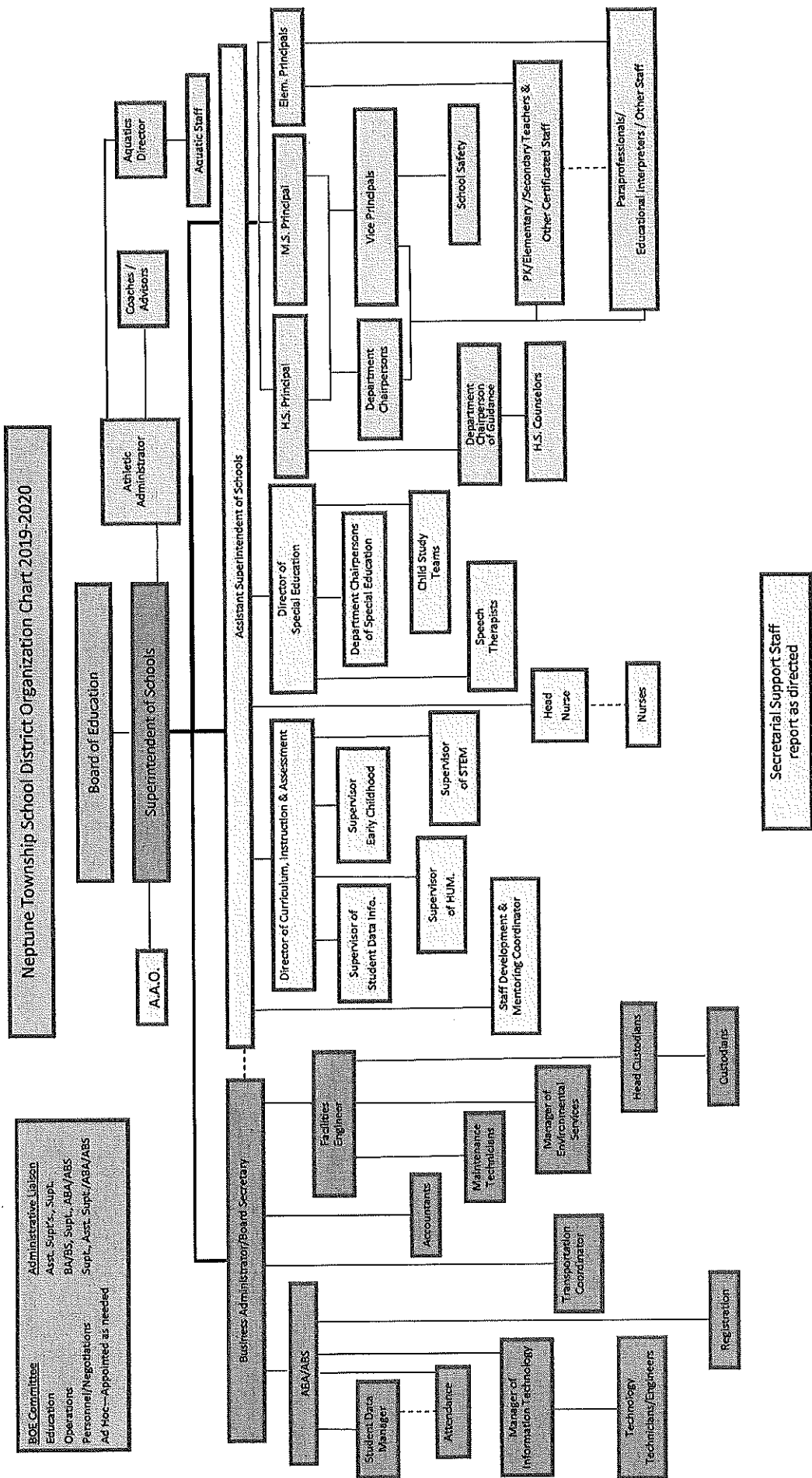
Respectfully Submitted,



Tami R. Crader, Ed.D
Superintendent



Peter J. Leonard
Business Administrator/Board Secretary



Neptune Township School District
Neptune, New Jersey

Roster of Officials
June 30, 2020

<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
Dianna A. Harris	2020
Fabian S. Howe	2022
Jerome M. Hubbard	2021
Chanta L. Jackson	2022
Mark A. Matson	2021
Donna L. Puryear	2022
Antonio López, Neptune City Representative, appointed	2022

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
Dianna A. Harris
Chanta L. Jackson

Education

Donna L. Puryear, Chairperson
Dorothea L. Fernandez
Jerome M. Hubbard
Antonio López

Personnel

Brady M. Connaughton, Chairperson
Fabian S. Howe
Mark A. Matson

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
100 Campus Drive, Suite 400
Florham Park, New Jersey 07932

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, 2019.

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in cursive script, reading 'Claire Hertz'.

Claire Hertz, SFO
President

A handwritten signature in cursive script, reading 'David J. Lewis'.

David J. Lewis
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, 2020, 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, 2020, 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*

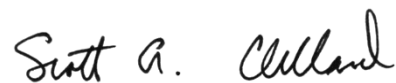
Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance) and New Jersey OMB Circular 15-08, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*, respectively, and the other information, such as the introductory and statistical section are 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 January 19, 2021, 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

January 19, 2021
Florham Park, 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, 2020

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, 2020. 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 2020 are as follows:

- The total net position of the District decreased \$3,725,209 during the current fiscal year, which was mostly attributable to a decrease in state aid revenues.
- General revenues of \$87,510,772 in combined governmental activities and business-type activities accounted for 84% of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$17,159,837 or 16% of total revenues of \$104,670,609, of which \$102,762,642 pertained to governmental activities and \$1,907,967 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 \$1,910,000.
- The District maintains restricted reserves for capital and maintenance of \$8,757,165 and \$1,750,000, respectively in the general fund.
- The District followed GASB Statement No. 75 (GASB 75), *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, during the 2020 fiscal year resulting in the recording of additional revenue and expense in the amount of \$3,536,725 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 26 and 27 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 73 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, 2020 and 2019:

Neptune Township School District Net Position June 30,

	2020			2019		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Assets:						
Current and other assets	\$ 15,160,539	\$1,256,108	\$ 16,416,647	\$ 12,882,950	\$1,372,052	\$ 14,255,002
Capital assets, net	227,463,062	755,013	228,218,075	232,900,930	782,016	233,682,946
Total assets	242,623,601	2,011,121	244,634,722	245,783,880	2,154,068	247,937,948
Deferred outflow of resources:						
Pension deferrals	4,631,908		4,631,908	5,383,923		5,383,923
Liabilities:						
Current liabilities and other	2,190,034	137,003	2,327,037	2,329,937	242,218	2,572,155
Long-term liabilities						
outstanding	21,737,599		21,737,599	22,040,803		22,040,803
Total liabilities	23,927,633	137,003	24,064,636	24,370,740	242,218	24,612,958
Deferred inflow of resources:						
Pension deferrals	7,399,947		7,399,947	7,181,657		7,181,657
Net position:						
Investment in capital assets	227,463,062	755,013	228,218,075	232,900,930	782,016	233,682,946
Restricted	14,412,165		14,412,165	12,090,704		12,090,704
Unrestricted (deficit)	(25,947,298)	1,119,105	(24,828,193)	(25,376,228)	1,129,834	(24,246,394)
Total net position	\$ 215,927,929	\$ 1,874,118	\$ 217,802,047	\$ 219,615,406	\$ 1,911,850	\$ 221,527,256

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 investment in capital assets decreased mainly due to current year depreciation exceeding current year capital asset additions. Long term liabilities and deferred outflow 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 \$3,725,209 during the current fiscal year. This was primarily the result of the decrease in federal and state revenues offset by the decrease in instruction and support service expenses. The following table shows changes in net position for the fiscal years ended June 30, 2020 and 2019:

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

	2020			2019		
	Governmental Activities	Business-type Activities	Total	Governmental Activities	Business-type Activities	Total
Revenues:						
Program revenues:						
Charges for services	\$ 6,857,997	\$ 596,411	\$ 7,454,408	\$ 6,586,288	\$ 1,049,912	\$ 7,636,200
Operating grants and contributions	8,403,481	1,301,948	9,705,429	8,627,258	1,553,414	10,180,672
General revenues:						
Property taxes	39,540,272		39,540,272	38,241,319		38,241,319
Federal and state aid not restricted to specific purposes	47,153,726		47,153,726	52,164,912		52,164,912
Earnings on investments	80,976	9,608	90,584	121,563	13,816	135,379
Miscellaneous	726,190		726,190	203,743		203,743
Total revenues	102,762,642	1,907,967	104,670,609	105,945,083	2,617,142	108,562,225
Expenses:						
Instruction	62,135,818		62,135,818	65,902,632		65,902,632
Support services	41,892,241	1,945,699	43,837,940	43,630,548	2,575,006	46,205,554
Charter schools	2,422,060		2,422,060	1,898,648		1,898,648
Total expenses	106,450,119	1,945,699	108,395,818	111,431,828	2,575,006	114,006,834
Change in net position	(3,687,477)	(37,732)	(3,725,209)	(5,486,745)	42,136	(5,444,609)
Net position – beginning	219,615,406	1,911,850	221,527,256	225,102,151	1,869,714	226,971,865
Net position – ending	\$ 215,927,929	\$ 1,874,118	\$ 217,802,047	\$ 219,615,406	\$ 1,911,850	\$ 221,527,256

The decrease in charges for services was the result of decreased participation in the food service program in the current year due to the COVID-19 pandemic.

The decrease in federal and state aid was the result of the impact of GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which required the District to record approximately \$3.5 million in revenues, which were contributions made on-behalf of the District by the State for post-employment benefits compared to \$6.7 million in the prior year.

The increase in miscellaneous revenue was the result of current year utility rebates that were not received in the prior year.

Expenses decreased approximately \$4.9 million due to decreases in instruction and support service expenses resulting from the school closures during the COVID-19 pandemic.

Governmental Activities

The unique nature of property taxes in New Jersey creates the legal requirement to annually seek voter approval for District operations once the tax levy increase exceeds the 2% CAP. Property taxes made up 38.9 percent of revenues for governmental activities in the Neptune Township School District for fiscal year 2020. Unrestricted federal and state aid accounted for another 45.2 percent of revenue. The balance of revenues generated from tuition and transportation revenue, investment income and other miscellaneous unrestricted sources comprised 15.9 percent of the total governmental revenues.

The total cost of all programs and services was \$106,450,119. Instruction comprised 58.4 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 \$596,411 or 31.3 percent of revenue. This represents amounts paid by patrons for daily food service and use of the aquatic center. Federal and state reimbursements for meals, including payments for free and reduced-priced lunch and breakfast, and donated commodities amounted to \$1,301,948 or 68.2 percent of total revenue. The balance of revenues generated from investment income comprised 0.5 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 \$14,315,184 including funds restricted for capital and maintenance reserves in the amount of \$10,507,165, current year excess surplus of \$1,910,000 and prior year excess surplus of \$1,995,000.

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 for the current fiscal year decreased approximately \$220,000 and expenditures for the current fiscal year decreased approximately \$2,500. Title I Grants to Local Education Agencies Cluster was the largest federal grant in the special revenue fund, with expenditures in the current fiscal year of \$1,232,189. The District's largest state grant is the Preschool Education Childhood Aid with expenditures in the current fiscal year of \$5,904,045.

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, 2020, and the amount and percentage of increases and decreases in relation to prior year revenues.

Revenues	Amount	Percent of Total	Increase (Decrease) from 2019	Percent of Increase (Decrease)
Local sources	\$ 47,096,552	48.2%	\$ 1,732,329	3.7%
State sources	47,854,791	48.9	(586,321)	(1.2)
Federal sources	2,814,861	2.9	(398,782)	(14.2)
Total	\$ 97,766,204	100.0%	\$ 747,226	0.8%

Local sources increased due to the increased local tax levy, as well as an increase in tuition from other LEAs within State during the year. The federal sources decrease was driven by decreases in the SEMI funding in the current year, as well as decreased awards for Title I and Title I SIA grants.

The following schedule presents a summary of general fund and special revenue fund expenditures for the fiscal year ended June 30, 2020, and the amount and percentage of increases and decreases in relation to prior year expenditures.

Expenditures	Amount	Percent of Total	(Decrease) Increase from 2019	Percent of (Decrease) Increase
Current expenditures:				
Instruction	\$ 38,308,448	40.2%	\$ (1,697,216)	(4.2) %
Support services	52,388,789	55.0	208,465	10.1
Capital outlay	2,213,198	2.3	(1,991,316)	(47.4)
Charter schools	2,422,060	2.5	523,412	27.6
Total	\$95,332,495	100.0%	\$ (2,956,655)	3.0 %

Current expenditures reflect a decrease attributable to salary and health benefit decreases and the decreases in general supplies due to the school closures as a result of the COVID-19 pandemic.

Capital outlay expenditures decreased as a direct result of the District taking on a large energy conservation project in the prior year with only a small portion rolling into the current year. The District had no other major capital projects in the current year.

Charter school expenditures increased as more students enrolled in charter schools within the District boundaries, even though fewer students attended than were initially expected based on budgeted appropriation.

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. 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 from Undistributed Expenditures – Instruction – Tuition to Private Schools for the Disabled – Within State due to historical trending and known student head count. Additionally, the District has contracted a special education program that has helped retain students in the district who might have otherwise been sent to an outside placement.

There were significant transfers from Unallocated expenditures due to anticipated decreases in health insurance premiums. The final settlement was actually several percentage points below the final budget.

There were significant budget transfers to Capital Outlay - Construction Service to fund projects including the canopy work at Shark River Hills and Midtown Community Elementary Schools and the fire suppression system for the high school MDF room. These projects were in progress at the end of the year and were properly encumbered.

Capital Assets

At the end of the fiscal year 2020, the District had \$228,218,075 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, 2020 and 2019:

	Governmental and Business-Type Activities	
	2020	2019
Land	\$ 4,790,571	\$ 4,790,571
Construction in progress	880,500	707,058
Land improvements	4,724,778	4,618,902
Building and building improvements	214,993,171	220,604,393
Machinery, equipment and vehicles	2,829,055	2,962,022
Total	\$228,218,075	\$233,682,946

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

Long-Term Liabilities

At June 30, 2020, the District had \$21,860,532 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, 2020.

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 District considered the effects of the COVID-19 pandemic, potential for state aid reductions, and CARES Act grant funding.

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, 2020.

Neptune Township School District

Statement of Net Position

June 30, 2020

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Assets			
Cash and cash equivalents	\$ 1,631,553	\$ 1,237,218	\$ 2,868,771
Accounts receivable	2,876,821	116,127	2,992,948
Internal balances	145,000	(145,000)	-
Inventories		47,763	47,763
Restricted assets:			
Cash and cash equivalents	10,507,165		10,507,165
Capital assets, non-depreciable	5,671,071		5,671,071
Capital assets, depreciable, net	221,791,991	755,013	222,547,004
Total assets	<u>242,623,601</u>	<u>2,011,121</u>	<u>244,634,722</u>
Deferred Outflow of Resources			
Pension deferrals	<u>4,631,908</u>		<u>4,631,908</u>
Liabilities			
Accounts payable	2,044,857	92,923	2,137,780
Unearned revenue	22,244	44,080	66,324
Net pension liability	18,909,169		18,909,169
Current portion of long-term obligations	122,933		122,933
Noncurrent portion of long-term obligations	2,828,430		2,828,430
Total liabilities	<u>23,927,633</u>	<u>137,003</u>	<u>24,064,636</u>
Deferred Inflow of Resources			
Pension deferrals	<u>7,399,947</u>		<u>7,399,947</u>
Net Position			
Investment in capital assets	227,463,062	755,013	228,218,075
Restricted for:			
Excess Surplus - current year	1,910,000		1,910,000
Excess Surplus - designated for subsequent years	1,995,000		1,995,000
Capital Reserve	8,757,165		8,757,165
Maintenance Reserve	1,750,000		1,750,000
Unrestricted (deficit)	(25,947,298)	1,119,105	(24,828,193)
Total net position	<u>\$ 215,927,929</u>	<u>\$ 1,874,118</u>	<u>\$ 217,802,047</u>

Neptune Township School District

Statement of Activities

Year ended June 30, 2020

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	\$ 62,135,818	\$ 6,409,828	\$ 8,403,481	\$ (47,322,509)		\$ (47,322,509)
Support services:						
Attendance/social work	620,375			(620,375)		(620,375)
Health services	1,338,196			(1,338,196)		(1,338,196)
Other support services	10,753,421			(10,753,421)		(10,753,421)
Improvement of instruction	1,549,708			(1,549,708)		(1,549,708)
School library	1,532,006			(1,532,006)		(1,532,006)
General administration	1,818,196			(1,818,196)		(1,818,196)
School administration	5,263,755			(5,263,755)		(5,263,755)
Required maintenance	3,844,224			(3,844,224)		(3,844,224)
Operation of plant	8,498,979			(8,498,979)		(8,498,979)
Security	1,024,823			(1,024,823)		(1,024,823)
Student transportation	3,436,829	448,169		(2,988,660)		(2,988,660)
Business and other support services and benefits	2,211,729			(2,211,729)		(2,211,729)
Charter schools	2,422,060			(2,422,060)		(2,422,060)
Total governmental activities	<u>106,450,119</u>	<u>6,857,997</u>	<u>8,403,481</u>	<u>(91,188,641)</u>		<u>(91,188,641)</u>
Business-type activities						
Food Service	1,648,477	309,219	1,301,948		\$ (37,310)	(37,310)
Aquatic Center	297,222	287,192			(10,030)	(10,030)
Total business-type activities	<u>1,945,699</u>	<u>596,411</u>	<u>1,301,948</u>		<u>(47,340)</u>	<u>(47,340)</u>
Total primary government	<u>\$ 108,395,818</u>	<u>\$ 7,454,408</u>	<u>\$ 9,705,429</u>	<u>(91,188,641)</u>	<u>(47,340)</u>	<u>(91,235,981)</u>
General revenues:						
Property taxes, levied for general purposes				39,540,272		39,540,272
State Sources (Unrestricted)				47,017,730		47,017,730
Federal Sources (Unrestricted)				135,996		135,996
Interest Earnings				80,976	9,608	90,584
Miscellaneous Income				726,190		726,190
Total general revenues				<u>87,501,164</u>	<u>9,608</u>	<u>87,510,772</u>
Change in net position				(3,687,477)	(37,732)	(3,725,209)
Net position-beginning				219,615,406	1,911,850	221,527,256
Net position-ending				<u>\$ 215,927,929</u>	<u>\$ 1,874,118</u>	<u>\$ 217,802,047</u>

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Fund Financial Statements

Governmental Funds

Neptune Township School District
Governmental Funds

Balance Sheet

June 30, 2020

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Assets			
Cash and cash equivalents	\$ 1,071,700		\$ 1,071,700
Accounts receivable:			
Intergovernmental—state	1,167,019		1,167,019
Intergovernmental—federal	6,217	\$ 146,246	152,463
Accounts receivable - other	1,557,339		1,557,339
Interfund receivable	840,901		840,901
Restricted assets:			
Cash and cash equivalents	10,507,165		10,507,165
Total assets	<u>\$ 15,150,341</u>	<u>\$ 146,246</u>	<u>\$ 15,296,587</u>
Liabilities and Fund balances			
Liabilities:			
Accounts payable	\$ 824,443		\$ 824,443
Interfund payable	10,714	\$ 695,901	706,615
Unearned revenue		22,244	22,244
Total liabilities	<u>835,157</u>	<u>718,145</u>	<u>1,553,302</u>
Fund balances:			
Restricted for:			
Excess surplus current year	1,910,000		1,910,000
Excess surplus prior year	1,995,000		1,995,000
Maintenance reserve	1,750,000		1,750,000
Capital reserve	8,757,165		8,757,165
Unassigned:			
General fund (deficit)	(96,981)		(96,981)
Special revenue fund (deficit)		(571,899)	(571,899)
Total fund balances (deficit)	<u>14,315,184</u>	<u>(571,899)</u>	<u>13,743,285</u>
Total liabilities and fund balances	<u>\$ 15,150,341</u>	<u>\$ 146,246</u>	

Amounts reported for *governmental activities* in the statement of net position (A-1) are different because: Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$328,066,184 and the accumulated depreciation is \$100,603,122.

227,463,062

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

(2,768,039)

Accrued pension contributions for the June 30, 2020 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.

(1,149,256)

Net pension liability is not due and payable in the current period and therefore is not reported as a liability in the funds.

(18,909,169)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.

(2,951,363)

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.

499,409

Net position of governmental activities

\$ 215,927,929

Neptune Township School District
Governmental Funds

Statement of Revenues, Expenditures, and Changes in Fund Balance

Year ended June 30, 2020

	Major Funds		Total Governmental Funds
	General Fund	Special Revenue Fund	
Revenues			
Local sources:			
Local tax levy	\$ 39,540,272		\$ 39,540,272
Interest on investments	80,976		80,976
Transportation fees from other LEAs within the State	448,169		448,169
Tuition from other LEAs within the State	6,409,828		6,409,828
Miscellaneous	617,307		617,307
Total revenues—local sources	<u>47,096,552</u>		<u>47,096,552</u>
State sources	42,130,175	\$ 5,724,616	47,854,791
Federal sources	135,996	<u>2,678,865</u>	<u>2,814,861</u>
Total revenues	<u>89,362,723</u>	<u>8,403,481</u>	<u>97,766,204</u>
Expenditures			
Current:			
Instruction	28,680,396	3,096,936	31,777,332
Undistributed:			
Instruction	6,531,116		6,531,116
Attendance/social work	333,728		333,728
Health services	783,899		783,899
Guidance services	1,410,127		1,410,127
Speech, OT, PT and related services	1,419,185		1,419,185
Child study teams / special education	1,266,386	3,671,116	4,937,502
Improvement of instruction	860,178		860,178
School library	832,831		832,831
General administration	1,214,187		1,214,187
School administration	2,864,570		2,864,570
Central services	785,200		785,200
Administrative information technology	449,624		449,624
Required maintenance	2,763,085		2,763,085
Custodial services	5,032,138		5,032,138
Care and upkeep of grounds	805,656		805,656
Security	584,835		584,835
Student transportation	3,009,236		3,009,236
Personnel services-			
unallocated employee benefits	13,215,702		13,215,702
On-behalf payments-TPAF, FICA, long term disability, medical and pension	11,087,106		11,087,106
Charter schools - current	2,422,060		2,422,060
Capital outlay	2,213,198		2,213,198
Total expenditures	<u>88,564,443</u>	<u>6,768,052</u>	<u>95,332,495</u>
Excess of Revenues Over Expenditures	798,280	1,635,429	2,433,709
Other financing sources (uses):			
Transfers in	1,862,708	185,100	2,047,808
Transfers out	<u>(185,100)</u>	<u>(1,862,708)</u>	<u>(2,047,808)</u>
Total other financing sources (uses)	<u>1,677,608</u>	<u>(1,677,608)</u>	<u>-</u>
Net change in fund balances	2,475,888	(42,179)	2,433,709
Fund balances (deficit), July 1	11,839,296	(529,720)	11,309,576
Fund balances (deficit), June 30	<u>\$ 14,315,184</u>	<u>\$ (571,899)</u>	<u>\$ 13,743,285</u>

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, 2020

Total net change in fund balances - governmental funds (B-2) **\$ 2,433,709**

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	\$ (7,438,145)	
Capital additions	<u>2,000,277</u>	(5,437,868)

In the statement of activities, certain operating expenses, e.g., compensated absences (sick and 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.

(509,043)

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	(283,158)
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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 are included with governmental activities.

108,883

Change in net position of governmental activities (A-2)	<u>\$ (3,687,477)</u>
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Proprietary Funds

Neptune Township School District
Proprietary Funds

Statement of Net Position

June 30, 2020

	Business-Type Activities Major Enterprise Funds			Governmental Activity
	Food Service	Aquatic Center	Totals	Internal Service Fund Self-Insurance
Assets				
Current assets:				
Cash and cash equivalents	\$ 118,526	\$ 1,118,692	\$ 1,237,218	\$ 559,853
Accounts receivable:				
State	662		662	
Federal	68,622		68,622	
Other	43,093	3,750	46,843	
Inventories	47,763		47,763	
Total current assets	<u>278,666</u>	<u>1,122,442</u>	<u>1,401,108</u>	<u>559,853</u>
Noncurrent assets:				
Capital assets, depreciable, net	604,881	150,132	755,013	
Total capital assets	<u>604,881</u>	<u>150,132</u>	<u>755,013</u>	
Total assets	<u>883,547</u>	<u>1,272,574</u>	<u>2,156,121</u>	<u>559,853</u>
Liabilities				
Current liabilities:				
Accounts payable	92,923		92,923	60,444
Interfund payable		145,000	145,000	
Unearned revenue	23,162	20,918	44,080	
Total current liabilities	<u>116,085</u>	<u>165,918</u>	<u>282,003</u>	<u>60,444</u>
Total liabilities	<u>116,085</u>	<u>165,918</u>	<u>282,003</u>	<u>60,444</u>
Net position				
Investment in capital assets	604,881	150,132	755,013	
Unrestricted	162,581	956,524	1,119,105	499,409
Total net position	<u>\$ 767,462</u>	<u>\$ 1,106,656</u>	<u>\$ 1,874,118</u>	<u>\$ 499,409</u>

Neptune Township School District
Proprietary Funds

Statement of Revenues, Expenses and
Changes in Fund Net Position

Year ended June 30, 2020

	Business-Type Activities Major Enterprise Funds			Governmental Activity
	Food Service	Aquatic Center	Totals	Internal Service Fund Self-Insurance
Operating revenues:				
Local sources:				
Services provided to other funds				\$ 3,075,000
Daily food sales-reimbursable programs	\$ 111,046		\$ 111,046	
Daily food sales-non-reimbursable programs	198,173		198,173	
Daily swim revenue		\$ 26,614	26,614	
Swim membership revenue		16,032	16,032	
Swim rental revenue		123,737	123,737	
Swim seminar revenue		109,476	109,476	
Miscellaneous		11,333	11,333	
Total operating revenues	309,219	287,192	596,411	3,075,000
Operating expenses:				
Salaries	38,007	183,366	221,373	
Employee benefits and taxes	4,437		4,437	2,966,117
Supplies and materials	16,148	55,848	71,996	
Cost of sales - non-reimbursable programs	69,900		69,900	
Depreciation	87,761	13,432	101,193	
Purchased services	1,393,826	44,576	1,438,402	
Miscellaneous	38,398		38,398	
Total operating expenses	1,648,477	297,222	1,945,699	2,966,117
Operating (loss) income	(1,339,258)	(10,030)	(1,349,288)	108,883
Nonoperating revenues:				
State sources:				
School lunch program	16,690		16,690	
Federal sources:				
School breakfast program	232,764		232,764	
School lunch program	725,627		725,627	
Healthy Hunger-Free Kids Act (HHFKA)	22,701		22,701	
Summer Food Service Program (COVID-19 Emergency)	165,648		165,648	
Food donation program	138,518		138,518	
Interest revenue		9,608	9,608	
Total nonoperating revenues	1,301,948	9,608	1,311,556	
Change in net position	(37,310)	(422)	(37,732)	108,883
Total net position, beginning	804,772	1,107,078	1,911,850	390,526
Total net position, ending	\$ 767,462	\$ 1,106,656	\$ 1,874,118	\$ 499,409

Neptune Township School District
Proprietary Funds

Statement of Cash Flows

Year ended June 30, 2020

	Business-Type Activities Major Enterprise Funds			Governmental Activity
	Food Service	Aquatic Center	Totals	Internal Service Fund Self-Insurance
Cash flows from operating activities				
Receipts from services provided to other funds				\$ 3,075,000
Receipts from customers	\$ 314,020	\$ 259,032	\$ 573,052	
Payments to employees	(38,007)	(183,366)	(221,373)	
Payments for employee benefits	(4,437)		(4,437)	(2,959,878)
Payments to consultants	(14,748)		(14,748)	
Payments to management company	(1,349,298)		(1,349,298)	
Payments to suppliers	(239,082)	(100,424)	(339,506)	
Net cash (used in) provided by operating activities	<u>(1,331,552)</u>	<u>(24,758)</u>	<u>(1,356,310)</u>	<u>115,122</u>
Cash flows from investing activity				
Interest received		9,608	9,608	
Net cash provided by investing activity		<u>9,608</u>	<u>9,608</u>	
Cash flows from noncapital financing activities				
Payments from other funds	(50,118)	15,550	(34,568)	
Cash received from state and federal sources	1,337,108		1,337,108	
Net cash provided by noncapital financing activities	<u>1,286,990</u>	<u>15,550</u>	<u>1,302,540</u>	
Cash flows from capital and related financing activity				
Purchase of capital assets	(74,190)		(74,190)	
Net cash (used in) capital and related financing activity	<u>(74,190)</u>		<u>(74,190)</u>	
Net (decrease) increase in cash and cash equivalents	(118,752)	400	(118,352)	115,122
Cash and cash equivalents, beginning of year	237,278	1,118,292	1,355,570	444,731
Cash and cash equivalents, end of year	<u>\$ 118,526</u>	<u>\$ 1,118,692</u>	<u>\$ 1,237,218</u>	<u>\$ 559,853</u>
Reconciliation of operating (loss) income to net cash (used in) provided by operating activities				
Operating (loss) income	\$ (1,339,258)	\$ (10,030)	\$ (1,349,288)	\$ 108,883
Adjustments to reconcile operating (loss) income to net cash (used in) provided by operating activities:				
Depreciation	87,761	13,432	101,193	
Change in assets and liabilities:				
(Increase) decrease in accounts receivable	(2,580)	6,250	3,670	
(Increase) in inventory	(18,147)		(18,147)	
(Decrease) increase in accounts payable	(66,709)	(10,155)	(76,864)	6,239
Increase (decrease) in unearned revenue	7,381	(24,255)	(16,874)	
Net cash (used in) provided by operating activities	<u>\$ (1,331,552)</u>	<u>\$ (24,758)</u>	<u>\$ (1,356,310)</u>	<u>\$ 115,122</u>

Noncash noncapital financing activities

The District received \$127,041 of food commodities from the U.S. Department of Agriculture for the year ended June 30, 2020.

