

**Comprehensive Annual  
Financial Report**

**of the**

**Borough of North Plainfield Board of Education**

**County of Somerset**

**North Plainfield, New Jersey**

**For the Fiscal Year Ended June 30, 2015**

**Prepared by**

**Borough of North Plainfield, Board of Education  
Finance Department**



## TABLE OF CONTENTS

<b>INTRODUCTORY SECTION</b>	<b>PAGE</b>
Letter of Transmittal	1-8
Roster of Officials	9
Consultants and Advisors	10
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report	11-13
<b>REQUIRED SUPPLEMENTARY INFORMATION – Part I</b>	14
Management's Discussion and Analysis (Unaudited)	15-24
<b>BASIC FINANCIAL STATEMENTS</b>	25
A. District-Wide Financial Statements	26
A-1 Statement of Net Position	27
A-2 Statement of Activities	28
B. Major Fund Financial Statements	29
Governmental Funds:	
B-1 Balance Sheet	30-31
B-2 Statement of Revenues, Expenditures, and Changes in Fund Balance	32
B-3 Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	33
Other Funds:	34
Proprietary Funds:	
B-4 Statement of Net Position	35
B-5 Statement of Revenues, Expenses, and Changes in Fund Net Position	36
B-6 Statement of Cash Flows	37
Fiduciary Funds:	
B-7 Statement of Fiduciary Net Position	38
B-8 Statement of Changes in Fiduciary Net Position	39
<b>Notes to the Financial Statements</b>	40-80

## TABLE OF CONTENTS (CONTINUED)

	PAGE
<b>REQUIRED SUPPLEMENTARY INFORMATION – PART II</b>	81
C. Budgetary Comparison Schedules:	82
C-1 General Fund	83-87
C-2 Special Revenue Fund	88
C-3 Budget to GAAP Reconciliation	89
<b>REQUIRED SUPPLEMENTARY INFORMATION - Part III</b>	90
L. Schedules Related to Accounting and Reporting for Pension (GASB 68)	91
L-1 Schedule of the District’s Proportionate Share of the Net Pension Liability – Public Employees Retirement System – Last Ten Years	92
L-2 Schedule of the District’s Contributions – Public Employees Retirement System – Last Ten Years	93
L-3 Schedule of the District’s Proportionate Share of the Net Pension Liability Teachers Pension and Annuity Fund – Last Ten Years	94
L-4 Schedules Related to Accounting and Reporting for Pension (GASB 68) Note to RSI III for the Fiscal Year Ended June 30, 2015	95
<b>OTHER SUPPLEMENTARY INFORMATION</b>	96
D. School Level Schedules	N/A
E. Special Revenue Fund:	97
E-1 Combining Schedule of Revenues and Expenditures - Budgetary Basis	98-100
E-2 Schedule of Expenditures - Preschool Education Aid - Budgetary Basis	101
F. Capital Projects Fund	102
F-1 Summary Statement of Project Expenditures – Budgetary Basis	103
F-2 Summary Schedule of Revenues, Expenditures, and Changes in Fund Balance – Budgetary Basis	104
F-2A Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – Referendum	105
F-2B Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis- East & West End Schools Masonry Project	106
F-2C Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – High School Boiler Controls	107
F-2D Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis- Somerset Elementary School Gym AC	108
F-2E Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Stoney Brook Elementary School Window Replacement	109
F-2F Schedule of Project Revenues, Expenditures, Project Balance, and Project Status – Budgetary Basis – High School Fire Alarm and Intrusion Alarm Upgrades	110

## TABLE OF CONTENTS (CONTINUED)

	PAGE
F. Capital Projects Fund (Continued)	
F-2G Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – West End Elementary School Fire Alarm and Intrusion Alarm Upgrades	111
F-2H Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis- East End Elementary School Fire Alarm and Intrusion Alarm Upgrades	112
F-2I Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Stoney Brook Elementary School Fire Alarm and Intrusion Alarm Upgrades	113
F-2J Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – High School Roof Project	114
F-2K Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Harrison School AC Chiller	115
F-2L Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Stoney Brook School Bathroom Renovations	116
F-2M Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Stoney Brook School HVAC	117
F-2N Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – High School Media Center Renovation Project	118
F-2O Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – District-Wide Energy Project	119
F-2P Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Watchung School Administration Building HVAC	120
F-2O Schedule of Project Revenues, Expenditures, Project Balance and Project Status – Budgetary Basis – Harrison School Window Project	121
G. Proprietary Funds	N/A
Enterprise Fund:	
G-1 Combining Statement of Net Position	N/A
G-2 Combining Statement of Revenues, Expenses and Changes in Fund Net Position	N/A
G-3 Combining Statement of Cash Flows	N/A
H. Fiduciary Fund	122
H-1 Combining Statement of Fiduciary Net Position	123
H-2 Combining Statement of Changes in Fiduciary Net Position	124
H-3 Schedule of Receipts and Disbursements - Student Activity Agency Fund	125
H-4 Schedule of Receipts and Disbursements - Payroll Agency Fund	126
I. Long-Term Liability	127
I-1 Schedule of Serial Bonds	128
I-2 Schedule of Obligations Under Capital Leases	129
I-3 Budgetary Comparison Schedule - Debt Service Fund	130

## TABLE OF CONTENTS (CONTINUED)

	PAGE	
<b>STATISTICAL SECTION (UNAUDITED)</b>		
J-1	Net Position by Component – Last Ten Fiscal Years	131
J-2	Changes in Net Position – Last Ten Fiscal Years	132-133
J-3	Fund Balances – Governmental Funds – Last Ten Fiscal Years	134
J-4	Changes in Fund Balances – Governmental Funds – Last Ten Fiscal Years	135
J-5	General Fund Other Local Revenue by Source - Last Ten Fiscal Years	136
J-6	Assessed Value and Actual Value of Taxable Property - Last Ten Fiscal Years	137
J-7	Direct and Overlapping Property Tax Rates - Last Ten Calendar Years	138
J-8	Principal Property Tax Payers - Current Year and Nine Years Ago	139
J-9	Property Tax Levies and Collections - Last Ten Fiscal Years	140
J-10	Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	141
J-11	Ratios of Net Bonded Debt Outstanding – Last Ten Fiscal Years	142
J-12	Ratios of Overlapping Governmental Activities Debt	143
J-13	Legal Debt Margin Information – Last Ten Fiscal Years	144
J-14	Demographic and Economic Statistics – Last Ten Fiscal Years	145
J-15	Principal Employers – Current and Nine Years Ago	146
J-16	Full-Time Equivalent District Employees by Function/Program – Last Ten Fiscal Years	147
J-17	Operating Statistic – Last Ten Fiscal Years	148
J-18	School Building Information – Last Ten Fiscal Years	149
J-19	Schedule of Required Maintenance - Last Nine Fiscal Years	150
J-20	Insurance Schedule	151

## SINGLE AUDIT SECTION

K-1	Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Performed in Accordance with Government Auditing Standards	152-153
K-2	Independent Auditor's Report on Compliance with Requirements Applicable to Major Federal and State Financial Assistance Programs and Internal Control Over Compliance in Accordance with U.S. OMB Circular A-133 and New Jersey OMB Circular 04-04	154-155
K-3	Schedule of Expenditures of Federal Awards, Schedule A	156
K-4	Schedule of Expenditures of State Financial Assistance, Schedule B	157
K-5	Notes to the Schedules of Expenditures of Federal Awards and State Financial Assistance	158-159
K-6	Schedule of Findings and Questioned Costs	160-162
K-7	Schedule of Prior Audit Findings	163

**INTRODUCTORY SECTION**

**North Plainfield Board of Education  
33 Mountain Avenue  
North Plainfield, NJ 07060**

**James V. McLaughlin, Ed.D.  
Superintendent of Schools**

**Donald Sternberg  
Business Administrator**

**Phone (908) 769-6060**

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December 3, 2015

Honorable President and  
Members of the Board of Education  
North Plainfield Public School District  
County of Somerset, New Jersey 07060

Dear Board Members:

The comprehensive annual financial report of the North Plainfield School District (District) for the fiscal year ending June 30, 2015, is hereby submitted. Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the management of the Board of Education (Board). To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections:

- The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principal officials.
- The Financial Section begins with the Independent Auditor's Report and includes the Management's Discussion and Analysis, the Basic Financial Statements and Notes providing an overview of the School District's financial position and operating results, and other schedules providing detailed budgetary information.
- The Statistical Section includes selected financial and demographic information, 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 Amendments of 1996, P.L. 104-156 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations" and the New Jersey OMB's Circular 04-04,

“Single Audit Policy for Recipients of Federal Grants, State Grants, and State Aid Payments.” Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, are included in the single audit section of this report.

**1. REPORTING ENTITY AND ITS SERVICES:** The North Plainfield School District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board (GASB) established by GASB Statement No. 14. All funds of the District are included in this report. The North Plainfield Board of Education and all its schools constitute the District's reporting entity.

The North Plainfield School programs are designed to meet the academic and curricular needs of all students Pre-K through 12. Academic programs address specific content areas, gifted and talented enrichment, college preparatory, advanced placement, career readiness, basic skills and special education. Middle and High School programs include a wide selection of elective courses in science, communications, social studies, world languages, music, art, computer sciences, media, home economics, and industrial technologies. To accommodate these offerings, the district maintains safe, well-equipped, professionally functioning buildings that are developmentally appropriate. The district configuration by school is PreK-4, K-4, 5-6, 7-8, and 9-12. The District completed the 2014-2015 fiscal year with an enrollment of 3332 students, which is three (3) students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last five years:

Average Daily Enrollment

<u>Fiscal Year</u>	<u>Student Enrollment</u>	<u>Percent Change</u>
2014-15	3332	-.36%
2013-14	3344	.66%
2012-13	3322	.18%
2011-12	3316	1.01%
2010-11	3283	2.17%

**2. ECONOMIC CONDITION AND OUTLOOK:** This year was particularly difficult in light of the challenges faced by continued slow economic development. Central New Jersey and North Plainfield Borough continued to be in a period of depressed economic growth and slow development due to recessionary trends which persisted throughout the year. Particularly troublesome to annual budgets of both the borough and the school district are the amount of successful tax appeals that reduced the value of the overall tax base of the borough for both residential and

commercial property. This is due to declining property values during the recessionary period. The one bright spot, was the opening of a Costco Wholesale Center in the borough which has brought much needed jobs and increased development to the area. It is anticipated that North Plainfield will begin to improve.

**3. MAJOR INITIATIVES:** The district maintains a balance of initiatives which are designed to enhance the educational program, increase community involvement in the schools, preserve the facilities, and promote staff development for all employees.

### **Educational Program**

During the 2014-2015 school year, the Board of Education reaffirmed the following mission statement:

The North Plainfield School District is committed to developing and maintaining a world class learning environment by providing a relevant, integrated, and progressive curriculum which will foster continued intellectual, physical, social, and emotional growth in all students in order to prepare them to succeed in our dynamic, diverse, and technological society while also developing in them an appreciation for the humanistic and aesthetic aspects of life.

To coincide with the mission statement, the Board of Education subsequently reaffirmed its district goals:

1. Continue to improve upon the level of educational excellence for every student.
2. Foster positive perceptions of the district through improved communications at all levels of the school community.
3. Develop a long-range facilities plan that balances program needs with the financial constraints of the district.
4. Continue to incorporate technology into the educational process to enhance the success of students.

### **Curriculum**

In its continued commitment to offering a quality, innovative, and comprehensive educational programs to all of its students, the district continued to expand, update, and revise all of its curriculum so that it aligns with the NJ Core Curriculum Standards, Common Core Curriculum Content Standards, and also Next Generation Science Standards. The district continues to rigorously prepare both teachers and students to for the PARCC assessment, which measures the student understanding of the standards. The district is engaged in furthering the advancement of its students along career pathways and college preparation through increased involvement in Career and Technical Education (CTE). Career and Technical Education is a proven strategy engaging students, effectively connecting

them to college and careers, increasing high school graduation rates and improving labor market outcomes for high school graduates. The district has submitted an application for CTE certification and anticipates the adoption of multiple CTE programs that are designed to help students attain a post-secondary degree or industry-recognized certificate or credential.

### **Technology**

In the course of the academic school year the district continued to expand upon its use of technology in terms of administrative functions, instructional application, and community outreach. Preparation occurred for a transition to Google Apps for Education and for a replacement phone alert system that would provide a more extensive outreach to the parent community. The district made more expansive use of its administrative software particularly the IEP direct System for students receiving special education, and the Applitrack employee recruitment program. Instructionally, the district expanded upon its use of Compass Learning, which provides individual learning paths for students that are uniquely tailored to each pupil's needs. The 1:1 device initiative was also expanded to a second class of the high school population and the wireless infrastructure of the district continued to be strengthened. The district made use of on-line offerings for both credit recovery and original credit, providing effective intervention for students to stay on course toward graduation and for other students to expand upon the offerings offered at the high school.

### **Professional Development Program and Activities**

Dedicated to providing a staff development program that is purposeful, focused, and comprehensive, North Plainfield's underlying objective revolves around improving student achievement. The program is linked with professional improvement plans and evaluations, supplemented through in-service and mentoring activities, and encouraged through the promotion of staff attendance at out-of district workshops/conferences and enrollment in graduate studies. The program is integrated with the development and implementation of new curriculum and the Common Core Curriculum Content Standards and is a vital component in the creation of school-based educational improvement plans.

New Teacher Support Services include:

- a. New Teacher Induction Program
- b. New Teacher Peer Mentoring Program

District In-Service Activities:

- a. Fall Conference
- b. In-Service Days
- c. After-School Programs

## **Community Involvement**

During the 2014-2015 school year, various programs were developed or implemented to support and encourage community involvement in district activities:

- a. School Violence Awareness Week
- b. Read Across America
- c. District Arts Festival
- d. North Plainfield Education Foundation
- e. Smile Train
- f. NPHS NJROTC
- g. Safe Routes To Schools
- h. American Education Week
- i. Harvest, Hispanic Heritage, and Black History Celebrations
- j. Community Health Fair

## **Parental Involvement**

During the 2014-2015 school year, many programs were developed or implemented to support and encourage parent involvement in the curriculum. In addition, parents experienced the following:

- a. Golden Guest Day
- b. Parent Academy
- c. The Kindergarten Experience
- d. School-Based Planning
- e. New Parent Welcome Tea
- f. Gifted and Talented Parent Information Night
- g. End-of-Year Awards Assemblies all Schools
- h. College Nights

During the 2014-2015 school year, the district also conducted the following activities to increase parent participation in the schools:

- Special Days within Each School: Career Interest; Reading; Talent Demonstrations
- Special Education, Academic Support, and Bilingual/ESL Parent Meetings to Foster Program Growth
- Guidance Department Seminars and Orientations
- *Home and School Connection*, and Individual School Newsletters
- Joint PTA/PTO Presidents' Council
- Various Parent Groups at NPHS: Music Parents, *Tunlaw* Parents, and Diamond Club
- Parent-Teacher Conferences

- Back to School Nights, Writers-in-Bloom, Science Fair, Honor Roll Recognition, Citizen of the Month
- District Website
- Winter and Spring Music Concerts/Plays
- Family Fun Nights

### **Food Services Program**

The District maintains an extensive district wide food service program in compliance with all state and federal regulations and requirements. This program provides both breakfast and lunch to over 80% of our students on a daily basis, and is an integral part of the educational environment. With reimbursements from both Federal and State, along with paid meals this program is self-sufficient, and has in certain year's returned excess funds to the district.

### **Facilities**

The District continues to ensure its commitment to a safe and secure educational environment that promotes learning, the details of which are presented in the Comprehensive Maintenance Plan submitted to the State for approval. Major building repair and renovation projects included, but were not limited to:

- a. Fire Alarm Replacement Project High School/Middle School, East End School, West End School, Stony Brook School
- b. A/C Gym Installation Project Somerset School
- c. Window Replacement Project Stony Brook School
- d. Boiler Control Project High School/Middle School

### **4. INTERNAL ACCOUNTING CONTROLS:**

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) there are limited resources and that 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.

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

## **5. BUDGETARY CONTROLS:**

In addition to internal accounting controls, the District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the voters of the municipality. Annual appropriated budgets are adopted for the general fund, the special revenue fund and the debt service fund. Amendments to the line items within these funds are approved by the Superintendent and subsequently ratified by the Board of Education, in accordance with state statute and Board policy.

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 reappropriation of fund balance into subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

## **6. ACCOUNTING SYSTEM AND REPORTS:**

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

## **7. DEBT ADMINISTRATION:**

The District is continually reviewing the cost of the current debt and along with the advice of Bond Council, makes determinations as to the refunding potential of current issuances.

## **8. CASH MANAGEMENT:**

The investment policy of the District is guided in large part by state statute as detailed in "Notes to the Financial Statements," Note 2. The District's cash management plan allows it to deposit public funds in public depositories protected from laws under the provisions of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA was enacted in 1970 and updated in 2009 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.

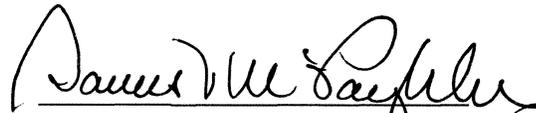
**9. RISK MANAGEMENT:**

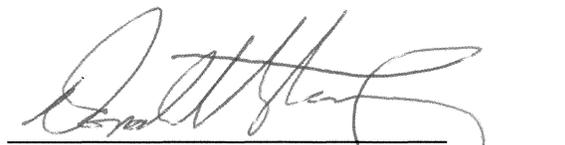
The Board of Education carries various forms of insurance, including but not limited to, general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property damage and contents and fidelity bonds.

