

**SCHOOL DISTRICT**

**OF**

**SHREWSBURY**

**SHREWSBURY BOARD OF EDUCATION  
SHREWSBURY, NEW JERSEY**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT**

**OF THE**

**SHREWSBURY BOARD OF EDUCATION**

**SHREWSBURY, NEW JERSEY**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**PREPARED BY**

**SHREWSBURY BOARD OF EDUCATION  
BUSINESS ADMINISTRATOR/BOARD SECRETARY**

# SHREWSBURY SCHOOL DISTRICT

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## **INTRODUCTORY SECTION**

# Shrewsbury Borough Board of Education

1.

Debora A. Avento  
Business Administrator  
20 Obere Place  
Shrewsbury, New Jersey 07702

Telephone (732) 747-0887  
Fax (732) 747-0889

November 30<sup>th</sup>, 2015

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

Dear Board Members:

The comprehensive annual financial report of the Shrewsbury School District ("District") for the fiscal year ended June 30, 2014 is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education ("Board"). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operation of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart, a roster of principal officials and a list of consultants and advisors. The financial section includes the general purpose financial statements and schedules, as well as the auditor's report thereon. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the U.S. Office of Management and Budget ("OMB") Circular A-133, Audits of State and Local Governments. 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 recommendations, are included in the single audit section of this report.

1. REPORTING ENTITY AND ITS SERVICES: The Shrewsbury School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement No. 14. All funds and account groups of the District are included in this report. The Board and its school constitute the District's reporting entity.

The District provides a full range of educational services (regular and special) appropriate to grade levels PreK through 8. The District has an in-house Pre-School Tuition Program and is now developing the Pre-School Disabled ABA program in order to possibly take in tuition students from other districts that do not have that program as an option. The District completed the 2014-15 fiscal year with an enrollment of 491 students.

1. REPORTING ENTITY AND ITS SERVICES (Continued:)

The following details the changes in the student enrollment of the District over the last seventeen years.

<u>Fiscal Year Student</u>	<u>Average Daily Enrollment</u>	<u>Percent Changes</u>
2014/15	483	(1.0%)
2013/14	489	.41%
2012/13	487	(.41%)
2011/12	489	(.004%)
2010/11	491	(.034%)
2009/10	508	1.2%
2008/09	502	.8%
2007/08	498	(2.8%)
2006/07	512	0%
2005/06	512	(.031%)
2004/05	528	(5.04%)
2003/04	556	1.46%
2002/03	548	2.19%
2001/02	536	(.37%)
2000/01	538	1.13%
1999/00	532	3.86%
1998/99	512	8.02%
1997/98	474	3.26%

2. ECONOMIC CONDITION AND OUTLOOK:

The Shrewsbury Borough Public School System is located in the east central part of Monmouth County. The Borough covers 2.2 square miles and as per the January 1, 2005 Monmouth County Planning Board estimates, has a population of approximately 3,784 who reside mainly in single-family homes.

The school system is a PreK-8 District with one school. The current student population as of June 30, 2015 includes the three (3) full day kindergarten classes, a Pre-School Tuition Program, and three (3) out of district placements (1 special education and 2 ELL) is 483.

3. MAJOR INITIATIVES:

In the 2014-15 school year, the Board and Administration continued to review various maintenance projects on the school grounds that due to excessive weather and general aging over the last few years had become somewhat of a safety concern with major cracks and holes appearing in the parking lot, several sections of the sidewalks and walkways that were cracking and raising to become safety hazards. The concrete replacement initiative continued with repairs in these areas along with additional safer student walkways.

Another major district initiative was the replacement of the district's antiquated telephone system. The new specifications were bid out through several vendors with successful bids in the MRESC Cooperative Purchasing Consortium and the lowest bid was awarded. As there was a hold up on the installation of the system, the system was installed and fully implemented in the 2014-2015 school year.

### 3. MAJOR INITIATIVES: (Continued)

At the conclusion of the 2013-2014 school year, upon the recommendation of the Finance and Facilities Committees, the district allocated additional funds into the Capital Reserve to help fund the construction of a Security Vestibule in the 2014-2015 school year. The Maintenance Reserve account is also in tact with the hope of being able to use those funds to affect any necessary repairs that the district may encounter moving forward.

The Readers are Leaders program continued although the Greater Red Bank Kiwanis Club could no longer fund the program. The students read over 5,000 books over the summer. Over seventy (70) members of the armed forces, both veterans and those on active duty, attended the annual Salute to the Veterans assembly. This event is definitely a highlight of the school year.

The trip to Washington for the eighth grade was spectacular, with 42 students spending three nights and four days in our nation's capital. The seventh grade trip to Broadway and the play "Aladdin" and the Museum of Tolerance was also a highlight.

Reviewing the district's ongoing programs that benefit both regular and special education students is always a goal of the district. As the administration and staff continually strive to improve the delivery of instruction to every child, the quality of the education the students receive at SBS continues to improve. Extensive Professional Development focused on the continuation of the two major innovative instructional initiatives that were implemented during the 2013-2014 school year. The Guided Reading Program continued to enhance reading efforts of students on all skill levels in grades 1 through 4 and the Writer's Workshop for grades 5 through 8 honed in on the reading and writing skills of each student. A Reading Clinic to further assist students was also continued to be a in district support service. The district has also developed and ABA Preschool Disabled Program that is gaining interest from other districts.

The district continued our participation in a national anti-bullying program called Peace Builders. This program encompassed school wide initiatives to promote Character Education. Red Ribbon week is also an anti-drug awareness week that promotes Character Education as well. Both of these programs have been extremely well received and is now a staple in district. The district will continue these programs in the 2015-2016 school year.

The district also spent the 2014-2015 school year continuing to prepare for the PARCC (Partnership for Assessment of Readiness for College and Careers) testing. The technology initiatives paid off and the district was able to implement the test in an organized and efficient manner.

### 4. INTERNAL ACCOUNTING CONTROLS:

The 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.

#### 4. INTERNAL ACCOUNTING CONTROLS:

As a recipient of federal and state financial assistance, the District also is 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 management.

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

#### 5. BUDGETARY CONTROLS:

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the Municipality. Annual appropriated budgets are adopted for the General Fund, the Special Revenue Fund, and the Debt Service Fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

#### 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 and account groups. These funds and account groups are explained in Note 1 of the Notes to Financial Statements.

#### 7. CASH MANAGEMENT:

The investment policy of the District is guided in large part by state statute as detailed in Note 2 of the Notes to Financial Statements. The District has adopted a cash management plan, which requires it to deposit public funds in public depositories protected from loss under the provisions of the Government 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 public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

#### 8. RISK MANAGEMENT:

The Board 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, fidelity bonds, and workman's compensation.

#### 9. OTHER INFORMATION:

Independent Audit - State statutes require an annual audit by independent certified public accounts or registered municipal accountants. The accounting firm of Robert A. Hulsart and Company was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act of 1984 and the related OMB Circular A-133. The auditor's report on the general purpose financial statements and combining and individual fund statements and schedules are included in the

9. OTHER INFORMATION: (continued)

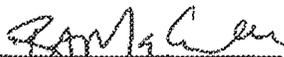
financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

10. ACKNOWLEDGEMENTS:

We would like to express our appreciation to the Members of the Board for their continued support and commitment to excellence while maintaining a delicate balance of supporting high quality programs and remembering its fiscal responsibility to the taxpayers of Shrewsbury.

The preparation of this report could not have been accomplished without the efficient and dedicated services of our financial and accounting support staff.

Respectfully Submitted,

  
Brett MacConnell  
Superintendent

  
Debora Avento  
Business Administrator

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**SHREWSBURY BOROUGH BOARD OF EDUCATION  
SHREWSBURY, NEW JERSEY  
ROSTER OF OFFICIALS  
JUNE 30, 2015**

<u>Members of the Board of Education</u>	<u>Term Expires</u>
Karolanne Konefal, President	2017
Kathleen Ward, Vice President	2015
Lisa Barnes	2016
Carolyn Barber	2016
Natalie Carroll	2015
Mary Elen Laughlin	2015
Kimberly Rose	2017
Ray Soya	2016
Andrew White	2017

Other District Officials:

Brent MacConnell, Superintendent  
 Debora Avento, Business Administrator  
 Loretta Hill, Treasurer  
 William Donio, Board Attorney & Special Education Council

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SHREWSBURY BOROUGH BOARD OF EDUCATION  
SHREWSBURY, NEW JERSEY  
CONSULTANTS AND ADVISORS  
JUNE 30, 2015

Auditor/Audit Firm:

Robert A. Hulsart, CPA, RMA  
Robert A. Hulsart and Company  
2807 Hurley Pond Road  
Wall, New Jersey 07719

Attorney:

William S. Donio, Esquire  
Cooper Levenson, Attorneys at Law  
1125 Atlantic Avenue  
Atlantic City, NJ 08401

Official Depositories:

TD Bank  
First Union National Bank  
Chase Manhattan The Depository Trust Co.  
The Bank of NY

**FINANCIAL SECTION**

# Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

8.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

## INDEPENDENT AUDITOR'S REPORT

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

### **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 Board of Education of the Shrewsbury School District, in the County of Monmouth, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### **Management's Responsibility for the Financial Statements**

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

### **Auditors Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### *Opinions*

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Board of Education of the Shrewsbury School District, in the County of Monmouth, State of New Jersey, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### *Other Matters*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information as listed in the table of contents presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is the responsibility of management and was 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 and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standard generally accepted in the United States of America. In our opinion, the accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The accompanying introductory section and other supplementary information such as the combining and individual fund financial statements, long-term debt schedules, and statistical information has 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 it.

The accompanying schedules 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 Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and New Jersey OMB's Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid respectively, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2015 on our consideration of the Shrewsbury's Board of Education internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Shrewsbury Board of Education's internal control over financial reporting and compliance.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

---

**Robert A. Hulsart**  
**Licensed Public School Accountant**  
**No. 322**  
**Robert A. Hulsart and Company**  
**Wall Township, New Jersey**

November 30, 2015

**REQUIRED SUPPLEMENTARY INFORMATION  
PART I**

**SHREWSBURY BOROUGH PUBLIC SCHOOL DISTRICT**

**BOROUGH OF SHREWSBURY**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

The Management's Discussion and Analysis (MD&A) of Shrewsbury Board of Education provide an overview of the School District financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; it should be read in conjunction with the Comprehensive Annual Financial Report's (CAFR) Letter of Transmittal, which is found in the Introductory Section, and the School Board's financial statements found in the Financial Section and the notes thereto.

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.

**Financial Highlights**

Key financial highlights for the 2014-2015 fiscal year are as follows:

- The School District had \$8,288,898 in expenses; only \$182,225 of these expenses was offset by program specific charges for services, grants or contributions. General revenues (primarily property taxes) were adequate to provide for these programs.
- The local tax levy increased from 2013-2014 by \$145,390 to \$7,650,085 (including debt service) primarily due to the district minimizing the contribution to tax relief in anticipation of future capital outlay projects.
- On a budgetary basis, the unreserved, undesignated general fund balance is at 2% in the amount of \$266,935 per the imposed restriction of S1701.
- As in the prior year, per the state, the District was not permitted to record the 2014-2015 final state aid payments as a receivable or revenue in this fiscal year. The final state aid payments were received in July 2015.

## **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 Shrewsbury Public School District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net 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 longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of Shrewsbury Public School District, the General Fund is the most significant fund, with the Special Revenue Fund and Capital Project's Fund also having significance.

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

## **Reporting the School District as a Whole**

### **Statement of Net Position and the Statement of Activities**

While this document contains the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during the 2014-2015 fiscal year?" The Statement of Net Position and the Statement of Activities helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account, all of the current year's revenues and expenses regardless of when cash is received or paid.

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

## **Statement of Net Position and the Statement of Activities (Continued)**

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

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

## **Reporting the School District’s Most Significant Funds**

### **Fund Financial Statements**

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

### **Governmental Funds**

The School District’s activities are reported in Governmental Funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting, which measures cash and all other financial assets that can readily be converted to cash. The Governmental Fund statements provide a detailed short-term view of the School District’s general government operations and the basic services it provides. Governmental Fund information helps you 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 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 School District as a Whole

Table 1 provides a summary of the School District's net position as of June 30, 2015 and 2014.

**Table 1**  
**Net Position**

	<u>2015</u>	<u>2014</u>
<b><u>Assets</u></b>		
Current and Other Assets	\$ 837,647	728,058
Capital Assets, Net	<u>6,099,241</u>	<u>6,074,873</u>
Total Assets	<u>\$ 6,936,888</u>	<u>6,802,931</u>
<b><u>Deferred Outflow of Resources</u></b>		
Contribution to Pension Plan	<u>\$ 292,423</u>	<u>                    </u>
<b><u>Deferred Inflow of Resources</u></b>		
Pension Deferrals	<u>\$ 118,753</u>	<u>                    </u>
<b><u>Liabilities</u></b>		
Current Liabilities	\$ 3,984	2,155,613
Other Liabilities	<u>4,145,825</u>	<u>473,697</u>
Total Liabilities	<u>\$ 4,149,809</u>	<u>2,629,310</u>
<b><u>Net Position</u></b>		
Invested in Capital Assets, Net of Debt	\$ 4,029,241	3,441,723
Restricted	581,670	482,507
Unrestricted	<u>(1,650,162)</u>	<u>249,391</u>
Total Net Position	<u>\$ 2,960,749</u>	<u>4,173,621</u>

Table 2 shows the changes in net position for fiscal year 2015. Revenue and expense comparisons to fiscal year 2014.

**Table 2**  
**Changes in Net Position**

	<u>2015</u>	<u>2014</u>
<b><u>Revenues</u></b>		
General Revenues		
Property Taxes	\$ 7,111,434	6,971,995
Taxes Levied for Debt Service	538,651	532,700
Grants and Entitlements	1,004,972	985,940
Other	<u>7,622</u>	<u>134,796</u>
Total Revenues	<u>8,662,679</u>	<u>8,625,431</u>
<b><u>Program Expenses</u></b>		
Instruction:		
Regular	2,752,823	2,882,168
Special Education	661,831	405,894
Other Instruction	98,909	68,651
Support Services:		
Tuition	14,711	106,606
Student and Instructional Related Services	993,037	1,060,604
School Administration	319,649	98,877
General Administration	412,624	599,209
Operations and Maintenance of Facilities	658,936	772,817
Pupil Transportation	110,918	115,674
Unallocated Benefits/Business Support Services	1,648,250	1,851,429
Interest on Debt	66,476	78,942
Food Service/Debt Service Assmt	2,919	73,991
Unallocated Depreciation	<u>324,495</u>	<u>264,852</u>
Total Expenses	<u>8,065,578</u>	<u>8,379,714</u>
Increase (decrease) in Net Assets	<u>\$ 597,101</u>	<u>245,717</u>

### **Governmental Activities**

The unique nature of property taxes in New Jersey creates the need to routinely seek voter approval for the School District operations. Property taxes made up 92% percent of revenues for governmental activities including debt service for the Shrewsbury Borough Public School District for fiscal year 2015. The District's total revenues were \$8,660,055 for the fiscal year ended June 30, 2015. Federal, state and local grants accounted for another 8%.

### **Business-Type Activities**

Revenues for the District's business-type activities (food service & tuition programs) were comprised of charges for services and federal and state reimbursements.

- Food service & tuition expenses were over revenues by \$12,333
- Charges for services represent \$41,095 of revenue. This represents amount paid by patrons for daily food services and tuitions.

### **Governmental Activities**

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

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

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

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

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

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

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

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

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

Other includes unallocated depreciation and amortization.

## **The School Board' Funds**

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

As the School Board completed the fiscal year ended June 30, 2015, it reported a combined net position balance of \$2,960,749.

The Reconciliation of the Statement of Revenue Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities presents the reader with a detailed explanation of the differences between the net change in fund balances and changes in net assets.

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

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

A schedule showing the district's original and final budget compared with actual operating results is provided in the section of the CAFR, entitled Budgetary Comparison Schedules. The School Board generally did better than had been budgeted in its General Fund since it practices conservative budgetary practices in which revenues are forecasted very conservatively and expenditures are budgeted with worst-case scenarios in mind.

The structuring of the debt during the April 1, 2002 bond issue was designed to maintain the current debt service level with principal and interest payments. The Debt Service will have level payments over the remaining years, unless additional debt service is incurred in future years. (The 2002 issue was refunded in 2012 creating an additional savings).

## Capital Assets

At June 30, 2015, the School Board had approximately \$6,233,625 million invested in a broad range of capital assets, including land, buildings, furniture, vehicles, computers, instructional equipment and other equipment. This amount is net of accumulated depreciation to date. Table II below shows the net book value of capital assets at the end of the 2015 fiscal year.

	<b><u>Governmental Activities</u></b>
Table II	
Capital Assets at June 30, 2015	
Land	\$ 69,345
Buildings & Sites	5,718,576
Machinery and Equipment	<u>302,473</u>
Total	<u>\$ 6,090,394</u>

## Debt Administration

At June 30, 2015, the School District had \$2,070,000 of outstanding debt.

## Economic Factors and Next Year's Budget

The Shrewsbury Borough School District is in very good financial condition presently. Future finances are not without challenges as the community continues to grow and state funding is decreased.

The Borough of Shrewsbury is primarily a residential community. Although a town-wide revaluation adjusted the ratables significantly during the prior year, increases in future ratables are limited. The majority of revenues needed to operate the District are derived from homeowners through property tax assessments and collections.

For the 2014-2015 school year, the Shrewsbury School District was able to sustain its general fund budget through the local tax levy, state education aid, federal aid and local revenue sources. Approximately 92% of the district's total revenue is from local tax levy, 8% is from State Aid and Federal Aid.

### **Economic Factors and Next Year's Budget (Continued)**

At this time, the most important factor affecting the budget is the unsettled situation with State Aid. While State aid may be frozen, the District may experience growth in student population. The tax levy will be the area that will need to absorb any increase in budget obligations.

