# SCHOOL DISTRICT
# OF

# Township of Ridgewood

## Township of Ridgewood Board of Education
## Ridgewood, New Jersey

**Comprehensive Annual Financial Report**
**For the Fiscal Year Ended June 30, 2013**

# Comprehensive Annual

# Financial Report

# of the

# Township of Ridgewood Board of Education

## Ridgewood, New Jersey

## For the Fiscal Year Ended June 30, 2013

## Prepared by

## Township of Ridgewood Board of Education
## Business Office

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# INTRODUCTORY SECTION

**Ridgewood Public Schools**
**Education Center**
49 Cottage Place
Ridgewood, NJ 07451
(P) 201-670-2700
(F) 201-670-2668

**BOARD MEMBERS**
Sheila Brogan, President
B. Vincent Loncto, Vice President
Christina Krauss
Michele Lenhard
James Morgan

**ADMINISTRATION**
Dr. Daniel Fishbein,
Superintendent
Cheryl Best,
Asst. Superintendent
Michael Falkowski,
Business Administrator/
Board Secretary

November 21, 2013

Honorable President and Members
of the Board of Education
Township of Ridgewood School District
County of Bergen
Ridgewood, NJ

Dear Board Members:

The Comprehensive Annual Financial Report (CAFR) of the Township of Ridgewood School District (the District) for the fiscal year ended June 30, 2013 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 (the Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects. It is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included

The Comprehensive Annual Financial Report is presented in four sections as follows:

- The Introductory Section contains a Table of Contents, Letter of Transmittal, Organizational Chart, a List of Principal Officials of the District, and a List of Consultants and Advisors to the District.

- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements including the district-wide financial statements presented in accordance with the provisions of the *Governmental Accounting Standards Board (GASB) Statement No. 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments.* The basic financial statements also include individual fund financial statements, Notes to the Basic Financial Statements and Required Supplementary Information (RSI).

- The Statistical Section includes selected financial trends, revenue capacity, debt capacity, demographic and economic information, and operating information of the District, generally presented on a multi-year basis.

- The Single Audit Section – The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984, as amended, the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Information related to this single audit, including the independent auditor's report on the internal control and compliance with applicable laws, regulations, contracts and grants, along with findings and questioned costs, if any, is included in the single audit section of this report.

## Reporting Entity and Its Services

The Township of Ridgewood School District is an independent reporting entity within the criteria adopted by the Governmental Accounting Standards Board (GASB) as established by GASB No. 14. All funds of the District are included in this report. The Township of Ridgewood Board of Education and all its schools constitute the District's reporting entity. The District consists of one high school, two middle schools, seven elementary schools, and an administration building.

The District provides education to approximately 5,800 students in grades kindergarten through twelve as well as a pre-k disabled program.

An elected five-member Board of Education (the "Board") serves as the policy maker for the District. The Board adopts an annual budget and directly approves all expenditures, which serve as the basis for control over, and authorization for, all expenditures of the District's tax money.

The Superintendent is the chief executive officer of the District, responsible to the Board for total educational and support operations. The Business Administrator/Board Secretary is the chief financial officer of the District, responsible to the Board for maintaining all financial records, making payments of liabilities incurred by the District, acting as custodian of all District funds, and investing funds as permitted by New Jersey law.

## Economic Conditions and Outlook

The District completed the 2012-2013 fiscal year with an average daily enrollment of 5,751 students, which is 51.1 students higher than the previous year's average daily enrollment. The following details the changes in the student average daily enrollment of the District over the last five years.

**Average Daily Enrollment**

| Fiscal Year | Student Enrollment | Percent Change |
|---|---|---|
| 2012-13 | 5,751.0 | 0.90% |
| 2011-12 | 5,699.9 | -0.19% |
| 2010-11 | 5,710.6 | 0.03% |
| 2009-10 | 5,708.7 | 1.14% |
| 2008-09 | 5,644.1 | 0.59% |

The forecast for student enrollment is for continued growth at a rate of about 1.0%. The District's actual enrollment on September 30, 2013 was 5,724, a decrease of 27 students from June 2013.

The District's primary funding source is property tax revenue. As a result, the District, along with many other public school systems in the State, faces some difficult economic situations in the future. The proposed budget for fiscal year 2013-14 passed. General fund expenditures increased by 0.68%. The local tax levy increased by 2.0%. The District's administration is closely monitoring the cost of operations and continues to look for innovative ways to contain costs in addition to new funding sources in order to maintain the quality educational services that the District has been accustomed to providing. The District remains accountable to the residents and taxpayers and attributes much of its past education success to the community's demand for, and support of a quality school system.

## Educational Program

The mission statement for the Ridgewood Public Schools is as follows:

***The Ridgewood Public Schools, committed to a tradition of excellence and innovation, in partnership with the community, provide a rich and challenging learning environment, enabling students to maximize their unique potentials to become life-long learners and productive, responsible citizens.***

The Ridgewood Public School system is composed of seven elementary schools (Pre-K-5), two middle schools (6-8), and one high school (9-12), serving approximately 5,800 students. All public schools are accredited by the New Jersey Department of Education, and the high school is accredited by the Middle States Association of Colleges and Secondary Schools.

To maintain and advance instructional excellence, the District promotes comprehensive programs of staff and curriculum development. Our staff development and curriculum improvement efforts have focused on balanced literacy, mathematics, science and technology in alignment with the NJ Common Core State Standards and NJ Core Curriculum Content Standards.

Ridgewood High School is a comprehensive high school, grades 9-12, which attempts to meet the needs of all students. It is also an institution with a long-standing tradition of providing a sound and challenging academic program for college-bound students. The present school population is 1,701. The high school is the largest in Bergen County. It is accredited by the Middle States Association of Colleges and Secondary Schools and the New Jersey Department of Education. The class of 2013 included 415 students.

**Post-Secondary Plans: Class of 2013**

| CLASS OF 2013 | |
|---|---|
| 4-Year Colleges | 86.6% |
| 2-Year Colleges | 5.7% |
| Post Graduate | 1.7% |
| Military | 0.2% |
| Employed | 1.5% |
| Travel/volunteer/undecided | 4.3% |

The Class of 2013 received acceptances from the following colleges, universities, and military academies:

| | | |
|---|---|---|
| American University (3) | James Madison University | Stevens Institute of Technology (2) |
| Amherst College | John Carroll University | Stonehill College |
| Auburn University | John Jay College of Criminal Justice of the CUNY) | Stony Brook University |
| Bard College (2) | Johns Hopkins University | Susquehanna University (3) |
| Barnard College | Johnson & Wales University | Syracuse University |
| Bates College (2) | Kean University | The Catholic University of America |
| Bergen Community College (23) | Lafayette College (3) | The College of New Jersey(10) |

| | | |
|---|---|---|
| Berklee College of Music | Lehigh University (4) | The Evergreen State College |
| Binghamton University (4) | Lesley University | The George Washington University (7) |
| Boston College (3) | LIM College (2) | The Ohio State University |
| Boston Conservatory | Lincoln Technical Institute | The University of Alabama (2) |
| Boston University (2) | Loyola University Maryland (4) | The University of Arizona |
| Bowdoin College | Manhattan School of Music | The University of Scranton (3) |
| Brandeis University | Marist College (6) | The University of the Arts |
| Brown University | Maryland Institute College of Art | Towson University (3) |
| Bryn Mawr College | Marymount Manhattan College | Trinity College (3) |
| Bucknell University (5) | McGill University | Tufts University (3) |
| CA College of the Arts (San Fran) | Merrimack College | Tulane University (5) |
| CA Polytechnic State Univ. San Luis Obispo | Michigan State University | Tyler Junior College |
| Chapman University | Middlebury College | Union College (2) |
| Clark University | Monmouth University | United States Naval Academy |
| Coastal Carolina University | Montclair State University (5) | University of California at Berkeley |
| Colby College (3) | New York University (8) | University of California at Los Angeles (2) |
| Colgate University (2) | Northeastern University (2) | University of Central Florida |
| College of Charleston (2) | Northwestern University (2) | University of Chicago |
| College of the Holy Cross | Oberlin College | University of Cincinnati |
| Colorado College | Occidental College | University of Colorado at Boulder |
| Columbia University (2) | Pace University, Pleasantville Campus | University of Connecticut (2) |
| Connecticut College | Pennsylvania State University, University Park (3) | University of Dayton |
| Cornell University (4) | Polytechnic Institute of NYU | University of Delaware (7) |
| Dean College | Pratt University | University of Illinois at Urbana-Champaign (2) |
| Delaware Valley College | Providence College (2) | University of Kansas |
| Dickinson College (3) | Quinnipiac University (3) | University of Kentucky |
| Drew University | Ramapo College of NJ (8) | University of Limerick |
| Drexel University (2) | Rensselear Polytechnic University | University of Maryland at College Park (3) |
| Duke University (2) | Rhodes College | University of Massachusetts, Amherst (2) |
| Elon University (4) | Richard Stockton College of NJ | University of Michigan (5) |
| Emerson College (2) | Roanoke College | University of Mississippi |
| Emory University | Rochester Institute of Technology | University of Notre Dame (2) |
| Endicott College | Roger Williams University | University of Pennsylvania (3) |
| Fairfield University (3) | Rollins College | University of Pittsburgh (4) |
| Fairleigh Dickinson University (3) | Rutgers, The State University of NJ at New Brunswick (22) | University of Redlands |
| Florida International University | Rutgers, The State University of NJ at Newark | University of Rhode Island (3) |
| Fordham University (5) | Sacred Heart University (2) | University of Richmond (3) |
| Georgetown University | Saint Anselm College | University of Rochester |
| Georgia Southern University | Saint Joseph's University (3) | University of South Carolina |
| Gettysburg College (5) | Salve Regina University | University of Utah |
| Hamilton College | Savannah College of Art & Design | University of Vermont (4) |
| Hampshire College | School of Visual Arts (3) | University of Washington |
| Hartwick College (2) | Seton Hall University (3) | Urinus College (2) |
| Haverford College | Sienna College | Vassar College (2) |
| High Point University (2) | Skidmore College | Villanova University (3) |
| Hobart and William Smith Colleges | Southern Methodist University | Wake Forest University |
| Hofstra University | St. John's University, Queens Campus (2) | Washington & Lee University |
| Indiana University – Bloomington | St. Thomas Aquinas College | West Chester University of Pennsylvania |
| Iona College | Stanford University | William Paterson University of NJ (5) |
| Ithaca College (3) | State University of NY at New Paltz | York College of Pennsylvania (2) |

**Major Initiatives**

### In District Special Education Classes

The District offers specialized classes for certain special students. Learning disability classes are offered at Ridgewood High School, George Washington, Benjamin Franklin, Travell, Somerville and Willard. Autistic classes (RISe Program) are offered at George Washington Middle School, Ridge School, and Glen School. Additionally, at Glen School, there are classes for preschool students with disabilities. These classes provide Ridgewood students with the opportunity to remain in the Ridgewood School System rather than be sent to expensive out of district specialized schools for the disabled. In district programs, provide these special students with the opportunity to be included in the regular education classes in their buildings when it is appropriate.

## Financial Information

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

As a recipient of federal awards and state financial assistance, the District also is responsible for ensuring that adequate internal controls are in place to ensure compliance with applicable laws, regulations, contracts and grants related to those programs. Internal control is also subject to periodic evaluation by the District's management.

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

**Budgetary Controls:** In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, special revenue fund and debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriations of fund balance in the subsequent year. Those amounts to be reappropriated are reported as committed or assigned fund balance at June 30, 2013.

**Cash Management:** The investment policy of the District is guided in large part by state statute as detailed in "Notes to Basic Financial Statements", Notes 1 and 2. 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 Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

**Risk Management:** The District carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds. A schedule of insurance coverage is found in Exhibit J-20.

**Independent Audit** - State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Smolin, Lupin & Co., P.A. was selected by the Board. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the Single Audit Act, the related OMB Circular A-133, and New Jersey OMB Circular Letter 04-04. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

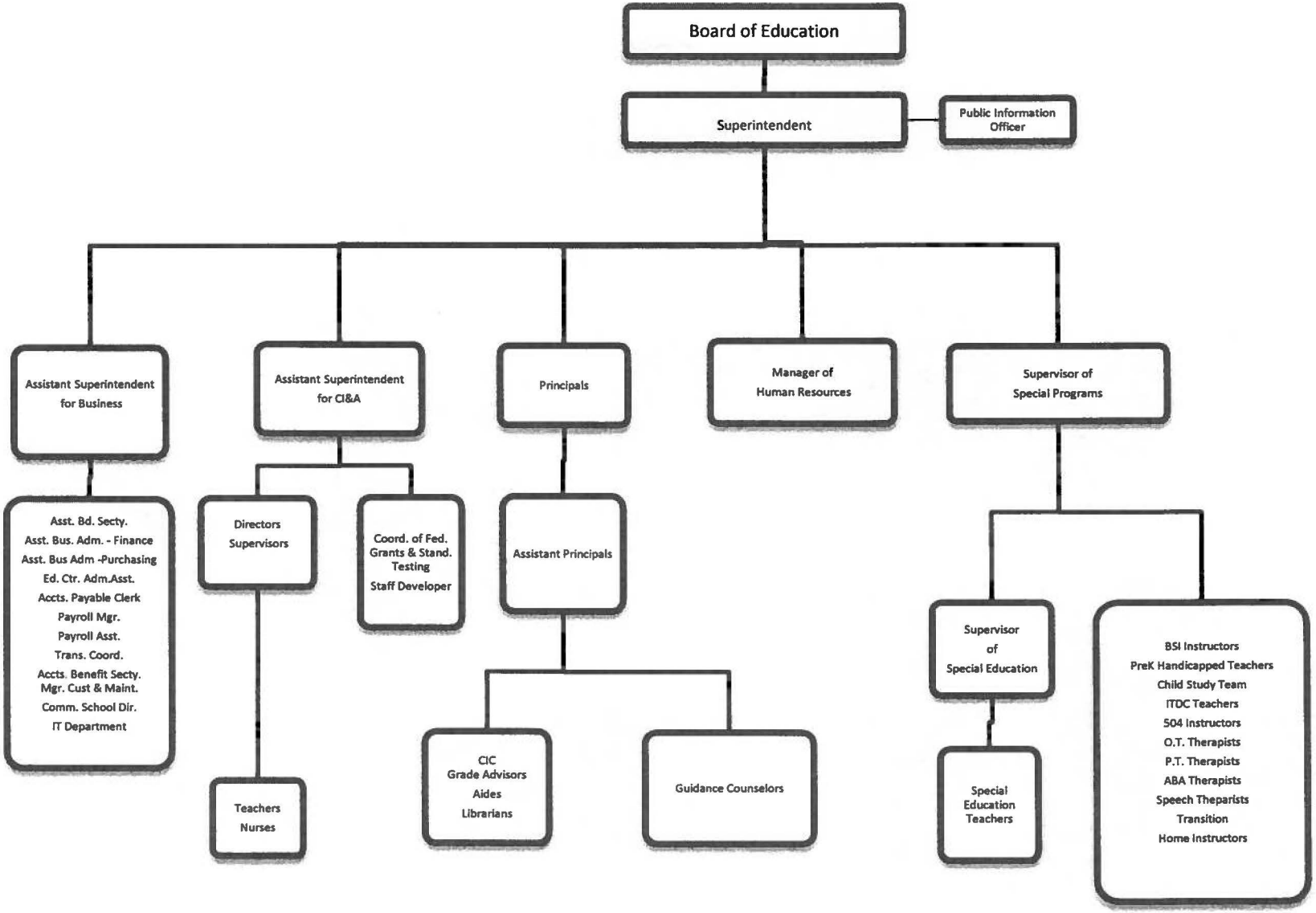
## Acknowledgements

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

Respectfully submitted,

Daniel Fishbein, Ed. D
Superintendent of Schools

Michael Falkowski
Business Administrator/Board Secretary


Board of Education
Superintendent
Public Information Officer
Assistant Superintendent for Business
Asst. Bd. Secty.
Asst. Bus. Adm. - Finance
Asst. Bus Adm -Purchasing
Ed. Ctr. Adm.Asst.
Accts. Payable Clerk
Payroll Mgr.
Payroll Asst.
Trans. Coord.
Accts. Benefit Secty.
Mgr. Cust & Maint.
Comm. School Dir.
IT Department
Assistant Superintendent for CI&A
Directors
Supervisors
Teachers
Nurses
Coord. of Fed. Grants & Stand. Testing
Staff Developer
Principals
Assistant Principals
CIC
Grade Advisors
Aides
Librarians
Guidance Counselors
Manager of Human Resources
Supervisor of Special Programs
Supervisor of Special Education
Special Education Teachers
BSI Instructors
PreK Handicapped Teachers
Child Study Team
ITDC Teachers
504 Instructors
O.T. Therapists
P.T. Therapists
ABA Therapists
Speech Theparists
Transition
Home Instructors

**TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT**
**RIDGEWOOD, NEW JERSEY**

ROSTER OF OFFICIALS
JUNE 30, 2013

| **Members of the Board of Education** | **Term Expires** |
|---|---|
| Sheila Mary Brogan, President | 2014 |
| B. Vincent Loncto, Vice President | 2015 |
| Christina Krauss | 2014 |
| Michele Lenhard | 2016 |
| James Morgan | 2016 |

**Other Officials**

Daniel Fishbein, Ed. D., Superintendent of Schools

Angelo DeSimone, Assistant Superintendent for Business/Board Secretary through June 30, 2013
Michael Falkowski, Business Administrator/Board Secretary effective July 1, 2013

Stephen P. Sanzari, Treasurer

Lindabury, McCormick, Estabrook & Cooper, P.C., Legal Counsel

**TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT**
**Consultants and Advisors**

**Audit Firm**

Smolin, Lupin & Co., P.A.
165 Passaic Avenue
Fairfield, New Jersey 07004

**Attorney**

Lindabury, McCormick, Estabrook & Cooper, P.C.
53 Cardinal Drive
P.O. Box 2369
Westfield, New Jersey 07091-2369

**Official Depositories**

Columbia Bank
19-01 Route 208 North
Fair Lawn, New Jersey 07410

TD North Bank
1100 Lake Street
Ramsey, New Jersey 07446

# FINANCIAL SECTION

Smolin Lupin
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

## Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Township of Ridgewood School District
County of Bergen
Ridgewood, 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 Township of Ridgewood School District (the School District), in the County of Bergen, State of New Jersey, as of and for the fiscal year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the School District's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

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

### Auditor's Responsibility

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



Smolin, Lupin & Co., PA 165 Passaic Avenue, Suite 411, Fairfield, NJ 07004 • 973-439-7200 • fax: 973-439-0720
Smolin, Lupin & Co., LLC 331 Newman Springs Road, Suite 145, Red Bank, NJ 07701 • 732-933-9300 • fax: 732-933-0888
Smolin, Lupin & Co., LLC 14155 U.S. Highway One, Suite 200, Juno Beach, FL 33408 • 561-747-1040 • fax: 561-747-9980
www.smolin.com • cpa@smolin.com

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 Township of Ridgewood School District, in the County of Bergen, State of New Jersey, as of June 30, 2013, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

**Other Matters**

*Required Supplementary Information*

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

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Ridgewood School District's basic financial statements. The introductory section, combining and individual fund financial statements, financial schedules, statistical section, schedule of expenditures of federal awards as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and schedule of expenditures of state financial assistance as required by New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid,* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements, schedule of expenditures of federal awards and schedule of expenditures of state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements.

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated November 29, 2013 on our consideration of the Township of Ridgewood School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Ridgewood School District's internal control over financial reporting and compliance.

Smolin, Lupin & Co., P.A.

SMOLIN, LUPIN & CO., P.A.
Certified Public Accountants

Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
November 29, 2013

# REQUIRED SUPPLEMENTARY INFORMATION - PART I

The discussion and analysis of the Township of Ridgewood School District's (the District) financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2013. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

## Financial Highlights

Key financial highlights for 2013 are as follows:

- In total, net position increased $3,248,218, which represents a 6.72 percent increase from 2012.
- General revenues accounted for $92,341,142 of revenue or 84.92 percent of all revenues. Program specific revenues in the form of charges for services and operating grants and contributions accounted for $16,402,922 or 15.08 percent of total revenues of $108,744,064.
- Total assets of governmental activities increased by $1,105,221 as cash decreased by $2,816,983 receivables increased by $1,273,308, and capital assets increased by $2,648,896.
- The District had $105,495,846 in expenses; only $16,402,922 of these expenses was offset by program specific charges for services, operating grants or contributions. General revenues (primarily taxes) of $92,341,142 were adequate to provide for these programs.
- Among governmental funds, the general fund had $100,318,162 in revenues and $99,007,699 in expenditures. The general fund balance increased by $2,036,718.

## Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the Township of Ridgewood 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 District, presenting both an aggregate view of the 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. The fund financial statements also look at all the District's funds. In the case of the Township of Ridgewood School District, the general fund is by far the most significant fund.

**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 District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2013?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets, liabilities, and deferred outflows and inflows using the accrual basis of accounting similar to the accounting used by most private-sector businesses. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's net position and changes in net position. This change in net position is important because it tells the reader that, for the District as a whole, the financial position of the 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 District's property tax base, current laws in New Jersey restricting revenue growth, facility condition, required educational programs and other factors.

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

Governmental Activities - All of the District's programs and services are reported here, including instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities.

Business-Type Activities - These services are provided on a charge for goods or services basis to recover all the expenses of the goods or services provided. The Food Services and the Infant/Toddler Development Program enterprise funds are reported as business activities.

**Reporting the School District's Most Significant Funds**

**Fund Financial Statements**

Fund financial statements provide detailed information about the District's funds. The District uses many funds to account for a multitude of financial transactions. The District's governmental funds are the general fund, special revenue fund, capital projects fund, and debt service fund.

## Governmental Funds

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

## Enterprise Funds

The enterprise funds use the same basis of accounting as business-type activities; therefore, these statements are essentially the same.

## The School District as a Whole

The Statement of Net Position provides the perspective of the School District as a whole. Table 1 provides a summary of the District's net position at June 30.

**TABLE 1**
**NET POSITION**

| | Governmental Activities | | Business-type Activities | | Total | | | |
|---|---|---|---|---|---|---|---|---|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 | Amount Change | % Change |
| **Assets:** | | | | | | | | |
| Current and Other Assets | $ 10,098,542 | $ 11,642,217 | $ 119,948 | $ 71,766 | $ 10,218,490 | $ 11,713,983 | $ (1,495,493) | -12.77% |
| Capital Assets | 96,367,471 | 93,718,575 | 200,056 | 200,277 | 96,567,527 | 93,918,852 | 2,648,675 | 2.82% |
| **Total Assets** | 106,466,013 | 105,360,792 | 320,004 | 272,043 | 106,786,017 | 105,632,835 | 1,153,182 | 1.09% |
| **Deferred Outflows:** | | | | | | | | |
| Deferred bond issuance costs | 137,249 | 151,240 | | | 137,249 | 151,240 | (13,991) | -9.25% |
| **Liabilities:** | | | | | | | | |
| Long-term Liabilities | 51,695,282 | 53,550,584 | | | 51,695,282 | 53,550,584 | (1,855,302) | -3.46% |
| Other Liabilities | 3,236,000 | 3,785,977 | 382,151 | 82,794 | 3,618,151 | 3,868,771 | (250,620) | |
| **Total Liabilities** | 54,931,282 | 57,336,561 | 382,151 | 82,794 | 55,313,433 | 57,419,355 | (2,105,922) | -3.67% |
| **Deferred Inflows:** | | | | | | | | |
| Deferred commodities revenue | | | 599 | 3,704 | 599 | 3,704 | (3,105) | -83.83% |
| **Net Position:** | | | | | | | | |
| Invested in Capital Assets, Net of Debt | 46,132,466 | 41,756,338 | 200,056 | 200,277 | 46,332,522 | 41,956,615 | 4,375,907 | 10.43% |
| Restricted | 5,262,133 | 7,834,188 | | | 5,262,133 | 7,834,188 | (2,572,055) | -32.83% |
| Unrestricted | 277,381 | (1,415,055) | (262,802) | (14,732) | 14,579 | (1,429,787) | 1,444,366 | -101.02% |
| **Total Net Position** | $ 51,671,980 | $ 48,175,471 | $ (62,746) | $ 185,545 | $ 51,609,234 | $ 48,361,016 | $ 3,248,218 | 6.72% |

The District's 2013 combined net position was $51,609,234. This was an increase of 6.72 percent from 2012.

Table 2 shows changes in net position for fiscal years 2013 and 2012.

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

| | 2013 | 2012 | Amount Change | % Change |
|---|---|---|---|---|
| **Revenues:** | | | | |
| Program Revenues: | | | | |
| Charges for Services | $ 3,206,052 | $ 3,141,235 | $ 64,817 | 2.06% |
| Operating Grants and Contributions | 12,184,565 | 10,226,477 | 1,958,088 | 19.15% |
| Capital Grants and Contributions | 1,012,305 | 3,440,895 | (2,428,590) | -70.58% |
| General Revenues: | | | | |
| Property Taxes | 86,150,328 | 84,428,933 | 1,721,395 | 2.04% |
| Grants and Entitlements | 5,239,532 | 3,146,320 | 2,093,212 | 66.53% |
| Other | 951,282 | 746,763 | 204,519 | 27.39% |
| **Total Revenues** | 108,744,064 | 105,130,623 | 3,613,441 | 3.44% |
| **Program Expenses:** | | | | |
| Instruction | 54,942,412 | 52,239,444 | 2,702,968 | 5.17% |
| Support Services: | | | | |
| Tuition | 6,513,811 | 6,268,526 | 245,285 | 3.91% |
| Pupils and Instructional Staff | 16,593,369 | 15,693,498 | 899,871 | 5.73% |
| General Administration, School Administration, Central Services, Administrative Information Technology and Operations and Maintenance of Facilities | 15,939,244 | 15,727,301 | 211,943 | 1.35% |
| Pupil Transportation | 2,831,955 | 2,691,737 | 140,218 | 5.21% |
| Special Schools | 915,697 | 940,027 | (24,330) | -2.59% |
| Interest on Debt | 2,084,878 | 2,167,806 | (82,928) | -3.83% |
| Unallocated Depreciation | 3,478,605 | 2,337,989 | 1,140,616 | 48.79% |
| Food Service | 1,272,615 | 1,234,287 | 38,328 | 3.11% |
| Infant/Toddler Development Program | 923,260 | 1,005,350 | (82,090) | -8.17% |
| **Total Expenses** | 105,495,846 | 100,305,965 | 5,189,881 | 5.17% |
| **Increase in Net Position** | $ 3,248,218 | $ 4,824,658 | $ (1,576,440) | -32.67% |

## Governmental Activities

The District's total governmental activities revenues were $106,796,480 for the year ended June 30, 2013. Property taxes made up 80.67 percent of revenues for governmental activities for the Township of Ridgewood School District for fiscal year 2013. Federal, state, and local grants accounted for another 17.15 percent of governmental activities revenues.

The total cost of all governmental activities programs and services was $103,299,971. Instruction comprises 53.19 percent of District expenses.

## Business-type Activities

Revenues for the District's business-type activities (Food Services Program and Infant/Toddler Development Program) were comprised of charges for services and federal and state reimbursements.

- Food Service expenses exceeded revenues by $53,888.
- Food Service charges for services were $1,096,927, which represents amounts paid by patrons for daily food service.
- Food Service federal and state reimbursement for meals, including payments for free and reduced lunches, breakfast, and donated commodities was $121,800.
- Infant/Toddler expenses exceeded revenues by $194,802.
- Infant/Toddler charges for services were $728,458, which represents amounts paid for tuition and fees.

## Governmental Activities

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows the total cost of services and the net cost of services. The net cost shows the financial burden that was placed on the District's taxpayers by each of these functions.

Table 3

| | Total Cost of Services 2013 | Net Cost of Services 2013 | Total Cost of Services 2012 | Net Cost of Services 2012 | Amount Change Total Cost of Services | Amount Change Net Cost of Services |
|---|---|---|---|---|---|---|
| Instruction | $ 54,942,412 | $ 47,047,100 | $ 52,239,444 | $ 45,991,088 | $ 2,702,968 | $ 1,056,012 |
| Support Services: | | | | | | |
| Tuition | 6,513,811 | 5,469,639 | 6,268,526 | 5,226,101 | 245,285 | 243,538 |
| Pupils and Instructional Staff | 16,593,369 | 14,482,041 | 15,693,498 | 14,069,274 | 899,871 | 412,767 |
| General Administration, School Administration, Central Services, Administrative Information Technology and Maintenance of Facilities | 15,939,244 | 15,083,344 | 15,727,301 | 14,924,973 | 211,943 | 158,371 |
| Pupil Transportation | 2,831,955 | 2,593,579 | 2,691,737 | 2,595,467 | 140,218 | (1,888) |
| Special Schools | 915,697 | 102,500 | 940,027 | 103,854 | (24,330) | (1,354) |
| Interest on Debt | 2,084,878 | 1,599,731 | 2,167,806 | 1,615,445 | (82,928) | (15,714) |
| Capital outlay | | (1,012,305) | | (3,440,895) | | 2,428,590 |
| Unallocated Depreciation | 3,478,605 | 3,478,605 | 2,337,989 | 2,337,989 | 1,140,616 | 1,140,616 |
| **Total Expenses** | $ 103,299,971 | $ 88,844,234 | $ 98,066,328 | $ 83,423,296 | $ 5,233,643 | $ 5,420,938 |

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 pupils and staff with the content and process of teaching to students, including related services, curriculum and staff development.

General administration, school administration, central services, and administrative information technology include expenses associated with administrative, educational, and financial supervision of the District.

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

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.

Interest on debt involves the transactions associated with the payment of interest and other related charges on debt of the School District.

**The School District's Funds**

All governmental funds (i.e., general fund, special revenue fund, capital projects, and debt service fund presented in the fund-based statements) are accounted for using the modified accrual basis of accounting. Total revenues amounted to $106,996,480 and expenditures were $108,743,758. The net decrease in the change in fund balance for the year of $1,022,278 was most significant in the capital projects fund, a decrease of $3,051,656. This reflects the District's spending of the prior years proceeds from its bond sale to fund capital projects.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following table presents a summary of the revenues of the governmental funds for the general fund, special revenue fund and debt service fund for the fiscal year ended June 30, 2013, and the amount and percentage of increases and decreases in relation to prior year revenues. The capital projects fund has been excluded, as these revenues vary substantially from year to year.

| Revenue | Amount | Percent Of Total | Increase (Decrease) From 2011-12 | Percent Of Increase (Decrease) |
|---|---|---|---|---|
| Local Sources | $ 89,277,868 | 84.01 % | $ 2,084,585 | 2.39 % |
| State Sources | 15,324,168 | 14.42 | 4,339,623 | 39.51 % |
| Federal Sources | 1,672,701 | 1.57 | (220,551) | (11.65) % |
| **Total** | $ 106,274,737 | 100.00 % | $ 6,203,657 | 6.20 % |

The net increase in revenue from local sources of $2,084,585 is primarily due to an increase in local tax levy. Tuition, interest and miscellaneous income increased by approximately $489,600. Grant revenue from local sources decreased approximately $126,400. The increase in local revenue was needed to fund the additional expenditures associated with higher operating costs and capital outlay construction projects.

State sourced revenues increased by $4,339,623. State aid for the general fund increased $2,322,163, without the On-Behalf TPAF pension contributions for non-contributory insurance and post-retirement medical benefits and reimbursed TPAF social security contributions, which increased by $2,086,650 (which is off-set by an equal increase in expenditures). Other state aid recorded in the special revenue fund and debt service fund decreased by $69,190.

Revenue from federal sources decreased $220,551. IDEA grants increased slightly, while A.R.R.A., FEMA and E.S.E.A. grants decreased.

The following table presents a summary of the general fund, special revenue fund, and debt service fund expenditures for the fiscal year ended June 30, 2013, and the amount of increases and decreases in relation to prior year expenditures. The capital projects fund has been excluded, as these expenditures vary substantially from year to year.

| Expenditures | Amount | Percent Of Total | Increase (Decrease) From 2011-12 | Percent Of Increase (Decrease) |
|---|---|---|---|---|
| Current Expense: | | | | |
| Instruction | $ 40,817,484 | 38.89 % | $ 1,625,054 | 4.15 % |
| Undistributed Expenditures | 55,210,978 | 52.60 | 2,983,756 | 5.71 % |
| Capital Outlay | 2,063,540 | 1.97 | (604,802) | (22.67) % |
| Special Schools | 915,697 | 0.87 | (24,330) | (2.59) % |
| Special Revenue | 2,270,742 | 2.16 | (347,534) | (13.27) % |
| Debt Service | 3,693,173 | 3.51 | 42,918 | 1.18 % |
| Total | $ 104,971,614 | 100.00 % | $ 3,675,062 | 3.63 % |

Changes in expenditures were the results of varying factors. Current expense increased due to increases in special education costs, maintenance projects, and employee benefits. Additionally, On-Behalf TPAF pension contributions for non-contributory insurance and post-retirement medical benefits and reimbursed TPAF social security contributions increased by a total amount of $2,086,650, (which is offset by an equal increase in revenues).

The decrease in special revenue fund expenditures is primarily due to decreases in expenditures for local grants.

Expenditures for debt service increased as scheduled debt payments increased due to the 2009 bond referendum.

**General Fund Budgeting Highlights**

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

Over the course of the year, the District revised the annual operating budget several times. Revisions in the budget were made to appropriate fund balance and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- On-Behalf TPAF pension contributions for non-contributory insurance, post-retirement medical benefits, normal pension costs and reimbursed TPAF social security contributions, and assets acquired under capital leases, are neither a revenue item nor an expenditure item for budgetary purposes, but the District is required to reflect these amounts in the financial statements.