**10. OTHER INFORMATION:**

Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Suplee Clooney & Company was selected by the Board of Education. In addition to meeting the requirement set forth in state statutes, the audit also was designated to meet the requirements of the Single Audit Act Amendments of 1996 and the related OMB Circular A-133 and state Treasury Circular 04-04 OMB. The auditor’s report on the basic financial statements and combining individual fund statements and schedules is included in the financial section of this report. The auditor’s reports related specifically to the single audit are included in the single audit section of this report.

Respectfully Submitted:

  
James V. McLaughlin, Ed. D.  
Superintendent of Schools

  
Donald Sternberg  
Board Secretary/Business Administrator

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
BOARD OF EDUCATION  
NORTH PLAINFIELD, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2015**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Linda L. Bond-Nelson, President	2016
David W. Branan, Vice President	2017
Bianca Butler	2018
Sandra J. Dodd	2018
Thomas N. Kasper	2016
Kathleen Mullen	2018
John Fellin, Jr.	2017

**Other Officials**

Dr. James V. McLaughlin, Superintendent

Ms. Michelle Vella, Assistant Superintendent

Donald Sternberg, School Business Administrator/ Board Secretary

Annette Wells, Treasurer

Anthony P. Sciarrillo, Board Attorney

**North Plainfield Board of Education  
North Plainfield, New Jersey**

**Consultants and Advisors**

**June 30, 2015**

**Architect**

Parette Somjen Architects  
439 Route 46 East  
Rockaway, NJ 07866

**Audit Firm**

Suplee, Clooney & Company  
308 East Broad Street  
Westfield, NJ 07090

**Attorney**

Anthony P. Sciarrilo  
238 St. Paul Street  
Westfield, NJ 07090

**Bonding Attorney**

McManimon & Scotland  
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Newark, NJ 07102-5408

**Official Depository**

TD Bank

**Financial Advisors**

Phoenix Advisors  
309 Fellowship Road, Suite 200  
Mount Laurel, NJ 08054

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**FINANCIAL SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

Telephone 908-789-9300

Fax 908-789-8535

E-mail [info@scnco.com](mailto:info@scnco.com)

## **INDEPENDENT AUDITOR'S REPORT**

Honorable President and Members  
of the Board of Education  
Borough of North Plainfield School District  
County of Somerset  
North Plainfield, New Jersey 07060

### **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 Borough of North Plainfield School District, County of Somerset, New Jersey as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### **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 and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, audit requirements prescribed by the Division of Finance, Department of Education, State of New Jersey, the provisions of U.S. Office of Management and Budget (OMB) *Circular A-133* "Audits of States, Local Governments and Non-Profit Organizations" and State of New Jersey *OMB Circular 04-04* "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Those standards and provisions require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

# SUPLEE, CLOONEY & COMPANY

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

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

## **Opinion**

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 Borough of North Plainfield School District, County of Somerset, New Jersey as of June 30, 2015, 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.

## **Emphasis of Matter**

### *Change in Accounting Principle*

As discussed in Note 6 to the basic financial statements, in 2015, the District adopted Governmental Accounting Standards Board Statement No. 68, Accounting and Financial Reporting for Pensions and Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date (an amendment of GASB Statement 68). Our opinions are not modified with respect to this matter.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion, Analysis and budgetary comparison information in Exhibit C-1 through C-3 and the pension schedules in Exhibit L-1 through L-4 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.

# SUPLEE, CLOONEY & COMPANY

## *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of North Plainfield School District's basic financial statements. The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

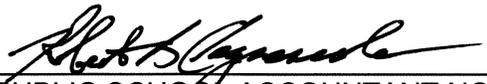
The accompanying supplementary information schedules such as the combining and individual fund financial statements and the Schedules of Expenditures of Federal Awards and State Financial Assistance, as listed in the table of contents, as required by U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Nonprofit Organization," New Jersey's OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid," and the State of New Jersey, Department of Education, Division of Finance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

In accordance with Government Auditing Standards, we have also issued our report dated December 3, 2015 on our consideration of the Borough of North Plainfield 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 Borough of North Plainfield School District's internal control over financial reporting and compliance.

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 93

December 3, 2015

**REQUIRED SUPPLEMENTARY INFORMATION – Part I**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
(UNAUDITED)**

## **BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015 UNAUDITED**

This section of the Borough of North Plainfield School District's Comprehensive Annual Financial Report presents our discussion and analysis of the District's financial performance during the fiscal year ended on June 30, 2015. Please read it in conjunction with the transmittal letter at the front of this report and the District's financial statements, which immediately follow this section.

Management's Discussion and Analysis (MD&A) is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's (GASB) Statement No. 34 – Basic Financial Statements-Management's Discussion and Analysis-for the State and Local Governments issued in June 1999. Certain comparative information between the current fiscal year (2014-2015) and the prior fiscal year (2013-2014) is required to be presented in the MD&A. In fiscal year 2015 the District implemented GASB 68 "Accounting and Financial Reporting for Pensions". Information necessary to restate the financial information provided for fiscal year 2014 was not available; therefore, the information has not been restated.

#### **Financial Highlights**

- The state continues to delay the final two state aid payments into the subsequent budget year. Therefore, the final two payments were not reflected on the GAAP basis financial statements for the 2014-2015 school year. The amount of the deferred state aid payments, which were received in July 2015, is \$2,438,902.00.
- General revenues in the district accounted for \$55,676,635.72. Program specific revenues in the form of charges for services and operating grants and contributions accounted for \$14,828,352.47 or 21.03% of all revenues in the district.
- The District reduced its outstanding long term debt by 3.33%.

#### **Overview of the Financial Statements**

This Comprehensive Annual Financial Report ("CAFR") consists of three parts: Management's Discussion and Analysis (this section), The Basic Financial Statements, and Required Supplementary Information. The Basic Financial Statements include two kinds of statements that present different views of the District, District-wide Financial Statements and Fund Financial Statements.

- District-Wide Financial Statements provide both short-term and long-term information about the District's overall financial status.
- Fund Financial Statements report the District's operations in more detail than the District-wide statements on individual parts of the District, the Governmental Funds, Proprietary Funds and Fiduciary Funds.

## BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015 UNAUDITED

- Governmental Fund Statements tell how basic services such as regular and special education were financed in the short-term as well as what remains for future spending.
- Proprietary Fund Statements offer short and long-term financial information about the activities the District operates like a business, which include food services.
- Fiduciary Funds Statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

The notes to financial statements are also included, which are an integral part of the financial statements. The information in the notes provides detailed data on the District's financial operations.

Required supplementary information further explains and supports the financial statements with a comparison of the District's budget for the year. Table 1 reflects how the various parts of this annual report are arranged and related to one another.

#### **District-wide Financial Statements**

The District-wide Financial Statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the District's assets and liabilities. All current year's revenue and expenses are accounted for in the statement of activities regardless of when cash is received or disbursed.

The District-wide Financial Statements report the District's net position and how they have changed. Net position, the difference between the District's assets and liabilities is one way to measure the District's financial health or position. Over time, increases or decreases in the District's net position is an indicator of whether its financial position has improved or diminished. The causes of this change may be a 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 District-wide Financial Statements, the District's activities are divided into two categories, governmental and business-type activities.

- Governmental activities - All of the District's programs and services are reported here including, but not limited to regular and special education instruction, support services, operation and maintenance of plant facilities, pupil transportation and extracurricular activities. Property taxes and state formula aid finance most of these activities.

## BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015 UNAUDITED

- 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. District charges fees to help it cover the costs of certain services it provided. The food service activities are reported as business activities.

#### **Fund Financial Statements**

The fund financial statements provide more detailed information about the District's funds, focusing on major funds. Funds are accounting devices the District uses to keep track of specific sources of funding and spending on particular programs. Some funds are required by state law and by bond covenants. The District establishes other funds to control and manage money for particular purposes (i.e. long-term debt) or to show that it is properly using certain restricted revenues (i.e. entitlement grants).

The District maintains three financial funds:

- Governmental Funds: The District's activities reported in governmental funds focus on how money flows into and out of those funds and the balances left at year-end available for spending in the future years. These funds are reported using an accounting method called modified accrual accounting that measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance educational programs. The relationship (or differences) between governmental activities (reported in the government-wide Statement of Net Position and Statement of Activities) and governmental funds statements is reconciled in the financial statements.
- Proprietary Funds: Services for which the District charges a fee are generally reported in proprietary funds. Proprietary funds are reported in the same way as the District-wide financial statements. The District's enterprise fund (one type of proprietary fund) is the same as its business-type activities but provide more detail and additional information, such as cash flow.
- Fiduciary Funds: The District is the trustee, or fiduciary, for assets that belong to others, such as scholarship funds and the student activities funds. The District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. The District excludes these activities from the District-wide financial statements because it cannot use these assets to finance its operations.

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015  
UNAUDITED**

**Financial Analysis of the District as a Whole**

The District's statement of net position includes a pension liability beginning in the 2014-2015 fiscal year due to the implementation of GASB 68. The statement now shows the deferred outflows and inflows as related to the public employees' retirement system pension. Table 1 below reflects the District's net position as a whole. Table 2 reflects the changes in net position from operating results.

**Table 1  
Condensed Statement of Net Position**

	Governmental Activities		Business-Type Activities		Total School District		Total
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	Percentage Change
Current and Other Assets	\$7,682,213.37	\$7,959,415.22	\$456,857.17	\$542,351.19	\$8,139,070.54	\$8,501,766.41	-4.27%
Capital Assets	52,748,058.76	51,572,359.74	157,893.47	170,989.26	52,905,952.23	51,743,349.00	2.25%
<b>Total Assets</b>	<b>60,430,272.13</b>	<b>59,531,774.96</b>	<b>614,750.64</b>	<b>713,340.45</b>	<b>61,045,022.77</b>	<b>60,245,115.41</b>	<b>1.33%</b>
Deferred Outflow of Resources	1,500,572.00				1,500,572.00		
Long-Term Liabilities	25,754,384.07	12,859,112.19			25,754,384.07	12,859,112.19	100.28%
Short-Term Liabilities	3,832,927.77	2,589,725.22	92,354.40	154,135.49	3,925,282.17	2,743,860.71	43.06%
<b>Total Liabilities</b>	<b>29,587,311.84</b>	<b>15,448,837.41</b>	<b>92,354.40</b>	<b>154,135.49</b>	<b>29,679,666.24</b>	<b>15,602,972.90</b>	<b>90.22%</b>
Deferred Inflow of Resources	900,353.09	90,386.30			900,353.09	90,386.30	896.12%
Net Position:							
Net Investment In Capital Assets	41,256,678.67	39,229,571.93	157,893.47	170,989.26	41,414,572.14	39,400,561.19	5.11%
Restricted	6,580,474.23	6,382,748.36			6,580,474.23	6,382,748.36	3.10%
Unrestricted (deficit)	(16,393,973.70)	(1,619,769.04)	364,502.77	388,215.70	(16,029,470.93)	(1,231,553.34)	1201.57%
<b>Total Net Position</b>	<b>\$31,443,179.20</b>	<b>\$43,992,551.25</b>	<b>\$522,396.24</b>	<b>\$559,204.96</b>	<b>\$31,965,575.44</b>	<b>\$44,551,756.21</b>	<b>-28.25%</b>

The District's combined net positions were \$31,965,575.44 at June 30, 2015. The net position for June 30, 2014 have not been restated to reflect the District's net pension liability required by the implementation of GASB 68. The District's investment in capital assets is shown net of any related debt used to acquire those assets.

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015  
UNAUDITED**

**Table 2  
Changes in Net Position from Operating Results**

	Governmental Activities		Business-Type Activities		Total School District	
	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2014</u>
Revenue:						
Program Revenue:						
Charges for Services			\$481,311.24	\$465,532.84	\$481,311.24	\$465,532.84
Operating Grants and Contributions	\$13,096,157.75	\$7,890,684.83	1,251,083.48	1,200,850.38	14,347,241.23	9,091,535.21
General Revenue:						
Property Taxes	29,779,840.00	29,263,053.00			29,779,840.00	29,263,053.00
Federal and State Aid not restricted	24,911,345.92	23,518,228.23			24,911,345.92	23,518,228.23
Federal and State Aid restricted	786,026.33	114,172.27			786,026.33	114,172.27
Other	199,423.47	147,295.85		23,537.10	199,423.47	170,832.95
<b>Total Revenue</b>	<u>68,772,793.47</u>	<u>60,933,434.18</u>	<u>1,732,394.72</u>	<u>1,689,920.32</u>	<u>70,505,188.19</u>	<u>62,623,354.50</u>
Expenses:						
Instruction	42,461,353.58	35,908,900.89			42,461,353.58	35,908,900.89
Student & Instructional Support Services	10,137,284.56	8,395,712.87			10,137,284.56	8,395,712.87
Administrative and Business	5,151,531.08	4,643,595.83			5,151,531.08	4,643,595.83
Maintenance & Operations	6,412,474.03	7,048,234.21			6,412,474.03	7,048,234.21
Transportation	1,412,051.26	1,198,046.01			1,412,051.26	1,198,046.01
Other	1,927,249.06	1,911,902.66	1,769,203.44	1,597,552.22	3,696,452.50	3,509,454.88
<b>Total Expenses</b>	<u>67,501,943.57</u>	<u>59,106,392.47</u>	<u>1,769,203.44</u>	<u>1,597,552.22</u>	<u>69,271,147.01</u>	<u>60,703,944.69</u>
Grants Receivable canceled	<u>(21,730.95)</u>				<u>(21,730.95)</u>	
Increase/(Decrease) in Net Position	<u>\$1,249,118.95</u>	<u>\$1,827,041.71</u>	<u>(\$36,808.72)</u>	<u>\$92,368.10</u>	<u>\$1,212,310.23</u>	<u>\$1,919,409.81</u>

**Sources of Revenue**

The District's total revenue for the 2014-2015 school year was \$70,505,188.19 as reflected in Table 3 on the next page. Property taxes and state formula aid accounted for 77.20 percent of the total revenue with the other 22.80 percent consisting of other state and federal aid, federal and state grants, charges for services, and miscellaneous sources.

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2015**  
**UNAUDITED**

**Table 3**  
**Sources of Revenue**

<u>Sources of Revenue</u>	<u>FY 2015</u>		<u>FY 2014</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Property Taxes	\$29,779,840.00	42.24%	\$29,263,053.00	46.73%
State Formula Aid	24,647,694.00	34.96%	24,600,357.60	39.28%
Other State and Federal Aid	12,141,147.03	17.22%	5,742,714.11	9.17%
Federal and State Grants	3,255,772.45	4.62%	2,354,637.75	3.76%
Charges for Services	481,311.24	0.68%	465,532.84	0.74%
Other	199,423.47	0.28%	197,059.20	0.32%
	<u>\$70,505,188.19</u>	<u>100.00%</u>	<u>\$62,623,354.50</u>	<u>100.00%</u>

**Expenses**

The total expenditures for the 2014-2015 fiscal year for all programs and services were \$69,271,147.01. Table A-4 below summarizes these program costs. The District's expenses are predominantly related to instructing, providing services and transporting students, grades kindergarten through twelve, which accounts for 77.97 percent of the total District costs. Administrative and business expenses account for the costs of the Office of the Superintendent of Schools, the Business Office, and the Principal's Offices in all five school buildings. Maintenance and operations account for the costs of keeping the school buildings and grounds safe, clean and in good operating condition, and includes all the utility costs related to the school facilities. Other costs include interest on long-term debt, unallocated depreciation expense and the costs of the business-type activities of the proprietary funds. It is important to note that depreciation expense on capital assets is included in expenses for the year under the new accounting reporting model; expenses therefore include \$1,771,978.92 for depreciation.

**Table 4**  
**Expenses**

<u>Expense Category</u>	<u>FY 2015</u>		<u>FY 2014</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$42,461,353.58	61.30%	\$35,908,900.89	59.15%
Student & Instruction Services	10,137,284.56	14.63%	8,395,712.87	13.83%
Administrative and Business	5,151,531.08	7.44%	4,643,595.83	7.65%
Maintenance & Operations	6,412,474.03	9.26%	7,048,234.21	11.61%
Transportation	1,412,051.26	2.04%	1,198,046.01	1.97%
Other	3,696,452.50	5.34%	3,509,454.88	5.79%
	<u>\$69,271,147.01</u>	<u>100.00%</u>	<u>\$60,703,944.69</u>	<u>100.00%</u>

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015  
UNAUDITED**

**Governmental Activities**

Table 5 presents the net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs) of seven major District activities: instruction, tuition, student and instructional services, administration and business, maintenance and operations, transportation, and other. The net cost shows the financial burden placed on the District's taxpayers and the state by each of these functions.

