# BARNEGAT TOWNSHIP SCHOOL DISTRICT 

Barnegat, New Jersey
County of Ocean

COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

# COMPREHENSIVE ANNUAL FINANCIAL REPORT 

OF THE

# BARNEGAT TOWNSHIP SCHOOL DISTRICT BARNEGAT, NEW JERSEY 

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Prepared by

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Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretarv

October 24, 2016

Honorable President and<br>Members of the Barnegat Township Board of Education<br>Barnegat, New Jersey 08005

Dear Board Members:

The Comprehensive Annual Financial Report of the Barnegat Township Board of Education for the fiscal year ended June 30, 2016, 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 Barnegat 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 fairly present the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the basic financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of Title 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's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendation, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Barnegat Township Board of Education is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB 23 and GASB 34. All funds and account groups of the District are included in this report. The Ocean County Vocational-Technical Board of Education and all its schools constitute the District's reporting entity.

## BOARD OF EDUCATION

BARNEGAT TOWNSHIIP SCHOOL DISTRICT<br>550 BARNEGAT BOULEVARD NORTH<br>BARNEGAT, NEW JERSEY 08005<br>(609) 698-5800 FAX (609) 660-5974

Karen M. Wood
Superintendent

Lourdes LaGuardia<br>Business Administrator/Board Secretarv

The District provides a full-range of educational services appropriate to grade levels PreK-12. These include regular, as well as special education for mentally and physically challenged students.
2. ECONOMIC CONDITION AND OUTLOOK: As long as state aid is not decreased and the district receives additional aid for new students who are moving into the district, the local tax levy is expected to be fairly stable. Noting the district has never fully recovered from 2010-11 when the State of NJ reduced the district's state aid by over $\$ 2.3$ million and still continues to deduct another $\$ 804,000$ for a School Development Authority debt service assessment. The tax levy which has been incrementally increased in recent years due to flat funding in prior years; further noting: the tax levy for 2012-2013 was reduced by over $\$ 467,000$. This reduction of revenues continues to impact the district in sustaining programs from year to year. The district has currently experienced an influx of students with special needs. If the state funding formula does not increase to absorb this increase, what may lead to an increase in out of district tuition or in-house support programs could drive up property taxes. The district has established a revenue generating preschool inclusion program. This program satisfies required mandates while also providing low cost instructional setting for preschool children. The district continues to search out revenue opportunities in facilities usage and childcare programs. The sunset of Chapter 78 health benefit employee contributions; coupled with the Affordable Care Act will impact future health benefit increases and decrease employee share of district health benefit costs. All in all, how the state funds school districts in the ensuing years will have a major impact on the local tax rate in Barnegat due to the significant percentage of state funding the District receives relative to property tax funding.
3. MAJOR INITIATIVES: Beginning in 2009-10, the district initiated major efforts to reduce its future energy usage through energy conservation education resulting in a savings in electrical and natural gas usage by over $\$ 900,000$ in the last two years. Initiated in 2011, continued energy savings will continue to be achieved via building and automatic building control system upgrades completed under the NJ Energy Savings Improvement Program (ESIP), and the continuation of energy savings derived from the districts' large scale solar electric panel installed on school roofs. In addition, the Safe Routes to School program and subsequent redistricting resulted in continuing annual savings in bus transportation costs since the 2010-2011 school year. Starting with American Reinvestment and Recovery federal funding and other budget savings, the district initiated major new classroom technology investments in all schools between 2009 and 2012, and followed through with upgrades in the computer server and infrastructure between buildings in 2010-2011 thru 2015-2016. The major focus for the current year resulted in increased internet speeds and added connectivity between buildings and adding additional devices for classroom curriculums. Finally, continued upgrades in security access and additional security camera and networking systems are a safety initiative in capital projects. These have resulted in

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Lourdes LaGuardia
Suberintendent

Business Administrator/Board Secretarv

reduced vandalism and improved facility monitoring in 2015-2016 specifically in the high school and middle school. The district continues to access building needs to update space, to achieve energy savings by replacing necessary panels and insuring on-line compatibility of HVAC and alarm panels, as well as repurposing classrooms where needed. The health and safety of all children is paramount as such; the district made various floor replacement renovations as well as continued district wide upgrades to the areas such as open spaces, bathrooms, gyms and classrooms; these include repairs which are not limited to: painting, doors, water fountains, cubby, and toilet replacements.

The district continues to move forward with the state mandated teacher evaluation mandate. Programs continue to be introduced to articulate the demands associated with anticipated rigor of improving classroom effectiveness.

The district continues to meet the demands of preparing to meet accountability requirements for Partnership for Assessment of Readiness for College and Careers (PARCC). This is a standard set of grades 3-12 assessments in math and English. PARCC requires computer-adaptive diagnostic testing using online platform. As such, the district will continue to make enhancements and upgrades to the infrastructure; broadband; as well additions to tablets and/or computer devices for enhanced accessibility for students.
4. INTERNAL ACCOUNTING CONTROLS: Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

As a recipient of federal and state financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs. This internal control structure is also subject to periodic evaluation by the District's Management.

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

[^1]
# BARNEGAT TOWNSHIIP SCHOOL DISTRICT 

550 BARNEGAT BOULEVARD NORTH
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Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretarv
5. BUDGETARY CONTROLS: In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the NJ Department of Education. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Long term budgets approved for capital improvements are accounted for in the capital projects fund. The final budget amounts as amended for the fiscal year are 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 re-appropriation of fund balance in the subsequent year. Those amounts to be re-appropriated are reported as reservations of fund balance as of June, 2014.
6. ACCOUNTING SYSTEM AND REPORTS: The District's accounting records reflect generally accepted accounting principles, as promulgated by the Governmental Accounting Standards Board (GASB). The accounting system of the District is organized on the basis of funds. These funds are explained in the "Notes to the Financial Statements", Note 1.
7. DEBT ADMINISTRATION: At June 30, 2016, the District's principal outstanding debt issues totaled $\$ 32,645,000$. The district complies with debt service refinance authorization as prescribed by the local finance board.
8. CASH MANAGEMENT: The investment policy of the District is guided in large part by state statute as detailed in "Notes to Financial Statement", Note 2. The District has adopted a cash management plan that requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.
9. RISK MANAGEMENT: Barnegat Township Board of Education carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

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# BARNEGAT TOWNSHIP SCHOOL DISTRICT <br> 550 BARNEGAT BOULEVARD NORTH <br> BARNEGAT, NEW JERSEY 08005 <br> (609) 698-5800 FAX (609) 660-5974 

Karen M. Wood
Superintendent

Lourdes LaGuardia
Business Administrator/Board Secretary
10. OTHER INFORMATION: Independent Audit - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Holman Frenia Allison, P.C., was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the 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's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. The auditor's report on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.
11. ACKNOWLEDGEMENTS: We would like to express our appreciation to the members of the Barnegat Township Board of Education for their commitment to a quality education for all students in Barnegat, balanced by their concern in providing fiscal accountability to the citizens and taxpayers of the school district. Those philosophies demonstrate 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 personnel.


[^3]
Approved March 18, 2014

# BARNEGAT TOWNSHIP SCHOOL DISTRICT 

550 Barnegat Boulevard North
Barnegat, New Jersey 08005

## ROSTER OF OFFICIALS

JUNE 30, 2016
Scott Sarno, President ..... 2016
Robert Geddes, Vice President ..... 2017
Gary Brown ..... 2017
Linda Kropf ..... 2018
Maria Pereira ..... 2017
Lauren Sarno ..... 2016
David Sherman ..... 2018
Peter Toth ..... 2016
Andy Watts ..... 2018

## OTHER OFFICIALS

Karen Wood, Superintendent

Lourdes LaGuardia, Business Administrator/Board Secretary

Patricia Christopher, Treasurer of School Funds

# BARNEGAT TOWNSHIP SCHOOL DISTRICT <br> 550 Barnegat Boulevard North <br> Barnegat, New Jersey 08005 

## CONSULTANTS AND ADVISORS

## ATTORNEY

Jerry Dasti<br>Dasti, Murphy, McCuckin, Ulaky, Koutsouris \& Connors<br>620 West Lacey Road<br>P.O. Box 1057<br>Forked River, New Jersey 08731

AUDIT FIRM<br>Robert W. Allison, CPA, PSA<br>Holman Frenia Allison, P. C.<br>680 Hooper Ave, Bldg B, Suite 201<br>Toms River, New Jersey 08753

## BOND COUNSEL

William R. Mayer
DeCotiis, Fitzpatrick \& Cole LLC
500 Frank W. Burn Blvd, Suite 3
Teaneck, New Jersey 07666

OFFICIAL DEPOSITORY
Ocean First Bank
State of New Jersey Cash Management Fund

FINANCIAL SECTION

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# INDEPENDENT AUDITOR'S REPORT 

Honorable President and Members
of the Board of Education
Barnegat Township School District
County of Ocean
Barnegat, New Jersey 08005

## 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 Barnegat Township School District, County of Ocean, State of New Jersey, as of and for the fiscal year ended June 30, 2016, 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.

## Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 Barnegat Township School District, County of Ocean, State of New Jersey, as of June 30, 2016, 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 the management's discussion and analysis and budgetary comparison information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

## Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Barnegat Township School District's basic financial statements. The introductory section, combining statements and related major fund supporting statements and schedules, and statistical section are presented for purposes of additional analysis, as required by the Division of Administration and Finance, Department of Education, State of New Jersey, and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance are presented for purposes of additional analysis as required by U.S. Office of Management and Budget Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, Audits of States, Local Governments, and Non-Profit Organizations and New Jersey OMB's Circular 15-08, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are also not a required part of the basic financial statements.

The accompanying combining statements and the Schedule of Expenditures of Federal Awards and State Financial Assistance are the responsibility of management and were derived from and relates 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 other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying
combining statements and Schedule of Expenditures of Federal Awards and State Financial Assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated October 24, 2016 on our consideration of the Barnegat Township School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Barnegat Township School District's internal control over financial reporting and compliance.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.


Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
October 24, 2016

Management's Discussion and Analysis

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# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

The discussion and analysis of Barnegat Township School District's financial performance provides an overall review of the School District's financial activities for the year ended June 30, 2016. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the School District's financial performance.

The MD\&A is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 - "Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments" issued in June 1999 that is now being required by the New Jersey Statement Department of Education. Comparative information between the current fiscal year (2015-2016) and the prior fiscal year (2014-2015) is required and is presented in the MD\&A.

## Financial Highlights

Key financial highlights for 2016 are as follows:

- General revenues accounted for $\$ 51,817,823$ or $80.51 \%$ percent of total operating revenues. Program specific revenues in the form of federal and state operating grants and contributions, accounted for $\$ 12,540,159$ or $19.48 \%$ of total operating revenues of $\$ 64,357,982$.
- Local tax levy of $\$ 30,893,819$ accounts for $53 \%$ of general operating budget with a $3.49 \%$ increase of local contribution totaling $\$ 1,042,273$.
- The school district had $\$ 66,305,667$ in expenses; $\$ 13,200,456$ of these expenses were offset by program specific charges for state/federal grants and $\$ 1,017,210$ were offset by charges for services. General revenues (primarily taxes and state aid) of $\$ 51,817,823$ were adequate to provide for these programs.
- Among governmental funds per Exhibit B-2, the General Fund had $\$ 54,090,736$ in revenues and $\$ 51,574,576$ in expenditures. The General Fund's fund balance increased $\$ 966,318$ from 2015. Energy Savings Improvement (ESIP) bond proceeds were spent in 2014-2015, and reductions in utility and other operating expenses through targeted savings initiatives will be reflected in future years.
- Savings were attributed through retirements, health benefit savings and employee share, debt refinancing, contract renegotiations. Increased fund balance is in many instances an annual and not recurring savings event.


# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Barnegat Township School District as a financial whole, an entire operating entity. The statements subsequent to the A and B summary Exhibits provide an increasingly detailed look at specific financial activities.

The Statement of Net Position and Statement of Activities provide information about the activities of the whole School District, presenting both an aggregate view of the School district's finances and a longerterm view of those finances. Fund financial statements provide the next level of detail. For governmental
funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The B Exhibit fund financial statements identify the School district's most significant funds, the Governmental Funds. In the case of Barnegat Township School District, the General Fund is by far the most significant fund representing over $92.6 \%$ of governmental expenditures.

## Reporting the School District as a Whole

## Statement of Net Position and the Statement of Activities

While the pages to follow in this extensive document contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and answer the question, "How did we do financially during school year 2012? The Statement of Net Position, Exhibit A-1, and the Statement of Activities, Exhibit A-2, answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These A-1 and A-2 statements report the School District's net position and changes in those assets. This change in net position is important because it tells the reader that for the school district as a whole, the financial position of the School district has improved or diminished. The causes of this change may be the result of many factors, some financial and some not. Non-financial factors include the School District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

In the Statement of Net Position A-1 and the Statement of Activities A-2, the School District is divided into two distinct kinds of activities:

- Governmental activities - All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.
- Business-Type Activity - These activities are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Service school breakfast and lunch program is the major enterprise fund reported as a business activity. While there is a small residual of funds left and reported for the Community Education program, this program has been inactive since 2010. There was no fiscal activity in the Community Education fund except for accrued interest on the residual reserve remaining from the prior year.


# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## Reporting the School District's Most Significant Funds

Fund Financial Statements
Fund financial reports provide detailed information about the School District's funds. The School District uses many funds to account for a multitude of financial transaction. The School District's governmental funds are the General Fund, Special Revenue Fund, Capital Projects Fund, and Debt Service Fund.

## Governmental Funds

The School District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. These funds cover the government operations and the basic services provided for the education of the district's students. 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. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the notes to the financial statements.

## Enterprise Fund

The enterprise fund uses the same basis of accounting as business-type activities; therefore, these statements are essentially the same. The National School Lunch Program is the major enterprise operation within the district. The District initiated a before/aftercare program for school age in 2013-2014. Additionally, the district offers a daycare program for infants to pre-school. This program started in the 2014-2015 fiscal year.

## Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the District-wide and Fund financial statements.

## The School District as a Whole

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

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

Table 1 provides a summary of the School District's Net Position for 2016 and 2015. [Source: Exhibit A1]

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2016 UNAUDITED 

## The School District as a Whole (Continued)

|  | Net Position |  |  |  | June 30, 2015 |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | June 30, 2016 |  |  |  |  |  |  |  |
|  | Governmental <br> Activities |  | ness-Type <br> ctivities | Total | Governmental Activities | Business-Type |  |  |
| Current and other assets | \$ 12,574,882 | \$ | 574,260 | \$ 13,149,142 | \$ 9,565,127 | \$ | 477,045 | \$ 10,042,172 |
| Capital assets, net | 122,114,308 |  | 212,694 | 122,327,002 | 126,855,450 |  | 249,438 | 127,104,888 |
| Total assets | 134,689,190 |  | 786,954 | 135,476,144 | 136,420,577 |  | 726,483 | 137,147,060 |
| Deferred outflow of resources | 3,183,680 |  | - | 3,183,680 | 1,062,351 |  | - | 1,062,351 |
| Long-term liabilities | 55,018,524 |  | - | 55,018,524 | 53,577,184 |  | - | 53,577,184 |
| Other liabilities | 1,674,124 |  | 2,606 | 1,676,730 | 2,413,760 |  | 212,046 | 2,625,806 |
| Total liabilities | 56,692,648 |  | 2,606 | 56,695,254 | 55,990,944 |  | 212,046 | 56,202,990 |
| Deferred inflow of resources | 1,226,481 |  | - | 1,226,481 | 1,032,327 |  | - | 1,032,327 |
| Invested in capital assets, net | 86,983,014 |  | 212,694 | 87,195,708 | 89,636,561 |  | 249,438 | 89,885,999 |
| Restricted | 11,547,489 |  | - | 11,547,489 | 8,196,710 |  | - | 8,196,710 |
| Unrestricted | $(18,576,762)$ |  | 571,654 | $(18,005,108)$ | (17,373,614) |  | 264,999 | $(17,108,615)$ |
|  | \$ 79,953,741 | \$ | 784,348 | \$ 80,738,089 | \$ 80,459,657 | \$ | 514,437 | \$ 80,974,094 |

Table 2 shows changes in net position for year 2016 and 2015. [Source: Exhibit A-2]

|  | $\qquad$ <br> ctivities |  |  |  | Business-Type Activities |  |  | Total |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\underline{2016}$ |  | $\underline{2015}$ |  | $\underline{2016}$ |  | $\underline{2015}$ | $\underline{2016}$ |  | $\underline{2015}$ |  |
| Revenue |  |  |  |  |  |  |  |  |  |  |  |
| Program Revenue: |  |  |  |  |  |  |  |  |  |  |  |
| Charges for Services | \$ | - |  |  | \$ | - |  | 1,017,210 | \$ 743,554 | \$ | 1,017,210 | \$ | 743,554 |
| Operating Grants |  | 12,540,159 |  | 10,651,951 |  |  |  | 660,297 | 618,258 |  | 13,200,456 |  | 11,270,209 |
| General Revenues: |  |  |  |  |  |  |  |  |  |  |  |
| Property Taxes |  | 30,893,819 |  | 29,851,546 |  | - | - |  | 30,893,819 |  | 29,851,546 |
| Federal \& State Aid Not |  |  |  |  |  |  |  |  |  |  |  |
| Restricted to Specific Purposes |  | 20,271,845 |  | 20,330,090 |  | - | - |  | 20,271,845 |  | 20,330,090 |
| Tuition |  | 124,890 |  | 185,995 |  | - | - |  | 124,890 |  | 185,995 |
| Cancellation of Prior Year payable |  | 361,472 |  | - |  | - | - |  | 361,472 |  | - |
| Miscellaneous |  | 165,797 |  | 150,047 |  | 33,336 | 26,583 |  | 199,133 |  | 176,630 |
| Adjustment to Fixed Assets |  | - |  | - |  | - | 48,219 |  | - |  | 48,219 |
| Investment Earnings |  | - |  | - |  | 837 | 328 |  | 837 |  | 328 |
| Total Revenues |  | 64,357,982 |  | 61,169,629 |  | 1,711,680 | 1,436,942 |  | 66,069,662 |  | 62,606,571 |
| Expenses |  |  |  |  |  |  |  |  |  |  |  |
| Instructional Services |  | 21,144,807 |  | 21,078,663 |  | - | - |  | 21,144,807 |  | 21,078,663 |
| Support Services |  | 36,165,204 |  | 33,311,539 |  | 1,441,769 | 1,299,357 |  | 37,606,973 |  | 34,610,896 |
| Unallocated Depreciation \& Adj to FA |  | 5,560,317 |  | 5,361,814 |  | - | - |  | 5,560,317 |  | 5,361,814 |
| Interest on Long-Term Liabilities |  | 1,993,570 |  | 2,156,759 |  | - | - |  | 1,993,570 |  | 2,156,759 |
| Total Expenses |  | 64,863,898 |  | 61,908,775 |  | 1,441,769 | 1,299,357 |  | 66,305,667 |  | 63,208,132 |
| Change in Net Position | \$ | $(505,916)$ | \$ | $(739,146)$ |  | 269,911 | \$ 137,585 | \$ | $(236,005)$ | \$ | $(601,561)$ |

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## Business-Type Activities [Source: A-2;G-2]

Revenues for the District's business-type activities (food service program) were comprised of charges for services and federal and state reimbursements.
> Food service revenues exceeded expenses by $\$ 114,071$
$>$ Charges for food service represent $\$ 556,968$ of revenue. This represents amounts paid by students and staff for daily food service.
> Federal and state reimbursement for meals, including payments for free and reduced lunches and breakfast, and donated commodities was $\$ 660,297$.
$>$ In 2013-2014 the district terminated the outsourcing of aftercare services and initiated a program whereby revenues exceeded the total program expenditures of $\$ 101,224$ by $\$ 11,537$ in that year. For the 2014-2015 program revenue was a net gain of \$73,259. For the current year 2015-2016; the net gain was $\$ 60,856$.
> In 2014-2015 the district engaged in the startup of infant - pre kindergarten Bengal Cubs program. A slow startup resulted in a revenue shortfall of ( $\$ 37,318$ ). For the 2015-2016 program revenue was a net gain of $\$ 60,811$ for a total positive net position of $\$ 23,677$.

## Governmental Activities [Source: B-2]

The unique nature of property taxes in New Jersey creates legal requirements to annually seek voter approval for the School District operations prior to 2012. Per legislation enacted in 2012, the Board Of Education approved the move of the school election to November. This eliminated the requirement for voter approval on the budget if the proposed tax levy increase did not exceed $2 \%$ and accumulated banked caps. Property taxes made up $53.06 \%$ of revenues for governmental activities for the Barnegat Township School District for year 2015-2016. The District's total operating revenues were \$58,220,967 for the year ended June 30, 2016. Federal, state and local grants accounted for another $46.44 \%$ of revenue.


# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## Governmental Activities [Source: B-2] (continued)

The total cost of all programs and services was $\$ 55,840,570$. Student Services and Instruction including allocated benefits comprises $68.4 \%$ of District expenses.


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

Tuition is predominantly made up of charges for out of district special education placements and vocational school tuition.

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

General and school administration includes expenses associated with educational planning and supervision of the District.

Operation and maintenance of facilities involve keeping the school grounds, buildings and equipment in a safe and effective working condition. Also includes the oversight of district wide risk assessments and financial management.

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

Interest on debt involves the transactions associated with the payment of interest and other related charges to debt of the School District as previously voted on by the general public.
"Other" includes special schools, depreciation and absence liabilities.
Unallocated benefits include employee benefits such as compensated absences, health benefits and pensions.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## The School District's Funds

All governmental funds (i.e., general fund, special revenue fund, capital projects fund and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. See Exhibit B-2. Total revenues amounted to $\$ 58,220,967$ and expenditures were $\$ 55,840,570$. The net change in fund balance for the year was an increase of $\$ 2,937,463$ including the change in the capital projects fund.

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 schedules present a summary of the revenues of the governmental funds for the year ended June 30, 2016, and the amount and percentage of increases and decreases in relation to prior year revenues.

|  | Sources of Revenue \& Other Funding |  |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Revenue | $\begin{gathered} \text { 2015-2016 } \\ \text { Amount } \end{gathered}$ | Percent of Total |  | 2014-2015 <br> Amount |  | Increase <br> Decrease) <br> From PY | Percent of Increase or Decrease |
| Property Taxes | \$30,893,819 | 54.61\% | \$ | 29,851,546 | \$ | 1,042,273 | 3.49\% |
| Other Local Sources | 290,687 | 0.51\% |  | 336,042 |  | $(45,355)$ | -13.50\% |
| State Sources | 25,595,557 | 45.25\% |  | 24,924,282 |  | 671,275 | 2.69\% |
| Federal Sources | 1,440,904 | 2.55\% |  | 1,455,092 |  | $(14,188)$ | -0.98\% |
| Total | \$58,220,967 | 102.92\% | \$ | 56,566,962 |  | 1,654,005 |  |

Total revenues increased by $\$ 1,654,005$. The increase in local sources was due to allowable property tax increase and through submission of cost specific funding applications.

Slight increase in State Aid revenue is attributable to Special Education reimbursed extraordinary cost. The state's funding formula was awarded for the 2015-2016 on a flat fixed rate over prior year. The last month's payment is held by the state until July. Therefore, the district should maintain $\$ 2.3$ million in available surplus to ensure there are sufficient funds to cover year end expenditures. The Federal revenue source has maintained leveled funding to the district. Note: all federal mandates at program levels are not funded.

The following schedule represents a summary of general fund, special revenue fund, capital project fund and debt service fund expenditures for the year ended June 30, 2016, and the percentage of increases and decreases in relation to prior year amounts.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 UNAUDITED 

## The School District's Funds (Continued)

Summary of Expenditures

| Expenditures |  | 015-2016 <br> Amount | Percent of Total |  | 014-2015 <br> Amount | Increase <br> (Decrease) <br> from 2015 |  | Percent of Increase or Decrease |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Current Expense: Instruction | \$ | 19,917,891 | 36.55\% | \$ | 19,966,984 | \$ | $(49,093)$ | -0.25\% |
| Undistributed Expenditures |  | 30,033,474 | 55.12\% |  | 28,845,198 |  | 1,188,276 | 4.12\% |
| Capital Outlay |  | 1,623,211 | 2.98\% |  | 1,684,212 |  | $(61,001)$ | -3.62\% |
| Special Revenue |  | 1,359,380 | 2.49\% |  | 1,227,600 |  | 131,780 | 10.73\% |
| Debt Service |  | 2,906,614 | 5.33\% |  | 2,764,759 |  | 141,855 | 5.13\% |
| Total | \$ | 55,840,570 | 102.48\% | \$ | 54,488,753 | \$ | 1,351,817 |  |

Changes in expenditures for capital outlay were due to a technology shift from infrastructure improvements to device upgrades. Continued PARCC Readiness initiative preparations were a success for the 2015-2016 school year. Undistributed expenditures include the realignment of guidance and child study team practices thus investments for these expenses were slightly increased. We are in the first year of a two year teacher's contract. Due to contract provisions and contractual COLA obligations; costs and savings in undistributed expenditures areas increased. A.C.A, health costs, unfunded mandates for staff training; health \& safety; assessments, and technology also impact this undistributed cost. Federal Education funding sources continue to be decreased; however the district must still abide to IDEA and NCLB requirements.

## General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is based on accounting certain transactions on a basis of cash receipts, disbursements, and encumbrances. The most significant budgeted fund is the General Fund.

Over the course of the year, the District revised the annual budget several times. Revisions to the budget were made to recognize changes in revenues not anticipated and to prevent over-expenditures in specific line item accounts.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 UNAUDITED 

## Capital Assets

At the end of the year 2016, the School District had $\$ 175,458,579$ invested in governmental land, building, furniture and equipment, and vehicles. Table 4 shows year 2016 balances compared to 2015.