- Appropriation of $562,579 of 2011-2012 Extraordinary Aid and $16,424 of 2011-2012 Non-Public Transportation Aid.

- Transfer of $169,203 of capital reserve funds approved by the County for a library renovation.

- Tuition for special education students, and associated transportation, related services, extra services, and residential costs, are budgeted based on the existing and known incoming students at the time the budget is submitted. Students move into and out of the District during the summer as well as the school year, which necessitates transferring funds to the appropriate accounts to pay these special education costs.

## Capital Assets

At June 30, 2013, the District had $96,567,527 invested in land, building, improvements, furniture, fixtures, equipment, and vehicles. Table 4 shows fiscal year 2013 balances compared to 2012.

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

| | 2013 | 2012 |
|---|---|---|
| Land | $ 7,435,206 | $ 7,435,206 |
| Construction in Progress | - | 42,652,491 |
| Site Improvements | 267,361 | 294,989 |
| Building and Improvements | 86,045,386 | 41,112,529 |
| Vehicles | 63,155 | 101,990 |
| Furniture, Fixtures and Equipment | 2,756,419 | 2,321,647 |
| **Total** | $ 96,567,527 | $ 93,918,852 |

Overall capital assets increased $2,648,675 from fiscal year 2012 to fiscal year 2013. Construction continued and was substantially completed during the 2012-2013 school year on the District's 2009 bond referendum projects, and the District continued to complete the district-wide capital maintenance projects.

## Debt Administration

At June 30, 2013, the District had $51,695,282 of outstanding debt. Of this amount, $1,323,028 is for compensated absences; $1,662,254 is for various capital leases; and $48,710,000 is for serial bonds for school construction projects. The district issued new bonds of $38,420,000 on April 8, 2010 to fund the board's share of the $48,264,712 referendum projects approved by the voters on December 8, 2009. The board received grant awards of $9,844,712 from the State Development Authority to fund the remainder of the projects. The district will also receive state debt service aid of $2.1 million over the 25-year life of the bonds to help defray the annual debt service costs. In May of 2011, the District refinanced the 2003 General Obligation Bonds. This refinancing will save the District approximately $146,000 in interest expense over the remaining life of the bonds.

**Table 5**
**Outstanding Debt at June 30,**

| | 2013 | 2012 |
|---|---|---|
| 2004 General Obligation Bonds | $ 7,490,000 | $ 8,700,000 |
| 2010 General Obligation Bonds | 37,970,000 | 38,220,000 |
| 2011 General Obligation Bonds | 3,250,000 | 3,430,000 |
| Capital leases | 1,662,254 | 1,763,477 |
| Compensated absences | 1,323,028 | 1,437,107 |
| **Total** | $ 51,695,282 | $ 53,550,584 |

At June 30, 2013, the School District's available borrowing margin was $205,169,774.

## For the Future

The Township of Ridgewood School District is in good financial condition. The District is proud of the community's continued support of the public schools. A major concern is the growth in enrollment of the District with an ever-increasing reliance on local property taxes due to the instability of state aid. On December 8, 2009, the voters approved a $48 million referendum for capital repairs at all school buildings. These repairs included new roofs, occupancy sensors, HVAC upgrades, toilet room upgrades, new lockers, electrical upgrades, and classroom renovations. Upgrades to Stevens Field, the RHS Stadium Field, and the relocation of the running track to Benjamin Franklin School were also included in the referendum projects. Also approved was the expansion of Hawes, Ridge, and Willard elementary schools as well as George Washington Middle School. A key factor in the decision to bring this spending request to the voters is that the district secured $9.8 million in state grants and $2.1 million in debt service aid. The impact of the grants and the debt service aid means that the average taxpayer will see an increase of about $300.00 in annual taxes over the 25-year life of the bond. These capital projects are nearing completion. The new spaces at Hawes and Ridge were substantially completed in time for the 2012-2013 school year. The new spaces at George Washington and Willard were completed for the start of the 2013-2014 school year. A vast majority of the Ridgewood High School renovation projects are completed. These projects include an upgrade of the HVAC systems, replacement of multiple roof sections, and masonry and concrete refurbishment. The Ridgewood High School outdoor athletic facilities have been upgraded and have been in use by our students since October 2010. Travell, Somerville, Ridge, Benjamin Franklin, George Washington, Willard, and Hawes have all had new roofs installed funded by the referendum. Finally, all school buildings have had occupancy sensors installed that will automatically turn off room lights when the rooms are unoccupied.

Future finances are not without challenges. As the student population increases, operating costs grow. Inflation impacts major cost drivers such as salaries, benefits, and utilities. The District's desire to minimize tax levy increases is impacted by the loss of state and flat federal aids, decreased interest rates on District deposits, and the cost increases described above. Adding to the imperative to control spending is the state imposed 2% Tax Levy Cap. Since taxes fund approximately 95% of the general fund budget, this Tax Levy Cap has a direct relationship to the allowable growth in our General Fund Budget. The Ridgewood taxpayers approved the 2013-2014 budget. Cost increases for health insurance premiums are of concern. Approximately $10 million is budgeted for medical insurance. Double-digit rate increases essentially use up a vast majority of the allowable increase in the budget. The District monitors these costs carefully, and continually looks for program and/or insurance provider options that will help control these increases.

The union and the district ratified a new three year agreement in October 2012. One of the important changes resulting from the new contract is the shift to the State Employee Health Benefit Plan, which is expected to have significant health insurance premium savings.

In conclusion, the Township of Ridgewood School District has committed itself to financial excellence for many years. In addition, the District's system for financial planning, budgeting, and internal financial controls are well regarded. The 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 District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact Michael Falkowski, Business Administrator/Board Secretary at Ridgewood Board of Education, Education Center, 49 Cottage Place, Ridgewood, New Jersey 07451. Please visit our website at www.ridgewood.k12.nj.us.

# BASIC FINANCIAL STATEMENTS

# DISTRICT-WIDE FINANCIAL STATEMENTS

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Net Position
June 30, 2013

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| ASSETS | | | |
| Cash | $ 3,229,551 | $ 68,024 | $ 3,297,575 |
| Receivables, net | 5,125,527 | 38,317 | 5,163,844 |
| Inventories | | 13,607 | 13,607 |
| Restricted assets: | | | |
| Cash | 7,861 | | 7,861 |
| Capital reserve account - cash | 1,735,603 | | 1,735,603 |
| Capital assets, net | 96,367,471 | 200,056 | 96,567,527 |
| Total assets | 106,466,013 | 320,004 | 106,786,017 |
| DEFERRED OUTFLOWS OF RESOURCES: | | | |
| Deferred bond issuance costs, net | 137,249 | | 137,249 |
| Total deferred outflows of resources | 137,249 | | 137,249 |
| LIABILITIES | | | |
| Accounts payable | 1,553,758 | 291,014 | 1,844,772 |
| Contracts payable | 254,386 | | 254,386 |
| Payable to state government | 3,192 | | 3,192 |
| Unearned revenue | 811,732 | 91,137 | 902,869 |
| Accrued interest | 612,932 | | 612,932 |
| Noncurrent liabilities: | | | |
| Due within one year | 3,421,514 | | 3,421,514 |
| Due beyond one year | 48,273,768 | | 48,273,768 |
| Total liabilities | 54,931,282 | 382,151 | 55,313,433 |
| DEFERRED INFLOWS OF RESOURCES: | | | |
| Deferred commodities revenue | | 599 | 599 |
| Total deferred inflows of resources | | 599 | 599 |
| NET POSITION | | | |
| Invested in capital assets, net of related debt | 46,132,466 | 200,056 | 46,332,522 |
| Restricted for: | | | |
| Debt service | 7,861 | | 7,861 |
| Capital projects | 104,862 | | 104,862 |
| Other purposes | 5,149,410 | | 5,149,410 |
| Unrestricted (deficit) | 277,381 | (262,802) | 14,579 |
| Total net position | $ 51,671,980 | $ (62,746) | $ 51,609,234 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Activities
For the Fiscal Year Ended June 30, 2013

| Function/Programs | Expenses | Indirect Expenses Allocation | Program Charge for Services |
|---|---|---|---|
| Government activities: | | | |
| Instruction: | | | |
| Regular | $ 30,267,846 | $ 10,798,700 | $ - |
| Special education | 7,038,909 | 2,638,105 | |
| Other special instruction | 1,352,093 | 513,430 | |
| Other instruction | 1,866,881 | 466,448 | 355,137 |
| Support services: | | | |
| Tuition | 6,513,811 | | |
| Student and instruction related services | 12,843,206 | 3,750,163 | 156,645 |
| School administrative services | 3,584,519 | 1,327,954 | |
| General administration | 873,022 | 123,050 | |
| Central services | 1,181,180 | 376,789 | |
| Administrative information technology | 548,276 | 164,285 | |
| Plant operations and maintenance | 7,651,976 | 108,193 | 39,519 |
| Pupil transportation | 2,806,253 | 25,702 | 16,169 |
| Special schools | 915,697 | | 813,197 |
| Interest on long-term debt | 2,084,878 | | |
| Capital outlay | | | |
| Unallocated depreciation | 3,478,605 | | |
| Total governmental activities | 83,007,152 | 20,292,819 | 1,380,667 |
| Business-type activities | | | |
| Food services | 1,272,615 | | 1,096,927 |
| Infant/Toddler Development Program | 923,260 | | 728,458 |
| Total business-type activities | 2,195,875 | | 1,825,385 |
| Total primary government | $ 85,203,027 | | $ 3,206,052 |

| Revenues | | | Net (Expense) Revenue and Changes in Net Position | | |
|---|---|---|---|---|---|
| | Operating Grants and Contributions | Capital Grants and Contributions | Governmental Activities | Business-type Activities | Total |
| | | | | | |
| $ | 6,186,772 | $ - | $ (34,879,774) | $ - | $ (34,879,774) |
| | 989,923 | | (8,687,091) | | (8,687,091) |
| | 281,512 | | (1,584,011) | | (1,584,011) |
| | 81,968 | | (1,896,224) | | (1,896,224) |
| | 1,044,172 | | (5,469,639) | | (5,469,639) |
| | 1,954,683 | | (14,482,041) | | (14,482,041) |
| | 503,827 | | (4,408,646) | | (4,408,646) |
| | 49,943 | | (946,129) | | (946,129) |
| | 60,603 | | (1,497,366) | | (1,497,366) |
| | | | (712,561) | | (712,561) |
| | 202,008 | | (7,518,642) | | (7,518,642) |
| | 222,207 | | (2,593,579) | | (2,593,579) |
| | | | (102,500) | | (102,500) |
| | 485,147 | | (1,599,731) | | (1,599,731) |
| | | 1,012,305 | 1,012,305 | | 1,012,305 |
| | | | (3,478,605) | | (3,478,605) |
| | 12,062,765 | 1,012,305 | (88,844,234) | | (88,844,234) |
| | 121,800 | | | (53,888) | (53,888) |
| | | | | (194,802) | (194,802) |
| | 121,800 | | | (248,690) | (248,690) |
| $ | 12,184,565 | $ 1,012,305 | $ (88,844,234) | $ (248,690) | $ (89,092,924) |
| General revenues: | | | | | |
| Property taxes levied for: | | | | | |
| General purposes | | | $ 82,949,642 | $ - | $ 82,949,642 |
| Debt service | | | 3,200,686 | | 3,200,686 |
| Federal and State aid not restricted | | | 5,239,532 | | 5,239,532 |
| Tuition received | | | 551,917 | | 551,917 |
| Investment earnings | | | 27,018 | 399 | 27,417 |
| Miscellaneous | | | 371,948 | | 371,948 |
| Total general revenues | | | 92,340,743 | 399 | 92,341,142 |
| Change in net position | | | 3,496,509 | (248,291) | 3,248,218 |
| Net position - beginning | | | 48,175,471 | 185,545 | 48,361,016 |
| Net position - ending | | | $ 51,671,980 | $ (62,746) | $ 51,609,234 |

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

# FUND FINANCIAL STATEMENTS

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|---|---|---|---|---|---|
| ASSETS: | | | | | |
| Cash | $ 3,173,229 | $ 56,322 | $ - | $ 7,861 | $ 3,237,412 |
| Cash - capital reserve | 1,735,603 | | | | 1,735,603 |
| Accounts receivable: | | | | | |
| State | 1,900,524 | | 1,807,027 | | 3,707,551 |
| Federal | | 440,895 | | | 440,895 |
| Interfund | 2,097,967 | | | | 2,097,967 |
| Other | 327,425 | 46,000 | 375,142 | | 748,567 |
| Total assets | $ 9,234,748 | $ 543,217 | $ 2,182,169 | $ 7,861 | $ 11,967,995 |
| LIABILITIES AND FUND BALANCES: | | | | | |
| Liabilities: | | | | | |
| Accounts payable | $ 1,428,726 | $ 79,321 | $ 45,711 | $ - | $ 1,553,758 |
| Intergovernmental payable: | | | | | |
| State | | 3,192 | | | 3,192 |
| Interfund payables | | | 1,869,453 | | 1,869,453 |
| Contracts payable | 92,243 | | 162,143 | | 254,386 |
| Unearned revenue | 351,028 | 460,704 | | | 811,732 |
| Total liabilities | 1,871,997 | 543,217 | 2,077,307 | | 4,492,521 |
| Fund balances: | | | | | |
| Restricted: | | | | | |
| Reserved excess surplus - designated for subsequent year's expenditures | 900,000 | | | | 900,000 |
| Reserve for excess surplus | 750,000 | | | | 750,000 |
| Emergency reserve | 900,000 | | | | 900,000 |
| Capital reserve account | 1,735,603 | | | | 1,735,603 |
| Capital projects | | | 104,862 | | 104,862 |
| Debt service | | | | 7,861 | 7,861 |
| Committed: | | | | | |
| Year-end encumbrances | 863,807 | | | | 863,807 |
| Assigned: | | | | | |
| Year-end encumbrances | 81,909 | | | | 81,909 |
| Unassigned | 2,131,432 | | | | 2,131,432 |
| Total fund balances | 7,362,751 | | 104,862 | 7,861 | 7,475,474 |
| Total liabilities and fund balances | $ 9,234,748 | $ 543,217 | $ 2,182,169 | $ 7,861 | |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Balance Sheet
Governmental Funds
June 30, 2013

| | | |
|---|---|---|
| Total government funds fund balances | $ | 7,475,474 |
| Amounts reported for governmental activities in the statement of net position (A-1) are different because: | | |
| The costs associated with the issues of the various bonds are expensed in the governmental funds in the year the bonds are issued, but are capitalized on the statement of net position. The bond issuance costs are $228,205 and the accumulated amortization is $90,956. | | 137,249 |
| Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the funds. The costs of the assets are $132,465,347 and the accumulated depreciation is $36,097,876. | | 96,367,471 |
| Accrued interest is not due and payable in the current period, and therefore, is not reported as a liability in the funds. | | (612,932) |
| Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported as liabilities in the funds. (See Note 9) | | (51,695,282) |
| Net position of governmental activities | $ | 51,671,980 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2013

| | General Fund | Special Revenue Fund | Capital Projects Fund | Debt Service Fund | Total Governmental Funds |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | $ 82,949,642 | $ - | $ - | $ 3,200,686 | $ 86,150,328 |
| Tuition | 551,917 | | | | 551,917 |
| Interest - capital reserve funds | 1,332 | | | | 1,332 |
| Interest earned on investments | 24,431 | | 1,255 | | 25,686 |
| Miscellaneous income | 1,952,615 | 597,245 | 375,000 | | 2,924,860 |
| Total revenues - local sources | 85,479,937 | 597,245 | 376,255 | 3,200,686 | 89,654,123 |
| State sources | 14,836,522 | 2,499 | 345,488 | 485,147 | 15,669,656 |
| Federal sources | 1,703 | 1,670,998 | | | 1,672,701 |
| Total revenues | 100,318,162 | 2,270,742 | 721,743 | 3,685,833 | 106,996,480 |
| EXPENDITURES: | | | | | |
| Current expense: | | | | | |
| Regular instruction | 30,559,601 | 370,893 | | | 30,930,494 |
| Special education instruction | 7,038,909 | | | | 7,038,909 |
| Other special instruction | 1,352,093 | | | | 1,352,093 |
| Other instruction | 1,866,881 | | | | 1,866,881 |
| Support services and undistributed costs: | | | | | |
| Tuition | 5,469,639 | 1,044,172 | | | 6,513,811 |
| Student and instruction related services | 12,484,771 | 358,435 | | | 12,843,206 |
| School administration services | 3,584,519 | | | | 3,584,519 |
| General administration services | 897,146 | | | | 897,146 |
| Central services | 1,181,180 | | | | 1,181,180 |
| Administrative information technology services | 548,276 | | | | 548,276 |
| Plant operations and maintenance | 7,912,312 | 125,409 | | | 8,037,721 |
| Pupil transportation | 2,779,201 | 27,052 | | | 2,806,253 |
| Employee benefits | 20,353,934 | 52,964 | | | 20,406,898 |
| Special schools | 915,697 | | | | 915,697 |
| Capital outlay | 2,063,540 | 291,817 | 3,772,144 | | 6,127,501 |
| Debt service: | | | | | |
| Principal | | | | 1,640,000 | 1,640,000 |
| Interest | | | | 2,053,173 | 2,053,173 |
| Total expenditures | 99,007,699 | 2,270,742 | 3,772,144 | 3,693,173 | 108,743,758 |
| Excess (deficiency) of revenues over (under) expenditures | 1,310,463 | | (3,050,401) | (7,340) | (1,747,278) |
| Other financing sources (uses): | | | | | |
| Transfers out | | | (1,255) | | (1,255) |
| Transfers in | 1,255 | | | | 1,255 |
| Capital leases (non-budgeted) | 725,000 | | | | 725,000 |
| Total other financing sources (uses) | 726,255 | | (1,255) | | 725,000 |
| Net change in fund balances | 2,036,718 | | (3,051,656) | (7,340) | (1,022,278) |
| Fund balances - July 1, | 5,326,033 | | 3,156,518 | 15,201 | 8,497,752 |
| Fund balances - June 30 | $ 7,362,751 | $ - | $ 104,862 | $ 7,861 | $ 7,475,474 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

| | | |
|---|---|---|
| Total net change in fund balances - governmental funds (from B-2) | | $ (1,022,278) |
| Amounts reported for governmental activities in the statement of activities (A-2) are different because: | | |
| Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the period. | | |
| Depreciation expense | $ (3,478,605) | |
| Capital outlays | 6,127,501 | |
| | | 2,648,896 |
| Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. | | |
| Principal repayment | 1,640,000 | |
| | | 1,640,000 |
| Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position and is not reported in the statement of activities. | | 826,223 |
| Proceeds from debt issues are a financing source in the governmental funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net position. | | |
| Capital lease proceeds | (725,000) | |
| | | (725,000) |
| 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 difference in accrued interest is a increase in the reconciliation. | | 28,580 |
| Sub-total | | 3,396,421 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
For the Fiscal Year Ended June 30, 2013

| | | |
|---|---|---|
| Balance forward | | $ 3,396,421 |
| Debt issuance costs 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 amortization expense. This is the amount by which amortization exceeded capital outlay in the period. | | |
| Amortization expense | $ (13,991) | |
| | | (13,991) |
| In the statement of activities, certain operating expenses, e.g., compensated absences (vacations and sick days) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is a reduction in the reconciliation; when the paid amount exceeds the amount earned, the difference is an addition to the reconciliation. | | 114,079 |
| Change in net position of governmental activities | | $ 3,496,509 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Net Position
Proprietary Funds
June 30, 2013

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | Food Services | Infant/ Toddler Development Program | Totals |
| ASSETS: | | | |
| Current assets: | | | |
| Cash | $ 68,024 | $ - | $ 68,024 |
| Accounts receivable: | | | |
| State | 495 | | 495 |
| Federal | 6,684 | | 6,684 |
| Other | 30,286 | 852 | 31,138 |
| Inventories | 13,607 | | 13,607 |
| Total current assets | 119,096 | 852 | 119,948 |
| Noncurrent assets: | | | |
| Building improvements and equipment | 323,349 | 352,186 | 675,535 |
| Less: accumulated depreciation | 278,787 | 196,692 | 475,479 |
| Total noncurrent assets | 44,562 | 155,494 | 200,056 |
| Total assets | 163,658 | 156,346 | 320,004 |
| LIABILITIES: | | | |
| Current liabilities: | | | |
| Accounts payable | 55,234 | 9,163 | 64,397 |
| Unearned revenue | 73,937 | 17,200 | 91,137 |
| Intergovernmental: | | | |
| Interfund | | 226,617 | 226,617 |
| Total current liabilities | 129,171 | 252,980 | 382,151 |
| Deferred inflows - deferred commodities revenue | 599 | | 599 |
| NET POSITION: | | | |
| Invested in capital assets, net of related debt | 44,562 | 155,494 | 200,056 |
| Unrestricted (deficit) | (10,674) | (252,128) | (262,802) |
| Total net position | $ 33,888 | $ (96,634) | $ (62,746) |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | Food Services | Infant/ Toddler Development Program | Totals |
| OPERATING REVENUES: | | | |
| Charges for services: | | | |
| Daily sales - reimbursable programs | $ 664,112 | $ - | $ 664,112 |
| Daily sales - non-reimbursable programs | 385,607 | | 385,607 |
| Special functions | 30,943 | | 30,943 |
| Miscellaneous revenue - fees | 16,265 | 728,458 | 744,723 |
| Total operating revenue | 1,096,927 | 728,458 | 1,825,385 |
| OPERATING EXPENSES: | | | |
| Salaries | 364,550 | 596,093 | 960,643 |
| Payroll taxes | 59,975 | 45,601 | 105,576 |
| Employee benefits | 75,652 | 78,481 | 154,133 |
| Management and administrative fees | 78,123 | | 78,123 |
| Insurance | 3,494 | 16,500 | 19,994 |
| Telephone | 138 | 564 | 702 |
| Supplies | 2,063 | 10,234 | 12,297 |
| Transportation between schools | 13,832 | 16,007 | 29,839 |
| Rent | 10,000 | 150,000 | 160,000 |
| Repairs | 21,221 | | 21,221 |
| Outside services | 21,471 | 2,925 | 24,396 |
| Miscellaneous | 24,317 | | 24,317 |
| Uniforms | 2,412 | | 2,412 |
| Depreciation | 10,238 | 6,855 | 17,093 |
| Bad debts | 21,698 | | 21,698 |
| Cost of sales - food and general supplies | 563,431 | | 563,431 |
| Total operating expenses | 1,272,615 | 923,260 | 2,195,875 |
| Operating loss | (175,688) | (194,802) | (370,490) |
| Nonoperating revenues: | | | |
| State sources: | | | |
| State School Lunch Program | 5,684 | | 5,684 |
| Federal sources: | | | |
| School Breakfast Program | 275 | | 275 |
| National School Lunch Program | 72,471 | | 72,471 |
| Food Distribution Program | 43,370 | | 43,370 |
| Other sources: | | | |
| Interest revenue | 399 | | 399 |
| Total nonoperating revenues | 122,199 | | 122,199 |
| Change in net position | (53,489) | (194,802) | (248,291) |
| Total net position - July 1 | 87,377 | 98,168 | 185,545 |
| Total net position - June 30 | $ 33,888 | $ (96,634) | $ (62,746) |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2013

| | Business-type Activities - Enterprise Funds | | |
|---|---|---|---|
| | Food Services | Infant/ Toddler Development Program | Totals |
| Cash flows from operating activities: | | | |
| Receipts from customers | $ 1,115,974 | $ 720,406 | $ 1,836,380 |
| Payments to employees | (364,550) | (596,093) | (960,643) |
| Payment for payroll taxes and employee benefits | (135,627) | (124,082) | (259,709) |
| Payments to suppliers | (655,446) | (187,770) | (843,216) |
| Net cash used by operating activities | (39,649) | (187,539) | (227,188) |
| Cash flows from noncapital financing activities: | | | |
| State sources | 5,641 | | 5,641 |
| Federal sources | 70,814 | | 70,814 |
| Operating subsidies and transfers from other funds | | 187,539 | 187,539 |
| Net cash provided by noncapital financing activities | 76,455 | 187,539 | 263,994 |
| Cash flows from capital and related financing activities: | | | |
| Additions to building improvements and equipment | (16,872) | | (16,872) |
| Net cash used by capital and related financing activities | (16,872) | | (16,872) |
| Cash flows from investing activities: | | | |
| Interest on investments | 399 | | 399 |
| Net cash provided by investing activities | 399 | | 399 |
| Net increase in cash | 20,333 | | 20,333 |
| Cash - July 1 | 47,691 | | 47,691 |
| Cash - June 30 | $ 68,024 | $ - | $ 68,024 |
| Reconciliation of operating loss to net cash used by operating activities: | | | |
| Operating loss | $ (175,688) | $ (194,802) | $ (370,490) |
| Adjustments not affecting cash: | | | |
| Depreciation | 10,238 | 6,855 | 17,093 |
| Donated commodities received during the year | 43,370 | | 43,370 |
| Bad debts | 21,698 | | 21,698 |
| Change in assets and liabilities: | | | |
| Increase in accounts receivable, net | (51,580) | (852) | (52,432) |
| Decrease in inventories | 1,156 | | 1,156 |
| Increase in accounts payable | 40,530 | 8,460 | 48,990 |
| Increase (decrease) in unearned revenue | 70,627 | (7,200) | 63,427 |
| Total adjustments | 136,039 | 7,263 | 143,302 |
| Net cash used by operating activities | $ (39,649) | $ (187,539) | $ (227,188) |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2013

| | Private Purpose Scholarship Funds | Unemployment Compensation Insurance Trust Fund | Agency Funds |
|---|---|---|---|
| ASSETS: | | | |
| Cash and cash equivalents | $ 551,754 | $ 113,692 | $ 401,513 |
| Investments, at fair value | 1,732,454 | | |
| Miscellaneous receivables | 1,174 | | |
| Total assets | 2,285,382 | 113,692 | $ 401,513 |
| LIABILITIES: | | | |
| Accounts payable | 198 | 6,627 | $ 34 |
| Intergovernmental: | | | |
| Interfund payable | | | 1,897 |
| Payroll deductions and withholdings | | | 56,883 |
| Due to student groups | | | 342,699 |
| Total liabilities | 198 | 6,627 | $ 401,513 |
| NET POSITION: | | | |
| Held in trust for unemployment claims and other purposes | | $ 107,065 | |
| Reserved for scholarships | $ 2,285,184 | | |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Fiscal Year Ended June 30, 2013

| | Private Purpose Scholarship Funds | Unemployment Compensation Insurance Trust Fund |
|---|---|---|
| ADDITIONS: | | |
| Contributions: | | |
| Other | $ 14,350 | $ - |
| Plan member | | 75,282 |
| Board contribution | | 30,000 |
| Total contributions | 14,350 | 105,282 |
| Investment earnings: | | |
| Net increase in the fair value of investments | 165,320 | |
| Dividends | 42,577 | |
| Interest | 4,771 | 129 |
| Net investment earnings | 212,668 | 129 |
| Total additions | 227,018 | 105,411 |
| DEDUCTIONS: | | |
| Bank fees and other expenses | 22,688 | |
| Scholarship/award payments | 82,998 | |
| Unemployment compensation insurance claims and fees | | 45,907 |
| Total deductions | 105,686 | 45,907 |
| Change in net position | 121,332 | 59,504 |
| Net position - July 1 | 2,163,852 | 47,561 |
| Net position - June 30 | $ 2,285,184 | $ 107,065 |

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

# NOTES TO THE BASIC FINANCIAL STATEMENTS

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

### A. Reporting Entity:

The Township of Ridgewood School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The Board consists of five members elected to three-year terms and is responsible for the fiscal control of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board's duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property. The purpose of the District is to educate students in grades Pre-K-12.

The Board also has broad financial responsibilities, including the approval of the annual budget and the establishment of a system of accounting and budgetary controls.

The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For the Township of Ridgewood School District this includes general operations, food service, Infant/Toddler Development Center, summer enrichment programs, adult and student pay to participate programs and student related activities of the District.

Component units are legally separate organizations for which the District is financially accountable. The District is financially accountable for an organization if the District appoints a voting majority of the organization's governing board and (1) the District is able to significantly influence the programs or services performed or provided by the organization; or (2) the District is legally entitled to or can otherwise access the organization's resources; or (3) the District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or (4) the District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the District in that the District approves the budget, the issuance of debt or the levying of taxes. Based on the foregoing criteria, the District has no component units. Furthermore, the District is not includable in any other reporting entity as a component unit.

### B. Basis of Presentation:

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued):

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

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

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

The District reports the following governmental funds:

General Fund - The general fund is the general operating fund of the District. It is used to account for all expendable financial resources except those required to be accounted for in another fund. Included are certain expenditures for vehicles and movable instructional or non-instructional equipment, which are classified in the capital outlay sub fund.

As required by the New Jersey State Department of Education, the District includes budgeted capital outlay in this fund. Accounting principles generally accepted in the United States of America as they pertain to governmental entities states that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Basis of Presentation (Continued):

General Fund (Continued)
Resources for budgeted capital outlay purposes are normally derived from State of New Jersey aid, district taxes and appropriated fund balance. Expenditures are those that result in the acquisition of or additions to fixed assets for land, existing buildings, improvements of grounds, construction of buildings, additions to, or remodeling of buildings and the purchase of built-in equipment. These resources cannot be transferred from and to current expense without a board resolution and NJDOE approval.

Special Revenue Fund - The special revenue fund is used to account for the proceeds of specific revenue from State and Federal Governments, (other than major capital projects, debt service or the enterprise funds) and local appropriations that are legally restricted to expenditures for specified purposes.

Capital Projects Fund - The capital projects fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds). The financial resources are primarily derived from temporary notes or serial bonds that are specifically authorized by the voters as a separate question on the ballot either during the annual election or at a special election and from voter approved resources and state aid through economic development grants.

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.

The District reports the following proprietary fund:

Enterprise Funds - The enterprise funds account for all revenues and expenses pertaining to the District's food services (cafeteria) operations and Infant/Toddler Development Program. The enterprise funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises – where the intent of the District is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges.

The District reports the following fiduciary funds:

Private Purpose Scholarship Funds: The District maintains funds from donations to provide scholarship and awards.

Unemployment Compensation Insurance Trust Fund: The District maintains a fund to pay for employees' unemployment claims.

Agency Funds: The agency funds are used to account for assets held by the District in a trustee capacity or as an agent for outside parties, including other governments, or on behalf of other funds within the District. Agency funds include payroll, payroll agency, summer savings plan, and student activity funds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus and Basis of Accounting:

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

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

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

All governmental and business-type activities of the District follow FASB Statements and Interpretations issued on or before November 30, 1989, Accounting Principles Board Opinions, and Accounting Research Bulletins, unless those pronouncements conflict with GASB pronouncements.

D. Budgets/Budgetary Control:

Annual appropriated budgets are prepared in the spring of each year for the general, special revenue, and debt service funds. The budgets are submitted to the county office for approval and are voted upon at the annual school election on the third Tuesday in April. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund. 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:23A-16.2(f)1.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets/Budgetary Control (Continued):

On January 17, 2012, Chapter 202 of the Laws of P.L. 2011 was approved which established procedures for moving the date of a school district's annual school election from April to the general election in November. Under the new law, districts that have their school board members elected in November no longer have to submit their budgets that meet levy cap requirements for voter approval beginning with the 2012/2013 budget year. Only a school board decision to exceed the tax levy cap would require voter approval for the additional amount on the November ballot. During December, 2011, the board adopted a resolution not to move its annual election to the date of the general election in accordance with the law. See Note 21.

All budget amendments/transfers must be approved by School Board resolution and may be made at any time during the fiscal year, as long as the "transfer from" does not exceed 10% of the original line item budget, is not going to an administrative account, and is not going to or from capital outlay construction of facilities. If a transfer is anticipated to exceed 10%, the District must obtain NJDOE approval prior to making the transfer. All budget amounts presented in the accompanying supplementary information reflect the original budget and the amended budget (which have been adjusted for legally authorized revisions of the annual budgets during the year).

Appropriations, except remaining capital project appropriations, encumbrances, and unexpended grant appropriations, lapse at the end of each fiscal year. The capital projects fund presents the remaining project appropriations compared to current year expenditures.

Formal budgetary integration into the accounting system is employed as a management control device during the fiscal year. For governmental funds there are no substantial differences between the budgetary basis of accounting and accounting principles generally accepted in the United States of America with the exception of the legally mandated revenue recognition of the one or more June state aid payments, extraordinary special education aid, and additional nonpublic school transportation aid, for budgetary purposes only and the special revenue fund as noted below. During the fiscal year ended June 30, 2013, the District recognized the current and prior year extraordinary special education aid and nonpublic school transportation aid on the GAAP basis of accounting, as deferral was no longer required. Encumbrance accounting is also employed as an extension of formal budgetary integration in the governmental fund types. Unencumbered appropriations lapse at fiscal year-end.

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

E. Encumbrance Accounting:

Under encumbrance accounting, purchase orders, contracts and other commitments for the expenditure of resources are recorded to reserve a portion of the applicable appropriation. Encumbrances are a component of fund balance at fiscal year end, as they do not constitute expenditures or liabilities but rather commitments related to unperformed contracts for goods and services.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Encumbrance Accounting (Continued):

Open encumbrances in governmental funds, other than the special revenue fund, which have not been previously restricted, committed, or assigned, should be included within committed or assigned fund balance, as appropriate. Open encumbrances in the special revenue fund for which the District has received advances are reflected in the balance sheet as unearned 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.

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance:

Cash:

Cash includes cash in banks.

New Jersey school districts are limited as to the types of investments and types of financial institutions they may invest in. New Jersey Statute 18A:20-37 provides a list of permissible investments that may be purchased by New Jersey school districts.