**Table 5  
Net Cost of Governmental Activities**

<u>Expense Category</u>	<u>FY 2015</u>		<u>FY 2014</u>	
	<u>Amount</u>	<u>Percentage</u>	<u>Amount</u>	<u>Percentage</u>
Instruction	\$32,942,654.47	60.51%	\$30,705,225.43	60.03%
Student & Instruction Services	7,412,613.89	13.62%	6,873,336.79	13.44%
Administrative and Business	4,358,907.11	8.01%	4,102,171.77	8.02%
Maintenance & Operations	6,412,474.03	11.78%	6,485,188.98	12.68%
Transportation	1,351,887.26	2.48%	1,137,882.01	2.22%
Other	1,964,057.78	3.60%	1,843,071.66	3.61%
	<u>\$54,442,594.54</u>	<u>100.00%</u>	<u>\$51,146,876.64</u>	<u>100.00%</u>

**General Fund Budgeting Highlights**

The District's budget is prepared according to New Jersey Statutes and is based on accounting for certain transactions on a basis of modified accrual and encumbrance accounting.

Over the course of the year, the Board of Education approved revisions to the general fund budget as needed. These budget amendments were necessary for the following reasons:

- Realign budgeted salary accounts after contract negotiation settlement and staff transfers to various programs.
- Realigned appropriations in accordance with the prescribed chart of accounts as modified by the comprehensive educational improvement and financing act.
- Transferred from unexpended appropriations to purchase teaching materials, computers, and equipment to meet various program needs.

**BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2015  
UNAUDITED**

**Capital Assets**

During the fiscal year 2014-2015, the District's capital acquisitions exceeded the depreciation expense and retired assets, therefore capital assets net of depreciation increased. Table 6 reflects the comparative balances of capital assets net of depreciation. The detail of the changes in capital assets is reflected in Note 3 to the financial statements.

**Table 6  
Capital Assets (Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total School District		Total Percentage Change
	FY 2015	FY 2014	FY 2015	FY 2014	FY 2015	FY 2014	
Land and Site Improvements	\$341,433.95	\$373,911.49			\$341,433.95	\$373,911.49	-8.69%
Building and Building Improvements	50,860,335.28	49,781,736.61			50,860,335.28	49,781,736.61	2.17%
Machinery and Equipment	1,546,289.53	1,416,711.64	\$157,893.47	\$170,989.26	1,704,183.00	1,587,700.90	7.34%
<b>Total Assets</b>	<b>\$52,748,058.76</b>	<b>\$51,572,359.74</b>	<b>\$157,893.47</b>	<b>\$170,989.26</b>	<b>\$52,905,952.23</b>	<b>\$51,743,349.00</b>	<b>2.25%</b>

**Debt Administration**

At June 30, 2015, the District had \$26,569,384.07 of outstanding long-term debt, consisting of bonds payable from construction, net pension liability and compensated absences. The District will continue to pay down its debt, as the obligations are due. Table 7 reflects the comparison of outstanding debt for the past two fiscal years. More information of the District's long-term debt is presented in Note 4 to the financial statements.

**Table 7  
Outstanding Long-Term Liabilities**

	Total School Debt		Total Percentage Change
	FY 2015	FY 2014	
Compensated Absences	\$1,150,280.07	\$1,434,112.19	-19.79%
Bonds Payable	11,425,000.00	12,225,000.00	-6.54%
Net Pension Liability	13,994,104.00		N/A
Capital Leases		27,401.51	-100.00%
	<b>\$26,569,384.07</b>	<b>\$13,686,513.70</b>	<b>94.13%</b>

## **BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT**

### **MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED JUNE 30, 2015 UNAUDITED**

#### **The District's Future**

The North Plainfield School District is currently in good financial condition. However, the regulatory climate continues to be a challenge adding additional administrative and operational burdens, without state financial support for ongoing extensive initiatives. Cases in point are the continuance of the enacted teacher and principal evaluation systems/procedures and the continuance of student testing procedures/requirements each of which necessitate committing scarce financial resources to support these overreaching state mandated programs. Additionally, the labor environment is becoming ever more restrictive and combative, requiring complicated contractual agreements, and driving increasing labor costs for salaries and health benefits.

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

This financial report is designed to provide the District's citizens, taxpayers, customers and investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Donald Sternberg, School Business Administrator/Board Secretary at the North Plainfield Board of Education, 33 Mountain Ave., North Plainfield, New Jersey 07060. Please visit our website at [www.nplainfield.org](http://www.nplainfield.org) to learn more about our School District.

## **BASIC FINANCIAL STATEMENTS**

The basic financial statements provide a financial overview of the District's operations. These financial statements present the financial position and operating results of all funds as of June 30, 2015.

## **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.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
JUNE 30, 2015

	<u>GOVERNMENTAL</u> <u>ACTIVITIES</u>	<u>BUSINESS-TYPE</u> <u>ACTIVITIES</u>	<u>TOTAL</u>
ASSETS:			
Cash and cash equivalents	\$6,568,485.49	\$283,135.68	\$6,851,621.17
Receivables, net	826,753.67	76,868.76	903,622.43
Interfunds receivable		83,064.10	83,064.10
Inventory		13,788.63	13,788.63
Restricted assets:			
Restricted cash and cash equivalents	286,974.21		286,974.21
Capital assets:			
Land and improvements, net of depreciation	341,433.95		341,433.95
Other capital assets, net of depreciation	52,406,624.81	157,893.47	52,564,518.28
Total Assets	<u>60,430,272.13</u>	<u>614,750.64</u>	<u>61,045,022.77</u>
DEFERRED OUTFLOW OF RESOURCES:			
Related to pensions	1,500,572.00		1,500,572.00
Total deferred outflows of resources	<u>1,500,572.00</u>		<u>1,500,572.00</u>
LIABILITIES:			
Accounts payable	2,670,310.82	89,356.23	2,759,667.05
Payable to federal government	15,954.35		15,954.35
Payable to state government	43,144.46		43,144.46
Unearned revenue	111,586.10	2,998.17	114,584.27
Accrued interest on bonds	176,932.04		176,932.04
Noncurrent liabilities:			
Due within one year	815,000.00		815,000.00
Due beyond one year:			
Net pension liability	13,994,104.00		13,994,104.00
Compensated absences payable	1,150,280.07		1,150,280.07
Bonds payable	10,610,000.00		10,610,000.00
Total liabilities	<u>29,587,311.84</u>	<u>92,354.40</u>	<u>29,679,666.24</u>
DEFERRED INFLOW OF RESOURCES:			
Unamortized Gain on Refunding of Long-Term Debt, net	66,380.09		66,380.09
Related to pensions	833,973.00		833,973.00
Total deferred inflows of resources	<u>900,353.09</u>		<u>900,353.09</u>
NET POSITION:			
Net investment in capital assets	41,256,678.67	157,893.47	41,414,572.14
Restricted for:			
Capital projects	1,343,931.38		1,343,931.38
Other purposes	5,236,542.85		5,236,542.85
Unrestricted (deficit)	<u>(16,393,973.70)</u>	<u>364,502.77</u>	<u>(16,029,470.93)</u>
Total net position	<u>\$31,443,179.20</u>	<u>\$522,396.24</u>	<u>\$31,965,575.44</u>

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

NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
JUNE 30, 2015

FUNCTIONS/PROGRAMS	EXPENSES	INDIRECT EXPENSES ALLOCATION	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION		
			CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	GOVERNMENTAL ACTIVITIES	BUSINESS-TYPE ACTIVITIES	TOTAL
Governmental Activities:							
Instruction:							
Regular	\$21,245,898.02	\$6,368,050.20		\$6,438,602.42	(\$21,175,345.80)		(\$21,175,345.80)
Special education	8,832,795.65	1,330,566.00		2,090,622.72	(8,072,738.93)		(8,072,738.93)
Other	3,914,441.40	769,602.31		989,473.97	(3,694,569.74)		(3,694,569.74)
Support services:							
Student and instruction related services	8,103,274.52	2,034,010.04		2,724,670.67	(7,412,613.89)		(7,412,613.89)
General administrative services	917,724.26	132,318.66			(1,050,042.92)		(1,050,042.92)
School administrative services	2,865,352.82	784,683.32		792,623.97	(2,857,412.17)		(2,857,412.17)
Central services	354,280.23	82,494.39			(436,774.62)		(436,774.62)
Administration information technology	19,012.91	(4,335.51)			(14,677.40)		(14,677.40)
Plant operations and maintenance	5,685,282.55	727,191.48			(6,412,474.03)		(6,412,474.03)
Student transportation services	1,321,711.67	90,339.59		60,164.00	(1,351,887.26)		(1,351,887.26)
Unallocated benefits	12,023,752.52	(12,023,752.52)					
Unallocated Depreciation	1,742,645.13	(291,167.96)			(1,451,477.17)		(1,451,477.17)
Interest on long term debt	475,771.89				(475,771.89)		(475,771.89)
Total governmental activities	67,501,943.57			13,096,157.75	(54,405,785.82)		(54,405,785.82)
Business-type activities:							
Food service	1,769,203.44		481,311.24	1,251,083.48		(36,808.72)	(36,808.72)
Total business-type activities	1,769,203.44		481,311.24	1,251,083.48		(36,808.72)	(36,808.72)
Total primary government	\$69,271,147.01		\$481,311.24	\$14,347,241.23	(\$54,405,785.82)	(\$36,808.72)	(\$54,442,594.54)
General Revenues:							
Taxes:							
Property taxes - general					\$28,490,467.00		\$28,490,467.00
Property taxes - debt service					1,289,373.00		1,289,373.00
Federal and state aid not restricted					24,911,345.92		24,911,345.92
Capital Grants					786,026.33		786,026.33
Miscellaneous income					199,423.47		199,423.47
Total general revenues					55,676,635.72		55,676,635.72
Cancel grants receivable					(21,730.95)		(21,730.95)
Change in net position					1,249,118.95	(36,808.72)	1,212,310.23
Net Position - beginning (as restated)					30,194,060.25	559,204.96	30,753,265.21
Net Position ending					\$31,443,179.20	\$522,396.24	\$31,965,575.44

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

## **MAJOR FUND FINANCIAL STATEMENTS**

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
ASSETS:					
Cash and cash equivalents	\$ 4,456,014.45	\$ 78,725.65	\$ 2,028,812.65	\$ 4,932.74	\$ 6,568,485.49
Cash, capital reserve	286,974.21				286,974.21
Accounts receivable:					
Federal		96,108.38			96,108.38
State	259,769.35		470,875.94		730,645.29
	<u>5,002,758.01</u>	<u>174,834.03</u>	<u>2,499,688.59</u>	<u>4,932.74</u>	<u>7,682,213.37</u>
Total assets					
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Accounts payable	860,883.49	4,149.12	1,155,757.21		2,020,789.82
Intergovernmental payables:					
State		43,144.46			43,144.46
Federal		15,954.35			15,954.35
Unearned revenue		111,586.10			111,586.10
	<u>860,883.49</u>	<u>174,834.03</u>	<u>1,155,757.21</u>		<u>2,191,474.73</u>
Total liabilities					
Fund balances:					
Restricted for:					
Capital reserve account	286,974.21				286,974.21
Excess surplus	1,240,820.10				1,240,820.10
Excess surplus - designated for subsequent year's expenditures	2,574,832.62				2,574,832.62
Debt service fund				4,932.74	4,932.74
Committed for:					
Year-end encumbrances			1,343,931.38		1,343,931.38
Assigned for:					
Designated for subsequent years expenditures	13,182.38				13,182.38
ARRA/SEMI - Designated for subsequent years expenditures	26,065.21				26,065.21
	<u>4,141,874.52</u>		<u>1,343,931.38</u>	<u>4,932.74</u>	<u>5,490,738.64</u>
Total fund balances					
Total liabilities and fund balances	\$ <u>5,002,758.01</u>	\$ <u>174,834.03</u>	\$ <u>2,499,688.59</u>	\$ <u>4,932.74</u>	\$ <u>7,682,213.37</u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2015

Total Fund Balances (Brought Forward)		\$5,490,738.64
<p>Amounts Reported for Governmental Activities in the Statement of Net Position (A-1) are different because:</p> <p>Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.</p>		
Cost of Assets	\$72,132,285.96	
Accumulated Depreciation	<u>(19,384,227.20)</u>	52,748,058.76
<p>Long term liabilities, including bonds payable, and other related amounts that are not due and payable in the current period and therefore are not reported as liabilities in the funds.</p>		
Net pension liability	(13,994,104.00)	
Serial bonds payable	(11,425,000.00)	
Premium on refunding debt, net	(66,380.09)	
Compensated absences payable	<u>(1,150,280.07)</u>	(26,635,764.16)
<p>Deferred Outflows and Inflows of resources are applicable to future periods and therefore are not reported in the funds.</p>		
Pensions:		
Deferred Outflows:		
Pension related	851,051.00	
Employers contributions related to pensions	<u>649,521.00</u>	1,500,572.00
Deferred Inflows:		
Pension related		(833,973.00)
<p>Certain liabilities are not due and payable in the current period and therefore, are not reported in the governmental funds.</p>		
Accounts Payable - Pension related	(649,521.00)	
Accrued Interest Payable	<u>(176,932.04)</u>	<u>(826,453.04)</u>
Net Position of Governmental Activities		<u><u>\$31,443,179.20</u></u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
 GOVERNMENTAL FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	GENERAL FUND	SPECIAL REVENUE FUND	CAPITAL PROJECTS FUND	DEBT SERVICE FUND	TOTAL GOVERNMENTAL FUNDS
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 28,490,467.00	\$	\$	\$ 1,289,373.00	\$ 29,779,840.00
Interest earned on capital reserve funds	356.16				356.16
Miscellaneous	175,004.66	6,860.93		56.44	181,922.03
<b>Total - local sources</b>	<b>28,665,827.82</b>	<b>6,860.93</b>		<b>1,289,429.44</b>	<b>29,962,118.19</b>
State sources	29,954,547.70	700,197.74	786,026.33		31,440,771.77
Federal sources	160,108.92	1,769,548.38			1,929,657.30
<b>Total revenues</b>	<b>58,780,484.44</b>	<b>2,476,607.05</b>	<b>786,026.33</b>	<b>1,289,429.44</b>	<b>63,332,547.26</b>
<b>EXPENDITURES:</b>					
Current expense:					
Regular instruction	16,795,736.30	822,653.46			17,618,389.76
Special instruction	3,457,940.53	846,771.00			4,304,711.53
Other Instruction	3,024,748.47				3,024,748.47
Support services:					
Tuition	3,836,469.75				3,836,469.75
Student & instruction related services	5,880,120.54	807,182.59			6,687,303.13
General administrative services	894,426.18				894,426.18
School administrative services	2,361,321.28				2,361,321.28
Central services	340,348.97				340,348.97
Administrative information technology	19,012.91				19,012.91
Plant operations and maintenance	5,556,054.85				5,556,054.85
Student transportation	1,309,635.71				1,309,635.71
Employee benefits	13,606,084.64				13,606,084.64
Capital outlay debt assessment	196,636.00				196,636.00
Capital outlay	588,782.40		2,329,559.75		2,918,342.15
Charter schools	244,844.00				244,844.00
Debt Service:					
Principal				800,000.00	800,000.00
Interest				489,731.26	489,731.26
<b>Total expenditures</b>	<b>58,112,162.53</b>	<b>2,476,607.05</b>	<b>2,329,559.75</b>	<b>1,289,731.26</b>	<b>64,208,060.59</b>
Excess (deficiency) of revenues over (under) expenditures	668,321.91		(1,543,533.42)	(301.82)	(875,513.33)
Other financing sources (uses):					
Transfers in/out	(1,285,518.00)		1,285,518.00		
Cancel accounts receivable			(21,730.95)		(21,730.95)
<b>Total other financing sources</b>	<b>(1,285,518.00)</b>		<b>1,263,787.05</b>		<b>(21,730.95)</b>
<b>Net change in fund balances</b>	<b>(617,196.09)</b>		<b>(279,746.37)</b>	<b>(301.82)</b>	<b>(897,244.28)</b>
Fund balances, July 1, 2014	4,759,070.61		1,623,677.75	5,234.56	6,387,982.92
<b>Fund balances, June 30, 2015</b>	<b>\$ 4,141,874.52</b>	<b>\$ -0-</b>	<b>\$ 1,343,931.38</b>	<b>\$ 4,932.74</b>	<b>\$ 5,490,738.64</b>

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

BOROUGH OF NORTH PLAINFIELD 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, 2015

Total net change in fund balances - governmental funds (from B-2) \$ (897,244.28)

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	\$	(1,742,645.13)	
Capital outlays		3,114,978.15	
Less: Capital outlays not capitalized		(196,636.00)	
			1,175,697.02

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

Original Issue Premium on Refunding Bonds			61,215.33
Deferred Amount on Refunding Bond Payments to Escrow Agent			(37,209.12)

Repayment of long-term debt 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.

Payment of capital lease principal		27,401.51	
Payment of bond principal		800,000.00	
			827,401.51

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

Increase in accrued interest payable			13,959.37
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District pension contributions are reported as expenditures in the governmental funds when made. However, they are reported as deferred outflows of resources in the Statement of Net Position because the reported net pension liability is measured a year before the District's report date. Pension expense, which is the change in the net pension liability adjusted for changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.

District pension contributions		616,178.00	
Less: Pension expense		(794,711.00)	
			(178,533.02)

In the statement of activities, certain expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In 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 earned amount the difference is an addition to the reconciliation (+).

Decrease in compensated absences payable			283,832.12
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Change in net position of governmental activities			\$ 1,249,118.95
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The accompanying Notes to the Financial Statements are an integral part of this statement.