Fiduciary Funds

Neptune Township School District
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2020

	Unemployment Compensation Trust	Agency Funds
Assets		
Cash and cash equivalents	\$ 1,160,912	\$ 675,604
Accounts receivable	25,269	29,456
Total assets	1,186,181	\$ 705,060
Liabilities		
Payroll deductions and withholdings payable		\$ 503,990
Flexible spending payable		23,335
Accounts payable	53,962	44,011
Due to student groups		133,724
Total liabilities	53,962	\$ 705,060
Net position		
Held in trust for unemployment benefits	\$ 1,132,219	

Neptune Township School District
Fiduciary Funds

Statement of Changes in Fiduciary Net Position

Year ended June 30, 2020

	<u>Unemployment Compensation Trust</u>
Additions	
Interest received	\$ 15,024
Contributions-employees	69,791
Federal CARES ACT-COVID 19	<u>63,853</u>
Total additions	<u>148,668</u>
Deductions	
Unemployment claims	<u>178,234</u>
Total deductions	<u>178,234</u>
Change in net position	(29,566)
Net position-beginning of year	<u>1,161,785</u>
Net position-end of year	<u><u>\$ 1,132,219</u></u>

Neptune Township School District

Notes to the Basic Financial Statements

Year ended June 30, 2020

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, 2020

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, 2020

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 or other entities on a continuing basis are financed or recovered primarily through user charges.

The District reports the following major 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, 2020

1. Summary of Significant Accounting Policies (continued)

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

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

The District reports unearned revenue on its balance sheets and statement of net position. Unearned revenue arises when resources are received by the District before it has legal claim to them, as when federal assistance is received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the District has a legal claim to the resources, the liability for unearned revenue is removed from the balance sheets and statements of net position and revenue is recognized.

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

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, 2020 were made and properly approved by School Board Resolution and were made in accordance with statutory guidelines. The amendments made by the District were not deemed significant and were part of the normal course of operations. The over-expenditure in the general fund is due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

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, 2020, the unused Food Donation Program commodities of \$1,926 are reported as unearned revenue.

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. 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.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

The liability for vested compensated absences of the District recorded in the government-wide financial statements amounted to \$2,951,363 at June 30, 2020. 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.

J. 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.

K. 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.

L. 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 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.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

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

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

Of the \$14,315,184 of fund balance in the General Fund at June 30, 2020, the encumbrances of \$789,229 are partially offset by an unrestricted deficit of \$886,210, \$1,910,000 is restricted for current year excess surplus, \$1,995,000 has been restricted for prior year excess surplus that has been designated for subsequent year's expenditures \$8,757,165 is restricted in a capital reserve and \$1,750,000 is restricted in a maintenance reserve.

M. 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.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

N. 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.

O. 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 \$10,440,410 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.

P. 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 \$1,910,000 during the 2019-2020 school year that will be utilized in the 2021-2022 fiscal year budget.

Q. GASB Pronouncements

Recently Issued 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. Due to the COVID-19 pandemic, the effective date has been postponed by one year. Management has not 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. Due to the COVID-19 pandemic, the effective date has been postponed until fiscal years beginning after June 15, 2021. Management has not determined the impact of the Statement on the financial statements.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

1. Summary of Significant Accounting Policies (continued)

The GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* in June 2018. This Statement establishes accounting requirements for interest cost incurred before the end of a construction period. The requirements of this Statement are effective for periods beginning after December 15, 2019. Due to the COVID-19 pandemic, the effective date has been postponed by one year. Management has not determined the impact of the Statement on the financial statements.

The GASB issued Statement No. 90, *Majority Equity Interests – an Amendment of GASB Statements No. 14 and No. 61* in August 2018. This Statement modifies previous guidance for reporting a government's majority equity interest in a legally separate organization. This Statement also provides guidance for reporting a component unit if a government acquires a 100 percent equity interest in that component unit. The requirements of this Statement are effective for periods beginning after December 15, 2018. Due to the COVID-19 pandemic, the effective date has been postponed by one year. Management has determined that is Statement did not impact the District's financial statements.

The GASB issued Statement No. 91, *Conduit Debt Obligations* in May 2019. This Statement establishes a single method of reporting conduit debt obligations by issuers to eliminate diversity in practice. The requirements of this Statement are effective for periods beginning after December 15, 2020. Due to the COVID-19 pandemic, the effective date has been postponed by one year. Management has not determined the impact of the Statement on the financial statements.

R. 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. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amounts related to pensions.

S. Subsequent Events

Management has reviewed and evaluated all events and transactions that occurred between June 30, 2020 and January 19, 2021, the date that the financial statements were available for issuance. The effect of those events and transactions that provide additional pertinent information about

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

S. Subsequent Events (continued)

conditions that exists at the balance sheet and statement of net position date, have been recognized in the accompanying financial statements.

As of June 30, 2020, District operations and the ways in which education is provided have been disrupted by the outbreak of the novel coronavirus COVID-19. Going forward, COVID-19 could further limit the District's operations, including unexpected deferrals of tax payments from the municipality, deferrals or reductions in state aid or an increase in expenses associated with this or any other potential infectious disease outbreak. District management cannot reasonably predict how long the Pandemic in New Jersey is expected to last and how the outbreak may impact the financial condition or operations of the District. District management continues to monitor the Pandemic and plans to take action to address any significant impact on future operations.

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 \$2,951,363 difference is attributable to the compensated absences liability.

3. Deposits and Investments

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

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

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

3. Deposits and Investments (continued)

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, 2020 the carrying amount of the District's deposits was \$9,756,422, and the bank balance was \$13,210,304. Of the bank balance, \$250,000 of the District's cash deposits on June 30, 2020 was secured by federal depository insurance. The New Jersey Governmental Unit Deposit Protection Act (GUDPA) covered the bank balance of \$12,321,260. \$639,044 held in the District agency accounts are not covered by GUDPA.

Pursuant to GASB Statement No. 40, "Deposit and Investment Risk Disclosures" ("GASB 40"), the District's operating cash accounts are profiled in order to determine exposure, if any, to Custodial Credit

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

3. Deposits and Investments (continued)

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, 2020, the District's balance was \$5,456,032 and is classified as cash equivalents at June 30, 2020 due to its short-term nature and is considered a Level 1 investment under GASB Statement 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 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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

3. Deposits and Investments (continued)

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, 2020, all of the District’s investments were invested in NJCMF.

All of the District’s investments are classified as cash equivalents at June 30, 2020.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

4. Capital Assets

The following schedule is a summarization of the governmental activities changes in capital assets for the year ended June 30, 2020:

	Beginning Balance	Increases	Transfers	Ending Balance
Capital assets, not being depreciated:				
Land	\$ 4,790,571			\$ 4,790,571
Construction in progress	707,058	\$ 1,927,343	\$ (1,753,901)	880,500
Total capital assets, not being depreciated	5,497,629	1,927,343	(1,753,901)	5,671,071
Capital assets, being depreciated:				
Land improvements	11,842,046		659,756	12,501,802
Buildings and building improvements	297,797,033	43,414	552,047	298,392,494
Machinery, equipment and vehicles	10,929,199	29,520	548,098	11,500,817
Total capital assets being depreciated	320,568,278	72,934	1,753,901	322,395,113
Less accumulated depreciation for:				
Land improvements	7,223,144	553,880		7,777,024
Buildings and building improvements	77,192,640	6,206,683		83,399,323
Machinery, equipment and vehicles	8,749,193	677,582		9,426,775
Total accumulated depreciation	93,164,977	7,438,145		100,603,122
Total capital assets being depreciated, net	227,403,301	(7,365,211)	1,753,901	221,791,991
Governmental activities capital assets, net	\$ 232,900,930	\$ 5,437,868	\$ -	\$ 227,463,062

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

4. Capital Assets (continued)

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

Instruction	\$3,445,162
Undistributed instruction	711,276
Attendance and social work	36,181
Health services	84,987
Guidance Services	152,880
Other support services –related services	153,862
Other support - regular	535,303
Improvement of instruction	93,257
School library	90,292
General administration	131,637
School administration	310,564
Central Services	85,128
Administrative information technology	48,746
Required maintenance of plant	536,307
Operation of plant and upkeep of grounds	545,563
Care and Upkeep of Grounds	87,346
Security	63,405
Student transportation	326,248
Total allocated depreciation expense	\$7,438,145

The following is a summary of business-type changes in capital assets for the year ended June 30, 2020:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Ending Balance</u>
Capital assets, being depreciated:			
Equipment	\$ 1,569,528	\$ 74,190	\$ 1,643,718
Less accumulated depreciation for:			
Equipment	(787,512)	(101,193)	(888,705)
Total business-type activities capital assets, net	\$ 782,016	\$ (27,003)	\$ 755,013

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

5. Long-Term Liabilities

Bonds

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

There are no serial bonds outstanding or bonds or notes authorized not issued at June 30, 2020.

Changes in long-term liabilities

The following presents the change in long-term liabilities.

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental activities:					
Net pension liability	\$ 19,719,433		\$ 810,264	\$ 18,909,169	
Compensated absences	2,442,320	\$ 569,591	60,548	2,951,363	\$ 122,933
Governmental activities long-term liabilities	\$ 22,161,753	\$ 569,591	\$ 870,812	\$ 21,860,532	\$ 122,933

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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

tiers dependent upon the date of their enrollment. Tier 1, 2 and 3 members are eligible to retire at age 60, 60, and 62, respectively with an annual benefit generally determined to be 1/55th of the average annual compensation for the highest three fiscal years' compensation for each year of membership during years of credited service. Tier 4 and 5 members are eligible to retire at age 62 and 65, respectively with an annual benefit generally determined to be 1/60th of the average annual compensation for the highest five fiscal years' compensation for each year of membership during years of credited service. Anyone who retires early and is under their respective tier's retirement age receives retirement benefits as calculated in the above mentioned formulas but at a reduced rate in accordance with applicable New Jersey Statute based upon their tier.

Public Employee's Retirement System

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

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 are 7.5%. Employers are required to contribute at an actuarially

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

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.

During the year ended June 30, 2020, the State of New Jersey contributed \$8,781,504 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 \$2,305,602 during the year ended June 30, 2020 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, 2020, 2019 and 2018 were \$1,026,139, \$1,001,933, and \$969,379, 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, 2020, the District reported a liability of \$18,909,169 for its proportionate share of net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation July 1, 2018, which was rolled forward to June 30, 2019. 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, 2019, the District's proportion was 0.1049431783 percent, which was an increase of 0.0047915183 from its proportion measured as of June 30, 2018.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

For the year ended June 30, 2020, the District recognized full accrual pension expense of \$1,334,851, in the government-wide financial statements. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 339,395	\$ 83,532
Changes of assumptions	1,888,150	6,563,313
Net difference between projected and actual earnings on pension plan investments		298,489
Changes in proportion and differences between District contributions and proportionate share contributions	1,255,107	454,613
District contributions subsequent to the measurement date	1,149,256	
	<u>\$ 4,631,908</u>	<u>\$ 7,399,947</u>

\$1,149,256 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:

2021	\$ (201,891)
2022	(1,574,115)
2023	(1,486,853)
2024	(615,834)
2025	(38,602)
	<u>\$ (3,917,295)</u>

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

Actuarial Assumptions

The total pension liability for the June 30, 2019 measurement date was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. This actuarial valuation used the following actuarial assumptions, applied to all periods included in the measurement:

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	2.00 - 6.00%
	based on years of service
Thereafter	3.00 - 7.00%
	based on years of service
Investment rate of return	7.00%

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2014 to June 30, 2018. 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 Pub-2010 General Below-Median Income Employee mortality table with an 82.2% adjustment for males and 101.4% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 General Below-Median Income Healthy Retiree mortality table with a 91.4% adjustment for males and 99.7% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability retirement rates used to value disabled retirees were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 127.7% adjustment for males and 117.2% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

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, 2019) 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 expecting future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk mitigation strategies	3.00%	4.67%
Cash equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment grade credit	10.00%	4.25%
High yield	2.00%	5.37%
Private credit	6.00%	7.92%
Real assets	2.50%	9.31%
Real estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. developed markets equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private equity	12.00%	10.85%
	100.00%	

Discount rate

The discount rate used to measure the total pension liability was 6.28% as of June 30, 2019 and 5.66% as of June 30, 2018. 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 3.50% as of June 30, 2019 based on the Bond Buyer GO 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the contribution rate in the most recent fiscal year. The State employer contributed

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

70% 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 June 30, 2057. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through June 30, 2057 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 collective net pension liability as of June 30, 2019 calculated using the discount rate as disclosed above as well as what the District's proportionate share of the collective net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.28 percent) or 1-percentage-point higher (7.28 percent) than the current rate:

	At 1% Decrease (5.28%)	At Current Discount Rate (6.28%)	At 1% Increase (7.28%)
State's proportionate share of the net pension liability associated with the District	\$ 23,885,353	\$ 18,909,169	\$ 14,716,029

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, 2019 are as follows:

Deferred outflows of resources	\$ 3,149,522,616
Deferred inflows of resources	\$ 7,645,087,574
Net pension liability	\$ 18,143,832,135
District's Proportion	0.1049431783%

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

Collective pension expense for the Local Group for the measurement period ended June 30, 2019 is \$974,471,686.

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, 2019, 2018, 2017, 2016, 2015 and 2014 is 5.21, 5.63, 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, 2020 was \$171,701,547. The District's proportionate share was \$0.

The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, which was rolled forward to June 30, 2019. 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, 2019, the State's proportionate share of the TPAF net pension liability associated with the District was 0.2797766109 percent, which was a decrease of 0.0108789633 from its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized on-behalf pension expense and revenue in the government-wide financial statements of \$10,127,416 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, 2020

6. Pension Plans (continued)

Inflation rate:	
Price	2.75%
Wage	3.25%
Salary increases:	
Through 2026	1.55 - 4.45%
	based on years of service
Thereafter	2.75 - 5.65%
	based on years of service
Investment rate of return	7.00%

Mortality Rates

Pre-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Employee mortality table with a 93.9% adjustment for males and 85.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Post-retirement mortality rates were based on the Pub-2010 Teachers Above-Median Income Healthy Retiree mortality table with a 114.7% adjustment for males and 99.6% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Disability mortality rates were based on the Pub-2010 Non-Safety Disabled Retiree mortality table with a 106.3% adjustment for males and 100.3% adjustment for females, and with future improvement from the base year of 2010 on a generational basis. Mortality improvement is based on Scale MP-2019.

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2015 to June 30, 2018.

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, 2019) 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 by adding expected inflation.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2019 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Risk mitigation strategies	3.00%	4.67%
Cash equivalents	5.00%	2.00%
U.S. Treasuries	5.00%	2.68%
Investment grade credit	10.00%	4.25%
High yield	2.00%	5.37%
Private credit	6.00%	7.92%
Real assets	2.50%	9.31%
Real estate	7.50%	8.33%
U.S. Equity	28.00%	8.26%
Non-U.S. developed markets equity	12.50%	9.00%
Emerging markets equity	6.50%	11.37%
Private equity	12.00%	10.85%
	100.00%	

Discount Rate

The discount rate used to measure the total pension liability was 5.60% as of June 30, 2019 and 4.86% as of June 30, 2018. 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 3.50% as of June 30, 2019 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 70% 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 2054. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2054, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

6. Pension Plans (continued)

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

The following presents the State's proportionate share of the net pension liability associated with the District as of June 30, 2019, calculated using the discount rate as disclosed above as well as what the State's proportionate share of the net pension liability associated with the District would be if it were calculated using a discount rate that is 1-percentage-point lower (4.60 percent) or 1-percentage-point higher (6.60 percent) than the current rate:

	At 1% Decrease (4.60%)	At Current Discount Rate (5.60%)	At 1% Increase (6.60%)
State's proportionate share of the net pension liability associated with the District	\$ 202,474,127	\$ 171,701,547	\$ 146,170,022

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, 2019 are as follows:

Deferred outflows of resources	\$ 10,077,460,797
Deferred inflows of resources	\$ 17,525,379,167
Net pension liability	\$ 61,370,943,870
District's Proportion	0.2797766109%

Collective pension expense-Local Group for the plan for the measurement period ended June 30, 2019 is \$3,642,191,152.

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, 2019, 2018, 2017, 2016, 2015, and 2014 is 8.04, 8.29, 8.30, 8.30, 8.30, and 8.50 years, respectively.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits

Plan description and benefits provided

The State of New Jersey reports a liability as a result of its statutory requirements to pay other post-employment (health benefits) for State Health Benefit Local Education Retired Employees Plan. The State Health Benefit Local Education Retired Employees Plan is a multiple-employer defined benefit OPEB plan that is administered on a pay-as-you-go basis. Accordingly, no assets are accumulated in a qualifying trust that meets the criteria in paragraph 4 of GASB Statement No. 75, *Accounting and Financial Reporting for the Postemployment Benefits Other than Pensions*. The State Health Benefit Local Education Retired Employees Plan provides medical, prescription drug, and Medicare Part B reimbursement to retirees and their covered dependents of local education employers. 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 employer contributions for the participating local education employers are legally required to be funded by the State of New Jersey in accordance with N.J.S.A 52:14-17.32f. According to N.J.S.A. 52:14-17.32f, the State provides employer-paid coverage to employees who retire from a board of education or county college with 25 years or more of service credit in or retires in a disability pension from one or more of the following plans: the Teachers' Pension and Annuity Fund (TPAF), the Public Employees' Retirement System (PERS) or the Alternate Benefit Program (ABP). Pursuant to Chapter 78, P.L. 2011, future retirees eligible for postretirement medical coverage who have less than 20 years of creditable service on June 28, 2011 will be required to pay a percentage of the cost of health care coverage in retirement provided that they retire with 25 or more years of pension service credit. The percentage of the premium for which the retiree will be responsible will be determined based on the retiree's annual retirement coverage.

Certain local participating employers also provide post-retirement medical coverage to their employees. Retirees who are not eligible for employer paid health coverage at retirement can continue in the program if their employer participates in this program or if they are participating in the health benefits plan of their former employer and are enrolled in Medicare Parts A and B by paying the cost of the insurance for themselves and their covered dependents. In Fiscal Year 2019, the State paid PRM benefits for 153,893 State and local retirees. The total nonemployer OPEB liability does not include certain other postemployment obligations that are provided by the local education employers.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits (continued)

The State's contributions to the Fund for TPAF retirees' post-retirement benefits on behalf of the District for the years ended June 30, 2020, 2019 and 2018 were \$2,374,906, \$2,548,185 and \$2,831,664 respectively, which equaled the required contributions for each year.

The State funds post-retirement medical benefits on a "pay-as-you-go" basis, which means that the State does not pre-fund, or otherwise establish a reserve or other pool of assets against the PRM expenses that the State may incur in future years. For Fiscal Year 2019, the State contributed \$1.908 billion to pay for pay-as-you-go PRM benefit costs incurred by covered retirees. The State's "pay-as-you-go" contributions have remained consistent with Fiscal Year 2018 amounts. The State has appropriated \$1.612 billion in Fiscal Year 2020 as the State's contribution to fund pay-as-you-go PRM costs.

In accordance with the provisions of GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, the State is required to quantify and disclose its obligations to pay Other Postemployment Benefits (OPEB) to retired plan members. This new standard supersedes the previously issued guidance, GASB Statement No. 45, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, effective for Fiscal Year 2018. The State is now required to accrue a liability in all instances where statutory language names the State as the legal obligor for benefit payments. The Fiscal Year 2019 total State OPEB liability to provide these benefits is \$76.0 billion, a decrease of \$14.5 billion or 16 percent from the \$90.5 billion liability recorded in Fiscal Year 2018.

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. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASBS No. 75.

Total OPEB Liability

The total non-employer (State) OPEB liability from New Jersey's plan is \$41,729,081,045.

Changes in Total OPEB Liability

Below represents the changes in the State's portion of the OPEB liability associated with the District for the year ended June 30, 2020:

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits (continued)

	<u>Total OPEB Liability</u>
Beginning Total OPEB Liability, June 30, 2018	\$ 134,648,644
Changes for the year:	
Service cost	5,530,680
Interest	5,354,664
Difference between expected and actual	(20,607,574)
Changes in assumptions or other inputs	1,835,359
Member contributions	112,010
Benefit payments	<u>(3,778,653)</u>
Net changes	<u>(11,553,514)</u>
Ending Total OPEB Liability, June 30, 2019	<u>\$ 123,095,130</u>

Employees covered by benefit terms

The following employees were covered by the benefit terms:

<u>Local Education Group</u>	<u>June 30, 2019</u>
Active Plan Members	216,892
Inactive Plan Members or Beneficiaries Currently Receiving Benefits	148,051
Inactive Plan Members Entitled to but Not Yet Receiving Benefits	<u>-</u>
Total Plan Members	364,943

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 LEA's proportionate share percentage determined under paragraphs 193 and 203 through 205 of GASBS No. 75 is zero percent. Accordingly, the LEA did not recognize any portion of the collective total OPEB liability on the Statement of Net Position. The State's proportionate share of the total OPEB liability associated with the District as of June 30, 2020 was \$123,095,130. Additional information can be obtained from the State of New Jersey's comprehensive annual financial report.

Actuarial assumptions and other inputs

The total nonemployer OPEB liability in the June 30, 2019 actuarial valuation reported by the State in the State's most recently issued CAFR was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement:

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits (continued)

	TPAF	PERS
Inflation rate:	2.50%	2.50%
Salary increases:		
Through 2026	1.55 - 3.05%	2.00-6.00%
	based on years of service	based on years of service
Thereafter	1.55-3.05%	3.00-7.00%
	based on years of service	based on years of service

The total nonemployer OPEB liability as of June 30, 2019 was determined by an actuarial valuation as of June 30, 2018, which was rolled forward to June 30, 2019. The actuarial assumptions used in the June 30, 2018 valuation were based on the results of the actual experience studies for the periods July 1, 2015 – June 30, 2018 and July 1, 2014 – June 30, 2018 for TPAF and PERS, respectively.

Mortality Rates

Preretirement mortality rates were based on the Pub-2010 Healthy "Teachers" (TPAF/ABP) and "General" (PERS) classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Postretirement mortality rates were based on the Pub-2010 "General" classification headcount-weighted mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019. Disability mortality was based on the Pub-2010 "General" classification headcount-weighted disabled mortality table with fully generational mortality improvement projections from the central year using Scale MP-2019.

Discount Rate

The discount rate for June 30, 2019 and 2018 was 3.50% and 3.87%, 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. As the long-term rate of return is less than the municipal bond rate, it is not considered in the calculation of the discount rate, rather the discount rate is set at the municipal bond rate.

Health Care Trend Assumptions

For pre-Medicare medical benefits, the trend rate is initially 5.7% and decreases to a 4.5% long-term trend rate after eight years. For post-65 medical benefits, the actual fully-insured Medicare Advantage trend rate for fiscal year 2020 are reflected. The assumed post-65 medical trend is 4.5%

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits (continued)

for all future years. For prescription drug benefits, the initial trend rate is 7.5% and decreases to a 4.5% long-term trend rate after eight years. For the Medicare Part B reimbursement, the trend rate is 5.0%.

The following represents sensitivity of the Total Nonemployer OPEB liability associated with the District to changes in the discount rate and healthcare cost trend rate

The following presents the non-employer OPEB liability associated with the District as of June 30, 2019 calculated using the discount rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a discount rate that is 1-percentage-point lower (2.50%) or 1-percentage-point higher (4.50%) than the current rate:

	At 1% decrease (2.50%)	At current discount rate (3.50%)	At 1% increase (4.50%)
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 145,423,992	\$ 123,095,130	\$ 105,358,306

The following presents the non-employer OPEB liability associated with the District as of June 30, 2019 calculated using the healthcare cost trend rate as disclosed above as well as what the total non-employer OPEB liability would be if it was calculated using a healthcare cost trend rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate:

	At 1% decrease	At Healthcare Cost Trend Rates	At 1% increase
Total OPEB Liability (Allocable to the District and the responsibility of the State)	\$ 101,424,900	\$ 123,095,130	\$ 151,782,064

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

For the year ended June 30, 2019, the District recognized on-behalf OPEB expense and revenue in the government-wide financial statements of \$3,536,725 for OPEB expenses incurred by the State.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

7. Post-Retirement Benefits (continued)

Collective balances of the Local Education Group at June 30, 2019 are as follows:

Deferred outflows of resources	\$	1,921,145,183
Deferred inflows of resources	\$	20,887,639,826
Collective OPEB Expense	\$	1,015,664,874

District's Proportion 0.29%

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, 2020:

Fund	Interfund Receivable	Interfund Payable
General Fund	\$ 840,901	\$ 10,714
Special Revenue Fund		695,901
Aquatic Center Enterprise Fund		145,000
Payroll Agency Fund	10,714	
	\$ 851,615	\$ 851,615

The interfund payable in the special revenue fund represents a cash loan from the general fund not returned at June 30, 2020. The interfund payable in the aquatic center enterprise fund represents the balance due to refund the general fund for capital expenditures paid on behalf of the aquatic center by the general fund. The interfund receivable in the payroll agency fund represents a net receivable from the general fund for the June payroll that was paid but cash was not transferred prior to year-end, offset by refunds due to the general fund for cobra payments made out of the general fund. 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.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

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.