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

The District's deposits are insured through either the Federal Deposit Insurance Corporation (FDIC) or New Jersey's Governmental Unit Deposit Protection Act (GUDPA). The District is required to deposit their funds in a depository, which is protecting such funds pursuant to GUDPA. The New Jersey Governmental Unit Deposit Protection Act requires all banks doing business in the State of New Jersey to pledge collateral equal to 5% of the average amount of its public deposits and 100% of the average amount of its public funds in excess of 75% of its capital funds for all deposits not covered by the FDIC. Bank balances are insured up to $250,000 in the aggregate by the FDIC for each bank.

Investments:

The District has received restricted donations for scholarships/awards, which according to donor stipulations are to be invested with specific custodians. These custodians, which are subsidiaries of banks, make all investment decisions. These investments are recorded at fair value in the Fiduciary Funds. SIPC replaces investment claims up to a maximum of $500,000 for each failed brokerage firm.

Receivables and Allowance for Uncollectible Accounts:

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible. No allowance for uncollectible accounts has been recorded, as all amounts are considered collectible.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance (Continued):

Inventories:

The cost of inventories of the governmental fund types are recorded as expenditures at the time individual inventory items are purchased.

Inventories in the proprietary funds (food services) are valued at cost, which approximates market, using the first-in first-out (FIFO) method, and consist of food and expendable supplies. The cost of such inventories is recorded as expenditures/expenses when consumed rather than when purchased.

Short-Term Interfund Receivables/Payables:

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

Capital Assets:

The District has an established formal system of accounting for its capital assets. Purchased or constructed capital assets, including assets acquired under capital leases, are reported at cost or estimated historical cost through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. The District does not possess any infrastructure.

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

| Asset Class | Estimated Useful Lives |
|---|---|
| School buildings | 45 |
| Building improvements | 20-45 |
| Site improvements | 15-20 |
| Vehicles | 5 |
| Furniture, fixtures and equipment | 5-20 |

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

Deferred Outflows/Inflows of Resources:

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The district has one item that qualifies for reporting in this category. It is the unamortized bond issuance costs. This amount is deferred and amortized over the life of the related bonds.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance (Continued):

Deferred Outflows/Inflows of Resources (Continued):

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

Unearned Revenue:

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Grants and entitlements received before the eligibility requirements are met are also recorded as unearned revenue.

Accrued Liabilities and Long-term Obligations:

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

Accrued Salaries and Wages:

Certain School District employees who provide services to the School District over the ten-month academic year have the option to have their salaries evenly disbursed during the entire twelve-month year. New Jersey statutes require that these earned but undisbursed amounts be retained in a separate bank account. As of June 30, 2013, the amounts earned by these employees were disbursed to the employees' own individual accounts.

Compensated Absences:

Compensated absences are those absences for which employees will be paid, such as vacation, sick leave, and sabbatical leave.

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

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance (Continued):

Compensated Absences (Continued):

The entire compensated absence liability is reported on the government-wide financial statements.

For governmental fund financial statements, the current portion of unpaid compensated absences is the amount that is normally expected to be paid with expendable available financial resources. In the proprietary funds, the entire amount of compensated absences is recorded as a fund liability.

Net Position:

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

Fund Balance:

The District has implemented GASB Statement 54 "Fund Balance Reporting and Governmental Fund Type Definitions". The Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. This statement established fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Restricted Fund Balance - Amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation.

Reserved Excess Surplus - Designated for Subsequent Year's Expenditures - This restriction was created in accordance with N.J.S.A. 18A:7F-7 to represent the June 30, 2012 audited excess surplus that was appropriated in the 2013/2014 original budget certified for taxes.

Reserve For Excess Surplus - This restriction was created in accordance with N.J.S.A. 18A:7F-7 to represent the June 30, 2013 audited excess surplus that is required to be appropriated in the 2014/2015 original budget certified for taxes.

Emergency Reserve - This restriction was created in accordance with N.J.S.A. 18A:7F-41c(1) to finance unanticipated general fund expenditures required for a thorough and efficient education.

Capital Reserve - This restriction was created by the District in accordance with N.J.A.C. 6A:23A-14.l to fund future capital expenditures (See Note 14).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Assets, Liabilities, Deferred Outflows/Inflows, and Net Position/Fund Balance (Continued):

Fund Balance (Continued):

Restricted Fund Balance (Continued)

Capital Projects - Represents fund balance restricted specifically for capital acquisitions and improvements in the Capital Projects Fund.

Debt Service - Represents fund balance restricted specifically for the repayment of long-term debt principal and interest in the Debt Service Fund.

Committed Fund Balance - Amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint.

Year End Encumbrances - Represents outstanding purchase orders at year end for contracts awarded by formal action of the Board of Trustee's for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Assigned Fund Balance - Amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority.

Year End Encumbrances - Represent outstanding purchase orders for goods or services approved by management for specific purposes from available resources of the current year for which the goods and materials have not yet been received or the services have not yet been rendered at June 30.

Unassigned Fund Balance - Represents fund balance that has not been assigned to other funds and that has not been restricted, committed or assigned to specific purposes within the general fund.

G. Revenues and Expenditures/Expenses:

Revenues - Exchange and Nonexchange Transactions:

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means within sixty days of the fiscal year end.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Revenues and Expenditures/Expenses (Continued):

Revenues - Exchange and Nonexchange Transactions (Continued):

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year end: property taxes, interest, and tuition.

Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

Interfund Transactions:

Transfers between governmental and business-type activities on the district-wide statements are reported in the same manner as general revenues. Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after non-operating revenues/expenses in the proprietary funds.

Tuition:

Tuition Revenues – Tuition charges were established by the District based on estimated costs. The charges are subject to adjustment when the final costs are determined.

Tuition Expenditures – Tuition charges for the fiscal year 2012-2013 were based on rates established by the receiving district or private school for students with disabilities. These rates are subject to change when the actual costs have been certified by the state.

Operating Revenues and Expenses:

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds (enterprise funds). For the District, these revenues are sales for food services and tuition fees for the Infant/Toddler Development Program. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the proprietary funds (enterprise funds).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

G. Revenues and Expenditures/Expenses (Continued):

Allocation of Indirect Expenses:

The District reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Indirect expenses are allocated to functions but are reported separately in the Statement of Activities. Employee benefits, including the employer's share of social security, pension, workers compensation, compensated absences, and medical and dental benefits, were allocated based on salaries of that program. Depreciation expense, where practicable, is specifically identified by function and is included in the indirect expense column of the Statement of Activities. Depreciation expense that could not be attributed to a specific function is considered an indirect expense and is reported separately on the Statement of Activities. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

H. Management Estimates:

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

I. New Accounting Standards:

During fiscal year 2013, the District adopted the following GASB statements:

- GASB 62, *Codification of Accounting and Financial reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements.* The objective of this statement is to incorporate into the GASB's authoritative literature certain accounting and financial reporting guidance that is included in following pronouncements issued on or before November 30, 1989, which does not conflict with or contradict GASB pronouncements.

- GASB 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position.* The objective of this Statement is to improve financial reporting by standardizing the presentation of deferred outflows of resources and deferred inflows of resources and their effect on a government's net position. It alleviates uncertainty about reporting those financial statement elements by providing guidance where none previously existed.

Other accounting standards that the District is currently reviewing for applicability and potential impact on the financial statements include:

- GASB 65, *Items Previously Reported as Assets and Liabilities*, will be effective beginning with the year ending June 30, 2014. The objective of this Statement is to establish accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I. New Accounting Standards (Continued):

- GASB 66, *Technical Corrections - 2012, an Amendment of GASB Statements 10 and 62*, will be effective beginning with the year ending June 30, 2014. The objective of this Statement is to improve accounting and financial reporting for a governmental financial reporting entity by resolving conflicting guidance that resulted from the issuance of two pronouncements, Statements No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* and No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements*.

- GASB 67, *Financial Reporting for Pension Plans, an Amendment of GASB 25*, will be effective beginning with the year ending June 30, 2014. The objective of this Statement is to improve financial reporting by state and local governmental pension plans. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement replaces the requirements of Statements No. 25, *Financial Reporting for Defined Benefit Pension Plans and Note Disclosures for Defined Contribution Plans* and No. 50, *Pension Disclosures,* as they relate to pension plans that are administered through trusts or equivalent arrangements that meet certain criteria. The District does not expect this Statement to impact its financial statements.

- GASB 68, *Accounting and Financial Reporting for Pensions*, will be effective beginning with the year ending June 30, 2015. The objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements that meet certain criteria. The District does not expect this Statement to impact its financial statements.

## NOTE 2. RECONCILIATION OF DISTRICT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position:

The governmental fund balance sheet includes a reconciliation between fund balance - total governmental funds and net position - governmental activities as reported in the district-wide statement of net position. One element of that reconciliation explains that long-term liabilities, including bonds payable, capital leases and compensated absences, are not due and payable in the current period and therefore are not reported in the funds. The details of this $52,308,214 difference are as follows:

| | |
|---|---|
| Bonds payable | $ 48,710,000 |
| Capital leases payable | 1,662,254 |
| Accrued interest payable | 612,932 |
| Compensated absences | 1,323,028 |
| Net adjustment to reduce fund balance - total governmental funds to arrive at net position - governmental activities | $ 52,308,214 |

## NOTE 3. CASH

As of June 30, 2013, cash of the District consisted of $5,041,039 in insured checking accounts.

Custodial Credit Risk – Deposits:

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District has a deposit policy for custodial credit risk. As of June 30, 2013, the District's bank balances of $6,529,126 were not exposed to custodial credit risk, as the District's deposits are primarily in public depositories protected from loss under either the FDIC or the provisions of the Governmental Unit Deposit Protection Act. See Note 1.

## NOTE 4. INTERFUND BALANCES AND TRANSFERS

The following interfund balances remained on the fund financial statements at June 30, 2013:

| Fund | Interfund Receivable | Interfund Payable |
|---|---|---|
| General Fund | $ 2,097,967 | $ - |
| Capital Projects Fund | | 1,869,453 |
| Enterprise Funds | | 226,617 |
| Fiduciary Funds | | 1,897 |
| | $ 2,097,967 | $ 2,097,967 |

## NOTE 4. INTERFUND BALANCES AND TRANSFERS (CONTINUED)

The receivable/payable between the general fund and the capital projects fund resulted from the loans made to fund the state grants, until the capital projects fund receives moneys due from the state grants. The receivable/payable between the general fund and the enterprise funds resulted from the loans made to the Infant/Toddler Development Program enterprise fund to fund their deficit, until the Infant/Toddler Development Program returns to profitability. The receivable/payable between the general fund and the fiduciary funds resulted from the time lag between the dates that payments are made between funds.

Interfund transfers for the year ended June 30, 2013, consisted of the following:

| | Transfers From |
|---|---|
| | Capital Projects Fund |
| Transfers To: | |
| General fund | $ 1,255 |

Transfers were used to move interest earned in the capital projects fund to the general fund.

## NOTE 5. RECEIVABLES

Receivables at June 30, 2013, consisted of accounts (primarily rent and tuition), interfund and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

| | Amount |
|---|---|
| Governmental activities: | |
| General fund: | |
| State | $ 1,900,524 |
| Interfund | 228,514 |
| Other | 327,425 |
| Special revenue fund | |
| Federal | 440,895 |
| Other | 46,000 |
| Capital projects fund: | |
| State | 1,807,027 |
| Other | 375,142 |
| Total governmental activities | 5,125,527 |
| Business-type activities: | |
| Food services | 37,465 |
| Infant/Toddler | 852 |
| Total business-type activities | 38,317 |
| Total receivables | $ 5,163,844 |

## NOTE 6. INVENTORIES

Inventories in the food services fund at June 30, 2013, consisted of the following:

| | |
|---|---|
| Food | $ 10,064 |
| Supplies | 3,543 |
| | $ 13,607 |

The value of Federal donated commodities as reflected on Exhibit K-3, Schedule A (required by the Single Audit Act of 1984, as amended by the Single Audit Act Amendments of 1996) is the difference between market value and cost of the commodities at the date of purchase and has been included as an item of nonoperating revenue in the financial statements.

## NOTE 7. DEFERRED BOND ISSUANCE COSTS

The costs associated with the issues of the various bonds amounted to $228,205, amortized on a straight-line basis over the life of the specific bonds (14 to 25 years). Accumulated amortization amounted to $90,956. The amortization expense for the fiscal year ended June 30, 2013, amounted to $13,991.

## NOTE 8. CAPITAL ASSETS

Capital asset activity for the fiscal year ended June 30, 2013, was as follows:

| | Beginning Balance | Additions | Reclass/ Retirements | Ending Balance |
|---|---|---|---|---|
| Governmental activities: | | | | |
| Capital assets not being depreciated: | | | | |
| Land | $ 7,435,206 | $ - | $ - | $ 7,435,206 |
| Construction in progress | 42,652,491 | 3,438,180 | (46,090,671) | |
| Total capital assets not being depreciated | 50,087,697 | 3,438,180 | (46,090,671) | 7,435,206 |
| Capital assets being depreciated: | | | | |
| Site improvements | 892,094 | | | 892,094 |
| Building and improvements | 68,864,051 | 1,059,443 | 46,090,671 | 116,014,165 |
| Vehicles | 337,834 | | | 337,834 |
| Furniture, fixtures and equipment | 7,086,385 | 1,629,878 | (930,215) | 7,786,048 |
| Totals at historical cost | 77,180,364 | 2,689,321 | 45,160,456 | 125,030,141 |

NOTE 8. CAPITAL ASSETS (CONTINUED)

| | Beginning Balance | Additions | Reclass/ Retirements | Ending Balance |
|---|---|---|---|---|
| Less accumulated depreciation for: | | | | |
| Site improvements | $ (597,105) | $ (27,628) | $ - | $ (624,733) |
| Building and improvements | (27,913,870) | (2,210,403) | | (30,124,273) |
| Vehicles | (235,844) | (38,835) | | (274,679) |
| Furniture, fixtures and equipment | (4,802,667) | (1,201,739) | 930,215 | (5,074,191) |
| Total accumulated depreciation | (33,549,486) | (3,478,605) | 930,215 | (36,097,876) |
| Total capital assets being depreciated, net of accumulated depreciation | 43,630,878 | (789,284) | 46,090,671 | 88,932,265 |
| Governmental activities capital assets, net | $ 93,718,575 | $ 2,648,896 | $ - | $ 96,367,471 |
| Business-type activities: | | | | |
| Leasehold improvements and equipment | $ 672,543 | $ 16,872 | $ (13,880) | $ 675,535 |
| Less accumulated depreciation | (472,266) | (17,093) | 13,880 | (475,479) |
| Business-type activities capital assets, net | $ 200,277 | $ (221) | $ - | $ 200,056 |

On January 11, 2001, the NJ State Department of Education announced that effective July 1, 2001, the capitalization threshold used by school districts in the State of New Jersey is increased to $2,000. The previous threshold was $500. Applying the higher capitalization threshold retroactively will be permitted by the State regulations in situations where (1) the assets have been fully depreciated, or (2) the assets have exceeded their useful lives.

Depreciation expense was charged to functions as follows:

| | |
|---|---|
| Governmental activities: | |
| Unallocated | $ 3,478,605 |
| Business-type activities: | |
| Food services | 10,238 |
| Infant/Toddler Development Program | 6,855 |
| Total | $ 3,495,698 |

## NOTE 9. LONG-TERM OBLIGATIONS

During the fiscal year ended June 30, 2013, the following changes occurred in long-term obligations:

| | Balance, July 1, 2012 | Increases | Decreases | Balance June 30, 2013 | Amounts Due Within One Year |
|---|---|---|---|---|---|
| Bonds payable | $ 50,350,000 | $ - | $ (1,640,000) | $ 48,710,000 | $ 1,755,000 |
| Compensated absences payable | 1,437,107 | 832,895 | (946,974) | 1,323,028 | 978,346 |
| Obligations under capital leases | 1,763,477 | 725,000 | (826,223) | 1,662,254 | 688,168 |
| | $ 53,550,584 | $ 1,557,895 | $ (3,413,197) | $ 51,695,282 | $ 3,421,514 |

Compensated absences and capital leases have been liquidated in the general fund.

A. General Obligation Bonds:

Bonds are authorized in accordance with State law by the voters of the municipality through referendums, to provide funds for the acquisition and construction of major capital facilities. All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the Board are general obligation bonds.

Interest paid on debt issued by the District is exempt from federal income tax.

Bonds payable at June 30, 2013, are comprised of the following issues:

| | Governmental Activities | | | |
|---|---|---|---|---|
| | Issue Dates | Interest Rates | Date of Maturity | Balance June 30, 2013 |
| Bonds payable | 10/15/2004 | 3.4% - 5.25% | 10/1/2018 | $ 7,490,000 |
| | 4/8/2010 | 2.0% - 4.4% | 3/15/2035 | 37,970,000 |
| | 6/1/2011 | 2.0% - 5.0% | 3/15/2035 | 3,250,000 |
| Total bonds | | | | $ 48,710,000 |

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

B. Bonds Authorized But Not Issued:

None

C. Debt Service Requirements:

Debt service requirements on serial bonds payable at June 30, 2013, are as follows:

| Year Ending June 30, | Principal | Interest | Total |
|---|---|---|---|
| 2014 | $ 1,755,000 | $ 1,978,973 | $ 3,733,973 |
| 2015 | 1,845,000 | 1,912,488 | 3,757,488 |
| 2016 | 1,950,000 | 1,838,740 | 3,788,740 |
| 2017 | 2,045,000 | 1,754,246 | 3,799,246 |
| 2018 | 2,145,000 | 1,663,015 | 3,808,015 |
| 2019-2023 | 9,580,000 | 7,198,100 | 16,778,100 |
| 2024-2028 | 11,130,000 | 5,246,375 | 16,376,375 |
| 2029-2033 | 12,650,000 | 2,881,450 | 15,531,450 |
| 2034-2035 | 5,610,000 | 369,079 | 5,979,079 |
| | $ 48,710,000 | $ 24,842,466 | $ 73,552,466 |

Prior-Year Defeasance of Debt

In prior years, the District defeased certain serial bonds by placing the proceeds of new bonds in irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the District's financial statements.

NOTE 9. LONG-TERM OBLIGATIONS (CONTINUED)

D. Capital Leases Payable:

The District is leasing equipment, computers and lighting totaling approximately $3,442,000, under capital leases. The capital leases are for terms of five years. The following is a schedule of the future minimum lease payments under the capital leases, and the present value of the net minimum lease payments at June 30, 2013.

| Year Ending June 30, | |
|---|---|
| 2014 | $ 722,596 |
| 2015 | 553,598 |
| 2016 | 298,816 |
| 2017 | 149,114 |
| Total minimum lease payments | 1,724,124 |
| Less: Amounts representing interest | 61,870 |
| Present value of net minimum lease payments | $ 1,662,254 |

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS

The State of New Jersey sponsors and administers the following contributory defined benefit public employee retirement systems (retirement systems) covering substantially all eligible Board employees:

Pubic Employees' Retirement System (PERS) - Established in January 1955, under the provisions of N.J.S.A. 43:15A to provide coverage, including post-retirement health care, to substantially all full time employees of the State or any county, municipality, school district, or public agency provided the employee is not a member of another State-administered retirement system. Membership is mandatory for such employees and vesting occurs after 8 to 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

Teachers' Pension and Annuity Fund (TPAF) - Established in January 1955, under the provisions of N.J.S.A. 18A:66 to provide coverage including post-retirement health care to substantially all full time certified teachers or professional staff of the public school systems in the State. Membership is mandatory for such employees and vesting occurs after 10 years of service for pension benefits and 25 years for post-retirement health care coverage.

The State of New Jersey sponsors and administers the following defined contribution public employee retirement program covering certain state and local government employees, which include those Board employees who are eligible for pension coverage.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Defined Contribution Retirement Program (DCRP) - established under the provisions of Chapter 92, P.L. 2007 and Chapter 103, P.L. 2008 to provide coverage to elected and certain appointed officials, effective July 1, 2007. Membership is mandatory for such individuals with vesting occurring after one (1) year of membership.

Other Pension Funds - The State established and administers a Supplemental Annuity Collective Trust Fund (SACT), which is available to active members of the State-administered retirement systems to purchase annuities to supplement the guaranteed benefits provided by their retirement system. The state or local government employers do not appropriate funds to SACT.

The cost of living increase for PERS and TPAF, are funded directly by each of the respective systems and are considered in the annual actuarial calculation of the required State contribution for the system.

According to state law, all obligations of each retirement system will be assumed by the State of New Jersey should any retirement system be terminated.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of each of the above systems. The financial reports may be accessed via the New Jersey, Division of Pensions and Benefits, website at www.state.nj.us/treasury/pensions. The financial statements of the retirement systems are prepared on the accrual basis of accounting. Employer contributions are recognized when payable to the retirement systems. Benefits or refunds are recognized when due and payable in accordance with the terms of the retirement systems.

Significant Legislation:

P.L. 2011, c.78, effective June 28, 2011, made various changes to the manner in which TPAF and PERS operate and to the benefit provisions of those systems.

This new legislation's provisions impacting employee pension and health benefits include:

- New members of TPAF and PERS hired on or after June 28, 2011 (Tier 5 members), will need 30 years of creditable service and age 65 for receipt of the early retirement benefit without a reduction of 1/4 to 1 percent for each month that the member is under age 65.
- The eligibility age to qualify for a service retirement in the TPAF and PERS is increased from age 62 to 65 for Tier 5 members.
- The annual benefit under special retirement for new PERS members enrolled after June 28, 2011 (Tier 3 members), will be 60 percent instead of 65 percent of the member's final compensation plus 1 percent for each year of creditable service over 25 years but not to exceed 30 years.
- Active member contribution rates will increase. TPAF and PERS active member rates increase from 5.5 percent of annual compensation to 6.5 percent plus an additional 1 percent phased-in over 7 years. For Fiscal Year 2012, the member contribution rates increased in October 2011. The phase-in of the additional incremental member contributions for TPAF and PERS members will take place in July of each subsequent fiscal year.
- The payment of automatic cost-of-living adjustment (COLA) additional increases to current and future retirees and beneficiaries is suspended until reactivated as permitted by this law.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Significant Legislation (Continued):

In addition, this new legislation changes the method for amortizing the pension systems' unfunded accrued liability (from a level percent of pay method to a level dollar of pay).

Employer and Employee Contribution Requirement:

The contribution policy is set by laws of the State of New Jersey, and requires contributions by active members and participating employers. Plan member and employer contributions may be amended by State of New Jersey legislation. As defined, the retirement systems require employee contributions based on 6.5% for PERS, 6.5% for TPAF and 5.5% for DCRP of the employee's annual compensation.

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.

**Three-Year Trend Information for TPAF (Paid on-behalf of the District)**

| Year Funding | Normal Pension Cost | Non-Contributory Group Life Insurance (NCGI) | Post-Retirement Medical Contributions | Total Pension and NCGI |
|---|---|---|---|---|
| 2013 | $ 2,713,491 | $ 142,767 | $ 3,229,706 | $ 6,085,964 |
| 2012 | 1,231,044 | 132,108 | 2,740,292 | 4,103,444 |
| 2011 | - | 130,779 | 2,777,747 | 2,908,526 |

**Three-Year Trend Information for PERS**

| Year Funding | Normal Pension Cost | Non-Contributory Group-Life Insurance (NCGI) | Total Pension and NCGI |
|---|---|---|---|
| 2013 | $ 777,841 | $ 46,295 | $ 824,136 |
| 2012 | 783,379 | 49,911 | 833,290 |
| 2011 | 770,016 | 58,482 | 828,498 |

During the fiscal year ended June 30, 2013, the District contributed $824,136 to the PERS.

During the fiscal year ended June 30, 2013, the District contributed $22,209 to DCRP.

During the fiscal year ended June 30, 2013, the State of New Jersey contributed $6,085,964 to the TPAF on behalf of the District, $3,229,706 for post-retirement benefits, $142,767 for non-contributory group insurance premiums, and $2,713,491 for normal and other pension costs. Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the District $3,240,975 during the year ended June 30, 2013 for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

NOTE 10. EMPLOYEE RETIREMENT SYSTEMS AND PENSION PLANS (CONTINUED)

Employer and Employee Contribution Requirement (Continued):

These amounts have been included in the district-wide financial statements, and the fund based statements as a revenue and expenditure in accordance with GASB 24.

NOTE 11. POST-RETIREMENT BENEFITS

P.L. 1987, c.384 and P.L. 1990, c.6 required Teachers' Pension 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, 2012, there were 97,661 retirees eligible for post-retirement medical benefits. 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 premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c. 126, which provides free 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 $146.6 million toward Chapter 126 benefits for 16,618 eligible retired members in fiscal year 2012.

NOTE 12. COMPENSATED ABSENCES

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

District employees are granted varying amounts of vacation and sick leave days per fiscal school year in accordance with the District's personnel policy. Unused sick leave may be accumulated and carried forward to the subsequent years. Upon retirement, the District shall pay the employee for unused sick leave in accordance with the District's agreements with the various employee unions. In accordance with the District's agreements with various employee unions and District policies, a certain number of vacation days not used during the year may be carried forward and taken with approval from the Superintendent.

The liability for vested compensated absences is recorded within those funds as the benefits accrue to employees.

## NOTE 13. DEFERRED COMPENSATION

The District offers its employees a choice of various deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans, which are administered by the entities listed below, permits participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death or unforeseeable emergency. The plan administrators are as follows:

| | |
|---|---|
| Lincoln Investment | The Equitable |
| The Prudential Insurance Company of America | Union Central |
| Franklin Templeton | VALIC |

## NOTE 14. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Board of Education on September 25, 2000, for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity will be included in the general fund annual budget.

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

The activity of the capital reserve for the July 1, 2012 to June 30, 2013 fiscal year is as follows:

| | |
|---|---|
| Beginning balance, July 1, 2012 | $ 2,137,931 |
| Increased by: | |
| Interest earnings | 1,332 |
| Deposit approved by board resolution, June 10, 2013 | 1,265,543 |
| | 3,404,806 |
| Decreased by: | |
| Withdrawals through 2012-13 budget | (1,500,000) |
| Withdrawals approved by board resolution, February 25, 2013 | (169,203) |
| Ending balance, June 30, 2013 | $ 1,735,603 |

The June 30, 2013 LRFP balance of local support costs of uncompleted capital projects is approximately $25,000,000.

## NOTE 15. NET POSITION OR FUND BALANCE– UNRESTRICTED (DEFICIT)

The District has an unrestricted deficit in the Infant/Toddler Development Program of $252,128, which will be reduced in future years through increased fees or reductions of expenses.

The District has an unrestricted deficit in Food Services of $10,674, which will be reduced in future years through increased fees or reductions of expenses.

## NOTE 16. TRANSFERS TO CAPITAL OUTLAY

During the year ended June 30, 2013, the District transferred $169,203 to the capital outlay facilities acquisition and construction services line item accounts. Transfers in the amount of $169,203 were approved by the Executive County Superintendent to support an emergent circumstance pursuant to N.J.A.C. 6A:23A-13.3(h).

## NOTE 17. FUND BALANCE APPROPRIATED

General Fund - Of the $7,362,751 general fund balance in the fund financial statements at June 30, 2013, $863,807 is committed for encumbrances; $81,909 is assigned for encumbrances; $1,650,000 is restricted as reserve for excess surplus in accordance with N.J.S.A. 18A:7F-7 ($900,000 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2014); $1,735,603 has been restricted in the capital reserve account; $900,000 has been restricted in the emergency reserve account; and $2,131,432 is unassigned. During the fiscal year ended June 30, 2013, authorized and approved appropriations of $579,003 from surplus were made on December 17, 2012, from 2012 additional state aid for extraordinary special education aid ($562,579) and additional nonpublic school transportation and other state aid ($16,424).

Debt Service Fund – All of the $7,861 debt service fund balance in the fund financial statements at June 30, 2013, is restricted for debt service. Of the $7,861 debt service fund balance, $7,861 has been appropriated and included as anticipated revenue for the year ending June 30, 2014.

## NOTE 18. CALCULATION OF EXCESS SURPLUS

The designation for reserved fund balance - excess surplus is a required calculation pursuant to N.J.S.A. 18A:7F-7, as amended. New Jersey school districts are required to reserve general fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2013 is $750,000.

## NOTE 19. CONTINGENCIES AND OTHER MATTERS

The District is involved in claims incidental to its operations. In the opinion of the administration, the ultimate resolution of these matters will not have a material effect on the financial position of the District.

NOTE 19. CONTINGENCIES AND OTHER MATTERS (CONTINUED)

The District is a participant, together with other school districts, in a joint insurance workers' compensation trust. In the event that claims against the trust exceed annual revenues, the District would be obligated to contribute its ratable share of the losses to pay the liabilities.

Federal Arbitrage Regulations - The District is subject to Section 148 of the Internal Revenue Code as it pertains to the arbitrage rebate on all tax-exempt obligations, both long and short-term debt. Under the 1986 Tax Reform Act, the Internal Revenue Service (IRS) required that all excess earnings from investment proceeds be rebated to the IRS. Arbitrage, for purposes of these regulations, is defined as the difference between the yield on the investment and the yield on the obligations issued. If there are excess earnings, this amount may be required to be rebated to the IRS. At June 30, 2013, the District had no estimated arbitrage earnings due to the IRS.

The District participates in federal awards and state financial assistance grant programs. Expenditures financed by such grant programs are subject to audit by the appropriate grantor government. If expenditures are disallowed due to noncompliance with applicable laws, regulations, contracts and grant agreements, the District may be required to reimburse the grantor government. As of June 30, 2013, significant amounts of grant expenditures have not been audited, but the District believes that disallowed expenditures discovered in subsequent audits, if any, will not have a material effect on any of the individual funds or the overall financial position of the District. The District is not aware of any material items of noncompliance which would result in the disallowance of grant expenditures.

NOTE 20. 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 (See Note 19).

Property, Liability, Workers' Compensation Insurance:

The District maintains commercial insurance coverage for property, liability, and student accident and surety bonds. The District also participates, together with other school districts, in a joint insurance workers' compensation trust (See Note 19). A complete schedule of insurance coverage can be found in the Statistical Section of this Comprehensive Annual Financial Report.

New Jersey Unemployment Compensation Insurance:

The District has elected to fund its New Jersey Unemployment Compensation Insurance under the "Benefit Reimbursement Method". Under this plan, the District is required to reimburse the New Jersey Unemployment Trust Fund for benefits paid to its former employees and charged to its account with the State. The District is billed quarterly for amounts due to the State.

The following is a summary of 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 and previous two years:

NOTE 20. RISK MANAGEMENT (CONTINUED)

New Jersey Unemployment Compensation Insurance (Continued):

| Fiscal Year | District Contributions | Employee Contributions | Amount Reimbursed | Ending Balance |
|---|---|---|---|---|
| 2012-2013 | $ 30,000 | $ 75,282 | $ 45,907 | $ 107,065 |
| 2011-2012 | - | 72,978 | 49,393 | 47,561 |
| 2010-2011 | - | 69,283 | 200,921 | 23,807 |

NOTE 21. SUBSEQUENT EVENTS

Management has reviewed and evaluated all events and transactions that occurred from June 30, 2013 through November 29, 2013, the date the financial statements were available to be issued, for possible disclosure and recognition in the financial statements. The following items occurred subsequent to June 30, 2013:

Bond Refunding:

The Board adopted a refunding bond ordinance and a resolution on June 10, 2013, for the purpose of issuing Refunding Bonds (the Refunding Bonds) in order to advance refund a portion of the outstanding 2004 Refunded School Bonds dated October 15, 2004, (the Prior Bonds) which were issued to advance refund the 1999 bonds used to finance the construction of additions to and renovations of various existing schools.

On November 15, 2013, the Board issued $5,300,000 in general obligation bonds to advance refund $4,965,000 of outstanding 2004 series bonds. The net proceeds were used to purchase U.S. government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2004 series bonds.

Maturities of the debt are as follows:

| Fiscal Year | Principal Amount | Interest Rate |
|---|---|---|
| 2013-2014 | $ 60,000 | 0.65% |
| 2014-2015 | 130,000 | 0.75% |
| 2015-2016 | 1,355,000 | 0.92% |
| 2016-2017 | 1,300,000 | 1.27% |
| 2017-2018 | 1,250,000 | 1.78% |
| 2018-2019 | 1,205,000 | 2.23% |
| | $ 5,300,000 | |

Election

On November 18, 2013, the Board voted to move the school district's annual election to November effective in 2014.