Although the district anticipates a slight increase in enrollment for the 2015-2016 fiscal year, the District will be conducting a new demographic study to assist with the forecasting of future enrollment.

In conclusion, the Shrewsbury Borough Public School District has committed itself to financial excellence for many years. In addition, the School District's system for financial planning, budgeting, and internal financial controls are well regarded. Although future decreases in state aid will place an additional burden on the taxpayers of Shrewsbury Borough, the School District plans to continue its sound fiscal management to meet the challenge of the future.

### **Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information contact Debi Avento, School Business Administrator/Board Secretary at The Shrewsbury Borough Board of Education, 20 Obre Place, Shrewsbury, New Jersey 07702.

## **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS – A**

STATEMENT OF NET POSITION

Exhibit A-1

JUNE 30, 2015

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
<b><u>Assets</u></b>			
Cash and Cash Equivalents	\$ -	21,483	21,483
Receivables, Net	472,775		472,775
Restricted Assets:			
Cash and Cash Equivalents	263,389		263,389
Cash-Capital Reserve	80,000		80,000
Capital Assets, Net			
Non-Depreciable	69,345		69,345
Depreciable	6,021,089	8,807	6,029,896
Total Assets	<u>\$ 6,906,598</u>	<u>30,290</u>	<u>6,936,888</u>
<b><u>Deferred Outflow of Resources</u></b>			
Contribution to Pension Plan	<u>\$ 292,423</u>		<u>292,423</u>
<b><u>Deferred Inflow of Resources</u></b>			
Pension Deferrals	<u>\$ 118,753</u>		<u>118,753</u>
<b><u>Liabilities</u></b>			
Accounts Payable	\$ 3,984		3,984
Noncurrent Liabilities:			
Due Within One Year	490,000		490,000
Due Beyond One Year	3,655,825		3,655,825
Total Liabilities	<u>\$ 4,149,809</u>	<u>-</u>	<u>4,149,809</u>
<b><u>Net Position</u></b>			
Invested in Capital Assets, Net of Related Debt	\$ 4,020,434	8,807	4,029,241
Restricted For:			
Capital Projects	10,174		10,174
Debt Service	2,001		2,001
Other Purposes	569,495		569,495
Unrestricted	(1,671,645)	21,483	(1,650,162)
Total Net Position	<u>\$ 2,930,459</u>	<u>30,290</u>	<u>2,960,749</u>

The accompanying notes to financial statements are an integral part of this statement.

**SHREWSBURY SCHOOL DISTRICT**

Exhibit A-2

Sheet 1 of 2

**STATEMENT OF ACTIVITIES**

**FOR THE YEAR ENDED JUNE 30, 2015**

	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-Type Activities	Total
<b>Functions/Programs</b>						
Governmental Activities:						
Instruction:						
Regular	\$ 2,752,823			(2,752,823)		(2,752,823)
Special Education	734,369		72,538	(661,831)		(661,831)
Other Special Instruction	98,909			(98,909)		(98,909)
Other Instruction				-		-
Support Services:						
Tuition	53,350	38,639		(14,711)		(14,711)
Student & Instruction Related Services	1,064,085		71,048	(993,037)		(993,037)
School Administrative Services	319,649			(319,649)		(319,649)
General and Business Administrative Services	412,624			(412,624)		(412,624)
Plant Operations and Maintenance	658,936			(658,936)		(658,936)
Pupil Transportation	110,918			(110,918)		(110,918)
Unallocated Benefits	1,648,250			(1,648,250)		(1,648,250)
Interest on Long-Term Debt	66,476			(66,476)		(66,476)
Unallocated Depreciation	324,495			(324,495)		(324,495)
Debt Service Assessment	12,628			(12,628)		(12,628)
Total Government Activities	8,257,512	38,639	143,586	(8,075,287)	-	(8,075,287)
Business-Type Activities:						
Enterprise Funds	31,386	41,095			9,709	9,709
Total Business-Type Activities	31,386	41,095	-	-	9,709	9,709
Total Primary Government	8,288,898	79,734	143,586	(8,075,287)	9,709	(8,065,578)

**SHREWSBURY SCHOOL DISTRICT**

**STATEMENT OF ACTIVITIES**

Exhibit A-2  
Sheet 2 of 2

**FOR THE YEAR ENDED JUNE 30, 2015**

	Net (Expense) Revenue and Changes in Net Position		
	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
General Revenues:			
Taxes:			
Property Taxes, Levied for General Purpose, Net	\$ 7,111,434		7,111,434
Taxes Levied for Debt Service	538,651		538,651
Federal and State Aid Not Restricted	1,004,972		1,004,972
Miscellaneous Income	3,213		3,213
Other Financing	1,785	2,624	4,409
Total General Revenues, Special Items and Transfers	<u>8,660,055</u>	<u>2,624</u>	<u>8,662,679</u>
Change in Net Position	584,768	12,333	597,101
Restatement for Pension	(1,992,675)		(1,992,675)
Net Position - Beginning	<u>4,338,366</u>	<u>17,957</u>	<u>4,356,323</u>
Net Position - Ending	<u>\$ 2,930,459</u>	<u>30,290</u>	<u>2,960,749</u>

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

**FUND FINANCIAL STATEMENTS – B**

BALANCE SHEETGOVERNMENTAL FUNDSJUNE 30, 2015

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b><u>Assets</u></b>					
Cash and Cash Equivalents	\$ 341,388			2,001	343,389
Receivables from Other Governments	30,347	3,984	438,444		472,775
Interfund Receivable	428,270				428,270
Total Assets	<u>\$ 800,005</u>	<u>3,984</u>	<u>438,444</u>	<u>2,001</u>	<u>1,244,434</u>
<b><u>Liabilities and Fund Balance</u></b>					
Liabilities:					
Accounts Payable	\$ -	3,984		-	3,984
Interfunds Payable			428,270		428,270
Total Liabilities	<u>-</u>	<u>3,984</u>	<u>428,270</u>	<u>-</u>	<u>432,254</u>
Fund Balance:					
Restricted To:					
Excess Surplus - Current Year	213,311				213,311
Excess Surplus - Designated for Subsequent Year's Expenditures	76,592				76,592
Maintenance Reserve	170,000				170,000
Capital Reserve	80,000				80,000
Assigned:					
Designated for Subsequent Years Expenditures	2,795		10,174		12,969
Other Purposes	26,797				26,797
Unassigned:					
General Fund	230,510				230,510
Debt Service				2,001	2,001
Total Fund Balances	<u>800,005</u>	<u>-</u>	<u>10,174</u>	<u>2,001</u>	<u>812,180</u>
Total Liabilities and Fund Balance	<u>\$ 800,005</u>	<u>3,984</u>	<u>438,444</u>	<u>2,001</u>	

Amounts reported for governmental activities in the Statement of Net Position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$10,543,882 and the accumulated depreciation is 4,453,448

6,090,434

Deferred outflow of resources - contributions to the pension plan

292,423

Deferred inflow of resources - acquisition of assets applicable to future reporting periods

(118,753)

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

(4,145,825)

Net position of governmental activities

\$ 2,930,459

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

**SHREWSBURY SCHOOL DISTRICT**

**Exhibit B-2**

**Sheet 1 of 2**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Capital Projects</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
<b><u>Revenues</u></b>					
Local Sources:					
Local Tax Levy	\$ 7,111,434			538,651	7,650,085
Tuition	38,639				38,639
Miscellaneous	3,213				3,213
Total Local Sources	<u>7,153,286</u>	<u>-</u>	<u>-</u>	<u>538,651</u>	<u>7,691,937</u>
State Sources	1,004,972	12,490			1,017,462
Federal Sources		131,096			131,096
Total Revenues	<u>8,158,258</u>	<u>143,586</u>	<u>-</u>	<u>538,651</u>	<u>8,840,495</u>
<b><u>Expenditures</u></b>					
Current:					
Regular Instruction	2,755,286				2,755,286
Special Education Instruction	661,831	72,538			734,369
Other Instruction	98,909				98,909
Support Services and Undistributed Costs:					
Tuition	53,350				53,350
Student and Instruction Related Services	993,037	71,048			1,064,085
School Administrative Services	319,649				319,649
Other Administrative Services	412,624				412,624
Plant Operations and Maintenance	658,936				658,936
Pupil Transportation	110,918				110,918
Unallocated Benefits	1,821,920				1,821,920
Capital Outlay	175,344				175,344
Debt Service Principal				470,000	470,000
Interest on Debt Service				68,651	68,651
Total Expenditures	<u>8,061,804</u>	<u>143,586</u>	<u>-</u>	<u>538,651</u>	<u>8,744,041</u>

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

**SHREWSBURY SCHOOL DISTRICT**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**

**Exhibit B-2  
Sheet 2 of 2**

**GOVERNMENTAL FUNDS**

**FOR THE YEAR ENDED JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>	<b><u>Capital Projects Fund</u></b>	<b><u>Debt Service Fund</u></b>	<b><u>Total Governmental Funds</u></b>
Excess (Deficiency) of Revenues Over Expenditures	<u>96,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>96,454</u>
Other Financing Sources (Uses):					
Adjust Fund Balance to Assets	<u>1,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,785</u>
Total Other Financing Sources (Uses)	<u>1,785</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,785</u>
Net Change in Fund Balances	98,239	-	-	-	98,239
Fund Balance - July 1	<u>701,766</u>	<u>-</u>	<u>10,174</u>	<u>2,001</u>	<u>713,941</u>
Fund Balance - June 30	<u>\$ 800,005</u>	<u>-</u>	<u>10,174</u>	<u>2,001</u>	<u>812,180</u>

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

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURESAND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

Exhibit B-3

TO THE STATEMENT OF ACTIVITIESFOR THE YEAR ENDED JUNE 30, 2015

Total Net Change in Fund Balances - Governmental Funds (From B-2)		\$ 98,239
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.		
Capital Outlay	162,716	
Depreciation Expense	<u>(324,495)</u>	(161,779)
Repayment of bond principal is an expenditure in the government funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities		470,000
Contributions to the pension plan in the current fiscal year are deferred outflows of resources on the Statement of Net Position		292,423
Pension related deferrals		(118,753)
Compensated Absences		2,463
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.		<u>2,175</u>
Change in Net Position of Governmental Activities		<u><u>\$ 584,768</u></u>

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

**STATEMENT OF NET POSITION**

Exhibit B-4

**PROPRIETARY FUNDS**

**JUNE 30, 2015**

	<b><u>Business-Type Activities Enterprise Funds</u></b>
<b><u>Assets</u></b>	
Current Assets:	
Cash and Cash Equivalents	\$ 21,483
Total Current Assets	<u>21,483</u>
Noncurrent Assets:	
Equipment	21,397
Less: Accumulated Depreciation	<u>(12,590)</u>
Total Noncurrent Assets	<u>8,807</u>
Total Assets	<u>\$ 30,290</u>
 <b><u>Net Position</u></b>	
Unrestricted	<u>\$ 30,290</u>
Total Net Position	<u>\$ 30,290</u>

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

STATEMENT OF REVENUES, EXPENSES AND CHANGESIN FUND NET POSITIONPROPRIETARY FUNDSJUNE 30, 2015

	<u>Business-Type Activities Enterprise Funds</u>
Operating Revenues:	
Local Sources:	
Daily Sales Reimbursable Programs:	
School Lunch Program	\$ 13,971
Tuition	27,124
Total Operating Revenue	<u>41,095</u>
Operating Expenses:	
Cost of Sales	10,228
Depreciation	1,354
Tuition Reimbursements	19,804
Total Operating Expenses	<u>31,386</u>
Change in Net Position	9,709
Adjustment for Fixed Assets	2,624
Net Position, July 1	<u>17,957</u>
Net Position, June 30	<u>\$ 30,290</u>

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

**SHREWSBURY SCHOOL DISTRICT****STATEMENT OF CASH FLOWS**

Exhibit B-6

**PROPRIETARY FUNDS****JUNE 30, 2015**

	<b>Business-Type Activities</b>
	<b><u>Enterprise Funds</u></b>
Cash Flows from Operating Activities:	
Receipts from Customers	\$ 41,095
Payments to Suppliers & Miscellaneous	<u>(30,032)</u>
Net Cash Used by Operating Activities	<u>11,063</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	11,063
Cash and Cash Equivalents July 1	<u>10,420</u>
Cash and Cash Equivalents June 30	<u>\$ 21,483</u>
Cash Flows from Operating Activities:	
Operating Income (Loss)	<u>\$ 11,063</u>
Net Cash Used by Operating Activities	<u>\$ 11,063</u>

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

SHREWSBURY SCHOOL DISTRICTSTATEMENT OF FIDUCIARY NET POSITION

Exhibit B-7

FIDUCIARY FUNDSJUNE 30, 2015

	<u>Unemployment Compensation Trust</u>	<u>Agency Fund</u>
Assets:		
Cash and Cash Equivalents	\$ 4,074	158,995
Total Assets	<u>\$ 4,074</u>	<u>158,995</u>
Liabilities:		
Payroll Deductions and Withholdings		158,995
Total Liabilities		<u>158,995</u>
Net Position:		
Held in Trust for Unemployment Claims and Other Purposes	<u>\$ 4,074</u>	
Total Net Position	<u>\$ 4,074</u>	

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

SHREWSBURY SCHOOL DISTRICT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Exhibit B-8

FIDUCIARY FUNDS

FOR THE YEAR ENDED JUNE 30, 2015

	<u>Unemployment Compensation Trust</u>
<b><u>Additions</u></b>	
Contributions:	
Other	\$ 9,172
Total Contributions	<u>9,172</u>
<b><u>Deductions</u></b>	
Unemployment Claims	<u>8,882</u>
Total Deductions	<u>8,882</u>
Change in Net Position	290
Net Position - Beginning of Year	<u>3,784</u>
Net Position - End of the Year	<u><u>\$ 4,074</u></u>

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

**NOTES TO FINANCIAL STATEMENTS**

**BOARD OF EDUCATION**  
**SHREWSBURY SCHOOL DISTRICT**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**JUNE 30, 2015**

**NOTE 1: Summary of Significant Accounting Policies**

The financial statements of the Board of Education (Board) of the Shrewsbury Borough School District (District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

**A. Reporting Entity:**

The Shrewsbury Borough School District is a Type II district located in the County of Monmouth, 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 elected to three-year terms. The purpose of the district is to educate students in grades K-8.

The students Grades 9-12 are educated by the Red Bank High School District of which Shrewsbury Borough is a member.

The primary criterion for including activities within the District's reporting entity, as set forth in Section 2100 of the GASB Codification of Government 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. Government-Wide Financial Statements**

The focus of government-wide financial statements is on the overall financial position and activities of the government as a whole. These financial statements are constructed around the concept of a primary government as defined by GASB-14 (The Financial Reporting Entity) and therefore encompass the primary government and its component units except for fiduciary funds of the primary government and component units that are fiduciary in nature. Financial statements of fiduciary funds are not presented in the government-wide financial statements but are included in the fund financial statements.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**B. Government-Wide Financial Statements (Continued)**

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include (1) charges for services which report fees and other charges to users of the District's services and (2) operating grants and contributions. These revenues are subject to externally imposed restrictions to these program uses. Tax levies and other revenue sources not properly included with program revenues are reported as general revenues.

**Fund Financial Statements**

Fund financial statements are provided for governmental, proprietary and fiduciary funds. Major individual governmental and enterprise funds are reported in separate columns with composite columns for non-major funds.

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

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP). The District's reporting entity applies all relevant Governmental Accounting Standards Board (GASB) pronouncements. The government-wide and proprietary fund financial statements apply Financial Accounting Standards Board (FASB) pronouncements and Accounting Principles Board (APB) opinions issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements, in which case, GASB prevails.

The government-wide statements report using the economic resources measurement focus and the accrual basis of accounting generally including the reclassification or elimination of internal activity (between or within funds). Proprietary and fiduciary fund financial statements also report using this same focus and basis of accounting although internal activity is not eliminated in these statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of related cash flows. County tax revenues are recognized in the year for which they are levied while grants are recognized when grantor eligibility requirements are met. The Unemployment Trust Fund recognizes employer and employee contributions in the period in which contributions are due.

Governmental fund financial statements report using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they are both measurable and available. Available means collectible within the current period or soon enough thereafter to apply current liabilities. The District considers revenues to be available if they are collected within 60 days of the end of the fiscal year. Expenditures are recorded when the related fund liability is incurred, except for long-term pension and compensated absences, which are reported as expenditures in the year due.

Major revenue sources susceptible to accrual includes Intergovernmental revenues, and the county tax levy. In general, other revenues are recognized when cash is received.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**C. Measurement Focus, Basis of Accounting and Financial Statement Presentation (Continued)**

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for food sales and for services provided to other governmental entities. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

**D. Fund Accounting:**

The accounts of the 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. Each fund is a separate accounting entity with a self-balancing set of accounts. 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. Funds are classified into three categories: governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types".

**Governmental Fund Types**

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

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

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

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

**Proprietary Fund Type**

Enterprise Fund: To account for operations that are financed and operated in a manner similar to private business enterprises, in which the intent of the District is that the costs of providing goods or services to the District on a continuing basis be financed or recovered primarily through user charges.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**D. Fund Accounting (Continued):**

**Fiduciary Fund Types**

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

Unemployment Compensation Trust Fund: The trust fund is used to account for assets held under the terms of a formal trust agreement. The District reimburses the costs of unemployment benefits paid by the New Jersey Department of Labor.

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

**E. Budgets/Budgetary Control:**

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the County office for review and approval. Budgets are prepared using the modified accrual basis of accounting; the legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2.2(g)1. All budget amendments must be approved by School Board resolution. Budget amendments during the year ended June 30, 2015 were insignificant.

The Public School Education Act of 1975, limits the annual increase of any district's net current expense budget. The Commissioner of Education certifies the allowable amount for each district but may grant a higher level of increase if he determines that the sums so provided would be insufficient to meet the identified goals and needs of the district or that an anticipated enrollment increase requires additional funds.