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, 2020 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

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

12. Risk Management (continued)

sufficient funds maintained in the separate unemployment compensation trust fund account to pay current billings.

Self-Insurance

The District is self-insured for prescription benefits, and has established an internal service fund to account for its self-insurance activities.

13. Transfers

The following presents a reconciliation of transfers made during the 2020 fiscal year:

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$1,862,708	\$ 185,100
Special Revenue Fund	185,100	1,862,708
	<u>\$2,047,808</u>	<u>\$2,047,808</u>

The transfer into the General Fund represents the Special Revenue Fund contribution to school-based budgets. The transfer into the Special Revenue Fund represents the General Fund Contribution to the Pre-School Education Aid Program.

14. Commitments-General Fund

The District has contractual commitments of \$789,229 at June 30, 2020 to various vendors, which are recorded in the general fund as a component of the unassigned deficit.

15. Deficit Fund Balance

The District has an unassigned deficit fund balance of \$96,981 in the general fund and \$571,899 in the special revenue fund at June 30, 2020 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).

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

15. Deficit Fund Balance (continued)

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 general fund and special revenue fund represents deficits that were 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 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, 2019 to June 30, 2020 fiscal year is as follows:

Beginning balance, July 1, 2019	\$	6,745,704
Increased By:		
Deposit approved at the June 2020		
Board meeting		3,999,461
Interest		12,000
Decreased By: Budget withdrawal		(2,000,000)
Ending balance, June 30, 2020	\$	<u>8,757,165</u>

Of the balance in reserve at June 30, 2020, \$1,700,000 is included to be utilized in the 2020-21 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, 2020 LRFP balance of local support costs of uncompleted projects exceeds the amount set aside in capital reserve.

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

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.

The activity of the maintenance reserve for the July 1, 2019 to June 30, 2020 fiscal year is as follows:

Beginning balance, July 1, 2019	\$ 1,350,000
Increased by:	
Deposit approved at the June 2020	
Board meeting	850,000
Interest	1,000
Decreased by:	
Budget withdrawal	(451,000)
Ending balance, June 30, 2020	<u>\$ 1,750,000</u>

Of the balance in reserve at June 30, 2020, \$821,000 is included to be utilized in the 2020-2021 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 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 2020 totaled \$146,457.

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, 2020

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 \$321,581 from the annual service charge in lieu of payment of taxes in 2019 and taxes in 2019 that otherwise would have been due on these long-term tax exemptions amounted to \$1,035,448, based upon the assessed valuations of the long-term tax exemptions properties. A portion of the \$713,867 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 \$56,403 for fiscal year 2020. The future minimum lease payments under the lease agreement over the remaining life of the lease is \$63,513.

22. Liquidity, Management Plans and Intentions

Due to the COVID-19 Pandemic, the District closed its schools on March 16, 2020 and continued to provide online instruction to its students through the end of the school year. The Pandemic did not have a significant impact on the financial statements of the District for the year ended June 30, 2020. However, the Pandemic did result in the State of New Jersey taking steps to reduce the amount of state aid to be provided to the District in the 2020-21 fiscal year subsequent to the District's adoption of its budget. Management has taken steps to reduce certain expenses related to operating the District and also plans to utilize existing funds to balance its budget for the 2020-21 fiscal year, if needed. Management believes that the unassigned fund balance available as of June

Neptune Township School District

Notes to the Basic Financial Statements (continued)

Year ended June 30, 2020

22. Liquidity, Management Plans and Intentions (continued)

30, 2020 and the anticipated revenues from state aid, taxes and other revenues will be sufficient to meet the District's financial needs for one year from the date of the issuance of this report.

Required Supplementary Information
Part II

Neptune Township School District
 Schedule of the District's Proportionate Share of the Net Pension Liability
 Public Employee's Retirement System
 Required Supplementary Information

Last Ten Fiscal Years

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
District's proportion of the net pension liability (asset) - Local Group	N/A	N/A	N/A	0.0929061680%	0.0962867403%	0.0985415447%	0.1033514934%	0.1027436297%	0.1001520200%	0.1049431783%
District's proportionate share of the net pension liability (asset)	N/A	N/A	N/A	\$ 17,756,215	\$ 18,027,511	\$ 22,120,602	\$ 30,663,059	\$ 23,917,075	\$ 18,719,433	\$ 18,909,169
District's covered-employees payroll	\$ 3,767,991	\$ 5,995,618	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,344	\$ 6,980,751	\$ 6,978,388	\$ 7,317,916	\$ 7,475,327
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	N/A	N/A	N/A	283.69%	276.25%	328.92%	439.25%	342.74%	269.47%	253.02%
Plan fiduciary net position as a percentage of the total Pension Liability - Local Group	N/A	N/A	N/A	48.72%	52.08%	47.93%	40.14%	48.10%	53.60%	56.27%

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 School District
 Schedule of District Contributions
 Public Employees' Retirement System
 Required Supplementary Information

	Last Ten Fiscal Years									
	Year Ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Contractually required contribution	\$ 666,709	\$ 701,513	\$ 683,560	\$ 794,760	\$ 793,774	\$ 847,193	\$ 919,759	\$ 969,319	\$ 1,001,933	\$ 1,026,139
Contributions in relation to the contractually required contribution	(666,709)	(701,513)	(683,560)	(794,760)	(793,774)	(847,193)	(919,759)	(969,319)	(1,001,933)	(1,026,139)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 6,068,236	\$ 6,260,938	\$ 6,525,809	\$ 6,725,244	\$ 6,980,751	\$ 6,978,288	\$ 7,014,655	\$ 7,317,916	\$ 7,473,327	\$ 7,802,696
Contributions as a percentage of covered-employee payroll	10.99%	11.20%	10.47%	11.82%	11.37%	12.14%	13.11%	13.25%	13.41%	13.15%

Neptune Township School District
 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,					
	2020	2019	2018	2017	2016	2015
State's proportion of the net pension liability (asset) associated with the District - Local Group	0.2797766109%	0.2906555742%	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	\$ 171,701,547	\$ 184,908,833	\$ 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>\$ 171,701,547</u>	<u>\$ 184,908,833</u>	<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	26.95%	26.49%	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 School District
 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*			
	Year Ended June 30,			
	2020	2019	2018	2017
State's proportion of the net OPEB liability (asset) associated with the District	0.29%	0.29%	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	\$ 123,095,130	\$ 134,648,644	\$ 157,359,832	\$ 169,479,950
Total proportionate share of the net OPEB liability (asset) associated with the District	<u>\$ 123,095,130</u>	<u>\$ 134,648,644</u>	<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%	0.00%	0.00%
	2020	2019	2018	2017**
Total OPEB Liability				
Service cost	\$ 5,530,680	\$ 6,169,210	\$ 7,424,322	
Interest cost	5,354,664	5,792,666	4,992,097	
Differences between expected and actual	(20,607,574)	(15,745,439)	-	
Changes of assumptions	1,835,359	(15,451,606)	(21,025,959)	
Member contributions	112,010	124,438	134,210	
Gross benefit payments	(3,778,653)	(3,600,457)	(3,644,788)	
Net change in total OPEB liability	<u>(11,553,514)</u>	<u>(22,711,188)</u>	<u>(12,120,118)</u>	
Total OPEB liability - beginning	<u>134,648,644</u>	<u>157,359,832</u>	<u>169,479,950</u>	
Total OPEB liability - ending	<u>\$ 123,095,130</u>	<u>\$ 134,648,644</u>	<u>\$ 157,359,832</u>	
Covered-employee payroll	<u>\$ 39,198,925</u>	<u>\$ 38,317,627</u>	<u>\$ 36,673,887</u>	
Total OPEB liability as a percentage of covered-employee payroll	<u>314.03%</u>	<u>351.40%</u>	<u>429.08%</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 School District
Notes to Required Supplementary Information
Year ended June 30, 2020

PENSION - PUBLIC EMPLOYEES' RETIREMENT SYSTEM

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 5.66% as of June 30, 2018 to 6.28% as of June 30, 2019.

TEACHERS' PENSION AND ANNUITY FUND-PENSION

Benefit Changes

There were none.

Changes of Assumptions

The discount rate changed from 4.86% as of June 30, 2018 to 5.60% as of June 30, 2019.

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 3.87% as of June 30, 2018 to 3.50% as of June 30, 2019.

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, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	\$ 39,540,272		\$ 39,540,272	\$ 39,540,272	
Tuition from other LEAs within the State	5,235,000		5,235,000	6,409,828	\$ 1,174,828
Transportation fees from other LEAs within the State	525,000		525,000	448,169	(76,831)
Interest Earned on Investments	78,000		78,000	80,976	2,976
Miscellaneous	450,000		450,000	617,307	167,307
Total - Local Sources	45,828,272		45,828,272	47,096,552	1,268,280
State Sources:					
Equalization Aid	24,633,298		24,633,298	24,633,298	
Special Education Aid	2,404,326		2,404,326	2,404,326	
Transportation Aid	1,589,446		1,589,446	1,589,446	
Security Aid	1,222,886		1,222,886	1,222,886	
Additional Non-Public Transportation Aid				23,020	23,020
Extraordinary Aid	500,000		500,000	1,027,619	527,619
TPAF Pension (On-Behalf - Non-Budgeted)				6,401,680	6,401,680
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)				2,374,906	2,374,906
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				4,918	4,918
TPAF Social Security (Reimbursed - Non-Budgeted)				2,305,602	2,305,602
Total State Sources	30,349,956		30,349,956	41,987,701	11,637,745
Federal Sources:					
Medical Assistance Program	145,772		145,772	135,996	(9,776)
Total - Federal Sources	145,772		145,772	135,996	(9,776)
Total Revenues	76,324,000		76,324,000	89,220,249	12,896,249
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	871,245	\$ 1,408	872,653	872,653	
Grades 1-5 - Salaries of Teachers	6,007,545	(65,009)	5,942,536	5,714,127	228,409
Grades 6-8 - Salaries of Teachers	4,045,429	(550,147)	3,495,282	3,396,466	98,816
Grades 9-12 - Salaries of Teachers	5,745,191	163,464	5,908,655	5,414,311	494,344
Regular Programs - Home Instruction					
Salaries of Teachers	200,000	(23,600)	176,400	134,429	41,971
Purchased Professional-Educational Services	60,000		60,000	31,554	28,446
Regular Programs - Undistributed Instruction					
Other Salaries for Instruction	447,775	(6,689)	441,086	419,030	22,056
Purchased Professional-Educational Services	234,000	(37,796)	196,204	184,988	11,216
Purchased Technical Services	300,300	(4,154)	296,146	259,508	36,638
Other Purchased Services	488,000	153,968	641,968	361,610	280,358
General Supplies	591,000	166,523	757,523	738,725	18,798
Textbooks	154,500	(76,587)	77,913	77,912	1
Other Objects	49,115	(13,009)	36,106	31,506	4,600
TOTAL REGULAR PROGRAMS - INSTRUCTION	19,194,100	(291,628)	18,902,472	17,636,819	1,265,653
SPECIAL EDUCATION - INSTRUCTION					
Learning and/or Language Disabilities					
Salaries of Teachers	743,974	(30,474)	713,500	706,203	7,297
Other Salaries for Instruction	351,445	(34,406)	317,039	315,812	1,227
Purchased Professional-Educational Services	43,100	40,000	83,100	73,476	9,624
Other Purchased Services	2,250		2,250	800	1,450
General Supplies	20,500	(2,500)	18,000	17,656	344
Total Learning and/or Language Disabilities	1,161,269	(27,380)	1,133,889	1,113,947	19,942
Auditory Impairments					
Salaries of Teachers	726,708	(58,448)	668,260	651,168	17,092
Other Salaries for Instruction	447,492	1,807	449,299	442,339	6,960
Purchased Professional-Educational Services	6,900	(5,000)	1,900		1,900
Other Purchased Services	26,900	13,350	40,250	29,527	10,723
General Supplies	10,000	(35)	9,965	5,748	4,217
Total Auditory Impairments	1,218,000	(48,326)	1,169,674	1,128,782	40,892

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Behavioral Disabilities					
Salaries of Teachers	\$ 171,505	\$ (35,002)	\$ 136,503	\$ 136,503	
Other Salaries for Instruction	48,817	694	49,511	49,511	
Purchased Professional-Educational Services	800	(800)			
General Supplies	1,000	(31)	969	968	\$ 1
Total Behavioral Disabilities	222,122	(35,139)	186,983	186,982	1
Multiple Disabilities					
Salaries of Teachers	418,462	(807)	417,655	417,655	
Other Salaries for Instruction	334,309	(24,743)	309,566	309,566	
Purchased Professional-Educational Services	120,000	102,000	222,000	185,782	36,218
General Supplies	5,000	(13)	4,987	4,213	774
Total Multiple Disabilities	877,771	76,437	954,208	917,216	36,992
Resource Room/Resource Center					
Salaries of Teachers	3,539,697	267,910	3,807,607	3,807,606	1
Other Salaries for Instruction	262,572	901	263,473	252,250	11,223
Purchased Professional-Educational Services	120,000	19,015	139,015	54,045	84,970
General Supplies	13,400	(46)	13,354	12,358	996
Total Resource Room/Resource Center	3,935,669	287,780	4,223,449	4,126,259	97,190
Preschool Disabilities - Full-Time					
Salaries of Teachers	384,845	73,239	458,084	456,584	1,500
Other Salaries for Instruction	102,023	24,818	126,841	115,643	11,198
Purchased Professional-Educational Services	5,000	159,500	164,500	151,545	12,955
Other Purchased Services	400		400		400
General Supplies	6,000	7,150	13,150	13,149	1
Total Preschool Disabilities - Full-Time	498,268	264,707	762,975	736,921	26,054
TOTAL SPECIAL EDUCATION - INSTRUCTION	7,913,099	518,079	8,431,178	8,210,107	221,071
Bilingual Education - Instruction					
Salaries of Teachers	374,082	(612)	373,470	373,470	
General Supplies	1,500	(9)	1,491	1,491	
Total Bilingual Education - Instruction	375,582	(621)	374,961	374,961	
School-Spon. Cocurricular Actvts. - Inst.					
Salaries	229,350	(10,862)	218,488	218,487	1
Purchased Services	12,300	(8,584)	3,716	3,716	
Other Objects	1,500		1,500	1,134	366
Total School-Spon. Cocurricular Actvts. - Inst.	243,150	(19,446)	223,704	223,337	367
School-Spon. Athletics					
Salaries	1,016,949	(37,012)	979,937	973,250	6,687
Purchased Services	210,165	(50,678)	159,487	155,474	4,013
Supplies and Materials	79,000	(4,491)	74,509	71,638	2,871
Total School-Spon. Athletics	1,306,114	(92,181)	1,213,933	1,200,362	13,571
Other Supplementary/At-Risk Program- Instruction					
Salaries of Reading Specialists	971,895	79,643	1,051,538	1,033,012	18,526
Total Other Supplementary/At-Risk Program- Instruction	971,895	79,643	1,051,538	1,033,012	18,526
Community Services Programs/Operations					
Supplies and Materials	1,000		1,000		1,000
Other Objects	7,000		7,000	1,798	5,202
Total Community Services Programs/Operations	8,000		8,000	1,798	6,202
TOTAL INSTRUCTION	30,011,940	193,846	30,205,786	28,680,396	1,525,390
Undistributed Expenditures - Instruction					
Tuition to Other LEAs Within the State - Regular	90,474	36,469	126,943	120,362	6,581
Tuition to Other LEAs Within the State - Special	122,020	46,200	168,220	168,220	
Tuition to County Voc. School Dist. - Regular	194,385	27,945	222,330	220,844	1,486
Tuition to County Voc. School Dist. - Special	263,350	(31,487)	231,863	231,863	
Tuition to Private Schools for the Disabled - Within State	6,445,347	(198,331)	6,247,016	5,549,109	697,907
Tuition - State Facilities	240,718		240,718	240,718	
Total Undistributed Expenditures - Instruction	7,356,294	(119,204)	7,237,090	6,531,116	705,974

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undistributed Expend. - Attendance and Social Work					
Salaries	\$ 283,126	\$ 6,370	\$ 289,496	\$ 288,258	\$ 1,238
Salaries of Drop-Out Prevention Officer/Coordinator	45,515	(45)	45,470	45,470	
Other Purchased Services	900	(900)			
Total Undistributed Expend. - Attendance and Social Work	329,541	5,425	334,966	333,728	1,238
Undist. Expend. - Health Services					
Salaries	710,906	(59,203)	651,703	625,320	26,383
Purchased Professional and Technical Services	1,800	1,600	3,400	2,570	830
Other Purchased Services	6,000	(1,000)	5,000	4,322	678
Supplies and Materials	27,100	132,031	159,131	151,687	7,444
Total Undistributed Expenditures - Health Services	745,806	73,428	819,234	783,899	35,335
Undist. Expend. - Other Supp. Serv. Students - Related Serv.					
Salaries	322,895	55,425	378,320	371,308	7,012
Purchased Professional - Educational Services	1,079,000	22,529	1,101,529	1,046,908	54,621
Supplies and Materials	1,000		1,000	969	31
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	1,402,895	77,954	1,480,849	1,419,185	61,664
Undist. Expend. - Guidance					
Salaries of Other Professional Staff	1,131,111	(5,147)	1,125,964	1,107,846	18,118
Salaries of Secretarial and Clerical Assistants	140,817	2,178	142,995	142,995	
Purchased Professional - Educational Services	28,000	4,351	32,351	32,350	1
Other Purchased Services	107,650	(5,172)	102,478	97,766	4,712
Supplies and Materials	34,700	(1,538)	33,162	29,170	3,992
Total Undist. Expend. - Guidance	1,442,278	(5,328)	1,436,950	1,410,127	26,823
Undist. Expend. - Child Study Team					
Salaries of Other Professional Staff	1,093,902	1,613	1,095,515	1,095,235	280
Salaries of Secretarial and Clerical Assistants	145,233	3,376	148,609	140,089	8,520
Other Purchased Services	3,750		3,750	2,790	960
Miscellaneous Purchased Services	23,000	(3,275)	19,725	17,675	2,050
Supplies and Materials	7,850	3,025	10,875	10,320	555
Other Objects	800	(200)	600	277	323
Total Undist. Expend. - Child Study Team	1,274,535	4,539	1,279,074	1,266,386	12,688
Undist. Expend. - Improvement of Inst. Serv.					
Salaries of Supervisors of Instruction	589,323	(20,838)	568,485	558,885	9,600
Salaries of Other Professional Staff	296,800	(19,043)	277,757	187,954	89,803
Salaries of Secretarial and Clerical Assistants	47,421	230	47,651	47,651	
Purchased Prof. - Educational Services	139,000	(52,445)	86,555	50,819	35,736
Other Purchased Services	1,500	(300)	1,200	147	1,053
Supplies and Materials	7,000	(500)	6,500	165	6,335
Other Objects	23,000		23,000	14,557	8,443
Total Undist. Expend. - Improvement of Inst. Serv.	1,104,044	(92,896)	1,011,148	860,178	150,970
Undist. Expend. - Edu. Media Serv./Sch. Library					
Salaries	834,535	338	834,873	811,292	23,581
Supplies and Materials	27,000	(4,393)	22,607	21,539	1,068
Total Undist. Expend. - Edu. Media Serv./Sch. Library	861,535	(4,055)	857,480	832,831	24,649
Undist. Expend. - Supp. Serv. - General Admin.					
Salaries	627,183	4,305	631,488	629,401	2,087
Legal Services	150,000	24,000	174,000	103,214	70,786
Audit Fees	74,460	1,340	75,800	75,800	
Architectural/Engineering Services	10,000	20,000	30,000	15,161	14,839
Purchased Technical Services	43,000	220	43,220	42,791	429
Communications/Telephone	148,800	9,050	157,850	151,451	6,399
Board of Education Other Purchased Services	7,700		7,700	1,706	5,994
Other Purchased Services	148,150	(5,154)	142,996	133,274	9,722
General Supplies	27,900	(800)	27,100	18,520	8,580
Board of Education In-House Training/Meeting Supplies	4,300		4,300	3,346	954
Miscellaneous Expenditures	6,000		6,000	4,537	1,463
Board of Education Dues and Fees	39,000		39,000	34,986	4,014
Total Undist. Expend. - Supp. Serv. - General Admin.	1,286,493	52,961	1,339,454	1,214,187	125,267

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend. - Support Serv. - School Admin.					
Salaries of Principals/Assistant Principals	\$ 1,740,076	\$ (2)	\$ 1,740,074	\$ 1,740,073	\$ 1
Salaries - Other Professional Staff	482,316	(796)	481,520	380,437	101,083
Salaries of Secretarial and Clerical Assistants	691,283	(7,026)	684,257	662,424	21,833
Other Purchased Services	60,400	(7,908)	52,492	45,840	6,652
Supplies and Materials	39,600	(720)	38,880	35,561	3,319
Other Objects	1,100	(764)	336	235	101
Total Undist. Expend. - Support Serv. - School Admin.	3,014,775	(17,216)	2,997,559	2,864,570	132,989
Undist. Expend. - Central Services					
Salaries	737,206	(7,721)	729,485	720,476	9,009
Purchased Technical Services	36,000	10,091	46,091	45,118	973
Misc Purchased Services	28,000		28,000	13,894	14,106
Supplies and Materials	4,993	1,007	6,000	5,712	288
Total Undist. Expend. - Central Services	806,199	3,377	809,576	785,200	24,376
Undist. Expend. - Technology Admin.					
Salaries	403,573	(772)	402,801	402,801	
Purchased Technical Services	55,000	(9,972)	45,028	31,695	13,333
Other Purchased Services	4,000		4,000	1,794	2,206
Supplies and Materials	22,000		22,000	13,334	8,666
Total Undist. Expend. - Technology Admin.	484,573	(10,744)	473,829	449,624	24,205
Undist. Expend. - Required Maint. for Sch. Facil.					
Salaries	465,539	2,120	467,659	442,247	25,412
Cleaning, Repair and Maintenance Services	2,015,000	191,796	2,206,796	2,170,700	36,096
General Supplies	160,000		160,000	116,219	43,781
Other Objects	30,000	4,000	34,000	33,919	81
Total Undist. Expend. - Required Maint. for Sch. Facil.	2,670,539	197,916	2,868,455	2,763,085	105,370
Undist. Expend. - Custodial Services					
Salaries	2,867,642	(33,468)	2,834,174	2,702,530	131,644
Cleaning, Repair and Maintenance Services	85,000	7,034	92,034	55,462	36,572
Other Purchased Property Services	122,600	1,450	124,050	111,211	12,839
Insurance	334,600	939	335,539	335,538	1
General Supplies	192,000	(3,800)	188,200	170,574	17,626
Natural Gas	293,000	(2,500)	290,500	240,956	49,544
Electricity	1,484,000	(7,039)	1,476,961	1,415,867	61,094
Total Undist. Expend. - Custodial Services	5,378,842	(37,384)	5,341,458	5,032,138	309,320
Undist. Expend. - Care and Upkeep of Grounds					
Cleaning, Repair and Maintenance Services	713,000	87,000	800,000	789,725	10,275
General Supplies	23,000		23,000	15,931	7,069
Total Undist. Expend. - Care and Upkeep of Grounds	736,000	87,000	823,000	805,656	17,344
Undist. Expend. - Security					
Salaries	502,390	(179)	502,211	501,769	442
Purchased Professional and Technical Services	75,000	10,000	85,000	69,160	15,840
General Supplies	28,000	(11,782)	16,218	13,906	2,312
Total Undist. Expend. - Security	605,390	(1,961)	603,429	584,835	18,594
Undist. Expend. - Student Transportation Serv.					
Salaries for Pupil Trans. (Between Home & School) - Regular	135,760	(625)	135,135	135,035	100
Other Purchased Professional and Technical Services	4,800	(300)	4,500	4,500	
Contracted Services Aid In Lieu of Payment for Non-public School Students	17,000	(6,000)	11,000	6,598	4,402
Contracted Services (Between Home and School) - Vendors	1,295,000	(7,540)	1,287,460	1,212,472	74,988
Contracted Services (Other than Between Home and School) - Vendors	240,200	(63,753)	176,447	129,996	46,451
Contracted Services (Sp. Ed.) - Vendors	1,575,000	72,911	1,647,911	1,518,873	129,038
General Supplies	5,000	(1,100)	3,900	1,762	2,138
Total Undist. Expend. - Student Transportation Serv.	3,272,760	(6,407)	3,266,353	3,009,236	257,117
Unallocated Benefits					
Social Security Contributions	1,101,803	115,460	1,217,263	1,119,899	97,364
Other Retirement Contributions - PERS	1,079,505	(38,650)	1,040,855	1,027,606	13,249
Workmen's Compensation	532,255	24,787	557,042	557,042	
Health Benefits	11,728,275	(533,618)	11,194,657	10,154,663	1,039,994
Tuition Reimbursement	10,000	1,250	11,250	11,250	
Other Employee Benefits	515,000		515,000	345,242	169,758
Total Unallocated Benefits	14,966,838	(430,771)	14,536,067	13,215,702	1,320,365