Table 4
Capital Assets at June 30, 2016 (Net of Depreciation)

|  | 2016 | 2015 |
| :---: | :---: | :---: |
| Land | \$ 11,696,706 | \$ 11,696,706 |
| Land Improvements | 8,209,273 | 8,209,273 |
| Building \& Building Improvements | 143,341,221 | 143,486,507 |
| Machinery and Equipment | 12,211,379 | 11,452,288 |
| Total Asset Book Value | 175,458,579 | 174,844,774 |
| Less Accumulated Depreciation | $(53,344,271)$ | $(47,989,324)$ |
| Net Capital Assets | \$ 122,114,308 | \$ 126,855,450 |

Overall capital assets decreased $\$ 4,741,142$ from year 2015 to year 2016. The decrease in capital assets is due to depreciation charges exceeding new capital construction and purchases. For more detailed information, please refer to the Notes to the Financial Statements.

## Debt Administration

At June 30, 2016, the School District had $\$ 55,018,524$ of outstanding debt. Of this amount, $\$ 1,927,062$ is for compensated absences; $\$ 949,082$ is for Bond Premium; $\$ 15,815,708$ for Net Pension Liability; $\$ 3,681,672$ for various capital leases; and $\$ 32,645,000$ of serial bonds for school construction.

Table 5
Bonded Debt Outstanding at June 30, 2016

|  | 2016 |  | 2015 |  |
| :---: | :---: | :---: | :---: | :---: |
| 2007 Issue Bonds | \$ | 210,000 | \$ | 20,440,000 |
| 2012 Issue Refunding Bonds |  | 5,485,000 |  | 5,990,000 |
| 2014 Issue Refunding Bonds 1/2004 |  | 6,210,000 |  | 6,915,000 |
| 2015Issue Refunding Bonds 1/2007 |  | 20,740,000 |  | - |
| Total | \$ | 32,645,000 | \$ | 33,345,000 |

At June 30, 2016, the School District was within its legal debt margin. For more detailed information, please refer to the Notes to the Financial Statements and Schedule I-1.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS <br> FOR THE YEAR ENDED JUNE 30, 2016 <br> UNAUDITED 

## Debt Administration (continued)

"Standard \& Poor's Ratings Services assigned its 'A+' long-term rating to Barnegat Township Board of Education, N.J.'s 2015 general obligation (GO) refunding bonds. At the same time, we affirmed our 'A+' longterm rating and underlying rating (SPUR) on the board's previously issued GO debt. The outlook is stable. The rating reflects our assessment of the school districts: Strong economic profile with an increasing population largely resulting from a growing retiree presence. Strong financial position with a history of mostly positive operating results and adequate available general fund reserves on a budgetary basis of accounting, along with a good total fund balance position; and Low-to-moderate debt burden, with no plans to issue additional debt over the next several years." $S \& P$ 11/6/2015

## For the Future

The Barnegat Township School District maintains good financial condition. The School district has significant community support of the public schools. The administration continues to seek out revenue generating educational opportunities' to assist in offsetting budgetary and local tax increases. In conclusion the Barnegat Township School District Board of Education has committed itself to financial excellence for many years. In addition, the School District's systems for financial planning, budgeting, and internal financial controls are well established, and maintain the educational needs and priorities at the forefront of all fiscal planning. The School District plans to continue its sound management to meet the challenges of the future.

## Contacting the School District's Management

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Lourdes LaGuardia at Barnegat Township School District, 550 Barnegat Blvd. North, Barnegat, NJ 08005. Please visit our website at http://www.barnegatschools.com.

## BASIC FINANCIAL STATEMENTS

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A. Government-Wide Financial Statements

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> STATEMENT OF NET POSITION <br> GOVERNMENTAL FUNDS <br> JUNE 30, 2016

| ASSETS | GOVERNMENTAL <br> ACTIVITIES |  | BUSINESS- <br> TYPE <br> ACTIVITIES |  | TOTALS |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cash \& Cash Equivalents | \$ | 6,031,442 | \$ | 472,555 | \$ | 6,503,997 |
| Receivables, Net |  | 973,223 |  | 84,201 |  | 1,057,424 |
| Inventory |  | - |  | 17,504 |  | 17,504 |
| Restricted Assets: |  |  |  |  |  |  |
| Cash Reserves |  | 5,116,600 |  | - |  | 5,116,600 |
| Capital Projects |  | 453,617 |  | - |  | 453,617 |
| Capital Assets, Net (Note 5) |  | 122,114,308 |  | 212,694 |  | 122,327,002 |
| Total Assets |  | 134,689,190 |  | 786,954 |  | 135,476,144 |

## DFERRED OUTFLOW OF RESOURCES

| Deferred Outflows Related to Pensions | 2,075,788 | - | 2,075,788 |
| :---: | :---: | :---: | :---: |
| Deferred Charge on Refunding of Debt | 1,107,892 | - | 1,107,892 |
| Total Deferred Outflow of Resources | 3,183,680 | - | 3,183,680 |
| Total Assets and Deferred Outflow of Resources | 137,872,870 | 786,954 | 138,659,824 |

## LIABILITIES

| Accounts Payable | $1,129,037$ | 921 | $1,129,958$ |
| :--- | ---: | ---: | ---: |
| Unearned Revenue | 307,664 | 1,685 | 309,349 |
| Accrued Interest Payable | 237,423 | - | 237,423 |
| Long-Term Obligations (Note 7): |  |  |  |
| Due Within One Year | $1,907,255$ | - | $1,907,255$ |
| Due Beyond One Year | $53,111,269$ | - | $53,111,269$ |
| Total Liabilities | $56,692,648$ | 2,606 | $56,695,254$ |

## DFERRED INFLOW OF RESOURCES

| Deferred Inflows Related to Pensions | $1,226,481$ |  | - | $1,226,481$ |
| :---: | :---: | :---: | :---: | :---: |
| Total Deferred Inflow of Resources | $1,226,481$ | - | $1,226,481$ |  |
| Total Liabilities and Deferred Inflows of Resources | $57,919,129$ | 2,606 | $57,921,735$ |  |
|  |  |  |  |  |

## NET POSITION

| Net Investment in Capital Assets | 86,983,014 |  | 212,694 |  | 87,195,708 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Restricted For: |  |  |  |  |  |  |
| Other Purposes | 11,547,489 |  |  | - |  | 11,547,489 |
| Unrestricted | $(18,576,762)$ |  |  | 571,654 |  | $(18,005,108)$ |
| Total Net Position | \$ | 79,953,741 | \$ | 784,348 | \$ | 80,738,089 |

EXHIBIT A-2
(Page 1 of 2)
BARNEGAT TOWNSHIP BOARD OF EDUCATION STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016


EXHIBIT A-2
(Page 2 of 2 ) NEGAT TOWNSHIP BOARD OF EDUCATION
STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016


| $28,542,745$ | - | $28,542,745$ |
| ---: | :---: | ---: |
| $2,351,074$ | - | $2,351,074$ |
| $20,271,845$ | - | $20,271,845$ |
| 124,890 | - | 124,890 |
| 165,797 | 33,787 | 199,584 |
| - | 837 | 837 |
| 361,472 | - | 361,472 |
| - | $(451)$ | $(451)$ |


Total General Revenues, Special Items, Extraordinary Items \& Transfers
Change In Net Position
Net Position - Ending

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

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Governmental Funds

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# BARNEGAT TOWNSHIP BOARD OF EDUCATION GOVERNMENTAL FUNDS <br> BALANCE SHEET <br> JUNE 30, 2016 

| ASSETS | GENERAL <br> FUND |  | SPECIAL REVENUE FUND |  | CAPITAL PROJECTS FUND |  | $\begin{aligned} & \text { DEBT } \\ & \text { SERVICE } \\ & \text { FUND } \end{aligned}$ |  | TOTALGOVERNMENTALFUNDS |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cash \& Cash Equivalents | \$ | 6,086,499 | \$ | - | \$ | 453,617 | \$ | 198,351 | \$ | 6,738,467 |
| Receivables, Net |  | 144,581 |  | 362,818 |  | - |  |  |  | 507,399 |
| Due From Other Funds |  | 456,433 |  | - |  | - |  | - |  | 456,433 |
| Receivables from Other |  |  |  |  |  |  |  |  |  |  |
| Governments |  | 471,273 |  | - |  | - |  | - |  | 471,273 |
| Restricted Cash |  | 5,116,600 |  | - |  | - |  | - |  | 5,116,600 |
| Total Assets | \$ | 12,275,386 | \$ | 362,818 | \$ | 453,617 |  | 198,351 | \$ | 13,290,172 |

## LIABILITIES \& FUND BALANCES

Liabilities:

| Accounts Payable | \$ | 1,026,344 | \$ | 102,694 | \$ | - | \$ | - | \$ | 1,129,038 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cash Overdraft |  | - |  | 253,408 |  | - |  | - |  | 253,408 |
| Due to Other Funds |  | 8,265 |  | - |  | 453,617 |  | - |  | 461,882 |
| Unearned Revenue |  | 453,136 |  | 6,716 |  | - |  | - |  | 459,852 |
| Total Liabilities |  | 1,487,745 |  | 362,818 |  | 453,617 |  | - |  | 2,304,180 |
| Fund Balances: |  |  |  |  |  |  |  |  |  |  |
| Restricted for: |  |  |  |  |  |  |  |  |  |  |
| Capital Reserve |  | 2,542,013 |  | - |  | - |  | - |  | 2,542,013 |
| Maintenance Reserve |  | 2,067,888 |  | - |  | - |  | - |  | 2,067,888 |
| Emergency Reserve |  | 506,699 |  | - |  | - |  | - |  | 506,699 |
| Excess Surplus |  | 3,599,428 |  | - |  | - |  | - |  | 3,599,428 |
| Excess Surplus Designated for Subsequent Year's Expenditures |  | 2,633,110 |  | - |  | - |  | - |  | 2,633,110 |
| Debt Service |  | - |  | - |  | - |  | 198,351 |  | 198,351 |
| Committed for: |  |  |  |  |  |  |  |  |  |  |
| Other Purposes |  | 175,241 |  | - |  | - |  | - |  | 175,241 |
| Unassigned |  | $(736,738)$ |  | - |  | - |  | - |  | $(736,738)$ |
| Total Fund Balances |  | 10,787,641 |  | - |  | - |  | 198,351 |  | 10,985,992 |
| Total Liabilities \& Fund Balances | \$ | 12,275,386 | \$ | 362,818 | \$ | 453,617 | \$ | 198,351 |  |  |


| 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 $\$ 175,458,579$ and the accumulated depreciation is $\$ 53,344,271$. |  | 122,114,308 |
| Deferred outflows and inflows of resources related to pensions and deferred charges or credits on debt refundings are applicable to future reporting periods and, therefore, are not reported in the funds. |  | 849,307 |
| Accrued interest payable is not recorded in the fund financial Statements due to the fact that the payables are not due in the period. |  | $(237,423)$ |
| Unexpended capital lease proceeds |  | 152,188 |
| Deferred charges on refunding of debt is not recorded in the fund financials but is recorded on the district wide financials. |  | 1,107,893 |
| Long-term liabilities, including net pension liability, bonds payable, compensated absences payable, bond premium, other post employment benefits and capital leases payable are not due and payable in the current period and, therefore, are not reported as a liability in the funds.(Illustrative Note 7) |  | (55,018,524) |
| Net position of Governmental Activities | \$ | 79,953,741 |

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

## BARNEGAT TOWNSHIP BOARD OF EDUCATION GOVERNMENTAL FUNDS <br> STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES FOR THE YEAR ENDED JUNE 30, 2016

|  | GENERAL <br> FUND | SPECIAL REVENUE FUND | CAPITAL PROJECTS FUND | $\begin{aligned} & \text { DEBT } \\ & \text { SERVICE } \\ & \text { FUND } \end{aligned}$ | TOTAL <br> GOVERNMENTAL <br> FUNDS |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Revenues: |  |  |  |  |  |
| Local Tax Levy | \$ 28,542,745 | \$ | \$ | \$ 2,351,074 | \$ 30,893,819 |
| Tuition | 124,890 | - | - | - | 124,890 |
| Miscellaneous | 146,779 | 19,007 | 11 | - | 165,797 |
| Total Local Sources | 28,814,414 | 19,007 | 11 | 2,351,074 | 31,184,506 |
| State Sources | 25,175,818 | 1,340, | - | 419,739 | 25,595,557 |
| Federal Sources | 100,531 | 1,340,373 | - | - | 1,440,904 |
| Total Revenues | 54,090,763 | 1,359,380 | 11 | 2,770,813 | 58,220,967 |
| Expenditures: |  |  |  |  |  |
| Current: |  |  |  |  |  |
| Regular Instruction | 13,475,064 | 1,226,916 | - | - | 14,701,980 |
| Special Education Instruction | 4,775,049 | - | - | - | 4,775,049 |
| Other Special Instruction | 1,667,778 | - | - | - | 1,667,778 |
| Support Services \& Undistributed Costs: |  |  |  |  |  |
| Tuition | 787,918 | 132,464 | - | - | 920,382 |
| Student \& Instruction Related Services | 4,677,720 | - | - | - | 4,677,720 |
| General Administrative Services | 551,293 | - | - | - | 551,293 |
| School Administrative Services | 1,517,202 | - | - | - | 1,517,202 |
| Central Services | 460,130 | - | - | - | 460,130 |
| Administrative Information Technology | 327,657 | - | - | - | 327,657 |
| Plant Operations \& Maintenance | 4,665,414 | - | - | - | 4,665,414 |
| Pupil Transportation | 1,947,470 | - | - | - | 1,947,470 |
| Employee Benefits | 15,098,670 | - | - | - | 15,098,670 |
| Debt Service: |  |  |  |  |  |
| Principal | - | - | - | 1,485,000 | 1,485,000 |
| Interest \& Other Charges | - ${ }^{-}$ | - | - | 1,421,614 | 1,421,614 |
| Capital Outlay | 1,623,211 | - | - | - | 1,623,211 |
| Total Expenditures | 51,574,576 | 1,359,380 | - | 2,906,614 | 55,840,570 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures |  |  |  |  |  |
| Over/(Under) Expenditures | 2,516,187 | - | 11 | $(135,801)$ | 2,380,397 |
| Other Financing Sources/(Uses): |  |  |  |  |  |
| Transfers In | 11 | - | - | - | 11 |
| Cancellation of Prior Year Payables | 361,472 | - | - | - ${ }^{-}$ | 361,472 |
| Proceeds of Refunding Bonds | - | - | - | 21,390,916 | 21,390,916 |
| Deposit to Escrow Agent | - | - | - | $(21,175,214)$ | $(21,175,214)$ |
| Transfers Out | - | - | (11) | - | (11) |
| Transfer of Funds To Charter Schools | $(20,108)$ | - | - | - | $(20,108)$ |
| Total Other Financing Sources \& Uses | 341,375 | - | (11) | 215,702 | 557,066 |
| Net Change in Fund Balances | 2,857,562 | - | - | 79,901 | 2,937,463 |
| Fund Balance - July 1 | 7,930,079 | - | - | 118,450 | 8,048,529 |
| Fund Balance - June 30 | \$ 10,787.641 | \$ | \$ | \$ 198.351 | \$ 10,985,992 |

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

## BARNEGAT TOWNSHIP BOARD OF EDUCATION

## RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, GOVERNMENTAL FUNDS <br> JUNE 30, 2016

Total Net Change in Fund Balances - Governmental Funds (From B-2)
\$ 2,937,463
Amounts reported for governmental activities in the statement of activities (A-2) are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period:
Depreciation Expense
Deletions \& Adjustment to Capital Assets
Capital Outlay

| $(5,371,954)$ |
| ---: |
| $(188,363)$ |
| 819,175 |

District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

| Pension Expense - PERS Contribution - 2016 | 605,723 |
| :--- | :---: |
| Unfunded TPAF Pension Expense | $(5,775,543)$ |
| State Share of Unfunded TPAF Pension Expense | $5,775,543$ |
| Pension Expense | $(829,498)$ |

Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

| Bonds | $1,485,000$ |  |
| :--- | ---: | ---: |
| Capital Leases | 309,976 | $1,794,976$ |

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

2016 Bond Refunding
Bond Proceeds $\quad(20,825,000)$ Premiums
$(565,916)$
Advance refunding of debt issues are financing uses in the governmental funds. They are not expenses in the statement of activities; refunding of debt decreases long term liabilities in the statement of net position.
Loss on Refunding $\quad 1,135,214$

Deferred charge on retirement of debt, cost of issuance on refunding, and original issue premiums are recorded when incurred in the governmental funds but are deferred and recognized in the statement of activities over the life of the refunding:
Amortization of Loss on Early Retirement of Debt $\quad(38,827)$
Amortization of Bond Premiums 64,703

Repayment of compensated absences is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities.

| Prior Year | $1,637,246$ |
| :--- | ---: |
| Current Year | $(1,927,062)$ |

In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The accrued interest is an addition in the reconciliation ( + ).

| Prior Year Current Year | $\begin{gathered} 443,627 \\ (237,423) \\ \hline \end{gathered}$ | 206,204 |
| :---: | :---: | :---: |
| Change in Net Position of Governmental Activities | \$ | $(505,916)$ |

[^4]Proprietary Funds

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION PROPRIETARY FUNDS STATEMENT OF NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

|  | BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS |  |  |  |  | TOTALS |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{gathered} \text { FOOD } \\ \text { SERVICE } \end{gathered}$ | COMMUNITY <br> EDUCATION | AFTER CARE |  | BENGAL CUBSEARLY LEARNINGCENTER |  |
|  |  |  |  |  |  |  |
| Current Assets: |  |  |  |  |  |  |
| Cash | \$ 299,748 | \$ 39,583 | \$ | 108,394 | \$ 24,830 | \$ 472,555 |
| Accounts Receivable: |  |  |  |  |  |  |
| State | 856 | - |  | - | - | 856 |
| Federal | 44,332 | - |  | - | - | 44,332 |
| Other | 127 | - |  | 29,168 | 1,453 | 30,748 |
| Inventories | 17,504 | - |  | - | - | 17,504 |
| Interfund Receivable | - | - |  | 8,265 | - | 8,265 |
| Total Current Assets | 362,567 | 39,583 |  | 145,827 | 26,283 | 574,260 |
| Noncurrent Assets: |  |  |  |  |  |  |
| Furniture, Machinery \& Equipment | 848,799 | - |  | - | - | 848,799 |
| Less: Accumulated Depreciation | $(636,105)$ | - |  | - | - | $(636,105)$ |
| Total Noncurrent Assets | 212,694 | - |  | - | - | 212,694 |
| Total Assets | 575,261 | 39,583 |  | 145,827 | 26,283 | 786,954 |

## LIABILITIES

Current Liabilities:
Accounts Payable
Unearned Revenue
Total Current Liabilities

| - | - | - | 921 | 921 |
| ---: | ---: | ---: | ---: | ---: |
| - | - | - | 1,685 | 1,685 |
|  |  |  |  |  |
| - | - | 2,606 | 2,606 |  |

## NET POSITION

Net Investment in Capital Assets
Unrestricted

Total Net Position

|  | 212,694 | - | - | - | 212,694 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | 362,567 | 39,583 | 145,827 | 23,677 | 571,654 |  |
| $\$$ | 575,261 | $\$$ | 39,583 | $\$$ | 145,827 | $\$$ |

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

## BARNEGAT TOWNSHIP BOARD OF EDUCATION PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION FOR THE YEAR ENDED JUNE 30, 2016

|  | BUSINESS-TYPE ACTIVITIES - <br> ENTERPRISE FUNDS |  |  |  |  |  |  |  | TOTALS |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { FOOD } \\ & \text { SERVICE } \end{aligned}$ |  | COMMUNITY EDUCATION |  | AFTER CARE |  | BENGAL CUBSEARLY LEARNINGCENTER |  |  |  |
| Operating Revenues: |  |  |  |  |  |  |  |  |  |  |
| Charges for Services: |  |  |  |  |  |  |  |  |  |  |
| Daily Sales - Reimbursable Programs: School Lunch Program | \$ | 370,038 | \$ | - | \$ | - | \$ | - | \$ | 370,038 |
| Daily Sales - Non-Reimbursable Programs: School Lunch Program |  | 186,930 |  | - |  | - |  | - |  | 186,930 |
| Program Revenues |  | - |  | - |  | 194,762 |  | 265,480 |  | 460,242 |
| Total Operating Revenues |  | 556,968 |  | - |  | 194,762 |  | 265,480 |  | 1,017,210 |
| Operating Expenses: |  |  |  |  |  |  |  |  |  |  |
| Cost of Sales |  | 513,637 |  | - |  | - |  | - |  | 513,637 |
| Salaries \& Benefits |  | 398,550 |  | - |  | 112,471 |  | 179,427 |  | 690,448 |
| Management \& Administrative Fees |  | 73,623 |  | - |  | - |  | - |  | 73,623 |
| Other Purchased Services |  | 14,562 |  | - |  | 21,435 |  | 25,242 |  | 61,239 |
| Cleaning, Repair \& Maintenance Services |  | 66,078 |  | - |  | - |  | - |  | 66,078 |
| Depreciation |  | 36,744 |  | - |  | - |  | - |  | 36,744 |
| Total Operating Expenses |  | 1,103,194 |  | - |  | 133,906 |  | 204,669 |  | 1,441,769 |
| Operating Income/(Loss) |  | $(546,226)$ |  | - |  | 60,856 |  | 60,811 |  | $(424,559)$ |
| Nonoperating Revenues (Expenses): |  |  |  |  |  |  |  |  |  |  |
| State Sources: |  |  |  |  |  |  |  |  |  |  |
| State School Lunch Program |  | 11,177 |  | - |  | - |  | - |  | 11,177 |
| Federal Sources: |  |  |  |  |  |  |  |  |  |  |
| National School Lunch Program |  | 414,555 |  | - |  | - |  | - |  | 414,555 |
| National School Performance Based Program |  | 13,878 |  | - |  | - |  | - |  | 13,878 |
| National School Breakfast Program |  | 124,200 |  | - |  | - |  | - |  | 124,200 |
| National School After School Snack Program |  | 3,078 |  | - |  | - |  | - |  | 3,078 |
| Food Distribution Program |  | 93,409 |  | - |  | - |  | - |  | 93,409 |
| Interest \& Investment Revenue |  | 386 |  | 51 |  | 231 |  | 169 |  | 837 |
| Miscellaneous Revenue |  | 33,787 |  | - |  | - |  | - |  | 33,787 |
| Transfer In/(Out) |  | - |  | (51) |  | (231) |  | (169) |  | (451) |
| Total Nonoperating Revenues/(Expenses) |  | 694,470 |  | - |  | - |  | - |  | 694,470 |
| Change in Net Position |  | 148,244 |  | - |  | 60,856 |  | 60,811 |  | 269,911 |
| Total Net Position - Beginning |  | 427,017 |  | 39,583 |  | 84,971 |  | $(37,134)$ |  | 514,437 |
| Total Net Position - Ending | \$ | 575,261 | \$ | 39,583 | \$ | 145,827 | \$ | 23,677 | \$ | 784,348 |

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

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> PROPRIETARY FUNDS <br> STATEMENT OF CASH FLOWS <br> FOR THE YEAR ENDED JUNE 30, 2016



## Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

| Operating Income/(Loss) | \$ | $(546,226)$ | \$ | - | \$ | 60,856 | \$ | 60,811 | \$ | $(424,559)$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Adjustments to Reconcile Operating Income/(Loss) to |  |  |  |  |  |  |  |  |  |  |
| Net Cash Provided/(Used) by Operating Activities: |  |  |  |  |  |  |  |  |  |  |
| Food Distribution Program |  | 93,409 |  | - |  | - |  | - |  | 93,409 |
| Depreciation \& Net Amortization |  | 36,744 |  | - |  | - |  | - |  | 36,744 |
| (Increase)/Decrease in Accounts Receivable Other |  | (127) |  | - |  | $(1,741)$ |  | $(1,294)$ |  | $(3,162)$ |
| (Increase)/Decrease in Inventories |  | $(4,148)$ |  | - |  | - |  | - |  | $(4,148)$ |
| (Increase)/Decrease in Interfunds |  | $(4,429)$ |  |  |  | $(99,226)$ |  | $(115,746)$ |  | $(219,401)$ |
| Increase/(Decrease) in Accounts Payable |  | - |  | - |  | - |  | 1,696 |  | 1,696 |
| Total Adjustments |  | 121,449 |  | - |  | $(100,967)$ |  | $(115,344)$ |  | $(94,862)$ |
| Net Cash Provided/(Used) by Operating Activities | \$ | $(424,777)$ | \$ | - | \$ | $(40,111)$ | \$ | $(54,533)$ | \$ | $(519,421)$ |

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

Fiduciary Fund

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BARNEGAT TOWNSHIP BOARD OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
FOR THE YEAR ENDED JUNE 30, 2016

|  | PRIVATE <br> PURPOSE |  |  | TOTALS |
| :---: | :---: | :---: | :---: | :---: |
|  | UNEMPLOYMENT COMPENSATION TRUST | AGENCY |  |  |
|  |  | $\begin{gathered} \text { PAYROLL } \\ \text { FUND } \end{gathered}$ | $\begin{gathered} \text { STUDENT } \\ \text { ACTIVITIES } \end{gathered}$ |  |
| Cash \& Cash Equivalents | \$ 625,338 | \$ 1,154,514 | \$ 142,734 | \$ 1,922,586 |
| Total Assets | 625,338 | 1,154,514 | 142,734 | 1,922,586 |
| LIABILITIES |  |  |  |  |
| Payable to Student Groups | - | - | 142,734 | 142,734 |
| Accrued Salaries \& Wages | - | 1,151,698 | - | 1,151,698 |
| Interfund Payable | - | 2,816 | - | 2,816 |
| Total Liabilities | - | 1,154,514 | 142,734 | 1,297,248 |

## NET POSITION

Held in Reserve for
Unemployment Claims

Total Net Position

|  | 625,338 |  | - |  | - |  | 625,338 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  |  |
| $\$$ | 625,338 | $\$$ | - | $\$$ | - | $\$$ | 625,338 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> FIDUCIARY FUNDS <br> STATEMENT OF CHANGES IN NET POSITION <br> FOR THE YEAR ENDED JUNE 30, 2016



## BARNEGAT TOWNSHIP SCHOOL DISTRICT

## NOTES TO THE FINANCIAL STATEMENTS

JUNE 30, 2016

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# BARNEGAT TOWNSHIP SCHOOL DISTRICT <br> NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies

The accompanying financial statements of the Barnegat Township School District have been prepared in conformity with generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant accounting policies:

## A. Reporting Entity

The Barnegat Township School District (hereafter referred to as the "District") is a Type II district located in the County of Ocean, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The Board is comprised of nine members appointed to three-year terms. These terms are staggered so that three members' terms expire each year. The District provides a full range of educational services appropriate to grade levels K through 12. The District operates four elementary schools, one Middle School and a High School. A superintendent is appointed by the Board and is responsible for the administrative control of the District. The Barnegat Township Board of Education has an approximate enrollment at June 30, 2016 of 3,170 students.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards, is whether:

- the organization is legally separate (can sue or be sued in their own name);
- the District holds the corporate powers of the organization;
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization;
- the organization has the potential to impose a financial benefit/burden on the District
- there is a fiscal dependency by the organization on the District.