The Commissioner must also review every proposed local school district budget for the next school year. He examines every item of appropriations for current expenses and budgeted capital outlay to determine their adequacy in relation to the identified needs and goals of the district. If, in his view, they are insufficient, the Commissioner must order remedial action. If necessary, he is authorized to order changes in the local district budget.

Once a budget is approved, it can be amended by transfers or additional appropriation of fund balances by approval of a majority of the members of the Board. Amendments are presented to the Board at their regular meetings. Each amendment must have Board approval. Such amendments are made before the fact, are reflected in the official minutes of the Board, and are not made after fiscal year-end as dictated by law. Individual transfers were not material in relation to the original appropriations. All uncommitted budget appropriations lapse at year-end.

**NOTE 1: Summary of Significant Accounting Policies (Continued)**

**E. Budgets/Budgetary Control (Continued):**

Formal budgetary integration into the accounting system is employed as a management control device during the year. For governmental funds there are no substantial differences between the budgetary basis of accounting and generally accepted accounting principles with the exception of 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 following presents a reconciliation of the general fund revenues and 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. Note that the District does not report encumbrances outstanding at year end as expenditures in the general fund since the general fund budget follows modified accrual basis with the exception of the revenue recognition policy for the last state aid payment.

**F. 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 District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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.

**G. Short-Term Interfund Receivables/Payables:**

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

**H. Inventories and Prepaid Expenses**

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

Enterprise fund inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Prepaid expenses in the enterprise fund represent payments made to vendors for services that will benefit periods beyond June 30, 2015.

**NOTE 1: Summary of Significant Accounting Policies (Continued)****I. Capital Assets and Depreciation**

The District's property, buildings and improvements, equipment, vehicles, furniture and fixtures with useful lives of five years or more are stated at historical or estimated historical cost and are reported in the government-wide financial statements. Proprietary Fund capital assets are reported in its respective fund.

The District utilized a program developed by ASBO during the 2003 fiscal year to provide a report with a comprehensive detail of capital assets and depreciation. The report included capital assets purchased during the 2002-2003 fiscal year and prior with a historical cost of \$2,000 or more. Accumulated depreciation prior to fiscal year 2003, fiscal year 2003 depreciation expense, total accumulated depreciation and book values were also provided and have been updated annually through June 30, 2015. The costs of normal maintenance and repairs that do not add to the asset value or materially extend the useful lives are not capitalized. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective amounts. Estimated useful lives, in years, for depreciable assets are as follows:

Buildings and Improvements	20 – 50
Equipment and Vehicles	5 – 20
Furniture and Fixtures	5 – 20

The District currently uses Industrial Appraisal Company to maintain and update the fixed asset accounting records. An update was completed for 2008-2009. The District provided updates for 2014-2015.

Capital asset activity for the year ended June 30, 2015 was as follows:

	<b><u>Balance</u></b> <b><u>July 1, 2014</u></b>	<b><u>Additions</u></b>	<b><u>Retirements</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2015</u></b>
Governmental Activities:				
Capital Assets that are				
Not Being Depreciated:				
Land	\$ 69,345	_____	_____	69,345
Depreciable Assets:				
Sites	319,281	366,654		685,935
Buildings	9,047,795		(143,231)	8,904,564
Machinery & Equipment	<u>1,722,490</u>		<u>(838,452)</u>	<u>884,038</u>
Total	<u>11,089,566</u>	<u>366,654</u>	<u>(981,683)</u>	<u>10,474,537</u>
Less: Accumulated				
Depreciation:				
Sites	(147,371)	(32,380)	30,692	(149,059)
Buildings	(3,511,427)	(219,772)	8,335	(3,722,864)
Machinery & Equipment	<u>(1,432,777)</u>	<u>(72,343)</u>	<u>923,555</u>	<u>(581,565)</u>
Total Accumulated				
Depreciation	<u>(5,091,575)</u>	<u>(324,495)</u>	<u>962,582</u>	<u>(4,453,488)</u>

NOTE 1: Summary of Significant Accounting Policies (Continued)

I. Capital Assets and Depreciation (Continued)

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Retirements</u>	<u>Balance June 30, 2015</u>
Net Depreciable Assets	<u>5,997,991</u>	<u>42,159</u>	<u>(19,101)</u>	<u>6,021,049</u>
Governmental Activities Capital Assets, Net	<u>\$ 6,067,336</u>	<u>42,159</u>	<u>(19,101)</u>	<u>6,090,394</u>
Business-Type Activities:				
Equipment	\$ 39,358		(17,961)	21,397
Less: Accumulated Depreciation For:				
Equipment	<u>(31,821)</u>	<u>(1,354)</u>	<u>20,585</u>	<u>(12,590)</u>
Business-Type Activities Capital Assets, Net	<u>\$ 7,537</u>	<u>(1,354)</u>	<u>2,624</u>	<u>8,807</u>

Depreciation expense was charged to governmental functions as follows:

Unallocated	<u>\$ 324,495</u>
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J. Deferred Revenue

Deferred revenue in the special revenue fund represents cash, which has been received but not yet earned. See note 1(e) regarding the special revenue fund.

K. Long-Term Obligations

Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

L. Fund Equity

Contributed capital represents the amount of fund capital contributed to the proprietary funds from other funds. Grants, entitlements, or shared revenues which are restricted for the acquisition or construction of capital assets are also recorded as contributed capital. Reserves represent those portions of fund equity not appropriable for expenditure or legally segregated for a specific future use. Designated fund balances represent plans for future use of financial resources.

**NOTE 1: Summary of Significant Accounting Policies (Continued)****M. Tuition Receivable**

Tuition charges were established by the Board of Education based on estimated costs. The charges are subject to adjustment when the final costs have been determined.

**NOTE 2: Cash and Cash Equivalents and Investments**

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

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

**Deposits**

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

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

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

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

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

**Investments**

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

- a. Bonds or other obligations of the United States or obligations guaranteed by the United States.
- b. Bonds of any Federal Intermediate Credit Bank, Federal Home Loan Bank, Federal National Mortgage Agency or any United States Bank for cooperatives which have a maturity date not greater than twelve months from the date of purchase.
- c. Bonds or other obligations of the school district.

**NOTE 2: Cash and Cash Equivalents and Investments (Continued)****Investments (Continued)**

All bank deposits and investments as of the balance sheet date are classified as to credit risk by the following two categories described below:

FDIC	\$ 250,000
GUPDA	<u>659,717</u>
	<u>\$ 909,717</u>

As of June 30, 2015, cash and cash equivalents and investments of the District consisted of the following:

	<b>Cash and Cash</b>
	<b><u>Equivalents</u></b>
Interest Bearing Checking Accounts	<u>\$ 380,687</u>

The carrying amount of the District's cash and cash equivalents and investments at June 30, 2015 was \$380,687 and the bank balance was \$909,717. Of the bank balance, \$250,000 was covered by federal depository insurance and \$659,717 was covered by a collateral pool maintained by the banks as required by New Jersey statutes.

**Custodial Credit Risk – Deposits**

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The District does not have a formal policy for custodial credit risk.

The District had no uninsured deposits.

**NOTE 3: General Long-Term Debt**

During the fiscal year ended June 30, 2015, the following changes occurred in liabilities reported in the general long-term debt account group:

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Long-Term</u> <u>Portion</u>	<u>2015-16</u> <u>Payment</u>
Compensated Absences Payable	\$ 85,613		2,463	83,150	83,150	
Bond Payable	2,540,000		470,000	2,070,000	1,580,000	490,000
Pension Liability	<u>                    </u>	<u>1,992,675</u>	<u>                    </u>	<u>1,992,675</u>	<u>1,992,675</u>	<u>                    </u>
	<u>\$ 2,625,613</u>	<u>1,992,675</u>	<u>472,463</u>	<u>4,145,825</u>	<u>3,655,825</u>	<u>490,000</u>

**NOTE 3: General Long-Term Debt (Continued)**

**A. Bonds Payable**

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

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

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Year Ending Jun			
2016	\$ 490,000	51,606	541,606
2017	210,000	40,756	250,756
2018	215,000	36,556	251,556
2019	220,000	32,256	252,256
2020	225,000	27,856	252,856
2021-2023	<u>710,000</u>	<u>46,638</u>	<u>756,638</u>
	<u>\$ 2,070,000</u>	<u>235,668</u>	<u>2,305,668</u>

Refunding bonds issued 8/15/98 at interest from 4.50% to 4.75% maturing 8/15/15 with a balance of \$280,000 at 6/30/15.

Bonds issued 1/24/12 at interest from 2% to 3.25 % maturing 2/15/23 with a balance of \$1,790,000 at 6/30/15.

**NOTE 4: Pension Plans**

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

**NOTE 4: Pension Plans (Continued)**

**Teachers' Pension and Annuity Fund (TPAF)** – The Teachers' Pension and Annuity Fund was established as of January 1, 1955, under the provisions of N.J.S.A. 18A:66 to provide retirement benefits, death, disability and medical benefits to certain qualified members. The Teachers' Pension and Annuity Fund is considered a cost-sharing multiple-employer plan with a special funding situation, as under current statute, all employer contributions are made by the State of New Jersey on behalf of the District and the system's other related non-contributing employers. Membership is mandatory for substantially all teachers or members of the professional staff certified by the State Board of Examiners, and employees of the Department of Education who have titles that are unclassified, professional and certified.

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

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

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

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

**NOTE 4: Pension Plans (Continued)**

**Funding Policy** – The contribution policy is set by New Jersey State Statutes and contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. TPAF and PERS provide for employee contributions of 5% of employees' annual compensation, as defined. Employers are required to contribute at an actuarially determined rate in both TPAF and PERS. The actuarially determined contribution includes funding for cost-of-living adjustments, noncontributory death benefits, and post-retirement medical premiums. Under current statute the District is a non-contributing employer of the TPAF.

Legislation enacted during 1993 provides early retirement incentives for certain members of TPAF and PERS who met certain age and service requirements and who applied for retirement between certain dates in the 1994 fiscal year. The early retirement incentives included: (a) an additional five years of service credit for employees at least age 50 with a minimum of 25 years of service; (b) free health benefits for employees at least 60 years old with at least 20 years of service; and (c) an additional \$500 per month for two years for employees at least age 60 with 10 years but less than 20 years of service. The Board will assume the increased cost for the early retirement as it affects their districts.

During the year ended June 30, 2015, the State of New Jersey contributed \$491,466 to the TPAF for post-retirement medical benefits on behalf of the District. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District \$261,404 during the year ended June 30, 2015 for the employer's share of social security contributions for TPAF members as calculated on their base salaries. These amounts have been included in the general-purpose financial statements, and the combining and individual fund and account group statements and schedules as revenues and expenditure in accordance with GASB 24.

**Three-Year Trend Information for PERS**

<b>Year Funding</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/15	\$ 87,740	100%	0
6/30/14	76,378	100%	0
6/30/13	76,912	100%	0

**Three-Year Trend Information for TPAF (Paid On-Behalf of the District)**

<b>Year Funding</b>	<b>Annual Pension Cost (APC)</b>	<b>Percentage of APC Contributed</b>	<b>Net Pension Obligation</b>
6/30/15	\$ 491,466	100%	0
6/30/14	364,115	100%	0
6/30/13	465,947	100%	0

**NOTE 4: Pension Plans (Continued)****Pension Expense Deferred Outflows/Inflows – PERS**

For the year ended June 30, 2015, the District recognized pension expense of \$87,740. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<b><u>Deferred Outflows of Resources</u></b>	<b><u>Deferred Inflows of Resources</u></b>
Difference Between Expected and Actual Experience	\$	
Changes of Assumptions	62,660	
Net Difference Between Projected and Actual Earnings on Pension Plan Investments		118,753
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	142,023	
District Contributions Subsequent to the Measurement Date	<u>87,740</u>	<u>          </u>
Total	<u>\$ 292,423</u>	<u>118,753</u>

\$292,423 reported as deferred outflows of resources related to pensions resulting from school district, charter school, or renaissance school project contributions subsequent to the measurement date (i.e. for the school year ending June 30, 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:

**Additional Information**

Collective balances at December 31, 2013 and 2014 are as follows:

	<b><u>Dec. 31, 2014</u></b>	<b><u>Dec. 31, 2013</u></b>
Collective Deferred Outflows of Resources	\$ 292,423	
Collective Deferred Inflows of Resources	118,753	
Collective Net Pension Liability	1,992,675	1,865,974
District's Proportion	.01064%	.00976%

**NOTE 4: Pension Plans (Continued)****Components of Net Pension Liability**

The components of the net pension liability of the participating employers for PERS as of June 30, 2014 and 2013 are as follows:

	<b>2014</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 28,777,950,141	39,071,470,586	67,849,420,727
Plan Fiduciary Net Position	<u>8,650,846,191</u>	<u>20,348,735,583</u>	<u>28,999,581,774</u>
Net Pension Liability	<u>\$ 20,127,103,950</u>	<u>18,722,735,003</u>	<u>38,849,838,953</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	30.06%	52.08%	42.74%
	<b>2013</b>		
	<u>State</u>	<u>Local</u>	<u>Total</u>
Total Pension Liability	\$ 27,515,277,069	37,272,295,162	64,787,572,231
Plan Fiduciary Net Position	<u>8,216,653,950</u>	<u>18,160,308,251</u>	<u>26,376,962,201</u>
Net Pension Liability	<u>\$ 19,298,623,119</u>	<u>19,111,986,911</u>	<u>38,410,610,030</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	29.86%	48.72%	40.71%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2103, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	3.01%
Salary Increases:	
2012-2021	2.15% - 4.40% Based on Age
Thereafter	3.15% – 5.40% Based on Age
Investment Rate of Return	7.90%

Mortality rates were based on the RP-2000 Combined Healthy Male and Female Mortality Tables (setback 1 year for females) with adjustments for mortality improvements from the base year of 2012 based on Projection Scale AA.

The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2011.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments 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. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bonds	1.00%	2.49%
Intermediate-Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation-Indexed Bonds	2.50%	3.51%
Broad US Equities	25.90%	8.22%
Developed Foreign Equities	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Return	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%

**Discount Rate**

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended 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.

**NOTE 4: Pension Plans (Continued)****Sensitivity of the Collective Net Pension Liability to Changes in the Discount Rate**

The following presents the collective net pension liability of the participating employers as of June 30, 2014 and 2013, respectively, calculated using the discount rate as disclosed above as well as what the collective net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>2014</u>		
	<u>At 1%</u>	<u>At Current</u>	<u>At 1%</u>
	<u>Decrease (4.39%)</u>	<u>Discount</u>	<u>Increase (6.39%)</u>
	<u>Rate (5.39%)</u>	<u>Rate (5.39%)</u>	<u>Increase (6.39%)</u>
State	\$ 23,772,450,916	20,127,103,950	17,069,920,644
Local	<u>23,553,838,159</u>	<u>18,722,735,003</u>	<u>14,665,837,859</u>
Total	<u>\$ 47,326,289,075</u>	<u>38,849,838,953</u>	<u>31,735,758,503</u>
	<u>2013</u>		
	<u>At 1%</u>	<u>At Current</u>	<u>At 1%</u>
	<u>Decrease (4.55%)</u>	<u>Discount</u>	<u>Increase (6.55%)</u>
	<u>Rate (5.55%)</u>	<u>Rate (5.55%)</u>	<u>Increase (6.55%)</u>
State	\$ 22,822,255,839	19,298,623,119	16,351,193,705
Local	<u>23,791,905,551</u>	<u>19,111,986,911</u>	<u>15,190,834,283</u>
Total	<u>\$ 46,614,161,390</u>	<u>38,410,610,030</u>	<u>31,542,027,988</u>

**Teachers Pensions and Annuity Fund (TPAF)****Components of Net Pension Liability**

The components of the net pension liability of the State as of June 30, 2014 and 2013 are as follows:

	<u>2014</u>	<u>2013</u>
Total Pension Liability	\$ 81,095,320,000	76,678,639,671
Plan Fiduciary Net Position	<u>27,282,252,461</u>	<u>25,888,126,040</u>
Net Pension Liability	<u>\$ 53,813,067,539</u>	<u>50,790,513,631</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

**NOTE 4: Pension Plans (Continued)****State Proportionate Share of Net Pension Liability Attributable to District**

	<u>2014</u>	<u>2013</u>
District's Liability	<u>\$ 17,427,526</u>	<u>17,103,899</u>
District's Proportion	.03239%	.03368%

The total pension liability for the June 30, 2014 measurement date was determined by an actuarial valuation as of July 1, 2013, which was rolled forward to June 30, 2014. The total pension liability for the June 30, 2013 measurement date was determined by an actuarial valuation as of July 1, 2013. This actuarial valuation used the following actuarial assumptions, applied to all periods in the measurement:

Inflation Rate	2.50%
Salary Increases:	
2012-2021	Varies Based on Experience
Thereafter	Varies Based on Experience
Investment Rate of Return	7.90%

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 improvements. 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, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

**NOTE 4: Pension Plans (Continued)****Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments 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. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate-Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid Cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds/Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%

**Discount Rate**

The discount rate used to measure the total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. 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 long-term 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.

**NOTE 4: Pension Plans (Continued)****Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

The following presents the net pension liability of the State as of June 30, 2014 calculated using the discount rate as disclosed above as well as what the State's net pension liability would be if it was calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	<u>At 1% Decrease</u>	<u>At Current Discount Rate</u>	<u>At 1% Increase</u>
2014 (3.68%, 4.68%, 5.68%)	\$ 64,722,984,539	53,813,067,539	44,738,870,539
2013 (3.95%, 4.95%, 5.95%)	61,017,578,926	50,790,513,631	42,351,665,847

**NOTE 5: 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, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 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 prefunding 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 \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

**NOTE 6: Compensated Absences**

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

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

**NOTE 7: 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, and student accident and surety bonds.

**New Jersey Unemployment Compensation Insurance** – The District has elected to fund its New Jersey Unemployment Compensation Insurance under the “Benefit Reimbursement Method”. Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due the State. The following is a summary of District contributions, employee contributions, reimbursements to the State for benefits paid and the ending balance of the District’s expendable trust fund for the current year:

<u>Fiscal Year</u>	<u>District Contributions</u>	<u>Employee Contributions</u>	<u>Reimbursed</u>	<u>Ending Balance</u>
2014-2015	None	9,172	8,882	4,074
2013-2014	None	12,275	12,473	3,784
2012-2013	None	15,066	11,094	3,982

**NOTE 8: Economic Dependency**

The District receives 13% of its support from federal and state governments. A significant reduction in the level of support, if this were to occur, may have an effect on the District’s programs and activities.