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
On-behalf Contributions					
TPAF Pension (On-Behalf - Non-Budgeted)				\$ 6,401,680	\$ (6,401,680)
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)				2,374,906	(2,374,906)
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)				4,918	(4,918)
Reimbursed TPAF Social Security Contributions (non-budgeted)				2,305,602	(2,305,602)
Total On-behalf Contributions				11,087,106	(11,087,106)
TOTAL UNDISTRIBUTED EXPENDITURES	\$ 47,739,337	\$ (223,366)	\$ 47,515,971	55,248,789	(7,732,818)
TOTAL GENERAL CURRENT EXPENSE	77,751,277	(29,520)	77,721,757	83,929,185	(6,207,428)
CAPITAL OUTLAY					
Equipment					
Regular Programs-Instruction: Grades 6-8		29,520	29,520	29,520	
Total Equipment		29,520	29,520	29,520	
Facilities Acquisition and Construction Services					
Architectural/Engineering Services	210,000	(117,966)	92,034	92,034	
Construction Services	1,790,000	908,681	2,698,681	2,091,644	607,037
Total Facilities Acquisition and Construction Services	2,000,000	790,715	2,790,715	2,183,678	607,037
TOTAL CAPITAL OUTLAY	2,000,000	820,235	2,820,235	2,213,198	607,037
Contribution to Charter Schools	2,731,923		2,731,923	2,422,060	309,863
TOTAL EXPENDITURES	82,483,200	790,715	83,273,915	88,564,443	(5,290,528)
(Deficiency) Excess of Revenues (Under) Over Expenditures	(6,159,200)	(790,715)	(6,949,915)	655,806	7,605,721
Other Financing Sources (Uses):					
Transfer in - Contribution to school based budgets- GF	44,800,000		44,800,000	43,560,822	(1,239,178)
Transfer in - Contribution to school based budgets- SRF	1,915,000		1,915,000	1,862,708	(52,292)
Transfer out - Contribution to school based budgets	(44,800,000)		(44,800,000)	(43,560,822)	1,239,178
Transfer out - Contribution to preschool education	(193,800)		(193,800)	(185,100)	8,700
Total Other Financing Sources (Uses)	1,721,200		1,721,200	1,677,608	(43,592)
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(4,438,000)	(790,715)	(5,228,715)	2,333,414	7,562,129
Fund Balance, July 1	14,934,614		14,934,614	14,934,614	
Fund Balance, June 30	\$ 10,496,614	\$ (790,715)	\$ 9,705,899	\$ 17,268,028	\$ 7,562,129
Recapitulation of Fund Balance:					
Restricted Fund Balance:					
Excess Surplus-current year				\$ 1,910,000	
Excess Surplus-prior year designated for subsequent year's expenditures				1,995,000	
Capital Reserve				8,757,165	
Maintenance Reserve				1,750,000	
Assigned to:					
Year End Encumbrances				789,229	
Unassigned Fund Balance				2,066,634	
				17,268,028	
Reconciliation of Budgetary Fund Balance to GAAP Fund Balance:					
Final State Aid Payments Not Realized on GAAP Basis				(2,952,844)	
Fund balance per Governmental Funds (GAAP)				\$ 14,315,184	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget		Budget Transfers		Final Budget		Actual	
	Operating Fund 11-13	Total General Fund	Operating Fund 11-13	Total General Fund	Operating Fund 11-13	Total General Fund	Operating Fund 11-13	Total General Fund
REVENUES:								
Local Sources:								
Local Tax Levy	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272	\$ 39,540,272
Tuition from other LEAs within the State	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	5,235,000	6,409,828	6,409,828
Transportation fees from other LEAs within the State	525,000	525,000	525,000	525,000	525,000	525,000	448,169	448,169
Interest earned on investments	78,000	78,000	78,000	78,000	78,000	78,000	80,976	80,976
Miscellaneous	450,000	450,000	450,000	450,000	450,000	450,000	617,307	617,307
Total - Local Sources	45,828,272	45,828,272	45,828,272	45,828,272	45,828,272	45,828,272	47,096,552	47,096,552
State Sources:								
Equalization Aid	24,653,298	24,653,298	24,653,298	24,653,298	24,653,298	24,653,298	24,653,298	24,653,298
Special Education Aid	2,404,326	2,404,326	2,404,326	2,404,326	2,404,326	2,404,326	2,404,326	2,404,326
Transportation Aid	1,589,446	1,589,446	1,589,446	1,589,446	1,589,446	1,589,446	1,589,446	1,589,446
Security Aid	1,222,886	1,222,886	1,222,886	1,222,886	1,222,886	1,222,886	1,222,886	1,222,886
Additional Non-Public Transportation Aid							23,020	23,020
Extraordinary Aid	500,000	500,000	500,000	500,000	500,000	500,000	1,027,619	1,027,619
TPAF Pension (On-Behalf - Non-Budgeted)							6,401,680	6,401,680
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)								
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)								
TPAF Social Security (Reimbursed - Non-Budgeted)								
Total State Sources	30,349,956	30,349,956	30,349,956	30,349,956	30,349,956	30,349,956	41,987,701	41,987,701
Federal Sources:								
Medical Assistance Program	145,772	145,772	145,772	145,772	145,772	145,772	135,996	135,996
Total - Federal Sources	145,772	145,772	145,772	145,772	145,772	145,772	135,996	135,996
Total Revenues	76,324,000	76,324,000	76,324,000	76,324,000	76,324,000	76,324,000	89,220,249	89,220,249
EXPENDITURES:								
Current Expense:								
Regular Programs - Instruction								
Preschool - Salaries of Teachers	\$ 871,245	\$ 871,245	\$ 871,245	\$ 871,245	\$ 871,245	\$ 871,245	\$ 872,653	\$ 872,653
Kindergarten - Salaries of Teachers	5,701,545	6,007,545	5,701,545	6,007,545	5,701,545	5,701,545	5,714,127	5,714,127
Grades 1-5 - Salaries of Teachers	150,000	4,045,429	150,000	4,045,429	150,000	150,000	3,340,665	3,340,665
Grades 6-8 - Salaries of Teachers	402,500	5,745,191	402,500	5,745,191	402,500	402,500	5,269,247	5,269,247
Grades 9-12 - Salaries of Teachers	200,000	200,000	200,000	200,000	200,000	200,000	134,429	134,429
Regular Programs - Home Instruction	60,000	60,000	60,000	60,000	60,000	60,000	51,554	51,554
Salaries of Teachers								
Purchased Professional-Educational Services	65,000	447,775	65,000	447,775	65,000	65,000	48,760	48,760
Other Programs for Instruction								
Purchased Professional-Educational Services	234,000	234,000	234,000	234,000	234,000	234,000	184,988	184,988
Other Salaries for Instruction	300,300	300,300	300,300	300,300	300,300	300,300	259,508	259,508
Purchased Professional-Educational Services	488,000	488,000	488,000	488,000	488,000	488,000	361,610	361,610
Other Purchased Services	591,000	591,000	591,000	591,000	591,000	591,000	758,725	758,725
General Supplies	154,500	154,500	154,500	154,500	154,500	154,500	77,912	77,912
Textbooks	48,115	48,115	48,115	48,115	48,115	48,115	31,506	31,506
Other Objects	18,010,600	19,194,100	18,010,600	19,194,100	18,010,600	18,010,600	17,061,226	17,061,226
TOTAL REGULAR PROGRAMS - INSTRUCTION	1,183,500	19,194,100	1,183,500	19,194,100	1,183,500	18,302,472	575,593	17,656,819
SPECIAL EDUCATION - INSTRUCTION								
Learning and/or Language Disabilities								
Salaries of Teachers	743,974	743,974	743,974	743,974	743,974	743,974	706,203	706,203
Other Salaries for Instruction	351,445	351,445	351,445	351,445	351,445	351,445	315,812	315,812
Purchased Professional-Educational Services	43,100	43,100	43,100	43,100	43,100	43,100	73,476	73,476
Other Purchased Services	2,250	2,250	2,250	2,250	2,250	2,250	800	800
General Supplies	20,500	20,500	20,500	20,500	20,500	20,500	17,656	17,656
Total Learning and/or Language Disabilities	1,161,269	1,161,269	1,161,269	1,161,269	1,161,269	1,161,269	1,113,947	1,113,947

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget		Budget Transfers		Final Budget		Actual		
	Operating Fund 11-13	Total General Fund	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	
Auditory Impairments									
Salaries of Teachers	\$ 726,708	\$ 726,708	\$ (58,448)	\$ (58,448)	\$ 668,260	\$ 668,260	\$ 651,168	\$ 651,168	
Other Salaries for Instruction	447,492	447,492	1,807	1,807	449,299	449,299	442,539	442,539	
Purchased Professional-Educational Services	6,900	6,900	(5,000)	(5,000)	1,900	1,900	1,900	1,900	
Other Purchased Services	26,900	26,900	13,250	13,250	40,250	40,250	29,527	29,527	
General Supplies	10,000	10,000	(35)	(35)	9,965	9,965	5,748	5,748	
Total Auditory Impairments	1,218,000	1,218,000	(48,326)	(48,326)	1,169,674	1,169,674	1,128,782	1,128,782	
Behavioral Disabilities									
Salaries of Teachers	171,505	171,505	(35,002)	(35,002)	136,503	136,503	136,503	136,503	
Other Salaries for Instruction	48,817	48,817	694	694	49,511	49,511	49,511	49,511	
Purchased Professional-Educational Services	800	800	(800)	(800)	969	969	968	968	
General Supplies	1,000	1,000	(31)	(31)	969	969	968	968	
Total Behavioral Disabilities	222,122	222,122	(35,139)	(35,139)	186,983	186,983	186,982	186,982	
Multiple Disabilities									
Salaries of Teachers	418,462	418,462	(807)	(807)	417,655	417,655	417,655	417,655	
Other Salaries for Instruction	334,309	334,309	(24,743)	(24,743)	309,566	309,566	309,566	309,566	
Purchased Professional-Educational Services	120,000	120,000	102,000	102,000	222,000	222,000	185,782	185,782	
General Supplies	5,000	5,000	(13)	(13)	4,987	4,987	4,213	4,213	
Total Multiple Disabilities	877,771	877,771	76,437	76,437	954,208	954,208	917,216	917,216	
Resource Room/Resource Center									
Salaries of Teachers	3,539,697	3,539,697	267,910	267,910	3,807,607	3,807,607	3,807,606	3,807,606	
Other Salaries for Instruction	262,572	262,572	901	901	263,473	263,473	252,250	252,250	
Purchased Professional-Educational Services	120,000	120,000	19,015	19,015	139,015	139,015	54,045	54,045	
General Supplies	13,400	13,400	(46)	(46)	13,354	13,354	12,358	12,358	
Total Resource Room/Resource Center	3,935,669	3,935,669	287,780	287,780	4,223,449	4,223,449	4,126,259	4,126,259	
Preschool Disabilities - Full-Time									
Salaries of Teachers	384,845	384,845	75,239	75,239	460,084	460,084	456,584	456,584	
Other Salaries for Instruction	102,023	102,023	24,818	24,818	126,841	126,841	115,643	115,643	
Purchased Professional-Educational Services	5,000	5,000	159,500	159,500	164,500	164,500	151,545	151,545	
Other Purchased Services	400	400	400	400	400	400	400	400	
General Supplies	6,000	6,000	7,150	7,150	13,150	13,150	13,149	13,149	
Total Preschool Disabilities - Full-Time	498,268	498,268	264,707	264,707	762,975	762,975	736,921	736,921	
TOTAL SPECIAL EDUCATION - INSTRUCTION	498,268	498,268	264,707	264,707	762,975	762,975	747,316	747,316	
Bilingual Education - Instruction									
Salaries of Teachers	374,082	374,082	(612)	(612)	373,470	373,470	373,470	373,470	
General Supplies	1,500	1,500	(9)	(9)	1,491	1,491	1,491	1,491	
Total Bilingual Education - Instruction	375,582	375,582	(621)	(621)	374,961	374,961	374,961	374,961	
School-Spon. Co-curricular Actvts. - Inst.									
Salaries	229,350	229,350	(10,862)	(10,862)	218,488	218,488	218,487	218,487	
Purchased Services	12,300	12,300	(8,594)	(8,594)	3,716	3,716	3,716	3,716	
Other Objects	1,500	1,500	1,500	1,500	1,500	1,500	1,134	1,134	
Total School-Spon. Co-curricular Actvts. - Inst.	243,150	243,150	(19,446)	(19,446)	223,704	223,704	223,337	223,337	
School-Spon. Athletics									
Salaries	1,016,949	1,016,949	(37,012)	(37,012)	979,937	979,937	973,250	973,250	
Purchased Services	210,165	210,165	(50,678)	(50,678)	159,487	159,487	155,474	155,474	
Supplies and Materials	79,000	79,000	(4,491)	(4,491)	74,509	74,509	71,638	71,638	
Total School-Spon. Athletics	1,306,114	1,306,114	(92,181)	(92,181)	1,213,933	1,213,933	1,200,362	1,200,362	
Other Supplementary/At-Risk Program- Instruction									
Salaries of Reading Specialists	971,895	971,895	79,643	79,643	1,051,538	1,051,538	1,053,012	1,053,012	
Total Other Supplementary/At-Risk Program- Instruction	971,895	971,895	79,643	79,643	1,051,538	1,051,538	1,053,012	1,053,012	
Community Services Programs/Operations									
Supplies and Materials	1,000	1,000	1,000	1,000	1,000	1,000	1,798	1,798	
Other Objects	7,000	7,000	7,000	7,000	7,000	7,000	7,988	7,988	
Total Community Services Programs/Operations	8,000	8,000	8,000	8,000	8,000	8,000	9,786	9,786	
TOTAL INSTRUCTION	1,688,768	28,322,172	30,011,940	105,151	195,846	28,410,887	30,205,786	27,566,084	28,680,396

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget		Budget Transfers		Final Budget		Actual	
	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15
Undistributed Expenditures - Instruction								
Tuition to Other LEAs Within the State - Regular	\$ 90,474	\$ 90,474	\$ 36,469	\$ 36,469	\$ 126,945	\$ 126,945	\$ 120,362	\$ 120,362
Tuition to Other LEAs Within the State - Special	122,020	122,020	46,200	46,200	168,220	168,220	168,220	168,220
Tuition to County Voc. School Dist. - Regular	194,385	194,385	27,945	27,945	222,330	222,330	220,844	220,844
Tuition to County Voc. School Dist. - Special	263,550	263,550	(31,487)	(31,487)	231,863	231,863	231,863	231,863
Tuition to Private Schools for the Disabled - Within State	6,445,547	6,445,547	(198,331)	(198,331)	6,247,016	6,247,016	5,549,109	5,549,109
Tuition - State Facilities	240,718	240,718	240,718	240,718	240,718	240,718	240,718	240,718
Total Undistributed Expenditures - Instruction	7,556,294	7,556,294	(119,204)	(119,204)	7,237,090	7,237,090	6,531,116	6,531,116
Undistributed Expend. - Attendance and Social Work								
Salaries	2,800	280,326	1,900	4,470	4,700	284,796	4,691	283,567
Salaries of Drop-Out Prevention Officer/Coordinator		45,515	(45)	(45)		45,470		45,470
Other Purchased Services		900	900	(900)				
Total Undistributed Expend. - Attendance and Social Work	2,800	326,741	1,900	3,525	4,700	330,266	4,691	328,057
Undist. Expend. - Health Services								
Salaries	50,500	660,406	(2,625)	(56,578)	47,875	603,828	21,495	603,825
Purchased Professional and Technical Services		1,800	2,000	(400)	2,000	1,400	2,000	570
Other Purchased Services	6,000	6,000	(1,000)	(1,000)	5,000	4,322	4,322	4,322
Supplies and Materials	6,000	21,100	128,912	3,119	134,912	24,219	129,034	22,653
Total Undistributed Expenditures - Health Services	62,500	683,306	127,287	(53,859)	189,787	629,447	156,831	627,048
Undist. Expend. - Other Supp. Serv. Students - Related Serv.								
Salaries	322,895	322,895	55,425	55,425	378,320	378,320	371,508	371,508
Purchased Professional - Educational Services	1,079,000	1,079,000	22,529	22,529	1,101,529	1,046,908	1,046,908	1,046,908
Supplies and Materials	1,000	1,000	1,000	1,000	1,000	969	969	969
Total Undist. Expend. - Other Supp. Serv. Students - Related Serv.	1,402,895	1,402,895	77,954	(77,954)	1,480,849	1,419,185	1,419,185	1,419,185
Undist. Expend. - Guidance								
Salaries of Other Professional Staff	1,151,111	1,151,111	(5,147)	(5,147)	1,125,964	1,125,964	1,107,846	1,107,846
Salaries of Secretarial and Clerical Assistants	140,817	140,817	2,178	2,178	142,995	142,995	143,995	142,995
Purchased Professional - Educational Services	28,000	28,000	4,531	4,531	32,531	32,530	32,530	32,530
Other Purchased Services	107,650	107,650	(5,172)	(5,172)	102,478	102,478	97,766	97,766
Supplies and Materials	34,700	34,700	(1,538)	(1,538)	33,162	33,162	29,170	29,170
Total Undist. Expend. - Guidance	1,462,278	1,462,278	(5,328)	(5,328)	1,436,950	1,436,950	1,410,127	1,410,127
Undist. Expend. - Child Study Teams								
Salaries of Other Professional Staff	1,093,902	1,093,902	1,613	1,613	1,095,515	1,095,515	1,095,235	1,095,235
Salaries of Secretarial and Clerical Assistants	145,233	145,233	3,376	3,376	148,609	148,089	148,089	148,089
Other Purchased Services	3,750	3,750	(3,275)	(3,275)	3,750	2,790	2,790	2,790
Miscellaneous Purchased Services	25,000	25,000	3,025	3,025	19,725	19,725	17,675	17,675
Supplies and Materials	7,800	7,800	(200)	(200)	600	600	10,320	10,320
Other Objects	800	800	(200)	(200)	600	277	277	277
Total Undist. Expend. - Child Study Teams	1,274,535	1,274,535	4,539	(4,539)	1,279,074	1,266,386	1,266,386	1,266,386
Undist. Expend. - Improvement of Inst. Serv.								
Salaries of Supervisors of Instruction	589,523	589,523	(20,838)	(20,838)	568,485	568,485	558,885	558,885
Salaries of Other Professional Staff	47,421	296,800	230	(19,043)	277,757	277,757	187,954	187,954
Purchased Professional - Educational Services		47,421	(52,445)	(52,445)	47,651	86,555	50,819	47,651
Other Purchased Services	1,500	139,000	(300)	(300)	1,200	1,200	147	147
Supplies and Materials	7,000	7,000	(500)	(500)	6,500	6,500	165	165
Other Objects	23,000	23,000			23,000	23,000	14,557	14,557
Total Undist. Expend. - Improvement of Inst. Serv.	668,244	1,104,044	(21,408)	(21,408)	646,836	364,512	238,775	860,178
Undist. Expend. - Edu. Media Serv./Sch. Library								
Salaries	834,535	834,535	338	338	834,873	834,873	811,292	811,292
Supplies and Materials	27,000	27,000	(4,393)	(4,393)	22,607	22,607	21,539	21,539
Total Undist. Expend. - Edu. Media Serv./Sch. Library	861,535	861,535	(4,055)	(4,055)	857,480	857,480	832,831	832,831

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget		Budget Transfers		Final Budget		Actual	
	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15
Undist. Expend. - Supp. Serv. - General Admin.								
Salaries	\$ 627,183	\$	4,305	\$	4,305	\$	629,401	\$
Legal Services	150,000		24,000		24,000		103,214	
Audit Fees	74,460		1,340		1,340		75,800	
Architectural/Engineering Services	10,000		20,000		20,000		15,161	
Purchased Technical Services	43,000		220		43,220		42,791	
Communications/Telephone	148,800		9,050		157,850		151,451	
Board of Education Other Purchased Services	7,700				7,700		1,706	
Miscellaneous Purchased Services	148,150		(5,154)		142,996		133,274	
General Supplies	27,900		(800)		27,100		18,520	
Board of Education In-House Training/Meeting Supplies	4,300				4,300		3,346	
Miscellaneous Expenditures	6,000		6,000		6,000		4,537	
Board of Education Dues and Fees	39,000				39,000		34,986	
Total Undist. Expend. - Supp. Serv. - General Admin.	1,286,493		52,361		1,339,454		1,214,187	
Undist. Expend. - Support Serv. - School Admin.								
Salaries of Principals/Assistant Principals	\$ 1,740,076	\$	(2)		(2)		1,740,073	\$
Salaries - Other Professional Staff	482,316		(796)		(796)		380,437	
Salaries of Secretarial and Clerical Assistants	669,283		(2,008)		(2,008)		666,424	
Other Purchased Services	60,400						45,840	
Supplies and Materials	39,600		(720)		(720)		35,561	
Other Objects	1,100		(764)		(764)		255	
Total Undist. Expend. - Support Serv. - School Admin.	2,992,775		(15,216)		(15,216)		2,852,410	
Undist. Expend. - Central Services								
Salaries	737,206		(7,721)		(7,721)		729,485	
Purchased Technical Services	36,000		10,091		10,091		46,091	
Misc Purchased Services	28,000						13,894	
Supplies and Materials	4,995		1,007		1,007		5,712	
Total Undist. Expend. - Central Services	806,199		3,377		809,576		785,200	
Undist. Expend. - Technology Admin.								
Salaries	403,573		(772)		(772)		402,801	
Purchased Technical Services	53,000		(9,972)		(9,972)		31,695	
Other Purchased Services	4,000						1,794	
Supplies and Materials	22,000						13,334	
Total Undist. Expend. - Technology Admin.	482,573		(10,744)		(10,744)		449,624	
Undist. Expend. - Required Maint. for Sch. Facil.								
Salaries	465,539		2,120		2,120		467,659	
Cleaning, Repair and Maintenance Services	2,015,000		191,796		191,796		2,170,700	
General Supplies	160,000						116,219	
Other Objects	30,000		4,000		4,000		33,919	
Total Undist. Expend. - Required Maint. for Sch. Facil.	2,670,539		197,916		197,916		2,765,085	
Undist. Expend. - Custodial Services								
Salaries	2,867,642		(53,468)		(53,468)		2,702,530	
Cleaning, Repair and Maintenance Services	85,000		7,034		7,034		55,462	
Other Purchased Property Services	122,600		1,450		1,450		111,211	
Insurance	334,600		939		939		335,538	
General Supplies	192,000		(3,800)		(3,800)		170,574	
Natural Gas	293,000		(2,500)		(2,500)		240,956	
Electricity	1,484,000		(7,039)		(7,039)		1,415,867	
Total Undist. Expend. - Custodial Services	5,378,842		(57,384)		(57,384)		5,032,138	
Undist. Expend. - Care and Upkeep of Grounds								
Cleaning, Repair and Maintenance Services	713,000		87,000		87,000		789,725	
General Supplies	23,000						15,931	
Total Undist. Expend. - Care and Upkeep of Grounds	736,000		87,000		87,000		805,656	
Undist. Expend. - Security								
Salaries	1,000						558	
Purchased Professional and Technical Services	50,000		10,000		10,000		69,160	
General Supplies	20,000		8,000		8,000		13,906	
Total Undist. Expend. - Security	71,000		18,000		18,000		83,024	
Total Undist. Expend. - Total	12,214,187		1,214,187		1,214,187		12,214,187	

Neptune Township School District
General Fund
Budgetary Comparison Schedule
(Budgetary Basis)
Year Ended June 30, 2020

	Original Budget		Budget Transfers		Final Budget		Actual	
	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15	Operating Fund 11-13	Blended Resource Fund 15
Undist. Expend. - Student Transportation Serv.								
Salaries for Pupil Trns. (Between Home & School) - Regular	\$ 135,760	\$	(625)	\$	135,135	\$	135,035	\$
Other Purchased Professional and Technical Services	4,800	4,800	(300)		4,500		4,500	
Contracted Services Aid In Lieu of Payment for Non-public School Students	17,000	17,000	(6,000)		11,000		6,598	
Contracted Services (Between Home and School) - Vendors	1,295,000	1,295,000	(7,540)		1,287,460		1,212,472	
Contracted Services (Other than Between Home and School) - Vendors	2,000	240,300	(1,124)		876		876	
Contracted Services (Sp. Ed.) - Vendors	1,575,000	1,575,000	72,911		1,647,911		1,518,875	
General Supplies	5,000	5,000	(1,100)		3,900		1,762	
Total Undist. Expend. - Student Transportation Serv.	3,934,560	238,200	56,222	(62,629)	3,992,782	175,571	2,880,116	129,120
Unallocated Benefits								
Social Security Contributions	730,000	1,101,803	98,930		828,930		768,080	
Other Retirement Contributions - PERS	1,079,505	1,079,505	(38,650)		1,040,855		1,027,606	
Workman's Compensation	532,255	532,255	24,787		557,042		557,042	
Health Benefits	1,222,275	11,728,275	(609,864)		612,411		(392,287)	
Tuition Reimbursement	10,000	10,000	1,250		11,250		11,250	
Other Employee Benefits	515,000	515,000			515,000		345,242	
Total Unallocated Benefits	4,089,035	10,877,803	(525,547)	92,776	3,965,488	10,970,579	2,315,935	10,899,769
On-behalf Contributions								
TPAF Pension (On-Behalf - Non-Budgeted)								
TPAF Pension Contributions - Post-Retirement Medical (On-Behalf - Non-Budgeted)								
TPAF Pension Contributions - Long-Term Disability Insurance (On-Behalf - Non-Budgeted)								
Reimbursed TPAF Social Security Contributions (non-budgeted)								
Total On-behalf Contributions								
TOTAL UNDISTRICTED EXPENDITURES	29,346,509	47,759,337	(105,131)	(118,235)	29,241,378	18,274,593	37,597,647	17,851,142
TOTAL CAPITAL CURRENT EXPENSE	31,056,277	46,715,000	(29,520)	(29,520)	31,026,277	46,685,480	38,711,939	45,217,226
CAPITAL OUTLAY								
Equipment								
Regular Programs-Instruction:								
Grades 6-8		29,520			29,520		29,520	
Total Equipment		29,520			29,520		29,520	
Facilities Acquisition and Construction Services								
Architectural/Engineering Services	210,000	210,000	(117,966)		92,034		92,034	
Construction Services	1,790,000	1,790,000	908,681		2,698,681		2,091,644	
Total Facilities Acquisition and Construction Services	2,000,000	2,000,000	790,715		2,790,715		2,183,678	
TOTAL CAPITAL OUTLAY	2,000,000	2,000,000	820,235	29,520	2,790,715	29,520	2,183,678	29,520
Contribution to Charter Schools	2,731,923	2,731,923			2,731,923		2,422,060	
Total General Fund Expenditures	2,731,923	2,731,923			2,731,923	2,731,923	2,422,060	2,422,060
TOTAL EXPENDITURES	35,768,200	46,715,000	82,483,200	790,715	36,558,915	46,715,000	45,517,697	45,246,746
(Deficiency) Excess of Revenues (Under) Over Expenditures	40,555,800	(46,715,000)	(6,159,200)	(790,715)	39,765,085	(46,715,000)	45,902,552	(45,246,746)
Other Financing Sources (Uses):								
Transfer in - Contribution to school based budgets- GF		44,800,000			44,800,000		45,560,822	
Transfer in - Contribution to school based budgets- SRF		1,915,000			1,915,000		1,862,708	
Transfer out - Contribution to school based budgets	(44,800,000)	(44,800,000)	(44,800,000)		(44,800,000)		(43,560,822)	
Transfer out - Contribution to preschool education	(195,800)	(195,800)	(195,800)		(195,800)		(185,100)	
Total Other Financing Sources (Uses)	(44,995,800)	46,715,000	(44,995,800)	46,715,000	(44,995,800)	46,715,000	(43,745,922)	45,423,550
(Deficiency) Excess of Revenues (Under) Over Expenditures and Other Financing Sources (Uses)	(4,438,000)	(4,438,000)	(790,715)	(790,715)	(5,228,715)	(5,228,715)	2,156,630	176,784
Fund Balances, July 1	14,934,614	14,934,614	14,934,614	14,934,614	14,934,614	14,934,614	14,934,614	14,934,614
Fund Balance, June 30	\$ 10,496,614	\$ 10,496,614	\$ (790,715)	\$ (790,715)	\$ 9,705,899	\$ -	\$ 17,091,244	\$ 17,368,028

Neptune Township School District
Special Revenue Fund

Budgetary Comparison Schedule
(Budgetary Basis)
Year ended June 30, 2020

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Revenues:					
State Sources	\$ 5,718,945		\$ 5,718,945	\$ 5,766,795	\$ 47,850
Federal Sources	2,350,000	\$ 1,103,542	3,453,542	2,678,865	(774,677)
Total revenues	<u>8,068,945</u>	<u>1,103,542</u>	<u>9,172,487</u>	<u>8,445,660</u>	<u>(726,827)</u>
Expenditures:					
Instruction:					
Salaries of teachers	2,003,953	153,421	2,157,374	2,031,743	125,631
Other salaries for instruction	781,700	(23,710)	757,990	757,990	
Purchased professional and technical services		129,585	129,585	94,285	35,300
Other purchased services	35,000	4,319	39,319	39,319	
General supplies	82,056	376,468	458,524	171,461	287,063
Other objects	2,700	638	3,338	2,138	1,200
Total instruction	<u>2,905,409</u>	<u>640,721</u>	<u>3,546,130</u>	<u>3,096,936</u>	<u>449,194</u>
Support services:					
Personnel services - salaries		19,136	19,136	6,687	12,449
Salaries of supervisors of instruction	114,639	(557)	114,082	114,082	
Salaries of program directors	141,344	(686)	140,658	140,658	
Salaries of other professional staff	116,375	(1,687)	114,688	114,688	
Salaries of secretarial and clerical assistants	45,310	(548)	44,762	44,762	
Salaries of master teachers	170,112	2,891	173,003	173,003	
Other salaries		4,136	4,136	4,136	
Personal services—employee benefits	2,237,599	65,219	2,302,818	2,292,592	
Other purchase professional - technical services	225,000	177,242	402,242	332,707	69,535
Other purchased professional services	7,500	6,580	14,080	14,080	
Contr Serv - Trans (bet home & school)	276,000	(1,000)	275,000	275,000	
Other purchased services		101,873	101,873	53,272	48,601
Travel	6,500	(4,035)	2,465	2,465	
Supplies and materials	101,957	80,432	182,389	97,859	84,530
Total support services	<u>3,442,336</u>	<u>448,996</u>	<u>3,891,332</u>	<u>3,665,991</u>	<u>225,341</u>
Capital Outlay:					
Facilities acquisition and construction services:					
Noninstructional equipment		5,125	5,125	5,125	
Total capital outlay		<u>5,125</u>	<u>5,125</u>	<u>5,125</u>	
Total expenditures	<u>6,347,745</u>	<u>1,094,842</u>	<u>7,442,587</u>	<u>6,768,052</u>	<u>674,535</u>
Other financing (uses) sources:					
Contribution to school based budgets	(1,915,000)		(1,915,000)	(1,862,708)	52,292
General Fund Contribution to Preschool Education	193,800	(8,700)	185,100	185,100	
Total other financing (uses) sources	<u>(1,721,200)</u>	<u>(8,700)</u>	<u>(1,729,900)</u>	<u>(1,677,608)</u>	<u>52,292</u>
Total expenditures and other financing (uses) sources	<u>8,068,945</u>	<u>1,103,542</u>	<u>9,172,487</u>	<u>8,445,660</u>	<u>726,827</u>
Excess (deficiency) of revenues over (under) expenditures and other financing uses					
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Required Supplementary Information