## B. Component Units

GASB Statement No.14. The Financial Reporting Entity, provides guidance that all entities associated with a primary government are potential component units and should be evaluated for inclusion in the financial reporting entity. A primary government is financially accountable not only for the organizations that make up its legal entity but also for legally separate organizations that meet the criteria established by GASB Statement No. 14, as amended by GASB Statement No. 39, Determining Whether Certain Organizations are Component Units and GASB Statement No. 61, The Financial Reporting Entity: Omnis - an amendment of GASB Statements No. 14 and No. 34. The District had no component units as of for the year ended June 30, 2016.

## C. Government-Wide and Fund Financial Statements

The District's Government-Wide Financial Statements include a Statement of Net Position and a Statement of Activities. report information of all of the non-fiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these government-wide statements. District 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.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## C. Government-Wide and Fund Financial Statements (continued)

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

Net position is restricted when constraints placed on it is either externally imposed or imposed by constitutional provisions or enabling legislation. Internally imposed designations of resources are not presented as restricted net position. When both restricted and unrestricted resources are available for use, generally it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds and similar component units, and major component units. However, the fiduciary funds are not included in the government-wide statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## D. Measurement Focus, Basis of Accounting and Financial Statement Presentation

Government-Wide Financial Statements - The governmental fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. 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 - The 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 60 days of the end of the current fiscal year-end. Principal revenue sources considered susceptible to accrual include federal and state grants, tuition and transportation. Other revenues are considered to be measurable and available only when cash is received by the state. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

## E. Fund Accounting

The accounts of the Barnegat Township School District are maintained in accordance with the principles of fund accounting to ensure observance of limitations and restrictions on the resources available. The principles of fund accounting require that resources be classified for accounting and reporting purposes into funds or account groups in accordance with activities or objectives specified for the resources. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued):

## E. Fund Accounting (continued)

resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources. The various funds and accounts are grouped, in the financial statements in this report, into eight fund types within three broad fund categories and two account groups as follows:

## Governmental Funds

General Fund - The general fund is the general operating fund of the Barnegat Township School District and is used to account for all financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment which are classified in the Capital Outlay subfund.

As required by the New Jersey Department of Education Barnegat Township School District includes budgeted Capital Outlay in this fund. Generally accepted accounting principles (GAAP) as they pertain to governmental entities state that General Fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, interest earnings and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to or remodeling of buildings and the purchase of built-in equipment. These resources can be transferred from and to Current Expense by board resolution.

Special Revenue Fund - The Special Revenue Fund is used to account for the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

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

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

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued):

## E. Fund Accounting (continued)

## Proprietary Fund

The focus of Proprietary Fund measurement is upon determination of net income, financial position and cash flows. The generally accepted accounting principles applicable are those similar to businesses in the private sector. The following is a description of the Proprietary Funds of the District:

Enterprise - The enterprise fund is used to account for the operations that are financed and operated in a manner similar to a private business enterprise. The costs of providing goods or services are financed primarily through user charges; or, where the District has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The District's Enterprise Fund is comprised of the following:

- Food Service Fund - This fund accounts for the revenues and expenses pertaining to the District's cafeteria operations.
- Community Education - This fund accounts for the revenues and expenses pertaining to the District's community education program.
- After Care Program - This fund accounts for the revenues and expenses pertaining to the District's after care program.
- Bengal Cubs Early Learning Center - This fund accounts for the revenues and expenses pertaining to the District's after care program.

All Proprietary funds are accounted for on a cost of services or "capital maintenance" measurement focus. This means that all assets and all liabilities, whether current or noncurrent, associated with their activity are included on their balance sheets. Their reported fund equity (net total position) is segregated into contributed capital and unreserved net position, if applicable. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in net total position.

Revenues are divided into operating and non-operating revenues. Operating revenues consist of daily sales. Non-operating revenues consist of federal and state reimbursable revenues and interest income.

Depreciation of all exhaustive fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight-line-method. The estimated useful lives are as follows:

Food Service Fund:
Equipment
15 Years

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## E. Fund Accounting (continued)

## Fiduciary Fund

Fiduciary funds are used to account for assets held by a governmental entity for other parties (either as trustee or as an agent) and that cannot be used to finance the governmental entity's own operating programs which includes private purpose trust funds and agency funds

Private Purpose Trust Funds are used to account for the principal and income for trust arrangements that benefit individuals, private organizations, or other governments. The district currently maintains an Unemployment Trust Fund as a private purpose trust.

Agency Funds are assets held by a governmental entity (either as trustee or as an agent) for other parties that cannot be used to finance the governmental entity's own operating programs. The district currently maintains Payroll funds and Student Activity Funds as Agency Funds.

## F. Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds and private purpose trust funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

All proprietary funds are accounted for on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Fund equity (i.e., net total position) is segregated into contributed capital and net position components. Proprietary fund-type operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total position.

The modified accrual basis of accounting is used for measuring financial position and operating results of all governmental fund types, private purpose trust funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. State equalization monies are recognized as revenue during the period in which they are appropriated. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Expenditures are recognized in the accounting period in which the fund liability is incurred, except for principal and interest on general long-term debt which are recorded when due.

In its accounting and financial reporting, the Barnegat Township School District follows the pronouncements of the Governmental Accounting Standards Board (GASB) and the pronouncements of the Financial Accounting Standards Board (FASB) and its predecessor organizations issued on or before November 30, 1989, unless they conflict with or contradict GASB pronouncements. The Barnegat Township School District's proprietary funds have elected not to apply the standards issued by FASB after November 30, 1989.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## G. Budgets/Budgetary Control

The accrual basis of accounting is used for measuring financial position and operating results of proprietary fund types and private purpose trust funds. Under this method, revenues are recognized in the accounting period in which they are earned and expenses are recognized when they are incurred.

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue and debt service funds. The budgets are submitted to the county office and are voted upon at the annual school election on the third Tuesday in April. Effective January 17, 2012, P.L. 2011 c. 202 eliminated the annual voter referendum on budgets which met the statutory tax levy cap limitations and the board of education members are elected at the November general election. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C.6:20-2A(m)1. All budget amendments must be approved by School Board resolution.

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

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

The budget, as detailed on Exhibit C-1, includes all amendments to the adopted budget, if any.
Exhibit C-3 presents a reconciliation of the special revenue fund revenues and expenditures from the budgetary basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General, Special Revenues and Debt Service Funds to the GAAP basis of accounting as presented in the Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types.

## H. Encumbrances

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

Open encumbrances in the special revenue fund for which the Barnegat Township School District has received advances are reflected in the balance sheet as either deferred revenues or as a reduction of the receivable at fiscal year-end.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## H. Encumbrances (continued)

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

## I. Cash \& Cash Equivalents

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

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

## J. Tuition Receivable/Payable

Tuition rates for the fiscal year end June 30, 2016 were established by the receiving district based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

## K. Inventories and Prepaid Expenses

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

Prepaid expenses, which benefit future periods, other than those recorded in the enterprise funds, are recorded as expenditures during the year of purchase. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2016.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## L. Short-Term Interfund Receivables/Payables

Short-term interfund receivables/payables represent amounts that are owed, other than charges for goods or services rendered to/from a particular fund in the Barnegat Township School District and that are due within one year. The amounts are eliminated in the governmental and business-type activities, which are presented as Internal Balances. Balances with fiduciary funds are not considered Internal Balances; therefore those balances are reported on the Statement of Net Position.

## M. Capital Assets

General capital assets acquired or constructed during the year are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the District as assets, which have a cost in excess of $\$ 2,000$ at the date of acquisition and a useful life of one year or more. Donated capital assets are valued at their estimated fair market value on the date received. The general capital assets acquired or constructed were valued by an independent appraisal company. General capital assets, such as land and buildings, are valued at the historical cost basis and through estimated procedures performed by an independent appraisal company, respectively.

General capital assets are reflected as expenditures in the applicable governmental funds. Depreciation expense is recorded in the government-wide financial statements as well as the proprietary fund. Capital assets are depreciated on the straight-line method over the assets' estimated useful life. There is no depreciation recorded for land and construction in progress. Generally estimated useful lives are as follows:

$$
\begin{array}{lc}
\text { Machinery and Equipment } & 5-20 \text { Years } \\
\text { Building \& Other Improvements } & 10-50 \text { Years }
\end{array}
$$

## N. Accrued Salaries and Wages

District employees, who provide services to the District over the ten-month academic year and extended eleven-month calendar, do have the option to have their salaries disbursed during the entire twelve-month year. Therefore, there is an accrual of \$1,151,698 at June 30, 2016 for such salaries.

## O. Compensated Absences

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

In the Government-Wide financial statements, under governmental activities, compensated absences are reported as an expenditure and noncurrent liabilities.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## P. Unearned Revenue

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

## Q. Long-Term Obligations

In government-wide financial statements, under governmental activities, long-term debt is recognized as a liability in the general fund as debt is incurred.

## R. Fund Balance

In accordance with Government Accounting Standards Board 54, Fund Balance Reporting and Governmental Fund Type Definitions, the Barnegat Township School District classifies governmental fund balances as follows:

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

The District uses restricted/committed amounts to be spent first when both restricted and unrestricted fund balance is available, unless prohibited by law or regulation. Additionally, the District would first use committed, then assigned and lastly unassigned amounts of unrestricted fund balance when expenditures are made.

## S. Net Position

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

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


# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## S. Net Position (continued)

- Restricted - Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.
- Unrestricted - Net position is reported as unrestricted when it does not meet the criteria of the other two components of net position.


## T. Impact of Recently Issued Accounting Principles

## Adopted Accounting Pronouncements

For the year ended June 30, 2016, the District implemented GASB Statement No. 72, Fair Value Measurement and Application. As a result of implementing this statement, the District is required to measure certain investments at fair value for financial reporting purposes. In addition, the District is required to measure donated capital assets at acquisition value (an entry price); these assets were previously required to be measured at fair value. Statement No. 72 requires disclosures to be made about fair value measurements, the level of fair value hierarchy, and valuation techniques. Implementation of this Statement did not impact the District's financial statements.

The District implemented GASB Statement No. 73, Accounting and Financial Reporting for Pensions and Related Assets that are Not Within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. Implementation of this Statement did not impact the District's financial statements.

The District implemented GASB Statement No. 76, The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments. Implementation of this Statement did not impact the District's financial statements.

## Recently Issued and Adopted Accounting Pronouncements

The GASB has issued the following Statements which will become effective in future fiscal years as shown below:

Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans. The objective of this Statement is to improve the usefulness of information about postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 75, Accounting and Financial Reporting for Post-employment Benefits Other than Pensions. This Statement replaces the requirements of Statement No. 45, Accounting and Financial Reporting by Employers for Post- employment Benefits Other Than Pensions, as amended, and No. 57,

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## T. Impact of Recently Issued Accounting Principles

Recently Issued and Adopted Accounting Pronouncements (continued)
OPEB Measurements by Agency Employers and Agent Multi-Employer Plans, for OPEB Statement No. 74, Financial Reporting for Post-employment Benefit Plans Other Than Pension Plans, establishes new accounting and financial reporting requirements for OPEB Plans. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the District's financial statements.

Statement No. 77, Tax Abatement Disclosures. This Statement requires governments that enter into tax abatement agreements to disclose information about those agreements. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 78, Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans. The objective of this Statement is to address a practice issue regarding the scope and applicability of Statement No. 68, Accounting and Financial Reporting for Pensions. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 79, Certain External Investment Pools and Pool Participants. This Statement addresses accounting and financial reporting for certain external investment pools and pool participants. This Statement will be effective for the year ended June 30, 2017. Management does not expect this Statement to impact the District's financial statements.

Statement No. 80, Blending Requirements for Certain Component Units - an amendment of GASB Statement No. 14. The objective of this Statement is to improve financial reporting by clarifying the financial statement presentation requirements for certain component units. This Statement amends the blending requirements established in paragraph 53 of Statement No. 14, The Financial Reporting Entity, as amended. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to impact the District's financial statements.

Statement No. 81, Irrevocable Split-Interest Agreements. The objective of this Statement is to improve accounting and financial reporting for irrevocable split-interest agreements by providing recognition and measurement guidance for situations in which a government is a beneficiary of the agreement. This Statement will be effective for the year ended June 30, 2018. Management does not expect this Statement to impact the District's financial statements.

Statement No. 82, Pension Issues - an amendment of GASB Statements No. 67, 68 and No. 73. The objective of this Statement is to address certain issues that have been raised with respect to Statements No. 67, Financial Reporting for Pension Plans, No. 68, Accounting and Financial Reporting for Pensions, and No. 73, Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68. This Statement will be effective for the year ended June 30, 2018. Management has not yet determined the potential impact on the District's financial statements.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 1: Summary of Significant Accounting Policies (continued)

## U. Bond Premiums, Discounts and Issuance Costs

In the government-wide financial statements and in the proprietary fund financial statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when bonds are issued.

In governmental fund financial statements, bond premiums and discounts, as well as debt issuance costs are recognized in the current period. The face amount of the debt is reported as other financing sources. Premiums received on debt issuance are also reported as other financing sources. Issuance costs, whether or not withheld from the actual debt proceeds, are reported as debt service expenditures.

## V. Deferred Loss on Refunding Debt

Deferred loss on refunding debt arising from the issuance of the refunding bonds is recorded as deferred outflows of resources. It is amortized in a systematic and rational manner over the shorter of the duration of the related debt or the new debt issues as a component of interest expense.

## W. Deferred Outflows and Deferred Inflows of Resources

In addition to assets, the statement of net position reports 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.

In addition to liabilities, the statement of net position reports 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 a future periods and so will not be recognized as an inflow of resources (revenue) until that time.

## X. Subsequent Events

The District has evaluated subsequent events occurring after June 30, 2016 through October 24, 2016, which is the date the financial statements were available to be issued.

## Y. Pensions

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

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 2: Cash Deposits and Investments

The District is governed by the deposit and investment limitations of New Jersey state law. The Deposits and investments held at June 30, 2016, and reported at fair value are as follows:

| Type | Carrying <br> Value |
| :--- | ---: |
| Deposits: <br> Demand Deposits | $\underline{\$ 13,996,800}$ |
| Total Deposits | $\underline{\$ 13,996,800}$ |
| The District's Cash and Cash Equivalents are Reported as Follows: <br> Governmental Activities <br> Business-Type Activities <br> Fiduciary Funds | $\$ 11,601,659$ |
| Total Cash and Cash Equivalents | $\underline{1,922,555}$ |

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of a bank failure, the Board's deposits may not be recovered. Although the Board does not have a formal policy regarding custodial credit risk, NJSA 17:9-41 et seq. requires that the governmental units shall deposit public funds in public depositories protected from loss under the provisions of GUDPA. Under the Act, the first $\$ 250,000$ of governmental deposits in each insured depository is protected by FDIC. Public fund owned by the Board in excess of FDIC insured amounts are protected by GUDPA. However, GUDPA does not protect intermingled trust funds such as salary withholdings, student activity may pass to the Board relative to the happening of a future condition. Such funds are shown as Uninsured and Uncollateralized in the schedule below. As of June 30, 2016, the District's bank balance of $\$ 17,170,890$ was exposed to custodial credit risk as follows:

| Insured Under FDIC | 254,328 |  |
| :--- | ---: | ---: |
| Uninsured and uncollateralized | $\$, 286,394$ |  |
| Collateralized in the District's Name |  | $14,630,168$ |
| $\quad$ Under GUDPA |  |  |
|  |  | $17,170,890$ |

New Jersey Cash Management Fund - All investments in the fund are governed by the regulations of the Investment Council, which prescribe specific standards designed to insure the quality of investments and to minimize the risks related to investments. In all the years of the Division of Investments existence, the Division has never suffered a default of principal or interest on any short term security held by it due to the bankruptcy of a securities issuer; nevertheless, the possibility always exists, and for this reason a reserve is being accumulated as additional protection for the "Other-than-State" participants. In addition to the Council Regulations, the Division sets further standards for specific investments and monitors the credit of all eligible securities issuers on a regular basis. As of June 30, 2016, the District had \$4,328 on deposit with the New Jersey Cash Management Fund.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 3: Reserve Accounts

## A. Capital Reserve Account

Barnegat Township Board of Education established a Capital Reserve Account on September 25, 2000 for the accumulation of Funds for use as capital outlay expenditures in subsequent fiscal years. The Capital Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:


The June 30, 2016 LRFP balance of local support costs of uncompleted Capital Projects at June 30, 2016 is $\$ 16,115,598$.

## B. Maintenance Reserve Account

Barnegat Township Board of Education established a Maintenance Reserve Account on June 9, 2009 for the accumulation of Funds for use as maintenance expenditures in subsequent fiscal years. The Maintenance Reserve Account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the maintenance reserve account are restricted to maintenance projects in the District's approved Maintenance Plan (M-1). A district may increase the balance in the maintenance reserve by appropriating funds in the annual general fund budget certified for taxes or by transfer by Board resolution at year-end of any unanticipated revenue or unexpended line-item appropriation amounts, or both.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 3: Reserve Accounts (continued)

## B. Maintenance Reserve Account (continued)

The activity of the maintenance reserve for the July 1,2015 to June 30, 2016 fiscal year is as follows:


## C. Emergency Reserve Account

An emergency reserve account was established by the Barnegat Township Board of Education by inclusion of $\$ 300,000$ on June 17, 2015 for the accumulation of funds for use as emergency expenditures in subsequent fiscal years. The emergency reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

The emergency reserve account is used to accumulate funds in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education. Unanticipated means reasonably unforeseeable and shall not include additional costs caused by poor planning. The maximum balance permitted at any time in this reserve is the greater of $\$ 250,000$ or 1 percent of the general fund budget not to exceed $\$ 1$ million. Deposits may be made to the emergency reserve account by board resolution at year end of any unanticipated revenue or unexpended line item appropriation or both. The department has defined year end for the purpose of depositing surplus into reserve accounts as an amount approved by the district board of education between June 1 and June 30. Withdrawals from the reserve require the approval of the Commissioner unless the withdrawal is necessary to meet an increase in total health care costs in excess of 4 percent.

The activity of the emergency reserve for the July 1, 2015 to June 30, 2016 fiscal year is as follows:


## Note 4: Accounts Receivable

Accounts receivable at June 30, 2016 consisted of accounts and intergovernmental grants. All receivables are considered collectible in full due to the stable condition of state programs and the current fiscal year guarantee of federal funds. Accounts receivable as of fiscal year end for the School District's individual major and fiduciary funds, in the aggregate, are as follows:

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 4: Accounts Receivable (continued)

|  | General Fund |  | Special <br> Revenue <br> Fund |  | Proprietary <br> Fund |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Intergovernmental | \$ | 471,273 | \$ | - | \$ | 45,188 | \$ | 516,461 |
| Other |  | 144,581 |  | 362,818 |  | 30,748 |  | 538,147 |
| Total | \$ | 615,854 |  | 362,818 | \$ | 75,936 | \$ | 1,054,608 |

## Note 5: Capital Assets

Capital assets activity for the fiscal year ended June 30, 2016 was as follows:

| Governmental Activities: | $\begin{gathered} \text { June 30, } \\ \underline{2015} \end{gathered}$ | Additions | Deletions | Adjustment | $\begin{gathered} \text { June 30, } \\ \underline{2016} \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Capital assets not being depreciated: |  |  |  |  |  |
| Land | \$ 11,696,706 | \$ | \$ | \$ | \$ 11,696,706 |
| Construction in Progress | - | - | - | - | - |
| Total capital assets not being depreciated | 11,696,706 | - | - | - | 11,696,706 |
| Capital assets being depreciated: |  |  |  |  |  |
| Site Improvements | 8,209,273 | - | - | - | 8,209,273 |
| Buildings | 143,486,507 | 230,935 | - | $(376,221)$ | 143,341,221 |
| Machinery \& Equipment | 11,452,288 | 588,240 | $(10,024)$ | 180,875 | 12,211,379 |
| Total historical cost | 163,148,068 | 819,175 | $(10,024)$ | $(195,346)$ | 163,761,873 |
|  | $\begin{gathered} \text { June 30, } \\ \underline{2015} \end{gathered}$ | Additions | Deletions | Adjustment | $\begin{gathered} \text { June 30, } \\ \underline{2016} \end{gathered}$ |
| Accumulated depreciation: |  |  |  |  |  |
| Site improvements | $(4,159,251)$ | $(352,930)$ | - | - | $(4,512,181)$ |
| Buildings | $(34,391,065)$ | $(4,481,306)$ | - | - | (38,872,371) |
| Machinery \& equipment | $(9,439,008)$ | $(537,718)$ | 10,024 | 6,983 | $(9,959,719)$ |
| Total accumulated depreciation | $(47,989,324)$ | (5,371,954) | 10,024 | 6,983 | (53,344,271) |
| Capital assets being depreciated, net | 115,158,744 | $(4,552,779)$ | - | $(188,363)$ | 110,417,602 |
| Total Governmental Activities, net | \$ 126,855,450 | \$ (4,552,779) | \$ | \$ $(188,363)$ | \$ 122,114,308 |

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 5: Capital Assets (continued)

| Business Type Activities: | $\begin{gathered} \text { June 30, } \\ \underline{2015} \end{gathered}$ |  | Additions |  | Deletions |  | Adjustment |  | $\begin{gathered} \text { June 30, } \\ \underline{2016} \end{gathered}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Capital assets being depreciated: |  |  |  |  |  |  |  |  |  |  |
| Equipment | \$ | 848,799 | \$ | - | \$ | - | \$ | - | \$ | 848,799 |
| Total historical cost |  | 848,799 |  | - |  | - |  | - |  | 848,799 |
| Accumulated depreciation: |  |  |  |  |  |  |  |  |  |  |
| Equipment |  | $(599,361)$ |  | $(36,744)$ |  | - |  | - |  | $(636,105)$ |
| Total accumulated depreciation |  | $(599,361)$ |  | $(36,744)$ |  | - |  | - |  | $(636,105)$ |
| Capital assets being depreciated, net |  | 249,438 |  | $(36,744)$ |  | - |  | - |  | 212,694 |
| Total Business-Type Activities, net | \$ | 249,438 | \$ | $(36,744)$ | \$ | - | \$ | - | \$ | 212,694 |

Depreciation expense was charged to governmental and business-type functions/programs as follows:
Governmental Activities:

| Unallocated | $\$$ | $5,371,954$ |
| :--- | :--- | :--- |
| Total Depreciation Expense - Governmental Activites | $\$$ | $5,371,954$ |
| Business-Type Activities: |  |  |
| Food Service Fund | $\$$ | 36,744 |
| Total Depreciation Expense - Business-Type Activites | $\$$ | 36,744 |

## Note 6: Interfund Receivables, Payables and Transfers

Individual fund receivables/payables balances at June 30, 2016 are as follows:

| Fund | Interfund <br> Receivable |  | Interfund Payable |  |
| :---: | :---: | :---: | :---: | :---: |
| General Fund | \$ | 456,433 | \$ | 8,265 |
| Capital Projects Fund |  | - |  | 453,617 |
| After Care Program |  | 8,265 |  | - |
| Fiduciary Funds |  | - |  | 2,816 |
|  | \$ | 464,698 | \$ | 464,698 |

The interfund receivables and payables above predominately resulted from payment made by certain funds on behalf of other funds. All interfund balances are expected to be repaid within one year.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 6: Interfund Receivables, Payables and Transfers (continued)

| Fund | Transfers In |  | Transfers Out |  |
| :---: | :---: | :---: | :---: | :---: |
| General Fund | \$ | 211,137 | \$ | 4,612 |
| Special Revenue Fund |  | 4,612 |  | - |
| Capital Projects Fund |  | - |  | 109,598 |
| Debt Service Fund |  | 109,598 |  | - |
| Food Service Fund |  | - |  | 4,429 |
| Enterprise Funds |  | - |  | 206,708 |
|  | \$ | 325,347 | \$ | 325,347 |

The purpose of interfund transfers were for the liquidation of prior year interfund receivables and payables and for payments made on behalf of other funds.

## Note 7: Long-Term Obligations

During the fiscal year ended June 30, 2016 the following changes occurred in liabilities reported in the long-term debt:

| Governmental Activitie | $\begin{array}{r} \text { Balance } \\ \text { ies: } \\ 6 / 30 / 15 \end{array}$ | Accrued/ Issued | Retired/ <br> Decreases | $\begin{aligned} & \text { Balance } \\ & \text { 6/30/16 } \end{aligned}$ | Due Within One Year |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Net Pension Liability | \$14,155,421 | \$ 1,660,287 | \$ | \$15,815,708 | \$ - |
| Compensated Absences |  |  |  |  |  |
| Payable | 1,637,246 | 289,816 | - | 1,927,062 |  |
| Capital Leases | 3,991,648 |  | 309,976 | 3,681,672 | 346,672 |
| Bond Premium | 447,869 | 565,916 | 64,703 | 949,082 | 80,583 |
| Bonds Payable | 33,345,000 | 20,825,000 | 21,525,000 | 32,645,000 | 1,480,000 |
| Total | \$53,577,184 | \$23,341,019 | \$ 21,899,679 | \$55,018,524 | \$1,907,255 |

## A. Bonds Payable

The voters of the municipality, through referendums, authorize bonds in accordance with state law. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are general obligation bonds.