**NOTE 9: Contingent Liabilities**

It is the opinion of the school board officials that there is no litigation threatened or pending that would materially affect the financial position of the school district.

**NOTE 10: Interfund Receivables and Payables**

The following interfund balances remained on the balance sheet at June 30, 2015.

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 428,270	
Capital Project Fund		428,270

The interfund with Capital Projects will be liquidated when the balance of the state receivables are received.

**NOTE 11: Fair Values of Financial Instruments**

The following methods and assumptions were used by the Shrewsbury Board of Education in estimating its fair value disclosures for financial instruments.

Cash and Cash Equivalents: The carrying amounts reported in the combined balance sheet for cash and cash equivalents are the fair values of those assets.

**NOTE 12: 2% Calculation of Excess Surplus**

2014-15 Total General Fund Expenditures Per the CAFR	\$ 8,061,804
Decreased by:	
On-Behalf TPAF Pension & Social Security	<u>(752,870)</u>
Adjusted 2014-2015 General Fund Expenditures	<u>\$ 7,308,934</u>
2% of Adjusted 2013-15 General Fund Expenditures	<u>\$ 146,178</u>
Enter Above or \$250,000, whichever is greater	\$ 250,000
Increased by Allowable Adjustments	<u>16,935</u>
Maximum Unassigned Fund Balance	<u>\$ 266,935</u>
 <b><u>Section 2</u></b>	
Total General Fund – Fund Balance @ 6-30-15	\$ 822,290
Decreased by:	
Maintenance Reserve	(170,000)
Capital Reserve	(80,000)
Reserve for Encumbrances	(26,797)
Designated for Subsequent Year’s Expenditures	(2,795)
Designated for Subsequent Year’s Expenditures – Excess Surplus	<u>(76,592)</u>
Total Unassigned Fund Balance	<u>\$ 466,106</u>
 <b><u>Section 3</u></b>	
Excess Surplus - Designated for Subsequent Expenditures	\$ 76,592
Excess Surplus – Reserved Fund Balance	<u>199,171</u>
	<u>\$ 275,763</u>
 <b><u>Detail of Allowable Adjustments</u></b>	
Extraordinary Aid	\$ 14,140
Non-Public Transportation	<u>2,795</u>
	<u>\$ 16,935</u>

**NOTE 12: 2% Calculation of Excess Surplus (Continued)****Reserves**

Maintenance Reserve	\$ 170,000
Capital Reserve	<u>80,000</u>
	<u>\$ 250,000</u>

**NOTE 13: Significant Accounting Pronouncements**

In June 2009, the FASB issued FASB ASC 105, Generally Accepted Accounting Principles, which establishes the FASB Accounting Standards Codification as the sole source of authoritative generally accepted accounting principles. Pursuant to the provisions of FASB ASC 105, the District has updated references to GAAP in its financial statements issued for the period ended June 30, 2015. The adoption of FASB ASC 105 did not impact the District's financial position or results of operations.

In May 2009, the FASB updated ASC 855, Subsequent Events, which is effective for reporting periods ending after June 15, 2009. ASC 855 establishes general standards of accounting for and disclosure of events that occur after the balance sheet date, but before the financial statements are issued, or are available to be issued. The District adopted the amended sections of ASC 855 and it did not have an impact on the District's financial statements. The District evaluated all events or transactions that occurred after June 30, 2015 through November 30, 2015.

**NOTE 14: EDA Reimbursements**

The District has been working on finalizing their EDA reimbursement for a renovation program dating back to 2001-2002. It was expected that this would be resolved in 2010-2011, but a final determination on the reimbursement was still pending as of June 30, 2015. The District confirmed with the State of New Jersey that the District is eligible to receive the final \$428,270 pending final submission and review by the State of New Jersey. It is expected that this reimbursement will be finalized in 2015-2016.

**REQUIRED SUPPLEMENTARY INFORMATION  
PART II**

**BUDGETARY COMPARISON SCHEDULES – C**

SHREWSBURY SCHOOL DISTRICT

Exhibit C-1  
Sheet 1 of 11

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 7,111,434		7,111,434	7,111,434	-
Tuition	9,000		9,000	38,639	29,639
Interest on Maintenance Reserve	5		5		(5)
Interest on Capital Reserve	5		5		(5)
Miscellaneous	6,000		6,000	3,213	(2,787)
Total Local Sources	<u>7,126,444</u>	<u>-</u>	<u>7,126,444</u>	<u>7,153,286</u>	<u>26,842</u>
State Sources:					
Special Education Aid	211,500		211,500	211,500	-
Transportation Aid	4,977		4,977	4,977	-
Security Aid	6,870		6,870	6,870	-
Adjustment Aid	2,810		2,810	2,810	-
Per Pupil Growth Aid	4,620		4,620	4,620	-
PARCC Readiness Aid	4,620		4,620	4,620	-
Extraordinary Aid - 2013-14			-	155	155
Extraordinary Aid				14,140	14,140
Non-Public Transportation Aid			-	3,334	3,334
On-behalf TPAF Pension Contributions (non-budgeted)			-	491,466	491,466
Reimbursed TPAF Social Security (non-budgeted)			-	261,404	261,404
Total State Sources	<u>235,397</u>	<u>-</u>	<u>235,397</u>	<u>1,005,896</u>	<u>770,499</u>
Total Revenues	<u>7,361,841</u>	<u>-</u>	<u>7,361,841</u>	<u>8,159,182</u>	<u>797,341</u>

SHREWSBURY SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Expenditures:					
Current Expense:					
Regular Programs - Instruction:					
Preschool-Salaries of Teachers	59,975	(9,200)	50,775	49,584	1,191
Kindergarten - Salaries of Teachers	178,870	9,500	188,370	183,997	4,373
Grades 1-5 - Salaries of Teachers	1,216,816	(69,559)	1,147,257	1,088,894	58,363
Grades 6-8 - Salaries of Teachers	774,331	47	774,378	774,377	1
Home Instruction:					
Salaries of Teachers	5,000	(47)	4,953	4,478	475
Purchased Professional Services	500		500		500
Regular Programs - Undistributed:					
Other Salaries for Instruction	269,582	(22,570)	247,012	247,012	-
Purchased Technical Services	98,300	22,264	120,564	119,131	1,433
Other Purchased Services	24,555	500	25,055	24,454	601
General Supplies	196,125	68,971	265,096	258,250	6,846
Textbooks	3,000	(1,590)	1,410	910	500
Other Objects	4,000	240	4,240	4,199	41
Total Regular Programs - Instruction	<u>2,831,054</u>	<u>(1,444)</u>	<u>2,829,610</u>	<u>2,755,286</u>	<u>74,324</u>
Multiple Disabilities:					
Salaries of Teachers	55,240	(49,307)	5,933	5,601	332
General Supplies	2,000		2,000	1,801	199
Total Multiple Disabilities	<u>57,240</u>	<u>(49,307)</u>	<u>7,933</u>	<u>7,402</u>	<u>531</u>
Behavioral Disabilities					
Salaries of Teachers		75,000	75,000	75,000	
Total Behavioral Disabilities		<u>75,000</u>	<u>75,000</u>	<u>75,000</u>	

**SHREWSBURY SCHOOL DISTRICT**

Exhibit C-1  
Sheet 3 of 11

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Resource Room/Center:					
Salaries of Teachers	401,575	111,895	513,470	513,469	1
General Supplies	2,000	4,316	6,316	5,556	760
Total Resource Room/Center	<u>403,575</u>	<u>116,211</u>	<u>519,786</u>	<u>519,025</u>	<u>761</u>
Preschool Disabilities-Part time:					
Salaries-Teachers	4,500	49,307	53,807	53,807	-
Other Salaries For Instruction	2,000	3,700	5,700	5,700	-
General Supplies	250	950	1,200	897	303
Total Preschool Disabilities-Part time	<u>6,750</u>	<u>53,957</u>	<u>60,707</u>	<u>60,404</u>	<u>303</u>
Total Special Education - Instruction	<u>467,565</u>	<u>195,861</u>	<u>663,426</u>	<u>661,831</u>	<u>1,595</u>
Other Instructional Programs:					
School Sponsored Co-Curricular Activities - Instruction:					
Salaries	8,792	9,331	18,123	18,122	1
Total School Sponsored Co-Curricular Activities - Instr.	<u>8,792</u>	<u>9,331</u>	<u>18,123</u>	<u>18,122</u>	<u>1</u>

**SHREWSBURY SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 4 of 11**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
School Sponsored Athletics - Instruction:					
Salaries		22,890	22,890	22,890	-
Other Objects	20,000	(20,000)	-	-	-
Total School Sponsored Athletics - Instruction	<u>20,000</u>	<u>2,890</u>	<u>22,890</u>	<u>22,890</u>	<u>-</u>
Supplemental At Risk Programs:					
Salaries	55,740	(648)	55,092	54,831	261
Supplies and Materials	2,000	1,081	3,081	3,066	15
Total Supplemental At Risk Programs - Instruction	<u>57,740</u>	<u>433</u>	<u>58,173</u>	<u>57,897</u>	<u>276</u>
Total Instruction	<u>3,385,151</u>	<u>207,071</u>	<u>3,592,222</u>	<u>3,516,026</u>	<u>76,196</u>
Undistributed Expenditures:					
Instruction:					
Tuition To Other LEAs Within The State-Regular	1,600	9,432	11,032	10,910	122
Tuition to Private Schools Special Education within State	69,305	(26,865)	42,440	42,440	-
Total Undistributed Expenditures - Instruction	<u>70,905</u>	<u>(17,433)</u>	<u>53,472</u>	<u>53,350</u>	<u>122</u>
Attendance and Social Work:					
Salaries	21,596		21,596	21,595	1

**SHREWSBURY SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 5 of 11**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Health Services:					
Salaries	83,976	406	84,382	84,381	1
Purchased Professional/Technical Services	2,000	600	2,600	2,197	403
Other Purchased Services	100		100		100
Supplies and Materials	1,500	(406)	1,094	562	532
Total Health Services	<u>87,576</u>	<u>600</u>	<u>88,176</u>	<u>87,140</u>	<u>1,036</u>
Other Support Services - Student - Related Services:					
Salaries	130,511		130,511	125,961	4,550
Purchased Professional - Educational Services	217,800	(105,934)	111,866	75,542	36,324
Supplies and Materials	4,900		4,900	2,686	2,214
Total Other Support Services - Student - Related Services	<u>353,211</u>	<u>(105,934)</u>	<u>247,277</u>	<u>204,189</u>	<u>43,088</u>
Other Support Services - Student - Extra Services:					
Salaries	52,148	(17,599)	34,549	34,549	-
Supplies and Materials	7,000		7,000	6,147	853
Total Other Support Services - Student - Extra Services	<u>59,148</u>	<u>(17,599)</u>	<u>41,549</u>	<u>40,696</u>	<u>853</u>
Other Support Services - Students - Regular:					
Salaries of Other Professional Staff	58,575		58,575	58,475	100
Other Purchased Services	500		500		500
Supplies and Materials	3,000	(1,000)	2,000	206	1,794
Total Other Support Services - Student Regular	<u>62,075</u>	<u>(1,000)</u>	<u>61,075</u>	<u>58,681</u>	<u>2,394</u>

**SHREWSBURY SCHOOL DISTRICT**

**Exhibit C-1  
Sheet 6 of 11**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Other Support Student - Special:					
Salaries of Other Professional Staff	324,577	(16,141)	308,436	307,843	593
Salaries of Secretarial & Clerical	29,728		29,728	29,728	-
Purchased Professional-Educational Services	8,000	15,500	23,500	16,130	7,370
Other Purchased Services	9,300	500	9,800	9,707	93
Miscellaneous Purchased Services	1,000	(500)	500	15	485
Supplies and Materials	10,000	3,000	13,000	12,179	821
Other Objects	3,000	500	3,500	3,020	480
Total Other Support Student - Special	<u>385,605</u>	<u>2,859</u>	<u>388,464</u>	<u>378,622</u>	<u>9,842</u>
Improvement of Instructional Services:					
Salaries of Supervisors	76,883	1,202	78,085	78,085	-
Purchased Professional-Educational Services		1,000	1,000	820	180
Other Purchased Services		200	200	101	99
Supplies and Materials	3,000		3,000	2,242	758
Total Improvement of Instructional Services	<u>79,883</u>	<u>2,402</u>	<u>82,285</u>	<u>81,248</u>	<u>1,037</u>
Educational Media/School Library:					
Salaries	54,335		54,335	51,765	2,570
Salaries-Technical Coordinators	23,013		23,013	23,013	-
Purchased Professional-Technical Services	500		500	367	133
Other Purchased Services	6,000	(2,000)	4,000	3,261	739
Supplies & Materials	6,650		6,650	5,288	1,362
Other Objects	800		800	80	720
Total Educational Media/Library	<u>91,298</u>	<u>(2,000)</u>	<u>89,298</u>	<u>83,774</u>	<u>5,524</u>

**SHREWSBURY SCHOOL DISTRICT**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**Exhibit C-1**  
**Sheet 7 of 11**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Instructional Staff Training Services:					
Purchased Professional/Technical Services	15,000	2,000	17,000	16,911	89
Other Purchased Services	14,000	10,000	24,000	20,161	3,839
Supplies and Materials	1,000		1,000	20	980
Total Instructional Staff Training Services	<u>30,000</u>	<u>12,000</u>	<u>42,000</u>	<u>37,092</u>	<u>4,908</u>
Support Services - General Administration:					
Salaries	122,159		122,159	120,777	1,382
Legal Services	60,000	9,668	69,668	69,668	-
Audit Fees	9,000		9,000	8,500	500
Architectural Services	5,000	(2,520)	2,480	2,480	-
Other Purchased Professional Services	5,000	5,309	10,309	10,309	-
Purchased Technical Services	13,000	4,724	17,724	17,324	400
Communications/Telephone	26,000	17,659	43,659	43,656	3
BOE Other Purchased Services	800	1,841	2,641	2,641	-
Other Purchased Services	42,190	(15,379)	26,811	26,117	694
General Supplies	10,000	58	10,058	10,042	16
Miscellaneous Expenditures	8,500	(4,261)	4,239	3,929	310
BOE Membership Dues and Fees	4,206		4,206	4,206	-
Total Support Services - General Administration	<u>305,855</u>	<u>17,099</u>	<u>322,954</u>	<u>319,649</u>	<u>3,305</u>
Support Services - School Administration:					
Salaries of Principals/Vice Principals	82,331		82,331	82,331	-
Salaries of Secretarial & Clerical	20,291		20,291	19,508	783
Other Purchased Services	200		200		200
Supplies and Materials	2,500	(2,500)	-		-
Total Support Services - School Administration	<u>105,322</u>	<u>(2,500)</u>	<u>102,822</u>	<u>101,839</u>	<u>983</u>

**SHREWSBURY SCHOOL DISTRICT**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

Exhibit C-1  
Sheet 8 of 11

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Central Services:					
Salaries	232,067		232,067	231,462	605
Purchased Technical Services	24,000	1,891	25,891	25,245	646
Other Purchased Services	5,100	(1,000)	4,100	3,142	958
Supplies and Materials	6,700	(2,248)	4,452	4,451	1
Other Objects	4,500		4,500	3,747	753
Total Central Services	<u>272,367</u>	<u>(1,357)</u>	<u>271,010</u>	<u>268,047</u>	<u>2,963</u>
Administrative Information Technology:					
Salaries	69,738	(27,000)	42,738	42,738	-
Total Administrative Information Technology	<u>69,738</u>	<u>(27,000)</u>	<u>42,738</u>	<u>42,738</u>	<u>-</u>
Required Maintenance For School Facilities:					
Cleaning, Repairs and Maintenance	66,000	47,792	113,792	113,792	-
General Supplies	30,000	4,422	34,422	34,331	91
Other Objects	900		900	544	356
Total Required Maintenance For School Facilities	<u>96,900</u>	<u>52,214</u>	<u>149,114</u>	<u>148,667</u>	<u>447</u>
Other Operations and Maintenance of Plant:					
Salaries	252,601	6,200	258,801	252,204	6,597
Salaries of Non-Instructional Aides	38,290	(100)	38,190	36,970	1,220
Other Purchased Property Services	15,000		15,000	14,534	466
Insurance	32,517	8,041	40,558	40,557	1
Miscellaneous Purchased Services	200		200	76	124
Supplies	2,000		2,000	1,967	33
Energy (Electricity)	85,000	(10,243)	74,757	74,757	-
Energy (Natural Gas)	75,000	(21,249)	53,751	53,751	-
Other Objects	700		700	300	400
Total Other Operations and Maintenance Of Plant	<u>501,308</u>	<u>(17,351)</u>	<u>483,957</u>	<u>475,116</u>	<u>8,841</u>