OTHER FUNDS

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS (MAJOR)</u>
<b>ASSETS:</b>	
Current assets:	
Cash and cash equivalents	\$ 283,135.68
Accounts receivable:	
Federal	75,568.97
State	1,299.79
Interfunds	83,064.10
Inventories	<u>13,788.63</u>
Total current assets	<u>456,857.17</u>
Noncurrent assets:	
Furniture, machinery & equipment	454,275.57
Less accumulated depreciation	<u>(296,382.10)</u>
Total noncurrent assets	<u>157,893.47</u>
Total assets	<u>614,750.64</u>
<b>LIABILITIES:</b>	
Current liabilities:	
Accounts payable	89,356.23
Unearned revenue	<u>2,998.17</u>
Total current liabilities	<u>92,354.40</u>
Total liabilities	<u>92,354.40</u>
<b>NET POSITION:</b>	
Restricted for:	
Net investment in capital assets	157,893.47
Unrestricted	<u>364,502.77</u>
Total net position	<u>\$ 522,396.24</u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS (MAJOR)</u>
<b>OPERATING REVENUES:</b>	
Charges for services:	
Daily sales	\$ <u>481,311.24</u>
 Total operating revenues	 <u>481,311.24</u>
<b>OPERATING EXPENSES:</b>	
Cost of sales	881,189.47
Salaries and employee benefits	580,516.72
Other Purchased services	24,362.00
Supplies and materials	81,201.74
Miscellaneous	172,599.72
Depreciation	<u>29,333.79</u>
 Total operating expenses	 <u>1,769,203.44</u>
 Operating (loss)	 <u>(1,287,892.20)</u>
<b>NONOPERATING REVENUES:</b>	
State Sources	
State school lunch program	20,050.31
Federal Sources	
National school lunch program	927,704.46
National school breakfast program	172,850.56
National food distribution commodities	<u>130,478.15</u>
 Total nonoperating revenues	 <u>1,251,083.48</u>
 Change in net position	 (36,808.72)
 Total net position - beginning	 <u>559,204.96</u>
 Total net position - ending	 <u>\$ <u>522,396.24</u></u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BUSINESS-TYPE ACTIVITIES ENTERPRISE FUNDS (MAJOR)</u>
Cash flows from operating activities:	
Receipts from customers	\$ 481,311.24
Payments to employees and employee benefits	(538,682.25)
Payments to suppliers	<u>(1,349,756.96)</u>
Net cash provided by (used for) operating activities)	<u>(1,407,127.97)</u>
Cash flows from noncapital financing activities:	
State Sources	21,162.95
Federal Sources	<u>1,221,678.64</u>
Net cash provided by noncapital financing activities:	<u>1,242,841.59</u>
Cash flows from capital and related financing activities:	
Purchase of capital assets	<u>(16,238.00)</u>
Net cash provided by (used for) capital and related financing activities	<u>(16,238.00)</u>
Net decrease in cash and cash equivalents	(180,524.38)
Cash and cash equivalents, July 1, 2014	<u>463,660.06</u>
Cash and cash equivalents, June 30, 2015	<u>\$ 283,135.68</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities	
Operating income (loss)	\$ (1,287,892.20)
Adjustments to reconciling operating income (loss) to net cash provided by (used for) operating activities:	
Depreciation and net amortization	29,333.79
Change in assets and liabilities:	
(Increase) decrease in inventories	(3,724.37)
Increase (decrease) in unearned revenue	2,832.09
Increase (decrease) in accounts payable	<u>(147,677.28)</u>
	<u>(119,235.77)</u>
Net cash provided by (used for) operating activities	<u>\$ (1,407,127.97)</u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>AGENCY FUNDS</u>	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>PRIVATE PURPOSE SCHOLARSHIP FUNDS</u>
<b>ASSETS:</b>			
Cash and cash equivalents	\$ <u>720,032.81</u>	\$ <u>203,900.47</u>	\$ <u>6,147.96</u>
<b>Total assets</b>	<u><u>720,032.81</u></u>	<u><u>203,900.47</u></u>	<u><u>6,147.96</u></u>
<b>LIABILITIES:</b>			
Payroll deductions and withholdings	159,470.15		
Summer Pay	473,771.45		
Due to student groups	<u>86,791.21</u>		
<b>Total liabilities</b>	<u><u>\$ 720,032.81</u></u>		
<b>NET POSITION:</b>			
Held in trust for unemployment claims and other purposes		<u>203,900.47</u>	<u>6,147.96</u>
<b>Total net position</b>		<u><u>\$ 203,900.47</u></u>	<u><u>\$ 6,147.96</u></u>

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIVATE PURPOSE SCHOLARSHIP FUNDS</u>	<u>UNEMPLOYMENT COMPENSATION TRUST</u>
ADDITIONS:		
Contributions:		
Employee contributions	\$ _____	\$ _____ 39,396.14
Total contributions	_____	_____ 39,396.14
Total additions	_____	_____ 39,396.14
DEDUCTIONS:		
Other purposes	500.00	
Unemployment claims	_____	_____ 52,539.22
Total deductions	_____ 500.00	_____ 52,539.22
Change in net position	(500.00)	(13,143.08)
Net position beginning of year	_____ 6,647.96	_____ 217,043.55
Net position end of year	\$ _____ <u>6,147.96</u>	\$ _____ <u>203,900.47</u>

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the North Plainfield School District (the "District") have been prepared in conformity with U.S. Generally Accepted Accounting Principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Board's accounting policies are described below.

**Reporting Entity**

The School District is a Type II District located in Somerset County, New Jersey. The School District is an instrumentality of the State of New Jersey, established to function as an educational institution. The North Plainfield School District is governed by a seven member board, which is the primary governing authority of the District. A superintendent is appointed by the Board and is responsible for the administrative control of the District.

The primary criterion for including activities within the District's reporting entity, are set forth in Statement No. 39 of the Governmental Accounting Standards Board entitled "*Determining Whether Certain Organizations are Component Units*" (GASB 39) as codified in Section 2100 of the GASB Codification of Governmental Accounting and Financial Reporting Standards.

Organizations that are legally separate, tax-exempt entities and that meet *all* of the following criteria should be discretely presented as component units:

1. The economic resources received or held by the separate organization are entirely or almost entirely for the direct benefit of the primary government.
2. The primary government, or its component units, is entitled to, or has the ability to otherwise access, a majority of the economic resources of the organization.
3. The economic resources received or held by an *individual organization* that the specific primary government, or its component units, is entitled to, or has the ability to otherwise access, are significant to that primary government.

The combined financial statements include all funds of the District over which the Board exercises operating control. The operations of the District include pre-kindergarten through high school education, along with an adult education program. There were no additional entities required to be included in the reporting entity under the criteria as described above, in the current fiscal year. Furthermore, the District is not includable in any other reporting entity on the basis of such criteria.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

*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 generally between the governmental and business-type activities of the District. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange 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 activity 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 requirement 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 are presented for each fund category-governmental, proprietary, and fiduciary. 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 as the oversight entity believes that the presentation of all funds as major is important for the public interest and to promote consistency among District financial reporting models.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Governmental Funds**

**General Fund** The general fund is the general operating fund of the District and is used to account for all expendable financial resources except those required to be accounted for in another fund. 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. Generally accepted accounting principles as they pertain to governmental entities state that general fund resources may be used to directly finance capital outlays for long-lived improvements as long as the resources in such cases are derived exclusively from unrestricted revenues. Resources for budgeted capital outlay purposes are normally derived from State of New Jersey Aid, 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 can be transferred from and to current expense by board resolution.

**Special Revenue Fund** - The Special Revenue Fund is used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Thus, 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 or committed to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets (other than those financed by proprietary funds). The financial resources are 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, funds appropriated from the General Fund, and from aid provided by the state to offset the cost of approved capital projects.

**Debt Service Fund** - The debt service fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Proprietary Funds**

**Enterprise Fund** The enterprise fund accounts for all revenues and expenses pertaining to the District's Food Service and Community School program operations. These funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises. The stated intent is that the cost (*i.e.* expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis are financed or recovered primarily through user charges.

**Fiduciary Funds**

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

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

**Private Purpose Trust Funds** These trust funds are used to account for assets donated by individuals that will provide for the payment of awards and other purposes.

**Unemployment Insurance Trust Funds** An expendable trust fund used to account for unemployment compensation claims as they arise.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Accounting – Measurement Focus**

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

Districtwide, Proprietary, and Fiduciary Fund Financial Statements: The Districtwide financial statements are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred 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 are 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 transactions 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 general 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 general long-term debt and acquisitions under capital leases are reported as other financing sources.

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

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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. In accordance with P.L. 2011, c. 202, which became effective January 17, 2012, the District elected to move the School Board election to the date of the November general election thereby eliminating the vote on the annual base budget. Budgets are prepared using the modified accrual basis of accounting. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23. All budget amendments and transfers must be approved by School Board resolution. The over-expenditures related to on-behalf payments in the general fund are due to the inclusion of the non-budgeted on-behalf payments made by the State of New Jersey as District expenditures. These amounts are offset by related revenues and as such do not represent budgetary over-expenditures.

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

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Encumbrance Accounting**

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

Open encumbrances in the special revenue and capital project funds for which the District has received advances are reflected in the balance sheet as deferred revenues at fiscal year end.

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

**Interfunds**

Interfund receivables and payables arise from transactions between particular funds and are considered short term in duration. The interfund transactions are recorded by all funds affected in the period in which the transactions are executed and are part of the district's available expendable resources.

**Inventories**

Inventories of materials and supplies held for consumption in the governmental funds are recorded as expenditures at the time of purchase and year end balances are not reported in the financial statements.

Inventories of food and/or supplies in the food service fund are recorded at cost on a first-in, first-out basis or, in the case of Food Donation Commodities, at stated value which approximates market.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Capital Assets**

The District has an established formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost. 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.

Capital assets are depreciated in the district-wide statements using the straight-line method over the following estimated useful lives:

	<b>Estimated</b>
School Buildings	50
Building Improvements	20
Electrical/Plumbing	30
Vehicles	8
Office & computer equipment	5-10
Instructional equipment	10
Grounds equipment	15

**Compensated Absences**

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

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

For the District-wide statements, the current portion is the amount estimated to be used in the following year. In accordance with GAAP, for the governmental funds, in the fund financial statements, all of the compensated absences are considered long-term and therefore, are not a fund liability and represents a reconciling item between the fund level and District-wide presentations.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance and Net Position**

Fund balance restrictions are used to indicate that portion of the fund balance that is not available for expenditures or is legally segregated for a specific future use. Designation of portions of the fund balances are established to indicate tentative plans for financial utilization in a future period. The unassigned fund balances represent the amount available for future budgetary operations.

Unrestricted net position represents the remains of the District's equity in the cumulative earnings of the proprietary funds.

**Unearned Revenue**

Unearned revenue in the general and special revenue funds represents funds which have been received but not yet earned. A corresponding accounts receivable has also been established for any open encumbrances at year end which is allowable under generally accepted accounting principles.

**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.

**Net Position**

GASB 63 provides guidance for reporting net position in the statement of financial position and related disclosures. In compliance with GASB 63, the Statement of Net Assets has been renamed the Statement of Net Position. Net Position represents the difference between assets and liabilities. Net investment in capital assets 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 their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net positions are available.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Reserves**

The District has implemented GASB Statement 54, "Fund Balance Reporting and Governmental Fund Type Definitions". This statement modifies fund balance reporting and clarifies fund type definitions. This new Statement aims to enhance the usefulness of fund balance information by providing clearer fund balance clarifications that can be applied more consistently.

Under the new standard, in the fund financial statements, governmental funds report the following classifications of fund balance:

Nonspendable – includes amounts that cannot be spent because they are either not spendable in form or are legally or contractually required to be maintained intact.

Restricted – includes amounts restricted by external sources (creditors, laws of other governments, etc.) or by constitutional provision or enabling legislation. The District reports the Capital Reserve, Emergency Reserve, Maintenance Reserve and Excess Surplus as Restricted Fund Balance.

Committed – includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to resolutions passed by the Board of Education, the District's highest level of decision making authority. Commitments may be modified or rescinded only through resolutions approved by the Board of Education. The District reports amounts Designated for Subsequent Year's Expenditures as Committed Fund Balance.

Assigned – includes amounts that the District intends to use for a specific purpose, but do not meet the definition of restricted or committed fund balance. Under the District's policy, amounts may be assigned by the Business Administrator. The District reports Year End Encumbrances as Assigned Fund Balance.

Unassigned – includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. The District reports all amounts that meet the unrestricted General Fund Balance Policy described below as unassigned:

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balance are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Fund Balance Reserves (Continued)**

The general fund is the only fund that will not report a negative unassigned fund balance. For all other governmental funds the amount of a residual deficit would be classified as unassigned.

**Revenues Exchange and Non-Exchange 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.

Non-exchange 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 property taxes is recognized in the period in which the revenue is earned. 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 specific purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise fund. For the District, these revenues are sales and program fees in the Enterprise Funds. Operating expenses are necessary costs incurred to provide the service that is the primary activity of the enterprise fund.

**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, workers compensation, and medical and dental benefits, were allocated based on salaries of the 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.

**Management Estimates**

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

**On-Behalf Payments**

Revenues and expenditures of the general fund include payments made or reimbursed by the State of New Jersey for social security and post-retirement pension and medical contributions for certified teachers and other members of the New Jersey Teachers Pension and Annuity Fund. The amounts are not required to be included in the District's annual budget.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting and Financial Reporting for Pensions**

In fiscal year 2015, the District implemented GASB 68. This Statement amends GASB Statement No. 27. It improves accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local government employers about financial support for pensions that is provided by other entities. 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 requirement of Statement No. 27, *Accounting for Pension 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 requirements of Statements 27 and 50 remain applicable for pensions that are not covered by the scope of this Statement. This statement is effective for periods beginning after June 15, 2014.

The District has also implemented GASB Statement 71, Pension Transition for Contributions made Subsequent to the Measurement Date-an amendment to GASB No. 68. The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, Accounting and Financial Reporting for Pensions. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability. Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net pension liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Accounting and Financial Reporting for Pensions (continued)**

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported. Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

**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(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred amounts related to pensions.

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(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two items that qualify in this category, deferred amounts on refunding bonds and deferred amounts related to pension.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS**

The District considers petty cash, change funds, cash in banks, deposits in the New Jersey Cash Management Fund and short term investments with original maturities of three months or less as cash and cash equivalents. Investments are stated at cost, which approximates market.

**Deposits**

New Jersey statutes permit the deposit of public funds in public depositories which are located in New Jersey and which meet the requirements of the Governmental Unit Deposit Protection Act (GUDPA). GUDPA requires a bank that accepts public funds to be a public depository. A public depository is defined as a state bank, a national bank, or a savings bank, which is located in the State of New Jersey, the deposits of which are insured by the Federal Deposit Insurance Corporation. The statutes also require public depositories to maintain collateral for deposits of public funds that exceed certain insurance limits. All collateral must be deposited with the Federal Reserve Bank or a Banking Institution that is a member of the Federal Reserve System, and has capital funds of not less than \$25,000,000.00. Under (GUDPA), if a public depository fails, the collateral it has pledged, plus the collateral of all other public depositories, is available to pay the full amount of the deposits to the governmental unit.

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

<b>Fund Type:</b>	<b>Bank</b>	<b>Reconciling Items:</b>		<b>Reconciled</b>
	<b><u>Balance</u></b>	<b><u>Additions</u></b>	<b><u>Deletions</u></b>	<b><u>Balance</u></b>
Governmental	\$5,127,934.29	\$2,481,653.33	\$754,127.92	\$6,855,459.70
Proprietary	467,096.96		183,961.28	283,135.68
Fiduciary	1,258,940.14		328,858.90	930,081.24
	<u>\$6,853,971.39</u>	<u>\$2,481,653.33</u>	<u>\$1,266,948.10</u>	<u>\$8,068,676.62</u>

**Custodial Credit Risk – Deposits** – Custodial credit risk is the risk that in the event of a bank failure, the deposits may not be returned. The District does not have a specific deposit policy for custodial credit risk other than those policies that adhere to the requirements of statute. As of June 30, 2015, based upon the coverage provided by FDIC and NJ GUDPA, no amount of the bank balance was exposed to custodial credit risk. Of the cash on balance in the bank, \$250,000.00 was covered by Federal Depository Insurance and \$6,253,926.51 was covered under the provisions of NJ GUDPA. The New Jersey ARM Fund is an investment pool and is not insured by either FDIC or GUDPA. As of June 30,

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Deposits (continued)**

2015, the Board had \$350,044.88 on deposit with the NJARM. Based upon the limitations set forth by New Jersey Statutes 40A:5-15.1 and existing investment practices, the District is generally not exposed to credit risks and interest rate risks for its investments, nor is it exposed to foreign currency risk for its deposits and investments.