# REQUIRED SUPPLEMENTARY INFORMATION - PART II

# BUDGETARY COMPARISON SCHEDULES

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | $ 82,949,642 | $ - | $ 82,949,642 | $ 82,949,642 | $ - |
| Tuition | 432,816 | | 432,816 | 551,917 | 119,101 |
| Interest earned on capital reserve funds | 3,500 | | 3,500 | 1,332 | (2,168) |
| Interest on investments | 83,160 | | 83,160 | 24,431 | (58,729) |
| Miscellaneous | 1,536,262 | | 1,536,262 | 1,952,615 | 416,353 |
| Total - local sources | 85,005,380 | | 85,005,380 | 85,479,937 | 474,557 |
| State sources: | | | | | |
| Transportation aid | 116,391 | | 116,391 | 116,391 | |
| Special education categorical aid | 1,817,457 | | 1,817,457 | 1,817,457 | |
| Extraordinary special education aid | 1,032,596 | | 1,032,596 | 1,499,303 | 466,707 |
| Security aid | 82,038 | | 82,038 | 82,038 | |
| Other state aids | | | | 403,195 | 403,195 |
| On-behalf TPAF pension - non-contributory insurance (non-budgeted) | | | | 142,767 | 142,767 |
| On-behalf TPAF pension - post retirement medical contributions (non-budgeted) | | | | 3,229,706 | 3,229,706 |
| On-behalf TPAF pension - normal costs (non-budgeted) | | | | 2,713,491 | 2,713,491 |
| Reimbursed TPAF social security contributions (non-budgeted) | | | | 3,240,975 | 3,240,975 |
| Total - state sources | 3,048,482 | | 3,048,482 | 13,245,323 | 10,196,841 |
| Federal sources: | | | | | |
| Medicaid reimbursement | 14,288 | | 14,288 | 1,703 | (12,585) |
| Total - federal sources | 14,288 | | 14,288 | 1,703 | (12,585) |
| Total revenues | 88,068,150 | | 88,068,150 | 98,726,963 | 10,658,813 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| EXPENDITURES: | | | | | |
| CURRENT EXPENSE: | | | | | |
| Regular programs - instruction: | | | | | |
| Salaries of teachers: | | | | | |
| Kindergarten | $ 890,356 | $ 20,170 | $ 910,526 | $ 910,526 | $ - |
| Grades 1-5 | 10,742,104 | 161,994 | 10,904,098 | 10,904,098 | |
| Grades 6-8 | 7,558,594 | 131,784 | 7,690,378 | 7,681,878 | 8,500 |
| Grades 9-12 | 8,904,884 | 24,258 | 8,929,142 | 8,929,142 | |
| Regular programs - home instruction: | | | | | |
| Salaries of teachers | 24,102 | 33,906 | 58,008 | 58,008 | |
| Purchased professional - educational services | 14,733 | 1,719 | 16,452 | 15,921 | 531 |
| Regular programs - undistributed instruction: | | | | | |
| Purchased professional - educational services | 1,500 | 1,210 | 2,710 | 2,710 | |
| Other purchased services | 783,510 | 39,365 | 822,875 | 822,875 | |
| General supplies | 1,232,906 | (57,719) | 1,175,187 | 1,175,187 | |
| Textbooks | 118,026 | (61,243) | 56,783 | 56,783 | |
| Other objects | 5,400 | (2,926) | 2,474 | 2,473 | 1 |
| Total regular programs - instruction | 30,276,115 | 292,518 | 30,568,633 | 30,559,601 | 9,032 |
| Special education - instruction: | | | | | |
| Learning and/or language disabilities: | | | | | |
| Salaries of teachers | 635,474 | 266,598 | 902,072 | 901,984 | 88 |
| Other salaries for instruction | 607,420 | (140,349) | 467,071 | 466,426 | 645 |
| General supplies | 2,000 | 5,781 | 7,781 | 5,996 | 1,785 |
| Textbooks | | 4,764 | 4,764 | 4,261 | 503 |
| Total learning and/or language disabilities | 1,244,894 | 136,794 | 1,381,688 | 1,378,667 | 3,021 |
| Multiple disabilities: | | | | | |
| Salaries of teachers | | 254,905 | 254,905 | 254,749 | 156 |
| Other salaries for instruction | | 377,827 | 377,827 | 354,554 | 23,273 |
| Other purchased services | | 1,406 | 1,406 | 1,406 | |
| General supplies | | 10,091 | 10,091 | 6,665 | 3,426 |
| Total multiple disabilities | | 644,229 | 644,229 | 617,374 | 26,855 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Resource room/resource center: | | | | | |
| Salaries of teachers | $ 3,097,998 | $ 63,652 | $ 3,161,650 | $ 3,161,650 | $ - |
| Other salaries for instruction | 1,086,909 | 138,106 | 1,225,015 | 1,214,218 | 10,797 |
| General supplies | 13,432 | (4,965) | 8,467 | 6,768 | 1,699 |
| Textbooks | | 76 | 76 | 76 | |
| Other objects | 250 | 3 | 253 | 253 | |
| Total resource room/resource center | 4,198,589 | 196,872 | 4,395,461 | 4,382,965 | 12,496 |
| Autism: | | | | | |
| Salaries of teachers | 267,511 | (267,511) | | | |
| Other salaries for instruction | 349,868 | (349,868) | | | |
| General supplies | 11,953 | (11,953) | | | |
| Other objects | 1,761 | (1,761) | | | |
| Total autism | 631,093 | (631,093) | | | |
| Preschool disabilities - full-time: | | | | | |
| Salaries of teachers | 746,140 | (323,777) | 422,363 | 422,336 | 27 |
| Other salaries for instruction | | 167,237 | 167,237 | 167,237 | |
| Purchased professional - educational services | | 1,345 | 1,345 | | 1,345 |
| Other purchased services | 4,882 | 260 | 5,142 | 4,300 | 842 |
| General supplies | 8,341 | | 8,341 | 4,751 | 3,590 |
| Other objects | 1,241 | (1,241) | | | |
| Total preschool disabilities - full-time | 760,604 | (156,176) | 604,428 | 598,624 | 5,804 |
| Home instruction: | | | | | |
| Salaries of teachers | 665 | 44,281 | 44,946 | 44,946 | |
| Purchased professional - educational services | 15,316 | 417 | 15,733 | 15,733 | |
| General supplies | | 650 | 650 | 600 | 50 |
| Total home instruction | 15,981 | 45,348 | 61,329 | 61,279 | 50 |
| Total special education - instruction | 6,851,161 | 235,974 | 7,087,135 | 7,038,909 | 48,226 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Basic skills/remedial - instruction: | | | | | |
| Salaries of teachers | $ 1,012,878 | $ (16,862) | $ 996,016 | $ 992,446 | $ 3,570 |
| General supplies | 2,906 | (192) | 2,714 | 2,607 | 107 |
| Total basic skills/remedial - instruction | 1,015,784 | (17,054) | 998,730 | 995,053 | 3,677 |
| Bilingual education - instruction: | | | | | |
| Salaries of teachers | 432,940 | (76,317) | 356,623 | 355,811 | 812 |
| General supplies | 1,749 | (245) | 1,504 | 1,229 | 275 |
| Textbooks | 309 | (309) | | | |
| Total bilingual education - instruction | 434,998 | (76,871) | 358,127 | 357,040 | 1,087 |
| School sponsored cocurricular activities - instruction: | | | | | |
| Salaries | 243,215 | 78,502 | 321,717 | 319,879 | 1,838 |
| Purchased services | 26,220 | (6,389) | 19,831 | 19,478 | 353 |
| Supplies and materials | 8,995 | (5,548) | 3,447 | 3,243 | 204 |
| Other objects | 4,767 | 17,250 | 22,017 | 20,722 | 1,295 |
| Total school sponsored cocurricular activities - instruction | 283,197 | 83,815 | 367,012 | 363,322 | 3,690 |
| School sponsored athletics - instruction: | | | | | |
| Salaries | 573,408 | 111,122 | 684,530 | 684,530 | |
| Purchased services | 95,753 | (710) | 95,043 | 92,753 | 2,290 |
| Supplies and materials | 100,731 | (9,438) | 91,293 | 91,063 | 230 |
| Other objects | 42,148 | 13,633 | 55,781 | 55,781 | |
| Total school sponsored athletics - instruction | 812,040 | 114,607 | 926,647 | 924,127 | 2,520 |
| Summer school - instruction: | | | | | |
| Salaries of teachers | 118,724 | (22,347) | 96,377 | 96,377 | |
| Other salaries for instruction | 38,506 | 28,276 | 66,782 | 66,782 | |
| General supplies | | 187 | 187 | 187 | |
| Total summer school - instruction | 157,230 | 6,116 | 163,346 | 163,346 | |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Summer school - support services | | | | | |
| Salaries | $ - | $ 14,426 | $ 14,426 | $ 14,426 | $ - |
| Purchased services | | 4,046 | 4,046 | 4,046 | |
| Total summer school support services | | 18,472 | 18,472 | 18,472 | |
| Other instructional programs - instruction: | | | | | |
| Salaries | 390,121 | 2,421 | 392,542 | 392,542 | |
| Other objects | 5,000 | 123 | 5,123 | 5,072 | 51 |
| Total other instructional programs - instruction | 395,121 | 2,544 | 397,665 | 397,614 | 51 |
| Total - instruction | 40,225,646 | 660,121 | 40,885,767 | 40,817,484 | 68,283 |
| Undistributed expenditures: | | | | | |
| Instruction: | | | | | |
| Tuition to other LEAs within the state-special | 777,543 | (456,134) | 321,409 | 311,087 | 10,322 |
| Tuition to county vocational school-regular | 412,371 | 20,850 | 433,221 | 433,221 | |
| Tuition to county special services school districts and regional day schools | 455,763 | 108,816 | 564,579 | 546,144 | 18,435 |
| Tuition to private schools for the handicapped within the state | 2,756,093 | 809,021 | 3,565,114 | 3,564,707 | 407 |
| Tuition to private schools for the handicapped and other LEAs - special, outside the state | 629,310 | (59,286) | 570,024 | 570,024 | |
| Tuition - other | 23,767 | 20,689 | 44,456 | 44,456 | |
| Total undistributed expenditures - instruction | 5,054,847 | 443,956 | 5,498,803 | 5,469,639 | 29,164 |
| Attendance and social work services: | | | | | |
| Salaries | 66,002 | (43,589) | 22,413 | 16,726 | 5,687 |
| Supplies and materials | | 176 | 176 | 176 | |
| Total attendance and social work services | 66,002 | (43,413) | 22,589 | 16,902 | 5,687 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Health services: | | | | | |
| Salaries | $ 654,417 | $ 22,275 | $ 676,692 | $ 675,106 | $ 1,586 |
| Other purchased services | 832 | 44 | 876 | 710 | 166 |
| Supplies and materials | 18,803 | (1,839) | 16,964 | 15,497 | 1,467 |
| Other objects | 1,803 | 661 | 2,464 | 2,464 | |
| Total health services | 675,855 | 21,141 | 696,996 | 693,777 | 3,219 |
| Speech/occupational therapy/physical therapy and related services: | | | | | |
| Salaries | 1,467,826 | 114,562 | 1,582,388 | 1,581,388 | 1,000 |
| Purchased professional - educational services | 826,940 | 309,042 | 1,135,982 | 1,132,219 | 3,763 |
| Supplies and materials | 9,398 | (2,332) | 7,066 | 6,280 | 786 |
| Other objects | 2,971 | | 2,971 | | 2,971 |
| Total speech/occupational therapy/physical therapy and related services | 2,307,135 | 421,272 | 2,728,407 | 2,719,887 | 8,520 |
| Extraordinary services: | | | | | |
| Salaries | 848,490 | 166,589 | 1,015,079 | 961,766 | 53,313 |
| Purchased professional - educational services | 448,950 | 273,691 | 722,641 | 722,641 | |
| Supplies and materials | 9,355 | (2,039) | 7,316 | 7,026 | 290 |
| Total extraordinary services | 1,306,795 | 438,241 | 1,745,036 | 1,691,433 | 53,603 |
| Guidance services: | | | | | |
| Salaries of other professional staff | 1,875,201 | (211,655) | 1,663,546 | 1,661,607 | 1,939 |
| Salaries of secretarial and clerical assistants | 179,457 | (7,021) | 172,436 | 171,817 | 619 |
| Purchased professional - educational services | 6,991 | (6,741) | 250 | 250 | |
| Other purchased services | 16,693 | 336 | 17,029 | 13,031 | 3,998 |
| Supplies and materials | 93,638 | (2,045) | 91,593 | 85,719 | 5,874 |
| Other objects | 720 | (50) | 670 | 670 | |
| Total guidance services | 2,172,700 | (227,176) | 1,945,524 | 1,933,094 | 12,430 |



See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Child study teams: | | | | | |
| Salaries of other professional staff | $ 2,403,019 | $ (24,492) | $ 2,378,527 | $ 2,378,527 | $ - |
| Salaries of secretarial and clerical assistants | 292,628 | 11,435 | 304,063 | 304,063 | |
| Purchased professional - educational services | 260 | 190 | 450 | 450 | |
| Other purchased professional and technical services | 18,414 | (621) | 17,793 | 17,793 | |
| Residential costs | 24,613 | 83,052 | 107,665 | 107,665 | |
| Other purchased services | 11,124 | (3,372) | 7,752 | 4,460 | 3,292 |
| Supplies and materials | 10,977 | 3,220 | 14,197 | 13,718 | 479 |
| Other objects | 1,354 | 3,559 | 4,913 | 2,435 | 2,478 |
| Total child study teams | 2,762,389 | 72,971 | 2,835,360 | 2,829,111 | 6,249 |
| Improvement of instruction services: | | | | | |
| Salaries of supervisors of instruction | 581,804 | | 581,804 | 581,708 | 96 |
| Salaries of other professional staff | 114,842 | (108,680) | 6,162 | 3,731 | 2,431 |
| Salaries of secretarial and clerical assistants | 232,104 | 14,501 | 246,605 | 242,982 | 3,623 |
| Purchased professional - educational services | 4,000 | 76,148 | 80,148 | 77,900 | 2,248 |
| Other purchased services | 22,200 | (4,704) | 17,496 | 15,808 | 1,688 |
| Supplies and materials | 13,380 | (8,045) | 5,335 | 696 | 4,639 |
| Other objects | 1,344 | 7,626 | 8,970 | 8,515 | 455 |
| Total improvement of instruction services | 969,674 | (23,154) | 946,520 | 931,340 | 15,180 |
| Educational media services/school library: | | | | | |
| Salaries | 1,441,706 | (54,448) | 1,387,258 | 1,359,638 | 27,620 |
| Other purchased services | 14,280 | 6,921 | 21,201 | 21,191 | 10 |
| Supplies and materials | 223,551 | (16,323) | 207,228 | 189,073 | 18,155 |
| Other objects | 160 | | 160 | | 160 |
| Total educational media/library services | 1,679,697 | (63,850) | 1,615,847 | 1,569,902 | 45,945 |



See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Instructional staff training services: | | | | | |
| Salaries of other professional staff | $ 27,044 | $ 9,698 | $ 36,742 | $ 33,172 | $ 3,570 |
| Salaries of secretarial and clerical assistants | 53,793 | (6,579) | 47,214 | 47,214 | |
| Other salaries | | 489 | 489 | 489 | |
| Other purchased services | 24,265 | (10,710) | 13,555 | 13,459 | 96 |
| Supplies and materials | 5,900 | (44) | 5,856 | 4,991 | 865 |
| Total instructional staff training services | 111,002 | (7,146) | 103,856 | 99,325 | 4,531 |
| Support services - general administration: | | | | | |
| Salaries | 321,662 | 8,080 | 329,742 | 329,742 | |
| Legal services | 86,300 | | 86,300 | 76,411 | 9,889 |
| Audit fees | 99,575 | | 99,575 | 52,630 | 46,945 |
| Other purchased professional services | 1,322 | | 1,322 | | 1,322 |
| Communications/telephone | 176,388 | (25,610) | 150,778 | 130,421 | 20,357 |
| BOE other purchased services | 1,408 | 1,799 | 3,207 | 2,666 | 541 |
| Other purchased services | 253,006 | 22,894 | 275,900 | 255,323 | 20,577 |
| General supplies | 17,014 | (10,296) | 6,718 | 4,761 | 1,957 |
| Miscellaneous expenditures | 20,630 | (189) | 20,441 | 18,529 | 1,912 |
| BOE membership dues and fees | 28,205 | | 28,205 | 26,663 | 1,542 |
| Total support services - general administration | 1,005,510 | (3,322) | 1,002,188 | 897,146 | 105,042 |
| Support services - school administration: | | | | | |
| Salaries of principals/assistant principals | 2,426,411 | (13,556) | 2,412,855 | 2,412,815 | 40 |
| Salaries of secretarial and clerical assistants | 914,228 | 77,802 | 992,030 | 987,373 | 4,657 |
| Other salaries | 118,587 | (5,000) | 113,587 | 113,587 | |
| Other purchased services | 16,148 | (13,886) | 2,262 | 1,819 | 443 |
| Supplies and materials | 55,597 | 10,896 | 66,493 | 65,321 | 1,172 |
| Other objects | 6,590 | (2,986) | 3,604 | 3,604 | |
| Total support services - school administration | 3,537,561 | 53,270 | 3,590,831 | 3,584,519 | 6,312 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Central services: | | | | | |
| Salaries | $ 1,007,431 | $ 2,183 | $ 1,009,614 | $ 1,004,614 | $ 5,000 |
| Purchased professional services | 98,013 | 3,836 | 101,849 | 70,966 | 30,883 |
| Miscellaneous purchased services | 81,023 | (5,412) | 75,611 | 74,150 | 1,461 |
| Supplies and materials | 15,954 | 10,491 | 26,445 | 26,310 | 135 |
| Miscellaneous expenditures | 4,743 | 397 | 5,140 | 5,140 | |
| Total central services | 1,207,164 | 11,495 | 1,218,659 | 1,181,180 | 37,479 |
| Administrative information technology: | | | | | |
| Salaries | 441,409 | 5,387 | 446,796 | 446,795 | 1 |
| Purchased professional services | 1,200 | 8,080 | 9,280 | 4,364 | 4,916 |
| Other purchased services | 243,437 | (162,284) | 81,153 | 79,428 | 1,725 |
| Supplies and materials | 26,494 | (9,005) | 17,489 | 17,489 | |
| Other objects | | 200 | 200 | 200 | |
| Total administrative information technology | 712,540 | (157,622) | 554,918 | 548,276 | 6,642 |
| Required maintenance for school facilities: | | | | | |
| Salaries | 127,321 | (3,060) | 124,261 | 124,261 | |
| Cleaning, repair and maintenance services | 1,280,115 | (280,140) | 999,975 | 950,343 | 49,632 |
| General supplies | 180,729 | 37,377 | 218,106 | 215,810 | 2,296 |
| Other objects | 6,649 | | 6,649 | 6,003 | 646 |
| Total required maintenance for school facilities | 1,594,814 | (245,823) | 1,348,991 | 1,296,417 | 52,574 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Custodial services: | | | | | |
| Salaries | $ 131,640 | $ (91,848) | $ 39,792 | $ 39,792 | $ - |
| Salaries for non-instructional aides | | 126,111 | 126,111 | 126,111 | |
| Purchased professional and technical services | 140,691 | 29,267 | 169,958 | 151,734 | 18,224 |
| Cleaning, repair and maintenance services | 3,703,184 | 138,573 | 3,841,757 | 3,832,614 | 9,143 |
| Rental of land and buildings other than lease purchase agreements | 37,238 | (5,558) | 31,680 | 31,680 | |
| Other purchased property services | 140,505 | 71,551 | 212,056 | 141,663 | 70,393 |
| Insurance | 331,469 | (25,558) | 305,911 | 305,911 | |
| Miscellaneous purchased services | 6,510 | (6,430) | 80 | 80 | |
| General supplies | 81,432 | 25,085 | 106,517 | 53,930 | 52,587 |
| Energy (natural gas) | 328,074 | 48,983 | 377,057 | 377,057 | |
| Energy (electricity) | 1,169,118 | 95,173 | 1,264,291 | 950,503 | 313,788 |
| Energy (oil) | 278,000 | (278,000) | | | |
| Other objects | | 3,156 | 3,156 | 3,156 | |
| Total custodial services | 6,347,861 | 130,505 | 6,478,366 | 6,014,231 | 464,135 |
| Care and upkeep of grounds: | | | | | |
| Purchased professional and technical services | 66,366 | 16,623 | 82,989 | 82,989 | |
| Cleaning, repair and maintenance services | 461,531 | (134,094) | 327,437 | 262,048 | 65,389 |
| General supplies | 14,899 | 40,884 | 55,783 | 46,848 | 8,935 |
| Other objects | | 106,009 | 106,009 | 63,248 | 42,761 |
| Total care and upkeep of grounds | 542,796 | 29,422 | 572,218 | 455,133 | 117,085 |
| Security: | | | | | |
| Purchased professional and technical services | 32,709 | 505 | 33,214 | 31,801 | 1,413 |
| Cleaning, repair and maintenance services | 32,923 | 82,210 | 115,133 | 114,730 | 403 |
| General supplies | | 13,230 | 13,230 | | 13,230 |
| Total security | 65,632 | 95,945 | 161,577 | 146,531 | 15,046 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Student transportation services: | | | | | |
| Salaries for pupil transportation (between home and school) - regular | $ 56,957 | $ 1,167 | $ 58,124 | $ 58,124 | $ - |
| Salaries for pupil transportation (other than between home and school) | 4,085 | 11,632 | 15,717 | 15,717 | |
| Management fees - ESC transportation programs | 61,000 | (5,834) | 55,166 | 55,166 | |
| Cleaning, repair and maintenance services | 1,460 | 1,194 | 2,654 | 1,692 | 962 |
| Contracted services - aid in lieu of payments for non-public school students | 87,000 | (7,508) | 79,492 | 78,694 | 798 |
| Contracted services (between home and school) - vendors | 707,000 | 13,486 | 720,486 | 720,485 | 1 |
| Contracted services (other than between home and school) - vendors | 219,505 | 12,227 | 231,732 | 231,169 | 563 |
| Contracted services (between home and school) - joint agreements | 105,000 | (14,017) | 90,983 | 90,983 | |
| Contracted services (special education students) - vendors | 11,000 | 5,150 | 16,150 | 15,830 | 320 |
| Contracted services (special education students) - joint agreements | 1,480,000 | 26,287 | 1,506,287 | 1,506,287 | |
| Miscellaneous purchased services - transportation | 9,800 | (8,544) | 1,256 | 875 | 381 |
| Supplies and materials | 1,185 | 2,919 | 4,104 | 4,104 | |
| Other objects | | 75 | 75 | 75 | |
| Total student transportation services | 2,743,992 | 38,234 | 2,782,226 | 2,779,201 | 3,025 |
| Personnel services - unallocated employee benefits: | | | | | |
| Social security contributions | 663,000 | 161,352 | 824,352 | 792,959 | 31,393 |
| Other retirement contributions | 897,350 | (76,522) | 820,828 | 818,949 | 1,879 |
| Unemployment compensation | 50,000 | (20,000) | 30,000 | 30,000 | |
| Workmen's compensation | 354,055 | (87,807) | 266,248 | 266,248 | |
| Health benefits | 11,145,020 | (1,400,338) | 9,744,682 | 8,863,035 | 881,647 |
| Tuition reimbursement | 165,000 | (15,830) | 149,170 | 132,776 | 16,394 |
| Other employee benefits | 39,388 | 83,640 | 123,028 | 123,028 | |
| Total personnel services - unallocated employee benefits | 13,313,813 | (1,355,505) | 11,958,308 | 11,026,995 | 931,313 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| On-behalf TPAF pension - non-contributory insurance (non-budgeted) | $ - | $ - | $ - | $ 142,767 | $ (142,767) |
| On-behalf TPAF pension - post retirement medical contributions (non-budgeted) | | | | 3,229,706 | (3,229,706) |
| On-behalf TPAF pension - normal costs (non-budgeted) | | | | 2,713,491 | (2,713,491) |
| Reimbursed TPAF social security contributions (non-budgeted) | | | | 3,240,975 | (3,240,975) |
| | | | | 9,326,939 | (9,326,939) |
| Total undistributed expenditures | 48,177,779 | (370,559) | 47,807,220 | 55,210,978 | (7,403,758) |
| Total expenditures - current expense | 88,403,425 | 289,562 | 88,692,987 | 96,028,462 | (7,335,475) |
| CAPITAL OUTLAY: | | | | | |
| Equipment: | | | | | |
| Regular programs - instruction: | | | | | |
| Grades 1-5 | 2,600 | 61,770 | 64,370 | 64,370 | |
| Grades 9-12 | | 2,013 | 2,013 | 2,013 | |
| Undistributed expenditures: | | | | | |
| Support services - related and extraordinary | | 12,801 | 12,801 | 10,711 | 2,090 |
| Support services - instructional staff | | 86,198 | 86,198 | 84,458 | 1,740 |
| General administration | | 3,030 | 3,030 | 3,030 | |
| Required maintenance for school facilities equipment | | 35,867 | 35,867 | 35,223 | 644 |
| Care and upkeep of grounds | | 7,875 | 7,875 | 7,875 | |
| Security | | 71,417 | 71,417 | 71,417 | |
| Total equipment | 2,600 | 280,971 | 283,571 | 279,097 | 4,474 |
| Facilities acquisition and construction services: | | | | | |
| Architectural/engineering services | 150,000 | (8,818) | 141,182 | | 141,182 |
| Other purchased professional and technical services | 37,495 | 22,478 | 59,973 | 38,338 | 21,635 |
| Construction services | 1,715,614 | 155,543 | 1,871,157 | 978,268 | 892,889 |
| Assessment for debt service on SDA funding | 42,837 | | 42,837 | 42,837 | |
| Total facilities acquisition and construction services | 1,945,946 | 169,203 | 2,115,149 | 1,059,443 | 1,055,706 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Assets acquired under capital leases (non-budgeted): | | | | | |
| Undistributed expenditures: | | | | | |
| Equipment | $ - | $ - | $ - | $ 725,000 | $ (725,000) |
| Total assets acquired under capital leases (non-budgeted) | | | | 725,000 | (725,000) |
| Total capital outlay | 1,948,546 | 450,174 | 2,398,720 | 2,063,540 | 335,180 |
| SPECIAL SCHOOLS: | | | | | |
| Summer school - instruction: | | | | | |
| Other salaries for instruction | | 365 | 365 | 365 | |
| Total summer school - instruction: | | 365 | 365 | 365 | |
| Summer school - support services: | | | | | |
| Salaries | 1,552 | (1,552) | | | |
| Personal services - employee benefits | 15,300 | (15,300) | | | |
| Total summer school - support services | 16,852 | (16,852) | | | |
| Total summer school | 16,852 | (16,487) | 365 | 365 | |
| Other special schools - instruction: | | | | | |
| Salaries of teachers | 369,730 | 10,735 | 380,465 | 380,465 | |
| Purchased professional and technical services | 1,500 | 4,865 | 6,365 | 6,365 | |
| Other purchased services | | 1,032 | 1,032 | 1,031 | 1 |
| General supplies | 11,000 | (4,100) | 6,900 | 6,899 | 1 |
| Total other special schools - instruction | 382,230 | 12,532 | 394,762 | 394,760 | 2 |



See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Other special schools - support services: | | | | | |
| Salaries | $ 78,740 | $ (9,779) | $ 68,961 | $ 60,456 | $ 8,505 |
| Personal services - employee benefits | 36,938 | 17,535 | 54,473 | 62,978 | (8,505) |
| Other purchased services | 42,780 | (7,515) | 35,265 | 35,165 | 100 |
| Supplies and materials | 2,000 | 2,722 | 4,722 | 3,390 | 1,332 |
| Other objects | 10,000 | 9,678 | 19,678 | 19,678 | |
| Total other special schools - support services | 170,458 | 12,641 | 183,099 | 181,667 | 1,432 |
| Total other special schools | 552,688 | 25,173 | 577,861 | 576,427 | 1,434 |
| Accredited evening/adult high school/post graduate instruction: | | | | | |
| Salaries of teachers | 140,000 | (140,000) | | | |
| Purchased professional/technical services | 14,000 | (14,000) | | | |
| Other purchased services | 40,000 | (40,000) | | | |
| General supplies | 2,000 | (2,000) | | | |
| Textbooks | 500 | (500) | | | |
| Total accredited evening/adult high school/post graduate instruction | 196,500 | (196,500) | | | |
| Accredited evening/adult high school/post graduate support services: | | | | | |
| Salaries | 41,760 | (41,760) | | | |
| Personal services - employee benefits | 24,469 | (24,469) | | | |
| Other purchased services | 69,093 | (69,093) | | | |
| Supplies and materials | 300 | (300) | | | |
| Other objects | 3,500 | (3,500) | | | |
| Total accredited evening/adult high school/post post graduate support services | 139,122 | (139,122) | | | |
| Total accredited evening/adult high school/post post graduate | 335,622 | (335,622) | | | |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Adult education - local - instruction: | | | | | |
| Salaries of teachers | $ - | $ 113,981 | $ 113,981 | $ 113,981 | $ - |
| Purchased professional and technical services | | 8,306 | 8,306 | 8,306 | |
| Other purchased services | | 55,776 | 55,776 | 55,776 | |
| General supplies | | 2,206 | 2,206 | 2,206 | |
| Textbooks | | 92 | 92 | 92 | |
| Total adult education - local - instruction | | 180,361 | 180,361 | 180,361 | |
| Adult education - local - support services: | | | | | |
| Salaries | | 48,275 | 48,275 | 48,275 | |
| Personal services - employee benefits | | 26,491 | 26,491 | 26,491 | |
| Other purchased services | | 83,666 | 83,666 | 83,665 | 1 |
| Supplies and materials | | 113 | 113 | 113 | |
| Total adult education - local - support services | | 158,545 | 158,545 | 158,544 | 1 |
| Total adult education - local | | 338,906 | 338,906 | 338,905 | 1 |
| Total special schools | 905,162 | 11,970 | 917,132 | 915,697 | 1,435 |
| Total expenditures | 91,257,133 | 751,706 | 92,008,839 | 99,007,699 | (6,998,860) |
| Excess (deficiency) of revenues over (under) expenditures | (3,188,983) | (751,706) | (3,940,689) | (280,736) | 3,659,953 |
| Other financing sources (uses): | | | | | |
| Operating transfers in - Capital Projects Fund | | | | 1,255 | 1,255 |
| Capital leases (non-budgeted) | | | | 725,000 | 725,000 |
| Total other financing sources (uses) | | | | 726,255 | 726,255 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses | $ (3,188,983) | $ (751,706) | $ (3,940,689) | $ 445,519 | $ 4,386,208 |
| Fund balance - July 1 | 7,050,872 | | 7,050,872 | 7,050,872 | |
| Fund balance - June 30 | $ 3,861,889 | $ (751,706) | $ 3,110,183 | $ 7,496,391 | $ 4,386,208 |
| Recapitulation of excess (deficiency) of revenues over (under) expenditures: | | | | | |
| Adjustment for prior year encumbrance | $ (592,483) | $ - | $ (592,483) | $ (592,483) | $ - |
| Increase in capital reserve: | | | | | |
| Interest earned | 3,500 | (3,500) | | 1,332 | 1,332 |
| Decrease in capital reserve | (1,500,000) | (169,203) | (1,669,203) | (1,669,203) | |
| Budgeted fund balance | (1,100,000) | (579,003) | (1,679,003) | 2,705,873 | 4,384,876 |
| Total | $ (3,188,983) | $ (751,706) | $ (3,940,689) | $ 445,519 | $ 4,386,208 |

| | |
|---|---|
| Recapitulation of fund balances: | |
| Restricted fund balance: | |
| Reserved excess surplus - designated for subsequent year's expenditures | $ 900,000 |
| Reserve for excess surplus | 750,000 |
| Emergency reserve | 900,000 |
| Capital reserve | 1,735,603 |
| Committed fund balance: | |
| Year-end encumbrances | 863,807 |
| Assigned fund balance: | |
| Year-end encumbrances | 81,909 |
| Unassigned fund balance | 2,265,072 |
| Total fund balance | 7,496,391 |
| Reconciliation to Governmental Funds Statements (GAAP): | |
| State aid payments not recognized on GAAP basis | (133,640) |
| Fund balance per Governmental Funds (GAAP) | $ 7,362,751 |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| State sources | $ 7,788 | $ (2,097) | $ 5,691 | $ 2,499 | $ (3,192) |
| Federal sources | 1,061,282 | 672,149 | 1,733,431 | 1,670,998 | (62,433) |
| Local sources | | 1,058,196 | 1,058,196 | 597,245 | (460,951) |
| Total revenues | 1,069,070 | 1,728,248 | 2,797,318 | 2,270,742 | (526,576) |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Salaries of teachers | 84,788 | 254,010 | 338,798 | 298,808 | 39,990 |
| Other salaries for instruction | 13,100 | (13,100) | | | |
| Purchased professional - educational services | | 16,922 | 16,922 | 8,261 | 8,661 |
| Purchased technical services | | 1,020 | 1,020 | 1,020 | |
| Other purchased services | | 9,908 | 9,908 | 7,967 | 1,941 |
| Tuition | 889,159 | 155,013 | 1,044,172 | 1,044,172 | |
| General supplies | 10,060 | 35,085 | 45,145 | 27,906 | 17,239 |
| Textbooks | | 2,747 | 2,747 | 841 | 1,906 |
| Other objects | | 150,628 | 150,628 | 26,090 | 124,538 |
| Total instruction | 997,107 | 612,233 | 1,609,340 | 1,415,065 | 194,275 |
| Support services: | | | | | |
| Salaries of program directors | | 42,436 | 42,436 | 42,436 | |
| Salaries of other professional staff | 64,175 | (3,418) | 60,757 | 60,540 | 217 |
| Salaries of secretarial and clerical assistants | | 12,732 | 12,732 | 12,732 | |
| Personal services - employee benefits | | 68,182 | 68,182 | 52,964 | 15,218 |
| Purchased professional and technical services | | 7,200 | 7,200 | 3,000 | 4,200 |
| Purchased professional educational services | 5,192 | 115,861 | 121,053 | 113,797 | 7,256 |
| Other purchased professional services | 2,596 | 1,607 | 4,203 | 1,867 | 2,336 |
| Cleaning, repair and maintenance services | | 110,716 | 110,716 | 95,383 | 15,333 |
| Rentals (includes capital lease payments) | | 30,026 | 30,026 | 30,026 | |
| Contracted transportation services | | 37,074 | 37,074 | 27,052 | 10,022 |
| Travel | | 19,297 | 19,297 | 4,502 | 14,795 |
| Other purchased services | | 5,651 | 5,651 | 4,292 | 1,359 |
| Supplies and materials | | 135,175 | 135,175 | 72,508 | 62,667 |
| Other objects | | 68,193 | 68,193 | 42,761 | 25,432 |
| Total support services | 71,963 | 650,732 | 722,695 | 563,860 | 158,835 |
| Facilities acquisition and construction services: | | | | | |
| Construction services | | 301,000 | 301,000 | | 301,000 |
| Instructional equipment | | 7,960 | 7,960 | 135,495 | (127,535) |
| Noninstructional equipment | | 156,323 | 156,323 | 156,322 | 1 |
| Total facilities acquisition and construction services | | 465,283 | 465,283 | 291,817 | 173,466 |
| Total expenditures/outflows | 1,069,070 | 1,728,248 | 2,797,318 | 2,270,742 | 526,576 |
| Excess (deficiency) of revenues over (under) expenditures | $ - | $ - | $ - | $ - | $ - |

See Management's Discussion and Analysis section of this report for explanation of significant budget variances, original and final.

# NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Notes to Required Supplementary Information
Budget-to-GAAP Reconciliation
For the Fiscal Year Ended June 30, 2013

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

| | General Fund | Special Revenue Fund |
|---|---|---|
| Sources/inflows of resources: | | |
| Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule | $ 98,726,963 | $ 2,270,742 |
| Difference - budget to GAAP: | | |
| State aid payments recognized for GAAP statements in the current year, previously recognized for budgetary purposes | 1,724,839 | |
| State aid payments recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year | (133,640) | |
| Total revenues as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds. | $ 100,318,162 | $ 2,270,742 |
| Uses/outflows of resources: | | |
| Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule | $ 99,007,699 | $ 2,270,742 |
| Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds | $ 99,007,699 | $ 2,270,742 |

# OTHER SUPPLEMENTARY INFORMATION

# SPECIAL REVENUE FUND DETAIL STATEMENTS

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
Combining Schedule of Program Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | (Exhibit E-1a) Nonpublic Services | (Exhibit E-1b) E.S.E.A. | (Exhibit E-1c) I.D.E.A. | (Exhibit E-1d) Other Federal | (Exhibit E-1e) Other Local Projects | Totals |
|---|---|---|---|---|---|---|
| REVENUES: | | | | | | |
| State sources | $ 2,499 | $ - | $ - | $ - | $ - | $ 2,499 |
| Federal sources | | 228,298 | 1,045,672 | 397,028 | | 1,670,998 |
| Local sources | | | | | 597,245 | 597,245 |
| Total revenues | 2,499 | 228,298 | 1,045,672 | 397,028 | 597,245 | 2,270,742 |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of teachers | | 114,513 | | 136,050 | 48,245 | 298,808 |
| Purchased professional - educational services | | 8,261 | | | | 8,261 |
| Other purchased services | | | | | 7,967 | 7,967 |
| Tuition | | | 1,044,172 | | | 1,044,172 |
| General supplies | 916 | 5,210 | | | 21,780 | 27,906 |
| Textbooks | 841 | | | | | 841 |
| Other objects | | | | | 26,090 | 26,090 |
| Total instruction | 1,757 | 127,984 | 1,044,172 | 136,050 | 105,102 | 1,415,065 |
| Support services: | | | | | | |
| Salaries of program directors | | | | 42,436 | | 42,436 |
| Salaries of other professional staff | | 60,540 | | | | 60,540 |
| Salaries of secretarial and clerical assistants | | | | 12,732 | | 12,732 |
| Personal services - employee benefits | | 38,336 | | 14,628 | | 52,964 |
| Purchased professional and technical services | | | | 3,000 | | 3,000 |
| Purchased professional educational services | 375 | 296 | | 113,126 | | 113,797 |
| Other purchased professional services | 367 | | 1,500 | | | 1,867 |
| Cleaning, repair and maintenance services | | | | 62,526 | 32,857 | 95,383 |
| Rentals (includes capital lease payments) | | | | | 30,026 | 30,026 |
| Contracted transportation services | | | | | 27,052 | 27,052 |
| Travel | | | | 1,795 | 2,707 | 4,502 |
| Other purchased services | | 1,142 | | 3,150 | | 4,292 |
| Supplies and materials | | | | 7,585 | 64,923 | 72,508 |
| Other objects | | | | | 42,761 | 42,761 |
| Total support services | 742 | 100,314 | 1,500 | 260,978 | 200,326 | 563,860 |
| Facilities acquisition and construction services: | | | | | | |
| Instructional equipment | | | | | 135,495 | 135,495 |
| Noninstructional equipment | | | | | 156,322 | 156,322 |
| Total facilities acquisition and construction services | | | | | 291,817 | 291,817 |
| Total expenditures | $ 2,499 | $ 228,298 | $ 1,045,672 | $ 397,028 | $ 597,245 | $ 2,270,742 |

Exhibit E-1a

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
Nonpublic Services
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | Corrective Speech | Textbook | Technology | Nursing | Totals |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| State sources | $ 375 | $ 841 | $ 916 | $ 367 | $ 2,499 |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| General supplies | | | 916 | | 916 |
| Textbooks | | 841 | | | 841 |
| Total instruction | | 841 | 916 | | 1,757 |
| Support services: | | | | | |
| Purchased professional educational services | 375 | | | | 375 |
| Other purchased professional services | | | | 367 | 367 |
| Total support services | 375 | | | 367 | 742 |
| Total expenditures | $ 375 | $ 841 | $ 916 | $ 367 | $ 2,499 |

Exhibit E-1b

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
E.S.E.A.
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | Title I Current Year | Title II Part A Current Year | Title III Part A Current Year | Title II Part A Carryover | Title III Part A Carryover | Totals |
|---|---|---|---|---|---|---|
| REVENUES: | | | | | | |
| Federal sources | $ 132,920 | $ 73,938 | $ 20,409 | $ 156 | $ 875 | $ 228,298 |
| EXPENDITURES: | | | | | | |
| Instruction: | | | | | | |
| Salaries of teachers | 102,263 | | 11,800 | | 450 | 114,513 |
| Purchased professional - educational services | 8,261 | | | | | 8,261 |
| General supplies | | | 4,875 | | 335 | 5,210 |
| Total instruction | 110,524 | | 16,675 | | 785 | 127,984 |
| Support services: | | | | | | |
| Salaries of other professional staff | | 60,540 | | | | 60,540 |
| Personal services - employee benefits | 22,396 | 13,258 | 2,592 | | 90 | 38,336 |
| Purchased professional educational services | | 140 | | 156 | | 296 |
| Other purchased services | | | 1,142 | | | 1,142 |
| Total support services | 22,396 | 73,938 | 3,734 | 156 | 90 | 100,314 |
| Total expenditures | $ 132,920 | $ 73,938 | $ 20,409 | $ 156 | $ 875 | $ 228,298 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
I.D.E.A.
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | Part B - Basic | | Preschool | | |
|---|---|---|---|---|---|
| | Current Year | Carry-over | Current Year | Carry-over | Totals |
| REVENUES: | | | | | |
| Federal sources | $ 1,007,010 | $ 927 | $ 37,475 | $ 260 | $ 1,045,672 |
| EXPENDITURES: | | | | | |
| Instruction: | | | | | |
| Tuition | 1,006,697 | | 37,475 | | 1,044,172 |
| Total instruction | 1,006,697 | | 37,475 | | 1,044,172 |
| Support services: | | | | | |
| Other purchased professional services | 313 | 927 | | 260 | 1,500 |
| Total support services | 313 | 927 | | 260 | 1,500 |
| Total expenditures | $ 1,007,010 | $ 927 | $ 37,475 | $ 260 | $ 1,045,672 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
Other Federal Projects
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | Teaching American History | Race to the Top | FEMA Public Assistance | Totals |
|---|---|---|---|---|
| REVENUES: | | | | |
| Federal sources | $ 328,352 | $ 6,150 | $ 62,526 | $ 397,028 |
| EXPENDITURES: | | | | |
| Instruction: | | | | |
| Salaries of teachers | 136,050 | | | 136,050 |
| Total instruction | 136,050 | | | 136,050 |
| Support services: | | | | |
| Salaries of program directors | 42,436 | | | 42,436 |
| Salaries of secretarial and clerical assistants | 12,732 | | | 12,732 |
| Personal services - employee benefits | 14,628 | | | 14,628 |
| Purchased professional and technical services | | 3,000 | | 3,000 |
| Purchased professional educational services | 113,126 | | | 113,126 |
| Cleaning, repair and maintenance services | | | 62,526 | 62,526 |
| Travel | 1,795 | | | 1,795 |
| Other purchased services | | 3,150 | | 3,150 |
| Supplies and materials | 7,585 | | | 7,585 |
| Total support services | 192,302 | 6,150 | 62,526 | 260,978 |
| Total expenditures | $ 328,352 | $ 6,150 | $ 62,526 | $ 397,028 |

Exhibit E-1e

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Special Revenue Fund
Other Projects
Combining Schedule of Revenues and Expenditures - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | RPEF Grants | Parent Organization Grants | Other Grants | Totals |
|---|---|---|---|---|
| REVENUES: | | | | |
| Local sources | $ 22,894 | $ 571,155 | $ 3,196 | $ 597,245 |
| EXPENDITURES: | | | | |
| Instruction: | | | | |
| Salaries of teachers | | 48,245 | | 48,245 |
| Purchased technical services | | 1,020 | | 1,020 |
| Other purchased services | | 7,967 | | 7,967 |
| General supplies | | 21,780 | | 21,780 |
| Other objects | 22,894 | | 3,196 | 26,090 |
| Total instruction | 22,894 | 79,012 | 3,196 | 105,102 |
| Support services: | | | | |
| Cleaning, repair and maintenance services | | 32,857 | | 32,857 |
| Rentals (includes capital lease payments) | | 30,026 | | 30,026 |
| Contracted transportation services | | 27,052 | | 27,052 |
| Travel | | 2,707 | | 2,707 |
| Supplies and materials | | 64,923 | | 64,923 |
| Other objects | | 42,761 | | 42,761 |
| Total support services | | 200,326 | | 200,326 |
| Facilities acquisition and construction services: | | | | |
| Instructional equipment | | 135,495 | | 135,495 |
| Noninstructional equipment | | 156,322 | | 156,322 |
| Total facilities acquisition and construction services | | 291,817 | | 291,817 |
| Total expenditures | $ 22,894 | $ 571,155 | $ 3,196 | $ 597,245 |

# CAPITAL PROJECTS FUND
# DETAIL STATEMENTS

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

Exhibit F-1

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Project Expenditures
For the Fiscal Year Ended June 30, 2013

| Issue/Project Title | Original Date | Appropriations | Total Expenditures to Date Prior Years | Total Expenditures to Date Current Year | Unexpended Balance June 30, 2013 |
|---|---|---|---|---|---|
| Ridgewood High School Rehabilitation Projects | 12/8/2009 | $ 8,233,007 | $ 7,913,321 | $ 214,824 | $ 104,862 |
| Willard Rehabilitation Projects | 12/8/2009 | 1,393,340 | 1,302,941 | 90,399 | |
| Willard Classrooms Additions | 12/8/2009 | 5,536,768 | 4,613,293 | 923,475 | |
| Ridge Classrooms Additions | 12/8/2009 | 4,188,395 | 4,160,849 | 27,546 | |
| Hawes Roof Replacement | 12/8/2009 | 1,117,126 | 1,117,088 | 38 | |
| Travell Roof Replacement | 12/8/2009 | 577,639 | 578,061 | (422) | |
| Hawes Classrooms Additions | 12/8/2009 | 3,821,338 | 3,813,469 | 7,869 | |
| Ridgewood High School Rehabilitation Projects | 12/8/2009 | 913,976 | 889,037 | 24,939 | |
| Somerville Roof Replacement | 12/8/2009 | 438,926 | 440,137 | (1,211) | |
| Benjamin Franklin Improvements to Ventilation and A/C System | 12/8/2009 | 639,011 | 639,199 | (188) | |
| George Washington Classrooms Rehabilitation | 12/8/2009 | 985,624 | 845,900 | 139,724 | |
| George Washington Rehab of Electrical and Replace Windows | 12/8/2009 | 412,949 | 381,175 | 31,774 | |
| Ridge Rehabilitation of Electrical Service | 12/8/2009 | 48,872 | 45,979 | 2,893 | |
| Orchard Installation of Occupancy Sensors | 12/8/2009 | 11,858 | 12,534 | (676) | |
| George Washington Construction and Addition | 12/8/2009 | 11,777,309 | 9,470,013 | 2,307,296 | |
| Benjamin Franklin New Track | 12/8/2009 | 2,336,042 | 2,332,178 | 3,864 | |
| Ridgewood High School Fields Rehabilitation | 12/8/2009 | 4,219,997 | 4,219,997 | | |
| Totals | | $ 46,652,177 | $ 42,775,171 | $ 3,772,144 | $ 104,862 |
| | | | | | $ 104,862 |
| Less unrecognized state building aid from SDA grants | | | | | - |
| Fund balance - GAAP basis | | | | | $ 104,862 |

Exhibit F-2

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Summary Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budgetary Basis
For the Fiscal Year Ended June 30, 2013

| | |
|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | |
| State sources - SDA Grant | $ (2,037,535) |
| Contribution from private sources | 375,000 |
| Interest earned on investments | 1,255 |
| Total revenues | (1,661,280) |
| EXPENDITURES AND OTHER FINANCING USES: | |
| Purchased professional and technical services | 250,091 |
| Construction services | 3,188,089 |
| General supplies | 326,964 |
| Equipment purchases | 7,000 |
| Transfer to General Fund - interest income | 1,255 |
| Total expenditures | 3,773,399 |
| Excess (deficiency) of revenues over (under) expenditures | (5,434,679) |
| Fund balance - July 1 | 5,539,541 |
| Fund balance - June 30 (budgetary) | 104,862 |
| Reconciliation to GAAP: | |
| Less unrecognized revenue | - |
| Fund balance - GAAP | $ 104,862 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Ridgewood High School Rehabilitation Projects
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 3,926,037 | $ (711,266) | $ 3,214,771 | $ 3,214,771 |
| Bond proceeds and transfers | 5,318,054 | (299,818) | 5,018,236 | 5,018,236 |
| Total revenues | 9,244,091 | (1,011,084) | 8,233,007 | 8,233,007 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 834,728 | 50,980 | 885,708 | 885,708 |
| Construction services | 7,073,877 | 163,844 | 7,237,721 | 7,342,583 |
| General supplies | 4,716 | | 4,716 | 4,716 |
| Total expenditures | 7,913,321 | 214,824 | 8,128,145 | 8,233,007 |
| Excess (deficiency) of revenues over (under) expenditures | $ 1,330,770 | $ (1,225,908) | $ 104,862 | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-050-09-3007 |
| SDA project number | 4390-050-09-0ZCK |
| Grant number | G5-3395 |
| Grant notification date | 2/22/2010 |
| Grant amount | $3,926,037 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $5,889,054 |
| Bonds issued | $5,889,054 |
| Original authorized cost | $9,815,091 |
| Additional authorized cost | ($1,582,084) |
| Revised authorized cost | $8,233,007 |
| Percentage increase over original authorized cost | -16.12% |
| Percentage completion | 99.99% |
| Original target completion date | 9/1/2013 |
| Revised target completion date | 9/1/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Willard Rehabilitation Projects
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 870,858 | $ (316,194) | $ 554,664 | $ 554,664 |
| Bond proceeds and transfers | 799,156 | 39,520 | 838,676 | 838,676 |
| Total revenues | 1,670,014 | (276,674) | 1,393,340 | 1,393,340 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 147,752 | 2,366 | 150,118 | 150,118 |
| Construction services | 1,155,189 | 88,033 | 1,243,222 | 1,243,222 |
| Total expenditures | 1,302,941 | 90,399 | 1,393,340 | 1,393,340 |
| Excess (deficiency) of revenues over (under) expenditures | $ 367,073 | $ (367,073) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-130-09-1014 |
| SDA project number | 4390-130-09-0ZCR |
| Grant number | G5-3402 |
| Grant notification date | 2/22/2010 |
| Grant amount | $870,858 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $1,306,288 |
| Bonds issued | $1,306,288 |
| Original authorized cost | $2,177,146 |
| Additional authorized cost | ($783,806) |
| Revised authorized cost | $1,393,340 |
| Percentage increase over original authorized cost | -36.00% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/2013 |
| Revised target completion date | 6/30/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Willard Classrooms Additions
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 802,771 | $ - | $ 802,771 | $ 802,771 |
| Bond proceeds and transfers | 4,545,028 | 138,969 | 4,683,997 | 4,683,997 |
| Contribution from private sources | 50,000 | | 50,000 | 50,000 |
| Total revenues | 5,397,799 | 138,969 | 5,536,768 | 5,536,768 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 567,263 | 56,713 | 623,976 | 623,976 |
| Construction services | 4,038,578 | 710,791 | 4,749,369 | 4,749,369 |
| General supplies | 7,452 | 155,971 | 163,423 | 163,423 |
| Total expenditures | 4,613,293 | 923,475 | 5,536,768 | 5,536,768 |
| Excess (deficiency) of revenues over (under) expenditures | $ 784,506 | $ (784,506) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-130-09-1001 |
| SDA project number | 4390-130-09-0ZZI |
| Grant number | G5-3756 |
| Grant notification date | 2/22/2010 |
| Grant amount | $802,771 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $4,385,562 |
| Bonds issued | $4,385,562 |
| Original authorized cost | $5,188,333 |
| Additional authorized cost | $348,435 |
| Revised authorized cost | $5,536,768 |
| Percentage increase over original authorized cost | 6.72% |
| Percentage completion | 99.99% |
| Original target completion date | 12/31/2012 |
| Revised target completion date | 9/1/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Ridge Classrooms Additions
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 784,015 | $ - | $ 784,015 | $ 784,015 |
| Bond proceeds and transfers | 3,529,681 | (125,301) | 3,404,380 | 3,404,380 |
| Total revenues | 4,313,696 | (125,301) | 4,188,395 | 4,188,395 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 547,549 | 8,306 | 555,855 | 555,855 |
| Construction services | 3,476,523 | 12,240 | 3,488,763 | 3,488,763 |
| General supplies | 98,998 | | 98,998 | 98,998 |
| Equipment purchases | 37,779 | 7,000 | 44,779 | 44,779 |
| Total expenditures | 4,160,849 | 27,546 | 4,188,395 | 4,188,395 |
| Excess (deficiency) of revenues over (under) expenditures | $ 152,847 | $ (152,847) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-090-09-1003 |
| SDA project number | 4390-090-09-0ZZH |
| Grant number | G5-3755 |
| Grant notification date | 2/22/2010 |
| Grant amount | $784,015 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $4,310,681 |
| Bonds issued | $4,310,681 |
| Original authorized cost | $5,094,696 |
| Additional authorized cost | ($906,301) |
| Revised authorized cost | $4,188,395 |
| Percentage increase over original authorized cost | -17.79% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/11 |
| Revised target completion date | 8/31/12 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Hawes Roof Replacement
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 730,391 | $ (284,866) | $ 445,525 | $ 445,525 |
| Bond proceeds and transfers | 670,587 | 1,014 | 671,601 | 671,601 |
| Total revenues | 1,400,978 | (283,852) | 1,117,126 | 1,117,126 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 135,510 | 543 | 136,053 | 136,053 |
| Construction services | 981,578 | (505) | 981,073 | 981,073 |
| Total expenditures | 1,117,088 | 38 | 1,117,126 | 1,117,126 |
| Excess (deficiency) of revenues over (under) expenditures | $ 283,890 | $ (283,890) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-085-09-1010 |
| SDA project number | 4390-085-09-0ZCN |
| Grant number | G5-3398 |
| Grant notification date | 2/22/2010 |
| Grant amount | $730,391 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $1,095,587 |
| Bonds issued | $1,095,587 |
| Original authorized cost | $1,825,978 |
| Additional authorized cost | ($708,852) |
| Revised authorized cost | $1,117,126 |
| Percentage increase over original authorized cost | -38.82% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/2010 |
| Revised target completion date | 8/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Travell Roof Replacement
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 537,506 | $ (306,222) | $ 231,284 | $ 231,284 |
| Bond proceeds and transfers | 348,093 | (1,738) | 346,355 | 346,355 |
| Total revenues | 885,599 | (307,960) | 577,639 | 577,639 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 106,952 | 400 | 107,352 | 107,352 |
| Construction services | 471,109 | (822) | 470,287 | 470,287 |
| Total expenditures | 578,061 | (422) | 577,639 | 577,639 |
| Excess (deficiency) of revenues over (under) expenditures | $ 307,538 | $ (307,538) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-110-09-1013 |
| SDA project number | 4390-110-09-0ZCQ |
| Grant number | G5-3401 |
| Grant notification date | 2/22/2010 |
| Grant amount | $537,506 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $806,259 |
| Bonds issued | $806,259 |
| Original authorized cost | $1,343,765 |
| Additional authorized cost | ($766,126) |
| Revised authorized cost | $577,639 |
| Percentage increase over original authorized cost | -57.01% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/2010 |
| Revised target completion date | 8/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Hawes Classrooms Additions
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 510,224 | $ - | $ 510,224 | $ 510,224 |
| Bond proceeds and transfers | 3,316,789 | (5,675) | 3,311,114 | 3,311,114 |
| Total revenues | 3,827,013 | (5,675) | 3,821,338 | 3,821,338 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 525,477 | 7,869 | 533,346 | 533,346 |
| Construction services | 3,175,468 | | 3,175,468 | 3,175,468 |
| General supplies | 90,249 | | 90,249 | 90,249 |
| Equipment purchases | 22,275 | | 22,275 | 22,275 |
| Total expenditures | 3,813,469 | 7,869 | 3,821,338 | 3,821,338 |
| Excess (deficiency) of revenues over (under) expenditures | $ 13,544 | $ (13,544) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-085-09-1002 |
| SDA project number | 4390-085-09-0ZZG |
| Grant number | G5-3754 |
| Grant notification date | 2/22/2010 |
| Grant amount | $510,224 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $3,115,504 |
| Bonds issued | $3,115,504 |
| Original authorized cost | $3,625,728 |
| Additional authorized cost | $195,610 |
| Revised authorized cost | $3,821,338 |
| Percentage increase over original authorized cost | 5.40% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/2011 |
| Revised target completion date | 8/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Ridgewood High School Rehabilitation Projects
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 409,054 | $ (43,466) | $ 365,588 | $ 365,588 |
| Bond proceeds and transfers | 539,139 | 9,249 | 548,388 | 548,388 |
| Total revenues | 948,193 | (34,217) | 913,976 | 913,976 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 189,726 | 24,939 | 214,665 | 214,665 |
| Construction services | 699,311 | | 699,311 | 699,311 |
| Total expenditures | 889,037 | 24,939 | 913,976 | 913,976 |
| Excess (deficiency) of revenues over (under) expenditures | $ 59,156 | $ (59,156) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-050-09-3006 |
| SDA project number | 4390-050-09-0ZQG |
| Grant number | G5-3751 |
| Grant notification date | 3/20/2009 |
| Grant amount | $409,054 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $613,582 |
| Bonds issued | $613,582 |
| Original authorized cost | $1,022,636 |
| Additional authorized cost | ($108,660) |
| Revised authorized cost | $913,976 |
| Percentage increase over original authorized cost | -10.63% |
| Percentage completion | 99.99% |
| Original target completion date | 9/1/2013 |
| Revised target completion date | 9/1/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Somerville Roof Replacement
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 408,916 | $ (235,596) | $ 173,320 | $ 173,320 |
| Bond proceeds and transfers | 266,374 | (768) | 265,606 | 265,606 |
| Total revenues | 675,290 | (236,364) | 438,926 | 438,926 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 82,698 | 304 | 83,002 | 83,002 |
| Construction services | 357,439 | (1,515) | 355,924 | 355,924 |
| Total expenditures | 440,137 | (1,211) | 438,926 | 438,926 |
| Excess (deficiency) of revenues over (under) expenditures | $ 235,153 | $ (235,153) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-100-09-1012 |
| SDA project number | 4390-100-09-0ZCP |
| Grant number | G5-3400 |
| Grant notification date | 2/22/2010 |
| Grant amount | $408,916 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $613,374 |
| Bonds issued | $613,374 |
| Original authorized cost | $1,022,290 |
| Additional authorized cost | ($583,364) |
| Revised authorized cost | $438,926 |
| Percentage increase over original authorized cost | -57.06% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/2010 |
| Revised target completion date | 8/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Benjamin Franklin Improvements to Ventilation and A/C System
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 326,619 | $ (63,075) | $ 263,544 | $ 263,544 |
| Bond proceeds and transfers | 386,928 | (11,461) | 375,467 | 375,467 |
| Total revenues | 713,547 | (74,536) | 639,011 | 639,011 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 40,121 | 243 | 40,364 | 40,364 |
| Construction services | 599,078 | (431) | 598,647 | 598,647 |
| Total expenditures | 639,199 | (188) | 639,011 | 639,011 |
| Excess (deficiency) of revenues over (under) expenditures | $ 74,348 | $ (74,348) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-060-09-2008 |
| SDA project number | 4390-060-09-0ZCL |
| Grant number | G5-3396 |
| Grant notification date | 2/22/2010 |
| Grant amount | $326,619 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $489,928 |
| Bonds issued | $489,928 |
| Original authorized cost | $816,547 |
| Additional authorized cost | ($177,536) |
| Revised authorized cost | $639,011 |
| Percentage increase over original authorized cost | -21.74% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/2011 |
| Revised target completion date | 8/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
George Washington Classrooms Rehabilitation
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 269,568 | $ - | $ 269,568 | $ 269,568 |
| Bond proceeds and transfers | 683,531 | 32,525 | 716,056 | 716,056 |
| Total revenues | 953,099 | 32,525 | 985,624 | 985,624 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 51,843 | 9,478 | 61,321 | 61,321 |
| Construction services | 794,057 | 129,898 | 923,955 | 923,955 |
| General supplies | | 348 | 348 | 348 |
| Total expenditures | 845,900 | 139,724 | 985,624 | 985,624 |
| Excess (deficiency) of revenues over (under) expenditures | $ 107,199 | $ (107,199) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-070-09-1005 |
| SDA project number | 4390-070-09-0ZZF |
| Grant number | G5-3753 |
| Grant notification date | 2/22/2010 |
| Grant amount | $269,568 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $404,351 |
| Bonds issued | $404,351 |
| Original authorized cost | $673,919 |
| Additional authorized cost | $311,705 |
| Revised authorized cost | $985,624 |
| Percentage increase over original authorized cost | 46.25% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/2013 |
| Revised target completion date | 6/30/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
George Washington Rehabilitation of Electrical Service and Window Replacement
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 162,024 | $ - | $ 162,024 | $ 162,024 |
| Bond proceeds and transfers | 242,360 | 8,565 | 250,925 | 250,925 |
| Total revenues | 404,384 | 8,565 | 412,949 | 412,949 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 33,029 | 2,883 | 35,912 | 35,912 |
| Construction services | 348,146 | 28,891 | 377,037 | 377,037 |
| Total expenditures | 381,175 | 31,774 | 412,949 | 412,949 |
| Excess (deficiency) of revenues over (under) expenditures | $ 23,209 | $ (23,209) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-070-09-1009 |
| SDA project number | 4390-070-09-0ZCM |
| Grant number | G5-3397 |
| Grant notification date | 2/22/2010 |
| Grant amount | $162,024 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $243,035 |
| Bonds issued | $243,035 |
| Original authorized cost | $405,059 |
| Additional authorized cost | $7,890 |
| Revised authorized cost | $412,949 |
| Percentage increase over original authorized cost | 1.95% |
| Percentage completion | 99.99% |
| Original target completion date | 12/31/2012 |
| Revised target completion date | 9/1/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Ridge Rehabilitation of Electrical Service
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 96,442 | $ (75,141) | $ 21,301 | $ 21,301 |
| Bond proceeds and transfers | 29,664 | (2,093) | 27,571 | 27,571 |
| Total revenues | 126,106 | (77,234) | 48,872 | 48,872 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 17,330 | 3,967 | 21,297 | 21,297 |
| Construction services | 28,649 | (1,074) | 27,575 | 27,575 |
| Total expenditures | 45,979 | 2,893 | 48,872 | 48,872 |
| Excess (deficiency) of revenues over (under) expenditures | $ 80,127 | $ (80,127) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-090-09-1011 |
| SDA project number | 4390-090-09-0ZCO |
| Grant number | G5-3399 |
| Grant notification date | 2/22/2010 |
| Grant amount | $96,442 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $144,664 |
| Bonds issued | $144,664 |
| Original authorized cost | $241,106 |
| Additional authorized cost | ($192,234) |
| Revised authorized cost | $48,872 |
| Percentage increase over original authorized cost | -79.73% |
| Percentage completion | 100.00% |
| Original target completion date | 12/31/2012 |
| Revised target completion date | 12/31/2012 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Orchard Installation of Occupancy Sensors
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| State sources - SDA Grant | $ 10,287 | $ (1,709) | $ 8,578 | $ 8,578 |
| Bond proceeds and transfers | 8,431 | (5,151) | 3,280 | 3,280 |
| Total revenues | 18,718 | (6,860) | 11,858 | 11,858 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 1,943 | 8 | 1,951 | 1,951 |
| Construction services | 10,591 | (684) | 9,907 | 9,907 |
| Total expenditures | 12,534 | (676) | 11,858 | 11,858 |
| Excess (deficiency) of revenues over (under) expenditures | $ 6,184 | $ (6,184) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | 4390-120-09-1015 |
| SDA project number | 4390-120-09-0ZQH |
| Grant number | G5-3752 |
| Grant notification date | 2/22/2010 |
| Grant amount | $10,287 |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $15,431 |
| Bonds issued | $15,431 |
| Original authorized cost | $25,718 |
| Additional authorized cost | ($13,860) |
| Revised authorized cost | $11,858 |
| Percentage increase over original authorized cost | -53.89% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/2013 |
| Revised target completion date | 6/30/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
George Washington Construction and Addition
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| Bond proceeds and transfers | $ 11,176,050 | $ 226,259 | $ 11,402,309 | $ 11,402,309 |
| Contribution from private sources | | 375,000 | 375,000 | 375,000 |
| Total revenues | 11,176,050 | 601,259 | 11,777,309 | 11,777,309 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 919,286 | 77,228 | 996,514 | 996,514 |
| Construction services | 8,538,960 | 2,059,423 | 10,598,383 | 10,598,383 |
| General supplies | 11,767 | 170,645 | 182,412 | 182,412 |
| Total expenditures | 9,470,013 | 2,307,296 | 11,777,309 | 11,777,309 |
| Excess (deficiency) of revenues over (under) expenditures | $ 1,706,037 | $ (1,706,037) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | N/A |
| SDA project number | N/A |
| Grant number | N/A |
| Grant notification date | N/A |
| Grant amount | N/A |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $9,594,243 |
| Bonds issued | $9,594,243 |
| Original authorized cost | $9,594,243 |
| Additional authorized cost | $2,183,066 |
| Revised authorized cost | $11,777,309 |
| Percentage increase over original authorized cost | 22.75% |
| Percentage completion | 99.99% |
| Original target completion date | 12/31/2012 |
| Revised target completion date | 9/1/2013 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Benjamin Franklin New Track
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| Bond proceeds and transfers | $ 2,336,043 | $ (1) | $ 2,336,042 | $ 2,336,042 |
| Total revenues | 2,336,043 | (1) | 2,336,042 | 2,336,042 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 123,044 | 3,864 | 126,908 | 126,908 |
| Construction services | 2,209,134 | | 2,209,134 | 2,209,134 |
| Total expenditures | 2,332,178 | 3,864 | 2,336,042 | 2,336,042 |
| Excess (deficiency) of revenues over (under) expenditures | $ 3,865 | $ (3,865) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | N/A |
| SDA project number | N/A |
| Grant number | N/A |
| Grant notification date | N/A |
| Grant amount | N/A |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $1,205,863 |
| Bonds issued | $1,205,863 |
| Original authorized cost | $1,205,863 |
| Additional authorized cost | $1,130,179 |
| Revised authorized cost | $2,336,042 |
| Percentage increase over original authorized cost | 93.72% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/11 |
| Revised target completion date | 8/31/12 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Capital Projects Fund
Schedule of Revenues, Expenditures, Project Balance, and
Project Status - Budgetary Basis
Ridgewood High School Fields Rehabilitation
From Inception and for the Fiscal Year Ended June 30, 2013

| | Prior Periods | Current Year | Totals | Revised Authorized Costs |
|---|---|---|---|---|
| REVENUES AND OTHER FINANCING SOURCES: | | | | |
| Bond proceeds and transfers | $ 4,224,092 | $ (4,095) | $ 4,219,997 | $ 4,219,997 |
| Total revenues | 4,224,092 | (4,095) | 4,219,997 | 4,219,997 |
| EXPENDITURES AND OTHER FINANCING USES: | | | | |
| Purchased professional and technical services | 390,822 | | 390,822 | 390,822 |
| Construction services | 3,829,175 | | 3,829,175 | 3,829,175 |
| Total expenditures | 4,219,997 | | 4,219,997 | 4,219,997 |
| Excess (deficiency) of revenues over (under) expenditures | $ 4,095 | $ (4,095) | $ - | $ - |

| ADDITIONAL PROJECT INFORMATION: | |
|---|---|
| NJ DOE project number | N/A |
| SDA project number | N/A |
| Grant number | N/A |
| Grant notification date | N/A |
| Grant amount | N/A |
| Bond authorization date | 12/8/2009 |
| Bonds authorized | $4,187,196 |
| Bonds issued | $4,187,196 |
| Original authorized cost | $4,187,196 |
| Additional authorized cost | $32,801 |
| Revised authorized cost | $4,219,997 |
| Percentage increase over original authorized cost | 0.78% |
| Percentage completion | 100.00% |
| Original target completion date | 9/1/2011 |
| Revised target completion date | 8/31/2012 |

# PROPRIETARY FUNDS
# DETAIL STATEMENTS

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

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

**Infant/Toddler Development Program** - This program provides for the operation of early education and childcare services.

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

# FIDUCIARY FUNDS DETAIL STATEMENTS

Fiduciary Funds are used to account for funds received by the school district for a specific purpose.

**Private Purpose Scholarship Funds** - These are funds used to account for assets held by the district for scholarships or awards to students.