**SHREWSBURY SCHOOL DISTRICT**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

**Exhibit C-1  
Sheet 9 of 11**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Final to Actual</u>
Care and Upkeep of Grounds:					
Cleaning, Repair and Maintenance	9,000	(1,722)	7,278	6,392	886
Supplies	6,000	14,300	20,300	20,161	139
Total Care and Upkeep of Grounds	<u>15,000</u>	<u>12,578</u>	<u>27,578</u>	<u>26,553</u>	<u>1,025</u>
Security:					
Salaries	<u>8,500</u>	<u>100</u>	<u>8,600</u>	<u>8,600</u>	<u>-</u>
Total Operation & Maintenance of Plant	<u>621,708</u>	<u>47,541</u>	<u>669,249</u>	<u>658,936</u>	<u>10,313</u>
Student Transportation:					
Contracted Services Home/School - Vendors	4,605	1,583	6,188	5,304	884
Contracted Services Other Than Home/School-Vendors	250		250		250
Contracted Services Home/School - Joint Agreement	37,000	2,344	39,344	38,741	603
Contracted Services Special Education - Vendors	<u>79,800</u>	<u>(12,927)</u>	<u>66,873</u>	<u>66,873</u>	<u>-</u>
Total Student Transportation	<u>121,655</u>	<u>(9,000)</u>	<u>112,655</u>	<u>110,918</u>	<u>1,737</u>
Unallocated Benefits - Employee Benefits:					
Social Security Contributions	106,000	(5,581)	100,419	87,721	12,698
Other Retirement Contributions - PERS	96,000	(8,260)	87,740	87,740	-
Unemployment Compensation	20,000	(20,000)	-	-	-
Workmen's Compensation	50,942		50,942	46,166	4,776
Health Benefits	954,496	(116,283)	838,213	838,213	-
Tuition Reimbursement	12,000		12,000	9,210	2,790
Other Employee Benefits	<u>30,600</u>	<u>(30,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Unallocated Benefits - Employee Benefits	<u>1,270,038</u>	<u>(180,724)</u>	<u>1,089,314</u>	<u>1,069,050</u>	<u>20,264</u>
On Behalf TPAF Pension Contributions (Non-Budgeted)			-	491,466	(491,466)
On Behalf TPAF Social Security Contr. (Non-Budgeted)			-	261,404	(261,404)
Total Undistributed Expenditures	<u>4,007,980</u>	<u>(282,046)</u>	<u>3,725,934</u>	<u>4,370,434</u>	<u>(644,500)</u>

SHREWSBURY SCHOOL DISTRICT

GENERAL FUND - BUDGETARY COMPARISON SCHEDULE

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Capital Outlay:					
Operating and Maintenance Equip		17,327	17,327	17,326	1
General Administrative Equipment		3,460	3,460	3,460	-
Improvement to Sites	88,000	76,000	164,000	141,930	22,070
Facilities Construction Services Other Objects	12,628		12,628	12,628	-
Total Capital Outlay	<u>100,628</u>	<u>96,787</u>	<u>197,415</u>	<u>175,344</u>	<u>22,071</u>
Total Expenditures	<u>7,493,759</u>	<u>21,812</u>	<u>7,515,571</u>	<u>8,061,804</u>	<u>(546,233)</u>
Excess (Deficiency) of Revenues Over/(Under) Expenditures	<u>(131,918)</u>	<u>(21,812)</u>	<u>(153,730)</u>	<u>97,378</u>	<u>251,108</u>
Other Financing Sources and (Uses): Prior Year Funds From Fund 20				<u>1,785</u>	<u>1,785</u>
Fund Balance July 1	<u>723,127</u>		<u>723,127</u>	<u>723,127</u>	<u>-</u>
Fund Balance June 30	<u>\$ 591,209</u>	<u>(21,812)</u>	<u>569,397</u>	<u>822,290</u>	<u>252,893</u>

**SHREWSBURY SCHOOL DISTRICT**

**GENERAL FUND - BUDGETARY COMPARISON SCHEDULE**

Exhibit C-1  
Sheet 11 of 11

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Original Budget</u></b>	<b><u>Budget Transfers</u></b>	<b><u>Final Budget</u></b>	<b><u>Actual</u></b>	<b><u>Variance Final to Actual</u></b>
Recapitulation:					
Restricted to:					
Excess Surplus - Current Year				\$ 199,171	
Excess Surplus - Designated for Subsequent Year's Expenditures				76,592	
Maintenance Reserve				170,000	
Capital Reserve				80,000	
Assigned To:					
Year End Encumbrances				26,797	
Unrestricted Fund Balance - Designated for Subsequent Year's Expenditures				2,795	
Unassigned Fund Balance				<u>266,935</u>	
				822,290	
Reconciliation to Governmental Fund Statements (GAAP):					
Final State Aid Payments Not Recognized on GAAP Basis				<u>(22,285)</u>	
Fund Balance Per Governmental Funds (GAAP)				<u><u>\$ 800,005</u></u>	

SHREWSBURY SCHOOL DISTRICT

Exhibit C-2

BUDGETARY COMPARISON SCHEDULE

SPECIAL REVENUE FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Final to Actual</u>
Revenues:					
State Sources	\$ -	12,490	12,490	12,490	
Federal Sources	112,845	18,251	131,096	131,096	
Total Revenues	<u>\$ 112,845</u>	<u>30,741</u>	<u>143,586</u>	<u>143,586</u>	<u>-</u>
Expenditures:					
Instruction:					
Purchased Professional Educational Services	\$ 50,000	14,986	64,986	64,986	
Textbooks		773	773	773	
General Supplies		6,779	6,779	6,779	
Total Instruction	<u>50,000</u>	<u>22,538</u>	<u>72,538</u>	<u>72,538</u>	<u>-</u>
Support Services:					
Tuition	62,845	4,860	67,705	67,705	
Purchased Professional Educational Services		3,343	3,343	3,343	
Total Support Services	<u>62,845</u>	<u>8,203</u>	<u>71,048</u>	<u>71,048</u>	<u>-</u>
Total Expenditures	<u>\$ 112,845</u>	<u>30,741</u>	<u>143,586</u>	<u>143,586</u>	<u>-</u>

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

**SHREWSBURY SCHOOL DISTRICT**

**REQUIRED SUPPLEMENTARY INFORMATION**

**BUDGET TO GAAP RECONCILIATION**

**NOTE TO RSI**

**JUNE 30, 2015**

	<b><u>General Fund</u></b>	<b><u>Special Revenue Fund</u></b>
<b><u>Sources/Inflows of Resources</u></b>		
Actual amounts (budgetary) "revenues" from the budgetary comparison schedules	\$ 8,159,182	142,886
Difference - budget to GAAP:		
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
State aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.	21,361	
State aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.	<u>(22,285)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$ 8,158,258</u>	<u>142,886</u>
<b><u>Uses/Outflows of Resources</u></b>		
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	\$ 8,061,804	142,886
Differences - budget to GAAP:		
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.		
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds.	<u>\$ 8,061,804</u>	<u>142,886</u>

**REQUIRED SUPPLEMENTARY INFORMATION – PART III**

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

**SHREWSBURY SCHOOL DISTRICT**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**

**NET PENSION LIABILITY - PERS**

**Exhibit L-1**

**LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
District's Proportion of the Net Pension Liability (Asset)	100.000%	100.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ 1,992,675	1,865,974
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>-</u>	<u>-</u>
Total	<u>\$ 1,992,675</u>	<u>1,865,974</u>
District's Covered-Employee Payroll	\$ 787,568	724,822
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	39.52%	38.84%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	42.74%	40.71%

**SHREWSBURY SCHOOL DISTRICT****SCHEDULE OF DISTRICT CONTRIBUTIONS - PERS**

Exhibit L-2

**LAST TWO FISCAL YEARS**

	<u>2014</u>	<u>2013</u>
Contractually Required Contribution	\$ 76,378	76,912
Contributions in Relation to the Contractually Required Contribution	<u>76,378</u>	<u>76,912</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>-</u>
District's Covered-Employee Payroll	\$ 787,568	724,822
Contributions as a Percentage of Covered-Employee Payroll	9.70%	10.61%

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE**

**NET PENSION LIABILITY - TPAF**

**Exhibit L-3**

**LAST TWO FISCAL YEARS**

	<b><u>2014</u></b>	<b><u>2013</u></b>
District's Proportion of the Net Pension Liability (Asset)	0.000%	0.000%
District's Proportionate Share of the Net Pension Liability (Asset)	\$ -	-
State's Proportionate Share of the Net Pension Liability (Asset) Associated with the District	<u>17,427,526</u>	<u>17,103,899</u>
Total	<u>\$ 17,427,526</u>	<u>17,103,899</u>
District's Covered-Employee Payroll	\$ 3,331,019	3,262,901
District's Proportionate Share of the Net Pension Liability (Asset) as a percentage of its Covered-Employee Payroll	19.11%	19.08%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	33.64%	33.76%

**OTHER SUPPLEMENTARY INFORMATION**

**SCHOOL LEVEL SCHEDULES – D**

**N/A**

**SPECIAL REVENUE FUND – E**

**SHREWSBURY SCHOOL DISTRICT**

Exhibit E-1

**SPECIAL REVENUE FUND**

**SCHEDULE OF REVENUES AND EXPENDITURES - BUDGETARY BASIS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Title IIA</u>	<u>I.D.E.A.</u>		<u>Non-Public Nursing</u>	<u>Non-Public Technology</u>	<u>Non-Public Textbooks</u>	<u>Corrective Speech</u>	<u>Exam and Classification Initial</u>	<u>Totals 2015</u>
		<u>Basic</u>	<u>Preschool</u>						
Revenues:									
State Sources	\$ -			3,343	1,436	773	4,418	2,520	12,490
Federal Sources	6,943	118,810	5,343						131,096
<b>Total Revenues</b>	<b>\$ 6,943</b>	<b>118,810</b>	<b>5,343</b>	<b>3,343</b>	<b>1,436</b>	<b>773</b>	<b>4,418</b>	<b>2,520</b>	<b>143,586</b>
Expenditures:									
Instruction:									
Purchased Professional Services	\$ 6,943	51,105					4,418	2,520	64,986
Textbooks						773			773
General Supplies			5,343		1,436				6,779
<b>Total Instruction</b>	<b>6,943</b>	<b>51,105</b>	<b>5,343</b>	<b>-</b>	<b>1,436</b>	<b>773</b>	<b>4,418</b>	<b>2,520</b>	<b>72,538</b>
Support Services:									
Tuition		67,705							67,705
Purchased Professional Educational Services				3,343					3,343
<b>Total Support Services</b>	<b>-</b>	<b>67,705</b>	<b>-</b>	<b>3,343</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>71,048</b>
<b>Total Expenditures</b>	<b>\$ 6,943</b>	<b>118,810</b>	<b>5,343</b>	<b>3,343</b>	<b>1,436</b>	<b>773</b>	<b>4,418</b>	<b>2,520</b>	<b>143,586</b>

**CAPITAL PROJECTS FUND – F**

**SHREWSBURY SCHOOL DISTRICT**

**CAPITAL PROJECTS FUND**

Exhibit F-1

**SUMMARY SCHEDULE OF PROJECT EXPENDITURES**

**FOR THE YEAR ENDED JUNE 30, 2015**

<b><u>Issue/Project Title</u></b>	<b><u>Approval Date</u></b>	<b><u>Appropriations</u></b>	<b><u>Expenditures to Date</u></b>		<b><u>Unexpended Balance</u></b>
			<b><u>Prior Year</u></b>	<b><u>Current Year</u></b>	
Replacement Generator Project	7/2/2009	<u>\$ 168,400</u>	<u>158,226</u>	<u></u>	<u>10,174</u>
		<u>\$ 168,400</u>	<u>158,226</u>	<u>-</u>	<u>10,174</u>

SHREWSBURY SCHOOL DISTRICT

CAPITAL PROJECTS FUND

Exhibit F-2

SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCE - BUDGETARY BASIS

FOR THE YEAR ENDED JUNE 30, 2015

Fund Balance - Beginning	\$ 10,174
Fund Balance - Ending	<u>\$ 10,174</u>

**PROPRIETARY FUNDS – G**

SCHEDULE OF NET POSITION

Exhibit G-1

ENTERPRISE FUNDSJUNE 30, 2015

	<u>Enterprise Funds</u>		<u>Totals</u>
	<u>Food Service Fund</u>	<u>Tuition Fund</u>	
<b><u>Assets</u></b>			
Current Assets:			
Cash and Cash Equivalents	\$ 11,296	10,187	21,483
Total Current Assets	<u>11,296</u>	<u>10,187</u>	<u>21,483</u>
Noncurrent Assets:			
Equipment	21,397		21,397
Less: Accumulated Depreciation	(12,590)		(12,590)
Total Noncurrent Assets	<u>8,807</u>	<u>-</u>	<u>8,807</u>
Total Assets	<u>\$ 20,103</u>	<u>10,187</u>	<u>30,290</u>
<b><u>Net Position</u></b>			
Unrestricted	<u>\$ 20,103</u>	<u>10,187</u>	<u>30,290</u>
Total Net Position	<u>\$ 20,103</u>	<u>10,187</u>	<u>30,290</u>

SCHEDULE OF REVENUES, EXPENSES AND CHANGESIN FUND NET POSITIONENTERPRISE FUNDSJUNE 30, 2015

	Enterprise Funds		Totals
	Food Service Fund	Tuition Fund	
Operating Revenues:			
Local Sources:			
Daily Sales Reimbursable Programs:			
School Lunch Program	\$ 13,971		13,971
Tuition		27,124	27,124
Total Operating Revenue	<u>13,971</u>	<u>27,124</u>	<u>41,095</u>
Operating Expenses:			
Cost of Sales	10,228		10,228
Depreciation	1,354		1,354
Tuition Reimbursements		19,804	19,804
Total Operating Expenses	<u>11,582</u>	<u>19,804</u>	<u>31,386</u>
Change in Net Position	2,389	7,320	9,709
Adjustment for Fixed Assets	2,624		2,624
Net Position, July 1	<u>15,090</u>	<u>2,867</u>	<u>17,957</u>
Net Position, June 30	<u>\$ 20,103</u>	<u>\$ 10,187</u>	<u>\$ 30,290</u>

**SCHEDULE OF CASH FLOWS**

**Exhibit G-3**

**ENTERPRISE FUNDS**

**JUNE 30, 2015**

	<b>Enterprise Funds</b>		<b>Totals</b>
	<b>Food Service Fund</b>	<b>Tuition Fund</b>	
Cash Flows from Operating Activities:			
Receipts from Customers	\$ 13,971	27,124	41,095
Payments to Suppliers & Miscellaneous	(10,228)	(19,804)	(30,032)
Net Cash Used by Operating Activities	<u>3,743</u>	<u>7,320</u>	<u>11,063</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	3,743	7,320	11,063
Cash and Cash Equivalents July 1	<u>7,553</u>	<u>2,867</u>	<u>10,420</u>
Cash and Cash Equivalents June 30	<u>\$ 11,296</u>	<u>10,187</u>	<u>21,483</u>
Cash Flows from Operating Activities:			
Operating Income (Loss)	<u>\$ 3,743</u>	<u>7,320</u>	<u>11,063</u>
Net Cash Used by Operating Activities	<u>\$ 3,743</u>	<u>7,320</u>	<u>11,063</u>

**FIDUCIARY FUND – H**

**BOROUGH OF SHREWSBURY SCHOOL DISTRICT**

**Exhibit H-1**

**TRUST AND AGENCY FUND**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION**

**AS OF JUNE 30, 2015**

	<u>Net Payroll</u>	<u>Student Activity</u>	<u>Payroll Agency</u>	<u>Unemployment Compensation Expendable Trust</u>	<u>Total 2015</u>
Assets:					
Cash and Cash Equivalents	<u>\$ 793</u>	<u>37,298</u>	<u>158,995</u>	<u>4,074</u>	<u>201,160</u>
Total Assets	<u>\$ 793</u>	<u>37,298</u>	<u>158,995</u>	<u>4,074</u>	<u>201,160</u>
Liabilities and Fund Balances:					
Liabilities:					
Payroll Deductions and Withholdings	<u>\$ -</u>		<u>158,995</u>		<u>158,995</u>
Due to Student Groups		<u>37,298</u>			<u>37,298</u>
Net Salary Accumulation	<u>793</u>				<u>793</u>
Total Liabilities	<u>\$ 793</u>	<u>37,298</u>	<u>158,995</u>		<u>197,086</u>
Net Position:					
Reserved - Unemployment Benefits				<u>4,074</u>	<u>4,074</u>
Total Net Position				<u>4,074</u>	<u>4,074</u>

EXPENDABLE TRUST FUND

Exhibit H-2

STATEMENT OF CHANGES

IN FIDUCIARY NET POSITION

JUNE 30, 2015

	<u>Unemployment Compensation Insurance Trust Fund</u>
Additions:	
Local Sources:	
Contributions	\$ 9,172
Total Additions	<u>9,172</u>
Deductions:	
Unemployment Claims	8,882
Total Deductions	<u>8,882</u>
Change in Net Position	290
Net Position, July 1	<u>3,784</u>
Net Position, June 30	<u>\$ 4,074</u>

**BOROUGH OF SHREWSBURY SCHOOL DISTRICT**

**Exhibit H-3**

**STUDENT ACTIVITY ACCOUNT**

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<b><u>Balance</u></b> <b><u>July 1, 2014</u></b>	<b><u>Cash</u></b> <b><u>Receipts</u></b>	<b><u>Cash</u></b> <b><u>Disbursements</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2015</u></b>
Elementary Schools: Shrewsbury	<u>\$ 30,623</u>	<u>119,527</u>	<u>112,852</u>	<u>37,298</u>

**BOROUGH OF SHREWSBURY SCHOOL DISTRICT****PAYROLL AGENCY FUND**

Exhibit H-4

**SCHEDULE OF RECEIPTS AND DISBURSEMENTS****JUNE 30, 2015**

	<b><u>Balance</u></b> <b><u>July 1, 2014</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2015</u></b>
Assets:				
Cash and Cash Equivalents	\$ 215,530	3,103,217	3,159,752	158,995
Total Assets	<u>\$ 215,530</u>	<u>3,103,217</u>	<u>3,159,752</u>	<u>158,995</u>
Liabilities:				
Payroll Deductions, Withholdings	\$ 215,530	3,103,217	3,159,752	158,995
Total Liabilities	<u>\$ 215,530</u>	<u>3,103,217</u>	<u>3,159,752</u>	<u>158,995</u>