**Investments**

The types of investments which may be purchased by the District are strictly limited by the express authority of the N.J.S.A. 18A:20-37 Education, Administration of School Districts. Permitted investments include any of the following type of securities:

1. Bonds or other obligations of the United States of America or obligations guaranteed by the United States of America.
2. Government money market mutual funds which are purchased from an investment company or investment trust which is registered with the Securities and Exchange Commission under the "Investment Company Act of 1940," 15 U.S.C. 80a1 et seq., and operated in accordance with 17 C.F.R. § 270.2a7 and which portfolio is limited to U.S. Government securities that meet the definition of an eligible security pursuant to 17 C.F.R. § 270.2a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. These funds are also required to be rated by a nationally recognized statistical rating organization.
3. Any obligation that a federal agency or a federal instrumentality has issued in accordance with an act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor;
4. Bonds or other obligations of the Local Unit or bonds or other obligations of school districts of which the Local Unit is a part or within which the school district is located.
5. Bonds or other obligations, having a maturity date not more than 397 days from date of purchase, approved by the Division of Investment of the Department of Treasury for investment by School Districts;

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 2: CASH, CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

6. Local government investment pools that are fully invested in U.S. Government securities that meet the definition of eligible security pursuant to 17 C.F.R. § 270a7 and repurchase agreements that are collateralized by such U.S. Government securities in which direct investment may be made pursuant to paragraphs (1) and (3) of N.J.S.A. 18A:2037. This type of investment is also required to be rated in the highest category by a nationally recognized statistical rating organization.
7. Deposits with the State of New Jersey Cash Management Fund established pursuant to section 1 of P.L. 1977, c.281 C. 52:18A-90.4); or
8. Agreements for the repurchase of fully collateralized securities if:
  - a. the underlying securities are permitted investments pursuant to paragraphs (1) and (3) of this subsection;
  - b. the custody of collateral is transferred to a third party;
  - c. the maturity of the agreement is not more than 30 days;
  - d. the underlying securities are purchased through a public depository as defined in section 1 of P.L. 1970, c.236 C. 17:1941); and
  - e. a master repurchase agreement providing for the custody and security of collateral is executed.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 3: CAPITAL ASSETS**

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

	Beginning <u>Balance</u>	<u>Additions</u>	Ending <u>Balance</u>
Governmental Activities:			
Site improvements	\$1,010,545.48		\$1,010,545.48
Buildings & Building Improvements	63,725,599.35	\$2,329,559.75	66,055,159.10
Machinery & Equipment	<u>4,477,798.98</u>	<u>588,782.40</u>	<u>5,066,581.38</u>
Gross Assets (Memo only)	<u>69,213,943.81</u>	<u>2,918,342.15</u>	<u>72,132,285.96</u>
Less: Accumulated Depreciation			
Site improvements	(636,633.99)	(32,477.54)	(669,111.53)
Buildings & Building Improvements	(13,943,862.74)	(1,250,961.08)	(15,194,823.82)
Machinery & Equipment	<u>(3,061,085.34)</u>	<u>(459,206.51)</u>	<u>(3,520,291.85)</u>
Total Depreciation	<u>(17,641,582.07)</u>	<u>(1,742,645.13)</u>	<u>(19,384,227.20)</u>
Total Governmental Fund Activities	<u>\$51,572,361.74</u>	<u>\$1,175,697.02</u>	<u>\$52,748,058.76</u>
Proprietary Activities:			
Machinery & Equipment	<u>\$438,037.57</u>	<u>\$16,238.00</u>	<u>\$454,275.57</u>
Totals at historical cost	<u>438,037.57</u>	<u>16,238.00</u>	<u>454,275.57</u>
Less: Accumulated Depreciation			
Machinery & Equipment	<u>(267,048.31)</u>	<u>(29,333.79)</u>	<u>(296,382.10)</u>
Total Depreciation	<u>(267,048.31)</u>	<u>(29,333.79)</u>	<u>(296,382.10)</u>
Total Proprietary Fund Activities	<u>\$170,989.26</u>	<u>(\$13,095.79)</u>	<u>\$157,893.47</u>

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 3: CAPITAL ASSETS (CONTINUED)**

Depreciation expense was charged to functional expenses areas of the District as follows:

Instruction:	
Regular	(\$242,048.83)
Support services:	
School administrative services	(30,813.11)
Plant operations and maintainance	(4,575.39)
Pupil transportation	(13,730.63)
Direct Expense of various functions	<u>(1,451,477.17)</u>
	<u><u>(\$1,742,645.13)</u></u>

**NOTE 4: LONG-TERM LIABILITIES**

Bonds are issued by the District pursuant to the provisions of Title 18A, Education, of the New Jersey Statutes and are required to be approved by the voters of the municipality through referendum. The proceeds of bonds are recorded in the Capital Projects Fund and are restricted to the use for which they were approved in the bond referendum. All bonds are retired in annual installments within the statutory period of usefulness.

School Bonds issued by the District are entitled to and benefit from the provision of the New Jersey School Board Reserve Act P.L. 1980 c.72. Basically, funds are held by the State of New Jersey within its State Fund for the Support of Free Public Schools as a school bond reserve pledged by law to secure payment of principal and interest due on such bonds in the event of the inability of the issuer to make payments.

As of June 30, 2015 the District did not have any bonds authorized but not issued.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

The following is a summary of changes in liabilities that effect other long-term obligations for the year ended June 30, 2015:

	Net Pension Liability	Bonds Payable	Capital Leases Payable	Compensated Absences Payable	Total
Balance June 30, 2014	\$13,798,493.00	\$12,225,000.00	\$27,401.51	\$1,434,112.19	\$27,485,006.70
Additions	195,611.00				195,611.00
Reductions		(800,000.00)	(27,401.51)	(283,832.12)	(1,111,233.63)
Balance June 30, 2015	<u>\$13,994,104.00</u>	<u>\$11,425,000.00</u>		<u>\$1,150,280.07</u>	<u>\$26,569,384.07</u>
Amounts due within one Year		<u>(\$815,000.00)</u>			<u>(\$815,000.00)</u>

**Debt Service Requirements:**

The annual requirements to amortize all debt outstanding as of June 30, 2015, including interest payments on issued debt, are as follows:

Fiscal Year June 30,	Principal	Interest	Total
2016	\$815,000.00	\$455,518.76	\$1,270,518.76
2017	830,000.00	420,643.76	1,250,643.76
2018	845,000.00	383,156.26	1,228,156.26
2019	910,000.00	346,043.76	1,256,043.76
2020	940,000.00	309,043.76	1,249,043.76
2021	985,000.00	270,543.76	1,255,543.76
2022	1,020,000.00	230,443.76	1,250,443.76
2023	1,025,000.00	189,031.26	1,214,031.26
2024	1,025,000.00	146,878.13	1,171,878.13
2025	1,020,000.00	104,700.00	1,124,700.00
2026	1,010,000.00	62,831.25	1,072,831.25
2027	1,000,000.00	21,000.00	1,021,000.00
	<u>\$11,425,000.00</u>	<u>\$2,939,834.46</u>	<u>\$14,364,834.46</u>

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

General obligation school and refunding bonds payable with their outstanding balances are comprised of the following individual issues:

<u>Issue</u>	<u>Amount Outstanding June 30, 2015</u>
\$9,375,000.00 in 2006 Refunding Bonds due in remaining annual installments ranging between \$30,000.00 and \$1,025,000.00 beginning August 15, 2011 and ending August 15, 2026 with interest at 4.0% to 4.2%	\$9,050,000.00
\$4,645,000.00 in 2010 Refunding Bonds due in remaining annual installments ranging between \$740,000.00 and \$805,000.00 beginning August 15, 2012 and ending August 15, 2017 with interest at 4.0% to 4.5%	<u>2,375,000.00</u>
	<u>\$11,425,000.00</u>

Under New Jersey Statutes, the District may incur debt in an amount not to exceed 4% of the averaged equalized valuation basis of real property. For the calendar year ended December 31, 2014, the District's borrowing capacity under N.J.S. 18A:24-19 would be as follows:

<u>Year</u>	<u>Equalized Valuation of Real Property</u>
2014	\$1,495,731,460
2013	1,524,399,473
2012	<u>1,593,806,498</u>
	<u>\$4,613,937,431</u>
Average equalized valuation	<u>\$1,537,979,144</u>
School borrowing margin (4% of \$1,537,979,144)	\$61,519,166
Net school debt as of June 30, 2015	<u>11,425,000</u>
School borrowing power available	<u>\$50,094,166</u>

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 4: LONG-TERM LIABILITIES (CONTINUED)**

**Advanced Refunding of Debt**

On February 2, 2011, the District issued \$4,645,000 principal amount School District Refunding Bonds have interest rates of 3.00% to 4.50%. These bonds were issued to advance refund certain principal maturities and certain interest payments of the District's series 2001 school bonds. The total bond principal defeased was \$4,740,000 and the total interest payments defeased was \$430,295. The net proceeds of \$5,015,760 (after payment of issuance costs) were used to purchase U.S. Government Securities. The securities were deposited with an escrow agent in an irrevocable trust to provide for all future debt service payments; therefore, the advance refunding met the requirements of an in-substance debt defeasance and the refunded bond liability was removed from the statement of net position of the governmental activities. The reacquisition price exceeded the net carrying amount of the old debt by \$275,760. This amount is being netted against the new debt and will be amortized over the remaining life of the old debt. The advance refunding was undertaken to reduce total debt service payments over the next six years by \$282,179.

**NOTE 5: PENSION PLANS**

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

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 5: PENSION PLANS (CONTINUED)**

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

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

**Significant Legislation**

Effective June 28, 2011, P.L. 2011, c. 78 enacted certain changes in the operations and benefit provisions of the TPAF and the PERS systems.

**Pension Plan Design Changes**

Effective June 28, 2011, P.L. 2011, c. 78, new members of TPAF and PERS, hired on or after June 28, 2011, will need 30 years of creditable service and have attained the age of 65 for receipt of the early retirement benefit without a reduction of 1/4 of 1% for each month that the member is under age 65. New members will be eligible for a service retirement benefit at age 65.

**Funding Changes**

Under the new legislation, the methodology for calculating the unfunded accrued liability payment portion of the employer's annual pension contribution to the PERS, and TPAF. The unfunded actuarial accrued liability (UAAL) will be amortized for each plan over an open-ended 30 year period and paid in level dollars. Beginning with the July 1, 2019 actuarial valuation (July 1, 2018 for PFRS), the UAAL will be amortized over a closed 30 year period until the remaining period reaches 20, when the amortization period will revert to an open-ended 20 year period.

**COLA Suspension**

The payment of automatic cost-of-living adjustment to current and future retirees and beneficiaries are suspended until reactivated as permitted by this law.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 5: PENSION PLANS (CONTINUED)**

**Vesting and Benefit Provisions** The vesting and benefit provisions of PERS are set by N.J.S.A. 43:15A and 43.3B, and N.J.S.A. 18A:6C for TPAF. All benefits vest after ten years of service, except for post-retirement healthcare benefits that vest after 25 years of service.

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

**Contribution Requirements** The contribution policy is set by N.J.S.A. 43:15A and N.J.S.A. 18:66, and requires contributions by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation.

Effective June 28, 2011, P.L. 2011, c. 78 provides for increases in the employee contribution rates: from 5.5% to 6.5% plus an additional 1% phased-in over 7 years beginning in the first year, meaning after 12 months, after the law's effective date for TPAF and PERS.

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 TPAF (i.e. the State of New Jersey makes the employer contribution on behalf of public school districts).

**Three Year Trend Information for PERS**

Year Ended <u>June 30,</u>	Annual Pension Cost <u>(APC)</u>	Percentage of APC <u>Contributed</u>	Net Pension <u>Obligation</u>
2015	\$616,178.00	100%	\$616,178.00
2014	543,998.00	100%	543,998.00
2013	585,412.00	100%	585,412.00

During the fiscal years ended June 30, 2015, 2014 and 2013, the State of New Jersey contributed \$1,298,500.00, \$987,717.00 and \$1,523,952.00, respectively to the TPAF pension system on behalf of the District.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 5: PENSION PLANS (CONTINUED)**

Also, in accordance with N.J.S.A. 18A:66-66, during the years ended June 30, 2015, 2014 and 2013, the State of New Jersey reimbursed the District \$1,783,278.70, \$1,771,154.84 and \$1,767,034.40, respectively for the employer's share of social security contributions for TPAF members, as calculated on their base salaries.

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**

**Public Employees Retirement System (PERS)**

At June 30, 2015, the District reported a liability of \$13,994,104.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2014, the District's proportion was 0.0747439083 percent, which was an increase of 0.0025457999 percent from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$794,711.00. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

	<u>Deferred Inflow of Resources</u>	<u>Deferred Outflow of Resources</u>
Changes of assumptions		\$440,050.00
Net difference between projected and actual earnings on pension plan investments	\$833,973.00	
Changes in proportion and differences between District contributions and proportionate share of contributions		411,001.00
District contributions subsequent to the measurement date		649,521.00
	<u>\$833,973.00</u>	<u>\$1,500,572.00</u>

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(Continued)**

**Public Employees Retirement System (PERS) (Continued)**

The \$649,521.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ended <u>June 30</u>	<u>Amount</u>
2016	(\$127,601.64)
2017	(127,601.64)
2018	(127,601.64)
2019	80,891.50
Thereafter	35,592.26

**Additional Information**

Collective balances at June 30, 2014 and 2013 are as follows

	<u>6/30/2014</u>	<u>6/30/2013</u>
Collective deferred outflows of resources	\$952,194,675	Not Available
Collective deferred inflows of resources	1,479,224,662	Not Available
Collective net pension liability	18,722,735,003	38,410,610,030
District's Proportion	0.0747439083%	0.0721981084%

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions**

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

Inflation	3.01 Percent
Salary Increases	
2012-2021	2.15-4.40 Percent (based on age)
Thereafter	3.15-5.40 Percent (based on age)
Investment Rate of Return	7.90 Percent

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

**Mortality Rates**

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

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in PERS's target asset allocation as of June 30, 2014 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.80%
Core Bond	1.00%	2.49%
Intermediate Term Bonds	11.20%	2.26%
Mortgages	2.50%	2.17%
High Yield Bonds	5.50%	4.82%
Inflation Indexed Bonds	2.50%	3.51%
Broad U.S. Equities	25.90%	8.22%
Developed Foreign Markets	12.70%	8.12%
Emerging Market Equities	6.50%	9.91%
Private Equity	8.25%	13.02%
Hedge Funds/Absolute Returns	12.25%	4.92%
Real Estate (Property)	3.20%	5.80%
Commodities	2.50%	5.35%
	<u>100.00%</u>	

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 5.39% and 5.55% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years of contributions made in relation to the last five years of recommended contributions. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2033. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2033, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability.

**Sensitivity of the collective net pension liability to changes in the discount rate.**

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

	June 30, 2014		
	1%	At Current	1%
	Decrease	Discount Rate	Increase
	<u>4.39%</u>	<u>5.39%</u>	<u>6.39%</u>
District's proportionate share of the pension liability	\$17,605,059.00	\$13,994,104.00	\$10,961,820.00

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Public Employees Retirement System (PERS) (Continued)**

**Pension plan fiduciary net position.**

Detailed information about the pension plan's fiduciary net position is available in the separately issued Financial Report for the State of New Jersey Public Employees Retirement System (PERS).

**Teachers Pensions and Annuity Fund (TPAF)**

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

The portion of the TPAF Net Pension Liability that was associated with the District recognized at June 30, 2015 was as follows:

Net Pension Liability:	
Districts proportionate share	-0-
State's proportionate share associated with the District	<u>\$124,787,516</u>
	<u><u>\$124,787,516</u></u>

The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013. The net pension liability associated with the District was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts and the State, actuarially determined. At June 30, 2014, the proportion of the TPAF net pension liability associated with the District was .2334801033%.

For the year ended June 30, 2015, the District recognized on-behalf pension expense and revenue of \$6,714,740.00 for contributions provided by the State.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Actuarial Assumptions**

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

Inflation rate	2.50%
Salary increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment rate of return	7.90%

**Mortality rates**

Mortality rates were based on the RP-2000 Health Annuitant Mortality Table for Males or Females, as appropriate, with adjustments for mortality improvements based on Scale AA. Pre-retirement mortality improvements for active members are projected using Scale AA from the base year of 2000 until the valuation date plus 15 years to account for future mortality improvement. Post-retirement mortality improvements for non-disabled annuitants are projected using Scale AA from the base year of 2000 for males and 2003 for females until the valuation date plus 7 years to account for future mortality improvement. The actuarial assumptions used in the July 1, 2013 valuation were based on the results of an actuarial experience study for the period July 1, 2009 to June 30, 2012.

**Long-Term Expected Rate of Return**

In accordance with State statute, the long-term expected rate of return on plan investments is determined by the State Treasurer, after consultation with the Directors of the Division of Investments and Division of Pensions and Benefits, the board of trustees and the actuaries. Best estimates of arithmetic real rates of return for each major asset class included in TPAF's target asset allocation as of June 30, 2014 are summarized in the following table:

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (continued)**

**Actuarial Assumptions (Continued)**

**Long-Term Expected Rate of Return (Continued)**

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	6.00%	0.50%
Core Fixed Income	0.00%	2.19%
Core Bonds	1.00%	1.38%
Short-Term Bonds	0.00%	1.00%
Intermediate- Term Bonds	11.20%	2.60%
Long-Term Bonds	0.00%	3.23%
Mortgages	2.50%	2.84%
High Yield Bonds	5.50%	4.15%
Non-US Fixed Income	0.00%	1.41%
Inflation-Indexed Bonds	2.50%	1.30%
Broad US Equities	25.90%	5.88%
Large Cap US Equities	0.00%	5.62%
Mid cap US Equities	0.00%	6.39%
Small Cap US Equities	0.00%	7.39%
Developed Foreign Equities	12.70%	6.05%
Emerging Market Equities	6.50%	8.90%
Private Equity	8.25%	9.15%
Hedge Funds Absolute Return	12.25%	3.85%
Real Estate (Property)	3.20%	4.43%
Real Estate (REITS)	0.00%	5.58%
Commodities	2.50%	3.60%
Long Credit Bonds	0.00%	3.74%
	100.00%	

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 6: ACCOUNTING AND FINANCIAL REPORTING FOR PENSION - GASB 68**  
**(CONTINUED)**

**Teachers Pensions and Annuity Fund (TPAF) (Continued)**

**Actuarial Assumptions (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 4.68% and 4.95% as of June 30, 2014 and 2013, respectively. This single blended discount rate was based on the long-term expected rate of return on pension plan investments of 7.9%, and a municipal bond rate of 4.29% and 4.63% as of June 30, 2014 and 2013, respectively, based on the Bond Buyer Go 20-Bond Municipal Bond Index which includes tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made based on the average of the last five years. Based on those assumptions, the plan's fiduciary net position was projected to be available to make projected future benefit payments of current plan members through 2027. Therefore, the long-term expected rate of return on plan investments was applied to projected benefit payments through 2027, and the municipal bond rate was applied to projected benefit payments after that date in determining the total pension liability,

**Sensitivity of the Net Pension Liability to Changes in the Discount Rate**

Because the District's proportionate share of the net pension liability is zero, consideration of potential changes in the discount rate is not applicable to the District.