**Unemployment Compensation Insurance Trust Fund** - This fund is used to pay employees unemployment compensation claims.

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

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

**Payroll and Payroll Agency Funds** - These agency funds are used to account for the payroll transactions of the school district.

**Summer Savings Plan** - This agency fund is used to account for money withheld from employees who elect to have a portion of their salary withheld during the school year for payment in June.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Fiduciary Net Position
June 30, 2013

| | Private Purpose Scholarship Funds | Unemployment Compensation Insurance Trust Fund | Agency Funds | Totals |
|---|---|---|---|---|
| ASSETS: | | | | |
| Cash and cash equivalents | $ 551,754 | $ 113,692 | $ 401,513 | $ 1,066,959 |
| Investments, at fair value | 1,732,454 | | | 1,732,454 |
| Miscellaneous receivables | 1,174 | | | 1,174 |
| Total assets | $ 2,285,382 | $ 113,692 | $ 401,513 | $ 2,800,587 |
| LIABILITIES AND NET POSITION: | | | | |
| Liabilities: | | | | |
| Accounts payable | $ 198 | $ 6,627 | $ 34 | $ 6,859 |
| Intergovernmental: | | | | |
| Interfund payable | | | 1,897 | 1,897 |
| Payroll deductions and withholdings | | | 56,883 | 56,883 |
| Due to student groups | | | 342,699 | 342,699 |
| Total liabilities | 198 | 6,627 | 401,513 | 408,338 |
| Net position: | | | | |
| Held in trust for unemployment claims and other purposes | | 107,065 | | 107,065 |
| Reserved for scholarships | 2,285,184 | | | 2,285,184 |
| Total net position | 2,285,184 | 107,065 | | 2,392,249 |
| Total liabilities and net position | $ 2,285,382 | $ 113,692 | $ 401,513 | $ 2,800,587 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Fiduciary Funds
Combining Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended June 30, 2013

| | Private Purpose Scholarship Funds | Unemployment Compensation Insurance Trust Fund | Totals |
|---|---|---|---|
| ADDITIONS: | | | |
| Contributions: | | | |
| Other | $ 14,350 | $ - | $ 14,350 |
| Plan member | | 75,282 | 75,282 |
| Board contribution | | 30,000 | 30,000 |
| Total contributions | 14,350 | 105,282 | 119,632 |
| Investment earnings: | | | |
| Net increase in the fair value of investments | 165,320 | | 165,320 |
| Dividends | 42,577 | | 42,577 |
| Interest | 4,771 | 129 | 4,900 |
| Net investment earnings | 212,668 | 129 | 212,797 |
| Total additions | 227,018 | 105,411 | 332,429 |
| DEDUCTIONS: | | | |
| Bank fees and other expenses | 22,688 | | 22,688 |
| Scholarship/award payments | 82,998 | | 82,998 |
| Unemployment compensation insurance claims and fees | | 45,907 | 45,907 |
| Total deductions | 105,686 | 45,907 | 151,593 |
| Change in net position | 121,332 | 59,504 | 180,836 |
| Net position - July 1 | 2,163,852 | 47,561 | 2,211,413 |
| Net position - June 30 | $ 2,285,184 | $ 107,065 | $ 2,392,249 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Student Activity Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2013

| | Cash Balance July 1, 2012 | Cash Receipts | Cash Disbursements | Interfund Payable | Balance June 30, 2013 |
|---|---|---|---|---|---|
| ELEMENTARY AND MIDDLE SCHOOLS: | | | | | |
| Hawes | $ 4,814 | $ 3,731 | $ 5,525 | $ - | $ 3,020 |
| Orchard | 13,219 | 16,489 | 16,568 | | 13,140 |
| Ridge | 11,462 | 32,071 | 32,607 | | 10,926 |
| Somerville | 4,964 | 5,423 | 5,803 | | 4,584 |
| Travell | 2,745 | 2,609 | 1,241 | 284 | 3,829 |
| Willard | 46,621 | 47,366 | 58,431 | | 35,556 |
| Benjamin Franklin | 37,893 | 242,261 | 228,286 | | 51,868 |
| George Washington | 47,737 | 198,821 | 208,016 | 392 | 38,150 |
| Total elementary and middle schools | 169,455 | 548,771 | 556,477 | 676 | 161,073 |
| SENIOR HIGH SCHOOL: | | | | | |
| Ridgewood High School | 167,750 | 697,795 | 686,391 | | 179,154 |
| ATHLETICS: | | | | | |
| Hall of Fame | 2,595 | 16,001 | 16,124 | | 2,472 |
| Ridgewood High School Athletics | 262 | 100,799 | 101,061 | | |
| Total all schools | $ 340,062 | $ 1,363,366 | $ 1,360,053 | $ 676 | $ 342,699 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Payroll Agency Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2013

| | Balance July 1, 2012 | Additions | Deletions | Balance June 30, 2013 |
|---|---|---|---|---|
| ASSETS: | | | | |
| Cash | $ 64,039 | $ 28,292,394 | $ 28,298,739 | $ 57,694 |
| Total assets | $ 64,039 | $ 28,292,394 | $ 28,298,739 | $ 57,694 |
| LIABILITIES: | | | | |
| Payroll deductions and withholdings | $ 62,194 | $ 28,291,583 | $ 28,296,894 | $ 56,883 |
| Interfund payables | 1,845 | 811 | 1,845 | 811 |
| Total liabilities | $ 64,039 | $ 28,292,394 | $ 28,298,739 | $ 57,694 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Payroll Fund
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2013

| | Balance July 1, 2012 | Additions | Deletions | Balance June 30, 2013 |
|---|---|---|---|---|
| ASSETS: | | | | |
| Cash | $ 1,076 | $ 33,237,747 | $ 33,238,413 | $ 410 |
| Total assets | $ 1,076 | $ 33,237,747 | $ 33,238,413 | $ 410 |
| LIABILITIES: | | | | |
| Accrued salaries and wages | $ - | $ 33,237,337 | $ 33,237,337 | $ - |
| Interfund payables | 1,076 | 410 | 1,076 | 410 |
| Total liabilities | $ 1,076 | $ 33,237,747 | $ 33,238,413 | $ 410 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Summer Savings Plan
Schedule of Receipts and Disbursements
For the Fiscal Year Ended June 30, 2013

| | Balance July 1, 2012 | Additions | Deletions | Balance June 30, 2013 |
|---|---|---|---|---|
| ASSETS: | | | | |
| Cash | $ - | $ 1,230,257 | $ 1,230,223 | $ 34 |
| Total assets | $ - | $ 1,230,257 | $ 1,230,223 | $ 34 |
| LIABILITIES: | | | | |
| Accrued salaries and wages | $ - | $ 1,229,010 | $ 1,229,010 | $ - |
| Interest payable, net | | 1,247 | 1,213 | 34 |
| Total liabilities | $ - | $ 1,230,257 | $ 1,230,223 | $ 34 |

# LONG-TERM DEBT SCHEDULES

The long-term debt schedules are used to reflect the outstanding principal balances of the general long-term liabilities of the school district. This includes serial bonds outstanding and obligations under capital leases.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2013

| Issue | Date of Issue | Amount of Issue | Annual Maturities Date | Annual Maturities Amount | Interest Rate | Balance July 1, 2012 | Issued | Retired | Balance June 30, 2013 |
|---|---|---|---|---|---|---|---|---|---|
| Additions and renovations to various schools (Refunded 1999 bonds maturing 10-1-2011 to 10-1-2018) | 10-15-2004 | $ 10,040,000 | 10-1-2013 | $ 1,270,000 | 5.00% | $ 8,700,000 | $ - | $ 1,210,000 | $ 7,490,000 |
| | | | 10-1-2014 | 1,255,000 | 3.40% | | | | |
| | | | 10-1-2015 | 1,250,000 | 5.25% | | | | |
| | | | 10-1-2016 | 1,245,000 | 5.25% | | | | |
| | | | 10-1-2017 | 1,240,000 | 5.25% | | | | |
| | | | 10-1-2018 | 1,230,000 | 4.00% | | | | |
| Additions and renovations to various schools (Refunded 2003 bonds maturing 2-15-2013 to 2-15-2028) | 6-1-2011 | 3,475,000 | 2-15-2014 | 185,000 | 4.000% | 3,430,000 | - | 180,000 | 3,250,000 |
| | | | 2-15-2015 | 190,000 | 4.000% | | | | |
| | | | 2-15-2016 | 200,000 | 2.000% | | | | |
| | | | 2-15-2017 | 200,000 | 4.000% | | | | |
| | | | 2-15-2018 | 205,000 | 3.000% | | | | |
| | | | 2-15-2019 | 205,000 | 3.000% | | | | |
| | | | 2-15-2020 | 215,000 | 5.000% | | | | |
| | | | 2-15-2021 | 220,000 | 5.000% | | | | |
| | | | 2-15-2022 | 230,000 | 3.250% | | | | |
| | | | 2-15-2023 | 230,000 | 3.250% | | | | |
| | | | 2-15-2024 | 235,000 | 4.000% | | | | |
| | | | 2-15-2025 | 235,000 | 4.000% | | | | |
| | | | 2-15-2026 | 235,000 | 4.000% | | | | |
| | | | 2-15-2027 | 235,000 | 4.000% | | | | |
| | | | 2-15-2028 | 230,000 | 4.000% | | | | |

Exhibit I-1

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Serial Bonds
For the Fiscal Year Ended June 30, 2013

| Issue | Date of Issue | Amount of Issue | Annual Maturities Date | Annual Maturities Amount | Interest Rate | Balance July 1, 2012 | Issued | Retired | Balance June 30, 2013 |
|---|---|---|---|---|---|---|---|---|---|
| Additions and renovations to various schools | 4-8-2010 | $ 38,420,000 *** | 3-15-2014 | $ 300,000 | 2.000% | $ 38,220,000 | $ - | $ 250,000 | $ 37,970,000 |
| | | | 3-15-2015 | 400,000 | 3.000% | | | | |
| | | | 3-15-2016 | 500,000 | 3.000% | | | | |
| | | | 3-15-2017 | 600,000 | 3.000% | | | | |
| | | | 3-15-2018 | 700,000 | 3.250% | | | | |
| | | | 3-15-2019 | 800,000 | 4.000% | | | | |
| | | | 3-15-2020 | 1,500,000 | 4.000% | | | | |
| | | | 3-15-2021 | 1,600,000 | 4.000% | | | | |
| | | | 3-15-2022 | 1,650,000 | 4.000% | | | | |
| | | | 3-15-2023 | 1,700,000 | 4.000% | | | | |
| | | | 3-15-2024 | 1,800,000 | 4.000% | | | | |
| | | | 3-15-2025 | 1,885,000 | 4.000% | | | | |
| | | | 3-15-2026 | 2,000,000 | 4.000% | | | | |
| | | | 3-15-2027 | 2,075,000 | 4.000% | | | | |
| | | | 3-15-2028 | 2,200,000 | 4.000% | | | | |
| | | | 3-15-2029 | 2,300,000 | 4.000% | | | | |
| | | | 3-15-2030 | 2,400,000 | 4.125% | | | | |
| | | | 3-15-2031 | 2,500,000 | 4.250% | | | | |
| | | | 3-15-2032 | 2,650,000 | 4.250% | | | | |
| | | | 3-15-2033 | 2,800,000 | 4.250% | | | | |
| | | | 3-15-2034 | 2,800,000 | 4.350% | | | | |
| | | | 3-15-2035 | 2,810,000 | 4.400% | | | | |
| | | | | | | $ 50,350,000 | $ - | $ 1,640,000 | $ 48,710,000 |

*** Bonds were authorized to be issued in the amount of $38,420,602, and $602 was canceled

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Obligations under Capital Leases
For the Fiscal Year Ended June 30, 2013

| Purpose | Date of Lease | Term of Lease | Original Amount of Lease Principal | Original Amount of Lease Interest | Interest Rate | Balance July 1, 2012 | Issued | Retired | Balance June 30, 2013 |
|---|---|---|---|---|---|---|---|---|---|
| Computers | 08/28/08 | 5 Years | 702,500 | 47,110 | 3.3400% | $ 145,076 | $ - | $ 145,076 | $ - |
| Computers & Grounds Equipment | 8/1/2009 | 5 Years | 787,000 | 57,990 | 3.3000% | 321,972 | | 158,373 | 163,599 |
| Field Lighting | 09/30/10 | 5 Years | 505,000 | 20,119 | 1.9894% | 302,938 | | 98,997 | 203,941 |
| Computers | 07/07/10 | 5 Years | 710,000 | 38,825 | 2.6400% | 426,557 | | 138,497 | 288,060 |
| Computers | 08/01/11 | 5 Years | 715,000 | 33,503 | 2.2230% | 566,934 | | 137,092 | 429,842 |
| Computers | 08/01/12 | 5 Years | 725,000 | 20,575 | 1.3500% | | 725,000 | 148,188 | 576,812 |
| | | | | | | $ 1,763,477 | $ 725,000 | $ 826,223 | $ 1,662,254 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Debt Service Fund
Budgetary Comparison Schedule
For the Fiscal Year Ended June 30, 2013

| | Original Budget | Budget Transfers | Final Budget | Actual | Variance Final to Actual |
|---|---|---|---|---|---|
| REVENUES: | | | | | |
| Local sources: | | | | | |
| Local tax levy | $ 3,200,686 | $ - | $ 3,200,686 | $ 3,200,686 | $ - |
| State sources: | | | | | |
| Debt service aid type II | 485,147 | | 485,147 | 485,147 | |
| Total revenues | 3,685,833 | | 3,685,833 | 3,685,833 | |
| EXPENDITURES: | | | | | |
| Regular debt service: | | | | | |
| Interest | 2,053,173 | | 2,053,173 | 2,053,173 | |
| Redemption of principal | 1,640,000 | | 1,640,000 | 1,640,000 | |
| Total regular debt service | 3,693,173 | | 3,693,173 | 3,693,173 | |
| Total expenditures | 3,693,173 | | 3,693,173 | 3,693,173 | |
| Excess (deficiency) of revenues over (under) expenditures | (7,340) | | (7,340) | (7,340) | |
| Fund balances - July 1 | 15,201 | | 15,201 | 15,201 | |
| Fund balances - June 30 | $ 7,861 | $ - | $ 7,861 | $ 7,861 | $ - |
| Recapitulation of excess (deficiency) of revenues over (under) expenditures: | | | | | |
| Budgeted fund balance | $ (7,340) | $ - | $ (7,340) | $ (7,340) | $ - |

# Township of Ridgewood School District
# Statistical Section
# (Unaudited)


| Contents | Page |
|---|---|
| **Financial Trends** | 115 -122 |
| These schedules contain trend information to help the reader understand how the District's financial performance and well being have changed over time. | |
| **Revenue Capacity** | 123 - 126 |
| These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax. | |
| **Debt Capacity** | 127 - 130 |
| These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the district's ability to issue additional debt in the future. | |
| **Demographic and Economic Information** | 131 - 132 |
| These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place. | |
| **Operating Information** | 133 - 138 |
| These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Net Position by Component
Last Ten Years
*(accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Governmental activities: | | | | | | | | | | |
| Invested in capital assets, net of related debt | $ 20,539,957 | $ 28,018,983 | $ 27,747,187 | $ 28,350,205 | $ 31,563,716 | $ 32,735,639 | $ (3,026,561) | $ 20,697,948 | $ 41,756,338 | $ 46,132,466 |
| Restricted | 5,918,276 | 3,936,113 | 5,594,883 | 7,768,283 | 5,099,625 | 4,051,369 | 41,634,752 | 23,915,797 | 7,834,188 | 5,262,133 |
| Unrestricted (deficit) | 805,144 | 96,471 | 90,299 | 65,591 | (136,004) | (1,033,044) | (1,350,383) | (1,335,961) | (1,415,055) | 277,381 |
| Total governmental activities net position | 27,263,377 | 32,051,567 | 33,432,369 | 36,184,079 | 36,527,337 | 35,753,964 | 37,257,808 | 43,277,784 | 48,175,471 | 51,671,980 |
| Business-type activities: | | | | | | | | | | |
| Invested in capital assets, net of related debt | 236,982 | 214,194 | 159,862 | 134,973 | 116,267 | 84,172 | 78,561 | 174,404 | 200,277 | 200,056 |
| Restricted | | | | | | | | | | |
| Unrestricted | 357,331 | 417,534 | 450,769 | 438,735 | 402,043 | 317,127 | 238,200 | 84,170 | (14,732) | (262,802) |
| Total business-type activities net position | 594,313 | 631,728 | 610,631 | 573,708 | 518,310 | 401,299 | 316,761 | 258,574 | 185,545 | (62,746) |
| District-wide: | | | | | | | | | | |
| Invested in capital assets, net of related debt | 20,776,939 | 28,233,177 | 27,907,049 | 28,485,178 | 31,679,983 | 32,819,811 | (2,948,000) | 20,872,352 | 41,956,615 | 46,332,522 |
| Restricted | 5,918,276 | 3,936,113 | 5,594,883 | 7,768,283 | 5,099,625 | 4,051,369 | 41,634,752 | 23,915,797 | 7,834,188 | 5,262,133 |
| Unrestricted (deficit) | 1,162,475 | 514,005 | 541,068 | 504,326 | 266,039 | (715,917) | (1,112,183) | (1,251,791) | (1,429,787) | 14,579 |
| Total district net position | $ 27,857,690 | $ 32,683,295 | $ 34,043,000 | $ 36,757,787 | $ 37,045,647 | $ 36,155,263 | $ 37,574,569 | $ 43,536,358 | $ 48,361,016 | $ 51,609,234 |

**Note:** Net position as of and prior to June 30, 2012, is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows, Deferred Inflows of Resources and Net Position"

Source: District Records

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Changes in Net Position
Last Ten Years
*(accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Expenses: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular | $ 31,408,006 | $ 32,055,090 | $ 33,811,474 | $ 36,450,455 | $ 37,489,605 | $ 36,067,316 | $ 37,635,956 | $ 39,044,444 | $ 39,520,534 | $ 41,066,546 |
| Special education | 3,149,659 | 3,535,235 | 4,008,048 | 4,732,243 | 6,150,367 | 6,604,765 | 6,697,403 | 7,094,778 | 8,659,407 | 9,677,014 |
| Other special instruction | 1,194,310 | 1,353,743 | 1,546,657 | 1,788,835 | 1,780,241 | 1,739,611 | 1,700,384 | 1,276,142 | 1,832,543 | 1,865,523 |
| Other instruction | 2,383,825 | 2,557,611 | 2,846,165 | 3,168,652 | 2,611,483 | 2,604,698 | 2,702,014 | 2,439,657 | 2,226,960 | 2,333,329 |
| Support services: | | | | | | | | | | |
| Tuition | 2,395,112 | 3,118,284 | 3,485,660 | 3,537,022 | 4,367,446 | 4,851,442 | 4,979,976 | 5,488,915 | 6,268,526 | 6,513,811 |
| Student and instruction related services | 10,532,664 | 11,299,327 | 12,447,833 | 13,317,152 | 14,319,913 | 13,963,348 | 15,001,751 | 14,731,156 | 15,693,498 | 16,593,369 |
| School administrative services | 4,288,853 | 4,372,781 | 4,466,397 | 4,540,759 | 4,897,256 | 4,903,953 | 4,886,853 | 4,797,546 | 4,630,097 | 4,912,473 |
| General administration services | 1,429,967 | 1,353,661 | 1,334,123 | 1,292,484 | 1,319,377 | 1,339,367 | 1,290,797 | 973,223 | 1,002,754 | 996,072 |
| Central services | | 1,311,975 | 1,372,897 | 1,439,255 | 1,596,351 | 1,634,429 | 1,609,055 | 1,569,040 | 1,566,374 | 1,557,969 |
| Administrative information technology | | 668,212 | 677,747 | 731,239 | 666,840 | 745,703 | 859,287 | 755,846 | 784,880 | 712,561 |
| Business and other support services | 2,054,946 | | | | | | | | | |
| Plant operations and maintenance | 5,614,275 | 5,981,216 | 6,420,044 | 6,522,715 | 7,187,916 | 7,699,034 | 7,343,995 | 7,235,913 | 7,743,196 | 7,760,169 |
| Pupil transportation | 2,178,401 | 2,233,661 | 2,307,921 | 2,471,149 | 2,775,719 | 3,014,087 | 2,852,706 | 2,672,636 | 2,691,737 | 2,831,955 |
| Special schools | 969,227 | 1,087,060 | 1,141,790 | 1,160,117 | 1,267,630 | 1,243,150 | 1,052,193 | 996,687 | 940,027 | 915,697 |
| Interest on long-term debt | 1,113,810 | 1,068,297 | 961,059 | 915,679 | 871,721 | 818,757 | 1,124,232 | 2,235,001 | 2,167,806 | 2,084,878 |
| Unallocated depreciation | 1,652,467 | 1,688,215 | 2,692,795 | 1,918,597 | 2,136,188 | 2,185,602 | 2,177,278 | 2,341,669 | 2,337,989 | 3,478,605 |
| Total governmental activities expenses | 70,365,522 | 73,684,368 | 79,520,610 | 83,986,353 | 89,438,053 | 89,415,262 | 91,913,880 | 93,652,653 | 98,066,328 | 103,299,971 |
| Business-type activities: | | | | | | | | | | |
| Food service | 1,148,989 | 1,203,179 | 1,257,719 | 1,254,245 | 1,262,215 | 1,279,041 | 1,200,627 | 1,153,075 | 1,234,287 | 1,272,615 |
| Infant/Toddler Development Program | 913,216 | 939,368 | 983,346 | 1,014,372 | 1,047,268 | 1,061,693 | 1,056,302 | 1,074,626 | 1,005,350 | 923,260 |
| Total business-type activities expense | 2,062,205 | 2,142,547 | 2,241,065 | 2,268,617 | 2,309,483 | 2,340,734 | 2,256,929 | 2,227,701 | 2,239,637 | 2,195,875 |
| Total district expenses | $ 72,427,727 | $ 75,826,915 | $ 81,761,675 | $ 86,254,970 | $ 91,747,536 | $ 91,755,996 | $ 94,170,809 | $ 95,880,354 | $ 100,305,965 | $ 105,495,846 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Changes in Net Position
Last Ten Years
*(accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Program Revenues: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Charges for services: | | | | | | | | | | |
| Instruction | $ 168,727 | $ 176,557 | $ 171,795 | $ 191,473 | $ 201,725 | $ 155,950 | $ 184,745 | $ 258,443 | $ 181,127 | $ 355,137 |
| Student and instruction related services | 65,252 | 1,082 | 375 | 15,417 | | 12,100 | | 8,656 | 15,210 | 156,645 |
| Plant operations and maintenance | 167,734 | 171,397 | 114,014 | 75,487 | 137,343 | 139,296 | 153,704 | 59,337 | 45,736 | 39,519 |
| Pupil transportation | 1,937 | 3,420 | 2,880 | 1,066 | | 53,466 | 25,413 | 16,712 | 22,261 | 16,169 |
| Special schools | 923,462 | 968,594 | 1,004,407 | 996,081 | 1,095,108 | 1,049,147 | 864,429 | 863,701 | 836,173 | 813,197 |
| Operating grants and contributions | 6,202,681 | 6,874,081 | 7,561,081 | 10,204,771 | 10,556,693 | 7,900,404 | 8,970,346 | 8,515,529 | 10,101,630 | 12,062,765 |
| Capital grants and contributions | 234,024 | 1,585,834 | 185,010 | 199,904 | 21,099 | 279,223 | 522,627 | 4,123,851 | 3,440,895 | 1,012,305 |
| Total governmental activities program revenues | 7,763,817 | 9,780,965 | 9,039,562 | 11,684,199 | 12,011,968 | 9,589,586 | 10,721,264 | 13,846,229 | 14,643,032 | 14,455,737 |
| Business-type activities: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Food service | 1,045,610 | 1,090,570 | 1,130,780 | 1,127,744 | 1,107,922 | 1,126,800 | 1,058,262 | 1,044,532 | 1,078,878 | 1,096,927 |
| Infant/Toddler Development Program | 889,960 | 984,485 | 975,911 | 992,097 | 1,032,819 | 983,345 | 990,367 | 1,011,663 | 961,850 | 728,458 |
| Operating grants and contributions | 98,950 | 96,751 | 101,909 | 99,808 | 106,376 | 111,834 | 122,895 | 112,120 | 124,847 | 121,800 |
| Total business type activities program revenues | 2,034,520 | 2,171,806 | 2,208,600 | 2,219,649 | 2,247,117 | 2,221,979 | 2,171,524 | 2,168,315 | 2,165,575 | 1,947,185 |
| Total district program revenues | $ 9,798,337 | $ 11,952,771 | $ 11,248,162 | $ 13,903,848 | $ 14,259,085 | $ 11,811,565 | $ 12,892,788 | $ 16,014,544 | $ 16,808,607 | $ 16,402,922 |
| Net (expense)/revenue: | | | | | | | | | | |
| Governmental activities | $ (62,601,705) | $ (63,903,403) | $ (70,481,048) | $ (72,302,154) | $ (77,426,085) | $ (79,825,676) | $ (81,192,616) | $ (79,806,424) | $ (83,423,296) | $ (88,844,234) |
| Business-type activities | (27,685) | 29,259 | (32,465) | (48,968) | (62,366) | (118,755) | (85,405) | (59,386) | (74,062) | (248,690) |
| Total district-wide net expense | $ (62,629,390) | $ (63,874,144) | $ (70,513,513) | $ (72,351,122) | $ (77,488,451) | $ (79,944,431) | $ (81,278,021) | $ (79,865,810) | $ (83,497,358) | $ (89,092,924) |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Changes in Net Position
Last Ten Years
*(accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General revenues and other changes in net position: | | | | | | | | | | |
| Governmental activities: | | | | | | | | | | |
| Property taxes levied for: | | | | | | | | | | |
| General purposes | $ 58,795,344 | $ 61,775,793 | $ 64,948,735 | $ 67,994,062 | $ 70,967,340 | $ 73,806,034 | $ 76,758,275 | $ 79,728,606 | $ 81,323,178 | $ 82,949,642 |
| Debt services | 1,471,601 | 1,473,137 | 1,431,304 | 1,381,771 | 1,433,326 | 1,432,250 | 1,435,200 | 2,958,908 | 3,105,755 | 3,200,686 |
| Unrestricted grants and contributions | 3,596,423 | 4,037,601 | 4,000,526 | 4,015,502 | 4,038,972 | 3,098,311 | 3,428,070 | 2,189,099 | 3,146,320 | 5,239,532 |
| Tuition Received | 314,057 | 561,733 | 494,617 | 465,062 | 386,413 | 314,725 | 468,722 | 465,061 | 340,410 | 551,917 |
| Investment earnings | 289,554 | 396,078 | 675,387 | 883,194 | 641,380 | 106,712 | 127,785 | 207,272 | 119,899 | 27,018 |
| Miscellaneous | 635,534 | 447,251 | 311,281 | 314,273 | 301,912 | 294,271 | 478,408 | 277,454 | 285,421 | 371,948 |
| Transfers | (44,174) | | | | | | | | | |
| Total governmental activities | 65,058,339 | 68,691,593 | 71,861,850 | 75,053,864 | 77,769,343 | 79,052,303 | 82,696,460 | 85,826,400 | 88,320,983 | 92,340,743 |
| Business-type activities: | | | | | | | | | | |
| Investment earnings | 4,326 | 8,156 | 11,368 | 12,045 | 6,968 | 1,744 | 867 | 1,199 | 1,033 | 399 |
| Transfers | 44,174 | | | | | | | | | |
| Total business-type activities | 48,500 | 8,156 | 11,368 | 12,045 | 6,968 | 1,744 | 867 | 1,199 | 1,033 | 399 |
| Total district-wide | $ 65,106,839 | $ 68,699,749 | $ 71,873,218 | $ 75,065,909 | $ 77,776,311 | $ 79,054,047 | $ 82,697,327 | $ 85,827,599 | $ 88,322,016 | $ 92,341,142 |
| Change in net position: | | | | | | | | | | |
| Governmental activities | $ 2,456,634 | $ 4,788,190 | $ 1,380,802 | $ 2,751,710 | $ 343,258 | $ (773,373) | $ 1,503,844 | $ 6,019,976 | $ 4,897,687 | $ 3,496,509 |
| Business-type activities | 20,815 | 37,415 | (21,097) | (36,923) | (55,398) | (117,011) | (84,538) | (58,187) | (73,029) | (248,291) |
| Total district | $ 2,477,449 | $ 4,825,605 | $ 1,359,705 | $ 2,714,787 | $ 287,860 | $ (890,384) | $ 1,419,306 | $ 5,961,789 | $ 4,824,658 | $ 3,248,218 |

Source: District Records

Notes: Central Services and Administrative Information Technology Services account classifications were added beginning with year end June 30, 2005. Prior to June 30, 2005, Central Services and Administrative Information Technology Services were combined in Other Support Services as Business and Other Support Services.