**LONG-TERM DEBT - I**

**SHREWSBURY SCHOOL DISTRICT**

**Exhibit I-1**

**GENERAL LONG-TERM DEBT ACCOUNT GROUP**

**SCHEDULE OF SERIAL BONDS PAYABLE**

**JUNE 30, 2015**

<b><u>Issue</u></b>	<b><u>Date of Issue</u></b>	<b><u>Amount of Issue</u></b>	<b><u>Annual Maturities</u></b>		<b><u>Interest Rate</u></b>	<b><u>Balance July 1, 2014</u></b>	<b><u>Retired</u></b>	<b><u>Balance June 30, 2015</u></b>
			<b><u>Date</u></b>	<b><u>Amount</u></b>				
Refunding Bonds of 1998	8/15/98	\$2,655,000	8/15/15	280,000	4.75%	\$ 545,000	265,000	280,000
Refunding Bonds of 2012	1/24/12	2,395,000						
			2/15/16	210,000	2.000%			
			2/15/17	210,000	2.000%			
			2/15/18	215,000	2.000%			
			2/15/19	220,000	2.000%			
			2/15/20	225,000	2.125%			
			2/15/21	230,000	3.250%			
			2/15/22	235,000	3.250%			
			2/15/23	245,000	3.250%			
						<u>\$ 2,540,000</u>	<u>470,000</u>	<u>2,070,000</u>

**SHREWSBURY SCHOOL DISTRICT**

**BUDGETARY COMPARISON SCHEDULE**

Exhibit I-3

**DEBT SERVICE FUND**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	<u>Original Budget</u>	<u>Budget Transfers</u>	<u>Final Budget</u>	<u>Actual</u>	<b>Variance Positive (Negative) Final to Actual</b>
Revenues:					
Local Sources:					
Local Tax Levy	\$ 538,651		538,651	538,651	-
Total Revenues	<u>538,651</u>	<u>-</u>	<u>538,651</u>	<u>538,651</u>	<u>-</u>
Expenditures:					
Regular Debt Service:					
Interest	68,651		68,651	68,651	-
Redemption of Principal	470,000		470,000	470,000	-
Total Expenditures	<u>538,651</u>	<u>-</u>	<u>538,651</u>	<u>538,651</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	-	-	-
Fund Balance July 1	<u>2,001</u>	<u>-</u>	<u>2,001</u>	<u>2,001</u>	
Fund Balance June 30	<u>\$ 2,001</u>	<u>-</u>	<u>2,001</u>	<u>2,001</u>	<u>-</u>
<b><u>Recapitulation of Excess (Deficiency) of Revenues Over (Under)</u></b>					
<u>Expenditures</u>					
Budgeted Fund Balance	<u>\$ -</u>	<u>-</u>			

**STATISTICAL SECTION**

**(Unaudited)**

**SHREWSBURY SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

J-1

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Governmental Activities										
Invested in Capital Assets, net of related Debt	\$ 4,020,434	3,441,723	2,993,350	2,766,742	2,645,514	1,918,828	1,941,807	1,842,225	1,776,958	1,712,549
Restricted	581,670	482,507	297,338	374,861	284,372	42,552	161,403	263,802	138,174	86,738
Unrestricted	(1,671,645)	231,434	401,785	36,102	(104,562)	239,719	69,109	(19,871)	103,896	87,084
Total Governmental Activities	<u>\$ 2,930,459</u>	<u>4,155,664</u>	<u>3,692,473</u>	<u>3,177,705</u>	<u>2,825,324</u>	<u>2,201,099</u>	<u>2,172,319</u>	<u>2,086,156</u>	<u>2,019,028</u>	<u>1,886,371</u>
Business Type Activities										
Invested in Capital Assets, net of related Debt	\$ -	-	4,970	-	-	606	1,653	2,700	4,794	6,887
Unrestricted	30,290	17,957	7,830	16,111	23,996	29,921	37,150	44,175	42,164	43,097
Total Business Type Activities	<u>\$ 30,290</u>	<u>17,957</u>	<u>12,800</u>	<u>16,111</u>	<u>23,996</u>	<u>30,527</u>	<u>38,803</u>	<u>46,875</u>	<u>46,958</u>	<u>49,984</u>
District-wide										
Invested in Capital Assets, net of related Debt	\$ 4,029,241	3,441,723	2,998,320	2,766,742	2,645,514	1,919,434	1,943,460	1,844,925	1,781,752	1,719,436
Restricted	581,670	482,507	297,338	374,861	284,372	42,552	161,403	263,802	138,174	86,738
Unrestricted	(1,650,162)	249,391	409,615	52,213	(80,566)	269,640	106,259	24,304	146,060	130,181
Total District Assets	<u>\$ 2,960,749</u>	<u>4,173,621</u>	<u>3,705,273</u>	<u>3,193,816</u>	<u>2,849,320</u>	<u>2,231,626</u>	<u>2,211,122</u>	<u>2,133,031</u>	<u>2,065,986</u>	<u>1,936,355</u>

**SHREWSBURY SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Expenses:										
Governmental Activities	\$ 8,257,512	8,305,723	8,197,993	8,060,094	7,636,123	7,927,148	7,657,290	7,656,279	7,328,565	6,753,699
Business Type Activities	31,386	73,991	89,897	67,722	95,729	118,772	59,083	49,077	46,440	49,362
Total District Expenses	<u>8,288,898</u>	<u>8,379,714</u>	<u>8,287,890</u>	<u>8,127,816</u>	<u>7,731,852</u>	<u>8,045,920</u>	<u>7,716,373</u>	<u>7,705,356</u>	<u>7,375,005</u>	<u>6,803,061</u>
Program Revenues:										
Governmental Activities	182,225	200,639	198,411	180,496	277,037	188,492	142,897	133,568	136,124	138,434
Business Type Activities	43,719	76,273	81,616	59,837	73,254	95,257	35,868	34,842	31,982	30,644
Total District Program Revenues	<u>225,944</u>	<u>276,912</u>	<u>280,027</u>	<u>240,333</u>	<u>350,291</u>	<u>283,749</u>	<u>178,765</u>	<u>168,410</u>	<u>168,106</u>	<u>169,078</u>
Net (Expense)										
Governmental Activities	8,075,287	(8,105,084)	(7,999,582)	(7,879,598)	(7,359,086)	(7,738,656)	(7,514,393)	(7,522,711)	(7,192,441)	(6,615,265)
Business Type Activities	(9,709)	2,282	8,281	(7,885)	(22,475)	(23,515)	(23,215)	(14,235)	(14,458)	(18,718)
Total District-wide Net Expense	<u>8,065,578</u>	<u>(8,102,802)</u>	<u>(7,991,301)</u>	<u>(7,887,483)</u>	<u>(7,381,561)</u>	<u>(7,762,171)</u>	<u>(7,537,608)</u>	<u>(7,536,946)</u>	<u>(7,206,899)</u>	<u>(6,633,983)</u>
General Revenues and Other Changes in Net Assets:										
Governmental Activities	8,660,055	8,348,519	8,362,721	8,053,883	7,808,223	7,953,564	7,607,413	7,601,486	7,351,683	6,606,412
Business Type Activities	2,624	-	-	-	15,244	15,239	15,143	14,152	11,432	14,583
Total District-wide	<u>8,662,679</u>	<u>8,348,519</u>	<u>8,362,721</u>	<u>8,053,883</u>	<u>7,823,467</u>	<u>7,968,803</u>	<u>7,622,556</u>	<u>7,615,638</u>	<u>7,363,115</u>	<u>6,620,995</u>
Change in Net Position:										
Governmental Activities	(1,407,907)	243,435	363,139	174,285	449,137	214,908	93,020	78,775	159,242	(8,853)
Business Type Activities	12,333	2,282	(8,281)	(7,885)	(7,231)	(8,276)	(8,072)	(83)	(3,026)	(4,135)
Total District	<u>\$ (1,395,574)</u>	<u>245,717</u>	<u>354,858</u>	<u>166,400</u>	<u>441,906</u>	<u>206,632</u>	<u>84,948</u>	<u>78,692</u>	<u>156,216</u>	<u>(12,988)</u>

**SHREWSBURY SCHOOL DISTRICT**  
**FUND BALANCES, GOVERNMENT FUNDS**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

J-3

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
General Fund:										
Reserved	\$ 569,495	470,332	418,452	355,449	284,372	32,378	161,398	168,079	157,633	196,490
Unreserved	<u>(1,671,645)</u>	<u>252,795</u>	<u>273,728</u>	<u>198,319</u>	<u>292,752</u>	<u>278,315</u>	<u>69,109</u>	<u>236,797</u>	<u>238,556</u>	<u>95,677</u>
Total General Fund	<u>\$ (1,102,150)</u>	<u>723,127</u>	<u>692,180</u>	<u>553,768</u>	<u>577,124</u>	<u>310,693</u>	<u>230,507</u>	<u>404,876</u>	<u>396,189</u>	<u>292,167</u>
All Other Governmental Funds:										
Unreserved, Reported in:										
Capital Projects Fund	\$ 10,174	10,174	10,174	10,174	10,174	10,174	-	-	-	
Debt Service Fund	<u>2,001</u>	<u>2,001</u>	<u>9,237</u>	<u>9,238</u>	<u>1</u>		<u>5</u>	<u>5</u>	<u>1,931</u>	<u>1,929</u>
Total All Other Government Funds	<u>\$ 12,175</u>	<u>12,175</u>	<u>19,411</u>	<u>19,412</u>	<u>10,175</u>	<u>10,174</u>	<u>5</u>	<u>5</u>	<u>1,931</u>	<u>1,929</u>

**SHREWSBURY SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
**UNAUDITED**

J-4

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>Revenues</b>										
Tax Levy	\$ 7,650,085	7,504,695	7,380,817	7,277,745	7,155,850	6,992,795	6,776,480	6,554,388	6,309,919	5,836,111
Other Local Revenue	41,852	70,683	81,593	77,239	132,595	50,392	29,818	35,759	39,142	24,064
State Sources	1,017,462	854,087	976,838	776,677	611,909	931,909	830,805	1,028,832	1,023,693	786,020
Federal Sources	131,096	127,657	130,777	129,238	200,145	182,212	128,350	129,906	126,485	127,160
Total Revenues	<u>8,840,495</u>	<u>8,557,122</u>	<u>8,570,025</u>	<u>8,260,899</u>	<u>8,100,499</u>	<u>8,157,308</u>	<u>7,765,453</u>	<u>7,748,885</u>	<u>7,499,239</u>	<u>6,773,355</u>
<b>Expenditures</b>										
Instruction:										
Regular	2,755,286	2,882,168	2,811,757	2,558,987	2,294,414	2,603,256	2,449,230	2,270,632	2,226,467	2,083,368
Special	661,831	338,061	307,865	420,686	547,211	651,930	715,463	754,743	687,099	553,519
Other		4,959	49,177	90,883	66,974	64,978	54,357	78,815	78,492	76,026
School-sponsored/other instructional	98,909	68,651	97,530	168,618	20,894	42,814	43,686	44,502	40,060	40,870
Total instruction	<u>3,516,026</u>	<u>3,293,839</u>	<u>3,266,329</u>	<u>3,239,174</u>	<u>2,929,493</u>	<u>3,362,978</u>	<u>3,262,736</u>	<u>3,148,692</u>	<u>3,032,118</u>	<u>2,753,783</u>
Undistributed:										
Instruction/Tuition	53,350	42,010	51,928	94,749	82,681	1,500	16,705	137,109	128,029	29,686
Support Services	993,037	1,047,035	901,200	914,463	741,499	724,137	741,366	664,901	600,799	704,481
General Administration	319,649	599,209	580,434	239,159	400,792	391,725	367,820	347,705	106,258	266,880
School Administration	412,624	98,877	116,022	415,282	462,946	437,276	302,811	297,798	491,982	323,444
Operations and Maintenance	658,936	772,817	673,034	586,963	535,210	613,167	681,709	715,878	652,348	588,876
Student Transportation	110,918	115,674	122,730	119,008	97,889	70,005	85,514	84,665	72,648	94,370
Unallocated Benefits	1,069,050	1,261,268	1,291,256	1,354,766	1,259,942	1,225,205	1,112,891	956,572	919,652	889,404
TPAF Pension & Social Security	752,870	610,008	710,749	569,359	484,146	487,172	466,705	667,484	645,616	423,797
Education Jobs				401						
Total Undistributed	<u>4,370,434</u>	<u>4,546,898</u>	<u>4,447,353</u>	<u>4,294,150</u>	<u>4,065,105</u>	<u>3,950,187</u>	<u>3,775,521</u>	<u>3,872,112</u>	<u>3,617,332</u>	<u>3,320,938</u>
Capital Outlay:										
Equipment	20,786			9,201	21,408	18,768			25,178	32,398
Other	154,558	12,628	12,628							
Total Capital Outlay	<u>175,344</u>	<u>12,628</u>	<u>12,628</u>	<u>9,201</u>	<u>21,408</u>	<u>18,768</u>	<u>-</u>	<u>-</u>	<u>25,178</u>	<u>32,398</u>
Total General Fund Expenditures	<u>8,061,804</u>	<u>7,853,365</u>	<u>7,726,310</u>	<u>7,542,525</u>	<u>7,016,006</u>	<u>7,331,933</u>	<u>7,038,257</u>	<u>7,020,804</u>	<u>6,674,628</u>	<u>6,107,119</u>
Special Revenue:										
Local		4,196	3,901	3,336			250			
State	12,490	9,186	11,805	1,697	9,821	6,280	13,297	3,662	8,639	13,141
Federal	131,096	127,657	130,777	128,837	187,356	182,212	129,350	129,906	127,485	127,549
Total Special Revenue expenditures	<u>143,586</u>	<u>141,039</u>	<u>146,483</u>	<u>133,870</u>	<u>197,177</u>	<u>188,492</u>	<u>142,897</u>	<u>133,568</u>	<u>136,124</u>	<u>140,690</u>
Capital Projects Fund Expenditures						158,226			0	52,192
Debt Service Expenditures	538,651	539,936	545,529	576,481	579,535	576,884	578,287	573,811	578,636	582,840
Total Governmental Fund Expenditures	<u>8,744,041</u>	<u>8,534,340</u>	<u>8,418,322</u>	<u>8,252,876</u>	<u>7,792,718</u>	<u>8,255,535</u>	<u>7,759,441</u>	<u>7,728,183</u>	<u>7,389,388</u>	<u>6,882,841</u>
Excess(Deficiency) of Revenues										
Over(Under) Expenditures	96,454	22,782	151,703	8,023	307,781	(98,227)	6,012	20,702	109,851	(109,486)
Other Financing Sources (Uses)	1,785	(7,964)	(8,893)	(26,520)	(15,239)	(15,252)	(15,143)	(13,831)	(11,432)	(20,648)
Net Change in Fund Balance	<u>\$ 98,239</u>	<u>14,818</u>	<u>142,810</u>	<u>(18,497)</u>	<u>292,542</u>	<u>(113,479)</u>	<u>(9,131)</u>	<u>6,871</u>	<u>98,419</u>	<u>(130,134)</u>

Source: District records

**SHREWSBURY SCHOOL DISTRICT**  
**GENERAL FUND OTHER LOCAL REVENUE BY SOURCE**  
**LAST TEN FISCAL YEARS**  
**UNAUDITED**

J-5

	<u>Tuition</u>	<u>Interest on Investments</u>	<u>Miscellaneous</u>	<u>Total</u>
2006			21,426	21,426
2007		32,311	5,831	38,142
2008		19,340	16,419	35,759
2009		4,411	25,407	29,818
2010	44,171	1,725	4,496	50,392
2011	79,860	581	52,154	132,595
2012	46,225	10	31,004	77,239
2013	64,956		12,736	77,692
2014	59,600		6,887	66,487
2015	38,639		3,213	41,852

**Source: District records**

For years 2005 to 2012 interest is included in Miscellaneous  
2013 and 2014 interest is included in Miscellaneous  
2014-2015 miscellaneous includes an outstanding judgment

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY**

**LAST TEN FISCAL YEARS**

J-6

<b>Fiscal Year Ended June 30,</b>	<b>Vacant Land</b>	<b>Residential</b>	<b>Farm Reg.</b>	<b>Qfarm</b>	<b>Commercial</b>	<b>Industrial</b>	<b>Apartment</b>	<b>Estimated Full Cash Valuations</b>	<b>Less: Tax Exempt Property</b>	<b>Public Utilities</b>	<b>Net Valuation Taxable</b>	<b>Total Direct School Tax Rate</b>	<b>Estimated Actual (County Equalized) Value</b>
2006	8,101,300	500,826,900	778,700	10,900	284,952,800			860,916,634			796,254,400	0.792	92.49%
2007	6,469,400	511,903,900	778,700	10,900	286,794,000			1,109,817,465			807,423,411	0.809	72.75%
2008	5,154,200	517,858,900	778,700	10,900	286,898,200			1,252,140,893			812,138,583	0.860	64.86%
2009	7,693,000	522,019,400	778,700	10,900	281,708,500			1,181,642,916			813,679,312	0.885	68.86%
2010	7,668,100	518,386,500	914,500	10,900	279,625,900			N/A			808,166,606	0.885	N/A
2011	7,542,600	517,700,300	914,500	5,200	264,051,000			N/A			791,587,495	0.920	N/A
2012	13,612,600	516,029,100	914,500	5,200	258,315,600			1,061,769,674			790,268,280	0.934	74.72%
2013	21,767,200	616,776,800	1,119,600	12,000	360,260,900			999,936,000			1,001,423,693	0.749	79.04%
2014	18,647,200	622,889,200	1,119,600	12,000	359,911,200			N/A			1,003,601,221	0.762	N/A
2015	7,986,400	702,100,400	1,138,600	12,300	354,940,100			N/A			1,067,333,117	0.731	N/A

Source: District Records, Monmouth County Tax Assessor, Municipal Tax Assessor.

Real property is required to be assessed at some percentage of true value (fair or market value) established by each county board of taxation.