**NOTE 7: OTHER POST-RETIREMENT BENEFITS**

For eligible retired employees, the School District participates in the State Health Benefits Program (SHBP), a cost-sharing, multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions and Benefits. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 *et seq.*, to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 7: OTHER POST-RETIREMENT BENEFITS (CONTINUED)**

The State Health Benefits Commission is the executive body established by statute to be responsible for the operation of the SHBP. The State of New Jersey Division of Pensions and Benefits issues a publicly available financial report that includes financial statements and required supplementary information for the SHBP. That report may be obtained by writing to: State of New Jersey Division of Pensions and Benefits, P.O. Box 295, Trenton, NJ 08625-0295.

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pensions and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on state disability retirement. P.L. 2007, Chapter 103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 2014, there were 103,432 retirees receiving post-retirement medical benefits, and the State contributed \$1.04 billion on their behalf. The cost of these benefits is funded through contributions by the State in accordance with P.L. 1994, c.62. Funding of post-retirement medical benefits changed from a pre-funding basis to a pay-as-you-go basis beginning in Fiscal Year 1994.

The State is also responsible for the cost attributable to P.L. 1992, c.126, which provides employer paid health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. The State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members in Fiscal Year 2014.

The State will set the contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The State's contributions to the State Health Benefits Program Fund for TPAF retirees' post-retirement benefits on behalf of the School District for the years ended June 30, 2015, 2014 and 2013 were \$2,061,368.00, \$1,619,485.00 and \$1,723,205.00 respectively, which equaled the required contributions for each year. The State's contributions to the State Health Benefits Program Fund for PERS retirees' post-retirement benefits on behalf of the School District was not determined or made available by the State of New Jersey.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 8: LITIGATION**

The District's counsel advises that there is no litigation, pending litigation, claims, contingent liabilities, unasserted claims or assessments or statutory violations which involve the School District and which might materially affect the District's financial position, except as described below.

The District continues to be involved in litigation regarding its school facilities construction project. While the District has received favorable rulings dismissing suits brought by the general contractor and the electrical contractor, the District remains involved in several litigations, including litigation with the bonding company for the general contractor. The District is attempting to recover damages relating to delays in construction, and at the same time defending against claims asserted against the District. The District's construction counsel has advised that the amount of recovery, if any, which the District may be receive, and the amount of damages, if any, for which the District may be liable, cannot presently be determined.

**NOTE 9: CONTINGENCIES**

The District receives financial assistance from the State of New Jersey and the U.S. Government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. The State and Federal grants received and expended in the 2014-2015 fiscal year were subject to the U.S. OMB Circular A-133 and New Jersey OMB Circular 04-04 which mandates that grant revenues and expenditures be audited in conjunction with the District's annual audit if expenditures for federal or state programs exceed \$500,000. Findings and questioned costs, if any, relative to federal and state financial assistance programs are discussed in the Single Audit Section, Schedule of Findings and Questioned Costs. In addition, all grants and cost reimbursements are subject to financial and compliance audits by the grantors. The District's management does not believe any such audit would result in material amounts of disallowed costs.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 10: RISK MANAGEMENT**

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

**Property and Liability Insurance** The District maintains insurance coverage covering each of those risks of loss. The administration believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded the insurance coverage in any of the past three fiscal years.

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

Year Ended <u>June 30,</u>	Board Contributions / Interest <u>Earnings</u>	Employee Contributions	Amount Reimbursed	Ending Balance
2015		\$39,396.14	\$52,539.22	\$203,900.47
2014		64,003.18	83,243.02	217,043.55
2013	\$150,000.00	51,184.07	159,491.35	236,283.39

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 11: COMPENSATED ABSENCES**

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

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

The liability for vested compensated absences of the governmental fund types are recorded in the district - wide statement of net position. As of June 30, 2015, a liability existed for compensated absences for governmental fund-types in the district-wide Statement of Net position of \$1,150,280.07.

The liability for vested compensated absences of the proprietary fund types is recorded within those funds as the benefits accrue to employees. As of June 30, 2015 no liability existed for compensated absences in the proprietary funds.

For additional descriptive information see Note 1, Summary of Significant Accounting Policies.

**NOTE 12: FUND BALANCE APPROPRIATED**

**General Fund (Exhibit B-1)**– Of the \$4,141,874.52 General Fund fund balance at June 30, 2015, \$26,065.21 has been designated for ARRA/SEMI; \$69,370.78 has been assigned for year-end encumbrances but is not reflected as assigned on the balance sheet since the unassigned balance would be negative; \$286,974.21 is restricted in the capital reserve; \$4,936,386.26 is restricted as excess surplus in accordance with N.J.S.A. 18A:7F-7, of which \$2,574,832.62 has been appropriated and included as anticipated revenue for the year ending June 30, 2016. Of the remaining \$2,361,553.84 of Excess Surplus only \$1,240,820.10 is reflected to prevent negative unassigned fund balance. There also was an additional \$13,182.38 committed fund balance designated for subsequent years' expenditures.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 13: CALCULATION OF EXCESS SURPLUS – BUDGETARY BASIS**

In accordance with N.J.S.A.18A:7F-7, as amended by P.L. 2004,c.73 (S1701), the designation for Restricted Fund Balance - Excess Surplus is a required calculation pursuant to the New Jersey Comprehensive Educational Improvement and Financing Act of 1996 (CEIFA). New Jersey school districts are required to restrict 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. Based on this calculation, the North Plainfield School District has \$2,361,553.64 excess fund balance resulting from the year ended June 30, 2015.

**EXCESS SURPLUS CALCULATION**

**Section 1- 2% Calculation of Excess Surplus**

2014-15 General Fund Expenditures per the CAFR (Exhibit C-1)	\$58,112,162.53	
Increased by:		
Transfer from Capital Outlay to Capital Projects Fund	1,285,518.00	
Decreased by:		
On-behalf TPAF Pension & Social Security	<u>(5,143,146.70)</u>	
Assets Acquired Under Capital Leases		
Adjusted 2014-15 General Fund Expenditures	<u>54,254,533.83</u>	
2% of Adjusted 2014-15 General Fund Expenditures	<u>\$1,085,090.68</u>	
Greater of 2% or \$250,000	1,085,090.68	
Increased by: Allowable Adjustment	<u>163,707.00</u>	
Maximum Unassigned Fund Balance		<u>\$1,248,797.68</u>

**Section 2**

Total General Fund Balances at June 30, 2015 (Ex C-1)	<u>\$6,580,776.52</u>	
Decreased by:		
Assigned Year-End Encumbrances	69,370.78	
Legally Restricted- Designated for Subsequent Year's Expenditures	26,065.21	
Excess Surplus- Designated for Subsequent Year's Expenditures	2,574,832.62	
Other Restricted Fund Balances	286,974.21	
Unreserved- Designated for Subsequent Year's Expenditures	<u>13,182.38</u>	
	<u>2,970,425.20</u>	
Total Unassigned Fund Balance		<u>\$3,610,351.32</u>

**Section 3**

Restricted Fund Balance- Excess Surplus		<u>\$2,361,553.64</u>
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**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 14: CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the District for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

Funds placed in the capital reserve account are restricted to capital projects in the district's approved Long Range Facilities Plan (LRFP). Upon submission of the LRFP to the department, a district may increase the balance in the capital reserve as per N.J.S.A. 18A:7G-31(c), 18A:7G-13 and N.J.A.C. 6A23A-14.1, by appropriating funds in the annual general fund budget certified for taxes. 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. N.J.S.A. 18A:7F-41(a), 18A:7F-41(b) and N.J.A.C.6A:23A-14.3 permit a district board of education to transfer by board resolution (prior to June 30) any unanticipated revenue or unexpended line-item appropriation amounts to the capital reserve for withdrawal in subsequent school years. Pursuant to N.J.A.C. 6:23A-5.1(d) 7, the balance in the account cannot at any time exceed the local costs of uncompleted capital projects in its approved LRFP.

The activity of the capital reserve during the year ended June 30, 2015, is as follows:

Balance, July 1, 2014	\$286,618.05
Interest Earnings	356.16
Balance, June 30, 2015	\$286,974.21

**NOTE 15: INVENTORY**

Inventory in the Food Service Fund at June 30, 2015 consisted of the following:

Food and Supplies	<u>\$13,788.63</u>
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The value of Federal donated commodities as reflected on Schedule A (required 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 non-operating revenue in the financial statements.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 16: DEFICIT FUND BALANCES**

The District has a deficit fund balance of \$1,164,393.96 in the General Fund as of June 30, 2015 as reported in the fund statements (modified accrual basis). P.L. 2003,C.97 provides that in the event a state school aid payment is not made until the following school budget year, districts must record the last state aid payment as revenue for budget purposes only, in the current school budget year. The bill provides legal authority for school districts to recognize this revenue in the current budget year. For intergovernmental transactions, GASB Statement No. 33 requires that recognition (revenue, expenditure, asset and liability) should be symmetry, ie, if one government recognized an asset, the other government recognized liability. Since the State is recording the last two state aid payments in the subsequent fiscal year, the school district cannot recognize the last two state aid payments on the GAAP financial statements until the year the State records the payable. Due to the timing difference of recording the last two state aid payments, the General Fund balance deficit does not alone indicate that the District is facing financial difficulties.

**NOTE 17: DEFERRED COMPENSATION**

The District offers its employees a choice of the deferred compensation plans created in accordance with Internal Revenue Code Section 403(b) and 457. The plans permit participants to defer a portion of their salary until future years. Amounts deferred under the plans are not available to employees until termination, retirement, death, or unforeseeable emergency. Since the District does not have any property or rights to the plan assets and no fiduciary relationship exists between the District and the deferred compensation plan, the plan assets are not included in the District's financial statements as of June 30, 2015.

**NOTE 18: COMMITMENTS**

The District has active construction projects as of June 30, 2015 relating to the approved referendum projects, which include additions and renovations at all schools. At June 30, 2015, the District's commitments with contractors amounted to \$1,386,572.25, which is reported as restricted for capital projects on the balance sheet in the capital projects fund.

**North Plainfield School District**  
**Notes to the Financial Statements**  
**For the Fiscal Year Ending June 30, 2015**

**NOTE 19: RESTRICTED ASSETS**

The funds set aside for the capital reserve are classified as restricted assets (cash and cash equivalents) as they are restricted for use for future capital requirements.

**NOTE 20: SUBSEQUENT EVENTS**

The Board of Education has evaluated subsequent events occurring after the financial statement date through December 3, 2015 which is the date the financial statements were available to be issued. No items were noted for disclosure or adjustment.

**NOTE 21: RESTATEMENT**

As stated in Note 6 in FY2015 the District implemented GASB 68. In addition, the District made an adjustment to its capital asset balance. As a result the District's Net Position at June 30, 2014 was restated as follows:

	<u>Governmental Activities</u>
Beginning Net Position 06/30/14	\$43,992,553.25
Adjustments:	
Recognition of Net Pension Liability	<u>(13,798,493.00)</u>
Beginning Net Position 06/30/14 (As restated)	<u><u>\$30,194,060.25</u></u>

**REQUIRED SUPPLEMENTARY INFORMATION – Part II**

**BUDGETARY COMPARISON SCHEDULES**

NORTH PLAINFIELD BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
<b>REVENUES:</b>					
Local sources:					
Local tax levy	\$ 28,490,467.00	\$	\$ 28,490,467.00	\$ 28,490,467.00	\$
Interest earned on capital reserve funds				356.16	356.16
Miscellaneous	32,282.00		32,282.00	175,004.66	142,722.66
<b>Total-local sources</b>	<b>28,522,749.00</b>		<b>28,522,749.00</b>	<b>28,665,827.82</b>	<b>143,078.82</b>
State sources:					
Equalization aid	22,181,829.00		22,181,829.00	22,181,829.00	
Special education aid	2,029,930.00		2,029,930.00	2,029,930.00	
Security aid	234,724.00		234,724.00	234,724.00	
Transportation aid	60,164.00		60,164.00	60,164.00	
PARCC readiness aid	33,580.00		33,580.00	33,580.00	
Per pupil growth aid	33,580.00		33,580.00	33,580.00	
Other state aid - Education adequacy aid	78,758.00		78,758.00	78,758.00	
Extraordinary aid				163,707.00	163,707.00
On-behalf TPAF non-contributory insurance (non-budgeted)				1,298,500.00	1,298,500.00
On-behalf TPAF post retirement medical (non-budgeted)				2,061,368.00	2,061,368.00
Reimbursed TPAF social security contributions (non-budgeted)				1,783,278.70	1,783,278.70
<b>Total - state sources</b>	<b>24,652,565.00</b>		<b>24,652,565.00</b>	<b>29,959,418.70</b>	<b>5,306,853.70</b>
Federal sources:					
Special education medicaid initiative (SEMI)	38,341.00		38,341.00	122,005.29	83,664.29
Special education medicaid initiative (SEMI) ARRA				26,065.21	26,065.21
Special education medicaid initiative (MAC)				12,038.42	12,038.42
<b>Total - federal sources</b>	<b>38,341.00</b>		<b>38,341.00</b>	<b>160,108.92</b>	<b>121,767.92</b>
<b>Total revenues</b>	<b>53,213,655.00</b>		<b>53,213,655.00</b>	<b>58,785,355.44</b>	<b>5,571,700.44</b>
<b>EXPENDITURES:</b>					
<b>CURRENT EXPENSE:</b>					
Instruction - regular programs:					
Salaries of teachers:					
Preschool/kindergarten	761,970.00	15,000.00	776,970.00	776,970.00	
Grades 1-5	4,654,740.00	(3,691.00)	4,651,049.00	4,651,049.00	
Grades 6-8	3,854,700.00	(32,856.15)	3,821,843.85	3,821,843.85	
Grades 9-12	4,969,170.00	(78,962.31)	4,890,207.69	4,890,207.69	
Regular programs - home instruction:					
Salaries of teachers	60,000.00		60,000.00	60,000.00	
Purchased professional educational services	54,350.00	(9,234.56)	45,115.44	37,343.75	7,771.69
Regular programs - undistributed instruction:					
Other salaries for instruction	1,365,184.00	(22,129.74)	1,343,054.26	1,343,054.26	
Purchased professional - educational services	42,765.00	(9,160.80)	33,604.20	13,211.00	20,393.20
Purchased technical services	463,359.37	(39,110.77)	424,248.60	381,266.57	42,982.03
Other purchased services (400 - 500 series)	14,050.00	(1,566.40)	12,483.60	9,971.59	2,512.01
General supplies	587,070.00	14,240.48	601,310.48	545,188.13	56,122.35
Textbooks	250,000.00	12,649.00	262,649.00	257,563.87	5,085.13
Other objects	2,600.00	6,111.00	8,711.00	8,066.59	644.41
<b>Total regular programs</b>	<b>17,079,958.37</b>	<b>(148,711.25)</b>	<b>16,931,247.12</b>	<b>16,795,736.30</b>	<b>135,510.82</b>
Learning and/or language disabilities:					
Salaries of teachers	130,549.00		130,549.00	130,549.00	
Total neurologically impaired	130,549.00		130,549.00	130,549.00	
Resource room:					
Salaries of teachers	3,228,112.00	83,917.02	3,312,029.02	3,312,029.02	
General supplies	15,000.00		15,000.00	14,465.57	534.43
Textbooks	2,000.00	(1,000.00)	1,000.00	896.94	103.06
<b>Total resource room</b>	<b>3,245,112.00</b>	<b>82,917.02</b>	<b>3,328,029.02</b>	<b>3,327,391.53</b>	<b>637.49</b>
<b>Total special education</b>	<b>3,375,661.00</b>	<b>82,917.02</b>	<b>3,458,578.02</b>	<b>3,457,940.53</b>	<b>637.49</b>
Basic skills/remedial:					
Salaries of teachers	984,714.00	(50,000.00)	934,714.00	934,714.00	
General supplies	2,880.00		2,880.00	2,880.00	
Textbooks	2,700.00		2,700.00	2,665.62	34.38
<b>Total basic skills/remedial</b>	<b>990,294.00</b>	<b>(50,000.00)</b>	<b>940,294.00</b>	<b>940,259.62</b>	<b>34.38</b>