Neptune Township School District
Note to Required Supplementary Information

Budget to GAAP Reconciliation

Year ended June 30, 2020

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

	General Fund	Special Revenue Fund
	<u> </u>	<u> </u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule (C-1, C-2)	\$ 89,220,249	\$ 8,445,660
 Differences - Budgetary to GAAP:		
State aid payments recognized for budgetary purposes, not recognized for GAAP statements.		
Prior year	3,095,318	529,720
Current year	<u>(2,952,844)</u>	<u>(571,899)</u>
 Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds (B-2)	 <u>\$ 89,362,723</u>	 <u>\$ 8,403,481</u>
 Uses/outflows of resources		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule (C-1, C-2)	\$ 88,564,443	\$ 8,630,760
 Differences - Budgetary to GAAP:		
Transfers to other funds are presented as outflows of budgetary resources but are not expenditures for financial reporting purposes.		 <u>(1,862,708)</u>
 Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds (B-2)	 <u>\$ 88,564,443</u>	 <u>\$ 6,768,052</u>

School Based Budget Schedules

Neptune Township School District
General Fund

Combining Balance Sheet

June 30, 2020

	Operating Fund Fund 11-13	Blended Resource Fund 15	Total General Fund
Assets			
Cash and cash equivalents	\$ 637,286	\$ 434,414	\$ 1,071,700
Interfund receivable	840,901		840,901
Intergovernmental accounts receivable—federal	6,217		6,217
Intergovernmental accounts receivable—state	4,119,863		4,119,863
Other accounts receivable	1,557,339		1,557,339
Restricted assets:			
Cash and cash equivalents	10,507,165		10,507,165
Total assets	\$ 17,668,771	\$ 434,414	\$ 18,103,185
Liabilities and fund balances			
Liabilities:			
Accounts payable	\$ 566,813	\$ 257,630	\$ 824,443
Interfund payable	10,714		10,714
Total liabilities	577,527	257,630	835,157
Fund balances:			
Restricted for:			
Excess surplus current year	1,910,000		1,910,000
Excess surplus prior year	1,995,000		1,995,000
Maintenance reserve	1,750,000		1,750,000
Capital reserve	8,757,165		8,757,165
Assigned to:			
Other purposes - year-end encumbrances	612,445	176,784	789,229
Unassigned	2,066,634		2,066,634
Total fund balances	17,091,244	176,784	17,268,028
Total liabilities and fund balances	\$ 17,668,771	\$ 434,414	\$ 18,103,185

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

District-wide

Resources	Resource Amount (Final Budget)	District-wide Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	<u>\$ 44,800,000</u>		<u>\$ 43,384,038</u>	<u>\$ 1,415,962</u>
General Fund Contribution	<u>44,800,000</u>	<u>95.90%</u>	<u>43,384,038</u>	<u>1,415,962</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	800,000	1.71	778,128	21,872
Title II, Part A: NCLB	115,000	0.25	112,065	2,935
IDEA, Part B	<u>1,000,000</u>	<u>2.14</u>	<u>972,515</u>	<u>27,485</u>
Restricted Federal Resources Total	<u>1,915,000</u>	<u>4.10</u>	<u>1,862,708</u>	<u>52,292</u>
Total	<u><u>\$ 46,715,000</u></u>	<u><u>100.00%</u></u>	<u><u>\$ 45,246,746</u></u>	<u><u>\$ 1,468,254</u></u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Midtown Community Elementary School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 4,791,265		\$ 4,706,268	\$ 84,997
General Fund Contribution	4,791,265	93.04%	4,706,268	84,997
Restricted Federal Resources:				
Title I, Part A: NCLB	196,835	3.82	193,343	3,492
Title II, Part A: NCLB	19,100	0.37	18,761	339
IDEA, Part B	142,800	2.77	140,267	2,533
Restricted Federal Resources Total	358,735	6.96	352,371	6,364
Total	\$ 5,150,000	100.00%	\$ 5,058,639	\$ 91,361

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Gables Elementary School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 3,066,265		\$ 3,005,632	\$ 60,633
General Fund Contribution	3,066,265	92.22%	3,005,632	60,633
Restricted Federal Resources:				
Title I, Part A: NCLB	96,835	2.92	94,920	1,915
Title II, Part A: NCLB	19,100	0.57	18,722	378
IDEA, Part B	142,800	4.29	139,976	2,824
Restricted Federal Resources Total	258,735	7.78	253,618	5,117
Total	\$ 3,325,000	100.00%	\$ 3,259,250	\$ 65,750

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Green Grove Elementary School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 3,601,138		\$ 3,490,134	\$ 111,004
General Fund Contribution	<u>3,601,138</u>	93.05%	<u>3,490,134</u>	<u>111,004</u>
Restricted Federal Resources:				
Title I, Part A: NCLB	106,962	2.76	103,665	3,297
Title II, Part A: NCLB	19,100	0.49	18,511	589
IDEA, Part B	<u>142,800</u>	<u>3.70</u>	<u>138,398</u>	<u>4,402</u>
Restricted Federal Resources Total	<u>268,862</u>	<u>6.95</u>	<u>260,574</u>	<u>8,288</u>
Total	<u>\$ 3,870,000</u>	<u>100.00%</u>	<u>\$ 3,750,708</u>	<u>\$ 119,292</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Shark River Hills Elementary School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 3,078,100		\$ 3,015,993	\$ 62,107
General Fund Contribution	<u>3,078,100</u>	<u>95.00%</u>	<u>3,015,993</u>	<u>62,107</u>
Restricted Federal Resources:				
Title II, Part A: NCLB	19,100	0.59	18,715	385
IDEA, Part B	<u>142,800</u>	<u>4.41</u>	<u>139,919</u>	<u>2,881</u>
Restricted Federal Resources Total	<u>161,900</u>	<u>5.00</u>	<u>158,634</u>	<u>3,266</u>
Total	<u>\$ 3,240,000</u>	<u>100.00%</u>	<u>\$ 3,174,627</u>	<u>\$ 65,373</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Summerfield Elementary School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 4,785,948		\$ 4,641,413	\$ 144,535
General Fund Contribution	4,785,948	94.40%	4,641,413	144,535
Restricted Federal Resources:				
Title I, Part A: NCLB	122,152	2.40	118,463	3,689
Title II, Part A: NCLB	19,100	0.38	18,523	577
IDEA, Part B	142,800	2.82	138,487	4,313
Restricted Federal Resources Total	284,052	5.60	275,473	8,579
Total	\$ 5,070,000	100.00%	\$ 4,916,886	\$ 153,114

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Neptune Middle School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 9,960,484		\$ 9,619,901	\$ 340,583
General Fund Contribution	9,960,484	95.77%	9,619,901	340,583
Restricted Federal Resources:				
Title I, Part A: NCLB	277,216	2.67	267,737	9,479
Title II, Part A: NCLB	19,500	0.19	18,833	667
IDEA, Part B	142,800	1.37	137,917	4,883
Restricted Federal Resources Total	439,516	4.23	424,487	15,029
Total	\$ 10,400,000	100.00%	\$ 10,044,388	\$ 355,612

Neptune Township School District
Blended Resource Fund 15

Schedule of Expenditures Allocated by Resource Type - Actual

Year ended June 30, 2020

Neptune High School

Resources	Resource Amount (Final Budget)	Blended % of Total Resources	Total Expenditures Allocated as a % of Total Resources	Total Surplus/ Carryover
General Fund Contribution to School Based Budget	\$ 15,516,800		\$ 14,904,697	\$ 612,103
General Fund Contribution	<u>15,516,800</u>	<u>99.09%</u>	<u>14,904,697</u>	<u>612,103</u>
Restricted Federal Resources:				
IDEA, Part B	143,200	0.91	137,551	5,649
Restricted Federal Resources Total	<u>143,200</u>	<u>0.91</u>	<u>137,551</u>	<u>5,649</u>
Total	<u>\$ 15,660,000</u>	<u>100.00%</u>	<u>\$ 15,042,248</u>	<u>\$ 617,752</u>

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

District-Wide Expenditures	Original Budget	Transfers	Final Budget	Expenditures	Variance
Current:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	\$ 871,245	\$ 1,408	\$ 872,653	\$ 872,653	
Grades 1- 5	5,701,545	(40,009)	5,661,536	5,554,142	\$ 107,394
Grades 6-8	3,895,429	(529,547)	3,365,882	3,340,665	25,217
Grades 9-12	5,342,691	254,605	5,597,296	5,269,247	328,049
Undistributed Instruction:					
Other Salaries of Instruction	382,775	(7,454)	375,321	370,270	5,051
Purchased Professional & Educational Services	234,000	(37,796)	196,204	184,988	11,216
Purchased Technical Services	300,300	(4,154)	296,146	259,508	36,638
Other Purchased Services	488,000	153,968	641,968	361,610	280,358
General Supplies	591,000	166,523	757,523	738,725	18,798
Textbooks	154,500	(76,587)	77,913	77,912	1
Other Objects	49,115	(13,009)	36,106	31,506	4,600
Total Regular Programs	18,010,600	(132,052)	17,878,548	17,061,226	817,322
Learning and/or Language Disabilities:					
Salaries of Teachers	743,974	(30,474)	713,500	706,203	7,297
Other Salaries of Instruction	351,445	(34,406)	317,039	315,812	1,227
Purchased Professional & Educational Services	43,100	40,000	83,100	73,476	9,624
Other Purchased Services	2,250		2,250	800	1,450
General Supplies	20,500	(2,500)	18,000	17,656	344
Total Learning and/or Language Disabilities	1,161,269	(27,380)	1,133,889	1,113,947	19,942
Auditory Impairments:					
Salaries of Teachers	726,708	(58,448)	668,260	651,168	17,092
Other Salaries of Instruction	447,492	1,807	449,299	442,339	6,960
Purchased Professional & Educational Services	6,900	(5,000)	1,900		1,900
Other Purchased Services	26,900	13,350	40,250	29,527	10,723
General Supplies	10,000	(35)	9,965	5,748	4,217
Total Auditory Impairments	1,218,000	(48,326)	1,169,674	1,128,782	40,892
Behavioral Disabilities:					
Salaries of Teachers	171,505	(35,002)	136,503	136,503	
Other Salaries of Instruction	48,817	694	49,511	49,511	
Purchased Professional & Educational Services	800	(800)			
General Supplies	1,000	(31)	969	968	1
Total Behavioral Disabilities	222,122	(35,139)	186,983	186,982	1
Multiple Disabilities:					
Salaries of Teachers	418,462	(807)	417,655	417,655	
Other Salaries of Instruction	334,309	(24,743)	309,566	309,566	
Purchased Professional & Educational Services	120,000	102,000	222,000	185,782	36,218
General Supplies	5,000	(13)	4,987	4,213	774
Total Multiple Disabilities	877,771	76,437	954,208	917,216	36,992
Resource Room/Resource Center:					
Salaries of Teachers	3,539,697	267,910	3,807,607	3,807,606	1
Other Salaries of Instruction	262,572	901	263,473	252,250	11,223
Purchased Professional & Educational Services	120,000	19,015	139,015	54,045	84,970
General Supplies	13,400	(46)	13,354	12,358	996
Total Resource Room/Resource Center	3,935,669	287,780	4,223,449	4,126,259	97,190
Total Special Education	7,414,831	253,372	7,668,203	7,473,186	195,017
Bilingual Education:					
Salaries of Teachers	374,082	(612)	373,470	373,470	
General Supplies	1,500	(9)	1,491	1,491	
Total Bilingual Education	375,582	(621)	374,961	374,961	-

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Co-curricular Activities:					
Salaries	\$ 229,350	\$ (10,862)	\$ 218,488	\$ 218,487	\$ 1
Purchased Services	12,300	(8,584)	3,716	3,716	
Other Objects	1,500		1,500	1,134	366
Total School Sponsored Co-curricular Activities	243,150	(19,446)	223,704	223,337	367
School Sponsored Athletics:					
Salaries	1,016,949	(37,012)	979,937	973,250	6,687
Purchased Services (300-500 series)	210,165	(50,678)	159,487	155,474	4,013
Supplies and Materials	79,000	(4,491)	74,509	71,638	2,871
Total School Sponsored Athletics	1,306,114	(92,181)	1,213,933	1,200,362	13,571
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	971,895	79,643	1,051,538	1,033,012	18,526
Total Other Supplemental/At-Risk Programs - Instruction	971,895	79,643	1,051,538	1,033,012	18,526
Total Instruction	28,322,172	88,715	28,410,887	27,366,084	1,044,803
Attendance and Social Work Services:					
Salaries	280,326	4,470	284,796	283,567	1,229
Salaries of Drop Out Prevention Officer Coordinator	45,515	(45)	45,470	45,470	
Other Purchased Services	900	(900)			
Total Attendance and Social Work Services	326,741	3,525	330,266	329,037	1,229
Health Services:					
Salaries	660,406	(56,578)	603,828	603,825	3
Purchased Professional and Technical Services	1,800	(400)	1,400	570	830
Supplies and Materials	21,100	3,119	24,219	22,653	1,566
Total Health Services	683,306	(53,859)	629,447	627,048	2,399
Guidance:					
Salaries of Other Professional Staff	1,131,111	(5,147)	1,125,964	1,107,846	18,118
Salaries of Secretarial and Clerical Assistants	140,817	2,178	142,995	142,995	
Purchased Professional - Educational Services	28,000	4,351	32,351	32,350	1
Other Purchased Services	107,650	(5,172)	102,478	97,766	4,712
Supplies and Materials	34,700	(1,538)	33,162	29,170	3,992
Total Guidance	1,442,278	(5,328)	1,436,950	1,410,127	26,823
Improvement of Instruction Services:					
Salaries of Other Professional Staff	296,800	(19,043)	277,757	187,954	89,803
Purchased Professional - Education Services	139,000	(32,445)	86,555	50,819	35,736
Total Improvement of Instruction Services	435,800	(71,488)	364,312	238,773	125,539
Educational Media/Library Services:					
Salaries	834,535	338	834,873	811,292	23,581
Supplies and Materials	27,000	(4,393)	22,607	21,539	1,068
Total Educational Media/Library Services	861,535	(4,055)	857,480	832,831	24,649
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	1,740,076	(2)	1,740,074	1,740,073	1
Salaries of Other Professional Staff	482,316	(796)	481,520	380,437	101,083
Salaries of Secretarial and Clerical Assistants	669,283	(5,026)	664,257	650,264	13,993
Other Purchased Services (400-500 series)	60,400	(7,908)	52,492	45,840	6,652
Supplies and Materials	39,600	(720)	38,880	35,561	3,319
Other Objects	1,100	(764)	336	235	101
Total Support Services - School Administration	2,992,775	(15,216)	2,977,559	2,852,410	125,149

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

District-Wide	Original Budget	Transfers	Final Budget	Expenditures	Variance
Security:					
Salaries	\$ 501,390	\$ (179)	\$ 501,211	\$ 501,211	
Purchased Professional and Technical Services	25,000		25,000	25,000	
General Supplies	8,000	(1,782)	6,218	5,816	\$ 402
Total Security	534,390	(1,961)	532,429	532,027	402
Student Transportation Services:					
Contracted Services -Transportation (Other than Between Home and School) - Vendors	238,200	(62,629)	175,571	129,120	46,451
Total Student Transportation Services	238,200	(62,629)	175,571	129,120	46,451
Unallocated Benefits:					
Social Security Contributions	371,803	16,530	388,333	351,819	36,514
Health Benefits	10,506,000	76,246	10,582,246	10,547,950	34,296
Total Unallocated Benefits	10,877,803	92,776	10,970,579	10,899,769	70,810
Total Undistributed Expenditures	18,392,828	(118,235)	18,274,593	17,851,142	423,451
Total Expenditures - Current	46,715,000	(29,520)	46,685,480	45,217,226	1,468,254
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8		29,520	29,520	29,520	
Total Equipment	-	29,520	29,520	29,520	-
Total Capital Outlay	-	29,520	29,520	29,520	-
Total Expenditures - School Based	46,715,000	-	46,715,000	45,246,746	1,468,254
Other Financing Sources:					
Transfers In	46,715,000		46,715,000	45,423,530	(1,291,470)
Total Other Financing Sources	46,715,000	-	46,715,000	45,423,530	(1,291,470)
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	176,784	176,784
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ 176,784	\$ 176,784

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Middtown Community Elementary School

Expenditures

Current:

Instruction - Regular Programs:

Salaries of Teachers:

Kindergarten	\$ 183,388	\$ (906)	\$ 182,482	\$ 182,482	
Grades 1 - 5	1,335,545	(2,877)	1,332,668	1,332,668	

Undistributed Instruction:

Other Salaries of Instruction	124,877	(6,390)	118,487	118,238	\$ 249
Purchased Professional & Educational Services	17,800	2,299	20,099	19,549	550
Purchased Technical Services	42,900	(2,260)	40,640	35,867	4,773
Other Purchased Services	70,000	(13,275)	56,725	42,359	14,366
General Supplies	62,000	21,728	83,728	83,193	535
Textbooks	500	(500)			
Other Objects	1,545	(1,207)	338	338	
Total Regular Programs	1,838,555	(3,388)	1,835,167	1,814,694	20,473

Learning and/or Language Disabilities:

Salaries of Teachers	263,023	(8,636)	254,387	247,090	7,297
Other Salaries of Instruction	124,908	(34,208)	90,700	90,700	
Purchased Professional & Educational Services	600		600	530	70
Other Purchased Services	800		800	800	
General Supplies	5,000		5,000	4,999	1
Total Learning and/or Language Disabilities	394,331	(42,844)	351,487	344,119	7,368

Multiple Disabilities:

Salaries of Teachers	161,772	(4,634)	157,138	157,138	
Other Salaries of Instruction	129,736	(25,091)	104,645	104,645	
Purchased Professional & Educational Services	80,000	40,000	120,000	85,601	34,399
General Supplies	1,000		1,000	671	329
Total Multiple Disabilities	372,508	10,275	382,783	348,055	34,728

Resource Room/Resource Center:

Salaries of Teachers	186,433	56,803	243,236	243,236	
Other Salaries of Instruction		24,615	24,615	24,615	
General Supplies	1,000		1,000	993	7
Total Resource Room/Resource Center	187,433	81,418	268,851	268,844	7

Total Special Education

	954,272	48,849	1,003,121	961,018	42,103
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Bilingual Education:

Salaries of Teachers	195,442	841	196,283	196,283	
General Supplies	1,500	(9)	1,491	1,491	
Total Bilingual Education	196,942	832	197,774	197,774	-

Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists	200,108	1,484	201,592	200,891	701
Total Other Supplemental/At-Risk Programs - Instruction	200,108	1,484	201,592	200,891	701

Total Instruction

	3,189,877	47,777	3,237,654	3,174,377	63,277
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Attendance and Social Work Services:

Salaries	6,328	59	6,387	6,386	1
Total Attendance and Social Work Services	6,328	59	6,387	6,386	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: **Midtown Community Elementary School**

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Health Services:					
Salaries	\$ 100,927	\$ (14,819)	\$ 86,108	\$ 86,107	\$ 1
Supplies and Materials	4,300	619	4,919	4,744	175
Total Health Services	105,227	(14,200)	91,027	90,851	176
Guidance:					
Salaries of Other Professional Staff	58,232	(1,138)	57,094	40,045	17,049
Other Purchased Services	12,300	(582)	11,718	11,717	1
Supplies and Materials	3,000	250	3,250	3,240	10
Total Guidance	73,532	(1,470)	72,062	55,002	17,060
Improvement of Instruction Services:					
Salaries of Other Professional Staff	20,000		20,000	17,022	2,978
Purchased Professional – Education Services	20,000	(12,100)	7,900	5,124	2,776
Total Improvement of Instruction Services	40,000	(12,100)	27,900	22,146	5,754
Educational Media/Library Services:					
Salaries	104,180	(81)	104,099	104,098	1
Supplies and Materials	3,000	(528)	2,472	2,427	45
Total Educational Media/Library Services	107,180	(609)	106,571	106,525	46
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	172,359		172,359	172,359	
Salaries of Other Professional Staff	13,276		13,276	13,270	6
Salaries of Secretarial and Clerical Assistants	56,628	(16)	56,612	56,612	
Other Purchased Services (400-500 series)	3,550	170	3,720	3,004	716
Supplies and Materials	4,000	768	4,768	4,768	
Other Objects	100	(24)	76	75	1
Total Support Services – School Administration	249,913	898	250,811	250,088	723
Security:					
Salaries	38,332	(4)	38,328	38,328	
General Supplies	1,000		1,000	1,000	
Total Security	39,332	(4)	39,328	39,328	-
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	2,150	3,440	5,590	2,143	3,447
Total Student Transportation Services	2,150	3,440	5,590	2,143	3,447
Unallocated Benefits:					
Social Security Contributions	42,461		42,461	41,584	877
Health Benefits	1,294,000	(23,791)	1,270,209	1,270,209	
Total Unallocated Benefits	1,336,461	(23,791)	1,312,670	1,311,793	877
Total Undistributed Expenditures	1,960,123	(47,777)	1,912,346	1,884,262	28,084
Total Expenditures - Current	5,150,000	-	5,150,000	5,058,639	91,361
Total Expenditures - School Based	5,150,000	-	5,150,000	5,058,639	91,361
Other Financing Sources:					
Transfers In	5,150,000		5,150,000	5,058,639	91,361
Total Other Financing Sources	5,150,000	-	5,150,000	5,058,639	91,361
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, 2020

School: Gables Elementary School

Expenditures

Current:

Instruction - Regular Programs:

Salaries of Teachers:

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Kindergarten	\$ 160,101	\$ 3,002	\$ 163,103	\$ 163,103	
Grades 1- 5	879,656	(4,636)	875,020	870,254	\$ 4,766

Undistributed Instruction:

Other Salaries of Instruction	51,953	17	51,970	51,970	
Purchased Professional & Educational Services	17,800	1,867	19,667	15,123	4,544
Purchased Technical Services	42,900	(300)	42,600	35,791	6,809
Other Purchased Services	70,000	(14,701)	55,299	39,643	15,656
General Supplies	55,000	27,709	82,709	79,704	3,005
Textbooks	500	(500)			
Other Objects	3,000	(2,000)	1,000	400	600

Total Regular Programs	1,280,910	10,458	1,291,368	1,255,988	35,380
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Instruction - Special Education:

Learning and/or Language Disabilities:

Salaries of Teachers	152,051	237	152,288	152,288	
Other Salaries of Instruction	75,692	(49,478)	26,214	26,214	
Purchased Professional & Educational Services	500	80,000	80,500	72,946	7,554
Other Purchased Services	350		350		350
General Supplies	3,500	(1,000)	2,500	2,169	331

Total Learning and/or Language Disabilities	232,093	29,759	261,852	253,617	8,235
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Resource Room/Resource Center:

Salaries of Teachers	180,870	27,917	208,787	208,787	
General Supplies	800		800	743	57

Total Resource Room/Resource Center	181,670	27,917	209,587	209,530	57
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Total Special Education	413,763	57,676	471,439	463,147	8,292
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Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists	200,674	2,248	202,922	202,922	
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Total Other Supplemental/At-Risk Programs - Instruction	200,674	2,248	202,922	202,922	-
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Total Instruction	1,895,347	70,382	1,965,729	1,922,057	43,672
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Attendance and Social Work Services:

Salaries	6,328	59	6,387	6,386	1
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Total Attendance and Social Work Services	6,328	59	6,387	6,386	1
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Health Services:

Salaries	82,146	(9,018)	73,128	73,128	
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Supplies and Materials	2,500		2,500	2,405	95
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Total Health Services	84,646	(9,018)	75,628	75,533	95
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Guidance:

Salaries of Other Professional Staff	80,163	1,396	81,559	81,559	
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Other Purchased Services	12,500	(2,455)	10,045	10,039	6
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Supplies and Materials	2,600	(600)	2,000	1,121	879
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Total Guidance	95,263	(1,659)	93,604	92,719	885
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Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Gables Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 20,000		\$ 20,000	\$ 10,042	\$ 9,958
Purchased Professional – Education Services	20,000	\$ (11,300)	8,700	5,204	3,496
Total Improvement of Instruction Services	40,000	(11,300)	28,700	15,246	13,454
Educational Media/Library Services:					
Salaries	97,422	(1,119)	96,303	95,733	570
Supplies and Materials	3,000	(300)	2,700	2,512	188
Total Educational Media/Library Services	100,422	(1,419)	99,003	98,245	758
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	129,423	(1)	129,422	129,422	
Salaries of Other Professional Staff	13,276		13,276	13,270	6
Salaries of Secretarial and Clerical Assistants	48,633	(3)	48,630	48,630	
Other Purchased Services (400-500 series)	3,500	170	3,670	1,803	1,867
Supplies and Materials	4,000		4,000	3,272	728
Other Objects	100	(100)			
Total Support Services – School Administration	198,932	66	198,998	196,397	2,601
Security:					
General Supplies	1,000	(400)	600	600	
Total Security	1,000	(400)	600	600	-
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	3,000		3,000	1,774	1,226
Total Student Transportation Services	3,000	-	3,000	1,774	1,226
Unallocated Benefits:					
Social Security Contributions	14,062		14,062	11,004	3,058
Health Benefits	886,000	(46,711)	839,289	839,289	
Total Unallocated Benefits	900,062	(46,711)	853,351	850,293	3,058
Total Undistributed Expenditures	1,429,653	(70,382)	1,359,271	1,337,193	22,078
Total Expenditures - Current	3,325,000	-	3,325,000	3,259,250	65,750
Total Expenditures - School Based	3,325,000	-	3,325,000	3,259,250	65,750
Other Financing Sources:					
Transfers In	3,325,000		3,325,000	3,259,250	
Total Other Financing Sources	3,325,000	-	3,325,000	3,259,250	119,292
Excess (Deficiency) of Other Financing Sources Over (Under) Expenditures and Other Financing (Uses)	-	-	-	-	(53,542)
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ -	\$ (53,542)