Reassessment occurs when ordered by the County Board of Taxation.

- a. Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies
- b. Tax rates are per \$100

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**DIRECT AND OVERLAPPING PROPERTY TAX RATES**

J-7

**LAST TEN FISCAL YEARS**

**(Rate per \$100 of Assessed Value)**

<b><u>Fiscal Year Ended June 30,</u></b>	<b><u>Shrewsbury School</u></b>	<b><u>Red Bank Regional School</u></b>	<b><u>Total Direct</u></b>	<b><u>Borough of Shrewsbury</u></b>	<b><u>Monmouth County</u></b>	<b><u>Total Direct and Overlapping Tax Rate</u></b>
2006	0.792	0.423	1.215	0.679	0.373	2.267
2007	0.809	0.452	1.261	0.714	0.381	2.356
2008	0.835	0.511	1.346	0.745	0.373	2.464
2009	0.860	0.540	1.400	0.745	0.409	2.554
2010	0.885	0.570	1.455	0.776	0.403	2.634
2011	0.920	0.591	1.511	0.802	0.396	2.709
2012	0.934	0.554	1.488	0.819	0.387	2.694
2013	0.749	0.463	1.212	0.649	0.307	2.168
2014	0.762	0.521	1.283	0.663	0.325	2.271
2015	0.731	0.499	1.230	0.632	0.314	2.176

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**PRINCIPAL PROPERTY TAX PAYERS,**

J-8

**CURRENT YEAR AND NINE YEARS AGO**

<u>Block</u>	<u>Lot</u>	<u>Owner Name</u>	<u>Assessed Value</u>	<u>% of Assessed Value</u>
38	4	Route 35 Shrewsbury (The Grove)	\$ 54,513,400	32.00%
31	1	Marzulla, Allen Brown National Real	34,762,200	21.00%
31	4	American National C/O Harding & Carbone	13,096,900	8.00%
30	8.01	Bal Sycamore LLC Brandywine SL	12,476,900	7.00%
70.01	2	Treasure Island Plaza LLC ISJ Mgt	12,269,800	7.00%
21	1.01	Shresbury Commons LP C/O Sher Prtn	9,332,400	6.00%
29	15	Satellite Selfstorage of Shrewsbury	9,137,000	5.00%
3	11	Shrewsbury Physician Group, LLC	9,031,500	5.00%
31	3	SBC Holdings C/O National Realty	8,500,000	5.00%
3	4	SSS Shrewsbury Avenue, LLC	7,450,000	4.00%
Total Assessed Valuation			<u>\$ 170,570,100</u>	100%

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**PROPERTY TAX LEVIES AND COLLECTIBLES**

**LAST TEN FISCAL YEARS**

<b><u>Fiscal Year Ended June 30,</u></b>	<b><u>Taxes Levied for The Fiscal Year</u></b>	<b><u>Amount</u></b>	<b><u>Percentage of Levy</u></b>	<b><u>Collections in Subsequent Years</u></b>
2006	5,260,529	5,260,529	100%	
2007	5,731,281	5,731,281	100%	
2008	6,052,973	6,052,973	100%	
2009	6,062,973	6,062,973	100%	
2010	6,268,019	6,268,019	100%	
2011	6,268,019	6,268,019	100%	
2012	6,393,227	6,393,227	100%	
2013	6,393,227	6,393,227	100%	
2014	6,553,387	6,553,387	100%	
2015	6,634,309	6,634,309	100%	

Source: Municipal Tax Collector, District records including the Certificate and Report of School Taxes (Form A4F).

Note: School taxes are collected by the Municipal Tax Collector. Under New Jersey State Statute, a municipality is required to remit to the school district the entire property tax balance in the amount voted upon or certified prior to the end of the fiscal year for the school district.

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**RATIOS OF OUTSTANDING DEBT BY TYPE**

J-10

**LAST TEN FISCAL YEARS**

**(Dollars in Thousands, Except Per Capita)**

<b><u>Fiscal Year Ended June 30,</u></b>	<b><u>General Obligation Bonds</u></b>	<b><u>Certificates of Participation</u></b>	<b><u>Capital Leases</u></b>	<b><u>Bond Anticipation Notes (BANs)</u></b>	<b><u>Business-Type Activities Capital Leases</u></b>	<b><u>Total District</u></b>	<b><u>Percentage of Personal Income</u></b>	<b><u>Per Capita</u></b>
2006	582,839					582,839	7.65%	44,591
2007	578,636					578,636	7.81%	45,201
2008	571,884					571,884	8.67%	49,633
2009	578,287					578,287	7.85%	45,379
2010	576,884					576,884	8.41%	48,535
2011	579,536					579,536	8.18%	47,425
2012	576,480					576,480	8.27%	47,698
2013	545,528					545,528	10.70%	58,355
2014	541,937					541,937	9.42%	51,045
2015	538,651					538,651	10.62%	57,219

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING**

J-11

**LAST TEN FISCAL YEARS**

**(Dollars in Thousands, Except Per Capita)**

<b><u>Fiscal Year Ended June 30,</u></b>	<b><u>General Obligation Bonds</u></b>	<b><u>Deductions</u></b>	<b><u>Net General Bonded Debt Outstanding</u></b>	<b><u>Percentage of Actual Taxable Value of Property</u></b>	<b><u>Per Capita</u></b>
2006	582,839		582,839	0.07%	44,591
2007	578,636		578,636	0.08%	45,201
2008	571,884		571,884	0.09%	49,633
2009	578,287		578,287	0.08%	45,379
2010	576,883		576,883	0.08%	48,535
2011	579,536		579,536	0.08%	47,425
2012	576,480		576,480	0.08%	47,698
2013	545,528		545,528	0.11%	58,355
2014	541,937		541,937	0.09%	51,045
2015	538,651		538,651	0.11%	57,219

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**

J-12

**AS OF DECEMBER 31, 2014**

<b><u>Governmental Unit</u></b>	<b><u>Debt Outstanding</u></b>	<b><u>Estimated Percentage Applicable</u></b>	<b><u>Share of Overlapping Debt</u></b>
Debt Repaid with Property Taxes	\$ -		-
Shrewsbury Borough (as of December 31, 2014)		100.00%	\$ 8,061,304
Monmouth County (Shrewsbury Share)		0.90%	4,076,646
Regional School Debt		100.00%	1,042,434
Other Debt			None
Subtotal, Overlapping Debt			<u>13,180,384</u>
Shrewsbury Borough School District Debt (as of December 31, 2014)		100.00%	<u>2,275,000</u>
			<u><u>\$ 15,455,384</u></u>

Sources: Shrewsbury Borough Annual Debt Statement, District Records.

LEGAL DEBT MARGIN INFORMATION

J-13

Debt Limit	<u>2014</u> \$ 41,433,579
Total Net Debt Applicable to Limit	<u>2,275,000</u>
Legal Debt Margin	<u>\$ 39,158,579</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	5.49%

Legal Debt Margin Calculation for Fiscal Year 2014

Equalized Valuation Basis	
2012	\$ 998,073,128
2013	1,047,053,403
2014	<u>1,062,391,862</u>
Average Equalized Valuation of Taxable Property	<u>\$1,035,839,464</u>
Debt Limit (4% of Average)	\$ 41,433,579
Net Bonded School Debt	<u>2,275,000</u>
Legal Debt Margin	<u>\$ 39,158,579</u>

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

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**DEMOGRAPHIC AND ECONOMIC STATISTICS**

Exhibit J-14

**LAST TEN FISCAL YEARS**

<u>Year</u>	<u>Population (a)</u>	<u>Personal Income (Thousands of Dollars) (b)</u>	<u>Per Capita Personal Income ©</u>	<u>Unemployment Rate(d)</u>
2005	3,784	181,904,448	48,072	2.0%
2006	3,717	195,138,783	52,499	1.2%
2007	3,754	209,570,804	55,826	N/A
2008	3,775	216,507,575	57,353	N/A
2009	3,772	206,596,212	54,771	2.4%
2010	3,816	N/A	51,250	2.4%
2011	3,828	N/A	52,675	2.5%
2012	3,909	N/A	47,698	2.6%
2013	4,029	N/A	51,045	2.5%
2014	4,424	N/A	57,219	4.5%

Source:

(a) Population information provided by the NJ Department of Labor and Workforce Development

(b) Personal income - Per Capita Income

© Per Capita for Monmouth County

(d) Unemployment data provided by the NJ Department of Labor and Workforce Development

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**PRINCIPAL EMPLOYERS**

Exhibit J-15

**CURRENT YEAR AND TEN YEARS AGO**

**2015**

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Data Not Available

**2005**

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Data Not Available

**SHREWSBURY BOROUGH SCHOOL DISTRICT**

**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM**

J-16

**LAST SIX FISCAL YEARS**

<b><u>Function/Program</u></b>	<b><u>2015</u></b>	<b><u>2014</u></b>	<b><u>2013</u></b>	<b><u>2012</u></b>	<b><u>2011</u></b>	<b><u>2010</u></b>
Instruction:						
Regular	37.5	38.5	38.5	35.5	39	39
Special Education	7	5	5	5	7	8
Support Services:						
Student & Instruction Related Services	19.6	22	17	16.5	13	13.6
School Administrative Services	1	1	2	2	2	2
General & Business Administrative Services	1	1	1	1	1	1
Plant Operations & Maintenance	7	7	7	7	6	7
Business & Other Support Services	6	6	6.5	6	7	7
Food Service	3	3	3	3	3	3
<b>Total</b>	<b><u>82.1</u></b>	<b><u>83.5</u></b>	<b><u>80.0</u></b>	<b><u>76.0</u></b>	<b><u>78.0</u></b>	<b><u>80.6</u></b>

Source: District Personnel Records

SHREWSBURY BOROUGH SCHOOL DISTRICT

OPERATING STATISTICS

LAST TEN FISCAL YEARS

J-17

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures (a)</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff (b)</u>	<u>Elementary</u>	<u>Middle School</u>	<u>Senior High School</u>	<u>Average Daily Enrollment (ADA) (c)</u>	<u>Average Daily Attendance (ADA) (c)</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2006	512	6,230,315	12,169	6.00%	10.5%	1:18	1:19		512	493	-3.13%	-3.16%
2007	512	6,343,383	12,389	1.80%		1:18	1:19		510	477	-0.40%	-3.16%
2008	512	7,020,804	13,713	10.69%		1:18	1:19		510	487	0.00%	1.03%
2009	508	7,038,257	13,855	1.04%		1:19	1:20		504	497	-1.20%	2.05%
2010	510	7,331,933	14,376	3.76%		1:19	1:20		506	486	0.39%	-2.22%
2011	491	7,016,006	14,289	13.00%	(.6%)	1:19	1:20		487	467	-0.39%	-0.04%
2012	489	7,542,525	15,424	7.94%		1:19	1:20		485	473	-0.41%	1.28%
2013	487	7,726,310	15,865	2.86%		1:19	1:20		478	460	-0.15%	-0.021%
2014	489	7,853,365	16,060	1.23%		1:17	1:18		484	454	1.26%	-1.30%
2015	483	8,061,804	16,691	3.78%		1:17	1:18		476	461	-1.70%	1.50%

SHREWSBURY BOROUGH SCHOOL DISTRICT

SCHEDULE OF REQUIRED MAINTENANCE

LAST TEN FISCAL YEARS

J-19

Undistributed Expenditures - Required Maintenance for School Facilities

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<b>Total School Facilities</b>
Shrewsbury Borough School	<u>81,636</u>	<u>126,527</u>	<u>144,689</u>	<u>109,683</u>	<u>71,593</u>	<u>77,635</u>	<u>78,265</u>	<u>189,401</u>	<u>165,369</u>	<u>149,114</u>	<u>1,193,912</u>

\*School facilities as defined under EFCFA.

Source: District records.

SCHEDULE OF YOUR CURRENT INSURANCE

**PREPARED FOR:**  
**SHREWSBURY BOARD OF EDUCATION**  
**20 OBRE PLACE**  
**SHREWSBURY, NEW JERSEY 07702**

Date Prepared 10/21/2014

Page 2 of 5

COVERAGE	LIMITS	TERMS IN YEARS	EXPIRES	COMPANY	POLICY NUMBER	PREMIUM	COMMENTS
<b>FLOOD DEDUCTIBLES:</b>		1 YEAR	07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	Per member /Per Occurrence
ZONES A & V - PER BUILDING	\$ 500,000						
ZONES A & V - PER CONTENTS	\$ 500,000						
ALL OTHER FLOOD ZONES	\$ 10,000						
<b>ELECTRONIC DATA PROCESSING</b>			07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	
BLANKET HARDWARE/SOFTWARE	\$ 250,000						
BLANKET EXTRA EXPENSE	INCLUDED						
COVERAGE EXTENSIONS: TRANSIT	\$ 25,000						
LOSS OF INCOME	\$ 10,000						
TERRORISM INCLUDED IN PROPERTY							
DEDUCTIBLE PER OCCURRENCE	\$ 1,000						
FLOOD DEDUCTIBLES ZONES A&V							
PER BUILDING - PER CONTENTS	\$ 500,000						
ALL OTHER FLOOD ZONES	\$ 10,000						
<b>BOILER &amp; MACHINERY</b>			07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	
COMBINED SINGLE LIMIT PER ACCIDENT FOR							
PROPERTY DAMAGE & EXTRA EXPENSE	\$ 100,000,000						
SUBLIMITS: PROPERTY DAMAGE	INCLUDED						
OFF PREMISES PROPERTY DAMAGE	\$ 100,000						
BUSINESS INCOME	INCLUDED						
EXTRA EXPENSE	\$ 10,000,000						
SERVICE INTERRUPTION	\$ 10,000,000						
CONTINGENT BUSINESS INCOME	\$ 100,000						
PERISHABLE GOODS	\$ 500,000						
DATA RESTORATION	\$ 100,000						
DEMOLITION	\$ 1,000,000						
ORDINANCE OR LAW	\$ 1,000,000						

IMPORTANT: This is only an outline of the insurance coverage arranged through this office. It does not include all terms, coverages, exclusions, limitations and conditions in the actual contract. You must read the policy for those details.

SCHEDULE OF YOUR CURRENT INSURANCE

PREPARED FOR:  
 SHREWSBURY BOARD OF EDUCATION  
 20 OBRE PLACE  
 SHREWSBURY, NEW JERSEY 07702

Date Prepared 10/21/2014

Page 3 of 5

COVERAGE	LIMITS	TERMS IN YEARS	EXPIRES	COMPANY	POLICY NUMBER	PREMIUM	COMMENTS
EXPEDITING EXPENSES	\$ 500,000	1 YEAR	07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	Per Accident for Property Damage, 12 hours per Accident for Business Interruption/Extra Expense Interruption of Service Waiting Period 24 hours
HAZARDOUS SUBSTANCES	\$ 500,000						
NEWLY ACQUIRED LOCATIONS	\$ 250,000						
TERRORISM INCLUDED IN PROPERTY DEDUCTIBLE PER ACCIDENT FOR PROP DAMAGE	\$ 1,000						
<b>CRIME</b>			07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	
PUBLIC EMPLOYEE DISHONESTY W/FAITHFUL PERFORMANCE	\$ 50,000						
THEFT, DISAPPEARANCE & DESTRUCTION LOSS OF MONEY & SECURITIES	\$ 25,000						
THEFT, DISAPPEARANCE & DESTRUCTION FORGERY OR ALTERATION	\$ 25,000						
MONEY ORDERS & COUNTERFEIT COMPUTER FRAUD	\$ 25,000						
DEDUCTIBLES: PUBLIC OFFICIALS BOND	\$ 500						
TREASURER BOARD SECRETARY	\$ 175,000 \$ 100,000						
<b>COMPREHENSIVE GENERAL LIABILITY</b>			07/01/15				
BODILY INJURY & PROPERTY DAMAGE BODILY INJURY PRODUCTS & COMPLETED OPS.	\$ 16,000,000 \$ 16,000,000						
SEXUAL ABUSE ANNUAL POOL AGGREGATE	\$ 16,000,000 \$ 17,000,000						
PERSONAL INJURY & ADVERTISING Injury EMPLOYEE BENEFITS LIABILITY	\$ 16,000,000 \$ 16,000,000						
EMPLOYEE BENEFITS LIABILITY DEDUCTIBLE PREMISES MEDICAL PAYMENTS EA ACC	\$ 1,000 \$ 10,000						
LIMIT PER PERSON TERRORISM	5,000 \$ 1,000,000						
PER OCCURRENCE/NJSBAIG ANNUAL AGG							
<b>CYBER LIABILITY</b>				NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	INCLUDED IN PKG	
PER INCIDENT/EVENT POLICY AGGREGATE LIMIT OF LIABILITY	\$ 1,000,000 \$ 10,000,000	1 YEAR	7/1/2015				
DEDUCTIBLES	\$ 25,000						

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SCHEDULE OF YOUR CURRENT INSURANCE