NORTH PLAINFIELD BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued from prior page)	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Bilingual education:					
Salaries of teachers	\$ 715,460.00	\$ (33,931.05)	\$ 681,528.95	\$ 681,528.95	
General supplies	4,050.00	17.16	4,067.16	4,067.16	
Textbooks	1,980.00	(3.13)	1,976.87	1,972.20	4.67
Total bilingual education	<u>721,490.00</u>	<u>(33,917.02)</u>	<u>687,572.98</u>	<u>687,568.31</u>	<u>4.67</u>
School sponsored cocurricular activities:					
Salaries	215,408.00		215,408.00	215,408.00	
Purchased services	3,000.00		3,000.00	2,396.00	604.00
General supplies	23,000.00	4,740.00	27,740.00	23,282.93	4,457.07
Total school sponsored cocurricular activities	<u>241,408.00</u>	<u>4,740.00</u>	<u>246,148.00</u>	<u>241,086.93</u>	<u>5,061.07</u>
School sponsored athletics:					
Salaries	427,372.00	(20,480.00)	406,892.00	406,892.00	
Purchased services (300 - 500 series)	182,000.00	7,200.00	189,200.00	158,184.80	31,015.20
Supplies and materials	70,900.00	19,517.00	90,417.00	89,662.20	754.80
Other objects	1,000.00	(1,000.00)			
Total school sponsored athletics	<u>681,272.00</u>	<u>5,237.00</u>	<u>686,509.00</u>	<u>654,739.00</u>	<u>31,770.00</u>
Summer school instruction					
Salaries	135,000.00		135,000.00	135,000.00	
Instructional alternative education program - instruction					
Salaries	185,000.00		185,000.00	185,000.00	
Total instructional alt ed. prog. - instruction	<u>185,000.00</u>		<u>185,000.00</u>	<u>185,000.00</u>	
Instructional alternative education program - support services					
Salaries	180,000.00		180,000.00	180,000.00	
Supplies and materials	5,000.00		5,000.00	1,094.61	3,905.39
Total instructional alternative ed. prog. - support	<u>185,000.00</u>		<u>185,000.00</u>	<u>181,094.61</u>	<u>3,905.39</u>
Total other instructional programs	<u>3,139,464.00</u>	<u>(73,940.02)</u>	<u>3,065,523.98</u>	<u>3,024,748.47</u>	<u>40,775.51</u>
Total - instruction	<u>23,595,083.37</u>	<u>(139,734.25)</u>	<u>23,455,349.12</u>	<u>23,278,425.30</u>	<u>176,923.82</u>
Undistributed expenditures:					
Instruction:					
Tuition to other LEA's within the state-regular	30,000.00	(4,486.00)	25,514.00	25,514.00	
Tuition to other LEA's within the state-special	1,641,484.00	(34,029.10)	1,607,454.90	1,575,007.24	32,447.66
Tuition to county vocational school district-regular	65,000.00	(6,605.03)	58,394.97	58,200.00	194.97
Tuition to private schools for the handicapped w/in state	2,128,540.00	227,155.87	2,355,695.87	2,122,210.51	233,485.36
Tuition-state facilities	39,898.00		39,898.00	39,898.00	
Tuition-other	50,200.00	(34,560.00)	15,640.00	15,640.00	
Total undistributed expenditures - instruction	<u>3,955,122.00</u>	<u>147,475.74</u>	<u>4,102,597.74</u>	<u>3,836,469.75</u>	<u>266,127.99</u>
Attendance and social work services:					
Salaries	81,375.00	(20,171.51)	61,203.49	61,203.49	
Purchased professional - educational services	15,000.00		15,000.00		15,000.00
Total attendance and social work services	<u>96,375.00</u>	<u>(20,171.51)</u>	<u>76,203.49</u>	<u>61,203.49</u>	<u>15,000.00</u>
Health services:					
Salaries	542,411.00	(14,267.00)	528,144.00	528,144.00	
Purchased professional and technical services	7,000.00	18,847.55	25,847.55	20,732.71	5,114.84
Supplies and materials	8,112.10	1,152.45	9,264.55	8,745.34	519.21
Other objects	8,000.00	7,000.00	15,000.00	14,923.29	76.71
Total health services	<u>565,523.10</u>	<u>12,733.00</u>	<u>578,256.10</u>	<u>572,545.34</u>	<u>5,710.76</u>
Other support services - speech, ot/pt & related services:					
Salaries	364,614.00	(31,756.94)	332,857.06	332,857.06	
Purchased professional - educational services	20,000.00		20,000.00	20,000.00	
Supplies and materials	3,500.00		3,500.00	3,500.00	
Total other support services - speech, ot/pt & related services	<u>388,114.00</u>	<u>(31,756.94)</u>	<u>356,357.06</u>	<u>356,357.06</u>	
Other support services - students - extra services					
Purchased professional - educational services	250,000.00	5,200.00	255,200.00	255,110.78	89.22
Total other support services - students - extra services	<u>250,000.00</u>	<u>5,200.00</u>	<u>255,200.00</u>	<u>255,110.78</u>	<u>89.22</u>
Guidance:					
Salaries of other professional staff	978,158.00	(47,972.87)	930,185.13	930,185.13	
Salaries of secretarial and clerical assistants	110,632.00		110,632.00	110,632.00	
Total guidance	<u>1,088,790.00</u>	<u>(47,972.87)</u>	<u>1,040,817.13</u>	<u>1,040,817.13</u>	

NORTH PLAINFIELD BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued from prior page)	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Child study teams					
Salaries of other professional staff	\$ 1,207,505.00	\$ 15,296.81	\$ 1,222,801.81	\$ 1,222,801.81	\$
Salaries of secretarial and clerical assistants	162,346.00		162,346.00	162,346.00	
Purchased professional - educational services	120,000.00	(3,000.00)	117,000.00	113,600.00	3,400.00
Supplies and materials	20,000.00	3,000.00	23,000.00	23,000.00	
<b>Total child study teams</b>	<b>1,509,851.00</b>	<b>15,296.81</b>	<b>1,525,147.81</b>	<b>1,521,747.81</b>	<b>3,400.00</b>
Improvement of instruction services/ other support services-instructional staff:					
Salaries of supervisors of instruction	784,954.00		784,954.00	784,954.00	
Salaries of other professional staff	125,000.00	40,106.33	165,106.33	165,106.33	
Salaries of secretarial and clerical assistants	304,101.00	(1,420.00)	302,681.00	302,681.00	
<b>Total improvement of instruction services/ other support services-instructional staff</b>	<b>1,214,055.00</b>	<b>38,686.33</b>	<b>1,252,741.33</b>	<b>1,252,741.33</b>	
Educational media services/school library:					
Salaries	739,128.00	(38,686.33)	700,441.67	700,441.67	
Other purchased services (400 - 500 series)	71,300.00	298.00	71,598.00	43,627.30	27,970.70
Supplies and materials	63,849.57	(3,409.00)	60,440.57	50,127.68	10,312.89
Other objects	4,000.00		4,000.00		4,000.00
<b>Total educational media services/school library</b>	<b>878,277.57</b>	<b>(41,797.33)</b>	<b>836,480.24</b>	<b>794,196.65</b>	<b>42,283.59</b>
Instructional staff training services:					
Other purchased professional - educational services	60,000.00	(35,537.65)	24,462.35	5,632.46	18,829.89
Other objects	11,000.00	9,318.42	20,318.42	19,768.49	549.93
<b>Total instructional staff training services</b>	<b>71,000.00</b>	<b>(26,219.23)</b>	<b>44,780.77</b>	<b>25,400.95</b>	<b>19,379.82</b>
Support services general administration:					
Salaries	600,528.00	(40,000.00)	560,528.00	560,528.00	
Legal services	90,000.00	114,000.00	204,000.00	186,803.78	17,196.22
Audit fees	26,250.00		26,250.00	25,500.00	750.00
Architectural/Engineering services	10,000.00	(10,000.00)			
Other purchased professional services	39,400.00		39,400.00	22,336.37	17,063.63
Communications / telephone	99,290.00	(41,800.00)	57,490.00	20,235.74	37,254.26
BOE other purchased services	7,500.00		7,500.00	2,059.41	5,440.59
Miscellaneous purchased services	5,000.00		5,000.00	4,335.60	664.40
General supplies	12,000.00		12,000.00	11,186.41	813.59
BOE in-house training / meeting supplies	2,000.00		2,000.00	361.91	1,638.09
Miscellaneous expenditures	54,300.00	(16,050.00)	38,250.00	36,754.83	1,495.17
BOE membership dues and fees	25,500.00		25,500.00	24,324.13	1,175.87
<b>Total support services general administration</b>	<b>971,768.00</b>	<b>6,150.00</b>	<b>977,918.00</b>	<b>894,426.18</b>	<b>83,491.82</b>
Support services school administration:					
Salaries of principals/asst. principals	1,194,526.00		1,194,526.00	1,194,526.00	
Salaries of other professional staff	603,309.00		603,309.00	603,309.00	
Salaries of secretarial and clerical assistants	395,891.00		395,891.00	395,891.00	
Other purchased services (400 - 500 series)	77,887.00	6,919.05	84,806.05	78,081.39	6,724.66
Supplies and materials	43,800.00	6,653.38	50,453.38	42,580.70	7,872.68
Other objects	40,000.00	7,332.26	47,332.26	46,933.19	399.07
<b>Total support services school administration</b>	<b>2,355,413.00</b>	<b>20,904.69</b>	<b>2,376,317.69</b>	<b>2,361,321.28</b>	<b>14,996.41</b>
Central service:					
Salaries	338,932.00	(3,760.00)	335,172.00	335,172.00	
Supplies and materials	10,000.00	(1,024.49)	8,975.51	2,821.49	6,154.02
Interest on lease purchase agreements	500.00		500.00		500.00
Interest on bond anticipation notes (BANs)	500.00	(138.42)	361.58		361.58
Miscellaneous expenditures	3,800.00		3,800.00	2,355.48	1,444.52
<b>Total central services</b>	<b>353,732.00</b>	<b>(4,922.91)</b>	<b>348,809.09</b>	<b>340,348.97</b>	<b>8,460.12</b>
Administrative information technology:					
Purchased technical services	16,000.00	988.42	16,988.42	16,988.42	
Supplies and materials	1,000.00	1,024.49	2,024.49	2,024.49	
<b>Total administrative information technology</b>	<b>17,000.00</b>	<b>2,012.91</b>	<b>19,012.91</b>	<b>19,012.91</b>	
Required maintenance for school facilities:					
Salaries	413,134.00	4,800.00	417,934.00	417,934.00	
Cleaning, repair and maintenance services	302,523.00	59,600.00	362,123.00	357,703.90	4,419.10
General supplies	120,000.00	(4,200.00)	115,800.00	107,267.92	8,532.08
<b>Total required maintenance for school facilities</b>	<b>835,657.00</b>	<b>60,200.00</b>	<b>895,857.00</b>	<b>882,905.82</b>	<b>12,951.18</b>

NORTH PLAINFIELD BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued from prior page)

	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
Other operation and maint. of plant :					
Salaries	\$ 1,986,568.00	\$ (42,630.66)	\$ 1,943,937.34	\$ 1,943,937.34	\$
Salaries of non-instructional aides	483,857.00	159,328.17	643,185.17	643,185.17	
Purchased professional and technical services	74,563.00	7,885.43	82,448.43	82,383.40	65.03
Cleaning, repair and maint. services	618,733.60	(54,716.38)	564,017.22	536,883.22	27,134.00
Other purchased property services	55,000.00	21,992.58	76,992.58	76,992.58	
Insurance	459,000.00	(45,000.00)	414,000.00	413,572.00	428.00
General supplies	110,674.09	19,265.39	129,939.48	116,972.29	12,967.19
Energy (natural gas)	110,000.00	(4,936.26)	105,063.74	21,182.45	83,881.29
Energy (electricity)	667,344.00	(4,067.41)	663,276.59	635,130.50	28,146.09
Energy (oil)	101,280.00	(67,041.64)	34,238.36		34,238.36
Other objects	9,200.00		9,200.00	8,604.75	595.25
<b>Total other operation and maint. of plant</b>	<b>4,676,219.69</b>	<b>(9,920.78)</b>	<b>4,666,298.91</b>	<b>4,478,843.70</b>	<b>187,455.21</b>
Care and upkeep of grounds					
Cleaning, repair and maint. services	75,000.00	2,210.35	77,210.35	76,897.45	312.90
General supplies	16,000.00	(2,060.35)	13,939.65	13,377.88	561.77
<b>Total care and upkeep of grounds</b>	<b>91,000.00</b>	<b>150.00</b>	<b>91,150.00</b>	<b>90,275.33</b>	<b>874.67</b>
Security					
Salaries	104,030.00		104,030.00	104,030.00	
<b>Total security</b>	<b>104,030.00</b>		<b>104,030.00</b>	<b>104,030.00</b>	
Student transportation services:					
Salaries for pupil transportation (between home and school) - special ed	330,000.00	(39,464.82)	290,535.18	290,535.18	
Cleaning, repair and maintenance services	25,249.00	9,792.90	35,041.90	34,343.04	698.86
Contracted services - aid in lieu pymts- nonpublic schools	4,000.00		4,000.00	1,768.00	2,232.00
Contracted services (between home & school) - vendors	48,000.00	3,478.16	51,478.16	51,478.10	0.06
Contracted services (other than between home and school) - vendors	127,700.00	7,975.70	135,675.70	131,865.58	3,810.12
Contracted services (spec ed students) - ESCs & CTSAs	610,000.00	150,470.25	760,470.25	760,470.25	
Transportation supplies	53,000.00	(942.90)	52,057.10	39,175.56	12,881.54
<b>Total student transportation services</b>	<b>1,197,949.00</b>	<b>131,309.29</b>	<b>1,329,258.29</b>	<b>1,309,635.71</b>	<b>19,622.58</b>
Unallocated benefits - employee benefits:					
Group insurance	1,963,955.00	(90,887.66)	1,873,067.34	1,817,568.00	55,499.34
Social security contributions	660,000.00	(65,573.08)	594,426.92	574,107.86	20,319.06
Other retirement contributions - regular	650,000.00	(846.93)	649,153.07	646,520.67	2,632.40
Unemployment compensation	150,000.00	(5,984.20)	144,015.80		144,015.80
Workmen's compensation	380,000.00	(11,154.00)	368,846.00	368,321.00	525.00
Health benefits	5,616,677.00		5,616,677.00	4,550,223.65	1,066,453.35
Tuition reimbursements	75,000.00	10,696.72	85,696.72	85,467.37	229.35
Other employee benefits	322,482.00	100,307.20	422,789.20	420,729.39	2,059.81
<b>Total unallocated benefits - employee benefits:</b>	<b>9,818,114.00</b>	<b>(63,441.95)</b>	<b>9,754,672.05</b>	<b>8,462,937.94</b>	<b>1,291,734.11</b>
Total on-behalf TPAF contributions:					
On-behalf TPAF non-contributory insurance (non-budgeted)				1,298,500.00	(1,298,500.00)
On-behalf TPAF post retirement medical (non-budgeted)				2,061,368.00	(2,061,368.00)
Reimbursed TPAF social security contributions (non-budgeted)				1,783,278.70	(1,783,278.70)
<b>Total on-behalf TPAF contributions</b>				<b>5,143,146.70</b>	<b>(5,143,146.70)</b>
<b>Total undistributed expenditures</b>	<b>30,437,990.36</b>	<b>193,915.25</b>	<b>30,631,905.61</b>	<b>33,803,474.83</b>	<b>(3,171,569.22)</b>
<b>TOTAL EXPENDITURES - CURRENT EXPENSE</b>	<b>54,033,073.73</b>	<b>54,181.00</b>	<b>54,087,254.73</b>	<b>57,081,900.13</b>	<b>(2,994,645.40)</b>
CAPITAL OUTLAY:					
Equipment:					
Undistributed expenditures:					
Undistributed expenditures - instruction	21,575.00		21,575.00	21,323.54	251.46
Equipment	562,492.00	(196.00)	562,296.00	559,262.86	3,033.14
Equipment - school admin	8,000.00	196.00	8,196.00	8,196.00	
<b>Total equipment</b>	<b>592,067.00</b>		<b>592,067.00</b>	<b>588,782.40</b>	<b>3,284.60</b>
Facilities acquisition and construction services:					
Assessment for debt service on SDA funding	196,636.00		196,636.00	196,636.00	
<b>Total facilities acquis. and const. services</b>	<b>196,636.00</b>		<b>196,636.00</b>	<b>196,636.00</b>	
<b>TOTAL CAPITAL OUTLAY</b>	<b>788,703.00</b>		<b>788,703.00</b>	<b>785,418.40</b>	<b>3,284.60</b>