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Green Grove Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Kindergarten	\$ 190,716	\$ (2,303)	\$ 188,413	\$ 188,413	
Grades 1 - 5	1,012,440	1,908	1,014,348	989,748	\$ 24,600
Undistributed Instruction:					
Other Salaries of Instruction	75,401	(499)	74,902	74,902	
Purchased Professional & Educational Services	17,800	4,907	22,707	21,138	1,569
Purchased Technical Services	42,900	(300)	42,600	35,867	6,733
Other Purchased Services	70,000	(11,356)	58,644	40,875	17,769
General Supplies	62,000	41,703	103,703	98,777	4,926
Textbooks	500	(250)	250	250	
Other Objects	4,262	(4,262)			
Total Regular Programs	1,476,019	29,548	1,505,567	1,449,970	55,597
Instruction - Special Education:					
Learning and/or Language Disabilities:					
Salaries of Teachers	114,707	(1,769)	112,938	112,938	
Other Salaries of Instruction	74,795	11,729	86,524	85,297	1,227
Purchased Professional & Educational Services	40,000	(40,000)			
Other Purchased Services	400		400		400
General Supplies	3,500		3,500	3,488	12
Total Learning and/or Language Disabilities	233,402	(30,040)	203,362	201,723	1,639
Resource Room/Resource Center:					
Salaries of Teachers	217,740	1,077	218,817	218,817	
Other Salaries of Instruction	98,714	(23,694)	75,020	72,519	2,501
General Supplies	1,000		1,000	729	271
Total Resource Room/Resource Center	317,454	(22,617)	294,837	292,065	2,772
Total Special Education	550,856	(52,657)	498,199	493,788	4,411
Other Supplemental/At-Risk Programs - Instruction:					
Salaries of Reading Specialists	202,222	2,200	204,422	204,422	
Total Other Supplemental/At-Risk Programs - Instruction	202,222	2,200	204,422	204,422	-
Total Instruction	2,229,097	(20,909)	2,208,188	2,148,180	60,008
Attendance and Social Work Services:					
Salaries	6,328	59	6,387	6,386	1
Total Attendance and Social Work Services	6,328	59	6,387	6,386	1
Health Services:					
Salaries	85,604	(8,726)	76,878	76,878	
Supplies and Materials	2,500		2,500	1,885	615
Total Health Services	88,104	(8,726)	79,378	78,763	615
Guidance:					
Salaries of Other Professional Staff	57,716	(1,022)	56,694	56,694	
Other Purchased Services	12,250	(2,400)	9,850	9,636	214
Supplies and Materials	3,000	(39)	2,961	2,952	9
Total Guidance	72,966	(3,461)	69,505	69,282	223

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Green Grove Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Improvement of Instruction Services:					
Salaries of Other Professional Staff	\$ 20,000		\$ 20,000	\$ 15,024	\$ 4,976
Purchased Professional - Education Services	20,000	\$ 1,283	21,283	8,551	12,732
Total Improvement of Instruction Services	40,000	1,283	41,283	23,575	17,708
Educational Media/Library Services:					
Salaries	130,653	(250)	130,403	107,394	23,009
Supplies and Materials	3,000	425	3,425	2,997	428
Total Educational Media/Library Services	133,653	175	133,828	110,391	23,437
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	151,730	(1)	151,729	151,729	
Salaries of Other Professional Staff	13,276		13,276	13,270	6
Salaries of Secretarial and Clerical Assistants	48,461	(1)	48,460	48,460	
Other Purchased Services (400-500 series)	3,550	(1,233)	2,317	2,165	152
Supplies and Materials	4,000	220	4,220	3,728	492
Other Objects	100	(10)	90	90	
Total Support Services - School Administration	221,117	(1,025)	220,092	219,442	650
Security:					
General Supplies	1,000	(400)	600	600	-
Total Security	1,000	(400)	600	600	-
Student Transportation Services:					
Contracted Services - Transportation (Other than Between Home and School) - Vendors	3,040		3,040	2,292	748
Total Student Transportation Services	3,040	-	3,040	2,292	748
Unallocated Benefits:					
Social Security Contributions	26,695		26,695	23,193	3,502
Health Benefits	1,048,000	33,004	1,081,004	1,068,604	12,400
Total Unallocated Benefits	1,074,695	33,004	1,107,699	1,091,797	15,902
Total Undistributed Expenditures	1,640,903	20,909	1,661,812	1,602,528	59,284
Total Expenditures - Current	3,870,000	-	3,870,000	3,750,708	119,292
Total Expenditures - School Based	3,870,000	-	3,870,000	3,750,708	119,292
Other Financing Sources:					
Transfers In	3,870,000		3,870,000	3,750,708	119,292
Total Other Financing Sources	3,870,000	-	3,870,000	3,750,708	119,292
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, 2020

School: Shark River Hills Elementary School

Expenditures

Current:

Instruction - Regular Programs:

Salaries of Teachers:

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Kindergarten	\$ 154,735	\$ 1,893	\$ 156,628	\$ 156,628	
Grades 1- 5	964,493	(3,933)	960,560	939,292	\$ 21,268

Undistributed Instruction:

Other Salaries of Instruction	49,909	368	50,277	50,090	187
Purchased Professional & Educational Services	17,800	2,362	20,162	17,618	2,544
Purchased Technical Services	42,900	(300)	42,600	35,867	6,733
Other Purchased Services	70,000	(18,059)	51,941	38,171	13,770
General Supplies	55,000	22,408	77,408	72,388	5,020
Textbooks	500	(500)			
Other Objects	100	(100)			
Total Regular Programs	1,355,437	4,139	1,359,576	1,310,054	49,522

Instruction - Special Education:

Resource Room/Resource Center:

Salaries of Teachers	170,333	(3,316)	167,017	167,017	
Other Salaries of Instruction	50,821	(5)	50,816	50,816	
General Supplies	1,000		1,000	723	277
Total Resource Room/Resource Center	222,154	(3,321)	218,833	218,556	277

Total Special Education

	222,154	(3,321)	218,833	218,556	277
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Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists

	181,272	22,582	203,854	203,854	
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Total Other Supplemental/At-Risk Programs - Instruction

	181,272	22,582	203,854	203,854	-
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Total Instruction

	1,758,863	23,400	1,782,263	1,732,464	49,799
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Attendance and Social Work Services:

Salaries	89,766	1,510	91,276	91,275	1
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Total Attendance and Social Work Services

	89,766	1,510	91,276	91,275	1
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Health Services:

Salaries	79,102	(9,299)	69,803	69,803	
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Supplies and Materials	2,500		2,500	2,404	96
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Total Health Services

	81,602	(9,299)	72,303	72,207	96
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Guidance:

Salaries of Other Professional Staff	92,222	1,462	93,684	93,684	
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Other Purchased Services	12,300	(743)	11,557	9,223	2,334
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Supplies and Materials	2,600	(307)	2,293	2,293	
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Total Guidance

	107,122	412	107,534	105,200	2,334
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Improvement of Instruction Services:

Salaries of Other Professional Staff	20,000		20,000	13,107	6,893
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Purchased Professional - Education Services	20,000	(11,608)	8,392	4,864	3,528
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Total Improvement of Instruction Services

	40,000	(11,608)	28,392	17,971	10,421
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Educational Media/Library Services:

Salaries	149,435	368	149,803	149,803	
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Supplies and Materials	3,000	(2,914)	86	85	1
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Total Educational Media/Library Services

	152,435	(2,546)	149,889	149,888	1
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Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Shark River Hills Elementary School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Support Services -- School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	\$ 139,359		\$ 139,359	\$ 139,359	
Salaries of Other Professional Staff	13,276		13,276	13,270	\$ 6
Salaries of Secretarial and Clerical Assistants	46,115	\$ (6,216)	39,899	39,468	431
Other Purchased Services (400-500 series)	3,500	169	3,669	3,668	1
Supplies and Materials	4,000	(274)	3,726	3,403	323
Other Objects	100	(100)			
Total Support Services -- School Administration	206,350	(6,421)	199,929	199,168	761
Security:					
General Supplies	1,000	(294)	706	705	1
Total Security	1,000	(294)	706	705	1
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	3,200		3,200	1,628	1,572
Total Student Transportation Services	3,200	-	3,200	1,628	1,572
Unallocated Benefits:					
Social Security Contributions	12,662		12,662	12,275	387
Health Benefits	787,000	4,846	791,846	791,846	
Total Unallocated Benefits	799,662	4,846	804,508	804,121	387
Total Undistributed Expenditures	1,481,137	(23,400)	1,457,737	1,442,163	15,574
Total Expenditures - Current	3,240,000	-	3,240,000	3,174,627	65,373
Total Expenditures - School Based	3,240,000	-	3,240,000	3,174,627	65,373
Other Financing Sources:					
Transfers In	3,240,000		3,240,000	3,174,627	65,373
Total Other Financing Sources	3,240,000	-	3,240,000	3,174,627	65,373
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, 2020

School: Summerfield Elementary School

Expenditures

Current:

Instruction - Regular Programs:

Salaries of Teachers:

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Kindergarten	\$ 182,305	\$ (278)	\$ 182,027	\$ 182,027	
Grades 1- 5	1,509,411	(30,471)	1,478,940	1,422,180	\$ 56,760

Undistributed Instruction:

Other Salaries of Instruction	80,635	(950)	79,685	75,070	4,615
Purchased Professional & Educational Services	17,800	967	18,767	18,723	44
Purchased Technical Services	42,900	(300)	42,600	35,866	6,734
Other Purchased Services	70,000	(18,884)	51,116	39,014	12,102
General Supplies	62,000	23,942	85,942	85,016	926
Textbooks	500	(500)			
Other Objects	5,208	(4,515)	693	669	24

Total Regular Programs 1,970,759 (30,989) 1,939,770 1,858,565 81,205

Instruction - Special Education:

Learning and/or Language Disabilities:

Salaries of Teachers	138,495	393	138,888	138,888	
Other Salaries of Instruction	76,050	(12,479)	63,571	63,571	
Purchased Professional & Educational Services	1,000		1,000		1,000
Other Purchased Services	400		400		400
General Supplies	4,500	(1,500)	3,000	3,000	

Total Learning and/or Language Disabilities 220,445 (13,586) 206,859 205,459 1,400

Auditory Impairments:

Salaries of Teachers	408,063	(88,383)	319,680	302,588	17,092
Other Salaries of Instruction	141,831	395	142,226	139,991	2,235
Purchased Professional & Educational Services	5,000	(4,000)	1,000		1,000
Other Purchased Services	10,450	13,900	24,350	16,098	8,252
General Supplies	6,500		6,500	4,044	2,456

Total Auditory Impairments 571,844 (78,088) 493,756 462,721 31,035

Resource Room/Resource Center:

Salaries of Teachers	247,864	(24,297)	223,567	223,567	
Other Salaries of Instruction	26,466	24,976	51,442	51,442	
General Supplies	1,000		1,000	830	170

Total Resource Room/Resource Center 275,330 679 276,009 275,839 170

Total Special Education 1,067,619 (90,995) 976,624 944,019 32,605

Other Supplemental/At-Risk Programs - Instruction:

Salaries of Reading Specialists	187,619	51,129	238,748	220,923	17,825
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Total Other Supplemental/At-Risk Programs - Instruction 187,619 51,129 238,748 220,923 17,825

Total Instruction 3,225,997 (70,855) 3,155,142 3,023,507 131,635

Attendance and Social Work Services:

Salaries	6,328	59	6,387	6,386	1
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Total Attendance and Social Work Services 6,328 59 6,387 6,386 1

Health Services:

Salaries	105,867	(8,914)	96,953	96,953	
Purchased Professional and Technical Services					
Supplies and Materials	2,500		2,500	2,405	95

Total Health Services 108,367 (8,914) 99,453 99,358 95

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Summerfield Elementary School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Guidance:					
Salaries of Other Professional Staff	\$ 61,741	\$ (557)	\$ 61,184	\$ 61,184	
Other Purchased Services	12,300	2,813	15,113	15,059	\$ 54
Supplies and Materials	3,000	1,101	4,101	4,098	3
Total Guidance	77,041	3,357	80,398	80,341	57
Improvement of Instruction Services:					
Salaries of Other Professional Staff	20,000		20,000	9,919	10,081
Purchased Professional – Education Services	20,000	(8,883)	11,117	5,461	5,656
Total Improvement of Instruction Services	40,000	(8,883)	31,117	15,380	15,737
Educational Media/Library Services:					
Salaries	145,049	1,654	146,703	146,703	
Supplies and Materials	3,000	(95)	2,905	2,905	
Total Educational Media/Library Services	148,049	1,559	149,608	149,608	-
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	154,481		154,481	154,481	
Salaries of Other Professional Staff	13,276		13,276	13,270	6
Salaries of Secretarial and Clerical Assistants	50,221	94	50,315	50,311	4
Other Purchased Services (400-500 series)	3,550	(7)	3,543	2,857	686
Supplies and Materials	4,000	(51)	3,949	3,610	339
Other Objects	100	(30)	70	70	
Total Support Services – School Administration	225,628	6	225,634	224,599	1,035
Security:					
General Supplies	1,000	(74)	926	926	
Total Security	1,000	(74)	926	926	-
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	4,810		4,810	1,036	3,774
Total Student Transportation Services	4,810	-	4,810	1,036	3,774
Unallocated Benefits:					
Social Security Contributions	32,780		32,780	32,000	780
Health Benefits	1,200,000	83,745	1,283,745	1,283,745	
Total Unallocated Benefits	1,232,780	83,745	1,316,525	1,315,745	780
Total Undistributed Expenditures	1,844,003	70,855	1,914,858	1,893,379	21,479
Total Expenditures – Current	5,070,000	-	5,070,000	4,916,886	153,114
Total Expenditures – School Based	5,070,000	-	5,070,000	4,916,886	153,114
Other Financing Sources:					
Transfers In	5,070,000		5,070,000	4,916,886	153,114
Total Other Financing Sources	5,070,000	-	5,070,000	4,916,886	153,114
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, 2020

School: Neptune Middle School

Expenditures

Current:

Instruction - Regular Programs:

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Salaries of Teachers:					
Grades 6-8	\$ 3,895,429	\$ (529,547)	\$ 3,365,882	\$ 3,340,665	\$ 25,217
Undistributed Instruction:					
Purchased Professional & Educational Services	25,000	3,000	28,000	26,036	1,964
Purchased Technical Services	42,900	2,000	44,900	40,044	4,856
Other Purchased Services	68,000	69,555	137,555	63,776	73,779
General Supplies	60,000	72,293	132,293	131,532	761
Textbooks	73,000	(34,600)	38,400	38,399	1
Other Objects	5,000		5,000	1,350	3,650
Total Regular Programs	4,169,329	(417,299)	3,752,030	3,641,802	110,228

Learning and/or Language Disabilities:

Salaries of Teachers	75,698	(20,699)	54,999	54,999	
Other Salaries of Instruction		50,030	50,030	50,030	
Purchased Professional & Educational Services	1,000		1,000		1,000
Other Purchased Services	300		300		300
General Supplies	4,000		4,000	4,000	
Total Learning and/or Language Disabilities	80,998	29,331	110,329	109,029	1,300

Auditory Impairments:

Salaries of Teachers	87,489	26,549	114,038	114,038	
Other Salaries of Instruction	110,480	660	111,140	110,641	499
Purchased Professional & Educational Services	900		900		900
Other Purchased Services	7,950		7,950	6,317	1,633
General Supplies	1,800		1,800	839	961
Total Auditory Impairments	208,619	27,209	235,828	231,835	3,993

Multiple Disabilities:

Salaries of Teachers	94,414	1,375	95,789	95,789	
Other Salaries of Instruction	99,787	(22,523)	77,264	77,264	
General Supplies	3,000		3,000	2,556	444
Total Multiple Disabilities	197,201	(21,148)	176,053	175,609	444

Resource Room/Resource Center:

Salaries of Teachers	1,138,061	330,533	1,468,594	1,468,593	1
Other Salaries of Instruction	30,050	(19,480)	10,570	1,848	8,722
Purchased Professional & Educational Services	80,000	40,000	120,000	49,758	70,242
General Supplies	4,800		4,800	4,587	213
Total Resource Room/Resource Center	1,252,911	351,053	1,603,964	1,524,786	79,178

Autism:

Total Special Education	1,739,729	386,445	2,126,174	2,041,259	84,915
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Bilingual Education:

Salaries of Teachers	56,089	(1,090)	54,999	54,999	
Total Bilingual Education	56,089	(1,090)	54,999	54,999	-

School Sponsored Co-curricular Activities:

Salaries	46,350	5,771	52,121	52,120	1
Other Objects	1,500		1,500	1,134	366
Total School Sponsored Co-curricular Activities	47,850	5,771	53,621	53,254	367

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Neptune Middle School	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 116,123	\$ 13,546	\$ 129,669	\$ 129,179	\$ 490
Purchased Services (300-500 series)	22,190	(2,000)	20,190	17,178	3,012
Supplies and Materials	4,000	(2,000)	2,000		2,000
Total School Sponsored Athletics	142,313	9,546	151,859	146,357	5,502
Total Instruction	6,155,310	(16,627)	6,138,683	5,937,671	201,012
Attendance and Social Work Services:					
Salaries	86,412	1,439	87,851	86,628	1,223
Total Attendance and Social Work Services	86,412	1,439	87,851	86,628	1,223
Health Services:					
Salaries	107,405	(366)	107,039	107,038	1
Purchased Professional and Technical Services	800	(275)	525	50	475
Supplies and Materials	3,400		3,400	3,305	95
Total Health Services	111,605	(641)	110,964	110,393	571
Guidance:					
Salaries of Other Professional Staff	256,400	1,582	257,982	256,913	1,069
Salaries of Secretarial and Clerical Assistants	48,394	481	48,875	48,875	
Other Purchased Services	22,000	(4,450)	17,550	15,447	2,103
Supplies and Materials	8,000		8,000	5,341	2,659
Total Guidance	334,794	(2,387)	332,407	326,576	5,831
Improvement of Instruction Services:					
Salaries of Other Professional Staff	66,800		66,800	29,183	37,617
Purchased Professional – Education Services	19,000	1,800	20,800	13,253	7,547
Total Improvement of Instruction Services	85,800	1,800	87,600	42,436	45,164
Educational Media/Library Services:					
Salaries	110,750	1,541	112,291	112,291	
Supplies and Materials	6,000		6,000	5,594	406
Total Educational Media/Library Services	116,750	1,541	118,291	117,885	406
Support Services – School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	425,002	(1)	425,001	425,001	
Salaries of Other Professional Staff	207,968	(398)	207,570	157,025	50,545
Salaries of Secretarial and Clerical Assistants	194,248	1,116	195,364	193,652	1,712
Other Purchased Services (400-500 series)	20,000	(3,000)	17,000	13,771	3,229
Supplies and Materials	7,500	280	7,780	7,148	632
Other Objects	100		100		100
Total Support Services – School Administration	854,818	(2,003)	852,815	796,597	56,218
Security:					
Salaries	198,723	(25)	198,698	198,698	
Purchased Professional and Technical Services	12,500		12,500	12,500	
General Supplies	1,000		1,000	600	400
Total Security	212,223	(25)	212,198	211,798	400
Student Transportation Services:					
Contracted Services – Transportation (Other than Between Home and School) – Vendors	37,000	3,000	40,000	17,108	22,892
Total Student Transportation Services	37,000	3,000	40,000	17,108	22,892

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Neptune Middle School

	Original Budget	Transfers	Final Budget	Expenditures	Variance
Unallocated Benefits:					
Social Security Contributions	\$ 69,288	\$ 2,530	\$ 71,818	\$ 71,818	
Health Benefits	2,336,000	(18,147)	2,317,853	2,295,958	\$ 21,895
Total Unallocated Benefits	2,405,288	(15,617)	2,389,671	2,367,776	21,895
Total Undistributed Expenditures	4,244,690	(12,893)	4,231,797	4,077,197	154,600
Total Expenditures - Current	10,400,000	(29,520)	10,370,480	10,014,868	355,612
Capital Outlay					
Equipment:					
Regular Programs - Instruction:					
Grades 6-8		29,520	29,520	29,520	
Total Equipment	-	29,520	29,520	29,520	-
Total Capital Outlay	-	29,520	29,520	29,520	-
Total Expenditures - School Based	10,400,000	-	10,400,000	10,044,388	355,612
Other Financing Sources:					
Transfers In	10,400,000		10,400,000	10,221,172	(178,828)
Total Other Financing Sources	10,400,000	-	10,400,000	10,221,172	(178,828)
Excess (Deficiency) of Other Financing Sources					
Over (Under) Expenditures and Other Financing (Uses)	-	-	-	176,784	176,784
Fund Balances, July 1	-	-	-	-	-
Fund Balances, June 30	\$ -	\$ -	\$ -	\$ 176,784	\$ 176,784

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Expenditures					
Current:					
Instruction - Regular Programs:					
Salaries of Teachers:					
Grades 9-12	\$ 5,342,691	\$ 254,605	\$ 5,597,296	\$ 5,269,247	\$ 328,049
Undistributed Instruction:					
Purchased Professional & Educational Services	120,000	(53,198)	66,802	66,801	1
Purchased Technical Services	42,900	(2,694)	40,206	40,206	
Other Purchased Services	70,000	160,688	230,688	97,772	132,916
General Supplies	235,000	(43,260)	191,740	188,115	3,625
Textbooks	79,000	(39,737)	39,263	39,263	
Other Objects	30,000	(925)	29,075	28,749	326
Total Regular Programs	5,919,591	275,479	6,195,070	5,730,153	464,917
Auditory Impairments:					
Salaries of Teachers	231,156	3,386	234,542	234,542	
Other Salaries of Instruction	195,181	752	195,933	191,707	4,226
Purchased Professional & Educational Services	1,000	(1,000)			
Other Purchased Services	8,500	(550)	7,950	7,112	838
General Supplies	1,700	(35)	1,665	865	800
Total Auditory Impairments	437,537	2,553	440,090	434,226	5,864
Behavioral Disabilities:					
Salaries of Teachers	171,505	(35,002)	136,503	136,503	
Other Salaries of Instruction	48,817	694	49,511	49,511	
Purchased Professional & Educational Services	800	(800)			
General Supplies	1,000	(31)	969	968	1
Total Behavioral Disabilities	222,122	(35,139)	186,983	186,982	1
Multiple Disabilities:					
Salaries of Teachers	162,276	2,452	164,728	164,728	
Other Salaries of Instruction	104,786	22,871	127,657	127,657	
Purchased Professional & Educational Services	40,000	62,000	102,000	100,181	1,819
General Supplies	1,000	(13)	987	986	1
Total Multiple Disabilities	308,062	87,310	395,372	393,552	1,820
Resource Room/Resource Center:					
Salaries of Teachers	1,398,396	(120,807)	1,277,589	1,277,589	
Other Salaries of Instruction	56,521	(5,511)	51,010	51,010	
Purchased Professional & Educational Services	40,000	(20,985)	19,015	4,287	14,728
General Supplies	3,800	(46)	3,754	3,753	1
Total Resource Room/Resource Center	1,498,717	(147,349)	1,351,368	1,336,639	14,729
Total Special Education	2,466,438	(92,625)	2,373,813	2,351,399	22,414
Bilingual Education:					
Salaries of Teachers	122,551	(363)	122,188	122,188	
Total Bilingual Education	122,551	(363)	122,188	122,188	-
School Sponsored Co-curricular Activities:					
Salaries	183,000	(16,633)	166,367	166,367	
Purchased Services	12,300	(8,584)	3,716	3,716	
Total School Sponsored Co-curricular Activities	195,300	(25,217)	170,083	170,083	-

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
School Sponsored Athletics:					
Salaries	\$ 900,826	\$ (50,558)	\$ 850,268	\$ 844,071	\$ 6,197
Purchased Services (300-500 series)	187,975	(48,678)	139,297	138,296	1,001
Supplies and Materials	75,000	(2,491)	72,509	71,638	871
Total School Sponsored Athletics	1,163,801	(101,727)	1,062,074	1,054,005	8,069
Total Instruction	9,867,681	55,547	9,923,228	9,427,828	495,400
Attendance and Social Work Services:					
Salaries	78,836	1,285	80,121	80,120	1
Salaries of Drop Out Prevention Officer Coordinator	45,515	(45)	45,470	45,470	
Other Purchased Services	900	(900)			
Total Attendance and Social Work Services	125,251	340	125,591	125,590	1
Health Services:					
Salaries	99,355	(5,436)	93,919	93,918	1
Purchased Professional and Technical Services	1,000	(125)	875	520	355
Supplies and Materials	3,400	2,500	5,900	5,505	395
Total Health Services	103,755	(3,061)	100,694	99,943	751
Guidance:					
Salaries of Other Professional Staff	524,637	(6,870)	517,767	517,767	
Salaries of Secretarial and Clerical Assistants	92,423	1,697	94,120	94,120	
Purchased Professional - Educational Services	28,000	4,351	32,351	32,350	1
Other Purchased Services	24,000	2,645	26,645	26,645	
Supplies and Materials	12,500	(1,943)	10,557	10,125	432
Total Guidance	681,560	(120)	681,440	681,007	433
Improvement of Instruction Services:					
Salaries of Other Professional Staff	130,000	(19,043)	110,957	93,657	17,300
Purchased Professional - Education Services	20,000	(11,637)	8,363	8,362	1
Total Improvement of Instruction Services	150,000	(30,680)	119,320	102,019	17,301
Educational Media/Library Services:					
Salaries	97,046	(1,775)	95,271	95,270	1
Supplies and Materials	6,000	(981)	5,019	5,019	
Total Educational Media/Library Services	103,046	(2,756)	100,290	100,289	1
Support Services - School Administration:					
Salaries of Principals/Assistant Principals/Program Directors	567,722	1	567,723	567,722	1
Salaries of Other Professional Staff	207,968	(398)	207,570	157,062	50,508
Salaries of Secretarial and Clerical Assistants	224,977		224,977	213,131	11,846
Other Purchased Services (400-500 series)	22,750	(4,177)	18,573	18,572	1
Supplies and Materials	12,100	(1,663)	10,437	9,632	805
Other Objects	500	(500)			
Total Support Services - School Administration	1,036,017	(6,737)	1,029,280	966,119	63,161
Security:					
Salaries	264,335	(150)	264,185	264,185	
Purchased Professional and Technical Services	12,500		12,500	12,500	
General Supplies	2,000	(614)	1,386	1,385	1
Total Security	278,835	(764)	278,071	278,070	1

Neptune Township School District
Blended Resource Fund 15

Schedule of Blended Expenditures
Budget and Actual

Year ended June 30, 2020

School: Neptune High School	Original Budget	Transfers	Final Budget	Expenditures	Variance
Student Transportation Services:					
Contracted Services --Transportation (Other than Between Home and School) -- Vendors	\$ 185,000	\$ (69,069)	\$ 115,931	\$ 103,139	\$ 12,792
Total Student Transportation Services	185,000	(69,069)	115,931	103,139	12,792
Unallocated Benefits:					
Social Security Contributions	173,855	14,000	187,855	159,945	27,910
Health Benefits	2,955,000	43,300	2,998,300	2,998,299	1
Total Unallocated Benefits	3,128,855	57,300	3,186,155	3,158,244	27,911
Total Undistributed Expenditures	5,792,319	(55,547)	5,736,772	5,614,420	122,352
Total Expenditures - Current	15,660,000	-	15,660,000	15,042,248	617,752
Total Expenditures - School Based	15,660,000	-	15,660,000	15,042,248	617,752
Other Financing Sources:					
Transfers In	15,660,000	-	15,660,000	15,042,248	617,752
Total Other Financing Sources	15,660,000	-	15,660,000	15,042,248	617,752
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, 2020