**PREPARED FOR:**  
**SHREWSBURY BOARD OF EDUCATION**  
**20 OBRE PLACE**  
**SHREWSBURY, NEW JERSEY 07702**

Date Prepared 10/21/2014

Page 4 of 5

COVERAGE	LIMITS	TERMS IN YEARS	EXPIRES	COMPANY	POLICY NUMBER	PREMIUM	COMMENTS
<b>AUTOMOBILE COVERAGE</b>		1 YEAR	07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	Per Accident Combined Single Limit  Including Pedestrians
SYMBOL 1 ANY AUTO							
COMBINED SINGLE LIMIT FOR BODILY INJURY AND PROPERTY DAMAGE PER ACCIDENT	\$ 16,000,000						
SYMBOL 6 UNINSURED/UNDERINSURED MOTORIST Private Passenger Auto	\$ 1,000,000						
SYMBOL 6 UNINSURED/UNDERINSURED MOTORIST All other vehicles	\$15/\$30/\$5						
SYMBOL 5 PERSONAL INJ. PROTECTION	\$ 250,000						
MEDICAL PAYMENTS Private Passenger Vehicles	\$ 10,000						
All other vehicles	\$ 5,000						
PERSONAL INJURY PROTECTION	\$ 250,000						
TERRORISM NJSBAIG ANNUAL AGGREGATE	\$ 1,000,000						
PHYSICAL DAMAGE- SYMBOL 7 SCHEDULED VEHICLES ONLY			07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	P807AF	Included in Package	
COMPREHENSIVE DEDUCTIBLE	\$ 1,000						
COLLISION DEDUCTIBLE	\$ 1,000						
HIRED CAR PHYSICAL DAMAGE LIMIT	\$ 110,000						
DEDUCTIBLE	\$ 1,000						
GARAGEKEEPERS	INCLUDED						
<b>SCHOOL LEADERS ERRORS &amp; OMISSIONS</b>			07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	E807AF	\$ 11,364.00	
COVERAGE A LIMIT	\$ 16,000,000						
DEDUCTIBLE EACH CLAIM	\$ 15,000						
COVERAGE B LIMIT EACH CLAIM	\$ 100,000						
EACH POLICY PERIOD	\$ 300,000						
DEDUCTIBLE EACH CLAIM	15,000						
Retro Date Coverage A	07/01/86						
Retro Date Coverage B	7/1/1986						
<b>SUPPLEMENTAL INDEMNITY</b>		1 YEAR	07/01/15	CHUBB/FEDERAL INS CO	BTA5002	\$ 1,388	Maximum benefit period 52 weeks Waiting Period 7 days Maximum weekly benefit:\$2,500 available
COVERS FULL SALARY OF EMPLOYEE INJURED AT WORK IN SCOPE OR EMPLOYMENT, LESS WAGE DUE UNDER TITLE 34 NJ WORKERS COMPENSATION ACT							

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SCHEDULE OF YOUR CURRENT INSURANCE

**PREPARED FOR:**  
**SHREWSBURY BOARD OF EDUCATION**  
**20 OBRE PLACE**  
**SHREWSBURY, NEW JERSEY 07702**

Date Prepared 10/21/2014

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COVERAGE	LIMITS	TERMS IN YEARS	EXPIRES	COMPANY	POLICY NUMBER	PREMIUM	COMMENTS
<b>ENVIRONMENTAL IMPAIRMENT LIAB.</b> SITE SPECIFIC CLAIMS MADE & REPORTED FORM BASIS LIMIT OF LIABILITY EACH POLLUTION EVENT AGGREGATE POLICY LIMIT CRISIS MANAGEMENT LIMIT GREEN REMEDIATION AGGREGATE LIMIT GREEN STANDARDS AGGREGATE LIMIT DEDUCTIBLE EACH POLLUTION EVENT		1 YEAR	07/01/15	ZURICH STEDFAST INSURANCE CO	ZRE 5817233 01	INCLUDED IN PKG	
<b>WORKERS COMPENSATION</b> WORKERS COMPENSATION EMPLOYERS LIABILITY	STATUTORY \$ 2,000,000	1 YEAR	07/01/15	NEW JERSEY SCHOOLS INSURANCE GROUP	W807AF	\$ 47,152.00	ERM 0.7979 PROFESSIONAL PAYROLL: \$4,372,288 NONPROFESSIONAL PAYROLL: \$230,811
<b>EXCESS UMBRELLA - NJUEP</b> NEW JERSEY UNSHARED EXCESS PROGRAM	\$ 24,000,000	1 YEAR	7/1/2015	MARKEL/TORUS	XOMW322814 1B236D140ALI	\$ 1,350.00	TOTAL UMBRELLA COVERAGE \$40M XS OF PRIMARY \$16M LIMIT PROVIDED BY NJSIG
<b>SCHOOL VIOLENT ACT COVERAGE</b> EACH SCHOOL VIOLENT ACT RETAINED LIMIT EACH SCHOOL VIOLENT ACT LIMIT POLICY AGGREGATE LIMIT	\$ 25,000 \$250,000 \$ 1,000,000	1 YEAR	7/1/2015	GENERAL STAR INDEMNITY COMPANY	IMA584337B	INCLUDED IN PKG	
<b>STUDENT ACCIDENT</b> ACCIDENT MEDICAL EXPENSE (GOLD PLAN) AD&D \$10,000 AGGREGATE \$500,000 CATASTROPHIC CASH BENEFIT EXCESS MEDICAL	\$ 1,000,000 \$ 1,000,000	1 YEAR 1 YEAR	7/1/2015 7/1/2015	BERKLEY LIFE & HEALTH INSURANCE COMPANY UNITED STATES FIRE INSURANCE COMPANY	PAI L00490340 004 AH-GA26932-002	\$ 10,950.00 \$ 535.00	FULL EXCESS 3 YR BENEFIT PERIOD \$0 DEDUCTIBLE

IMPORTANT: This is only an outline of the insurance coverage arranged through this office. It does not include all terms, coverages, exclusions, limitations and conditions in the actual contract. You must read the policy for those details.

**SINGLE AUDIT SECTION**

# Robert A. Hulsart and Company

CERTIFIED PUBLIC ACCOUNTANTS

104.

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
ROBERT A. HULSART, JR., C.P.A., P.S.A.

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RICHARD J. HELLENBRECHT, JR., C.P.A., P.S.A.

**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  
Shrewsbury School District  
County of Monmouth  
Shrewsbury, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Shrewsbury Board of Education, County of Monmouth, State of New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the Shrewsbury Board of Education, County of Monmouth, State of New Jersey's basic financial statements, and have issued our report thereon dated November 30, 2015.

## **Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Shrewsbury Board of Education, County of Monmouth, State of New Jersey'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 of the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Shrewsbury Board of Education, County of Monmouth, State of New Jersey's internal control. Accordingly, we do not express an opinion on the effectiveness of the Shrewsbury Board of Education, County of Monmouth, State of New Jersey'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Shrewsbury Board of Education, County of Monmouth, State of New Jersey's financial statements are free from material misstatement, we performed tests of it 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*.

### **Purpose of this Report**

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

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

**Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey**

November 30, 2015

# Robert A. Hulsart and Company

106.

CERTIFIED PUBLIC ACCOUNTANTS

ARMOUR S. HULSART, C.P.A., R.M.A., P.S.A. (1959-1992)  
ROBERT A. HULSART, C.P.A., R.M.A., P.S.A.  
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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED  
BY OMB CIRCULAR A-133**

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

## **Report on Compliance for Each Major State Program**

We have audited the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's major state programs for the year ended June 30, 2015. The Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's major 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 programs.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and prescribed by the Office of School Finance, Department of Education, State of New Jersey; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*; and New Jersey OMB's Circular 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid*. Those standards and OMB Circular A-133 and New Jersey OMB's Circular 04-04, 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 state program occurred. An audit includes examining, on a test basis, evidence about the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey'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 state program. However, our audit does not provide a legal determination of the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's compliance.

### *Opinion on Each Major State Program*

In our opinion, the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's, 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 state programs for the year ended June 30, 2015.

### **Report on Internal Control Over Compliance**

Management of the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey's internal control over compliance with the types of requirements that could have a direct and material effect on each major 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 state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Board of Education of the Shrewsbury School District, County of Monmouth, State of New Jersey'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 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 a material noncompliance with a type of compliance requirement of a 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 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 was for the limited purposes 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 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,

**ROBERT A. HULSART AND COMPANY**

*Robert A. Hulsart*

Licensed Public School Accountant  
No. 322  
Robert A. Hulsart and Company  
Wall Township, New Jersey

November 30, 2015

**SHREWSBURY SCHOOL DISTRICT**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Schedule A  
K-3

Department of Education Project/Title	Federal C.F.D.A. Number	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Year Balances	Balance at June 30, 2015		
				From	To						(Accounts Receivable)	Deferred Revenue	Due to Grantor
Special Revenue Fund:													
Title IIA	84.367A	N/A	6,943	9/1/2014	8/31/2015	\$ -		6,943	(6,943)				
IDEA Basic	84.027	N/A	118,810	9/1/2014	8/31/2015			118,810	(118,810)				
IDEA Basic	84.027	N/A	113,648	9/1/2013	8/31/2014	(62,234)		62,234					
IDEA Preschool	84.173	N/A	5,343	9/1/2014	8/31/2015			5,343	(5,343)				
IDEA Preschool	84.173	N/A	5,339	9/1/2013	8/31/2014	(5,339)		5,339					
Total Special Revenue Fund						<u>(67,573)</u>	<u>-</u>	<u>198,669</u>	<u>(131,096)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Federal Financial Assistance						<u>\$ (67,573)</u>	<u>-</u>	<u>198,669</u>	<u>(131,096)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

See accompanying notes to Schedules of Expenditures of Federal Awards and State Financial Assistance.

**SHREWSBURY SCHOOL DISTRICT**

**SCHEDULE OF STATE FINANCIAL ASSISTANCE**

Schedule B  
K-4

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

State Grantor/Program State Department of Education	Grant or State Project Number	Program or Award Amount	Grant Period		Balance June 30, 2014	Carryover (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Year Balances	Balance at June 30, 2015			MEMO	
			From	To						(Accounts Receivable)	Deferred Revenue	Due to Grantor	Budgetary Receivable	Total Cumulative Expenditures
General Fund:														
Special Education Aid	15-495-034-5120-089	211,500	7/1/2014	6/30/2015	\$ -		211,500	(211,500)						211,500
Transportation Aid	15-495-034-5120-014	4,977	7/1/2014	6/30/2015			4,977	(4,977)						4,977
Security Aid	15-495-034-5120-084	6,870	7/1/2014	6/30/2015			6,870	(6,870)						6,870
Adjustment Aid	15-495-034-5120-085	2,810	7/1/2014	6/30/2015			2,810	(2,810)						2,810
PARCC Readiness Aid	15-495-034-5120-098	4,620	7/1/2014	6/30/2015			4,620	(4,620)						4,620
Per Pupil Growth Aid	15-495-034-5120-097	4,620	7/1/2014	6/30/2015			4,620	(4,620)						4,620
Extraordinary Aid	14-495-034-5120-044	14,834	7/1/2013	6/30/2014	(14,834)		14,834							
Extraordinary Aid	15-495-034-5120-044	14,140	7/1/2014	6/30/2015				(14,140)		(14,140)				14,140
Non-Public Transportation	15-495-034-5120-014	3,334	7/1/2014	6/30/2015				(3,334)		(3,334)				3,334
Non-Public Transportation	14-495-034-5120-014	2,795	7/1/2013	6/30/2014	(2,795)		2,795							
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	245,893	7/1/2013	6/30/2014	(12,128)		12,128							
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	261,404	7/1/2014	6/30/2015			248,531	(261,404)		(12,873)				261,404
<b>Total General Fund</b>					<b>(29,757)</b>	<b>-</b>	<b>513,685</b>	<b>(514,275)</b>	<b>-</b>	<b>(30,347)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>514,275</b>
Special Revenue Fund:														
Non-Public Textbooks	14-100-034-5120-064	2,633	7/1/2013	6/30/2014	522				522					
Non-Public Textbooks	15-100-034-5120-064	2,681	7/1/2014	6/30/2015			2,681	(773)			1,908			773
Non-Public Nursing	14-100-034-5120-070	3,705	7/1/2013	6/30/2014	1,174				1,174					
Non-Public Nursing	15-100-034-5120-070	4,269	7/1/2014	6/30/2015			4,269	(3,343)				926		3,343
Non-Public Technology	15-100-034-5120-373	1,440	7/1/2014	6/30/2015			1,440	(1,436)				4		1,436
Non-Public Technology	14-100-034-5120-373	960	7/1/2013	6/30/2014	106				106					
Exam and Classification Initial	15-100-034-5120-066	2,520	7/1/2014	6/30/2015			2,520	(2,520)						2,520
Exam and Classification Initial	14-100-034-5120-066	2,228	7/1/2013	6/30/2014	1,114				1,114					
Exam and Classification Annual	15-100-034-5120-066	361	7/1/2014	6/30/2015			361					361		
Supplemental Instruction	15-100-034-5120-066	785	7/1/2014	6/30/2015			785					785		
Corrective Speech	15-100-034-5120-066	4,418	7/1/2014	6/30/2015			4,418	(4,418)						4,418
Corrective Speech	14-100-034-5120-066	2,344	7/1/2013	6/30/2014	781				781					
<b>Total Special Revenue Fund</b>					<b>3,697</b>	<b>-</b>	<b>16,474</b>	<b>(12,490)</b>	<b>3,697</b>	<b>-</b>	<b>-</b>	<b>3,984</b>	<b>-</b>	<b>12,490</b>
Capital Projects Fund:														
Renovations and Additions	N/A	2,171,600	7/1/2001	6/30/2002	(371,084)					(371,084)				
Generator Grant FEC EDA	4770-050-09-1001	67,360	7/1/2009	6/30/2010	(57,186)					(57,186)				
<b>Total Capital Projects Fund</b>					<b>(428,270)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(428,270)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total State Financial Assistance</b>					<b>\$ (454,330)</b>	<b>-</b>	<b>530,159</b>	<b>(526,765)</b>	<b>3,697</b>	<b>(458,617)</b>	<b>-</b>	<b>3,984</b>	<b>-</b>	<b>526,765</b>

See accompanying Notes to Schedules of Federal Awards and State Financial Assistance.

**BOARD OF EDUCATION**

K-5

**SHREWSBURY SCHOOL DISTRICT****NOTES TO SCHEDULES OF AWARDS OF FINANCIAL ASSISTANCE****JUNE 30, 2015****NOTE 1: General**

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

**NOTE 2: Basis of Accounting**

The accompanying schedules of financial assistance are presented 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. Programs recorded in the food service fund include the National School Lunch Program, the School Breakfast Program, and the U.S.D.A Commodities Program. These bases of accounting are described in the Note 1(C) to the Board's general-purpose financial statements.

**NOTE 3: Relationship to General Purpose Financial Statements**

The general-purpose 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.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to P.L. 2003, c.97.(A3521). For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment 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.

Awards and financial assistance revenues are reported in the Board's general purpose financial statements on a GAAP basis as presented below:

NOTE 3: Relationship to General Purpose Financial Statements (Continued)

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b><u>State Assistance</u></b>			
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of State Financial Assistance	\$ 514,275	12,490	526,765
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures and the Related Revenue is Recognized			
On Behalf Payments Recognized for GAAP Statements but Not Included in the Schedule of Expenditures of State Financial Assistance	491,466		491,466
The Last State Aid Payment Is Recognized as Revenue for Budgetary Purposes, and Differs from GAAP Which does not Recognize This Revenue Until the Subsequent Year When the State Recognizes the Related Expense (GASB 33)	_____(924)	_____	_____(924)
Total State Revenue as Reported on the Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 1,004,817</u>	<u>12,490</u>	<u>1,017,307</u>

**NOTE 3: Relationship to General Purpose Financial Statements (Continued)**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Total</u>
<b><u>Federal Assistance</u></b>			
Actual Amounts (Budgetary) “Revenues” from the Schedule of Expenditures of Federal Awards	\$	131,096	131,096
Difference – Budget to “GAAP” Grant Accounting Budgetary Basis Differs from GAAP in that Encumbrances are Recognized as Expenditures, and the Related Revenue is Recognized	_____	_____	_____
Total Federal Revenue as Reported on the Statement of Revenue, Expenditures and Changes in Fund Balances	<u>\$</u>	<u>131,096</u>	<u>131,096</u>

**NOTE 4: Relationship to Federal and State Financial Reports**

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

**NOTE 5: Other**

The amount reported as TPAF Pension Contributions represents the amount paid by the state of behalf of the District for the year ended June 30, 2015. 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, 2015.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part 1 - Summary of Auditor's Results*

Financial Statement Section

Unmodified

Type of auditor's report issued:

Internal control over financial reporting:

1) Material weakness(es) identified?

\_\_\_\_\_ Yes      x   No

2) Reportable conditions(s) identified that are not considered to be material weaknesses?

\_\_\_\_\_ Yes      x   None Reported

Noncompliance material to general purpose financial statements noted?

\_\_\_\_\_ Yes      x   No

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part 1 - Summary of Auditor's Results (Continued)*

State Awards

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee?  x  Yes   No

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

Internal Control over major programs:

(1) Material Weakness(es) identified?   Yes  x  No

(2) Reportable condition(s) identified that are not considered to material weaknesses?   Yes  x  None Reported

Any audit findings disclosed that are required to be reported in accordance with N.J. OMB's Circular 04-04?   Yes  x  No

Identification of major programs:

GMIS Number(s)

Name of State Program

15-495-034-5120-089

Special Education Aid (Public Cluster)

15-495-034-5120-084

Security Aid (Public Cluster)

15-495-034-5120-085

Adjustment Aid (Public Cluster)

15-495-034-5095-002

Reimbursed TPAF Social Security

15-495-034-5120-098

PARCC Readiness Aid (Public Cluster)

15-495-034-5120-097

Per Pupil Growth Aid (Public Cluster)

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part 2 - Financial Statement Findings*

This section identifies the reportable conditions, material weaknesses, and instances of noncompliance related to the general purpose financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

Finding: None

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's Response: N/A

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

K-6

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs*

This section identifies audit findings required to be reported by section .510(a) of Circular A-133 and NJOMB Circular Letter 04-04.

**FEDERAL AWARDS**

Finding: NONE

Information on the Federal Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

Cause: N/A

Recommendation: N/A

Management's response: N/A

**STATE AWARDS**

Finding: NONE

Information on the State Program: N/A

Criteria or specific requirement: N/A

Condition: N/A

Questioned Costs: N/A

Context: N/A

Effect: N/A

**SHREWSBURY SCHOOL DISTRICT**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**K-6**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Part 3 - Federal Awards and State Financial Assistance Findings and Questioned Costs (Continued)*

**STATE AWARDS (Continued)**

Cause: N/A

Recommendation: N/A

Management's response: N/A

SHREWSBURY SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

K-7

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Prior Audit Findings:

None