Net position as of and prior to June 30, 2012, is restated to reflect the implementation of GASB Statement No. 63, "Financial Reporting of Deferred Outflows, Deferred Inflows of Resources and Net Position"

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Fund Balances - Governmental Funds
Last Ten Years
*(modified accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General fund: | | | | | | | | | | |
| Reserved | $ 1,216,324 | $ 3,122,960 | $ 5,575,778 | $ 7,761,862 | $ 5,099,624 | $ 4,049,600 | $ 4,661,867 | $ - | $ - | $ - |
| Unreserved | 2,044,102 | 1,770,711 | 1,270,151 | 1,316,892 | 1,224,659 | 416,268 | 388,549 | | | |
| Restricted | | | | | | | | 4,491,947 | 4,137,931 | 4,285,603 |
| Committed | | | | | | | | 626,236 | 524,538 | 863,807 |
| Assigned | | | | | | | | 55,629 | 67,945 | 81,909 |
| Unassigned | | | | | | | | 633,086 | 595,619 | 2,131,432 |
| Total general fund | $ 3,260,426 | $ 4,893,671 | $ 6,845,929 | $ 9,078,754 | $ 6,324,283 | $ 4,465,868 | $ 5,050,416 | $ 5,806,898 | $ 5,326,033 | $ 7,362,751 |
| All other governmental funds: | | | | | | | | | | |
| Reserved | $ 5,877,171 | $ 271,629 | $ 4,090 | $ 4,090 | $ - | $ - | $ 18,536,160 | $ - | $ - | $ - |
| Unreserved, reported in: | | | | | | | | | | |
| Special revenue fund | | | | | | | | | | |
| Capital projects fund | (1,180,584) | (40,873) | 3,992 | (1,592) | | | 18,434,955 | | | |
| Debt service fund | 5,365 | 12,466 | 11,023 | 3,923 | 1 | 1,769 | 1,770 | | | |
| Restricted, reported in: | | | | | | | | | | |
| Capital projects fund | | | | | | | | 3,536,919 | 2,667,119 | 104,862 |
| Debt service fund | | | | | | | | 7,340 | 15,201 | 7,861 |
| Committed, reported in: | | | | | | | | | | |
| Capital projects fund | | | | | | | | 20,507,731 | 2,697,335 | |
| Assigned, reported in: | | | | | | | | | | |
| Capital projects fund | | | | | | | | 166,046 | 175,087 | |
| Unassigned, reported in: | | | | | | | | | | |
| Capital projects fund | | | | | | | | (5,420,422) | (2,383,023) | |
| Total all other governmental funds | $ 4,701,952 | $ 243,222 | $ 19,105 | $ 6,421 | $ 1 | $ 1,769 | $ 36,972,885 | $ 18,797,614 | $ 3,171,719 | $ 112,723 |

Source: District Records

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Years
*(modified accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Revenues: | | | | | | | | | | |
| Tax levy | $ 60,266,945 | $ 63,248,930 | $ 66,380,039 | $ 69,375,833 | $ 72,400,666 | $ 75,238,284 | $ 78,193,475 | $ 82,687,514 | $ 84,428,933 | $ 86,150,328 |
| Tuition | 314,057 | 561,733 | 494,617 | 465,062 | 386,413 | 314,725 | 468,722 | 465,061 | 340,410 | 551,917 |
| Interest earnings | 289,554 | 396,078 | 675,387 | 883,194 | 641,380 | 106,712 | 127,785 | 207,272 | 119,899 | 27,018 |
| Miscellaneous | 2,470,082 | 2,255,448 | 2,218,634 | 2,225,601 | 2,316,872 | 2,471,838 | 2,372,905 | 2,284,237 | 2,391,509 | 2,924,860 |
| State sources | 8,844,200 | 10,855,096 | 10,106,209 | 12,773,650 | 13,010,693 | 9,458,715 | 10,455,749 | 12,297,765 | 14,021,944 | 15,669,656 |
| Federal sources | 891,508 | 1,359,897 | 1,235,758 | 1,230,395 | 1,245,281 | 1,275,193 | 2,025,226 | 1,963,964 | 1,893,252 | 1,672,701 |
| Total revenue | 73,076,346 | 78,677,182 | 81,110,644 | 86,953,735 | 90,001,305 | 88,865,467 | 93,643,862 | 99,905,813 | 103,195,947 | 106,996,480 |
| Expenditures: | | | | | | | | | | |
| Instruction: | | | | | | | | | | |
| Regular Instruction | 25,544,926 | 25,820,825 | 26,553,017 | 27,134,710 | 28,094,313 | 28,362,247 | 29,667,390 | 30,442,131 | 30,223,875 | 30,930,494 |
| Special education instruction | 2,500,102 | 2,777,658 | 3,083,691 | 3,465,462 | 4,536,206 | 5,027,038 | 5,091,202 | 5,265,323 | 6,335,189 | 7,038,909 |
| Other special instruction | 934,131 | 1,052,106 | 1,174,409 | 1,316,135 | 1,285,484 | 1,325,825 | 1,294,233 | 957,878 | 1,349,859 | 1,352,093 |
| Other instruction | 1,951,429 | 2,086,286 | 2,283,182 | 2,481,544 | 2,030,176 | 2,076,127 | 2,156,305 | 1,925,886 | 1,776,047 | 1,866,881 |
| Support services: | | | | | | | | | | |
| Tuition | 2,395,112 | 3,118,284 | 3,485,660 | 3,537,022 | 4,367,446 | 4,851,442 | 4,979,976 | 5,488,915 | 6,268,526 | 6,513,811 |
| Student and instruction related services | 8,610,896 | 9,185,372 | 9,953,628 | 10,210,035 | 11,023,801 | 11,015,798 | 11,833,051 | 11,382,241 | 12,058,142 | 12,843,206 |
| School administrative services | 3,397,562 | 3,450,921 | 3,448,607 | 3,350,171 | 3,607,586 | 3,737,212 | 3,706,608 | 3,552,799 | 3,394,576 | 3,584,519 |
| General administration services | 1,646,870 | 1,379,215 | 1,220,352 | 1,162,497 | 1,167,782 | 1,207,743 | 1,179,235 | 926,283 | 911,760 | 897,146 |
| Central services | | 1,098,517 | 1,116,112 | 1,157,538 | 1,286,182 | 1,294,683 | 1,264,768 | 1,174,765 | 1,177,958 | 1,181,180 |
| Administrative information technology services | | 565,099 | 639,614 | 689,173 | 626,394 | 681,177 | 760,859 | 589,380 | 617,686 | 548,276 |
| Business and other support services | 1,719,164 | | | | | | | | | |
| Plant operations and maintenance | 5,749,784 | 6,103,331 | 6,526,725 | 6,631,214 | 7,284,167 | 7,786,236 | 7,505,750 | 7,500,654 | 8,008,255 | 8,037,721 |
| Pupil transportation | 2,165,788 | 2,220,487 | 2,295,231 | 2,456,618 | 2,758,853 | 2,995,211 | 2,832,276 | 2,644,397 | 2,664,944 | 2,806,253 |
| Employee benefits | 11,079,164 | 11,916,177 | 13,702,713 | 17,172,746 | 17,852,008 | 15,603,662 | 16,241,126 | 17,271,044 | 18,897,615 | 20,406,898 |
| Special schools | 969,227 | 1,087,060 | 1,141,790 | 1,160,117 | 1,267,630 | 1,243,150 | 1,052,193 | 996,687 | 940,027 | 915,697 |
| Capital outlay | 2,178,557 | 8,373,080 | 1,393,898 | 1,520,676 | 4,360,048 | 2,307,514 | 3,824,054 | 25,114,187 | 21,742,993 | 6,127,501 |
| Debt service: | | | | | | | | | | |
| Principal | 860,000 | 965,000 | 975,000 | 1,025,000 | 1,080,000 | 1,135,000 | 1,190,000 | 1,260,000 | 1,565,000 | 1,640,000 |
| Interest and other charges | 1,068,638 | 969,893 | 930,524 | 881,541 | 829,439 | 774,549 | 716,821 | 2,102,778 | 2,085,255 | 2,053,173 |
| Total expenditures | 72,771,350 | 82,169,311 | 79,924,153 | 85,352,199 | 93,457,515 | 91,424,614 | 95,295,847 | 118,595,348 | 120,017,707 | 108,743,758 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Changes in Fund Balances, Governmental Funds
Last Ten Years
*(modified accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Excess (deficiency) of revenues over (under) expenditures | $ 304,996 | $ (3,492,129) | $ 1,186,491 | $ 1,601,536 | $ (3,456,210) | $ (2,559,147) | $ (1,651,985) | $ (18,689,535) | $ (16,821,760) | $ (1,747,278) |
| Other financing sources (uses): | | | | | | | | | | |
| Proceeds from borrowing | | | | | | | 38,420,000 | | | |
| Premium on bonds | | | | | | | 649 | | | |
| Capital leases (non-budgeted) | 915,019 | 536,178 | 541,650 | 618,605 | 695,319 | 702,500 | 787,000 | 1,215,000 | 715,000 | 725,000 |
| Proceeds from refunding | | 10,911,556 | | | | | | 3,609,274 | | |
| Payments to escrow agent | | (10,781,090) | | | | | | (3,553,528) | | |
| Transfers in | 681,720 | 1,338,679 | 15,750 | | 1,000 | | 44,452 | 115,897 | 37,468 | 1,255 |
| Transfers out | (725,894) | (1,338,679) | (15,750) | | (1,000) | | (44,452) | (115,897) | (37,468) | (1,255) |
| Total other financing sources (uses) | 870,845 | 666,644 | 541,650 | 618,605 | 695,319 | 702,500 | 39,207,649 | 1,270,746 | 715,000 | 725,000 |
| Net change in fund balances | $ 1,175,841 | $ (2,825,485) | $ 1,728,141 | $ 2,220,141 | $ (2,760,891) | $ (1,856,647) | $ 37,555,664 | $ (17,418,789) | $ (16,106,760) | $ (1,022,278) |
| Debt service as a percentage of noncapital expenditures | 2.73% | 2.62% | 2.43% | 2.27% | 2.14% | 2.14% | 2.08% | 3.60% | 3.71% | 3.60% |

Source: District records

Notes: Noncapital expenditures are total expenditures less capital outlay.

Central Services and Administrative Information Technology Services account classifications were added beginning with year end June 30, 2005. Prior to June 30, 2005, Central Services and Administrative Information Technology Services were combined in Other Support Services as Business and Other Support Services.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund - Other Local Revenue By Source
Last Ten Years
*(modified accrual basis of accounting)*
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| General Fund: | | | | | | | | | | |
| Summer school tuition and fees | $ 143,132 | $ 153,277 | $ 151,166 | $ 168,059 | $ 106,057 | $ 103,138 | $ - | $ - | $ - | $ 41,545 |
| Adult school and other special schools fees | 780,330 | 815,317 | 853,241 | 828,022 | 989,051 | 946,009 | 864,429 | 863,701 | 836,173 | 813,197 |
| Student activity fees | 116,010 | 111,927 | 107,413 | 114,319 | 114,632 | 78,139 | 174,525 | 251,978 | 169,762 | 302,498 |
| Rentals | 417,208 | 417,782 | 430,425 | 440,324 | 452,285 | 459,380 | 441,031 | 436,537 | 443,372 | 442,037 |
| Transportation | | 3,420 | 2,880 | 1,066 | | 53,484 | 25,413 | 16,712 | 22,261 | 16,169 |
| Miscellaneous - restricted: | | | | | | | | | | |
| Services provided other LEAs | 65,252 | 1,082 | 375 | 15,417 | 86,289 | 85,781 | 94,046 | 8,656 | 15,210 | 156,646 |
| Reimbursement of custodial and other costs | 42,908 | 34,347 | 37,208 | 42,814 | 51,054 | 53,515 | 59,658 | 59,337 | 45,736 | 39,519 |
| Utility rebates | 124,826 | 137,050 | 76,806 | | | | | | | |
| Other | 45,271 | 89,578 | 77,845 | 112,872 | 121,462 | 102,360 | 87,272 | 6,465 | 7,791 | 21,351 |
| Miscellaneous - unrestricted | 437,725 | 209,145 | 76,625 | 86,576 | 35,252 | 46,002 | 186,463 | 74,101 | 77,555 | 119,653 |
| Annual totals | $ 2,172,662 | $ 1,972,925 | $ 1,813,984 | $ 1,809,469 | $ 1,956,082 | $ 1,927,808 | $ 1,932,837 | $ 1,717,487 | $ 1,617,860 | $ 1,952,615 |

Source: District records

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Years
Unaudited

| Fiscal Year Ended December 31, | Vacant Land | Residential | Commercial | Apartment | Farm (Regular) | Farm (Qualified) | Total Assessed Value | Public Utilities [a] | Net Valuation Taxable | Memo Only Tax Exempt Property | Estimated Actual (County Equalized Value) | Total Direct School Tax Rate [b] |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2004 | $ 11,276,300 | $ 3,453,940,100 | $ 347,560,100 | $ 60,770,700 | $ 1,518,600 | $ 1,600 | $ 3,875,067,400 | $ 6,488,177 | $ 3,881,555,577 | $ 438,512,200 | $ 4,735,589,768 | $ 1.629 |
| 2005 | 12,207,800 | 3,477,133,000 | 347,364,700 | 59,563,600 | | | 3,896,269,100 | 5,758,519 | 3,902,027,619 | 445,540,300 | 5,190,024,292 | 1.701 |
| 2006 | 13,498,200 | 3,501,301,100 | 346,683,900 | 59,404,000 | | | 3,920,887,200 | 5,003,153 | 3,925,890,353 | 446,405,300 | 5,807,290,564 | 1.767 |
| 2007 | 12,831,200 | 3,525,797,000 | 349,937,500 | 59,304,000 | | | 3,947,869,700 | 5,610,668 | 3,953,480,368 | 461,060,100 | 6,514,060,913 | 1.831 |
| 2008 | 19,347,800 | 5,972,283,900 | 619,430,500 | 116,784,800 | | | 6,727,847,000 | 5,610,668 | 6,733,457,668 | 747,683,600 | 6,848,892,924 | 1.117 |
| 2009 | 22,187,800 | 5,950,985,100 | 613,560,000 | 114,272,000 | | | 6,701,004,900 | 10,343,605 | 6,711,348,505 | 746,070,900 | 6,827,113,070 | 1.165 |
| 2010 | 24,188,000 | 5,948,400,600 | 596,467,300 | 106,335,700 | | | 6,675,391,600 | 10,616,803 | 6,686,008,403 | 746,841,100 | 6,707,210,394 | 1.237 |
| 2011 | 22,561,000 | 5,928,833,100 | 593,617,600 | 106,335,700 | | | 6,651,347,400 | 9,425,266 | 6,660,772,666 | 751,643,900 | 6,476,883,013 | 1.268 |
| 2012 | 23,955,900 | 5,908,926,300 | 574,609,800 | 102,767,000 | | | 6,610,259,000 | 10,000 | 6,610,269,000 | 751,165,900 | 6,342,573,286 | 1.304 |
| 2013 | 16,795,700 | 5,111,925,100 | 506,624,400 | 88,306,400 | | | 5,723,651,600 | - | 5,723,651,600 | 688,929,700 | 6,827,113,070 | 1.535 |

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

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

Reassessment occurs when the County Board of Taxation requests Treasury to order a reassessment.

The Village of Ridgewood reassessed real property effective 2013 and 2008.

a - Taxable Value of Machinery, Implements and Equipment of Telephone, Telegraph and Messenger System Companies.

b - Tax rates are per $100.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Direct and Overlapping Property Tax Rates
Last Ten Years
(rate per $100 of assessed value)
Unaudited

| Fiscal Year Ended June 30, | Township of Ridgewood School District | | | Overlapping Rates | | |
|---|---|---|---|---|---|---|
| | Basic Rate [a] | General Obligation Debt Service [b] | Total Direct School | Village of Ridgewood | County of Bergen | Total Direct and Overlapping Tax Rate |
| 2004 | $ 1.579 | $ 0.050 | $ 1.629 | $ 0.578 | $ 0.253 | $ 2.460 |
| 2005 | 1.651 | 0.050 | 1.701 | 0.593 | 0.264 | 2.558 |
| 2006 | 1.718 | 0.049 | 1.767 | 0.631 | 0.272 | 2.670 |
| 2007 | 1.783 | 0.048 | 1.831 | 0.676 | 0.293 | 2.800 |
| 2008 | 1.089 | 0.028 | 1.117 | 0.417 | 0.189 | 1.723 |
| 2009 | 1.144 | 0.021 | 1.165 | 0.431 | 0.196 | 1.792 |
| 2010 | 1.194 | 0.043 | 1.237 | 0.454 | 0.196 | 1.887 |
| 2011 | 1.220 | 0.048 | 1.268 | 0.419 | 0.269 | 1.956 |
| 2012 | 1.255 | 0.049 | 1.304 | 0.500 | 0.210 | 2.014 |
| 2013 | 1.489 | 0.046 | 1.535 | 0.577 | 0.247 | 2.359 |

Source: Municipal Tax Collector

Notes: The Village of Ridgewood reassessed real property effective 2013 and 2008.

N.J.S.A. 18A:7F-5d limits the amount that the district can submit for a general fund tax levy . The levy when added to other components of the district's net budget may not exceed the prebudget year net budget by more than the spending growth limitation.

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

b - Rates for debt service are based on each year's requirements.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Principal Property Taxpayers
Current Year and Nine Years Ago
Unaudited

| | 2013 | | | 2004 | | |
|---|---|---|---|---|---|---|
| Taxpayer | Taxable Assessed Value | Rank | % of Total District Net Assessed Value | Taxable Assessed Value | Rank | % of Total District Net Assessed Value |
| 1200 E. Ridgewood Ave LLC | $ 23,000,000 | 1 | 0.40% | $ | | |
| Milridge Realty, LLC | 11,516,700 | 2 | 0.20% | 8,607,200 | 2 | 0.22% |
| Home Properties WMF, LLC | 9,705,700 | 3 | 0.17% | 6,541,400 | 4 | 0.17% |
| Ridgewood Mayflower Realty | 8,700,600 | 4 | 0.15% | | | |
| 257 Ridgewood Avenue LLC | 8,468,300 | 5 | 0.15% | | | |
| Cameron Apartments | 8,167,200 | 6 | 0.14% | | | |
| Lucerne-Ridgewood LLC | 8,080,000 | 7 | 0.14% | | | |
| Pondview Medical Center of Ridgewood | 8,063,800 | 8 | 0.14% | | | |
| Kimco Ridgewood 615, Inc. | 7,452,500 | 9 | 0.13% | | | |
| Kew Management Corporation | 7,431,700 | 10 | 0.13% | 5,686,100 | 6 | 0.15% |
| The Realty Associates | | | | 16,710,400 | 1 | 0.43% |
| NJ Bell | | | | 7,471,819 | 3 | 0.19% |
| Van Dyk Health Care, Inc. | | | | 6,372,300 | 5 | 0.16% |
| Mayflower Realty | | | | 5,512,700 | 7 | 0.14% |
| Magnolia Partners LLC | | | | 5,479,700 | 8 | 0.14% |
| Stop & Shop Supermarket Co. | | | | 4,839,200 | 9 | 0.13% |
| Ridgewood Savings Bank of NJ | | | | 4,707,300 | 10 | 0.12% |
| Total | $ 100,586,500 | | 1.75% | $ 71,928,119 | | 1.85% |

Source: Municipal Tax Assessor

Note: The Village of Ridgewood reassessed real property effective 2013 and 2008.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Property Tax Levies and Collections
Last Ten Years
Unaudited

| Fiscal Year Ended June 30, | Taxes Levied for the Fiscal Year | Collected within the Fiscal Year of the Levy[a] | | Collections in Subsequent Years |
|---|---|---|---|---|
| | | Amount | Percentage of Levy | |
| 2004 | $ 60,266,945 | $ 60,266,945 | 100.00% | $ - |
| 2005 | 63,248,930 | 63,248,930 | 100.00% | |
| 2006 | 66,380,039 | 66,380,039 | 100.00% | |
| 2007 | 69,375,833 | 69,375,833 | 100.00% | |
| 2008 | 72,400,666 | 72,400,666 | 100.00% | |
| 2009 | 75,238,284 | 75,238,284 | 100.00% | |
| 2010 | 78,193,475 | 78,193,475 | 100.00% | |
| 2011 | 82,661,789 | 82,661,789 | 100.00% | |
| 2012 | 84,454,658 | 84,454,658 | 100.00% | |
| 2013 | 86,150,328 | 86,150,328 | 100.00% | |

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

Notes: a - 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 school year.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Ratios of Outstanding Debt by Type
Last Ten Years
Unaudited

| Fiscal Year Ended June 30, | Governmental Activities: General Obligation Bonds | Governmental Activities: Capital Leases | Total District | Percentage of Personal Income [a] | Per Capita [a] |
|---|---|---|---|---|---|
| 2004 | $ 20,861,000 | $ 1,214,934 | $ 22,075,934 | 1.65% | 898 |
| 2005 | 20,096,000 | 1,185,773 | 21,281,773 | 1.54% | 872 |
| 2006 | 19,121,000 | 1,133,672 | 20,254,672 | 1.34% | 838 |
| 2007 | 18,096,000 | 1,157,733 | 19,253,733 | 1.18% | 798 |
| 2008 | 17,016,000 | 1,248,082 | 18,264,082 | 1.11% | 758 |
| 2009 | 15,881,000 | 1,333,071 | 17,214,071 | 1.13% | 712 |
| 2010 | 53,111,000 | 1,456,614 | 54,567,614 | 3.33% | 2,184 |
| 2011 | 51,915,000 | 1,866,566 | 53,781,566 | 3.45% | 2,224 |
| 2012 | 50,350,000 | 1,763,477 | 52,113,477 | 3.17% | 2,075 |
| 2013 | 48,710,000 | 1,662,254 | 50,372,254 | 3.02% | 1,999 |

Source: District Records

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

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Ratios of General Bonded Debt Outstanding
Last Ten Years
Unaudited

| Fiscal Year Ended June 30, | General Bonded Debt Outstanding: General Obligation Bonds | Deductions | Net General Bonded Debt Outstanding | Percentage of Actual Taxable Value Property [a] | Per Capita [b] |
|---|---|---|---|---|---|
| 2004 | $ 20,861,000 | $ | $ 20,861,000 | 0.54% | $ 848 |
| 2005 | 20,096,000 | | 20,096,000 | 0.52% | 823 |
| 2006 | 19,121,000 | | 19,121,000 | 0.49% | 792 |
| 2007 | 18,096,000 | | 18,096,000 | 0.46% | 750 |
| 2008 | 17,016,000 | | 17,016,000 | 0.25% | 706 |
| 2009 | 15,881,000 | | 15,881,000 | 0.24% | 657 |
| 2010 | 53,111,000 | | 53,111,000 | 0.79% | 2,125 |
| 2011 | 51,915,000 | | 51,915,000 | 0.78% | 2,147 |
| 2012 | 50,350,000 | | 50,350,000 | 0.76% | 2,004 |
| 2013 | 48,710,000 | | 48,710,000 | 0.85% | 1,933 |

Source: District Records

Notes: The Village of Ridgewood reassessed real property effective 2013 and 2008.

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

a - See Exhibit J-6 for property tax data.

b - See Exhibit J-14 for population data. The ratio is calculated using the population for the prior calendar year.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Direct and Overlapping Governmental Activities Debt
As of December 31, 2012
Unaudited

| Governmental Unit | | Debt Outstanding | Estimated Percentage Applicable | Estimated Share of Overlapping Debt |
|---|---|---|---|---|
| Debt repaid with property taxes: | | | | |
| Village of Ridgewood | (1) | $ 48,522,784 | 100.000% | $ 48,522,784 |
| County of Bergen | (2);(A) | 786,791,919 | 3.2000% | 25,177,341 |
| County of Bergen Utilities Authority | (3);(B) | 238,698,403 | 0.0010% | 2,387 |
| Northwest Bergen County Utilities Authority | (4);(B) | 25,022,823 | 0.2100% | 52,548 |
| Other debt: | | | | |
| Municipal Water System - Village of Ridgewood | (1) | 19,476,993 | 100.000% | 19,476,993 |
| Municipal Parking System - Village of Ridgewood | (1) | 1,323,615 | 100.000% | 1,323,615 |
| Subtotal, overlapping debt | | | | 94,555,668 |
| Township of Ridgewood School District direct debt, issued and authorized to issue | | | | 49,140,000 |
| Total direct and overlapping debt | | | | $ 143,695,668 |

Sources:
(1) Municipal Chief Financial Officer
(2) Municipal Chief Financial Officer
(3) County of Bergen Utilities Authority
(4) Northwest Bergen County Utilities Authority

(A) The debt for this entity was apportioned to the Village of Ridgewood by applying the Municipality-to-County Net Valuation on which County taxes are apportioned for Bergen County.

(B) The debt for this entity was apportioned to the Village of Ridgewood by applying the usage percentage.

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Legal Debt Margin Information
Last Ten Years
Unaudited

Legal Debt Margin Calculation for Fiscal Year 2012

| | | Equalized valuation basis |
|---|---|---|
| | 2012 | $ 6,194,601,256 |
| | 2011 | 6,369,192,186 |
| | 2010 | 6,477,189,598 |
| | [A] | $ 19,040,983,040 |
| Average equalized valuation of taxable property | [A/3] | $ 6,346,994,347 |
| Debt limit (4 % of average equalization value) | [B] | 253,879,774 a |
| Total Net Debt Applicable to Limit | [C] | 48,710,000 |
| Legal debt margin | [B-C] | $ 205,169,774 |

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Debt limit | $ 169,747,112 | $ 187,493,790 | $ 207,877,220 | $ 231,279,693 | $ 252,358,585 | $ 266,708,799 | $ 270,146,454 | $ 266,850,895 | $ 260,721,259 | $ 253,879,774 |
| Total net debt applicable to limit | 20,861,000 | 20,096,000 | 19,121,000 | 18,096,000 | 17,016,000 | 15,881,000 | 53,111,000 | 51,915,000 | 50,350,000 | 48,710,000 |
| Legal debt margin | $ 148,886,112 | $ 167,397,790 | $ 188,756,220 | $ 213,183,693 | $ 235,342,585 | $ 250,827,799 | $ 217,035,454 | $ 214,935,895 | $ 210,371,259 | $ 205,169,774 |
| Total net debt applicable to the limit as a percentage of debt limit | 12.29% | 10.72% | 9.20% | 7.82% | 6.74% | 5.95% | 19.66% | 19.45% | 19.31% | 19.19% |

Source: Equalized valuation bases were obtained from the Annual Debt Statement, Village of Ridgewood

a Limit set by N.J.S.A 18A:24-19 for a K through 12 district; other % limits would be applicable for other district types.

Note: The Village of Ridgewood reassessed real property effective 2013 and 2008.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Demographic and Economic Statistics
Last Ten Years
Unaudited

| Year | Population [a] (1) | Personal Income [b] | Per Capita Personal Income [c] (2) | Unemployment Rate [d] |
|---|---|---|---|---|
| 2004 | 24,596 | $ 1,339,547,352 | $ 54,462 | 2.80% |
| 2005 | 24,411 | 1,384,250,166 | 56,706 | 2.40% |
| 2006 | 24,156 | 1,514,919,384 | 62,714 | 2.80% |
| 2007 | 24,122 | 1,625,678,068 | 67,394 | 2.30% |
| 2008 | 24,102 | 1,644,407,154 | 68,227 | 3.00% |
| 2009 | 24,181 | 1,528,190,838 | 63,198 | 5.50% |
| 2010 | 24,989 | 1,636,429,654 | 65,486 | 5.70% |
| 2011 | 25,120 | 1,556,966,228 | 66,096 | 5.60% |
| 2012 | 25,205 | 1,645,008,320 | 66,096 * | 5.90% |
| 2013 | 25,205 ** | 1,665,949,680 | 66,096 * | N/A |

Source:

a - Population information provided by the NJ Dept of Labor and Workforce Development
b - Personal income has been estimated based upon the municipal population and per capita personal income presented
c - US Bureau of Economic Analysis per capita personal income for New Jersey by county
d - Unemployment data provided by the NJ Dept of Labor and Workforce Development

Notes:

* - Latest Bergen County per capita personal income available (2011) was used for calculation purposes
** - Latest population data available (2012) was used for calculation purposes
(1) Represents estimate as of July 1
(2) Represents county information vs. municipality
N/A - At the time of CAFR completion, this data was not yet available

Exhibit J-15

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Principal Employers
Current Year and Nine Years Ago
Unaudited

| | 2013 | | | 2004 | | |
|---|---|---|---|---|---|---|
| Employer | Employees | Rank | Percentage of Total Municipal Employment | Employees | Rank | Percentage of Total Municipal Employment |
| Valley Hospital | N/A | 1 | N/A | 3,000 | 1 | N/A |
| Ridgewood Baord of Education | N/A | 2 | N/A | 781 | 2 | N/A |
| Ridgewood YWCA & YMCA | N/A | 3 | N/A | 510 | 3 | N/A |
| Valley Home Health Care | N/A | 4 | N/A | 470 | 4 | N/A |
| Village of Ridgewood | N/A | 5 | N/A | 335 | 5 | N/A |
| Whole Foods | N/A | 6 | N/A | 158 | 6 | N/A |
| Van Dykes Nursing Home | N/A | 7 | N/A | 141 | 7 | N/A |
| Stop & Shop | N/A | 8 | N/A | 110 | 8 | N/A |
| Genesis Eldercare | N/A | 9 | N/A | 100 | 9 | N/A |
| Kings Supermarket | N/A | 10 | N/A | 700 | 10 | N/A |
| | | | | 6,305 | | |

Source: Village of Ridgewood and State of New Jersey Department of Labor and Industry Annual Labor Force Estimates by Municipality

N/A - Information is not available

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Full-time Equivalent District Employees by Function/Program
Last TenYears
Unaudited

| Function/Program | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Instruction | | | | | | | | | | |
| Regular | 341 | 340 | 346 | 349 | 351 | 354 | 372 | 369 | 348 | 350 |
| Special education | 75 | 86 | 95 | 89 | 139 | 141 | 93 | 54 | 78 | 76 |
| Other special education-suppl/mainstreaming | 36 | 38 | 40 | 49 | 12 | 13 | 15 | 59 | 107 | 119 |
| Other instruction | 2 | 2 | 1 | 1 | 1 | 1 | | | | |
| Support Services: | | | | | | | | | | |
| Student & instruction related services | 132 | 138 | 151 | 143 | 152 | 152 | 123 | 125 | 108 | 108 |
| General administration | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 |
| School administrative services | 45 | 44 | 41 | 41 | 44 | 44 | 63 | 41 | 54 | 54 |
| Other administrative services | | | | | | | | | | |
| Central services | 15 | 15 | 14 | 14 | 14 | 14 | 24 | 16 | 20 | 20 |
| Administrative Information Technology | 8 | 8 | 8 | 7 | 5 | 5 | 17 | 19 | 19 | 19 |
| Plant operations and maintenance | 13 | 14 | 16 | 15 | 16 | 16 | 9 | 2 | 7 | 6 |
| Pupil transportation | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 |
| Other support services | | | | | | | | | | |
| Special Schools | N/A | N/A | 6 | 6 | 7 | 7 | 2 | 2 | 2 | 2 |
| Infant/Toddler Development Center | N/A | N/A | 33 | 33 | 33 | 33 | 33 | 33 | 33 | 32 |
| Total | 672 | 690 | 756 | 752 | 779 | 785 | 756 | 725 | 781 | 791 |

Source: District Personnel Records

N/A - Information is not available

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Operating Statistics
Last Ten Years
Unaudited

| Fiscal Year Ended June 30, | Enrollment | Operating Expenditures [a] | Cost Per Pupil | Percentage Change | Teaching Staff [b] | Pupil/Teacher Ratio | | | Average Daily Enrollment (ADE) [c] | Average Daily Attendance (ADA) [c] | % Change in Average Daily Enrollment | Student Attendance Percentage |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | Elementary | Middle School | Senior High School | | | | |
| 2004 | 5,552.0 | 68,664,155 | 12,367 | 3.54% | 387.01 | 14.0 | 13.5 | 14.0 | 5,468.1 | 5,240.4 | 2.60% | 95.84% |
| 2005 | 5,576.0 | 71,861,338 | 12,888 | 4.21% | 390.87 | 14.5 | 13.2 | 14.4 | 5,502.3 | 5,254.5 | 0.63% | 95.50% |
| 2006 | 5,602.0 | 76,624,731 | 13,678 | 6.13% | 401.92 | 14.6 | 12.5 | 13.8 | 5,551.4 | 5,318.8 | 0.89% | 95.81% |
| 2007 | 5,632.0 | 81,924,982 | 14,546 | 6.35% | 409.19 | 13.5 | 12.1 | 13.6 | 5,568.3 | 5,402.4 | 0.30% | 97.02% |
| 2008 | 5,665.0 | 87,188,028 | 15,391 | 5.80% | 413.89 | 14.1 | 12.7 | 13.4 | 5,610.8 | 5,410.0 | 0.76% | 96.42% |
| 2009 | 5,670.0 | 87,207,551 | 15,381 | -0.07% | 419.00 | 14.3 | 12.5 | 13.4 | 5,644.1 | 5,443.7 | 0.59% | 96.45% |
| 2010 | 5,777.0 | 89,564,972 | 15,504 | 0.80% | 419.27 | 14.1 | 12.6 | 13.1 | 5,708.7 | 5,477.0 | 1.14% | 95.94% |
| 2011 | 5,822.0 | 90,118,383 | 15,479 | -0.16% | 423.00 | 14.4 | 12.4 | 11.8 | 5,710.6 | 5,488.7 | 0.03% | 96.11% |
| 2012 | 5,793.0 | 94,624,459 | 16,334 | 5.53% | 431.30 | 13.9 | 12.8 | 13.1 | 5,699.9 | 5,520.5 | -0.19% | 96.85% |
| 2013 | 5,829.0 | 98,923,084 | 16,971 | 3.90% | 432.00 | 14.0 | 12.7 | 13.0 | 5,751.0 | 5,542.3 | 0.90% | 96.37% |

Sources: District records

Note: Enrollment based on annual October district count.

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

Exhibit J-18

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| District Building | | | | | | | | | | |
| Elementary | | | | | | | | | | |
| Glen (1959) | | | | | | | | | | |
| Square Feet | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 | 27,300 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 54 | 55 | 56 | 51 | 50 | 34 | 42 | 54 | 37 | 42 |
| Hawes (1966) | | | | | | | | | | |
| Square Feet | 35,000 | 39,765 | 39,765 | 39,765 | 39,765 | 39,765 | 39,765 | 39,765 | 39,765 | 39,765 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 386 | 406 | 421 | 422 | 410 | 405 | 416 | 407 | 405 | 407 |
| Orchard (1966) | | | | | | | | | | |
| Square Feet | 38,500 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 | 42,133 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 294 | 297 | 321 | 320 | 325 | 328 | 331 | 340 | 337 | 333 |
| Ridge (1960) | | | | | | | | | | |
| Square Feet | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 481 | 480 | 505 | 486 | 488 | 478 | 478 | 500 | 497 | 514 |
| Somerville (1950) | | | | | | | | | | |
| Square Feet | 59,759 | 68,000 | 68,000 | 68,000 | 68,000 | 68,000 | 68,000 | 68,000 | 68,000 | 68,000 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 419 | 450 | 466 | 473 | 508 | 507 | 534 | 527 | 502 | 517 |
| Travell (1966) | | | | | | | | | | |
| Square Feet | 45,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 | 47,800 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 432 | 425 | 400 | 421 | 419 | 416 | 416 | 407 | 395 | 365 |
| Willard (1926) | | | | | | | | | | |
| Square Feet | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 | 50,500 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 512 | 470 | 482 | 463 | 453 | 468 | 458 | 484 | 479 | 500 |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
School Building Information
Last Ten Fiscal Years
Unaudited

| | Fiscal Year Ended June 30, | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Middle Schools | | | | | | | | | | |
| Benjamin Franklin (1954) | | | | | | | | | | |
| Square Feet | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 | 190,400 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 667 | 647 | 653 | 648 | 677 | 692 | 691 | 691 | 697 | 738 |
| George Washington (1928) | | | | | | | | | | |
| Square Feet | 99,600 | 99,600 | 99,600 | 99,600 | 99,600 | 99,600 | 99,600 | 99,600 | 124,600 | 124,600 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 688 | 680 | 631 | 623 | 632 | 664 | 678 | 661 | 688 | 652 |
| High School | | | | | | | | | | |
| Ridgewood High School (1920) | | | | | | | | | | |
| Square Feet | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 | 248,286 |
| Capacity (students) | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| Enrollment | 1,557 | 1,606 | 1,642 | 1,661 | 1,649 | 1,652 | 1,664 | 1,662 | 1,663 | 1,684 |
| Other | | | | | | | | | | |
| Central Administration (1895) | | | | | | | | | | |
| Square Feet | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 | 32,640 |

Number of Schools at June 30, 2013
- Elementary = 7
- Middle School = 2
- Senior High School = 1
- Other = 1

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions. Enrollment is based on the District's June Enrollment Report.