	Title II - A		I.D.E.A.		Title I	Title I	Title I
	Regular Program	Regular Program	Preschool Program	Preschool Program	Regular Program	Reallocation Program	SIA Program
Revenues:							
State sources							
Federal sources	\$ 146,448	\$ 1,192,870	\$ 39,319		\$ 910,582	\$ 26,252	\$ 305,695
Total revenues	<u>\$ 146,448</u>	<u>\$ 1,192,870</u>	<u>\$ 39,319</u>		<u>\$ 910,582</u>	<u>\$ 26,252</u>	<u>\$ 305,695</u>
Expenditures:							
Current expenditures:							
Instruction:							
Salaries of teachers							\$ 79,465
Other salaries for instruction							
Purchased professional and technical services					\$ 6,000		76,910
Other purchased services			\$ 39,319				
General supplies					74,561	\$ 26,252	39,888
Other objects							
Total instruction			<u>39,319</u>		<u>80,561</u>	<u>26,252</u>	<u>196,263</u>
Support services:							
Salaries of supervisors of instruction							
Salaries of program directors							
Salaries of other professional staff							
Salaries of secretarial and clerical assistants							
Salaries of master teachers							
Personnel services salaries					2,976		3,711
Other salaries							
Personal services—employee benefits					284		6,644
Other purchased professional - technical services	\$ 30,000	\$ 220,355			22,822		39,530
Other purchased professional services							
Contr Serv - Trans (bet home & school)							
Other purchased services	3,678				740		46,258
Travel							
Supplies and materials	705				25,071		13,289
Total support services	<u>34,383</u>	<u>220,355</u>			<u>51,893</u>		<u>109,432</u>
Facilities acquisition and construction services:							
Noninstructional equipment							
Total facilities acquisition and construction services							
Total expenditures	<u>\$ 34,383</u>	<u>\$ 220,355</u>	<u>\$ 39,319</u>		<u>\$ 132,454</u>	<u>\$ 26,252</u>	<u>\$ 305,695</u>
Other Financing (Uses) Sources:							
Contribution to school based budgets	(112,065)	(972,515)			(778,128)		
General Fund Contribution to Preschool Education							
Total Other Financing (Uses) Sources	<u>(112,065)</u>	<u>(972,515)</u>			<u>(778,128)</u>		
Total net changes in fund balance	-	-	-		-	-	-
Fund Balance, July 1, 2019							
Fund Balance, June 30, 2020	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Neptune Township School District
Special Revenue Fund

Combining Schedule of Revenues and Expenditures
Budgetary Basis

Year ended June 30, 2020

	Title III Regular Program	Title III Immigrant Program	Title IV	Preschool Education Aid Regular Program	Wrap Around Services Enhancement	Totals
Revenues:						
State sources				\$ 5,718,945	\$ 47,850	\$ 5,766,795
Federal sources	\$ 17,915	\$ 1,720	\$ 38,064			2,678,865
Total revenues	\$ 17,915	\$ 1,720	\$ 38,064	\$ 5,718,945	\$ 47,850	\$ 8,445,660
Expenditures:						
Current expenditures:						
Instruction:						
Salaries of teachers				\$ 1,952,278		\$ 2,031,743
Other salaries for instruction				757,990		757,990
Purchased professional and technical services	\$ 11,375					94,285
Other purchased services						39,319
General supplies	3,843	\$ 1,488	\$ 6,686	18,743		171,461
Other objects				2,138		2,138
Total instruction	15,218	1,488	6,686	2,731,149		3,096,936
Support services:						
Salaries of supervisors of instruction				114,082		114,082
Salaries of program directors				140,658		140,658
Salaries of other professional staff				114,688		114,688
Salaries of secretarial and clerical assistants				44,762		44,762
Salaries of master teachers				173,003		173,003
Personnel services salaries						6,687
Other salaries				4,136		4,136
Personal services—employee benefits				2,285,664		2,292,592
Other purchased professional - technical services			20,000			332,707
Other purchased professional services				14,080		14,080
Contr Serv - Trans (bet home & school)				275,000		275,000
Other purchased services	100		2,496			53,272
Travel				2,465		2,465
Supplies and materials	2,597	232	3,757	4,358	\$ 47,850	97,859
Total support services	2,697	232	26,253	3,172,896	47,850	3,665,991
Facilities acquisition and construction services:						
Noninstructional equipment			5,125			5,125
Total facilities acquisition and construction services			5,125			5,125
Total expenditures	\$ 17,915	\$ 1,720	\$ 38,064	\$ 5,904,045	\$ 47,850	\$ 6,768,052
Other Financing (Uses) Sources:						
Contribution to school based budgets						(1,862,708)
General Fund Contribution to Preschool Education				185,100		185,100
Total Other Financing (Uses) Sources				185,100		(1,677,608)
Total net changes in fund balance	-	-	-	-	-	-
Fund Balance, July 1, 2019						
Fund Balance, June 30, 2020	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Neptune Township School District
Special Revenue Fund

Schedule of Preschool Education Aid Expenditures
Budgetary Basis

Year ended June 30, 2020

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures:					
Current expenditures:					
Instruction:					
Salaries of teachers	\$ 2,003,953	\$ (51,675)	\$ 1,952,278	\$ 1,952,278	
Other salaries for instruction	781,700	(23,710)	757,990	757,990	
General supplies	7,056	11,687	18,743	18,743	
Other objects	2,700	(562)	2,138	2,138	
Total Instruction	<u>2,795,409</u>	<u>(64,260)</u>	<u>2,731,149</u>	<u>2,731,149</u>	-
Support services:					
Salaries of supervisors of instruction	114,639	(557)	114,082	114,082	
Salaries of program directors	141,344	(686)	140,658	140,658	
Salaries of other professional staff	116,375	(1,687)	114,688	114,688	
Salaries of secretarial and clerical assistants	45,310	(548)	44,762	44,762	
Salaries of master teachers	170,112	2,891	173,003	173,003	
Other salaries		4,136	4,136	4,136	
Personal services-employee benefits	2,237,599	48,065	2,285,664	2,285,664	
Other purchased professional services	7,500	6,580	14,080	14,080	
Contr Serv - Trans (bet home & school)	276,000	(1,000)	275,000	275,000	
Travel	6,500	(4,035)	2,465	2,465	
Supplies and materials	1,957	2,401	4,358	4,358	
Total Support Services	<u>3,117,336</u>	<u>55,560</u>	<u>3,172,896</u>	<u>3,172,896</u>	-
Total expenditures	<u>\$ 5,912,745</u>	<u>\$ (8,700)</u>	<u>\$ 5,904,045</u>	<u>\$ 5,904,045</u>	\$ -

Calculation of Budget and Carryover

Total 2019-20 Preschool Education Aid allocation	\$ 5,718,945
Add: Budgeted Transfer from General Fund	<u>185,100</u>
Total Preschool Education Aid funds available for 2019-20 Budget	5,904,045
Less: 2019-20 budgeted Preschool Education Aid (including prior year budgeted carryover)	<u>(5,904,045)</u>
Available and unbudgeted Preschool Education Aid funds as of June 30, 2020	-
Add: June 30, 2020 unexpended Preschool Education Aid	-
2019-2020 actual carryover - Preschool Education Aid	<u>\$ -</u>
2019-2020 Preschool Education Aid carryover budgeted in 2020-21	<u>\$ -</u>

Fiduciary Funds
Detail Statements

Neptune Township School District
Fiduciary Funds

Combining Statement of Fiduciary Net Position

June 30, 2020

	<u>Trust</u>	<u>Agency</u>		
	Unemployment Compensation Trust	Student Activity	Payroll	Total Agency
ASSETS				
Cash and Cash Equivalents	\$ 1,160,912	\$ 133,724	\$ 541,880	\$ 675,604
Accounts Receivable	25,269		29,456	29,456
Total Assets	<u>1,186,181</u>	<u>\$ 133,724</u>	<u>\$ 571,336</u>	<u>\$ 705,060</u>
LIABILITIES				
Accounts Payable	53,962		\$ 44,011	\$ 44,011
Due to Student Groups		\$ 133,724		133,724
Flexible Spending Payable			23,335	23,335
Payroll Deductions and Withholdings Payable			503,990	503,990
Total Liabilities	<u>53,962</u>	<u>\$ 133,724</u>	<u>\$ 571,336</u>	<u>\$ 705,060</u>
NET POSITION				
Net Position-held in Trust for Employee Benefits	<u>\$ 1,132,219</u>			

**Neptune Township School District
Student Activity Agency Fund**

Schedule of Cash Receipts and Disbursements

Year ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2020</u>
Middle School Accounts:				
Neptune Middle School	<u>\$ 20,967</u>	<u>\$ 84,252</u>	<u>\$ 95,033</u>	<u>\$ 10,186</u>
High School Accounts:				
Neptune High School	\$ 83,150	\$ 108,442	\$ 86,871	\$ 104,721
Athletic Fund	2,287	66,407	49,877	18,817
	<u>85,437</u>	<u>174,849</u>	<u>136,748</u>	<u>123,538</u>
Total Liabilities	<u>\$ 106,404</u>	<u>\$ 259,101</u>	<u>\$ 231,781</u>	<u>\$ 133,724</u>

**Neptune Township School District
Payroll Agency Fund**

Schedule of Cash Receipts and Disbursements

Year Ended June 30, 2020

	<u>Balance July 1, 2019</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2020</u>
ASSETS:				
Cash and Cash Equivalents	\$ 517,881	\$ 59,911,677	\$ 59,887,678	\$ 541,880
Accounts Receivable		29,456		29,456
Total Assets	<u>\$ 517,881</u>	<u>\$ 59,941,133</u>	<u>\$ 59,887,678</u>	<u>\$ 571,336</u>
LIABILITIES:				
Payroll Deductions and Withholdings Payable	\$ 452,407	\$ 59,806,125	\$ 59,754,542	\$ 503,990
Flexible Spending Payable	18,101	107,707	102,473	23,335
Accounts Payable	47,373	27,301	30,663	44,011
Total Liabilities	<u>\$ 517,881</u>	<u>\$ 59,941,133</u>	<u>\$ 59,887,678</u>	<u>\$ 571,336</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

	June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities										
Investment in capital assets	\$ 246,690,255	\$ 246,697,421	\$ 246,620,314	\$ 244,561,949	\$ 243,130,740	\$ 238,639,534	\$ 240,474,059	\$ 236,264,322	\$ 232,900,930	\$ 227,463,062
Restricted	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018	11,112,815	12,090,704	14,412,165
Unrestricted (deficit)	(1,884,320)	(1,470,762)	(744,968)	(788,319)	(21,635,461)	(19,038,019)	(20,435,858)	(22,275,186)	(25,376,228)	(25,947,298)
Total governmental activities net position	\$ 251,243,802	\$ 251,263,307	\$ 251,106,285	\$ 252,645,666	\$ 236,590,299	\$ 234,356,182	\$ 229,331,219	\$ 223,102,151	\$ 219,615,406	\$ 215,927,929
Business-type activities										
Investment in capital assets	\$ 106,847	\$ 100,336	\$ 77,050	\$ 55,871	\$ 135,157	\$ 266,897	\$ 754,246	\$ 827,306	\$ 782,016	\$ 755,013
Unrestricted	889,478	1,150,766	1,039,799	1,210,181	1,221,817	1,406,837	1,115,054	1,042,408	1,129,834	1,119,105
Total business-type activities net position	\$ 996,325	\$ 1,251,102	\$ 1,116,849	\$ 1,266,052	\$ 1,356,974	\$ 1,673,734	\$ 1,849,300	\$ 1,869,714	\$ 1,911,830	\$ 1,874,118
Government-wide										
Investment in capital assets	\$ 246,797,102	\$ 246,797,757	\$ 246,697,364	\$ 244,617,820	\$ 243,265,897	\$ 238,906,431	\$ 241,208,305	\$ 237,091,828	\$ 233,682,946	\$ 228,218,075
Restricted	6,437,867	6,036,648	5,230,939	8,872,036	15,145,020	14,754,667	9,293,018	11,112,815	12,090,704	14,412,165
Unrestricted (deficit)	(994,842)	(319,996)	294,831	421,862	(20,463,644)	(17,651,182)	(19,520,804)	(21,232,778)	(24,246,394)	(24,828,193)
Total government-wide net position	\$ 252,240,127	\$ 252,514,409	\$ 252,223,134	\$ 253,911,718	\$ 237,947,273	\$ 236,009,916	\$ 231,180,519	\$ 226,971,865	\$ 221,527,256	\$ 217,802,047

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

	Year ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Expenses										
Governmental activities										
Instruction	\$ 47,980,683	\$ 49,659,574	\$ 51,432,258	\$ 50,543,012	\$ 56,819,975	\$ 61,558,098	\$ 68,016,717	\$ 69,463,599	\$ 65,902,632	\$ 62,135,818
Support Services:										
Attendance and social work	573,664	593,874	455,715	384,145	493,566	537,656	629,712	649,173	623,995	620,375
Health services	818,143	959,041	1,019,352	1,022,406	1,096,410	1,168,649	1,397,622	1,494,270	1,381,412	1,338,196
Other support services	8,742,643	9,703,100	9,312,585	8,789,298	10,070,595	10,770,176	10,475,878	11,112,965	10,686,166	10,753,421
Improvement of instruction	754,990	745,595	888,067	947,507	1,124,571	1,234,053	1,506,670	1,431,875	1,872,060	1,549,708
Other support instructional staff	1,732,379	1,696,484	1,704,395	1,481,037	1,626,305	1,787,309	1,871,351	1,812,837	1,639,870	1,532,006
General administration	2,321,299	2,161,427	1,914,285	1,843,255	2,041,007	2,498,249	2,542,088	2,133,802	1,887,849	1,818,196
School administration	3,681,649	4,017,927	4,469,822	4,331,300	5,037,316	5,493,073	6,455,303	6,590,063	5,607,425	5,263,755
Required maintenance of plant	4,713,431	7,120,516	4,122,997	4,490,042	3,846,369	3,516,361	4,660,454	4,012,216	4,123,545	3,844,224
Operation of plant	8,002,675	7,187,294	7,394,582	7,666,845	8,189,819	8,400,432	9,111,451	9,547,554	8,926,799	8,498,979
Security		461,211	454,225	522,732	765,779	881,204	1,088,176	1,131,291	1,019,901	1,024,823
Student transportation	3,313,121	2,643,718	2,792,366	2,811,022	2,967,966	2,976,104	3,235,470	3,211,524	3,559,676	3,436,829
Business and other support services and benefits	1,516,929	1,727,678	1,792,316	2,169,430	2,047,053	2,165,971	2,458,915	2,503,726	2,349,850	2,211,729
Charter Schools	439,982	696,069	535,083	608,907	626,222	532,144	520,780	1,382,965	1,898,648	2,422,060
Interest on long-term debt	267,736	237,837	143,704	600	600					
Total governmental activities expenses	\$ 84,879,324	\$ 89,611,345	\$ 88,431,750	\$ 87,611,538	\$ 96,752,951	\$ 103,437,479	\$ 113,768,385	\$ 116,477,810	\$ 111,431,828	\$ 106,450,119
Business-type activities										
Food service	1,849,157	1,997,365	2,140,193	2,080,336	2,205,465	2,076,449	2,223,356	2,247,277	2,305,894	1,648,477
Aquatic center	143,100	327,778	331,730	269,941	314,312	241,753	242,624	281,735	269,112	297,222
Total business-type activities expense	1,992,257	2,325,143	2,471,923	2,350,277	2,519,777	2,318,202	2,465,980	2,529,012	2,575,006	1,945,699
Total district expenses	\$ 86,871,581	\$ 91,936,488	\$ 90,903,673	\$ 89,961,815	\$ 99,272,728	\$ 105,775,681	\$ 116,234,365	\$ 119,006,822	\$ 114,006,834	\$ 108,395,818
Program Revenues										
Governmental activities										
Charges for services:										
Instruction (tuition)	\$ 3,748,115	\$ 5,104,323	\$ 4,792,109	\$ 5,822,990	\$ 6,533,294	\$ 5,520,923	\$ 5,741,618	\$ 5,300,608	\$ 5,962,115	\$ 6,409,828
Student transportation	311,736	338,185	334,182	512,531	640,065	566,422	577,800	557,288	624,173	448,169
Operating grants and contributions	7,820,320	9,354,560	8,506,678	7,994,917	8,179,337	8,606,563	7,900,664	7,837,918	8,627,258	8,403,481
Capital grants and contributions	151,054	580,077	127							
Total governmental activities program revenues	\$ 12,031,225	\$ 15,357,145	\$ 13,633,096	\$ 14,330,438	\$ 15,352,696	\$ 14,693,908	\$ 14,220,082	\$ 13,695,814	\$ 15,213,546	\$ 15,261,478

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

	Year ended June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business-type activities										
Charges for services										
Food service	\$ 596,762	\$ 577,907	\$ 551,906	\$ 595,778	\$ 629,380	\$ 595,414	\$ 647,091	\$ 700,209	\$ 719,219	\$ 309,219
Aquatic center	241,231	255,049	258,420	311,144	339,552	325,980	337,573	305,700	330,693	287,192
Operating grants and contributions	1,379,601	1,495,376	1,546,914	1,592,217	1,641,382	1,662,103	1,653,545	1,535,534	1,553,414	1,501,948
Total business type activities program revenues	2,217,594	2,324,532	2,357,240	2,499,139	2,610,314	2,583,497	2,638,209	2,541,443	2,603,326	1,898,359
Total district program revenues	\$ 14,248,819	\$ 17,681,677	\$ 15,970,336	\$ 16,829,577	\$ 17,963,010	\$ 17,277,405	\$ 16,858,291	\$ 16,237,257	\$ 17,816,872	\$ 17,129,837
Net (Expense)/Revenue	\$ (72,848,099)	\$ (74,254,200)	\$ (74,798,654)	\$ (75,281,100)	\$ (81,400,255)	\$ (88,765,571)	\$ (99,548,503)	\$ (102,781,996)	\$ (96,218,282)	\$ (91,188,641)
Governmental activities										
Governmental activities	225,337	(611)	(134,683)	148,862	90,537	265,295	172,229	12,431	28,320	(47,340)
Business-type activities	\$ (72,622,762)	\$ (74,254,811)	\$ (74,933,337)	\$ (73,132,238)	\$ (81,309,718)	\$ (88,498,276)	\$ (99,376,274)	\$ (102,769,565)	\$ (96,189,962)	\$ (91,235,981)
Total district-wide net (expense)/revenue	\$ 33,957,198	\$ 33,957,198	\$ 33,957,198	\$ 34,656,342	\$ 35,329,068	\$ 36,035,649	\$ 36,756,562	\$ 37,491,489	\$ 38,241,319	\$ 59,540,272
General Revenues and Other Changes in Net Position										
Governmental activities										
Property taxes levied for general purposes	608,133	596,900	574,252	574,252	574,252	574,252	574,252	574,252	574,252	574,252
Property taxes levied for debt service	36,251,321	39,017,032	39,338,301	39,766,755	46,846,336	49,883,714	56,052,469	59,309,626	52,164,912	47,153,726
Unrestricted grants and contributions	13,227	1,196	2,286	2,043	2,315	9,064	21,156	52,240	121,563	80,976
Investment earnings	1,203,581	701,379	769,595	415,341	923,384	581,027	714,009	1,699,575	203,743	726,190
Miscellaneous income							999,544			
Special item - prior year accrual cancelled										
Total governmental activities	72,033,260	74,273,705	74,641,652	74,820,481	83,101,103	86,509,454	94,543,540	98,552,928	90,731,537	87,501,164
Business-type activities										
Other	3,037	255,388	430	341	385	51,465	3,337	7,983	13,816	9,608
Total business-type activities	3,037	255,388	430	341	385	51,465	3,337	7,983	13,816	9,608
Total district-wide	\$ 72,036,297	\$ 74,529,093	\$ 74,642,062	\$ 74,820,822	\$ 83,101,488	\$ 86,560,919	\$ 94,546,877	\$ 98,560,911	\$ 90,745,353	\$ 87,510,772
Change in Net Position										
Governmental activities	\$ (814,839)	\$ 19,505	\$ (157,022)	\$ 1,539,381	\$ 1,700,848	\$ (2,254,117)	\$ (5,004,965)	\$ (4,229,068)	\$ (5,486,745)	\$ (5,687,477)
Business-type activities	228,374	254,777	(134,253)	149,203	90,972	316,760	175,366	30,414	42,136	(37,732)
Total district	\$ (586,465)	\$ 274,282	\$ (291,275)	\$ 1,688,584	\$ 1,791,770	\$ (1,937,357)	\$ (4,829,597)	\$ (4,208,654)	\$ (5,444,609)	\$ (3,725,209)

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 NISDA.

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

GASB 65 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

	June 30,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
General Fund	\$ 6,437,867	\$ 7,784,498	\$ 5,230,939	\$ 8,872,036	\$ 15,145,020	\$ 14,754,667	\$ 9,293,018	\$ 11,112,815	\$ 12,090,704	\$ 14,412,165
Restricted	563,189	(853,153)	1,530,301	1,446,475	(1,355,431)	2,246,231	3,236,814	1,982,535	(251,408)	(96,981)
Assigned to										
Unassigned (deficit) fund balance	\$ 7,001,056	\$ 6,931,345	\$ 6,761,240	\$ 10,318,511	\$ 13,789,589	\$ 17,000,898	\$ 12,529,832	\$ 13,095,350	\$ 11,839,296	\$ 14,315,184
Total general fund										
All Other Governmental Funds										
Unassigned-special revenue fund (deficit)	\$ (598,554)	\$ (626,485)	\$ (572,778)	\$ (591,845)	\$ (595,111)	\$ (612,217)	\$ (534,576)	\$ (515,602)	\$ (529,720)	\$ (571,899)
Total all other governmental funds	\$ (598,554)	\$ (626,485)	\$ (572,778)	\$ (591,845)	\$ (595,111)	\$ (612,217)	\$ (534,576)	\$ (515,602)	\$ (529,720)	\$ (571,899)

Source: CAFR Schedule B-1 and District records.

Note 1: 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,									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Tax levy	\$ 34,565,331	\$ 34,554,098	\$ 34,531,450	\$ 34,636,342	\$ 35,329,068	\$ 36,035,649	\$ 36,756,362	\$ 37,491,489	\$ 38,241,319	\$ 39,540,272
Tuition charges	3,748,115	5,104,523	4,792,109	5,822,990	6,533,294	5,320,923	5,741,618	5,300,608	5,962,115	6,409,828
Transportation fees	311,756	358,185	334,182	512,531	640,065	566,422	577,800	448,169	448,169	80,976
Interest earnings	15,227	1,196	2,286	2,043	2,315	9,064	21,156	52,240	121,563	617,307
Miscellaneous	1,203,381	701,579	683,104	415,341	923,384	581,027	714,009	1,097,737	415,055	617,307
State sources	40,793,432	44,768,850	45,159,401	45,550,014	45,504,438	46,711,950	47,685,591	47,685,591	48,441,112	47,854,591
Federal sources	3,429,263	4,162,819	2,685,705	2,211,658	2,431,136	2,815,088	2,558,523	2,564,665	3,213,643	2,814,861
Total revenue	84,064,485	89,630,850	88,188,237	89,150,919	91,363,700	92,240,125	93,438,871	94,747,618	97,018,978	97,766,204
Expenditures										
Instruction										
Regular and Special Education Instruction	34,150,760	35,106,067	35,299,548	35,409,155	36,293,145	38,474,929	38,485,658	38,264,216	40,005,664	38,308,448
Support Services:										
Attendance and social work	372,281	390,137	308,837	249,674	279,571	292,453	296,577	299,155	321,606	333,728
Health services	553,923	674,046	672,915	689,880	650,333	665,854	674,765	702,770	732,422	783,899
Other support services	6,768,042	7,560,746	7,034,925	6,657,031	7,117,676	7,494,551	7,063,019	7,354,001	7,567,716	7,766,814
Improvement of instruction	521,288	543,713	632,599	719,314	803,641	812,163	732,070	1,016,290	1,016,290	860,178
School library	1,139,672	1,116,033	1,075,343	956,821	945,071	992,076	907,170	853,439	867,396	832,831
Instructional staff training	3,300									
General administration	1,854,570	1,710,602	1,409,429	1,388,744	1,414,399	1,650,624	1,517,394	1,304,437	1,253,883	1,214,187
School administration	2,410,661	2,621,072	2,790,090	2,794,312	2,886,452	2,992,232	3,090,738	2,937,145	2,971,145	2,864,570
Central services	787,786	805,899	814,631	840,494	845,375	839,666	828,450	779,804	823,326	783,200
Information technology	222,732	365,222	341,949	682,111	371,008	392,956	393,190	440,010	421,842	449,624
Required maintenance of plant	5,681,887	5,874,318	3,199,273	3,498,453	3,102,554	2,938,903	2,784,632	2,938,445	2,938,445	2,763,085
Operation of plant	6,392,637	5,999,691	6,057,966	6,445,991	6,312,922	6,579,764	6,601,201	6,599,984	6,638,312	6,422,629
Student transportation	2,972,357	2,361,935	2,467,605	2,487,772	2,604,317	2,604,089	2,835,922	2,780,152	3,127,612	3,009,236
Business and other support services and benefits	11,492,920	11,866,966	12,327,307	11,259,837	11,419,999	11,601,462	14,381,272	14,033,250	13,073,919	13,215,702
On-behalf payments	4,122,345	4,834,047	6,142,553	5,608,253	6,319,011	7,413,175	8,237,108	9,494,767	10,440,410	11,087,106
Charter schools	459,982	696,069	535,083	608,907	626,222	532,146	520,780	1,382,965	1,898,648	2,422,060
Capital outlay	478,634	5,235,661	3,617,698	5,067,341	5,703,594	2,707,012	9,401,801	3,125,079	4,204,514	2,213,198
Debt service:										
Principal	503,000	1,716,140	3,470,000	145,000						
Interest and other charges	270,605	248,128	153,375	3,625						
Total expenditures	81,159,082	89,728,492	88,391,126	85,612,715	87,895,888	89,045,920	98,831,840	94,163,126	98,289,150	95,532,495
Excess (Deficiency) of revenues over (under) expenditures	2,905,403	(97,642)	(202,889)	3,538,204	3,467,812	3,194,205	(5,392,969)	584,492	(1,270,172)	2,433,709
Other Financing sources (uses)										
Transfers in	1,509,929	2,772,393	4,432,270	2,182,521	1,535,199	1,583,727	1,673,869	1,735,587	1,920,649	2,047,808
Transfers out	(1,509,929)	(2,772,393)	(4,432,270)	(2,182,521)	(1,535,199)	(1,583,727)	(1,673,869)	(1,735,587)	(1,920,649)	(2,047,808)
Proceeds from insurance							999,544			
Special item - prior year accrual cancelled							999,544			
Total other financing sources (uses)										
Net change in fund balances	\$ 2,905,403	\$ (97,642)	\$ (116,398)	\$ 3,538,204	\$ 3,467,812	\$ 3,194,205	\$ (4,393,423)	\$ 584,492	\$ (1,270,172)	\$ 2,433,709
Debt service as a percentage of noncapital expenditures	1.0%	2.3%	4.3%	0.2%	0.0%	0.0%	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
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
2019	1,105	762	40,179	301,436	71,571	415,053
2020	36	34,164	223,588	201,219	158,300	617,307

Source: District records.