## Description of Bonds Payable

At June 30, 2016, Bonds payable consisted of the following issues:
$\$ 22,000,000$ School Bonds dated November 1, 2007, due in annual installments through April 15,2032 , bearing interest at various rates from $4.375 \%$ to $4.500 \%$ per annum. These bonds were refunded in the current year and as a result, the balance remaining as of June 30, 2016 is now $\$ 210,000$.
\$6,105,000 Refunding School Bonds dated April 24, 2012, due in annual installments through July 15 , 2024, bearing interest at various rates from $2.00 \%$ to $5.00 \%$ per annum. The balance remaining as of June 30, 2016 is $\$ 5,485,000$.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 7: Long-Term Obligations (continued)

## A. Bonds Payable (continued)

In 2015, District refinanced $\$ 8,000,000$ of the Refunding Bonds of 2004 into the new 2014 Refunding School Bonds. \$7,600,000 Refunding School Bonds dated February 24, 2015, due in annual installments through April 1, 2025, bearing interest at various rates from $2.00 \%$ to $5.00 \%$ per annum. The balance remaining as of June 30, 2015 is $\$ 6,210,000$.

In 2016, District refinanced $\$ 20,040,000$ of the Series 2007 Bonds into the new 2015 Refunding School Bonds. \$20,825,000 Refunding School Bonds dated December 3, 2015, due in annual installments through April 15, 2032, bearing interest at various rates from $2.00 \%$ to $5.00 \%$ per annum. The balance remaining as of June 30, 2016 is $\$ 20,740,000$. Refunding bond proceeds totaled $\$ 21,390,916$, whereas $\$ 21,175,214$ was deposited to the escrow agent and the remaining $\$ 215,702$ were paid out as cost of issuance related to the refunding.

Principal and interest due on the bonds outstanding is as follows:

| Fiscal Year <br> Ending June 30, | Principal |  | Interest |  | Total |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2017 | \$ | 1,480,000 | \$ | 1,203,631 | \$ | 2,683,631 |
| 2018 |  | 1,530,000 |  | 1,163,544 |  | 2,693,544 |
| 2019 |  | 1,570,000 |  | 1,121,444 |  | 2,691,444 |
| 2020 |  | 1,625,000 |  | 1,058,244 |  | 2,683,244 |
| 2021 |  | 1,690,000 |  | 999,594 |  | 2,689,594 |
| 2022-2026 |  | 9,760,000 |  | 4,180,119 |  | 13,940,119 |
| 2027-2031 |  | 12,285,000 |  | 1,695,494 |  | 13,980,494 |
| 2032-2033 |  | 2,705,000 |  | 94,675 |  | 2,799,675 |
|  | \$ | 32,645,000 | \$ | 11,516,744 | \$ | 44,161,744 |

## B. Obligations Under Capital Leases

The District is leasing equipment and vehicles totaling $\$ 4,735,000$ under capital leases. The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2016:

| Year-ending |  |
| :---: | :---: |
| June 30, | Amount |
| 2017 | \$ 453,054 |
| 2018 | 343,049 |
| 2019 | 350,846 |
| 2020 | 363,202 |
| 2021 | 374,970 |
| 2022-2026 | 2,045,643 |
| 2027 | 447,789 |
| Total Minimum Lease Payments | 4,378,553 |
| Less: Amount Representing Interest | $(696,881)$ |
| Present Value of Lease Payments | \$3,681,672 |

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations

## A. Public Employees' Retirement System (PERS)

Plan Description - The State of New Jersey, Public Employees' Retirement System (PERS) is a costsharing multiple-employer defined benefit pension plan administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about PERS, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

The following represents the membership tiers for PERS:

| $\frac{1}{c}$ Defier | Mefition |
| :---: | :--- |
| 1 | Members who were enrolled prior to July 1, 2007 |
| 2 | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3 | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4 | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011 |
| 5 | Members who were eligible to enroll on or after June 28, 2011 |

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

Basis of Presentation - The schedules of employer allocations and the schedules of pension amounts by employer (collectively, the Schedules) present amounts that are considered elements of the financial statements of PERS or its participating employers. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of PERS or the participating employers. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for PERS is set by N.J.S.A. $15 A$ and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability. Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2014 and 2013, the State's pension contribution was less than the actuarial determined amount. The local employers' contribution amounts are based on an actuarially determined rate which includes the normal

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## A. Public Employees' Retirement System (PERS) (continued):

cost and unfunded accrued liability. Chapter 19, P.L. 2009 provided an option for local employers of PERS to contribute $50 \%$ of the normal and accrued liability contribution amounts certified for payments due in State fiscal year 2009. Such employers will be credited with the full payment and any such amounts will not be included in their unfunded liability. The actuaries will determine the unfunded liability of those retirement systems, by employer, for the reduced normal and accrued liability contributions provided under this law. This unfunded liability will be paid by the employer in level annual payments over a period of 15 years beginning with the payments due in the fiscal year ended June 30,2012 and will be adjusted by the rate of return on the actuarial value of assets.

| Year | Pension |  | $\frac{\text { Percentage }}{\text { of APC }}$ |  | $\begin{gathered} \frac{\text { Net }}{\text { Pension }} \end{gathered}$ |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Funding |  | Cost (APC) | Contributed |  | Obligation |
| 6/30/2016 | \$ | 605,723 | 100\% | \$ | 15,815,708 |
| 6/30/2015 | \$ | 623,841 | 100\% | \$ | 14,155,421 |
| 6/30/2014 | \$ | 578,481 | 100\% | \$ | 14,673,153 |

Components of Pension Liability - At June 30, 2016, the District reported a liability of \$15,815,708 for its proportionate share of the PERS net pension liability. The net pension liability was measured as of June 30, 2015. The total pension liability used to calculate the net pension liability was determined using update procedures to roll forward the total pension liability from an actuarial valuation as of July 1, 2014, to the measurement date of June 30, 2015. The District's proportion of the net pension liability was based on the District's actual contributions to the plan relative to the total of all participating employers' contributions for the year ended June 30, 2015. The District's proportion measured as of June 30, 2015, was $0.07045 \%$ percent, which was a decrease of $0.07561 \%$ from its proportion measured as of June 30, 2014.

Collective Balances at June 30, 2016 and June 30, 2015

|  |  | 6/30/2016 |  | 6/30/2015 |
| :---: | :---: | :---: | :---: | :---: |
| Actuarial valuation date (including roll forward) |  | June 30, 2015 |  | June 30, 2014 |
| Deferred Outflows of Resources | \$ | 2,075,788 | \$ | 1,068,963 |
| Deferred Inflows of Resources | \$ | 1,226,481 | \$ | 1,032,327 |
| Net Pension Liability | \$ | 15,815,708 | \$ | 14,155,421 |
| District's portion of the Plan's total net pension Liability |  | 0.07045\% |  | 0.07561\% |

Pension Expense and Deferred Outflows/Inflows of Resources - For the year ended June 30, 2016, the District recognized pension expense of $\$ 829,488$. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 8: Pension Obligations (continued):
A. Public Employees' Retirement System (PERS) (continued):

|  | Deferred Outflows <br> of Resources | Deferred Inflows <br> of Resources |  |
| :--- | :--- | ---: | :--- |
| Changes of assumptions | $\$$ | $1,698,481$ | $\$$ |

The $\$ 2,075,788$ reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30,2014 ) will be recognized as a reduction of the net pension liability in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

| Year Ended June 30: |  | PERS |
| :---: | :---: | :---: |
|  |  |  |
| 2017 | $\$$ | 119,634 |
| 2018 |  | 119,634 |
| 2019 |  | 119,634 |
| 2020 |  | 330,530 |
| 2021 |  | 159,875 |
| Thereafter |  | - |

Actuarial Assumptions - The total pension asset/(liability) as of the measurement date was determined by using an actuarial valuation as noted in the table below, with update procedures used to roll forward the total pension liability to the measurement date. The actuarial valuations used the following actuarial assumptions:

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

Note 8: Pension Obligations (continued):

## A. Public Employees' Retirement System (PERS) (continued):

PERS<br>Measurement date<br>Acturial valuation date<br>Interest rate<br>Salary scale<br>Inflation rate<br>June 30, 2015<br>July 1, 2014<br>7.90\%<br>2012-2021-2.15-4.40\%<br>Based on Age<br>Thereafter - 3.15-5.40\%<br>Based on Age<br>3.01\%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP-2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. 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.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments $(7.90 \%$ at June 30 , 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2015 are summarized in the following table:

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## A. Public Employees' Retirement System (PERS) (continued):

| Asset Class | Target Allocation | Long-Term Expected Real Rate of Return |
| :---: | :---: | :---: |
| Cash | 5.00\% | 1.04\% |
| U.S. Treasuries | 1.75\% | 1.64\% |
| Investment Grade Credit | 10.00\% | 1.79\% |
| Mortgages | 2.10\% | 1.62\% |
| High Yield Bonds | 2.00\% | 4.03\% |
| Inflation-Indexed Bonds | 1.50\% | 3.25\% |
| Broad US Equities | 27.25\% | 8.52\% |
| Developed Foreign Equities | 12.00\% | 6.88\% |
| Emerging Market Equities | 6.40\% | 10.00\% |
| Private Equity | 9.25\% | 12.41\% |
| Hedge Funds/Absolute Return | 12.00\% | 4.72\% |
| Real Estate (Property) | 2.00\% | 6.83\% |
| Commodities | 1.00\% | 5.32\% |
| Global Debt ex US | 3.50\% | -0.40\% |
| REIT | 4.25\% | 5.21\% |
| Total | 100.00\% |  |

Discount Rate - The discount rate used to measure the total pension liability was $4.90 \%$ as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of $7.90 \%$, and a municipal bond rate of $3.80 \%$ as of June 30 , 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals bonds with an average rating of $\mathrm{AA} / \mathrm{Aa}$ 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 average of the last five years of contributions made in relation to the last five years of 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 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

Sensitivity of the District's proportionate share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate as disclosed above, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.90) or 1-percentage-point higher ( $5.90 \%$ ) than the current rate:

| $1 \%$ | Current <br> Discount | $1 \%$ <br> Decrease |
| :---: | :---: | :---: |
| $\underline{(3.90 \%)}$ | $\underline{\text { Rate }(4.90 \%)}$ | $\underline{(5.90 \%)}$ |

District's proportionate share of the net pension liability \$
$19,656,990 \quad \$ \quad 15,815,708$ \$ 12,595,205

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## B. Teachers' Pension and Annuity Fund (TPAF)

Plan Description - The State of New Jersey, Teachers' Pension and Annuity Fund (TPAF) is a cost sharing multiple-employer defined benefit pension plan with a special-funding situation, by which the State of New Jersey (the State) is responsible to fund $100 \%$ of the employer contributions, excluding any local employer early retirement incentive (ERI) contributions. TPAF is administered by the State of New Jersey, Division of Pensions and Benefits (the Division). For additional information about TPAF, please refer to Division's Comprehensive Annual Financial Report (CAFR) which can be found at www.state.nj.us/treasury/pensions/annrprts.shtml.

The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for $2 \%$ of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

The following represents the membership tiers for TPAF:

| $\frac{1}{\text { Tier }}$ | Definition |
| :---: | :--- |
| 1 | Members who were enrolled prior to July 1, 2007 |
| 2 | Members who were eligible to enroll on or after July 1, 2007 and prior to November 2, 2008 |
| 3 | Members who were eligible to enroll on or after November 2, 2008 and prior to May 22, 2010 |
| 4 | Members who were eligible to enroll on or after May 22, 2010 and prior to June 28, 2011 |
| 5 | Members who were eligible to enroll on or after June 28, 2011 |

Service retirement benefits of $1 / 55^{\text {th }}$ of final average salary for each year of service credit is available to tiers 1 and 2 members upon reaching age 60 and to tier 3 members upon reaching age 62 . Service retirement benefits of $1 / 60$ th of final average salary for each year of service credit is available to tier 4 members upon reaching age 62 and tier 5 members upon reaching age 65 . Early retirement benefits are available to tiers 1 and 2 members before reaching age 60 , tiers 3 and 4 before age 62 with 25 or more years of service credit, and tier 5 before age 65 with 30 or more years of service credit. Benefits are reduced by a fraction of a percent for each month that a member retires prior to the retirement age for his/her respective tier. Deferred retirement is available to members who have at least 10 years of service credit and have not reached the service retirement age for the respective tier.

Basis of Presentation - The schedules of employer and nonemployer allocations and the schedules of pension amounts by employer and nonemployer (collectively, the Schedules) present amounts that are considered elements of the financial statements of TPAF and the State as an employer/nonemployer entity. Accordingly, they do not purport to be a complete presentation of the financial position or changes in financial position of TPAF or the State. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Contributions - The contribution policy for TPAF is set by N.J.S.A 18A:66 and requires contributions by active members and contributing employers. State legislation has modified the amount that is contributed by the State. The State's pension contribution is based on an actuarially determined amount which includes the employer portion of the normal cost and an amortization of the unfunded accrued liability.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## B. Teachers' Pension and Annuity Fund (TPAF) (continued):

Funding for noncontributory group insurance benefits is based on actual claims paid. For fiscal year 2015, the State's pension contribution was less than the actuarial determined amount.

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.

## Three-Year Trend Information for TPAF \& Post Retirement Medical Contributions (Paid on be half of the District)

| Year | Pension |  | $\frac{\text { Percentage }}{\text { of APC }}$ |  | Net <br> Pension |
| :---: | :---: | :---: | :---: | :---: | :---: |
| Funding |  | $\underline{\text { Cost (APC) }}$ | Contributed |  | Obligation |
| 6/30/2016 | \$ | 3,346,323 | 100\% | \$ |  |
| 6/30/2015 | \$ | 2,647,242 | 100\% | \$ |  |
| 6/30/2014 | \$ | 2,184,368 | 100\% | \$ |  |

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

June 30, 2015\end{array}\right]\) Acturial valuation date | July 1, 2014 |  |
| :--- | :---: |
| Interest rate | $7.90 \%$ |
| Salary scale | Varies Based On <br> Experience |
| Inflation rate | $2.50 \%$ |

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## B. Teachers' Pension and Annuity Fund (TPAF) (continued):

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

Long-Term Expected Rate of Return - In accordance with State statute, the long-term expected rate of return on plan investments ( $7.90 \%$ at June 30 , 2015) is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. The long-term expected rate of return was determined using a building block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2015 are summarized in the following table:

| Asset Class | Target <br> Allocation | Long-Term Expected <br> Real Rate of Return |
| :--- | :---: | :---: | :---: |
|  |  |  |
| US Cash | $5.00 \%$ | $0.53 \%$ |
| US Government Bonds | $1.75 \%$ | $1.39 \%$ |
| US Credit Bonds | $13.50 \%$ | $2.72 \%$ |
| US Mortgages | $2.10 \%$ | $2.54 \%$ |
| US Inflation-Indexed Bonds | $1.50 \%$ | $1.47 \%$ |
| US High Yield Bonds | $2.00 \%$ | $4.57 \%$ |
| US Equity Market | $27.25 \%$ | $5.63 \%$ |
| Foreign-Developed Equity | $12.00 \%$ | $6.22 \%$ |
| Emerging Market Equities | $6.40 \%$ | $8.46 \%$ |
| Private Real Estate Property | $4.25 \%$ | $3.97 \%$ |
| Timber | $1.00 \%$ | $4.09 \%$ |
| Farmland | $1.00 \%$ | $4.61 \%$ |
| Private Equity | $9.25 \%$ | $9.15 \%$ |
| Commodities | $1.00 \%$ | $3.58 \%$ |
| Hedge Funds - MultiStrategy | $4.00 \%$ | $4.59 \%$ |
| Hedge Funds - Equity Hedge | $4.00 \%$ | $5.68 \%$ |
| Hedge Funds - Distressed | $4.00 \%$ | $4.30 \%$ |
| $\quad$ Total | $100 \%$ |  |

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 8: Pension Obligations (continued):

## B. Teachers' Pension and Annuity Fund (TPAF) (continued):

Discount Rate - The discount rate used to measure the total pension liability was $4.13 \%$ as of June 30, 2015. The single blended discount rate was based on long-term expected rate of return on pension plan investments of $7.90 \%$, and a municipal bond rate of $3.80 \%$ as of June 30, 2015, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipals 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 average of the last five years of employers' 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 2027. Therefore, the longterm expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

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

## Note 9. Post-Retirement Benefits

P.L. 1987, c. 384 and P.L. 1990, c. 6 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those state employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c. 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2015, there were 107,314 retirees receiving post-retirement medical benefits, and the state contributed $\$ 1.25$ billion on their behalf.. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid $\$ 214.1$ million toward Chapter 126 benefits for 19,056 eligible retired members in Fiscal Year 2015.

## Note 10: Risk Management

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

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

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 10: Risk Management (continued)

New Jersey Unemployment Compensation Insurance - The District has elected to fund their 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. The following is a summary of School District contributions, reimbursements to the State for benefits paid and the ending balance of the School District's expendable trust fund for the current and previous two years:

| Fiscal Year | District <br> Contributions |  | Interest Earned |  |  | Ending Balance |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2015-2016 | \$ | 83,025 | \$770 | \$ |  | \$625,338 |
| 2014-2015 | \$ | 59,576 | \$632 | \$ | - | \$541,543 |
| 2013-2014 | \$ | 60,613 | \$559 | \$ | 35 | \$481,335 |

## Note 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, 2016 may be impaired. In the opinion of the District, there are no significant contingent liabilities relating to compliance with the rules and regulations governing the respective grants; therefore, no provisions have been recorded in the accompanying combined financial statements for such contingencies.

## Note 12: Economic Dependency

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

## Note 13: Deferred Compensation

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

| Siracusa | Lincoln Investment | Equitable Life |
| :--- | :--- | :--- |
| Valic | Vanguard | Travelers' Insurance |
| Prudential |  |  |

## Note 14: Compensated Absences

The District accounts for compensated absences (e.g., unused vacation, sick leave) as directed by Governmental Accounting Standards Board Statement No. 16 (GASB 16), "Accounting for Compensated Absences". A liability for compensated absences attributable to services already rendered and not

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 14: Compensated Absences (continued)

contingent on a specific event that is outside the control of the employer and employee is accrued as employees earn the rights to the benefits.

District employees are granted vacation and sick leave in varying amounts under the District's personnel policies. In the event of termination, an employee is reimbursed for accumulated vacation. Sick leave benefits provide for specified dollar amount per sick day accumulated and begin vesting with the employee after one year of service.

The liability for vested compensated absences of the governmental fund types is recorded in the statement of net assets under governmental activities. The current portion of the compensated absence balance is not considered material to the applicable funds total liabilities, and is therefore not shown separately from the long-term liability balance of compensated absences. The amount at June 30, 2016 is \$1,927,062

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2016 no liability existed for compensated absences in the proprietary fund types.

## Note 15: Fund Balance

General Fund - Of the $\$ 10,787,641$ General Fund fund balance at June 30, 2016, $\$ 2,542,013$ has been restricted for the capital reserve account; $\$ 2,067,888$ has been restricted for the maintenance reserve account; $\$ 506,699$ has been restricted for the emergency reserve account; $\$ 3,599,428$ has been restricted for the excess surplus; $\$ 2,633,110$ has been restricted for the excess surplus designated for subsequent year's expenditures; $\$ 175,241$ has been committed for other purposes; and $(\$ 736,738)$ is unassigned.

Debt Service Fund - All of the $\$ 198,351$ Debt Service Fund fund balance at June 30, 2016 is restricted for debt service.

## Note 16: Deficit Unrestricted Net Position

As reflected on Exhibit A-1, Statement of Net position, a deficit in unrestricted net position of $\$(18,576,762)$ existed as of June 30,2016 for governmental activities. The primary causes of this deficit is the District not recognizing the receivable for the last two state aid payments and the recording of the long-term liability for compensated absences and net pension. In accordance with full accrual accounting, which is the basis of accounting for Exhibit A-1, Statement of Net position, such liabilities are required to be recorded in the period in which they are incurred. However, in accordance with the rules and regulations that govern the District in the formulation of their annual budget (see Note 1), compensated absences and pension liabilities that relate to future services, or that are contingent on a specific event outside the control of the District and its employees, are funded in the period in which such services are rendered or in which such events take place. Therefore, this deficit in unrestricted net position for governmental activities does not indicate that the District is facing financial difficulties.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE FINANCIAL STATEMENTS (continued) FOR THE YEAR ENDED JUNE 30, 2016 

## Note 17: 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 has excess fund balance of $\$ 3,599,428$ at June 30, 2016. This represents a $\$ 966,318$ increase from prior year.

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C. Budgetary Comparison Schedules

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE <br> FOR THE FISCAL YEAR ENDED JUNE 30, 2016



## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016


Special Education:
Learning and/or Language Disabilities:
Salaries of Teachers
Other Salaries for Instruction
General Supplies
Total Learning and/or Language Disabilities
Behavioral Disabilities:
Salaries of Teachers
Other Salaries for Instruction
General Supplies
Other Objects

| $11-204-100-101$ | 64,172 | $(64,172)$ | - | - | - |
| ---: | ---: | ---: | ---: | ---: | ---: |
| $11-204-100-106$ | 84,132 | $(84,131)$ | 1 | - | 1 |
| $11-204-100-610$ | 2,600 | $(28)$ | 2,572 | - | 2,572 |
|  |  |  |  |  |  |
|  | 150,904 | $(148,331)$ | 2,573 | - | 2,573 |


| $11-209-100-101$ | 172,404 | - | 172,404 | 172,404 | - |
| ---: | ---: | ---: | ---: | ---: | ---: |
| $11-209-100-106$ | 61,408 | 67,171 | 128,579 | 127,976 | 603 |
| $11-209-100-610$ | 1,800 | - | 1,800 | 152 | 1,648 |
| $11-209-100-800$ | 5,000 | - | 5,000 | 2,501 | 2,499 |

Total Behavioral Disabilities

Multiple Disabilities:
Salaries of Teachers
Other Salaries for Instruction General Supplies

Total Multiple Disabilities
Resource Room/Resource Center:

> Salaries of Teachers

Other Salaries for Instuction
General Supplies

Total Resource Room
Preschool Disabilities - Full-Time:
Salaries of Teachers
Other Salaries for Instruction
General Supplies