N/A - Information is not available

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
General Fund
Schedule of Required Maintenance Expenditures by School Facility
Last TenYears
Unaudited

Undistributed Expenditures - Required Maintenance for School Facilities
11-000-261-XXX

| * School facilities | School # | Fiscal Year Ended June 30, 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Ridgewood High School | 050 | $ 250,929 | $ 317,322 | $ 239,967 | $ 407,140 | $ 397,798 | $ 387,746 | $ 469,753 | $ 28,872 | $ 377,586 | $ 374,705 |
| Benjamin Franklin Middle School | 060 | 142,649 | 210,798 | 140,143 | 204,684 | 274,941 | 198,025 | 221,103 | 75,875 | 349,328 | 287,346 |
| George Washington Middle School | 070 | 71,787 | 102,559 | 90,576 | 139,756 | 128,173 | 73,267 | 158,124 | 122,790 | 173,071 | 149,408 |
| Glen Elementary School | 080 | 34,968 | 31,398 | 35,003 | 42,190 | 40,646 | 72,943 | 18,158 | 20,656 | 37,476 | 41,200 |
| Hawes Elementary School | 085 | 40,912 | 43,860 | 77,369 | 60,060 | 68,371 | 131,657 | 45,628 | 46,837 | 25,864 | 52,821 |
| Ridge Elementary School | 090 | 54,925 | 74,323 | 61,394 | 47,233 | 73,544 | 64,070 | 99,958 | 73,875 | 52,033 | 71,565 |
| Somerville Elementary School | 100 | 94,927 | 61,283 | 69,527 | 96,216 | 94,982 | 82,723 | 169,905 | 186,173 | 116,760 | 102,623 |
| Travell Elementary School | 110 | 59,868 | 64,999 | 57,297 | 58,527 | 68,174 | 87,790 | 79,188 | 140,485 | 83,408 | 69,120 |
| Orchard Elementary School | 120 | 51,815 | 52,079 | 57,700 | 44,707 | 66,382 | 111,325 | 71,535 | 204,931 | 126,520 | 58,103 |
| Willard Elementary School | 130 | 65,536 | 66,734 | 69,234 | 71,634 | 78,421 | 92,656 | 133,068 | 427,402 | 25,329 | 76,213 |
| Education Center | 999 | 44,649 | 40,773 | 51,358 | 43,347 | 55,298 | 20,321 | 46,167 | 134,943 | 111,929 | 49,259 |
| | | $ 912,965 | $ 1,066,128 | $ 949,568 | $ 1,215,494 | $ 1,346,730 | $ 1,322,523 | $ 1,512,587 | $ 1,462,839 | $ 1,479,304 | $ 1,332,363 |

* School facilities as defined under EFCFA.
(N.J.A.C. 6A:26-1.2 and N.J.A.C. 6A:26A-1.3)

Source: District Records

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Insurance Schedule
June 30, 2013
Unaudited

| | Coverage | Deductible |
|---|---|---|
| School Package Policy - Selective Way Insurance Company | | |
| Property - Blanket Building & Contents: | | |
| Buildings | $ 225,816,259 | $ 5,000 |
| Personal Property | 13,918,062 | 5,000 |
| Comprehensive General Liability | 1,000,000/2,000,000 | 5,000 |
| Employee Benefits Liability (Each Employee/Aggregate) | 1,000,000/4,000,000 | 1,000 |
| Automobile Coverage | 1,000,000 | 1,000 |
| Abuse or Molestation Legal Liability | 1,000,000 | |
| Umbrella Liability | 9,000,000/Excess of 1,000,000 | 10,000 |
| Cameras and Audio Visual Equipment | 250,000 | |
| Band Uniforms, Musical Instruments, Athletic & Theatrical Equipment | 250,000 | |
| Electronic Information Systems | 2,500,000 | |
| Accounts Receivable | 100,000 | |
| Valuable Papers and Records | 5,000,000 | |
| Contractors Equipment | 250,000 | |
| Miscellaneous School Property | 100,000 | |
| Building Ordinance Demolition Costs & Cost of Construction | 2,000,000 | |
| Flood - Inside Flood Zone | 1,000,000 | 500,000 |
| Earthquake/Flood - Outside Flood Zone | 5,000,000 | 50,000 |
| Arson, Theft and Vandalism Rewards | 25,000 | |
| Fine Arts | 25,000 | |
| Crime - Inside/Outside/Computer Fraud | 50,000/50,000/50,000 | 1,000 |
| Pollution Clean Up | 100,000 | |
| Pesticide and Herbicide Applicator | 1,000,000 | 1,000 |
| Extra Expense | 5,000,000 | 5,000 |
| Broadened Water - Loss of Income, Planned Events and Tuition Fees | 100,000 | |
| Boiler & Machinery | 250,000 | 5,000 |
| Crime Coverage - Selective Insurance Company of America | | |
| Employee Theft - Per Employee/Per Loss | 100,000/400,000 | 5,000 |
| Forgery or Altercation | 50,000 | 1,000 |
| Education Legal Liability & Employment Practices Liability - Darwin National Assurance Company | 1,000,000/1,000,000 | 25,000 |
| Commercial Environmental Impairment Liability - Ace American Ins. Co. | 1,000,000/3,000,000 | 15,000 |
| Excess Liability - Fireman's Fund Ins. Co. | 50,000,000/Excess of 10,000,000 | |
| Officials' Bonds - Selective Insurance Company of America | | |
| Treasurer of School Moneys | 500,000 | |
| School Board Secretary/Business Administrator | 500,000 | |
| Travel Accident - Gerber Life Insurance Company<br>Board Members, Superintendant, Business Administrator | 500,000 | |
| Volunteers Accident - Life Insurance Co. of North America | 100,000 | |
| K-12 Basic Accident - Life Insurance Co. of North America | 25,000 | |
| Voluntary - Students 24 hour - Life Insurance Co. of North America | 500,000 | |
| Catastrophe Student Accident - Life Insurance Co. of North America | 5,000,000 | |
| Workers Compensation - NESBIG | Statutory | |

Source: District records.

Note: The District is part of the Northeast Bergen County School Board Insurance Group (NESBIG). Several of the above coverages are the combined amounts for all the school districts under master policies with insurance companies.

# SINGLE AUDIT SECTION

Smolin Lupin
CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

# REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

## Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Township of Ridgewood School District
County of Bergen
Ridgewood, 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 statements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Township of Ridgewood School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2013, and the related notes to the financial statements which collectively comprise the Township of Ridgewood School District's basic financial statements, and have issued our report dated November 29, 2013.

### Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies.



Smolin, Lupin & Co., PA 165 Passaic Avenue, Suite 411, Fairfield, NJ 07004 • 973-439-7200 • fax: 973-439-0720
Smolin, Lupin & Co., LLC 331 Newman Springs Road, Suite 145, Red Bank, NJ 07701 • 732-933-9300 • fax: 732-933-0888
Smolin, Lupin & Co., LLC 14155 U.S. Highway One, Suite 200, Juno Beach, FL 33408 • 561-747-1040 • fax: 561-747-9980
www.smolin.com • cpa@smolin.com

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

We noted certain matters that we reported to the Board of Education of the Township of Ridgewood School District in a separate report entitled, *Auditor's Management Report on Administrative Findings - Financial, Compliance and Performance* dated November 29, 2013.

**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 Township of Ridgewood School District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township of Ridgewood School District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Smolen, Lupin + Co., P.A.

SMOLIN, LUPIN & CO., P.A.
Certified Public Accountants

Susan T. White

Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
November 29, 2013

Smolin Lupin

CERTIFIED PUBLIC ACCOUNTANTS
AND CONSULTANTS

# REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL AND STATE PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY U.S. OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR LETTER 04-04

## Independent Auditor's Report

The Honorable President and
Members of the Board of Education
Township of Ridgewood School District
County of Bergen
Ridgewood, New Jersey

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

We have audited the Township of Ridgewood School District's compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* and the *New Jersey OMB Circular Letter 04-04 State Aid/Grant Compliance Supplement* that could have a direct and material effect on each of the Township of Ridgewood School District's major federal and state programs for the fiscal year ended June 30, 2013. The Township of Ridgewood School District's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

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

### *Auditor's Responsibility*

Our responsibility is to express an opinion on compliance for each of the Township of Ridgewood School District's major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; U.S. OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* and New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.*



Smolin, Lupin & Co., PA 165 Passaic Avenue, Suite 411, Fairfield, NJ 07004 • 973-439-7200 • fax: 973-439-0720
Smolin, Lupin & Co., LLC 331 Newman Springs Road, Suite 145, Red Bank, NJ 07701 • 732-933-9300 • fax: 732-933-0888
Smolin, Lupin & Co., LLC 14155 U.S. Highway One, Suite 200, Juno Beach, FL 33408 • 561-747-1040 • fax: 561-747-9980
www.smolin.com • cpa@smolin.com

Those standards, OMB Circular A-133 and New Jersey OMB Circular Letter 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 federal or state program occurred. An audit includes examining, on a test basis, evidence about the Township of Ridgewood School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

***Opinion on Each Major Federal and State Program***

In our opinion, the Township of Ridgewood School District, in the County of Bergen, State of New Jersey, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the fiscal year ended June 30, 2013.

**Report on Internal Control Over Compliance**

Management of the Township of Ridgewood School District is responsible for establishing and maintaining effective internal control over compliance with the types of requirements referred to above. In planning and performing our audit of compliance, we considered the Township of Ridgewood School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and New Jersey OMB Circular Letter 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 Township of Ridgewood School District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Smolin Lupin

**Purpose of this Report**

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of U.S. OMB Circular A -133 and New Jersey OMB Circular Letter 04-04. Accordingly, this report is not suitable for any other purpose.

Smolin, Lupin + Co., P.A.

SMOLIN, LUPIN & CO., P.A
Certified Public Accountants

Susan T. White

Susan T. White
Licensed Public School Accountant
License #20CS00119300

Fairfield, New Jersey
November 29, 2013

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2013

Schedule A

| Federal Grantor/Pass-Through Grantor/ Program Title | Federal CFDA Number | Grant or State Project Number | Program or Award Amount | Grant Period From To | Balance at June 30, 2012 | Carryover/ Walkover Amount | Cash Received | Budgetary Expenditures | Adjust-ments | Repayment of Prior Years' Balances | June 30, 2013 Accounts Receivable | June 30, 2013 Deferred Revenue | June 30, 2013 Due to Grantor |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **U.S. Department of Education** | | | | | | | | | | | | | |
| **Passed-through State Department of Education:** | | | | | | | | | | | | | |
| **General Fund:** | | | | | | | | | | | | | |
| Medical assistance program (SEMI) | 93.778 | Not Available | $ 1,703 | 9/1/12 - 8/31/13 | $ - | $ - | $ 1,703 | $ (1,703) | $ - | $ - | $ - | $ - | $ - |
| Total General Fund | | | | | | | 1,703 | (1,703) | | | | | |
| **U.S. Department of Agriculture** | | | | | | | | | | | | | |
| **Passed-through State Department of Education:** | | | | | | | | | | | | | |
| **Child Nutrition Cluster:** | | | | | | | | | | | | | |
| **Enterprise Fund:** | | | | | | | | | | | | | |
| National School Lunch Program: | | | | | | | | | | | | | |
| Cash assistance | 10.555 | N/A | 72,471 | 7/1/12 - 6/30/13 | | | 65,816 | (72,471) | | | (6,655) | | |
| Cash assistance | 10.555 | N/A | 61,787 | 7/1/11 - 6/30/12 | (4,707) | | 4,707 | | | | | | |
| Non-cash assistance (Food Distribution) | 10.555 | N/A | 40,265 | 7/1/12 - 6/30/13 | | | 40,265 | (39,666) | | | | 599 | |
| Non-cash assistance (Food Distribution) | 10.555 | N/A | 44,182 | 7/1/11 - 6/30/12 | 3,704 | | | (3,704) | | | | | |
| School Breakfast Program - cash assistance | 10.553 | N/A | 275 | 7/1/12 - 6/30/13 | | | 246 | (275) | | | (29) | | |
| School Breakfast Program - cash assistance | 10.553 | N/A | 174 | 7/1/11 - 6/30/12 | (45) | | 45 | | | | | | |
| Total Enterprise Fund | | | | | (1,048) | | 111,079 | (116,116) | | | (6,684) | 599 | |
| **U.S. Department of Education** | | | | | | | | | | | | | |
| **Passed-through State Department of Education:** | | | | | | | | | | | | | |
| **Special Revenue Fund:** | | | | | | | | | | | | | |
| I.D.E.A. Part B: | | | | | | | | | | | | | |
| Current Year | 84.027 | FT-4390-13 | 1,007,854 | 9/1/12 - 8/31/13 | | 927 | 857,306 | (1,007,937) | | | (149,704) | | |
| Summer | 84.027 | FT-4390-12 | 1,007,962 | 9/1/11 - 8/31/12 | (55,136) | | 55,136 | | | | | | |
| Prior Year Carryover | 84.027 | FT-4390-12 | 927 | 9/1/11 - 8/31/12 | | (927) | 927 | | | | | | |
| I.D.E.A. Preschool: | | | | | | | | | | | | | |
| Current Year | 84.173 | PS-4390-13 | 38,089 | 9/1/12 - 8/31/13 | | 1,138 | 35,122 | (37,735) | | | (1,475) | | |
| Prior Year Carryover | 84.173 | PS-4390-12 | 1,138 | 9/1/11 - 8/31/12 | | (1,138) | 1,138 | | | | | | |
| Title I Part A, Improving Basic Programs: | | | | | | | | | | | | | |
| Current Year | 84.010A | NCLB-4390-13 | 134,822 | 9/1/12 - 8/31/13 | | | 87,432 | (132,920) | | | (45,488) | | |
| Summer | 84.010A | NCLB-4390-12 | 133,682 | 9/1/11 - 8/31/12 | (34,163) | | 34,163 | | | | | | |
| Title II Part A, Teacher and Principal Training and Recruiting: | | | | | | | | | | | | | |
| Current Year | 84.367A | NCLB-4390-13 | 73,938 | 9/1/12 - 8/31/13 | | 156 | 57,209 | (74,094) | | | (16,729) | | |
| Summer | 84.367A | NCLB-4390-12 | 83,393 | 9/1/11 - 8/31/12 | (20,631) | | 20,631 | | | | | | |
| Prior Year Carryover | 84.367A | NCLB-4390-12 | 166 | 9/1/11 - 8/31/12 | | (156) | 156 | | | | | | |
| Title III, English Language Acquisition and Language Enhancement: | | | | | | | | | | | | | |
| Current Year | 84.365A | NCLB-4390-13 | 20,629 | 9/1/12 - 8/31/13 | | 875 | 11,883 | (21,284) | | | (8,526) | | |
| Summer | 84.365A | NCLB-4390-12 | 22,219 | 9/1/11 - 8/31/12 | (7,782) | | 7,782 | | | | | | |
| Prior Year Carryover | 84.365A | NCLB-4390-12 | 875 | 9/1/11 - 8/31/12 | | (875) | 875 | | | | | | |



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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2013

Schedule A

| Federal Grantor/Pass-Through Grantor/ Program Title | Federal CFDA Number | Grant or State Project Number | Program or Award Amount | Grant Period From To | Balance at June 30, 2012 | Carryover/ Walkover Amount | Cash Received | Budgetary Expenditures | Adjust-ments | Repayment of Prior Years' Balances | June 30, 2013 Accounts Receivable | June 30, 2013 Deferred Revenue | June 30, 2013 Due to Grantor |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **U.S. Department of Homeland Security** | | | | | | | | | | | | | |
| **Federal Emergency Management Agency** | | | | | | | | | | | | | |
| **Passed-through New Jersey State Police:** | | | | | | | | | | | | | |
| **Special Revenue Fund:** | | | | | | | | | | | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 003-UJJ9E-00 UJJ9E01 | 49,667 | 9/1/12 - 8/31/13 | $ - | $ - | $ - | $ (49,667) | $ - | $ - | $ (49,667) | $ - | $ - |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 003-UJJ9E-00 UJJ9E02 | 750 | 9/1/12 - 8/31/13 | | | 750 | (750) | | | | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 003-UJJ9E-00 UJJ9E03 | 10,234 | 9/1/12 - 8/31/13 | | | | (10,234) | | | (10,234) | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 003-UJJ9E-00 UJJ9E04 | 29,142 | 9/1/11 - 8/31/12 | (29,142) | | | | | | (29,142) | | |
| Disaster Grants - Public Assistance (Presidentially Declared Disasters) | 97.036 | 003-UJJ9E-00 UJJ9E02 | 118,395 | 9/1/11 - 8/31/12 | (116,520) | | | (1,875) | (1) * | | (118,396) | | |
| **U.S. Department of Education** | | | | | | | | | | | | | |
| **Special Revenue Fund:** | | | | | | | | | | | | | |
| Race to the Top, Phase 3 | 84.413A | 12-RT01-A01 03-4390 | 10,646 | 9/1/11 - 11/30/15 | | | | (6,150) | | | (6,150) | | |
| Teaching American History - Profiles and Perspectives of Our American Identity | 84.215X | U215X100073 | 999,479 | 9/1/10 - 8/31/15 | (22,125) | | 345,093 | (328,352) | | | (5,384) | | |
| **Total Special Revenue Fund** | | | | | (285,499) | | 1,515,603 | (1,670,998) | (1) | | (440,895) | | |
| **Total Federal Awards** | | | | | $ (286,547) | $ - | $ 1,628,385 | $ (1,788,817) | $ (1) | $ - | $ (447,579) | $ 599 | $ - |

* Rounding



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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2013

Schedule B

| State Grantor/Program Title | Grant or State Project Number | Program or Award Amount | Grant Period From To | Balance at June 30, 2012 Deferred Revenue (Accounts Receivable) | Balance at June 30, 2012 Due to Grantor | Carryover/ Walkover Amount | GAAP Cash Received | Budgetary Expenditures | Adjustments/ Repayment of Prior Years' Balances | Balance at June 30, 2013 Accounts Receivable | Balance at June 30, 2013 Deferred Revenue/ Interfund | Balance at June 30, 2013 Due to Grantor | MEMO Budgetary Receivable | MEMO Cumulative Total Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **State Department of Education** | | | | | | | | | | | | | | |
| **General Fund:** | | | | | | | | | | | | | | |
| Transportation Aid | 13-495-034-5120-014 | $ 108,675 | 7/1/12 - 6/30/13 | $ - | $ - | $ - | $ 108,675 | $ (108,675) | $ - | $ - | $ - | $ - | $ 7,716 | $ 108,675 |
| Security Aid | 13-495-034-5120-084 | 76,599 | 7/1/12 - 6/30/13 | | | | 76,599 | (76,599) | | | | | 5,439 | 76,599 |
| Special Education Categorical Aid | 13-495-034-5120-089 | 1,810,212 | 7/1/12 - 6/30/13 | | | | 1,810,212 | (1,810,212) | | | | | 120,485 | 1,810,212 |
| Additional Nonpublic School Transportation Aid | Not Available | 19,250 | 7/1/12 - 6/30/13 | | | | | (19,250) | | (19,250) | | | 19,250 | |
| Additional Nonpublic School Transportation Aid | Not Available | 16,424 | 7/1/11 - 6/30/12 | | | | 16,424 | (16,424) | | | | | | 16,424 |
| Extraordinary Special Education Aid | 13-100-034-5120-473 | 1,499,303 | 7/1/12 - 6/30/13 | | | | | (1,499,303) | | (1,499,303) | | | 1,499,303 | 1,499,303 |
| Extraordinary Special Education Aid | 12-100-034-5120-473 | 1,595,175 | 7/1/11 - 6/30/12 | | | | 1,595,175 | (1,595,175) | | | | | | 1,595,175 |
| Payment for Institutionalized Children-Unknown District of Residence | 13-495-034-5120-005 | 383,445 | 7/1/12 - 6/30/13 | | | | 162,898 | (383,445) | | (220,547) | | | 220,547 | 383,445 |
| Payment for Institutionalized Children-Unknown District of Residence | 12-495-034-5120-078 | 97,837 | 7/1/11 - 6/30/12 | (29,890) | | | 29,890 | | | | | | | |
| Payment for Institutionalized Children-Unknown District of Residence | 11-495-034-5120-078 | 165,895 | 7/1/10 - 6/30/11 | (283) | | | | | | (283) | | | 283 | |
| Student Health Survey | Not Available | 500 | 7/1/12 - 6/30/13 | | | | 500 | (500) | | | | | | 500 |
| TPAF pension - non-contributory insurance | 13-495-034-5095-007 | 142,767 | 7/1/12 - 6/30/13 | | | | 142,767 | (142,767) | | | | | | 142,767 |
| TPAF pension - normal costs | 13-495-034-5095-006 | 2,713,491 | 7/1/12 - 6/30/13 | | | | 2,713,491 | (2,713,491) | | | | | | 2,713,491 |
| TPAF pension - post retirement medical contributions | 13-495-034-5095-001 | 3,229,706 | 7/1/12 - 6/30/13 | | | | 3,229,706 | (3,229,706) | | | | | | 3,229,706 |
| Reimbursed TPAF Social Security Contributions | 13-495-034-5095-002 | 3,240,975 | 7/1/12 - 6/30/13 | | | | 3,079,834 | (3,240,975) | | (161,141) | | | 161,141 | 3,240,975 |
| Reimbursed TPAF Social Security Contributions | 12-495-034-5095-002 | 3,136,845 | 7/1/11 - 6/30/12 | (157,955) | | | 157,955 | | | | | | | |
| **Total General Fund** | | | | (188,128) | | | 13,124,126 | (14,836,522) | | (1,900,524) | | | 2,034,164 | 14,817,272 |
| **Special Revenue Fund:** | | | | | | | | | | | | | | |
| N.J. Nonpublic Aid: | | | | | | | | | | | | | | |
| Handicapped Services: | | | | | | | | | | | | | | |
| Corrective Speech | 13-100-034-5120-066 | 1,562 | 7/1/12 - 6/30/13 | | | | 1,562 | (375) | | | | 1,187 | | 375 |
| Corrective Speech | 12-100-034-5120-066 | 1,580 | 7/1/11 - 6/30/12 | 790 | | | | | (790) * | | | | | |
| Textbook Aid | 13-100-034-5120-064 | 2,747 | 7/1/12 - 6/30/13 | | | | 2,747 | (841) | | | | 1,906 | | 841 |
| Textbook Aid | 12-100-034-5120-064 | 1,760 | 7/1/11 - 6/30/12 | 3 | | | | | (3) * | | | | | |
| Technology Initiative | 13-100-034-5120-373 | 1,015 | 7/1/12 - 6/30/13 | | | | 1,015 | (916) | | | | 99 | | 916 |
| Nursing | 13-100-034-5120-070 | 367 | 7/1/12 - 6/30/13 | | | | 367 | (367) | | | | | | 367 |
| **Total Special Revenue Fund** | | | | 793 | | | 5,691 | (2,499) | (793) | | | 3,192 | | 2,499 |
| **State Department of Education** | | | | | | | | | | | | | | |
| **Debt Service Fund:** | | | | | | | | | | | | | | |
| School Construction Debt Service Aid | 13-495-034-5120-075 | 485,147 | 7/1/12 - 6/30/13 | | | | 485,147 | (485,147) | | | | | | 485,147 |
| **Total Debt Service Fund** | | | | | | | 485,147 | (485,147) | | | | | | 485,147 |
| **State Department of Agriculture:** | | | | | | | | | | | | | | |
| **Enterprise Fund:** | | | | | | | | | | | | | | |
| National School Lunch Program (State Share) | 13-100-010-3350-023 | 5,684 | 7/1/12 - 6/30/13 | | | | 5,189 | (5,684) | | (495) | | | 495 | 5,684 |
| National School Lunch Program (State Share) | 12-100-010-3350-023 | 5,933 | 7/1/11 - 6/30/12 | (452) | | | 452 | | | | | | | |
| **Total Enterprise Fund** | | | | (452) | | | 5,641 | (5,684) | | (495) | | | 495 | 5,684 |

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

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
For the Fiscal Year Ended June 30, 2013

Schedule B

| State Grantor/Program Title | Grant or State Project Number | Program or Award Amount | Grant Period From To | Balance at June 30, 2012 Deferred Revenue (Accounts Receivable) | Balance at June 30, 2012 Due to Grantor | Carryover/ Walkover Amount | GAAP Cash Received | Budgetary Expenditures | Adjustments/ Repayment of Prior Years' Balances | Balance at June 30, 2013 Accounts Receivable | Balance at June 30, 2013 Deferred Revenue/ Interfund | Balance at June 30, 2013 Due to Grantor | MEMO Budgetary Receivable | MEMO Cumulative Total Expenditures |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **New Jersey Economic Development Authority/** | | | | | | | | | | | | | | |
| **New Jersey School Development Authority:** | | | | | | | | | | | | | | |
| **Capital Projects Fund:** | | | | | | | | | | | | | | |
| Section 15 Grant - Ridgewood High School Rehabilitation Projects | 4390-050-09-3007 | $ 3,926,037 | 7/1/09 - 6/30/13 | $ (677,655) | $ - | $ - | $ | $ (49,442) | $ - | $ (727,097) | $ - | $ - | $ 727,097 | $ 3,214,770 |
| Section 15 Grant - Willard Rehabilitation Projects | 4390-130-09-1014 | 870,858 | 7/1/09 - 6/30/13 | (343,725) | | | | (33,488) | | (377,213) | | | 377,213 | 554,665 |
| Section 15 Grant - Willard Classrooms Additions | 4390-130-09-1001 | 802,771 | 7/1/09 - 6/30/13 | (713,797) | | | 642,217 | (88,974) | | (160,554) | | | 160,554 | 802,771 |
| Section 15 Grant - Ridge Classrooms Additions | 4390-090-09-1003 | 784,015 | 7/1/09 - 6/30/13 | (13,095) | | | 156,803 | (143,708) | | | | | | 784,015 |
| Section 15 Grant - Hawes Roof Replacement | 4390-085-09-1010 | 730,391 | 7/1/09 - 6/30/13 | (103,754) | | | 102,444 | 1,310 ** | | | | | | 445,525 |
| Section 15 Grant - Travell Roof Replacement | 4390-110-09-1013 | 537,506 | 7/1/09 - 6/30/13 | (56,284) | | | 56,344 | (60) | | | | | | 231,284 |
| Section 15 Grant - Hawes Classrooms Additions | 4390-085-09-1002 | 510,224 | 7/1/09 - 6/30/13 | (102,049) | | | 102,045 | 4 ** | | | | | | 510,224 |
| Section 15 Grant - Ridgewood High School Rehabilitation Projects | 4390-050-09-3006 | 409,054 | 7/1/09 - 6/30/13 | (79,296) | | | | (9,974) | | (89,270) | | | 89,270 | 365,588 |
| Section 15 Grant - Somerville Roof Replacement | 4390-100-09-1012 | 408,916 | 7/1/09 - 6/30/13 | (30,990) | | | 28,255 | 2,735 ** | | | | | | 173,320 |
| Section 15 Grant - Benjamin Franklin Improvements to Ventilation and A/C System | 4390-060-09-2008 | 326,619 | 7/1/09 - 6/30/13 | (70,878) | | | 78,742 | (7,864) | | | | | | 263,544 |
| Section 15 Grant - George Washington Classrooms Rehabilitation | 4390-070-09-1005 | 269,568 | 7/1/09 - 6/30/13 | (269,568) | | | | | | (269,568) | | | 269,568 | 269,568 |
| Section 15 Grant - George Washington Rehab Electrical and Replace Windows | 4390-070-09-1009 | 162,024 | 7/1/09 - 6/30/13 | (152,470) | | | | (9,554) | | (162,024) | | | 162,024 | 162,024 |
| Section 15 Grant - Ridge Rehabilitation of Electrical Service | 4390-090-09-1011 | 96,442 | 7/1/09 - 6/30/13 | (18,392) | | | | (2,909) | | (21,301) | | | 21,301 | 21,301 |
| Section 15 Grant - Orchard Installation of Occupancy Sensors | 4390-120-09-1015 | 10,287 | 7/1/09 - 6/30/13 | (5,014) | | | 8,578 | (3,564) | | | | | | 8,578 |
| **Total Capital Projects Fund** | | | | (2,636,967) | | | 1,175,428 | (345,488) | | (1,807,027) | | | 1,807,027 | 7,807,177 |
| **Total State Financial Assistance** | | | | (2,824,754) | | | 14,796,033 | (15,675,340) | (793) | (3,708,046) | | 3,192 | 3,841,686 | 23,117,779 |
| **State Financial Assistance Not Subject to Single Audit Determination** | | | | | | | | | | | | | | |
| General Fund | | | | | | | | | | | | | | |
| TPAF pension - non-contributory insurance | 13-495-034-5095-007 | 142,767 | 7/1/12 - 6/30/13 | | | | (142,767) | 142,767 | | | | | | (142,767) |
| TPAF pension - normal | 13-495-034-5095-006 | 2,713,491 | 7/1/12 - 6/30/13 | | | | (2,713,491) | 2,713,491 | | | | | | (2,713,491) |
| TPAF pension - post retirement medical | 13-495-034-5095-001 | 3,229,706 | 7/1/12 - 6/30/13 | | | | (3,229,706) | 3,229,706 | | | | | | (3,229,706) |
| **Total State Financial Assistance Subject to Single Audit** | | | | $ (2,824,754) | $ - | $ - | $ 8,710,069 | $ (9,589,376) | $ (793) | $ (3,708,046) | $ - | $ 3,192 | $ 3,841,686 | $ 17,031,815 |

* Repayment
** Cancellation of accounts payable

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

# TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
## Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
## June 30, 2013

### NOTE 1. GENERAL

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

### NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of federal awards and state financial assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Note 1 to the District's basic financial statements. The information in these schedules are presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey OMB Circular Letter 04-04, *Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.* Therefore, some amounts presented in these schedules may differ from amounts presented in, or used in the preparation of, the basic financial statements.

### NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS

The basic financial statements present the general fund, special revenue fund, capital projects fund and debt service 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis, which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The District did not have one or more June state aid payments in the special revenue fund, however, if it did, the special revenue fund would recognize the one or more June state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-4.2. The net adjustment to reconcile from the budgetary basis to the GAAP basis is $1,591,199 for the general fund, ($20,400) adjustment for the one or more June state aid payments and $1,611,599 adjustment for the recognition of prior year extraordinary special education costs aid, and nonpublic school transportation aid.

# TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
## Notes to Schedules of Expenditures of Federal Awards and State Financial Assistance
## June 30, 2013

NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)

There are no adjustments for the special revenue fund, capital projects fund and debt service fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Federal awards and state financial assistance revenues are reported in the District's basic financial statements on a GAAP basis as follows:

| | Federal | State | Total |
|---|---|---|---|
| General Fund | $ 1,703 | $ 14,836,522 | $ 14,838,225 |
| Special Revenue Fund | 1,670,998 | 2,499 | 1,673,497 |
| Capital Projects Fund | | 345,488 | 345,488 |
| Debt Service Fund | | 485,147 | 485,147 |
| Food Service Fund | 116,116 | 5,684 | 121,800 |
| Total federal awards and state financial assistance | $ 1,788,817 | $ 15,675,340 | $ 17,464,157 |

NOTE 4. RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS

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

NOTE 5. OTHER

Revenues and expenditures reported under the National School Lunch Program, non-cash assistance (Food Distribution) represent current year value received and current year distributions, respectively of the Federal Food Distribution Program.

The amount reported as TPAF Pension - Non-Contributory Insurance, Post Retirement Medical Contributions, and Normal Costs represents the amount paid by the state on behalf of the District for the year ended June 30, 2013. Reimbursed 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, 2013.

NOTE 6. ON-BEHALF PROGRAMS NOT SUBJECT TO STATE SINGLE AUDIT

On-behalf state programs for TPAF Pension Non-Contributory Insurance, Post-Retirement Medical Contributions, and Normal Costs are not subject to a state single audit and, therefore, are excluded from major program determination. The schedule of expenditures of state financial assistance provides a reconciliation of state financial assistance reported in the District's basic financial statements and the amount subject to state single audit and major program determination.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

Part I - Summary of Auditor's Results

**Financial Statements**

| | |
|---|---|
| Type of auditor's report issued: | Unmodified |
| Internal control over financial reporting: | |
| 1) Material weakness(es) identified? | ____ yes __x__ no |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | ____ yes __x__ none reported |
| Noncompliance material to basic financial statements noted? | ____ yes __x__ no |

**Federal Awards**

| | |
|---|---|
| Internal control over major programs: | |
| 1) Material weakness(es) identified? | ____ yes __x__ no |
| 2) Significant deficiencies identified that are not considered to be material weaknesses? | ____ yes __x__ none reported |
| Type of auditor's report issued on compliance for major programs: | Unmodified |
| Any audit findings disclosed that are required to be reported in accordance with section .510(a) of U.S. OMB Circular A-133? | ____ yes __x__ no |

Identification of major programs:

| CFDA Number(s) | Name of Federal Program or Cluster |
|---|---|
| 84.027 | I.D.E.A. Part B |
| 84.173 | I.D.E.A. Preschool |
| 84.215X | Teaching American History |

| | |
|---|---|
| Dollar threshold used to distinguish between type A and type B programs: | $ 300,000 |
| Auditee qualified as low-risk auditee? | __x__ yes ____ no |

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs
For the Fiscal Year Ended June 30, 2013

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

**State Financial Assistance**

Internal control over major programs:

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

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

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

Any audit findings disclosed that are required to be reported in accordance with New Jersey OMB Circular Letter 04-04? _____ yes ___x___ no

Identification of major programs:

| State Grant/Project Number(s) | Name of State Program |
|---|---|
| 13-495-034-5120-089 | Special Education Categorical Aid |
| 13-495-034-5120-084 | Security Aid |
| 13-100-034-5120-473 | Extraordinary Special Education Aid |
| 13-495-034-5120-075 | School Construction Debt Service Aid |
| 13-495-034-5095-002 | Reimbursed TPAF Social Security Contributions |
| 13-495-034-5120-005 | Payment for Institutionalized Children - Unknown Distric |

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

Auditee qualified as low-risk auditee? ___x___ yes _____ no

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2013

Part II – Schedule of Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements in accordance with *Government Auditing Standards*.

None were reported.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Schedule of Findings and Questioned Costs (Continued)
For the Fiscal Year Ended June 30, 2013

Part III – Schedule of Federal Awards and State Financial Assistance Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance, including questioned costs, related to the audit of major federal awards and state financial assistance programs, as required by U.S. OMB Circular A-133 and New Jersey OMB Circular Letter 04-04.

Current Year Federal Awards

No matters were reported.

Current Year State Financial Assistance

No matters were reported.

TOWNSHIP OF RIDGEWOOD SCHOOL DISTRICT
Summary Schedule of Prior-Year Audit Findings
And Questioned Costs as Prepared by Management
For the Fiscal Year Ended June 30, 2013

This section identifies the status of prior-year findings related to the basic financial statements, federal awards, and state financial assistance that are required to be reported in accordance with Chapter 6.12 of *Government Auditing Standards*, U.S. OMB Circular A-133 (section .315 (a) (b)) and New Jersey OMB Circular Letter 04-04.

Status of Prior-Year Findings

There were no prior-year audit findings for the fiscal year ended June 30, 2012 that we are required to report on.