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

Fiscal Year Ended June 30	Vacant Land	Residential	Farm Reg.	Ofarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities*	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
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	36,383,800	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	3,583,548,220
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	41,063,330	2,742,469,140	612,800	16,800	534,199,000	68,542,400	121,581,800	3,508,483,290	-	3,508,483,290	1.027	3,508,483,290
2016	43,698,200	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	3,615,692,800	-	3,615,692,800	1.037	3,615,692,800
2018	54,353,300	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
2019	51,270,300	3,173,574,200	288,000	9,800	568,793,400	68,648,300	174,719,800	4,037,304,000	-	4,037,304,000	0.979	4,037,304,000
2020	50,268,400	3,339,208,500	298,800	9,800	572,833,000	67,237,100	177,000,100	4,207,157,700	-	4,207,157,700	0.974	4,207,157,700

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 Rates, 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	
2011	\$ 1.170	\$ 0.020	\$ 1.190	\$ 0.777	\$ 0.044	\$ 0.130	\$ 2.497
2012	1.166	0.020	1.186	0.808	0.042	0.130	2.521
2013	1.193	-	1.193	0.837	0.041	0.132	2.566
2014	1.259	-	1.259	0.908	0.042	0.139	2.709
2015	1.027	-	1.027	0.762	0.033	0.113	2.227
2016	1.039	-	1.039	0.785	0.035	0.112	2.265
2017	1.037	-	1.037	0.788	0.035	0.097	2.247
2018	0.979	-	0.979	0.759	0.034	0.104	2.170
2019	0.979	-	0.979	0.749	0.034	0.101	2.145
2020	0.974	-	0.974	0.742	0.033	0.099	2.118

(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	
2011	46.86 %	0.80 %	47.66 %	31.11 %	1.76 %	5.21 %	100.00 %
2012	46.25	0.79	47.04	32.05	1.67	5.16	100.00
2013	46.49	-	46.49	32.62	1.60	5.14	100.00
2014	46.47	-	46.47	33.52	1.55	5.13	100.00
2015	46.12	-	46.12	34.22	1.48	5.07	100.00
2016	45.87	-	45.87	34.66	1.55	4.94	100.00
2017	46.15	-	46.15	35.07	1.56	4.32	100.00
2018	45.11	-	45.11	34.98	1.57	4.79	100.00
2019	45.64	-	45.64	34.92	1.59	4.71	100.00
2020	45.99	-	45.99	35.03	1.56	4.67	100.00

Source: District records and Municipal Tax Assessor.

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

Taxpayer	2020			2011		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Neptune Partners, LLC % BNE Real Estate	\$ 40,425,200	1	0.96%			
Neptune Plaza Shopping Center, LLC	34,135,600	2	0.81%	\$ 27,692,100	1	0.95%
Jumping Brook Real % Mack-Cali Corp	26,175,600	3	0.62%	20,596,200	2	0.71%
JB Neptune Holdings	24,805,100	4	0.59%			
Woodlands Neptune, LLC	22,947,100	5	0.55%	13,709,400	5	0.47%
Walmart Real Estate Prop Tax Dep	20,578,700	6	0.49%	16,800,000	3	0.58%
HD Development of Maryland	16,037,300	7	0.38%	9,416,900	9	0.32%
Ocean Grove NJ, LLC	15,155,000	8	0.36%	11,816,400	6	0.41%
Ocean Grove Camp Meeting Assoc.	14,647,300	9	0.35%			
Meridian Hospitals Corp	14,231,000	10	0.34%	9,146,000	10	0.32%
West Grove Square Assoc., LLC				9,804,600	8	0.34%
Neptune Park for Industry				10,200,000	7	0.35%
Gannett Partners				15,400,000	4	0.53%
East Coast Jumping Brook						
Total	\$ 229,137,900		5.45%	\$ 144,581,600		4.98%

Source: District Records and Municipal Tax Assessor.

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

Fiscal Year Ended June 30,	School Taxes	Municipal Taxes	Municipal Taxes Collected within the		Collections in Subsequent Years
	Levied and Collected for the Fiscal Year	Levied for the Fiscal Year	Fiscal Year of the Levy	Percentage of Levy	
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	84,814,777	83,636,706	98.61%	1.39%
2019	38,241,319	86,585,888 *	85,637,409	98.90% *	1.10% *
2020	39,540,272	88,668,760 *	87,072,722	98.20% *	1.80% *

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

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income ^a	Per Capita ^a
	General Obligation Bonds	Certificates of Participation				
2011	\$ 436,000	\$ 4,900,000	\$	5,336,000	0.57%	\$ 30,404
2012	290,000	3,325,000		3,615,000	0.84%	30,279
2013	145,000	-		145,000	21.95%	31,830
2014	-	-		-	0.00%	31,830
2015	-	-		-	0.00%	31,830
2016	-	-		-	0.00%	31,897
2017	-	-		-	0.00%	32,737
2018	-	-		-	0.00%	33,679
2019	-	-		-	0.00%	37,009
2020	-	-		-	0.00%	37,100

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			
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
2019	-		-		0.00%	35,884
2020	-		-		0.00%	37,100

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, 2020
 Unaudited

	<u>Debt Outstanding</u>	Estimated Percentage Applicable	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes Neptune Township	\$ 28,090,176	100.00%	\$ 28,090,176
Other debt			
Township of Neptune Sewerage Authority County of Monmouth	2,000,000 512,159,170	100.00% 3.27%	2,000,000 16,750,278
Subtotal, overlapping debt			46,840,454
Neptune Township School District Direct Debt			<u>-</u>
Total direct and overlapping debt			<u>\$ 46,840,454</u>

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

Source: District records and Neptune Township Finance Officer.

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

Legal Debt Margin Calculation for Fiscal Year 2020

Equalized valuation basis

2020	4,207,157,700
2019	4,037,304,000
2018	3,906,392,700
[A]	\$ 12,150,854,400
Avg. equalized valuation	\$ 4,050,284,800
Debt limit (4% of AEV)	\$ 162,011,392
Net bonded school debt	[C]
Legal debt margin	[B-C] \$ 162,011,392

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Debt limit	\$ 151,735,466	\$ 148,084,065	\$ 145,370,844	\$ 142,031,444	\$ 122,948,724	\$ 131,373,981	\$ 142,152,495	\$ 147,457,927	\$ 154,125,233	\$ 162,011,392
Total net debt applicable to limit	5,336,000	3,615,000	145,000	-	-	-	-	-	-	-
Legal debt margin	\$ 146,399,466	\$ 144,469,065	\$ 145,225,844	\$ 142,031,444	\$ 122,948,724	\$ 131,373,981	\$ 142,152,495	\$ 147,457,927	\$ 154,125,233	\$ 162,011,392
Total net debt applicable to the limit as a percentage of debt limit	3.52%	2.44%	0.10%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Source: Abstract of Raisables, 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

Year	Population	Per Capita Personal Income	Unemployment Rate
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%
2019	27,384	37,009	4.3%
2020	27,350 *	37,100 *	14.1% *

Source: NJ Dept of Labor and Workforce Development
Regional Economic Information System
Bureau of Economic Analysis
US Department of Commerce
* Estimated - Current Year Information Not Yet Published

2011- 2020 Per Capita Income for Neptune Township

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

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Jersey Shore University Medical Center	3,949	1	59.19%	3,100	1	53.43%
Neptune Township Board of Education	672	2	10.07%	620	2	10.69%
Children's Center of Monmouth County	354	3	5.31%			
Neptune Township	302	4	4.53%	318	5	5.48%
Wal-Mart	300	5	4.50%	275	6	4.74%
Asbury Park Press / Gannett	271	6	4.06%	420	3	7.24%
Neptune Shop-Rite	226	7	3.39%	258	7	4.45%
Gourmet Kitchen	213	8	3.19%			
Sanitary Linen Supply	195	9	2.92%	132	10	2.28%
Home Depot	190	10	2.85%	196	8	3.38%
United Methodist Homes				158	9	2.72%
AIG / American General				325	4	5.60%
	<u>6,672</u>		<u>100.00%</u>	<u>5,802</u>		<u>100.00%</u>

Source: Neptune Township Finance Officer.

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

Function/Program	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Instruction:										
Regular	310	318	324	322	319	319	314	318	315	316
Special education	119	126	122	126	124	135	145	139	138	137
Other instruction	10	11	11	11	12	10	9	12	16	15
Support Services:										
Student & instruction related services	71	73	75	79	80	77	76	75	74	75
General administrative services	8	7	8	7	7	8	7	7	8	7
School administrative services	32	38	39	38	38	38	39	41	40	41
Business administrative services	8	15	15	15	16	20	18	14	14	13
Plant operations and maintenance	60	60	63	64	65	67	65	66	66	66
Pupil transportation	2	2	2	2	2	2	2	2	2	2
Total	620	650	659	664	663	676	675	674	673	672

Source: District records.

Neptune Township School District
 Operating Statistics
 Last Ten Fiscal Years
 Unaudited

Fiscal Year	Teacher/Pupil Ratio											
	Enrollment	Operating Expenditures ^a	Cost Per Pupil	Percentage Change	Teaching Staff ^b	Elementary	Middle School	High School	Average Daily Enrollment (ADE) ^c	Average Daily Attendance (ADA) ^c	% Change in Average Daily Enrollment	Student Attendance Percentage
2011	4,545	\$ 79,906,845	\$ 17,581	-4.82%	370	1:15	1:12	1:15	4,458	4,151	0.04%	95.11%
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	4,001	91,038,047	22,754	8.29%	386	1:11	1:09	1:12	3,986	3,690	-4.37%	92.57%
2019	3,990	94,084,636	23,580	3.63%	381	1:11	1:09	1:12	3,966	3,669	-0.76%	92.74%
2020	3,890	93,119,297	23,938	1.52%	383	1:10	1:09	1:12	3,890	3,725	-1.66%	95.75%

Notes: 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 I-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

District Building	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
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	220	179	186	203	207	171	159	200	222	211
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	435	415	408	385	352	316	282	258	255	255
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	368	341	320	311	287	300	281	272	271	281
Green Grove Elementary										
Square Feet	66,567	66,567	66,567	66,567	68,524	68,524	68,524	68,524	68,524	68,524
Capacity (students)	525	525	525	525	525	525	525	525	525	525
Enrollment	406	388	377	369	374	365	371	342	348	319
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	432	451	461	460	443	480	492	476	463	446
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	435	431	468	489	449	461	434	373	377	388
Middle School										
Neptune Middle School										
Square Feet	177,509	177,509	177,509	177,509	177,509	177,509	183,109	183,109	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	844	864	888	856	830	798	798	758	725	712
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	1,269	1,304	1,332	1,361	1,358	1,375	1,350	1,327	1,298	1,278
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	32,000
Outbuildings - Team, Concession, Storage	18,000	18,000	18,000	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 #	2011	2012	2013	2014	2015	2004	2017	2018	2019	2020
Neptune High School	50	\$ 1,328,093	\$ 1,463,016	\$ 890,022	\$ 975,947	\$ 879,993	\$ 540,353	\$ 669,405	\$ 874,055	\$ 793,485	\$ 698,592
Neptune Middle School	55	759,468	976,490	544,505	921,212	667,378	240,589	341,607	527,549	515,177	438,084
Early Childhood Center	59	304,115	294,987	152,445	216,736	213,407	198,742	274,699	196,649	188,733	191,360
Gables Elementary	61	878,395	607,809	253,889	229,804	261,566	78,255	200,055	199,671	207,892	221,868
Green Grove Elementary	63	509,840	729,051	306,300	351,759	281,580	108,896	312,009	289,294	252,232	231,198
Midtown Community Elementary	80	511,062	595,775	281,629	225,506	317,895	91,662	316,740	319,735	420,669	327,827
Shark River Hills Elementary	90	986,049	443,182	260,435	205,662	170,845	101,923	258,452	208,652	211,614	292,764
Summerfield Elementary	100	404,565	764,008	510,048	371,827	309,890	209,674	411,665	314,778	368,643	361,392
Grand Total		\$ 5,681,587	\$ 5,874,318	\$ 3,199,273	\$ 3,498,453	\$ 3,102,554	\$ 1,570,294	\$ 2,784,632	\$ 2,930,383	\$ 2,958,445	\$ 2,763,085

High School expenditures include those of the Annex / BOE.

Source: District records.

Neptune Township School District
Insurance Schedule
Year ended June 30, 2020
Unaudited

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Type of Coverage	Coverage	Deductible
Multi Peril Package Policy		
New Jersey Schools Insurance Group		
Section I - Property:		
Blanket building and contents	\$ 500,000,000	\$ 5,000
Flood Zone A or V	\$ 25,000,000	\$ 500,000
Flood Zone - All Other	\$ 75,000,000	\$ 10,000
Earthquake	\$ 50,000,000	\$ 5,000
Extra expense	\$ 50,000,000	\$ 5,000
Business Income / Tuition	\$ 200,000	\$ 5,000
Loss of Rents	\$ 400,000	\$ 5,000
EDP equip, data, media, extra expense	\$ 500,000	\$ 1,000
Energy systems-boiler and machinery	\$ 100,000,000	\$ 5,000
Demolition/Incr. Cost of Construction	\$ 25,000,000	\$ 5,000
Blanket contractors equipment	Inc in property	
Cameras, musical instruments	Inc in property	
Glass coverage	Inc in property	
Section II - General Liability:		
Bodily injury and property damage	\$ 31,000,000	
Sexual misconduct	\$ 17,000,000	
Section III - School Board Legal Liability Policy:		
Aggregate limit of liability	\$ 31,000,000	\$ 10,000
Section IV - Crime:		
Blanket employee dishonesty	\$ 500,000	\$ 1,000
Depositors forgery	\$ 500,000	\$ 1,000
Computer Fraud	\$ 500,000	\$ 1,000
Money and securities	\$ 25,000	\$ 1,000
Workers Compensation:		
Section A	Statutory	
Section B - Bodily Injury by Accident	\$ 3,000,000	
Bodily Injury by Disease - each employee	\$ 3,000,000	
Bodily Injury by Disease - policy aggregate	\$ 3,000,000	

Neptune Township School District
 Insurance Schedule
 Year ended June 30, 2020
 Unaudited

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 (Continued)

Type of Coverage	Coverage	Deductible
Automobile:		
Bodily injury and property	\$ 31,000,000	
Personal injury protection	\$ 250,000	
Uninsured/underinsured - Private Passenger Autos	\$ 1,000,000	
Uninsured/underinsured - All Other Vehicles		
Bodily Injury per occurrence	\$ 15,000	
Bodily Injury per Accident	\$ 30,000	
Property Damage per Accident	\$ 5,000	
Comprehensive and collision	ACV	\$ 1,000
Environmental Liability:		
Policy aggregate limit of liability-primary	\$ 2,000,000	
Each Incident	\$ 1,000,000	\$ 50,000
Umbrella Liability		
Each Claim	\$ 50,000,000	
Annual Aggregate (Fireman's Fund Insurance Company)	\$ 50,000,000	
Student Accident:		
Medical per injury (Arch Insurance Company & US Fire Insurance Company)	\$ 1,000,000	
Fidelity Bonds		
Business Administrator/Board Secretary	\$ 300,000	
Asst. Bus. Admin. / Asst. Bd. Secretary	\$ 300,000	
Accountant I	\$ 300,000	
(All Bonds are written through Selective Insurance Company)		

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, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated January 19, 2021.

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) as a basis for designing 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.

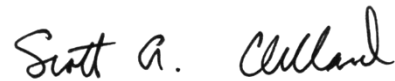
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

January 19, 2021
Florham Park, 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, 2020. 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, 2020.

Report on Internal Control Over Compliance

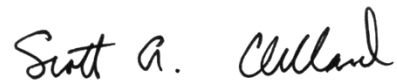
Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the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

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

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

Purpose of this Report

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



Scott A. Clelland
Licensed Public School Accountant
No. 1049



WISS & COMPANY, LLP

January 19, 2021
Florham Park, New Jersey

Exhibit K-3
SCHEDULE A

Neptune Township School District
Schedule of Expenditures of Federal Awards
Year ended June 30, 2020

Federal Grantor/Pass-Through Grantor/ Program Title	Federal CFDA Number	Federal FAIN Number	Program or Award Amount	Grant Period From To	Balance at June 30, 2019	Cash Received	Budgetary Expenditures	Balance at June 30, 2020	
								Accounts Receivable	Unearned Revenue
U.S. Department of Health and Human Services									
Passed-through the State Department of Education									
General Fund:									
Medical Assistance Program (SEAD)	93.778	2005NSM42P	\$ 135,996	7/1/19	6/30/20	\$ 129,779	\$ (135,996)	\$ (6,217)	
Total General Fund						129,779	(135,996)	(6,217)	
U.S. Department of Education									
Passed-through State Department of Education									
Special Revenue Fund:									
Title I Grants to Local Education Agencies Cluster:									
Title I, Part A	84.010	S010A190030	977,883	7/1/19	9/30/20	999,374	(910,583)	(70,656)	
Title I, Reimbursement	84.010	S010A190030	43,847	7/1/19	9/30/20		(26,252)	(26,252)	
Title I, SEA	84.010A	S010A190030	753,295	7/1/19	9/30/20	233,718	(303,693)	(69,139)	
Subtotal Title I Grants to Local Education Agencies Cluster						1,233,092	(1,240,528)	(126,047)	
Title II, Part A Improving Teacher Quality	84.367A	S367A190029	132,659	7/1/19	9/30/20	157,236	(146,448)	\$ 3,684	
Title IV	84.404	S424A190031	84,019	7/1/19	9/30/20	27,009	(38,064)	(14,064)	
Language Instruction for English Learners and Immigrant Students									
Title III Immigrant	84.365	S365A190030	48,415	7/1/19	9/30/20	14,412	(17,915)	(5,915)	
Subtotal Language Instruction for English Learners and Immigrant Students	84.365	S365A190030	11,735	7/1/19	9/30/20	1,554	(1,720)	(220)	
Special Education Grant Cluster:									
LD E.A. Part B, Basic Regular	84.027	H027A190100	1,203,916	7/1/19	9/30/20	1,216,715	(1,192,870)	18,560	
LD E.A. Preschool	84.173	H173A190114	39,319	7/1/19	9/30/20	39,319	(39,319)		
Subtotal of Special Education Grant Cluster						1,256,034	(1,232,189)	18,560	
Total Special Revenue Fund						2,709,337	(2,678,865)	(146,246)	22,244
U.S. Department of Agriculture									
Passed-through State Department of Agriculture									
Enterprise Fund:									
Child Nutrition Cluster:									
School Breakfast Program	10.553	201NF04N1099	259,250	7/1/19	6/30/20	232,764	(232,764)		
School Breakfast Program	10.553	191NF04N1099	294,161	7/1/18	6/30/19	27,016	(27,016)		
COVID-19 - Unanticipated School Closures 2019-20	10.555	201NF04N1099	37,448	7/1/19	6/30/20	37,448	(63,934)	(26,486)	
National School Lunch Program	10.555	201NF04N1099	725,627	7/1/19	6/30/20	725,627	(725,627)		
COVID-19 - Unanticipated School Closures 2019-20	10.555	191NF04N1099	1,042,541	7/1/18	6/30/19	85,023	(85,023)		
National School Lunch Program	10.555	201NF04N1099	99,579	7/1/19	6/30/20	98,386	(99,679)	(41,293)	
Healthy Hunger-Free Kids Act	10.555	201NF04N1099	22,701	7/1/19	6/30/20	22,701	(22,701)		
Healthy Hunger-Free Kids Act	10.555	191NF04N1099	35,470	7/1/18	6/30/19	2,049	(2,049)		
COVID-19 - Unanticipated School Closures 2019-20	10.555	201NF04N1099	2,035	7/1/19	6/30/20	1,192	(2,035)	(843)	
Food Donation (NOC)	10.555	201NF04N1099	127,041	7/1/19	6/30/20	127,041	(125,115)	1,926	
Food Donation (NOC)	10.555	191NF04N1099	174,103	7/1/18	6/30/19	13,403	(13,403)		
Total Child Nutrition Cluster and Enterprise Fund						1,319,247	(1,285,280)	(68,622)	1,926
U.S. Department of Labor									
Passed-through State Department of Labor and Workforce Development									
COVID-19 CARES Act - Unemployment Relief	17.000	Not available	63,853	4/1/20	6/30/20	63,853	(63,853)		
Total Expenditures of Federal Awards			\$ (255,159)	\$ 4,222,216	\$ (221,085)	\$ 24,170			
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, 2020

State Grant/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period		Unearned Revenue (Assets Receivable)	Due to Grantor	Cash Received	Transfer from General Fund	Budgetary Expenditures Pass through Funds	Repayment of Prior Years' Balances	Balance at June 30, 2020		MEMO
			From	To							Intergovernmental (Accounts Receivable)	Budgetary Receivable	
State Department of Education													
General Fund:													
Equalization Aid	19-495-034-5120-078	\$ 24,633,298	7/1/19	6/30/20	\$ (2,497,825)	\$ 22,196,201		\$ (24,633,298)			\$ (2,497,825)	\$ (24,633,298)	
Special Education Categorical Aid	19-495-034-5120-089	2,404,326	7/1/19	6/30/20	(236,374)	2,167,852		(2,404,326)			(236,374)	(2,404,326)	
Special Education Categorical Aid	19-495-034-5120-089	2,404,326	7/1/18	6/30/19		23,634							
Extramural Aid	20-495-034-5120-044	1,027,619	7/1/19	6/30/20	(838,477)	838,477		(1,027,619)			(1,027,619)	(1,027,619)	
Extramural Aid	19-495-034-5120-044	838,477	7/1/18	6/30/19		1,101,515							
Security Aid	20-495-034-5120-084	1,222,886	7/1/19	6/30/20	(120,224)	1,202,224		(1,222,886)				(1,222,886)	
Security Aid	19-495-034-5120-084	860,858	7/1/18	6/30/19	(84,633)	84,633							
Adjustment Aid	20-495-034-5120-014	1,589,446	7/1/19	6/30/20	(156,262)	1,432,213		(1,589,446)				(1,589,446)	
Transportation Aid	19-495-034-5120-014	1,589,446	7/1/18	6/30/19		1,522,562		(6,401,680)				(6,401,680)	
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	20-495-034-5094-002	6,401,680	7/1/19	6/30/20		2,374,906		(2,374,906)				(2,374,906)	
On-Behalf Teachers' Pension & Annuity Fund - Non-contributory Insurance	20-495-034-5094-004	4,918	7/1/19	6/30/20		4,918		(4,918)				(4,918)	
Reimbursed TPAF Social Security Contributions	20-495-034-5094-003	2,305,602	7/1/19	6/30/20	(115,566)	2,189,222		(2,305,602)			(115,566)	(2,305,602)	
Reimbursed TPAF Social Security Contributions	19-495-034-5094-003	2,269,384	7/1/18	6/30/19		113,566							
Other State Aid-Add'l NP Transportation	20-495-034-5120-014	23,020	7/1/19	6/30/20		23,020		(23,020)				(23,020)	
Other State Aid-Add'l NP Transportation	19-495-034-5120-014	21,284	7/1/18	6/30/19	(24,284)	21,284							
Total General Fund					(4,071,645)	41,722,745		(41,987,701)			(1,167,019)	(41,987,701)	
Special Revenue Fund:													
Preschool Education Aid	20-495-034-5120-086	5,718,945	7/1/19	6/30/20		4,617,326	\$ 185,100	(5,904,045)				(5,904,045)	
Preschool Education Aid	19-495-034-5120-086	5,297,200	7/1/18	6/30/19	(529,720)	529,720							
Wrap Around Services Enhancement Grant	n/a	47,850	7/1/19	6/30/20		47,850		(47,850)					
N.J. Nonpublic Aid:													
Textbook Aid	19-100-034-5120-064	6,675	7/1/18	6/30/19					\$ 97				
Auxiliary Services(Chapter 192):													
Compensatory Education	19-100-034-5120-067	56,684	7/1/18	6/30/19		10,376			10,376				
Transportation	19-100-034-5120-067	5,950	7/1/18	6/30/19		5,950			5,950				
Nonpublic Handicapped Aid (Chapter 193):													
Corrective Speech	19-100-034-5120-066	16,070	7/1/18	6/30/19		842			842				
Examination and Classification	19-100-034-5120-066	23,482	7/1/18	6/30/19		12,186			12,186				
Supplemental Instruction	19-100-034-5120-066	19,825	7/1/18	6/30/19		4,489			4,489				
Nursing Services Aid	19-100-034-5120-070	12,125	7/1/18	6/30/19		206			206				
Technology Initiative Aid	19-100-034-5120-373	4,500	7/1/18	6/30/19		135			135				
Security Aid	19-100-034-5120-509	18,750	7/1/18	6/30/19		14,790			14,790				
Total Special Revenue Fund					(529,720)	577,570	185,100	(5,951,895)		49,071		(5,718,945)	
Enterprise Fund:													
State Department of Agriculture:													
National School Lunch Program (State Share)	20-100-010-3350-023	16,690	7/1/19	6/30/20		16,028		(16,690)			(662)	(16,690)	
National School Lunch Program (State Share)	19-100-010-3350-023	22,759	7/1/18	6/30/19	(1,833)	1,833							
Total Enterprise Fund					(1,833)	17,861		(16,690)			(662)	(16,690)	
Total State Financial Assistance Expenditures					(4,603,198)	42,318,174	185,100	(47,956,286)		49,071	(1,167,681)	(47,524,743)	(47,524,743)
Less: On-Behalf TPAF Pension System Contributions													
On-Behalf Teachers' Pension and Annuity Fund	20-495-034-5094-002	6,401,680	7/1/19	6/30/20		6,401,680		(6,401,680)				(6,401,680)	
On-Behalf Teachers' Pension and Annuity Fund - Post Retirement Medical	20-495-034-5094-001	2,374,906	7/1/19	6/30/20		2,374,906		(2,374,906)				(2,374,906)	
On-Behalf Teachers' Pension & Annuity Fund - Non-contributory Insurance	20-495-034-5094-004	4,918	7/1/19	6/30/20		4,918		(4,918)				(4,918)	
Total for State Financial Assistance-Major Program Determination					(4,603,198)	33,536,670	185,100	(39,174,782)		49,071	(1,167,681)	(38,529,391)	(38,529,391)

Neptune Township School District

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

Year ended June 30, 2020

1. General

The accompanying schedules of expenditures of federal awards and state financial assistance include the federal award and state financial assistance activity under programs of federal and state government for the year ended June 30, 2020. 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 Presentation

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 because the schedules present only selected portions of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

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 N.J.S.A. 18A:22-44.2.

Neptune Township School District

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

Year ended June 30, 2020

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 \$142,474 for the general fund and \$42,179 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	\$ 135,996	\$ 42,130,175	\$ 42,266,171
Special Revenue Fund	2,678,865	5,724,616	8,403,481
Food Service Enterprise Fund	1,285,258	16,690	1,301,948
Unemployment Trust Fund	63,853		63,853
Total award revenues	<u>\$4,163,972</u>	<u>\$ 47,871,481</u>	<u>\$ 52,035,453</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, 2020

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 expenditures of Federal Awards. The following funds by program are included in school-wide programs in the District.

IDEA Part B	\$ 972,515
Title I	778,128
Title IIA	112,065
Total	<u>\$ 1,862,708</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, 2020.

The post retirement pension, disability insurance and medical benefits received on-behalf of the District for the year ended June 30, 2020 amounted to \$8,781,504. 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 has elected not to use the 10% de minimis indirect cost rate as allowed by the Uniform Guidance.

Neptune Township School District
Schedule of Findings and Questioned Costs
Year ended June 30, 2020

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 major federal programs:

CFDA Number(s)	FAIN Number	Name of Federal Program or Cluster
84.010	S010A190030	Title I, Part A (Grants to Local Education Agencies Cluster)
84.010	S010A190030	Title I, Reallocation (Grants to Local Education Agencies Cluster)
84.010A	S010A190030	Title I, SIA (Grants to Local Education Agencies Cluster)

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

\$750,000

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2020

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

Auditee qualified as low-risk auditee? X Yes No

State Financial Assistance

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
495-034-5120-086	Preschool Education Aid

Dollar threshold used to distinguish between Type A and Type B programs: \$1,175,243

Auditee qualified as low-risk auditee? X Yes No

Neptune Township School District

Schedule of Findings and Questioned Costs (continued)

Year ended June 30, 2020

Part II – Schedule of Financial Statement Findings

No compliance or internal control over financial reporting 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, 2020

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

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major 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 Financial Assistance 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, 2020

Not applicable as there were no prior year findings.