Total Preschool Disabilities - Full-Time

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET <br> TRANSFERS | FINAL BUDGET | ACTUAL | POSITIVE/ <br> (NEGATIVE) <br> FINAL TO <br> ACTUAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Home Instruction: <br> Other Salaries for Instruction | 11-219-100-106 | 30,000 | 7,790 | 37,790 | 4,424 | 33,366 |
| Total Home Instruction |  | 30,000 | 7,790 | 37,790 | 4,424 | 33,366 |
| Total Special Education |  | 4,770,109 | 208,756 | 4,978,865 | 4,775,049 | 203,816 |
| Instruction: |  |  |  |  |  |  |
| Basic Skills/Remedial: |  |  |  |  |  |  |
| Salaries of Teachers | 11-230-100-101 | 976,986 | 43,422 | 1,020,408 | 636,086 | 384,322 |
| General Supplies | 11-230-100-610 | 9,600 | 4,688 | 14,288 | 13,169 | 1,119 |
| Total Basic Skills/Remedial |  | 986,586 | 48,110 | 1,034,696 | 649,255 | 385,441 |
| School Sponsored Cocurricular Activities: |  |  |  |  |  |  |
| Salaries | 11-401-100-100 | 183,435 | $(2,529)$ | 180,906 | 180,632 | 274 |
| Other Purchased Professional \& |  |  |  |  |  |  |
| Technical Services | 11-000-223-390 | 4,500 | $(4,500)$ | - | - |  |
| Purchased Services (300-500 Series) | 11-401-100-500 | 500 | 7,230 | 7,730 | 7,730 | - |
| Supplies and Materials | 11-401-100-600 | 23,700 | 2,526 | 26,226 | 21,284 | 4,942 |
| Other Objects | 11-401-100-800 | 5,500 | (222) | 5,278 | 5,103 | 175 |
| Total School Sponsored Cocurricular Activities |  | 217,635 | 2,505 | 220,140 | 214,749 | 5,391 |
| School Sponsored Athletics: |  |  |  |  |  |  |
| Salaries | 11-402-100-100 | 597,867 | $(51,716)$ | 546,151 | 520,081 | 26,070 |
| Purchased Services (300-500 Series) | 11-402-100-500 | 114,925 | 53,936 | 168,861 | 160,912 | 7,949 |
| Supplies and Materials | 11-402-100-600 | 85,086 | $(9,790)$ | 75,296 | 74,475 | 821 |
| Other Objects | 11-402-100-800 | 48,000 | - | 48,000 | 48,000 | - |
| Total School Sponsored Athletics |  | 845,878 | $(7,570)$ | 838,308 | 803,468 | 34,840 |
| Other Instructional Programs: |  |  |  |  |  |  |
| Supplies and Materials | 11-403-100-600 | 3,300 | - | 3,300 | 482 | 2,818 |
| Other Objects | 11-403-100-800 | 5,000 | - | 5,000 | (176) | 5,176 |
| Total Instructional Programs - Instruction |  | 8,300 | - | 8,300 | 306 | 7,994 |
| Total - Instruction |  | 21,644,506 | $(352,959)$ | 21,291,547 | 19,917,891 | 1,373,656 |
| Undistributed Expenditures: |  |  |  |  |  |  |
| Instruction: |  |  |  |  |  |  |
| Tuition to Other LEA's - Within State Regular | 11-000-100-561 | 140,000 | $(59,380)$ | 80,620 | 66,000 | 14,620 |
| Tuition to Other LEA's - Within State Special | 11-000-100-562 | 353,838 | $(11,719)$ | 342,119 | 49,376 | 292,743 |
| Tuition to County Vocational <br> School District - Regular | 11-000-100-563 | 44,000 | 20,500 | 64,500 | 64,500 | - |
| Tuition to CSSD \& Regional Day Schools | 11-000-100-565 |  | 38,880 | 38,880 | 38,880 | - |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE <br> FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | $\begin{aligned} & \text { POSITIVE/ } \\ & \text { (NEGATIVE) } \\ & \text { FINAL TO } \\ & \text { ACTUAL } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Tuition to Private School for the |  |  |  |  |  |  |
| Disabled Within State 1 | 11-000-100-566 | 758,917 | $(30,555)$ | 728,362 | 513,966 | 214,396 |
| Tuition - State Facilities 1 | 11-000-100-568 | 36,806 | - | 36,806 | 36,806 | - |
| Tuition - Other 11 | 11-000-100-569 | 152,429 | $(82,816)$ | 69,613 | 18,390 | 51,223 |
| Total Undistributed Expenditures - Instruction |  | 1,485,990 | $(125,090)$ | 1,360,900 | 787,918 | 572,982 |
| Attendance \& Social Work Services: |  |  |  |  |  |  |
| Salaries 1 | 11-000-211-100 | 122,100 | - | 122,100 | 117,736 | 4,364 |
| Supplies and Materials 1 | 11-000-211-600 | 1,000 | - | 1,000 | 31 | 969 |
| Total Attendance \& Social Work Services |  | 123,100 | - | 123,100 | 117,767 | 5,333 |
| Health Services: |  |  |  |  |  |  |
| Salaries 1 | 11-000-213-100 | 492,561 | 14,488 | 507,049 | 503,341 | 3,708 |
| Purchased Professional \& |  |  |  |  |  |  |
| Technical Services 1 | 11-000-213-300 | 30,000 | $(3,000)$ | 27,000 | 26,290 | 710 |
| Other Purchased Services (400-500 |  |  |  |  |  |  |
| Series) 1 | 11-000-213-500 | 9,899 | $(5,785)$ | 4,114 | 874 | 3,240 |
| Supplies and Materials 1 | 11-000-213-600 | 9,185 | 2,647 | 11,832 | 10,789 | 1,043 |
| Total Health Services |  | 541,645 | 8,350 | 549,995 | 541,294 | 8,701 |
| Other Support Services - Students - Related Services: |  |  |  |  |  |  |
| Salaries 11 | 11-000-216-100 | 428,116 | 3,750 | 431,866 | 281,824 | 150,042 |
| Purchased Professional - |  |  |  |  |  |  |
| Educational Services 1 | 11-000-216-320 | 22,250 | 39,050 | 61,300 | 36,600 | 24,700 |
| Supplies and Materials 1 | 11-000-216-600 | 3,000 |  | 3,000 | 2,086 | 914 |
| Total Other Support Services - Students - Related |  |  |  |  |  |  |
| Services |  | 453,366 | 42,800 | 496,166 | 320,510 | 175,656 |
| Other Support Services - Students - Regular: |  |  |  |  |  |  |
| Salaries of Other Professional |  |  |  |  |  |  |
| Staff | 11-000-218-104 | 870,007 | $(16,572)$ | 853,435 | 792,302 | 61,133 |
| Salaries of Secretarial \& Clerical |  |  |  |  |  |  |
| Assistants | 11-000-218-105 | 79,638 | 461 | 80,099 | 79,889 | 210 |
| Purchased Professional - |  |  |  |  |  |  |
| Educational Services | 11-000-218-320 | 13,000 | $(8,000)$ | 5,000 | 3,729 | 1,271 |
| Supplies \& Materials 1 | 11-000-218-600 | 28,800 | 16,567 | 45,367 | 37,962 | 7,405 |
| Total Other Support Services - Students - Regular |  | 991,445 | $(7,544)$ | 983,901 | 913,882 | 70,019 |
| Other Support Services - Students - Special: |  |  |  |  |  |  |
| Salaries of Other Professional |  |  |  |  |  |  |
| Staff 1 | 11-000-219-104 | 1,156,432 | $(14,306)$ | 1,142,126 | 1,098,559 | 43,567 |
| Salaries of Secretarial \& Clerical |  |  |  |  |  |  |
| Assistants | 11-000-219-105 | 73,477 | 13,419 | 86,896 | 85,418 | 1,478 |
| Purchased Professional - |  |  |  |  |  |  |
| Educational Services | 11-000-219-320 | 34,500 | 929 | 35,429 | 4,335 | 31,094 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL BUDGET | $\begin{gathered} \text { BUDGET } \\ \text { TRANSFERS } \end{gathered}$ | FINAL BUDGET | ACTUAL | POSITIVE/ <br> (NEGATIVE) <br> FINAL TO <br> ACTUAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Other Purchased Professional \& Technical Services | 11-000-219-390 | 307,311 | 0 | 1 | 292,942 | 9 |
| Supplies \& Materials | 11-000-219-600 | 21,600 | 13,157 | 34,757 | 25,606 | 9,151 |
| Other Objects | 11-000-219-800 | 5,200 | 790 | 5,990 | 5,919 | 71 |
| Total Other Support Services - Students - Special |  | 1,598,520 | 23,889 | 1,622,409 | 1,512,779 | 109,630 |
| Improvement of Instruction Services/Other |  |  |  |  |  |  |
| Support Services - Instruction Staff: |  |  |  |  |  |  |
| Salaries of Supervisors of |  |  |  |  |  |  |
| Salaries of Secretarial \& Clerical |  |  |  |  |  |  |
| Aides - Normal School Year | 11-000-221-105 | 71,948 | $(2,500)$ | 69,448 | 68,372 | 1,076 |
| Other Purchased Professional \& Technical Services | 11-000-221-390 | 50,000 | $(28,900)$ | 21,100 | 17,923 | 3,177 |
| Supplies and Materials | 11-000-221-600 | 1,350 | 218,194 | 219,544 | 219,416 | 128 |
| Other Objects | 11-000-221-800 | 8,500 | 2,495 | 10,995 | 10,546 | 449 |
| Total Improvement of Instruction Services/Other |  |  |  |  |  |  |
| Support Services - Instructional Staff |  | 813,318 | 197,546 | 1,010,864 | 1,006,032 | 4,832 |
| Educational Media Services/School Library: |  |  |  |  |  |  |
| Salaries | 11-000-222-100 | 215,199 | 4,200 | 219,399 | 219,256 | 143 |
| Purchased Professional \& |  |  |  |  |  |  |
| Technical Services | 11-000-222-300 | 6,150 | - | 6,150 | 2,469 | 3,681 |
| Supplies and Materials | 11-000-222-600 | 38,457 | (368) | 38,089 | 35,592 | 2,497 |
| Total Educational Media Services/School Library |  | 259,806 | 3,832 | 263,638 | 257,317 | 6,321 |
| Instructional Staff Training Services: |  |  |  |  |  |  |
| Purchased Professional Educational Services | 11-000-223-320 | 10,000 | $(2,500)$ | 7,500 | 518 | 6,982 |
| Other Purchased Professional \& |  |  |  |  |  |  |
| Technical Services | 11-000-223-390 | 8,000 | - | 8,000 | 6,736 | 1,264 |
| Other Purchased Services (400-500 |  |  |  |  |  |  |
| Series) | 11-000-223-500 | 4,800 | - | 4,800 | 309 | 4,491 |
| Supplies and Materials | 11-000-223-600 | 1,095 | - | 1,095 | 576 | 519 |
| Total Instructional Staff Training Services |  | 23,895 | $(2,500)$ | 21,395 | 8,139 | 13,256 |
| Support Services General Administration: |  |  |  |  |  |  |
| Salaries | 11-000-230-100 | 204,492 | $(7,794)$ | 196,698 | 196,530 | 168 |
| Legal Services | 11-000-230-331 | 122,000 | (45) | 121,955 | 74,647 | 47,308 |
| Audit Fees | 11-000-230-332 | 39,000 | - | 39,000 | 28,530 | 10,470 |
| Architectural/Engineering Fees | 11-000-230-334 | 29,770 | $(6,769)$ | 23,001 | - | 23,001 |
| Other Purchased Professional |  |  |  |  |  |  |
| Services | 11-000-230-339 | 77,409 | 46,736 | 124,145 | 105,845 | 18,300 |
| Purchased Technical Services | 11-000-230-340 | 33,855 | 17,622 | 51,477 | 30,885 | 20,592 |
| Communications/Telephone | 11-000-230-530 | 94,050 | 18,379 | 112,429 | 67,228 | 45,201 |
| Travel | 11-000-230-580 | 2,600 | $(2,600)$ |  | - | - |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL <br> BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | POSITIVE/ <br> (NEGATIVE) <br> FINAL TO <br> ACTUAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Other Purchased Services (400-500 |  |  |  |  |  |  |
| Series) | 11-000-230-590 | 15,901 | $(2,100)$ | 13,801 | 9,009 | 4,792 |
| General Supplies | 11-000-230-610 | 9,000 | (300) | 8,700 | 7,534 | 1,166 |
| Judgments Against School District | 11-000-230-820 | 6,500 | - | 6,500 | - | 6,500 |
| Miscellaneous Expenditures | 11-000-230-890 | 12,000 | - | 12,000 | 6,208 | 5,792 |
| BOE Membership Dues \& Fees | 11-000-230-895 | 33,500 | - | 33,500 | 24,877 | 8,623 |
| Total Support Services General Administration |  | 680,077 | 63,129 | 743,206 | 551,293 | 191,913 |
| Support Services School Administration: |  |  |  |  |  |  |
| Salaries of Principals \& Assistant |  |  |  |  |  |  |
| Principals | 11-000-240-103 | 995,853 | 16,245 | 1,012,098 | 983,102 | 28,996 |
| Salaries of Secretarial \& Clerical |  |  |  |  |  |  |
| Assistants | 11-000-240-105 | 423,621 | $(9,792)$ | 413,829 | 411,806 | 2,023 |
| Other Purchased Professional \& |  |  |  |  |  |  |
| Technical Services | 11-000-240-390 | 8,800 | $(4,362)$ | 4,438 | 1,138 | 3,300 |
| Other Purchased Services (400-500 |  |  |  |  |  |  |
| Series) | 11-000-240-500 | 2,500 | 1,000 | 3,500 | 1,261 | 2,239 |
| Travel | 11-000-240-580 | 1,000 | $(1,000)$ | - | - |  |
| Supplies \& Materials | 11-000-240-600 | 37,300 | 53,872 | 91,172 | 86,864 | 4,308 |
| Other Objects | 11-000-240-890 | 26,240 | 15,218 | 41,458 | 33,031 | 8,427 |
| Total Support Services School Administration |  | 1,495,314 | 71,181 | 1,566,495 | 1,517,202 | 49,293 |
| Central Services: |  |  |  |  |  |  |
| Salaries | 11-000-251-100 | 433,931 | 3,590 | 437,521 | 433,798 | 3,723 |
| Purchased Professional Services | 11-000-251-330 | 7,695 | - | 7,695 | 850 | 6,845 |
| Purchased Technical Services | 11-000-251-340 | 25,500 | 390 | 25,890 | 15,940 | 9,950 |
| Supplies \& Materials | 11-000-251-600 | - | 9,093 | 9,093 | 9,093 |  |
| Miscellaneous Expenditures | 11-000-251-890 | 9,000 | $(6,098)$ | 2,902 | 449 | 2,453 |
| Total Central Services |  | 476,126 | 6,975 | 483,101 | 460,130 | 22,971 |
| Administrative Information Technology: |  |  |  |  |  |  |
| Salaries | 11-000-252-100 | 255,660 | 11,290 | 266,950 | 258,457 | 8,493 |
| Purchased Technical Services | 11-000-252-340 | 74,836 | 23,414 | 98,250 | 63,788 | 34,462 |
| General Supplies | 11-000-252-610 | - | 3,924 | 3,924 | 3,922 | 2 |
| Miscellaneous Expenditures | 11-000-252-890 | 2,500 | (170) | 2,330 | 1,490 | 840 |
| Total Administrative Information Technology |  | 332,996 | 38,458 | 371,454 | 327,657 | 43,797 |
| Required Maintenance for School Facilities: |  |  |  |  |  |  |
| Salaries | 11-000-261-100 | 210,865 | $(12,934)$ | 197,931 | 190,919 | 7,012 |
| Cleaning, Repair \& Maintenance |  |  |  |  |  |  |
| Services | 11-000-261-420 | 267,000 | $(22,472)$ | 244,528 | 236,585 | 7,943 |
| General Supplies | 11-000-261-610 | 98,989 | 20,121 | 119,110 | 118,879 | 231 |
| Other Objects | 11-000-261-800 | 4,250 | 1,301 | 5,551 | 5,541 | 10 |
| Total Allowable Maintenance For School Facilit |  | 581,104 | $(13,984)$ | 567,120 | 551,924 | 15,196 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Other Operation \& Maintenance of Plant Services: |  |  |  |  |  |  |
| Salaries | 11-000-262-100 | 1,320,255 | 39,557 | 1,359,812 | 1,343,477 | 16,335 |
| Salaries Building \& Grounds | 11-000-262-105 | 44,524 | $(44,524)$ | - | - |  |
| Salaries of Non-Instructional Aides | 11-000-262-107 | 58,413 | 900 | 59,313 | 55,312 | 4,001 |
| Cleaning, Repair \& Maintenance Services | 11-000-262-420 | 66,207 | $(7,025)$ | 59,182 | 49,554 | 9,628 |
| Other Purchased Property |  |  |  |  |  |  |
| Services | 11-000-262-490 | 211,361 | $(1,940)$ | 209,421 | 111,769 | 97,652 |
| Insurance | 11-000-262-520 | 270,923 | 52,129 | 323,052 | 319,593 | 3,459 |
| Travel | 11-000-262-580 | 2,500 | - | 2,500 | 1,191 | 1,309 |
| General Supplies | 11-000-262-610 | 107,854 | 9,733 | 117,587 | 117,585 | 2 |
| Energy (Natural Gas) | 11-000-262-621 | 214,000 | $(44,000)$ | 170,000 | 170,000 | - |
| Energy (Electricity) | 11-000-262-622 | 728,655 | 210,391 | 939,046 | 939,046 | - |
| Other Objects | 11-000-262-800 | 15,000 | $(2,161)$ | 12,839 | 11,158 | 1,681 |
| Interest - Energy Saving Impr Prog Bonds | 11-000-262-837 | 105,606 | (942) | 104,664 | 104,664 | - |
| Principal - Energy Saving Impr Prog Bonds | 11-000-262-917 | 225,000 | - | 225,000 | 225,000 | - |
| Total Operation \& Maintenance of Plant Servic |  | 3,370,298 | 212,118 | 3,582,416 | 3,448,349 | 134,067 |
| Care and Upkeep of Grounds: |  |  |  |  |  |  |
| Salaries | 11-000-263-100 | 248,403 | 11,993 | 260,396 | 260,109 | 287 |
| Cleaning, Repair \& Maintenance |  |  |  |  |  |  |
| Services | 11-000-263-420 | 63,000 | $(7,363)$ | 55,637 | 55,633 | 4 |
| General Supplies | 11-000-263-610 | 89,000 | 18,611 | 107,611 | 105,912 | 1,699 |
| Other Objects | 11-000-263-800 | 600 | 440 | 1,040 | 1,040 | - |
| Total Care and Upkeep of Grounds |  | 401,003 | 23,681 | 424,684 | 422,694 | 1,990 |
| Security: |  |  |  |  |  |  |
| Salaries | 11-000-266-100 | 220,660 | $(2,912)$ | 217,748 | 214,837 | 2,911 |
| Purchased Technical Services | 11-000-266-420 | 30,000 | $(12,592)$ | 17,408 | 17,408 | - |
| General Supplies | 11-000-266-610 | 5,700 | 2,226 | 7,926 | 7,925 | 1 |
| Other Objects | 11-000-266-800 | 4,300 | $(1,879)$ | 2,421 | 2,277 | 144 |
| Total Security |  | 260,660 | $(15,157)$ | 245,503 | 242,447 | 3,056 |
| Student Transportation Services: |  |  |  |  |  |  |
| Salaries of Non-Instructional Aides | 11-000-270-107 | 103,516 | (818) | 102,698 | 90,623 | 12,075 |
| Salaries for Pupil Transportation (Between Home \& School) - |  |  |  |  |  |  |
| Regular | 11-000-270-160 | 1,167,802 | $(1,713)$ | 1,166,089 | 1,094,037 | 72,052 |
| Other Purchased Professional \& |  |  |  |  |  |  |
| Technical Services | 11-000-270-390 | 19,066 | 1,960 | 21,026 | 20,160 | 866 |
| Lease Purchase Payments - Buses | 11-000-270-443 | 78,314 | $(25,163)$ | 53,151 | 53,151 | - |
| Contracted Services (Aid-in-Lieu) |  |  |  |  |  |  |
| Choice Student | 11-000-270-505 | 36,600 | $(3,600)$ | 33,000 | 28,531 | 4,469 |
| Contracted Services (Special Education |  |  |  |  |  |  |
| Students) - Jointure Agreements | 11-000-270-515 | 14,000 | - | 14,000 | 2,103 | 11,897 |
| Contracted Services - ESC's \& |  |  |  |  |  |  |
| Students) | 11-000-270-518 | 383,107 | 68,065 | 451,172 | 440,092 | 11,080 |
| Aid in Lieu | 11-000-270-503 | 23,400 | 5,772 | 29,172 | 29,172 | - |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | ACCOUNT NUMBERS | ORIGINAL BUDGET | BUDGET TRANSFERS | FINAL BUDGET | ACTUAL | POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Miscellaneous Purchased Services Transportation | 11-000-270-593 | 33,280 | $(13,000)$ | 20,280 | 12,120 | 8,160 |
| Transportation Supplies | 11-000-270-615 | 296,000 | $(68,304)$ | 227,696 | 176,766 | 50,930 |
| Miscellaneous Expenditures | 11-000-270-800 | - | 715 | 715 | 715 | - |
| Total Student Transportation Services |  | 2,155,085 | $(36,086)$ | 2,118,999 | 1,947,470 | 171,529 |
| Student Transportation Services - Employee Benefits: |  |  |  |  |  |  |
| Health Benefits | 11-000-270-270 | 580,000 | $(580,000)$ | - | - | - |
| Total Student Transportation Services - Employee | Benefits | 580,000 | $(580,000)$ | - | - | - |
| Unallocated Benefits Employee Benefits: |  |  |  |  |  |  |
| Social Security Contributions | 11-000-291-220 | 810,203 | (900) | 809,303 | 679,723 | 129,580 |
| Other Retirement Contributions PERS | 11-000-291-241 | 642,666 | 21,302 | 663,968 | 647,774 | 16,194 |
| Other Retirement Contributions Regular | 11-000-291-249 | 56,000 | $(14,776)$ | 41,224 | 30,000 | 11,224 |
| Unemployment Compensation | 11-000-291-250 | 175,607 | $(69,581)$ | 106,026 | 106,019 | 7 |
| Workman's Compensation | 11-000-291-260 | 305,000 | 12,152 | 317,152 | 317,032 | 120 |
| Health Benefits | 11-000-291-270 | 8,249,424 | 249,535 | 8,498,959 | 7,766,124 | 732,835 |
| Tuition Reimbursement | 11-000-291-280 | 486,941 | $(429,149)$ | 57,792 | 55,797 | 1,995 |
| Other Employee Benefits | 11-000-291-290 | 180,000 | 590,132 | 770,132 | 769,771 | 361 |
| Total Unallocated Benefits - Employee Benefits |  | 10,905,841 | 358,715 | 11,264,556 | 10,372,240 | 892,316 |
| Nonbudgeted: |  |  |  |  |  |  |
| On-Behalf TPAF Pension Contributions |  | - | - | - | 1,527,497 | $(1,527,497)$ |
| On-Behalf TPAF Post Retirement Medical |  | - | - | - | 1,818,826 | $(1,818,826)$ |
| Reimbursed TPAF Social Security |  | - | - | - | 1,380,107 | $(1,380,107)$ |
| Total Undistributed Expenditures |  | 27,529,589 | 270,313 | 27,799,902 | 30,033,474 | $(2,233,572)$ |
| Total Expenditures - Current Expense |  | 49,174,095 | $(82,646)$ | 49,091,449 | 49,951,365 | $(859,916)$ |

## Capital Outlay:

Equipment:
Undistributed Expenditures:
Grades 1-5
Grades 6-8
Grades $9-12$
Instruction
Support Services - Related \& Extra
Support Services - Child Studdy Team
Support Services - Instructional Staff
School Administration
Operation \& Maintenance of
$\quad$ Plant Services
$\quad$ Security
Non-Instructional Equipment
Non-Instructional Serv.

| $12-120-100-730$ | 40,000 | $(3,650)$ | 36,350 | 17,885 |  |
| :--- | ---: | :---: | ---: | ---: | ---: |
| $12-130-100-730$ | 40,000 | $(8,850)$ | 31,150 | 14,272 |  |
| $12-140-100-730$ |  | 12,500 | 12,500 | 6,249 |  |
| $12-000-100-730$ | 12,000 | 114,237 | 126,237 | 126,237 | - |
| $12-000-21 X-730$ | 15,000 | - | 15,000 | 15,000 | - |
| $12-000-219-730$ | 7,000 | $(5,302)$ | 1,698 | - | 1,698 |
| $12-000-220-730$ | 62,257 | - | 62,257 | 61,000 | 1,257 |
| $12-000-240-730$ | 4,000 | 10,345 | 14,345 | 10,025 | 4,320 |
|  |  |  |  |  |  |
| $12-000-261-730$ | 50,000 | 95,582 | 145,582 | 120,070 | 25,512 |
| $12-000-266-730$ | 80,252 | - | 80,252 | 80,252 | - |
| $12-000-270-732$ | 172,791 | 163,257 | 336,048 | 251,583 | 84,465 |
| $12-000-300-732$ | 31,000 | $(432)$ | 30,568 | 30,568 | - |
|  |  |  |  |  |  |
|  | 514,300 | 377,687 | 891,987 | 733,141 | 117,252 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  |  |  |  |  |
| :--- | :--- | :--- | :--- | :--- |
|  |  |  |  |  |

## RECAPITULATION OF BUDGET TRANSFERS

Rollover Encumbrances from Prior Year

| $\$$ | 251,931 |
| :--- | :--- |
| $\$$ | 251,931 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> GENERAL FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  |  |  |
| :--- | :---: | :---: | :---: | :---: |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION SPECIAL REVENUE FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| REVENUES | ORIGINAL BUDGET |  | $\begin{gathered} \text { BUDGET } \\ \text { TRANSFERS } \end{gathered}$ |  | FINAL BUDGET |  | ACTUAL |  | VARIANCE POSITIVE/ (NEGATIVE) FINAL TO ACTUAL |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Federal Sources | \$ | 970,979 | \$ | 369,394 | \$ | 1,340,373 |  | 1,340,373 | \$ | - |
| Local Sources |  | - |  | 25,723 |  | 25,723 |  | 19,007 |  | $(6,716)$ |
| Total Revenues |  | 970,979 |  | 395,117 |  | 1,366,096 |  | 1,359,380 |  | $(6,716)$ |
| EXPENDITURES: |  |  |  |  |  |  |  |  |  |  |
| Instruction: |  |  |  |  |  |  |  |  |  |  |
| Salaries of Teachers |  | 970,979 |  | $(523,893)$ |  | 447,086 |  | 445,848 |  | 1,238 |
| Tuition |  | - |  | 775,818 |  | 775,818 |  | 775,818 |  | - |
| Purchased Professional - <br> Educational Services |  | - |  | - |  | - |  | - |  | - |
| General Supplies |  | - |  | 5,250 |  | 5,250 |  | 5,250 |  | - |
| Total Instruction |  | 970,979 |  | 257,175 |  | 1,228,154 |  | 1,226,916 |  | 1,238 |
| Support Services: |  |  |  |  |  |  |  |  |  |  |
| Salaries of Other Professional Staff |  | - |  | - |  | - |  | - |  | - |
| Personal Services - Employee Benefits |  | - |  | 103,992 |  | 103,992 |  | 103,992 |  | - |
| Purchased Professional Educational Services |  | - |  | 9,465 |  | 9,465 |  | 9,465 |  | - |
| Supplies \& Materials |  | - |  | 24,485 |  | 24,485 |  | 19,007 |  | 5,478 |
| Total Support Services |  | - |  | 137,942 |  | 137,942 |  | 132,464 |  | 5,478 |
| Total Outflows |  | 970,979 |  | 395,117 |  | 1,366,096 |  | 1,359,380 |  | 6,716 |
| Excess/(Deficiency) of Revenues Over/(Under) Expenditures \& Other Financing Sources/(Uses) | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - |

## NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

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

| GENERAL | SPECIAL |
| :---: | :---: |
| FUND | REVENUE |
|  | FUND |

Sources/Inflows of Resources:
Actual Amounts (Budgetary Basis) "Revenue"
From the Budgetary Comparison Schedule (C-Series)
\$ 54,081,948 \$ 1,359,380
Difference - Budget to GAAP:
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.

## Current Year <br> Prior Year

State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.

State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent
year.
$(1,898,125)$

Total Revenues as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds. (B-2)

Uses/outflows of resources:
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule
Differences - budget to GAAP
Encumbrances for supplies and equipment ordered but not received is reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.

Current Year
Prior Year

Total Expenditures as Reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds (B-2) $\xlongequal{\$ 1,51,574,576 \quad \$ \quad 1,359,380}$

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

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION

## SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY PUBLIC EMPLOYEES' RETIREMENT SYSTEM <br> LAST THREE FISCAL YEARS

|  |  | 2016 |  | 2015 |  | 2014 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| District's proportion of the net pension liability (asset) |  | 7.04549\% |  | 0.07561\% |  | 0.07677\% |
| District's proportionate share of the net pension liability (asset) | \$ | 15,815,708 | \$ | 14,155,421 | \$ | 14,673,153 |
| District's covered-employee payroll | \$ | 4,651,310 | \$ | 4,794,351 | \$ | 4,735,961 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll |  | 340.03\% |  | 295.25\% |  | 309.82\% |
| Plan fiduciary net position as a percentage of the total pension liability |  | 52.08\% |  | 52.08\% |  | 48.72\% |

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

# BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> SCHEDULE OF DISTRICT CONTRIBUTIONS <br> PUBLIC EMPLOYEES' RETIREMENT SYSTEM <br> LAST THREE FISCAL YEARS 

 available.

# BARNEGAT TOWNSHIP BOARD OF EDUCATION STATE'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY ASSOCIATED WITH THE DISTRICT'S TEACHERS' PENSION AND ANNUITY FUND <br> LAST THREE FISCAL YEARS 

|  |  | 2016 |  | 2015 |  | 2014 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| District's proportion of the net pension liability (asset) |  | 0.18924\% |  | 0.19561\% |  | 0.19149\% |
| State's proportionate share of the net pension liability (asset) associated with the District | \$ | 119,606,276 | \$ | 104,549,683 | \$ | 96,775,286 |
| District's covered-employee payroll | \$ | 19,262,475 | \$ | 19,058,623 | \$ | 18,864,172 |
| District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll |  | 0.00\% |  | 0.00\% |  | 0.00\% |
| Plan fiduciary net position as a percentage of the total pension liability |  | 28.71\% |  | 33.64\% |  | 33.76\% |

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

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# BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION JUNE 30, 2016 

## Teachers Pension and Annuity Fund (TPAF)

Basis of Presentation. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. The numbers were derived in a report provided by KPMG dated July 28, 2016. The full report is available by the State of New Jersey, Division of Pension and Benefits. Such preparation requires management of TPAF to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 18A:66. TPAF provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of TPAF. Members are always fully vested for their own contributions and, after three years of service credit, become vested for $2 \%$ of related interest earned on the contributions. In the case of death before retirement, members' beneficiaries are entitled to full interest credited to the members' accounts.

Changes of assumptions. Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement.

## Public Employees' Retirement System (PERS)

Basis of Presentation. The amounts presented in the Schedules were prepared in accordance with U.S. generally accepted accounting principles. The numbers were derived in a report provided by KPMG dated April 14, 2016. The full report is available by the State of New Jersey, Division of Pension and Benefits. Such preparation requires management of PERS to make a number of estimates and assumptions relating to the reported amounts. Due to the inherent nature of these estimates, actual results could differ from those estimates.

Changes of benefit terms. The vesting and benefit provisions are set by N.J.S.A. 43:15A. PERS provides retirement, death and disability benefits. All benefits vest after ten years of service, except for medical benefits, which vest after 25 years of service or under the disability provisions of PERS.

Changes of assumptions. Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for males and females) for service retirement and beneficiaries of former members with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA. The RP2000 Disabled Mortality Tables (setback 3 years for males and setback 1 year for females) are used to value disabled retirees. The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011. 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.

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D. School Based Budget Schedules

Not Applicable

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E. Special Revenue Fund

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION SPECIAL REVENUE FUND COMBINING SCHEDULE OF REVENUES AND EXPENDITURES FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | I.D.E.A. PART B |  |  |  | NO CHILD LEFT BEHIND |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | BASIC <br> REGULAR |  | $\begin{gathered} \text { BASIC } \\ \text { PRESCHOOL } \end{gathered}$ |  | TITLE I |  | TITLE IIA |  |
|  |  |  |  |  |  |  |  |  |
| Revenues: |  |  |  |  |  |  |  |  |
| Federal Sources | \$ | 777,718 | \$ | 32,008 | \$ | 449,305 | \$ | 81,342 |
| Local Sources |  | - |  | - |  | - |  | - |
| Total Revenues | \$ | 777,718 | \$ | 32,008 | \$ | 449,305 | \$ | 81,342 |
| Expenditures: |  |  |  |  |  |  |  |  |
| Instruction: |  |  |  |  |  |  |  |  |
| Salaries of Teachers | \$ | - | \$ | 25,403 | \$ | 362,130 | \$ | 58,315 |
| Tuition |  | 775,818 |  | - |  | - |  | - |
| Purchased Professional Educational Services |  | - |  | - |  | - |  | - |
| General Supplies |  | - |  | - |  | 3,750 |  | 1,500 |
| Total Instruction |  | 775,818 |  | 25,403 |  | 365,880 |  | 59,815 |
| Support Services: |  |  |  |  |  |  |  |  |
| Personal Services - Employee |  |  |  |  |  |  |  |  |
| Purchased Professional Educational Services |  | 1,900 |  | - |  | 1,200 |  | 6,365 |
| Supplies \& Materials |  | - |  | - |  | - |  | - |
| Total Support Services |  | 1,900 |  | 6,605 |  | 83,425 |  | 21,527 |
| Total Expenditures | \$ | 777,718 | \$ | 32,008 | \$ | 449,305 | \$ | 81,342 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION SPECIAL REVENUE FUND COMBINING SCHEDULE OF REVENUES AND EXPENDITURES FOR THE FISCAL YEAR ENDED JUNE 30, 2016

|  | BARNEGAT SPORTS |  | ROBMS SIGN |  | $\begin{gathered} \text { OTHER } \\ \text { LOCAL } \\ \text { GRANTS } \end{gathered}$ |  | TOTAL |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Revenues: |  |  |  |  |  |  |  |  |
| Federal Sources | \$ | - | \$ | - | \$ | - | \$ | 1,340,373 |
| Local Sources |  | 6,517 |  | 11,695 |  | 795 |  | 19,007 |
| Total Revenues | \$ | 6,517 | \$ | 11,695 | \$ | 795 | \$ | 1,359,380 |
| Expenditures: |  |  |  |  |  |  |  |  |
| Instruction: |  |  |  |  |  |  |  |  |
| Salaries of Teachers | \$ | - | \$ | - | \$ | - | \$ | 445,848 |
| Tuition |  | - |  | - |  | - |  | 775,818 |
| Purchased Professional - |  |  |  |  |  |  |  |  |
| Educational Services |  | - |  | - |  | - |  | - |
| General Supplies |  | - |  | - |  | - |  | 5,250 |
| Total Instruction |  | - |  | - |  | - |  | 1,226,916 |
| Support Services: |  |  |  |  |  |  |  |  |
| Personal Services - |  |  |  |  |  |  |  |  |
| Employee Benefits |  | - |  | - |  | - |  | 103,992 |
| Purchased Professional - |  |  |  |  |  |  |  |  |
| Educational Services |  | - |  | - |  | - |  | 9,465 |
| Supplies \& Materials |  | 6,517 |  | 11,695 |  | 795 |  | 19,007 |
| Total Support Services |  | 6,517 |  | 11,695 |  | 795 |  | 132,464 |
| Total Expenditures | \$ | 6,517 | \$ | 11,695 | \$ | 795 | \$ | 1,359,380 |

F. Capital Projects Fund

N/A

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G. Proprietary Funds

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Enterprise Funds

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION ENTERPRISE FUND COMBINING SCHEDULE OF NET POSITION AS OF JUNE 30, 2016



## LIABILITIES

Current Liabilities:

|  |  | - | 921 |  |
| :--- | :--- | :--- | :--- | ---: |
| Accounts Payable | - | - | - | 1,685 |
| Unearned Revenue | - | - | - | 1,685 |
| Interfund Payable | - | - | - |  |
|  |  | - | - | $-2,606$ |
| Total Current Liabilities |  | - | - | $-2,606$ |

## NET POSITION

| Net Investment in Capital Assets |  | 212,694 | - | - | - | 212,694 |  |
| :--- | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Unrestricted | 362,567 | 39,583 | 145,827 |  | 23,677 |  |  |
|  |  |  |  |  |  |  |  |
| Total Net Position | $\$$ | 575,261 | $\$$ | 39,583 | $\$$ | 145,827 | $\$$ |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION ENTERPRISE FUND <br> COMBINING SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION AS OF JUNE 30, 2016

|  | BUSINESS-TYPEACTIVITIES -ENTERPRISE FUNDS |  |  |  |  |  |  |  | TOTALS |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { FOOD } \\ & \text { SERVICE } \end{aligned}$ |  | COMMUNITY EDUCATION |  | AFTER CARE |  | BENGAL CUBSEARLY LEARNINGCENTER |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |
| Operating Revenues: |  |  |  |  |  |  |  |  |  |  |
| Charges for Services: |  |  |  |  |  |  |  |  |  |  |
| Daily Sales - Reimbursable Programs: |  |  |  |  |  |  |  |  |  |  |
| Daily Sales Nonreimbursable Programs: |  |  |  |  |  |  |  |  |  |  |
| School Lunch Program |  | 186,930 |  | - |  | - |  | - |  | 186,930 |
| Program Revenues |  | - |  | - |  | 194,762 |  | 265,480 |  | 460,242 |
| Total Operating Revenues |  | 556,968 |  | - |  | 194,762 |  | 265,480 |  | 1,017,210 |
| Operating Expenses: |  |  |  |  |  |  |  |  |  |  |
| Cost of Sales |  | 513,637 |  | - |  | - |  | - |  | 513,637 |
| Salaries \& Benefits |  | 398,550 |  | - |  | 112,471 |  | 179,427 |  | 690,448 |
| Management \& Administrative Fees |  | 73,623 |  | - |  | - |  | - |  | 73,623 |
| Other Purchased Services |  | 14,562 |  | - |  | 21,435 |  | 25,242 |  | 61,239 |
| Cleaning, Repair \& Maintenance Services |  | 66,078 |  | - |  | - |  | - |  | 66,078 |
| Depreciation |  | 36,744 |  | - |  | - |  | - |  | 36,744 |
| Total Operating Expenses |  | 1,103,194 |  | - |  | 133,906 |  | 204,669 |  | 1,441,769 |
| Operating Income/(Loss) |  | $(546,226)$ |  | - |  | 60,856 |  | 60,811 |  | $(424,559)$ |
| Nonoperating Revenues (Expenses): |  |  |  |  |  |  |  |  |  |  |
| State Sources: |  |  |  |  |  |  |  |  |  |  |
| State School Lunch Program |  | 11,177 |  | - |  | - |  | - |  | 11,177 |
| Federal Sources: |  |  |  |  |  |  |  |  |  |  |
| National School Lunch Program |  | 414,555 |  | - |  | - |  | - |  | 414,555 |
| National School Performance Based Program |  | 13,878 |  | - |  | - |  | - |  | 13,878 |
| National School Breakfast Program |  | 124,200 |  | - |  | - |  | - |  | 124,200 |
| National School After School Snack Program |  | 3,078 |  | - |  | - |  | - |  | 3,078 |
| Food Distribution Program |  | 93,409 |  | - |  | - |  | - |  | 93,409 |
| Interest \& Investment Revenue |  | 386 |  | 51 |  | 231 |  | 169 |  | 837 |
| Miscellaneous Revenue |  | 33,787 |  | - |  | - |  | - |  | 33,787 |
| Transfer (Out)/In |  | - |  | (51) |  | (231) |  | (169) |  | (451) |
| Total Nonoperating Revenues/(Expenses) |  | 694,470 |  | - |  | - |  | - |  | 694,470 |
| Change in Net Position |  | 148,244 |  | - |  | 60,856 |  | 60,811 |  | 269,911 |
| Total Net Position - Beginning |  | 427,017 |  | 39,583 |  | 84,971 |  | $(37,134)$ |  | 514,437 |
| Total Net Position - Ending | \$ | 575,261 | \$ | 39,583 | \$ | 145,827 | \$ | 23,677 | \$ | 784,348 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> ENTERPRISE FUND COMBINING SCHEDULE OF CASH FLOWS AS OF JUNE 30, 2016

|  | BUSINESS-TYPE ACTIVITIES - <br> ENTERPRISE FUNDS |  |  |  |  |  |  |  | TOTALS |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | $\begin{aligned} & \text { FOOD } \\ & \text { SERVICE } \end{aligned}$ |  | COMMUNITY EDUCATION |  | AFTER CARE |  | BENGAL CUBSEARY LEARNINGCENTER |  |  |  |
| Cash Flows From Operating Activities: Receipts from Customers Payments for Operations | \$ | $\begin{gathered} 556,968 \\ (981,745) \\ \hline \end{gathered}$ | \$ |  | \$ | $\begin{gathered} 93,795 \\ (133,906) \\ \hline \end{gathered}$ | \$ | $\begin{array}{r} 150,136 \\ (204,669) \\ \hline \end{array}$ |  | $\begin{gathered} 800,899 \\ (1,320,320) \\ \hline \end{gathered}$ |
| Net Cash Provided/(Used) by Operating Activities |  | $(424,777)$ |  | - |  | $(40,111)$ |  | $(54,533)$ |  | $(519,421)$ |
| Cash Flows From Capital Financing Activities: Purchases of Capital Assets Adjustment to Capital Assets |  | - |  | - |  | - |  | - |  | - |
| Net Cash Provided/(Used) by Capital Financing Activities |  | - |  | - |  | - |  | - |  | - |
| Cash Flows From Noncapital Financing Activities: |  |  |  |  |  |  |  |  |  |  |
| State Sources |  | 12,960 |  | - |  | - |  | - |  | 12,960 |
| Federal Sources |  | 615,505 |  | - |  | - |  | - |  | 615,505 |
| Miscellaneous Revenue |  | 33,628 |  | - |  | - |  | - |  | 33,628 |
| Net Cash Provided/(Used) by Noncapital Financing Activities |  | 662,093 |  | - |  | - |  | - |  | 662,093 |
| Cash Flows From Investing Activities: |  |  |  |  |  |  |  |  |  |  |
| Interest \& Dividends |  | 386 |  | 51 |  | 231 |  | 169 |  | 837 |
| Transfer (out)/in |  | - |  | (51) |  | (231) |  | (169) |  | (451) |
| Net Cash Provided/(Used) by Investing Activities |  | 386 |  | - |  | - |  | - |  | 386 |
| Net Increase/(Decrease) in Cash \& Cash Equivalents |  | 237,702 |  | - |  | $(40,111)$ |  | $(54,533)$ |  | 143,058 |
| Balances - Beginning of Year |  | 62,046 |  | 39,583 |  | 148,505 |  | 79,363 |  | 329,497 |
| Balances - End of Year | \$ | 299,748 | \$ | 39,583 | \$ | 108,394 | \$ | 24,830 | S | 472,555 |

## Reconciliation of Operating Income/(Loss) to Net Cash Provided/(Used) by Operating Activities:

| Operating Income/(Loss) \$ | $(546,226)$ | \$ | - | \$ | 60,856 | \$ | 60,811 | \$ | $(424,559)$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Adjustments to Reconcile Operating Income/(Loss) to |  |  |  |  |  |  |  |  |  |
| Net Cash Provided/(Used) by Operating Activities: |  |  |  |  |  |  |  |  |  |
| Food Distribution Program | 93,409 |  | - |  | - |  | - |  | 93,409 |
| Depreciation \& Net Amortization | 36,744 |  | - |  | - |  | - |  | 36,744 |
| (Increase)/Decrease in Accounts Receivable Other | (127) |  | - |  | $(1,741)$ |  | $(1,294)$ |  | $(3,162)$ |
| (Increase)/Decrease in Inventories | $(4,148)$ |  | - |  | - |  | - |  | $(4,148)$ |
| (Increase)/Decrease in Interfunds | $(4,429)$ |  | - |  | $(99,226)$ |  | $(115,746)$ |  | $(219,401)$ |
| Increase/(Decrease) in Accounts Payable | - |  | - |  | - |  | 1,696 |  | 1,696 |
| Total Adjustments | 121,449 |  | - |  | $(100,967)$ |  | $(115,344)$ |  | $(94,862)$ |



Internal Service Fund

Not Applicable

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H. Fiduciary Fund

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# BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> FIDUCIARY FUNDS COMBINING STATEMENT OF FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2016 

| ASSETS | PRIVATE <br> PURPOSE <br> UNEMPLOYMENT | AGENCY |  | TOTALS |
| :---: | :---: | :---: | :---: | :---: |
|  | COMPENSATION TRUST | PAYROLL FUND | $\begin{aligned} & \text { STUDENT } \\ & \text { ACTIVITY } \end{aligned}$ |  |
| Cash \& Cash Equivalents | 625,338 | \$ 1,154,514 | 142,734 | 1,922,586 |
| Total Assets | 625,338 | 1,154,514 | 142,734 | 1,922,586 |
| LIABILITIES |  |  |  |  |
| Payable to Student Groups | - | - | 142,734 | 142,734 |
| Accrued Salaries \& Wages | - | 1,151,698 | - | 1,151,698 |
| Interfund Payable | - | 2,816 | - | 2,816 |
| Total Liabilities | - | 1,154,514 | 142,734 | 1,297,248 |

## NET POSITION

Held in Reserve for
Unemployment Claims

|  | 625,338 | - |  | - |  | 625,338 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| $\$$ | 625,338 | $\$$ | - | $\$$ | - | $\$$ |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> FIDUCIARY FUNDS COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FOR THE YEAR ENDED JUNE 30, 2016



## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> STUDENT ACTIVITY AGENCY FUND SCHEDULE OF RECEIPTS AND DISBURSEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| ASSETS | $\begin{gathered} \text { BALANCE } \\ \text { JULY 1, } \\ 2015 \end{gathered}$ |  | ADDITIONS |  | DELETIONS |  | $\begin{gathered} \text { BALANCE } \\ \text { JUNE } 30 \text {, } \\ 2016 \end{gathered}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Student Activities | \$ | 16,523 | \$ | 32,134 | \$ | 34,695 | \$ | 13,962 |
| High School Activities |  | 28,217 |  | 244,380 |  | 241,163 |  | 31,434 |
| High School Sports |  | 99,429 |  | 125,668 |  | 127,759 |  | 97,338 |
| Total Assets | \$ | 144,169 | \$ | 402,182 | \$ | 403,617 | \$ | 142,734 |
| LIABILITIES |  |  |  |  |  |  |  |  |
| Payable to Student Groups | \$ | 144,169 | \$ | 402,182 | \$ | 403,617 | \$ | 142,734 |
| Total Liabilities | \$ | 144,169 | \$ | 402,182 | \$ | 403,617 | \$ | 142,734 |

EXHIBIT H-4
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2016

| ASSETS | $\begin{gathered} \text { BALANCE } \\ \text { JULY 1, } \\ 2015 \end{gathered}$ |  | ADDITIONS |  | DELETIONS |  | $\begin{gathered} \text { BALANCE } \\ \text { JUNE } 30 \text {, } \\ 2016 \end{gathered}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cash \& Cash Equivalents | \$ | 1,135,814 | \$ | 34,208,906 | \$ | 34,190,206 | \$ | 1,154,514 |
| Total Assets | \$ | 1,135,814 | \$ | 34,208,906 | \$ | 34,190,206 | \$ | 1,154,514 |

## LIABILITIES

| Payroll Deductions \& Withholdings | $\$$ | - | $\$$ | $33,057,208$ | $\$$ | $33,057,208$ | $\$$ | - |
| :--- | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| Accrued Salaries \& Wages |  | $1,109,601$ |  | $1,151,698$ |  | $1,109,601$ | $1,151,698$ |  |
| Interfund Payable | 26,213 | - | 23,397 | 2,816 |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |
| Total Liabilities | $\$$ | $1,135,814$ | $\$$ | $34,208,906$ | $\$$ | $34,190,206$ | $\$$ | $1,154,514$ |

I. Long-Term Debt

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## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> LONG-TERM DEBT <br> SCHEDULE OF SERIAL BONDS PAYABLE <br> JUNE 30, 2016

| ISSUE | DATE OFISSUE | $\begin{gathered} \text { AMOUNT } \\ \text { OF } \\ \text { ISSUE } \end{gathered}$ | ANNUAL PAYMENTS |  | $\begin{aligned} & \text { INTEREST } \\ & \text { RATE } \end{aligned}$ | AMOUNTOUTSTANDINGJUNE 30,2015 |  | ISSUED |  | REFUNDED |  | PAYMENTS |  | AMOUNTOUTSTANDINGJUNE 30,2016 |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | DATE | AMOUNT |  |  |  |  |  |  |  |  |  |  |  |
| Renovations and Improvements | 11/1/07 | 22,000,000 | 4/15/2017 | 210,000 | 4.375\% | \$ | 20,440,000 | \$ | - | \$ | 20,040,000 | \$ | 190,000 | \$ | 210,000 |
| Refunding School Bonds - 2012 | 4/24/12 | 6,105,000 | 7/15/2016 | 520,000 | 3.000\% |  | 5,990,000 |  | - |  | - |  | 505,000 |  | 5,485,000 |
|  |  |  | 7/15/2017 | 540,000 | 3.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 7/15/2018 | 560,000 | 4.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 7/15/2019 | 580,000 | 4.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 7/15/2020 | 600,000 | 4.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 7/15/2021 | 625,000 | 4.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 7/15/2022 | 655,000 | 5.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | $7 / 15 / 2023$ | $685,000$ | 5.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | $7 / 15 / 2024$ | $720,000$ | 4.000\% |  |  |  |  |  |  |  |  |  |  |
| Refunding School Bonds - 2014 | 2/24/14 | 7,600,000 | 4/1/2017 | 705,000 | 2.000\% |  | 6,915,000 |  | - |  | - |  | 705,000 |  | 6,210,000 |
|  |  |  | 4/1/2018 | 690,000 | 2.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2019 | 690,000 | 4.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2020 | 675,000 | 3.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2021 | 685,000 | 5.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2022 | 680,000 | 5.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2023 | 700,000 | 3.250\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2024 | 680,000 | 3.375\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/1/2025 | 705,000 | 3.500\% |  |  |  |  |  |  |  |  |  |  |
| Refunding School Bonds - 2015 | 11/10/15 | 20,825,000 | 4/15/2017 | 45,000 | 1.000\% |  | - |  | 20,825,000 |  | - |  | 85,000 |  | 20,740,000 |
|  |  |  | 4/15/2018 | 300,000 | 1.200\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2019 | 320,000 | 1.420\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2020 | $370,000$ | 1.660\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2021 | $405,000$ | 1.940\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2022 | 455,000 | 2.170\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2023 | 495,000 | 2.420\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2024 | $570,000$ | $2.620 \%$ |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2025 | $600,000$ | $5.000 \%$ |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2026 | 2,190,000 | 5.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2027 | 2,305,000 | 3.500\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2028 | 2,385,000 | 3.000\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2029 | $2,450,000$ | 3.125\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2030 | 2,530,000 | 3.250\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2031 | 2,615,000 | 3.375\% |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4/15/2032 | 2,705,000 | 3.500\% |  |  |  |  |  |  |  |  |  |  |

Total
$\begin{array}{lllllllll}33.345 .000 & \$ 20,825.000 & \$ & 20.040 .000 & \$ 1.485 .000 & \$ & 32.645 .000\end{array}$

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> LONG-TERM DEBT <br> SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES

JUNE 30, 2016

| SERIES | $\begin{aligned} & \text { INTEREST } \\ & \text { RATE } \end{aligned}$ | $\begin{gathered} \text { AMOUNT } \\ \text { OF } \\ \text { ORIGINAL } \\ \text { ISSUE } \end{gathered}$ | $\begin{gathered} \text { AMOUNT } \\ \text { OUTSTANDING } \\ \text { JUNE 30, } \\ 2015 \end{gathered}$ |  | ISSUED |  | RETIRED CURRENT YEAR |  | $\begin{gathered} \text { AMOUNT } \\ \text { OUTSTANDING } \\ \text { JUNE } 30, \\ 2016 \end{gathered}$ |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Energy Savings Improvement Plan | 2.94\% | 4,135,000 | \$ | 3,750,000 | \$ | - | \$ | 190,000 | \$ | 3,560,000 |
| School Buses, Computer Equipment \& Textbooks | 1.41\% | 600,000 |  | 241,648 |  | - |  | 119,976 |  | 121,672 |
|  |  | Total | \$ | 3,991,648 | \$ | - | \$ | 309,976 | \$ | 3,681,672 |

## BARNEGAT TOWNSHIP BOARD OF EDUCATION DEBT SERVICE FUND <br> BUDGETARY COMPARISON SCHEDULE FOR THE FISCAL YEAR ENDED JUNE 30, 2016



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BARNEGAT TOWNSHIP BOARD OF EDUCATION NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(Accrual Basis of Accounting)

|  | 2016 | 2015 |  | 2014 |  | 2013 | 2012 |  | 2011 |  | 2010 |  | 2009 | 2008 |  | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| \$ | 86,983,014 | \$ 89,636,561 | \$ | 93,001,950 | \$ | 93,930,312 | \$ 96,705,379 | \$ | 95,731,157 | \$ | 96,355,634 | \$ | 95,321,191 | \$ 51,451,552 | \$ | 50,469,989 |
|  | 11,547,489 | 8,196,710 |  | 5,191,822 |  | 1,404,515 | 1,448,415 |  | 998,512 |  | 995,502 |  | 1,999,611 | 32,637,948 |  | $(5,869,521)$ |
|  | (18,576,762) | $(17,373,614)$ |  | $(2,321,816)$ |  | 2,118,891 | 2,275,895 |  | 1,319,040 |  | $(1,532,062)$ |  | $(692,099)$ | $(339,242)$ |  | $(1,559,155)$ |

Governmental Activities:
Net Investment in
Business-Type Activities:
Total Governmental Activities
Net Position

| $\$ 79,953,741$ | $\$ 80,459,657$ | $\$$ | $95,871,956$ | $\$$ | $97,453,718$ | $\$ 100,429,689$ | $\$ 98,048,709$ | $\$ 95,819,074$ | $\$ 96,628,703$ | $\$ 83,750,258$ | $\$ 43,041,313$ |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |


|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: | ---: |
| $\$$ | 212,694 | $\$$ | 249,438 | $\$$ | 241,520 | $\$$ | 275,488 | $\$$ | 326,732 | $\$$ | 293,263 | $\$$ | 269,678 | $\$$ | 322,901 |
|  | 571,654 | 264,999 |  | 135,332 |  | 80,450 |  | 112,339 |  | 137,444 |  | 173,686 |  | 106,186 | $\$$ |

[^5]Source: District CAFR, Schedule A-1


| $147,459,196$ |
| :---: |
| $1,106,101$ |

$1,106,101$
-
-
-
1,280,512



BARNEGAT TOWNSHIP BOARD OF EDUCATION BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS


Assets
Unallocat

Business-Type Activities: Food Service Community Education
Aftercare Program Bengal Cubs Early Learning Total Business-Type Activities
Expense Expense
Total Dist Total District Expenses
Program Revenues:
Governmental Activities: Governmental Activities:
Grants \& Contributions Total Governmental Activities
Program Revenues
EXHIBIT J-2
(Page 2 of 3) BARNEGAT TOWNSHIP BOARD OF EDUCATION
CHANGES IN NET POSITION - (ACCRUAL BASIS OF ACCOUNTING)
LAST TEN FISCAL YEARS

| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 556,968 | 491,442 | 527,936 | 548,824 | 668,041 | 710,408 | 737,538 | 760,077 | 802,326 | 734,696 |
| - | - | 1,050 | 1,150 | - |  | 16,116 | 70,559 | - | - |
| 194,762 | 173,599 | 112,761 | - | - | - | - | - | - | - |
| 265,480 | 78,513 | - | - | - | - | - | - | - | - |
| 660,297 | 618,258 | 604,494 | 594,145 | 554,776 | 501,093 | 473,199 | 417,155 | 376,071 | 332,602 | |  | $1,677,507$ | $1,361,812$ | $1,246,241$ | $1,144,119$ |  | $1,222,817$ |  | $1,211,501$ |  | $1,226,853$ |  | $1,247,791$ | $1,178,397$ | $1,067,298$ |  |  |  |
| :--- | ---: | ---: | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |
| $\$$ | $14,217,666$ | $\$$ | $12,013,763$ | $\$$ | $6,853,140$ | $\$$ | $7,077,722$ | $\$$ | $3,061,862$ | $\$$ | $3,011,438$ | $\$$ | $4,002,986$ | $\$$ | $3,111,186$ | $\$$ | $3,400,546$ |


 Business-Type Activities:
Charges for Services:
Food Service
Community Education
Aftercare Program
Bengal Cubs Early Learning Center
Operating Grants \& Contributions Total Business Type Activities Program Revenues Total District Program Revenues Net (Expense)/Revenue: Governmental Activities Business-Type Activities
Total District-Wide Net Expense
General Revenues \& Other Changes in Net Position:
Governmental Activities:
Governmental Activities:
Property Taxes Levied for
General Purposes, Net
Taxes Levied for Debt
Taxes Levied for Debt
Service Unrestricted Grants \&
$\quad$ Contributions
Tuition
Miscellaneous Income Unrestricted Grants \&
Contributions
Tuition
Miscellaneous Income
Cancellation of Prior Year Receivables
Cancellation of Prior Year Payables
Total Governmental Activities Business-Type Activities:
Investment Earnings
Investment Earnings
Miscellaneous Income
Adjustment to Fixed Assets
Contract Budget Guarantee
Total Business-Type Activities
Total District-Wide
EXHIBIT J-2
(Page 3 of 3)

|  | 2016 |  | 2015 |  | 2014 |  | 2013 |  | 2012 |  | 2011 |  | 2010 |  | 2009 |  | 2008 |  | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| \$ | $\begin{gathered} (505,916) \\ 269,911 \\ \hline \end{gathered}$ | \$ | $\begin{gathered} (739,146) \\ 137,585 \\ \hline \end{gathered}$ | \$ | $\begin{gathered} (1,581,762) \\ 20,914 \end{gathered}$ | \$ | $\begin{array}{r} (2,975,971) \\ (83,133) \\ \hline \end{array}$ | \$ | $\begin{array}{r} 2,380,980 \\ 8,364 \\ \hline \end{array}$ | \$ | $\begin{array}{r} 2,229,635 \\ (12,657) \\ \hline \end{array}$ | \$ | $\begin{gathered} (2,312,199) \\ 26,216 \\ \hline \end{gathered}$ | \$ | $\begin{gathered} (1,130,614) \\ 25,098 \\ \hline \end{gathered}$ | \$ | $\begin{gathered} 1,430,545 \\ (101,677) \\ \hline \end{gathered}$ | \$ | $\begin{array}{r} 9,464,166 \\ (38,497) \\ \hline \end{array}$ |
| \$ | $(236,005)$ |  | $(601,561)$ | \$ | (1,560,848) | \$ | $(3,059,104)$ |  | 2,389,344 | \$ | 2,216,978 | \$ | (2,285,983) | \$ | (1,105,516) | \$ | 1,328,868 | \$ | 9,425,669 |

Source: District CAFR, Schedule A-2

BARNEGAT TOWNSHIP BOARD OF EDUCATION
LAST TEN FISCAL YEARS
(Modified Accrual Basis of Accounting)

Source: District CAFR, Schedule B-1



Total Expenditures


| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 2,380,397 | 2,078,209 | 1,523,446 | $(3,837,243)$ | 414,781 | 2,888,576 | (3,411,145) | (21,453,551) | $(23,411,746)$ | (7,090,650) |
| - | - | $(1,272,627)$ | - | - | - | - | - | - | - |
| 361,472 | - | - | - | - |  | - | -- | - | - |
| $\begin{aligned} & 215,702 \\ & (20,108) \\ & \hline \end{aligned}$ | - | 116,917 | 3,562,628 | - | - | 24,646 | 1,437,531 | 23,887,069 | - |
| 557,066 | - | (1,155,710) | 3,562,628 | - | - | 24,646 | 1,437,531 | 23,887,069 | - |
| \$ 2,937,463 | \$ 2,078,209 | \$ 367,736 | \$ (274,615) | \$ 414,781 | \$ 2,888,576 | \$ (3,386,499) | \$ $(20,016,020)$ | \$ 475,323 | \$ (7,090,650) |
| 5.36\% | 5.24\% | 5.65\% | 5.38\% | 5.52\% | 5.84\% | 5.38\% | 5.44\% | 6.23\% | 5.36\% |

$$
\begin{aligned}
& \text { Excess (Deficiency) of Revenues } \\
& \text { Over/(Under) Expenditures } \\
& \text { Other Financing Sources/(Uses): } \\
& \text { Cancellation of Prior Year Receivables } \\
& \text { Cancellation of Prior Year Payables } \\
& \text { Capital Leases/Bond Proceeds } \\
& \text { Transfer of Funds To Charter Schools } \\
& \text { Total Other Financing Sources/ } \\
& \text { (Uses) } \\
& \text { Net Change in Fund Balances } \\
& \text { Debt Service as a Percentage of } \\
& \text { Noncapital Expenditures }
\end{aligned}
$$

Source: District CAFR, Schedule B-2

# BARNEGAT TOWNSHIP BOARD OF EDUCATION GENERAL FUND - OTHER LOCAL REVENUE BY SOURCE <br> LAST TEN FISCAL YEARS <br> (Modified Accrual Basis of Accounting) 



Source: District records

$$
\begin{gathered}
\text { TOTAL } \\
\text { DIRECT } \\
\text { SCHOOL } \\
\text { TAX RATE } \\
\\
1.345 \\
1.364 \\
1.750 \\
1.281 \\
1.252 \\
1.284 \\
\text { N/A } \\
0.919 \\
\text { N/A } \\
0.969
\end{gathered}
$$

$$
\infty
$$

[^6]

| FISCAL YEAR | SCHOOL DISTRICT DIRECT RATE |  |  | OVERLAPPING RATES |  |  |  |  | TOTAL <br> DIRECT AND |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | GENERAL OBLIGATION |  |  |  |  |  |  |  |  |
|  |  |  |  | TOWNSHIP |  |  |  | COUNTY |  |
| ENDED | LOCAL | DEBT | TOTAL | OF | OCEAN | COUNTY | COUNTY | OPEN | OVERLAPPING |
| JUNE 30, | SCHOOL | SERVICE | DIRECT | BARNEGAT | COUNTY | LIBRARY | HEALTH | SPACE | TAX RATE |
| 2016 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 2015 | 1.345 | N/A | 1.345 | 0.783 | 0.346 | 0.037 | 0.013 | 0.012 | 2.536 |
| 2014 | N/A | N/A | 1.310 | 0.754 | 0.343 | 0.038 | 0.014 | 0.012 | 2.471 |
| 2013 | 1.156 | 0.101 | 1.257 | 0.738 | 0.345 | 0.040 | 0.015 | 0.022 | 2.417 |
| 2012 | 1.151 | 0.101 | 1.252 | 0.727 | 0.329 | 0.038 | 0.014 | 0.014 | 2.374 |
| 2011 | 1.180 | 0.104 | 1.284 | 0.732 | 0.317 | 0.037 | 0.014 | 0.013 | 2.397 |
| 2010 | 0.919 | 0.082 | 1.001 | 0.602 | 0.242 | 0.028 | 0.011 | 0.011 | 1.895 |
| 2009 | 0.919 | N/A | 0.919 | 0.419 | 0.239 | 0.028 | 0.011 | 0.011 | 1.627 |
| 2008 | 0.923 | N/A | 0.923 | 0.419 | 0.239 | 0.028 | 0.011 | 0.011 | 1.631 |
| 2007 | 0.902 | 0.067 | 0.969 | 0.343 | 0.232 | 0.028 | 0.012 | 0.010 | 1.594 |

*Revaluation

BARNEGAT TOWNSHIP BOARD OF EDUCATION
PRINCIPAL PROPERTY TAX PAYERS, CURRENT YEAR AND NINE YEARS AGO

|  | 2016 |  |  |  |
| :---: | :---: | :---: | :---: | :---: |
|  | TAXABLE ASSESSED |  | RANK | \% OF TOTAL DISTRICT NET |
|  |  |  |  |  |
|  |  |  | ASSESSED |  |
| TAXPAYER |  | VALUE |  | VALUE |
| Atlantic Heights LLC, | \$ | 30,892,800 |  | 1 | 33.92\% |
| Barnegat Village Square |  | 8,745,300 | 2 | 9.60\% |
| Walters Development Co LLC |  | 8,360,000 | 3 | 9.18\% |
| Hometown Brighton @ Barnegat |  | 8,051,100 | 4 | 8.84\% |
| Pinewood Estates Assoc LLC |  | 6,348,000 | 5 | 6.97\% |
| Barnegat Real Property LLC |  | 6,214,000 | 6 | 6.82\% |
| D\&F Barnegat Develipment LLC |  | 5,895,500 | 7 | 6.47\% |
| Paramount Homes at Wall LLC |  | 5,684,400 | 8 | 6.24\% |
| Bay Shore Plaza Shopping Center |  | 5,500,000 | 9 | 6.04\% |
| Federal National Mortgage Assoc |  | 5,376,600 | 10 | 5.90\% |
| Total |  | 91,067,700 |  | 100.00\% |
|  |  |  | 2007 |  |
|  |  |  |  | \% OF TOTAL |
|  |  | TAXABLE |  | DISTRICT NET |
|  |  | ASSESSED |  | ASSESSED |
| TAXPAYER |  | VALUE | RANK | VALUE |
|  |  | N/A | 1 | N/A |
|  |  | N/A | 2 | N/A |
|  |  | N/A | 3 | N/A |
|  |  | N/A | 4 | N/A |
|  |  | N/A | 5 | N/A |
|  |  | N/A | 6 | N/A |
|  |  | N/A | 7 | N/A |
|  |  | N/A | 8 | N/A |
|  |  | N/A | 9 | N/A |
|  |  | N/A | 10 | N/A |
| Total |  |  |  |  |

Source: 2005Audit/CAFR

## BARNEGAT TOWNSHIP BOARD OF EDUCATION <br> PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN FISCAL YEARS

| FISCAL | TAXES |  | COLLECTED WITHIN THE FISCAL COLLECTIONS |  |
| :---: | :---: | :---: | :---: | :---: |
| YEAR | LEVIED FOR | YEAR OF THE LEVY |  | IN |
| ENDED | THE FISCAL |  | PERCENTAGE | SUBSEQUENT |
| JUNE 30, | YEAR | AMOUNT | OF LEVY | YEARS |
|  |  |  |  |  |
| 2016 | $\$ 30,893,819$ | $\$$ | $30,893,819$ | $100.00 \%$ |
| 2015 | $29,851,546$ | $29,851,546$ | $100.00 \%$ | - |
| 2014 | $28,744,653$ | $28,744,653$ | $100.00 \%$ | - |
| 2013 | $28,238,440$ | $28,238,440$ | $100.00 \%$ | - |
| 2012 | $28,701,127$ | $28,701,127$ | $100.00 \%$ | - |
| 2011 | $28,699,155$ | $28,699,155$ | $100.00 \%$ | - |
| 2010 | $26,391,724$ | $26,391,724$ | $100.00 \%$ | - |
| 2009 | $26,339,394$ | $26,339,394$ | $100.00 \%$ | - |
| 2008 | $26,335,394$ | $26,335,394$ | $100.00 \%$ | - |
| 2007 | $20,537,100$ | $20,537,100$ | $100.00 \%$ | - |

Source: District records including the Certificate and Report of School Taxes (A4F form)

# BARNEGAT TOWNSHIP BOARD OF EDUCATION RATIOS OF OUTSTANDING DEBT BY TYPE <br> LAST TEN FISCAL YEARS (Dollars in Thousands, Except per Capita) 

| FISCAL | GOVERNMENTAL ACTIVITIES |  |  |  | PERCENTAGE <br> OF PERSONAL <br> INCOME | PER CAPITA PERSONAL INCOME |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | GENERAL | BOND/GRANT |  |  |  |  |
| YEAR |  |  | ANTICIPATION |  |  |  |
| ENDED | OBLIGATION | CAPITAL | NOTES | TOTAL |  |  |
| JUNE 20, | BONDS | LEASES | (BANS) | DISTRICT |  |  |
| 2016 | \$ 32,645,000 | \$ 3,681,672 |  | 36,326,672 | N/A | N/A |
| 2015 | 33,345,000 | 3,991,648 | - | 37,336,648 | N/A | N/A |
| 2014 | 34,685,000 | 4,308,816 | - | 38,993,816 | N/A | N/A |
| 2013 | 36,370,000 | 4,885,234 | - | 41,255,234 | N/A | N/A |
| 2012 | 37,690,000 | 4,952,480 | - | 42,642,480 | N/A | N/A |
| 2011 | 38,830,000 | 1,320,284 | - | 40,150,284 | N/A | N/A |
| 2010 | 39,940,000 | 1,829,248 | - | 41,769,248 | 0.09\% | 40,291 |
| 2009 | 40,995,000 | 2,344,683 | - | 43,339,683 | 0.09\% | 39,331 |
| 2008 | 41,995,000 | 1,464,653 | - | 43,459,653 | 0.09\% | 40,975 |
| 2007 | 21,190,000 | 1,544,539 | 22,689,700 | 45,424,239 | 0.07\% | 39,214 |

[^7]
## BARNEGAT TOWNSHIP BOARD OF EDUCATION RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING LAST TEN FISCAL YEARS (Dollars in Thousands, Except per Capita)

|  | GENERAL BONDED DEBT OUTSTANDING |  |  |  |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  | NET | PERCENTAGE |  |  |
| FISCAL |  |  | GENERAL | OF ACTUAL |  |  |
| YEAR | GENERAL |  | TONDED | TAXABLE | PER CAPITA |  |
| ENDED | OBLIGATION |  | DEBT | VALUE OF | PERSONAL |  |
| JUNE 30, | BONDS | DEDUCTIONS | OUTSTANDING | PROPERTY | INCOME |  |
|  |  |  |  |  |  |  |
| 2016 | $\$$ | $32,645,000$ | N/A | $32,645,000$ | N/A | N/A |
| 2015 | $33,345,000$ | N/A | $33,345,000$ | N/A | N/A |  |
| 2014 | $34,685,000$ | N/A | $34,685,000$ | N/A | N/A |  |
| 2013 | $36,370,000$ | N/A | $36,370,000$ | N/A | N/A |  |
| 2012 | $37,690,000$ | N/A | $37,690,000$ | $1.68 \%$ | N/A |  |
| 2011 | $38,830,000$ | N/A | $38,830,000$ | $1.42 \%$ | N/A |  |
| 2010 | $39,940,000$ | N/A | $39,940,000$ | $1.46 \%$ | 40,291 |  |
| 2009 | $40,995,000$ | N/A | $40,995,000$ | $1.44 \%$ | 39,331 |  |
| 2008 | $41,995,000$ | N/A | $41,995,000$ | $1.48 \%$ | 40,975 |  |
| 2007 | $21,190,000$ | N/A | $21,190,000$ | $0.76 \%$ | 39,214 |  |

BARNEGAT TOWNSHIP BOARD OF EDUCATION RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT AS OF DECEMBER 31, 2015

| GOVERNMENTAL UNIT | $\begin{gathered} \text { DEBT } \\ \text { OUTSTANDING } \end{gathered}$ |  | ESTIMATED PERCENTAGE APPLICABLE |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: |
| erlapping Debts: |  |  |  |  |  |
| Barnegat Township | \$ | 16,100,758 | 72.40\% | \$ | 11,656,949 |
| County of Ocean |  | 451,253,286 | 48.80\% |  | 220,211,604 |
| total, Overlapping Debt |  |  |  |  | 231,868,553 |
| negat Township School District Direct Debt |  | 32,645,000 | 100.00\% |  | 32,645,000 |
| al Direct \& Overlapping Debt |  |  |  | \$ | 264,513,553 |

Sources: Township of Barnegat, Statement of Indebtedness as of December 31, 2015
Debt outstanding data provided by each governmental unit.

## NOTES

- Overlapping governments are those that coincide, at least in part, with the geographic boundariesof the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of Barnegat 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.
For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another government unit's taxable value that is within the District's boundaries and dividing it by each unit's total taxable value.
BARNEGAT TOWNSHIP BOARD OF EDUCATION
LAST TEN FISCAL YEARS



#### Abstract



Source: $\quad$ See J-10 for bonded debt of the district. Equalized Valuation Bases were obtained from the web site of the State of New Jersey, Department of the Treasury, Division of Taxation, Local Property Tax Statistical Section, Tables of Equalized Valuations.


## BARNEGAT TOWNSHIP BOARD OF EDUCATION DEMOGRAPHIC AND ECONOMIC STATISTICS LAST TEN FISCAL YEARS

|  | PER CAPITA |  |  |
| :--- | :---: | :---: | :---: |
| YEAR | POPULATION (a) | PERSONAL <br> INCOME (b) | UNEMPLOYMENT |
| RATE (c) |  |  |  |

*2010 Census
Source:
${ }^{\text {a }}$ Population information provided by the NJ Dept of Labor and Workforce Development b Per Capita Personal income for Ocean County - NJ Dept of Labor
${ }^{c}$ Unemployment data provided by the NJ Dept of Labor and Workforce Development

## EXHIBITS J-15 DATA NOT AVAILABLE

| Function/Program | 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Instruction: |  |  |  |  |  |  |  |
| Regular | 242 | 241 | 243 | 175 | 197 | 201 | 210 |
| Special Education | 60 | 52 | 52 | 16 | 78 | 77 | 85 |
| Other Special Education | 22 | 21 | 21 | 53 | 20 | 20 | 20 |
| Other Instruction | 1 | 1 | 1 | 63 | 25 | 18 | 18 |
| Adult Continuing Education Programs |  |  |  |  |  | 2 | 3 |
| Support Services: |  |  |  |  |  |  |  |
| Student \& Instruction Related Services | 106 | 82 | 83 | 58 | 61 | 65 | 67 |
| General Administration | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| School Administrative Services | 18 | 18 | 18 | 24 | 24 | 25 | 27 |
| Business Administrative Services | 8 | 8 | 8 | 7 | 13 | 11 | 11 |
| Plant Operations \& Maintenance | 47 | 49 | 49 | 58 | 63 | 61 | 90 |
| Secretary | 21 | 21 | 21 |  |  |  |  |
| Pupil Transportation | 34 | 37 | 38 | 38 | 36 | 42 | 54 |
| Total | 562 | 533 | 537 | 495 | 519 | 523 | 587 |

Source: District Personnel Records

|  |  | OPERATING |  |  |  | PUPIL/TEA | ACHER RAT | TIO | AVERAGE DAILY | AVERAGE DAILY | \% CHANGE IN AVERAGE | STUDENT |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| SCHOOL |  | EXPENDITURES | COST PER | PERCENTAGE | E TEACHING | ELEMENTARY | MIDDLE | HIGH | EnRoLLMENT | Attendance | DAILY | ATTENDANCE |
| YEAR | Enrollment | (a) | PUPIL | CHANGE | STAFF (b) | SCHOOL | SCHOOL | SCHOOL | (ADE) (c) | (ADA) (c) | EnROLLMENT | Percentage |
| 2016 | 3,171 | 51,310,745 | 16,181 | 4.22\% | N/A | 1:15.10 | 1:12.77 | 1:18 | 3,131 | 2,980 | -1.51\% | 93.98\% |
| 2015 | 3,223 | 50,039,782 | 15,526 | 2.12\% | N/A | 1:11.5 | 1:11.5 | 1:13 | 3,179 | 3,003 | 0.16\% | 93.17\% |
| 2014 | 3,225 | 49,029,295 | 15,203 | -2.55\% | N/A | 1:11 | 1:11 | 1:15 | 3,174 | 3,001 | -0.56\% | 93.05\% |
| 2013 | 3,240 | 50,546,982 | 15,601 | 5.26\% | 495 | 1:14 | 1:14 | 1:15 | 3,192 | 3,020 | -0.25\% | 93.21\% |
| 2012 | 3,235 | 47,944,704 | 14,821 | 7.92\% | 519 | 1:17 | 1:15 | 1:16 | 3,200 | 2,987 | -2.14\% | 92.33\% |
| 2011 | 3,294 | 45,235,378 | 13,733 | -4.65\% | 455 | 1:18 | 1:16 | 1.15 | 3,270 | 3,028 | 1.30\% | 91.92\% |
| 2010 | 3,360 | 48,390,977 | 14,402 | -0.13\% | 662 | 1:19 | 1:14 | 1:16 | 3,228 | 3,041 | -1.97\% | 90.51\% |
| 2009 | 3,303 | 47,630,014 | 14,420 | 4.09\% | 505 | 1:17 | 1:11 | 1:15 | 3,293 | 3,066 | 0.27\% | 92.82\% |
| 2008 | 3,314 | 45,913,004 | 13,854 | 8.87\% | 487 | 1:16 | 1:13 | 1:10 | 3,284 | 3,094 | -1.35\% | 94.20\% |
| 2007 | 3,332 | 42,402,265 | 12,726 | -21.74\% | 464 | 1:11 | 1:11 | 1:07 | 3,329 | 3,232 | 45.88\% | 97.09\% |

[^8]| 2016 | 2015 | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 86,000 | 86,000 | 86,000 | 86,000 | 86,000 | 86,000 | 86,000 | 86,000 | 86,000 | 86,000 |
| 1,091 | 1,091 | 1,091 | 1,091 | 1,091 | 1,091 | 1,091 | 680 | 680 | 680 |
| 419 | 419 | 388 | 388 | 341 | 416 | 416 | 691 | 658 | 663 |
| 70,817 | 70,817 | 70,817 | 70,817 | 70,817 | 70,817 | 70,817 | 46,000 | 46,000 | 46,000 |
| 1,027 | 1,027 | 1,027 | 1,027 | 1,027 | 1,027 | 1,027 | 391 | 391 | 391 |
| 366 | 366 | 377 | 377 | 395 | 342 | 342 | 350 | 352 | 348 |
| 80,586 | 80,586 | 80,586 | 80,586 | 80,586 | 80,586 | 80,586 | 65,000 | 65,000 | 65,000 |
| 554 | 554 | 554 | 554 | 554 | 554 | 554 | 277 | 277 | 277 |
| 444 | 444 | 440 | 440 | 424 | 402 | 402 | 424 | 423 | 420 |
| 72,300 | 72,300 | 72,300 | 72,300 | 72,300 | 72,300 | 72,300 | 72,300 |  |  |
| 805 | 805 | 805 | 805 | 805 | 805 | 805 | 805 |  |  |
| 262 | 262 | 272 | 272 | 311 | 308 | 308 |  |  |  |
| 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 | 36,000 |
| 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 | 126 |
| - | - | - | - | - | - | - | - | - | - |
| 172,970 | 172,970 | 172,970 | 172,970 | 172,970 | 172,970 | 172,970 | 126,000 | 126,000 | 126,000 |
| 1,815 | 1,815 | 1,815 | 1,815 | 1,815 | 1,815 | 1,815 | 825 | 825 | 825 |
| 746 | 746 | 750 | 750 | 786 | 766 | 766 | 794 | 800 | 797 |
| 201,214 | 201,214 | 201,214 | 201,214 | 201,214 | 201,214 | 201,214 | 155,000 | 155,000 | 155,000 |
| 2,282 | 2,282 | 2,282 | 2,282 | 2,282 | 2,282 | 2,282 | 1,141 | 1,141 | 1,141 |
| 986 | 986 | 988 | 988 | 1,025 | 1,047 | 1,047 | 1,037 | 1,087 | 842 |
| 2,356 | 2,356 | 2,356 | 2,356 | 2,356 | 2,356 | 2,356 | 2,356 | 2,356 | 2,356 |
| 2,585 | 2,585 | 2,585 | 2,585 | 2,585 | 2,585 | 2,585 | 2,585 | 2,585 | 2,585 |
| 788 | 788 | 788 | 788 | 788 | 788 | 788 | 788 | 788 | 788 |

Number of Schools at June 30, 2016:
Elementary $=5$
Elementary $=$ Middle School =
Senior High School = 1
Senior High School $=1$
Other $=3$
Source: District Facilities Office
Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the annual October District count.
BARNEGAT TOWNSHIP BOARD OF EDUCATION SCHEDULE OF REQUIRED MAINTENANCE
LAST TEN FISCAL YEARS

|  | PROJECT \#'S |  | 2016 |  | 2015 |  | 2014 |  | 2013 |  | 2012 |  | 2011 |  | 2010 |  | 2009 |  | 2008 |  | 2007 |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| Cecil S. Collins Elementary | N/A | \$ | 61,554 | \$ | 88,986 | \$ | 62,703 | \$ | 73,945 | \$ | 949,822 | \$ | 67,118 | \$ | 111,316 | \$ | 78,164 | \$ | 118,678 | \$ | 100,497 |
| Joseph T. Donahue Elementary | N/A |  | 44,949 |  | 82,388 |  | 64,257 |  | 44,762 |  | 63,712 |  | 56,426 |  | 65,734 |  | 67,850 |  | - |  | - |
| Lillian M. Dunfee Elementary | N/A |  | 64,518 |  | 79,500 |  | 73,676 |  | 41,157 |  | 62,405 |  | 55,268 |  | 76,945 |  | 91,619 |  | 130,337 |  | 117,557 |
| Robert L. Horbelt Elementary | N/A |  | 55,250 |  | 91,987 |  | 73,428 |  | 58,387 |  | 71,013 |  | 62,892 |  | 94,471 |  | 74,720 |  | 110,604 |  | 95,869 |
| Russell O. Brackman Middle School | N/A |  | 146,326 |  | 139,088 |  | 118,483 |  | 113,603 |  | 152,424 |  | 134,993 |  | 179,086 |  | 127,193 |  | 102,898 |  | 83,686 |
| Barnegat High School | N/A |  | 161,174 |  | 143,070 |  | 120,806 |  | 144,003 |  | 177,313 |  | 157,035 |  | 200,630 |  | 173,853 |  | 185,423 |  | 160,933 |
| Elizabeth V. Edwards Elementary | N/A |  | 18,153 |  | 16,891 |  | 1,743 |  | 2,845 |  | 31,724 |  | 28,096 |  | 23,252 |  | 20,905 |  | 40,695 |  | 41,994 |
| Maintenance/Bus Depot | N/A |  | - |  | 13,757 |  | 11,212 |  | 85,338 |  | 6,168 |  | 5,464 |  | - |  | - |  | - |  | - |
| Board Office | N/A |  | - |  | 3,876 |  | 4,293 |  | 9,480 |  | 2,644 |  | 2,341 |  | - |  | - |  | - |  | - |
| Total School Facilities |  | \$ | 551,924 | \$ | 659,543 | \$ | 530,601 | \$ | 573,520 | \$ | 1,517,225 | \$ | 569,633 | \$ | 751,434 | \$ | 634,304 | \$ | 688,635 | \$ | 600,536 |

\# Collins School 2012 expenditures include mold remediation and refit costs of approximately \$900,000. * School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)
Source: District budget records for maintenance accounts; Annual M-1 Report

## BARNEGAT TOWNSHIP SCHOOL DISTRICT <br> INSURANCE SCHEDULE <br> JUNE 30, 2016

|  | INSURANCE CARRIER | COVERAGE <br> TYPE | COVERAGE | DEDUCTIBLE |
| :---: | :---: | :---: | :---: | :---: |
| 1. School Package Policy: |  |  |  |  |
| - Property Including: <br> - Inland Marine <br> - Boiler and Machinery <br> - Crime - Blanket Fidelity <br>  | SAIF | Replacement Value <br> Included <br> Included <br> Included | \$250,000,000/Occurrence \$250,000,000/Occurrence \$100,000,000/Occurrence \$500,000/Occurrence | \$2,500/Occurrence <br> \$2,500/Occurrence <br> \$2,500/Occurrence <br> \$1,000/Occurrence |
| - Automotive Physical Damage | SAIF | Included | \$250,000,000/Occurrence | \$1,000/Occurrence |
| - General Liability <br> - FDLL <br> - Medical Payments | SAIF | Included | \$15,000,000/Occurrence \$2,500,000/Occurrence \$5,000/Occurrence | None None None |
| - Automotive Liability | SAIF | Included | \$15,000,000/Occurrence | None |
| 2. School Leaders Prof Liability <br> - Defense Cost Outside of Limit | SAIF |  | \$10,000,000/Claim | \$10,000/Occurrence |
| 3. Workers' Compensation - Employers Liability | SAIF |  | New Jersey Statutory \$5,000,000/Occurrence | N/A |
| 4. Storage Tank Pollution Liability | SAIF |  | \$1,000,000/Occurrence | \$2,500/Occurrence |
| 5. Student Accident Insurance | Administrator-Bollinger Zurich Insurance Company |  | $\$ 1,000,000$ (Sublimit $\$ 25,000$ ) <br> (Benefit Period 5 Years) | \$0 |
| 6. Fidelity Bonds |  |  |  |  |
| - Business Administrator/Board |  |  |  |  |
| - Treasurer of School Monies | Selective Ins. Co. of America |  | \$300,000 |  |

SAIF: School Alliance Insurance Fund
Source: District records

## SINGLE AUDIT SECTION

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# INDEPENDENT AUDITOR'S 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 

Honorable President and Members
of the Board of Education
Barnegat Township School District
County of Ocean
Barnegat, New Jersey 08005
We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental and business-type activities, each major fund and the aggregate remaining fund information of the Barnegat Township School District, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Barnegat Township School District's basic financial statements, and have issued our report thereon dated October 24, 2016.

## Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or 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 Barnegat Township School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards and audit requirements as prescribed by the 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 and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, and federal and state awarding agencies and pass-through entities, in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully Submitted,
HOLMAN FRENIA ALLISON, P.C.


Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
October 24, 2016

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND NEW JERSEY OMB CIRCULAR 15-08 

Honorable President and Members
of the Board of Education
Barnegat Township School District
County of Ocean
Barnegat, New Jersey 08005

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

We have audited Barnegat Township School District's 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, 2016. Barnegat Township School District's major federal and state programs are identified in the Summary of Auditor's Results section of the accompanying Schedule of Findings and Questioned Costs.

## Management's Responsibility

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

## Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Barnegat Township School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; 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); the New Jersey State Aid/Grant Compliance Supplement; the audit requirements prescribed by the Office of School Finance, Department of Education, State of New Jersey; and New Jersey OMB's 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's 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 or state program occurred. An audit includes examining, on a test basis, evidence about Barnegat Township School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

## Opinion on Each Major Federal and State Program

In our opinion, Barnegat Township School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2016.

## Report on Internal Control Over Compliance

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

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

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

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

Respectfully Submitted,

HOLMAN FRENIA ALLISON, P.C.


Robert W. Allison
Certified Public Accountant
Public School Accountant, No. 897

Toms River, New Jersey
October 24, 2016
EXHIBIT K-3
SCHEDULE A BARNEGAT TOWNSHIP BOARD OF EDCATANCE
SCHEDULE OF FEEERAL FINANCIL ASSISTANCI
FOR THE FISCAL YEAR ENDED JUNE 30,2016

| FEDERAL GRANTOR |  | Federal award |  |  | $\underset{\text { AT }}{\substack{\text { BALANCE }}}$ | CARRYOVER |  |  |  |  | Repayment OF | Deferred | (ACCOUNTS RECEIVABLE) | $\begin{aligned} & \text { DUE TO } \\ & \text { GRANTOR } \end{aligned}$ |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| PASS-THROUGH GRantor | CFDA | Indentification | AWARD | GRANT | JUNE 30, | (Walkover) | CASH |  | BUDGETARY | SUB RECEIPIENT | Prior years' | AT JUNE 30, | JUNE 30, | JUNE 30, |
| Program title | NUMBER | NUMBER | AMOUNT | PERIOD | 2015 | AMOUNT | RECEIVED |  | XPENDITURES | EXPENDITURES | BALANCES | 2016 | 2016 |  |
| U.S. DEPARTMENT OF AGRICULTURE PASSEDTHROUGH STATE DEPARTMENT OF EDUCATION: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Child Nutriution Cluster |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Food Distribution Program | 10.555 | 1616NJ304N1099 | S 93,409 | 7/1/15-6/30/16 | \$ - | \$ - | 93,409 | \$ | $(93,409)$ | s | \$ - | \$ - | \$ - | \$ - |
| Cash Assistance |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| National School Lunch Program | 10.555 | 1515NJ304N1099 | 403,325 | 7/1/14-6/30/15 | $(78,157)$ | - | 78,157 |  |  | - | - | - |  |  |
| National School Lunch Program | 10.555 | 1616NJ304N1099 | 414,555 | 7/1/15-6/30/16 | - | - | 382,548 |  | (414,555) | - | - | - | $(32,007)$ |  |
| National Performance Based Lunch | 10.555 | 1515NJ304N1099 | 13,974 | 7/1/14-6/30/15 | $(2,648)$ | - | 2,648 |  |  | - | - | - |  |  |
| National Performance Based Lunch | 10.555 | 1616NJ304N1099 | 13,878 | 7/1/15-6/30/16 |  | - | 12,817 |  | $(1,878)$ | - | - | - | $(1,061)$ |  |
| National School After School Snack Program | 10.555 | 1515NJ304N1099 | 2,929 | 7/1/14-6/30/15 | (481) | - | 481 |  | - | - | - | - |  |  |
| National School After School Snack Program | 10.555 | 1616NJ304N1099 | 3,078 | 7/1/15-6/30/16 |  | - | 2,890 |  | $(3,078)$ | - | - | - | (188) |  |
| Subtotal |  |  |  |  | $(81,286)$ | - | 572,950 |  | (524,920) | - | - | - | $(33,256)$ |  |
| National School Breakfast Program | 10.553 | 1515NJ304N1099 | 105,368 | 7/1/14-6/30/15 | (22,840) | - | 22,840 |  | - | - | - | - | - | - |
| National School Breakfast Program | 10.553 | 1616NJ304N1099 | 124,200 | 7/1/15-6/30/16 | , | - | 113,124 |  | $(124,200)$ | . | . | . | (11,076) |  |
| Subtotal |  |  |  |  | (22,840) | - | 135,964 |  | (124,200) | - | - | - | (11,076) |  |
| Total Child Nutriution Cluster |  |  |  |  | $(104,126)$ | - | 708,914 |  | $(649,120)$ | - | - | - | (44,332) |  |
| Total U.S. Department of Agriculture |  |  |  |  | (104,126) | - | 708,914 |  | $(649,120)$ | - | - | - | (44,332) |  |
| U.S. DEPARTMENT OF EDUCATION PASSEDthrough state department of education: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| General Fund: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Special Education - Medicaid Aid | 93.778 | 1605NJ5MAP | 100,531 | 7/1/15-6/30/16 | - | - | 100,531 |  | (100,531) | - | - | - | - | . |
| Subtotal |  |  |  |  | - | - | 100,531 |  | (100,531) | - | - | - | - |  |
| Total General Fund |  |  |  |  | - | - | 100,531 |  | (100,531) | - | - | - | - |  |
| Special Revenue Fund: |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Title I | 84.010 | S010A150030 | 449,305 | 7/1/15-6/30/16 | - | - | 365,559 |  | (449,305) | - | - | - | (83,746) | - |
| $\underset{\substack{\text { Title } 11 / \text { A } \\ \text { Subtotal }}}{ }$ | 84.367 | S367A150029 | 81,342 | 7/1/15-6/30/16 | - | - | 63,620 |  | $(81,342)$ | - | - | - | (17,722) |  |
|  |  |  |  |  | - | - | 429,179 |  | (530,647) | - | - | . | (101,468) | - |
|  |  |  |  |  | - | - | 429,179 |  | (530,647) | - | - | - | (101,468) | - |
| I.D.E.A. Part B, Basic Regular | 84.027 | H027A150100 | 777,718 | 7/1/15-6/30/16 | - | - | 525,859 |  | (777,718) | - | - | - | (251,859) | - |
| $\xrightarrow{\text { I.D.E.A. Preschool }}$ Subtotal | 84.173 | H173A150114 | 32,008 | 7/1/15-6/30/16 | - | - | 22,517 |  | $(32,008)$ | - | - | . | $(9,491)$ | . |
|  |  |  |  |  | - | - | 548,376 |  | (809,726) | - | - | - | (261,350) | - |
| Total Special Revenue Fund |  |  |  |  | - | - | 1,078,086 |  | $(1,440,904)$ | - | - | - | $(362,818)$ | - |
| Total U.S. Department of Education |  |  |  |  | - | - | 1,078,086 |  | $(1,440,904)$ | - | - | . | (362,818) |  |
| Total Federal Financial Assistance |  |  |  |  | S (104,120) | $s$ | \$1,787,000 | $s$ | (2,090,024) |  | \$ . | \$ . | \$ (407, 150) |  |

EXHIBIT K-4
SCHEDULE

| $\begin{gathered} \text { BALANCE } \\ \text { AT } \\ \text { JUNE } 30 \text {, } \\ 2015 \end{gathered}$ | $\begin{gathered} \text { CASH } \\ \text { RECEIVED } \end{gathered}$ | budgetary EXPENDITURES | SUB RECEIPIENT EXPENDITURES | DEFERRED REVENUE 2016 AT JUNE 30, | $\begin{gathered} \text { (ACCOUNTS } \\ \text { (ACEIVABLE) } \\ \text { JUNE } 30 \text { ) } \\ 2016 \end{gathered}$ | MEMO ONLY |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  |  |  |  |  |  |  | CUMULATIVE |
|  |  |  |  |  |  | BUDGETARY | total |
| \$ - | 1,848,507 | $(1,848,507)$ | \$ - | \$ - | \$ - | 175,082 | \$ 1,848,507 |
| - | 17,838,317 | (17,838,317) | - | - |  | 1,689,665 | 17,838,317 |
| - | 102,344 | $(102,344)$ | - | - | - | 9,694 | 102,344 |
| - | 185,800 | $(185,800)$ | - | - |  | 17,598 | 185,800 |
|  | - | $(390,225)$ | - | - | (390,225) |  | 390,225 |
| $(334,050)$ | 334,050 | - | - | - | - | - |  |
|  | 2,113 | $(2,113)$ | - |  |  | 200 | 2,113 |
| $(9,214)$ | 9,214 | (1) | - | - | - | - |  |
|  |  | $(9,987)$ | - | - | $(9,987)$ | - | 9,987 |
| $(31,640)$ | 31,640 |  | - |  | - | - |  |
| $(31,640)$ | 31,640 |  |  |  |  |  |  |
|  | - | (31,640) | - |  | (31,640) | 2,943 | 31,640 |
| - | - | (31,640) | - | - | (31,640) | 2,943 | 31,640 |
| $(69,305)$ | 69,305 | - | - | - | - | - | - |
| - | 1,309,046 | $(1,380,107)$ | - | - | (71,061) | - | 1,380,107 |
| - | 1,527,497 | $(1,527,497)$ | - | - | - | - | 1,527,497 |
| - | 1,818,826 | $(1,818,826)$ | - | - | - | - | 1,818,826 |
| $(475,849)$ | 25,108,299 | (25,167,003) | - | - | (534,553) | 1,898,125 | 25,167,003 |



 $\begin{array}{cccc} & \begin{array}{c}\text { GRANT OR } \\ \\ \text { STATE }\end{array} & & \\ \begin{array}{c}\text { STATE GRANTOR/ } \\ \text { PROGRAM TITLE }\end{array} & \begin{array}{c}\text { PROJECT }\end{array} & \text { AWARD } & \text { GRANT } \\ \text { NUMBER } & \text { AMOUNT } & \text { PERIOD }\end{array}$

## 年


419,739 7/1/15-6/30/16
16-100-010-3350-023 11,177 7/1/15-6/30/16
16-495-034-5120-075
 15-100-010-3350-023
Adjustment Aid
Additional Transportation Aid
Additional Transportation Aid Additional Transportation Aid
PARCC Readiness Aid
PARCC Readiness Aid
Per Pupil Growth Aid
PARCC Readiness Aid
Per Pupil Growth Aid
Reimbursed TPAF Social Security
Reimbursed
Contributions (Nonbudgeted)
Reimbursed TPAF Social Security
 (State Share)
National School Lunch Program Total Enterprise Fund

$$
1,818,826 \text { 7/1/15-6/30/16 }
$$ ¢I/0E/9-tI/I/L L8s'II

Reimbursed TPAF Social Security
Contributions (Nonbudgeted)
On-Behalf TPAF Pension Total General Fund Debt Service Fund:
Debt Service Aid Type II Total Debt Service Fund
Enterprise Fund:
National School Lunch Program
Total State Financial Assistance

[^9]| $1,818,826$ |  |
| ---: | ---: |
|  | $1,527,497$ |
| $\$$ | $(22,251,596)$ |

## BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE FOR THE YEAR ENDED JUNE 30, 2016

## Note 1: Basis of Presentation

The accompanying schedules of expenditures of federal awards and state financial assistance include federal and state award activity of the Barnegat Township School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the schedule of expenditures of federal awards and state financial assistance.

## Note 2: Summary of Significant Accounting Policies

The accompanying schedules of expenditures of awards and financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the board's basic financial statements. The information in this schedule is presented in accordance with the requirements of 2 CFR 200-Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

Of the federal and state expenditures presented in the schedules of expenditures of federal awards and state financial assistance, the Barnegat Township School District did not provide any federal or state awards to sub recipients.

Noncash assistance is reported in the schedule of expenditures of federal awards as the entitlement value, as determined by the United States Department of Agriculture, of the food commodities received and disbursed during the year ended June 30, 2016. Unearned revenue represents the value of commodities left in the ending inventory of the District as of June 30, 2016.

Barnegat Township School District has not elected to use the $10 \%$ de minimis cost rate allowed by the Uniform Guidance.

## Note 3: Relationship to Basic Financial Statements

The basic financial statements present the general fund and special revenue fund on a GAAP basis. Budgetary comparison statements or schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

## BARNEGAT TOWNSHIP SCHOOL DISTRICT NOTES TO THE SCHEDULES OF EXPENDITURES OF AWARDS AND FINANCIAL ASSISTANCE <br> FOR THE YEAR ENDED JUNE 30, 2016

## Note 3: Relationship to Basic Financial Statements (continued):

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the 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 one or more state aid June payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is $\$ 8,815$ for the general fund and $\$ 0$ for the special revenue fund. See Exhibit C-3, notes to required supplementary information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and financial assistance revenues are reported in the Board's basic financial statements on a GAAP basis as presented as follows:

|  | Federal | State | Total |
| :--- | ---: | ---: | ---: |
| General Fund | $\$ 100,531$ | $\$ 25,175,818$ | $\$ 25,276,349$ |
| Special Revenue Fund | $1,340,373$ | - | $1,340,373$ |
| Debt Service Fund | - | 419,739 | 419,739 |
| Food Service Fund | 649,120 | 11,177 | 660,297 |
| Total Financial Assistance | $\$ 2,090,024$ | $\$ 25,606,734$ | $\$ 27,696,758$ |

## Note 4: Relationship to Federal and State Financial Reports

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

## Note 5: Other

Revenues and expenditures reported under the Food Distribution Program represents current year value received and current year distributions respectively. The amount reported as TPAF Pension Contributions represents the amount paid by the state on behalf of the District for the year ended June 30, 2016. TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2016.

## Note 6: Federal and State Loans Outstanding

The Barnegat Township School District had no loan balances outstanding at June 30, 2016.

# BARNEGAT TOWNSHIP SCHOOL DISTRICT SCHEDULE OF FINDINGS \& QUESTIONED COSTS <br> For the Fiscal Year Ended June 30, 2016 

## Section I - Summary of Auditor's Results

## Financial Statements

Type of auditor's report issued: $\underline{\text { Unmodified }}$
Internal control over financial reporting:

1) Material weakness(es) identified? None Reported
2) Significant deficiencies identified that are not
considered to be material weaknesses? None Reported

Noncompliance material to basic financial
Statements noted?
None Reported

## Federal Awards

Internal Control over major programs:

1) Material weakness(es) identified? None Reported
2) Significant deficiencies identified that are not considered to be material weaknesses?

None Reported

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200 Section .516 (a) of the Uniform Guidance?

No

## Identification of major programs:

CFDA Number(s)
84.027
84.173A

FAIN Number(s) Name of Federal Program or Cluster

H027A150100
H173A150114
I.D.E.A., Part B, Basic Regular
I.D.E.A., Preschool Program

# BARNEGAT TOWNSHIP SCHOOL DISTRICT SCHEDULE OF FINDINGS \& QUESTIONED COSTS <br> For the Fiscal Year Ended June 30, 2016 

## Section I - Summary of Auditor's Results (continued):

## State Awards

Dollar threshold used to distinguish between type A and type B programs: $\$ 750,000$
Auditee qualified as low-risk auditee? Yes
Internal Control over major programs:

1) Material weakness(es) identified? None Reported
2) Significant deficiencies identified that are not considered To be material weaknesses?

None Reported
Type of auditor's report issued on compliance for major programs
Unmodified
Any audit findings disclosed that are required to be reported in accordance
With 2 CFR 200 Section .516 (a) of the Uniform Guidance or NJOMB Circular Letter 15-08 as applicable?

No

## Identification of major programs:

State Grant/Project Number(s) Name of State Program
16-495-034-5120-078
16-495-034-5120-084
16-495-034-5120-089
16-495-034-5120-085
16-495-034-5120-096
16-495-034-5120-097
16-495-034-5120-098
16-100-034-5095-002
Equalization Aid
Security Aid
Special Educational Categorical Aid
Adjustment Aid
Under Adequacy Aid
Per Pupil Growth Aid
PARCC Readiness
Reimbursed TPAF Social Security Contributions

# BARNEGAT TOWNSHIP SCHOOL DISTRICT SCHEDULE OF FINDINGS \& QUESTIONED COSTS <br> For the Fiscal Year Ended June 30, 2016 <br> (continued) 

## Section II - Financial Statement Findings

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

No Current Year Findings

Section III - Federal Awards \& State Financial Assistance Finding \& Questioned Costs
This section identifies audit findings required to be reported by 2 CFR 200 section .516 of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards and NJOMB Circular Letter 15-08, as applicable.

No Current Year Findings

# BARNEGAT TOWNSHIP SCHOOL DISTRICT SUMMARY SCHEDULE OF PRIOR-YEAR AUDIT FINDINGS AND QUESTIONED COSTS AS PREPARED BY MANAGEMENT For the Fiscal Year Ended June 30, 2016 

This section identifies the status of prior-year findings related to the basic financial statements and federal and state awards that are required to be reported in accordance with Chapter 6.12 of Government Auditing Standards, United States OMB Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and New Jersey OMB's Circular 04-04 and/or 15-08, as applicable.

No Prior Year Findings


[^0]:    Our collective mission is to nurture and educate our children in accordance with all curriculum standards to prepare them for
    responsible citizenship and success in life.
    BOARD OF EDUCATION

[^1]:    Our collective mission is to nurture and educate our children in accordance with all curriculum standards to prepare them for responsible citizenship and success in life.

[^2]:    Our collective mission is to nurture and educate our children in accordance with all curriculum standards to prepare them for responsible citizenship and success in life.

    BOARD OF EDUCATION
    Gary Brown
    Linda Kropf
    Scott Sarno, President Robert Geddes, Vice President
    Maria Pereira

[^3]:    Our collective mission is to nurture and educate our children in accordance with all curriculum standards to prepare them for responsible citizenship and success in life.

    ## Board of EdUCATION

[^4]:    The accompanying Notes to Financial Statements are an integral part of this statement.

[^5]:    | $\$$ | 784,348 | $\$$ | 514,437 | $\$$ | 376,852 | $\$$ | 355,938 | $\$$ | 439,071 | $\$$ | 430,707 | $\$$ | 443,364 | $\$$ | 455,587 | $\$$ | 134,719 | $\$$ | 236,396 |
    | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |

    $\begin{array}{llllllllllll}\$ 87,195,708 & \$ 89,885,999 & \$ 93,243,470 & \$ 94,205,800 & \$ 97,032,111 & \$ 96,024,420 & \$ 96,625,312 & \$ 95,644,092 & \$ 51,557,738 & \$ 50,585,609\end{array}$ 995,502 1,999,611 32,637,948 (5,869,521) (6LE'8Et I ) (60L'0IE
    $\begin{array}{lllllllllllll}\$ 80,738,089 & \$ 80,974,094 & \$ & 96,248,808 & \$ & 97,809,656 & \$ 100,868,760 & \$ 98,479,416 & \$ 96,262,438 & \$ 97,084,290 & \$ 83,884,977 & \$ 43,277,709\end{array}$ Total Business-Type Activities
    Net Position

[^6]:    "ио!̣еэџ!

[^7]:    Source: District CAFR Schedules I-1 \& I-2

[^8]:    Sources: District records
    Note: Enrollment based on annual October District count.
    a. Enrollment based on annual October District count.
    b. Operating expenditures equal total expenditures less
    b. Operating expenditures equal total expenditures less Debt service (Fund 40) and Capital outlay (Fund 30). Large increase in 2009-2010 due to Federal ARRA \& Ed Jobs stimulus funding.
    New elementary school opened in Sept 2008 .
    c. Teaching staff includes only full-time equivalents of instructional certificated staff.

[^9]:    Less: State Financial Assistance Not Subject to New Jersey OMB Circular 15-08:
    On-Behalf TPAF Post-Retirement 16-100-034-5095-001 1,818,826 7/1/15-6/30/16 9I/0E/9-SI/I/L L6t゙LZS'I I00-S60S-tE0-00I-9I