NORTH PLAINFIELD BOARD OF EDUCATION  
GENERAL FUND  
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES  
IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(Continued from prior page)	ORIGINAL BUDGET	BUDGET TRANSFERS AND AMENDMENTS	FINAL BUDGET	ACTUAL	VARIANCE FAVORABLE/ (UNFAVORABLE)
TRANSFER OF FUNDS TO CHARTER SCHOOLS	\$ 299,025.00	\$ (54,181.00)	\$ 244,844.00	\$ 244,844.00	\$
TOTAL EXPENDITURES	<u>55,120,801.73</u>	<u></u>	<u>55,120,801.73</u>	<u>58,112,162.53</u>	<u>(2,991,360.80)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(1,907,146.73)</u>	<u></u>	<u>(1,907,146.73)</u>	<u>673,192.91</u>	<u>2,580,339.64</u>
Other financing sources (uses)					
Transfers out - capital projects fund	<u>(1,285,518.00)</u>	<u></u>	<u>(1,285,518.00)</u>	<u>(1,285,518.00)</u>	<u></u>
Total other financing sources	<u>(1,285,518.00)</u>	<u></u>	<u>(1,285,518.00)</u>	<u>(1,285,518.00)</u>	<u></u>
Excess of revenues and other financing sources over expenditures and other expenditures and other financing sources	<u>(3,192,664.73)</u>	<u></u>	<u>(3,192,664.73)</u>	<u>(612,325.09)</u>	<u>2,580,339.64</u>
Fund balances, July 1	<u>7,193,101.61</u>	<u></u>	<u>7,193,101.61</u>	<u>7,193,101.61</u>	<u></u>
Fund balances, June 30	<u>\$ 4,000,436.88</u>	<u>\$</u>	<u>\$ 4,000,436.88</u>	<u>\$ 6,580,776.52</u>	<u>\$ 2,580,339.64</u>
Recapitulation:					
Assigned - year-end encumbrances				\$ 69,370.78	
Committed - designated for subsequent years expenditures				13,162.38	
Restricted - excess surplus - designated for subsequent year's expenditures				2,574,832.62	
Restricted - excess surplus - current year				2,361,553.64	
Restricted - capital reserve				286,974.21	
Assigned - SEMI ARRA - Designated for subsequent years expenditures				26,065.21	
Unassigned fund balance				<u>1,248,797.68</u>	
				\$ 6,580,776.52	
Reconciliation to governmental funds statements (GAAP):					
Last state aid payment not recognized on GAAP basis				<u>(2,438,902.00)</u>	
Fund balance per governmental funds (GAAP)				<u>\$ 4,141,874.52</u>	

BOROUGH OF NORTH PLAINFIELD  
BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUND  
FOR FISCAL YEARS ENDED JUNE 30, 2015

	<u>ORIGINAL BUDGET</u>	<u>BUDGET TRANSFERS/ AMENDMENTS</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FINAL TO ACTUAL</u>
<b>REVENUES:</b>					
State sources	\$ 658,524.00	\$ 254,919.56	\$ 913,443.56	\$ 700,197.74	\$ (213,245.82)
Federal sources	1,563,119.00	261,939.00	1,825,058.00	1,779,462.00	(45,596.00)
Other sources	<u>5,509.46</u>	<u>5,509.46</u>	<u>5,509.46</u>	<u>4,509.46</u>	<u>(1,000.00)</u>
Total revenues	<u>\$ 2,221,643.00</u>	<u>\$ 522,368.02</u>	<u>\$ 2,744,011.02</u>	<u>\$ 2,484,169.20</u>	<u>\$ (259,841.82)</u>
<b>EXPENDITURES:</b>					
Instruction:					
Salaries of teachers	\$ 589,635.00	\$ 138,541.56	\$ 728,176.56	\$ 727,477.00	\$ 699.56
Purchased professional & technical services	66,210.00	(22,320.00)	43,890.00	14,396.83	29,493.17
Tuition	753,162.00	117,551.00	870,713.00	846,771.00	23,942.00
Supplies and materials	21,568.00	46,746.46	68,314.46	67,861.06	453.40
Textbooks	<u>10,000.00</u>	<u>784.00</u>	<u>10,784.00</u>	<u>10,567.10</u>	<u>216.90</u>
Total instruction	<u>1,440,575.00</u>	<u>281,303.02</u>	<u>1,721,878.02</u>	<u>1,667,072.99</u>	<u>54,805.03</u>
Support services:					
Salaries of supervisors of instruction	113,420.00	(61,699.00)	51,721.00	50,532.14	1,188.86
Purchased prof. & educ. services	508,350.00	191,463.56	699,813.56	519,937.20	179,876.36
Purchased prof. and tech. services	35,460.00	(9,292.00)	26,168.00	2,731.61	23,436.39
Personal services - employee benefits	82,100.00	105,978.00	188,078.00	188,078.00	
Other purchased services	19,341.00	(5,650.00)	13,691.00	13,658.00	33.00
General supplies	<u>22,397.00</u>	<u>20,264.44</u>	<u>42,661.44</u>	<u>42,159.26</u>	<u>502.18</u>
Total support services	<u>781,068.00</u>	<u>241,065.00</u>	<u>1,022,133.00</u>	<u>817,096.21</u>	<u>205,036.79</u>
Total expenditures	<u>\$ 2,221,643.00</u>	<u>\$ 522,368.02</u>	<u>\$ 2,744,011.02</u>	<u>\$ 2,484,169.20</u>	<u>\$ 259,841.82</u>

NORTH PLAINFIELD BOARD OF EDUCATION  
BUDGETARY COMPARISON SCHEDULE  
BUDGET TO GAAP RECONCILIATION  
NOTE TO RSI  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Note A - Explanation of difference between budgetary inflows and outflows and GAAP revenues and expenditures

	<u>GENERAL FUND</u>	<u>SPECIAL REVENUE FUND</u>
Sources/inflows of resources		
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	\$58,785,355.44	\$2,484,169.20
Difference - budget to GAAP:		
State aid payment recognized for GAAP statements in the current year, previously it was recognized for budgetary purposes.	2,434,031.00	
The last state aid payment is recognized as revenue for budgetary purposes and differs from GAAP which does not recognize this revenue until the subsequent year when the State recognizes the related expense (GASB 33)	(2,438,902.00)	
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.		
Adjust for encumbrances:		
Add prior year encumbrances		2,351.47
Less current year encumbrances		(9,913.62)
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	<u>\$58,780,484.44</u>	<u>\$2,476,607.05</u>
Uses/outflows of resources		
Actual amounts (budgetary basis) "total expenditures" from the budgetary comparison schedule	\$58,112,162.53	\$2,484,169.20
Difference - budget to GAAP:		
Adjust for encumbrances:		
Add prior year encumbrances		2,351.47
Less current year encumbrances		(9,913.62)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balance - governmental funds	<u>\$58,112,162.53</u>	<u>\$2,476,607.05</u>

**REQUIRED SUPPLEMENTARY INFORMATION - PART III**

**SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)**

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

Fiscal Year Ending June 30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2014	0.0721981084%	\$ 13,798,493	\$ 4,913,957.00	280.80%	40.71%
2015	0.0747439083%	13,994,104	4,982,516.00	280.86%	42.74%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS  
PUBLIC EMPLOYEES RETIREMENT SYSTEM  
LAST TEN YEARS

Fiscal Year Ending June 30,	Contractually Required Contribution	Contributions in Relation to the Contractually Required Contributions	Contribution Deficiency (Excess)	District's Covered- Employee Payroll	Contributions as a Percentage of Covered- Employee Payroll
2014	\$ 543,998	\$ 543,998	\$ -0-	\$ 4,913,957.00	11.07%
2015	616,178	616,178	-0-	4,982,516.00	12.37%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
TEACHERS PENSION AND ANNUITY FUND  
LAST TEN YEARS

Fiscal Year Ending June 30,	District's Proportion Share of the Net Pension Liability (Asset)	District's Proportionate Share of the Net Pension Liability (Asset)	District's Covered-Employee Payroll	District's Proportion Share of the Net Pension Liability (Asset) as a percentage of it's Covered- Employee Payroll	Plan Fiduciary Net Position as a percentage of the total Pension Liability
2014	0.2358492449%	\$ -0-	\$ 24,460,445.00	-0-	33.76%
2015	0.2334801033%	-0-	24,410,360.00	-0-	33.64%

Note: Schedule is intended to show ten year trend. Additional years will be reported as they become available.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
SCHEDULES RELATED TO ACCOUNTING AND REPORTING FOR PENSION (GASB 68)

NOTE TO RSI III  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms:

None

Change in assumptions:

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (4.63%) to the current measurement date (4.29%), resulting in a change in the discount rate from 5.55% to 5.39%. This change in the discount rate is considered to be a change in actuarial assumptions under GASB No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms:

None

Change in assumptions:

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (4.63%) to the current measurement date (4.29%), resulting in a change in the discount rate from 4.95% to 4.68%. This change in the discount rate is considered to be a change in actuarial assumptions under GASB No. 68.

**OTHER SUPPLEMENTARY INFORMATION**

**SPECIAL REVENUE FUND  
DETAIL STATEMENTS**

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	NON-PUBLIC TEXTBOOKS	NONPUBLIC NURSING SERVICES	NONPUBLIC SUPPL. INST.	NONPUBLIC EXAM. AND CLASS.	NONPUBLIC SPEECH CORRECTION	NONPUBLIC COMP EDUCATION
REVENUES:						
State sources	\$ 10,567.10	\$ 2,731.61	\$ 941.64	\$ 2,519.72	\$ 6,626.25	\$ 358.32
Federal sources						
Local sources						
Total revenues	<u>10,567.10</u>	<u>2,731.61</u>	<u>941.64</u>	<u>2,519.72</u>	<u>6,626.25</u>	<u>358.32</u>
EXPENDITURES:						
Instruction:						
Salaries of teachers						
Purchased prof. & tech. services			941.64	2,519.72	6,626.25	358.32
Tuition						
General supplies						
Textbooks	<u>10,567.10</u>					
Total instruction	<u>10,567.10</u>		<u>941.64</u>	<u>2,519.72</u>	<u>6,626.25</u>	<u>358.32</u>
Support services:						
Salaries of supervisors of instruction						
Personal services - employee benefits						
Purchased prof. and ed. services						
Purchased prof. & tech. services		2,731.61				
Other purchased services						
Supplies and materials						
Total support services		<u>2,731.61</u>				
Total expenditures	<u>10,567.10</u>	<u>2,731.61</u>	<u>941.64</u>	<u>2,519.72</u>	<u>6,626.25</u>	<u>358.32</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>	<u>-0-</u>

(Continued on next page)

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

66

	NONPUBLIC TECHNOLOGY ASSISTANCE	NONPUBLIC ESL	PRESCHOOL EDUCATION PROGRAM AID	TITLE III	TITLE III IMMIGRANT	TITLE I
REVENUES:						
State sources	\$ 397.95	\$ 1,552.95	\$ 674,502.20			
Federal sources				\$ 54,640.40	\$ 40,176.34	\$ 736,426.87
Local sources						
<b>Total revenues</b>	<b>397.95</b>	<b>1,552.95</b>	<b>674,502.20</b>	<b>54,640.40</b>	<b>40,176.34</b>	<b>736,426.87</b>
EXPENDITURES:						
Instruction:						
Salaries of teachers			134,524.00		6,400.00	524,418.00
Purchased prof. & tech. services	397.95	1,552.95				
Tuition						
General supplies			13,608.00	1,771.60	14,072.00	35,900.00
Textbooks						
<b>Total instruction</b>	<b>397.95</b>	<b>1,552.95</b>	<b>148,132.00</b>	<b>1,771.60</b>	<b>20,472.00</b>	<b>560,318.00</b>
Support services:						
Salaries of supervisors of instruction				41,942.80	8,589.34	
Personal services - employee benefits			30,433.00	10,926.00	1,148.00	129,192.00
Purchased prof. and ed. services			495,937.20		5,000.00	9,000.00
Purchased prof. & tech. services						
Other purchased services					2,467.00	5,500.00
Supplies and materials					2,500.00	32,416.87
<b>Total support services</b>			<b>526,370.20</b>	<b>52,868.80</b>	<b>19,704.34</b>	<b>176,108.87</b>
<b>Total expenditures</b>	<b>397.95</b>	<b>1,552.95</b>	<b>674,502.20</b>	<b>54,640.40</b>	<b>40,176.34</b>	<b>736,426.87</b>
Excess (deficiency) of revenues over (under) expenditures	-0-	-0-	-0-	-0-	-0-	-0-

(Continued on next page)

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
SPECIAL REVENUE FUND  
COMBINING SCHEDULE OF REVENUES AND EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	TITLE IIA	IDEA PRESCHOOL	IDEA - PART B BASIC	LOCAL GRANTS	Totals
REVENUES:					
State sources					\$ 700,197.74
Federal sources					1,779,462.00
Local sources	\$ 101,447.39	\$ 17,225.00	\$ 829,546.00	\$ 4,509.46	4,509.46
Total revenues	101,447.39	17,225.00	829,546.00	4,509.46	2,484,169.20
EXPENDITURES:					
Instruction:					
Salaries of teachers	62,135.00				727,477.00
Purchased prof. & tech. services				2,000.00	14,396.83
Tuition		17,225.00	829,546.00		846,771.00
General supplies				2,509.46	67,861.06
Textbooks					10,567.10
Total instruction	62,135.00	17,225.00	829,546.00	4,509.46	1,667,072.99
Support services:					
Salaries of supervisors of instruction					50,532.14
Personal services - employee benefits	16,379.00				188,078.00
Purchased prof. and ed. services	10,000.00				519,937.20
Purchased prof. & tech. services					2,731.61
Other purchased services	5,691.00				13,658.00
Supplies and materials	7,242.39				42,159.26
Total support services	39,312.39				817,096.21
Total expenditures	101,447.39	17,225.00	829,546.00	4,509.46	2,484,169.20
Excess (deficiency) of revenues over (under) expenditures	-0-	-0-	-0-	-0-	-0-

SPECIAL REVENUE FUND  
SCHEDULE OF PRESCHOOL EDUCATION AID EXPENDITURES  
BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

DISTRICT-WIDE TOTAL

	<u>Budgeted</u>	<u>Actual</u>	<u>Variance</u>
EXPENDITURES:			
Instruction:			
Salaries of teachers	\$ 134,524.00	\$ 134,524.00	\$
Supplies	13,608.00	13,608.00	
Total instruction	<u>148,132.00</u>	<u>148,132.00</u>	
Support services:			
Personnel services - employee benefits	30,433.00	30,433.00	
Purchased professional-educational services	\$ 666,036.56	\$ 495,937.20	\$ 170,099.36
Total support services	696,469.56	526,370.20	170,099.36
Total expenditures	<u>\$ 844,601.56</u>	<u>\$ 674,502.20</u>	<u>\$ 170,099.36</u>

CALCULATION OF BUDGET & CARRYOVER

Total revised 2014-15 Preschool Education Aid Allocation	\$ 595,296.00
Add: Actual ECP/PEA Carryover (June 30, 2014)	249,305.56
Add: Budgeted Transfer from the General Fund 2014-15	
Total Preschool Education Aid Funds Available for 2014-15 Budget	<u>844,601.56</u>
Less: 2014-15 Budgeted Preschool Education Aid (Including Prior Year budget carryover)	<u>(844,601.56)</u>
Available and unbudgeted Preschool Education Aid Funds as of June 30, 2015	\$
Add: June 30, 2015 Unexpended Preschool Education Aid	170,099.36
2014-15 Carryover- Preschool Education Aid	<u>\$ 170,099.36</u>
2014-15 Preschool Education Aid Carryover Budgeted for Preschool Programs in 2015-16	<u>\$ 170,099.36</u>

## **CAPITAL PROJECTS FUND DETAIL STATEMENTS**

The capital projects fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY STATEMENT OF PROJECT EXPENDITURES-BUDGETARY BASIS  
AS OF JUNE 30, 2015

<u>ISSUE/PROJECT TITLE</u>	<u>ORIGINAL DATE</u>	<u>APPROPRIATIONS</u>	<u>EXPENDITURES/ OTHER FINANCING USES TO DATE</u>		<u>UNEXPENDED PROJECT BALANCE</u>
			<u>PRIOR YEAR</u>	<u>CURRENT YEAR</u>	
Capital Improvements to East End, West End, Watchung, Harrison, Stony Brook and Middle/High Schools	2000	\$ 41,403,179.23	\$ 40,342,858.69	\$ 1,027,810.55	\$ 32,509.99
East and West End Schools Masonry Project	2015	102,400.00			102,400.00
High School Boiler Controls	2015	112,076.44		109,565.00	2,511.44
Somerset Elementary School Gym A/C	2015	213,853.00		213,853.00	
Stony Brook Elementary School Window Replacement	2015	412,742.80		412,742.80	
High School Fire Alarm and Intrusion Alarm Upgrades	2015	469,250.00		469,250.00	
West End Elem. School Fire and Intrusion Alarm Upgrades	2015	152,250.00		152,250.00	
East End Elem. School Fire and Intrusion Alarm Upgrades	2015	136,783.00		136,783.00	
Stony Brook Elem. School Fire and Intrusion Alarm Upgrade	2015	114,717.00		114,717.00	
High School Roof	2014	450,000.00	397,000.00	53,000.00	
Harrison School A/C Chiller Project	2011	214,210.00	212,800.00	1,410.00	
Stony Brook School Bathroom Renovations	2013	306,178.31	306,177.31	1.00	
Stony Brook School - HVAC	2013	662,720.19	652,720.19	10,000.00	
High School Media Center Renovation Project	2013	286,200.68	283,975.68	2,225.00	
District-Wide Energy Project	2013	247,227.00	242,371.50	4,855.50	
Watchung School Administration Building - HVAC	2013	279,912.55	274,240.28	5,672.27	
Harrison School Window Project	2013	163,620.00	156,625.50	6,994.50	
<b>Totals</b>		<b>\$ 45,727,320.20</b>	<b>\$ 42,868,769.15</b>	<b>\$ 2,721,129.62</b>	<b>\$ 137,421.43</b>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SUMMARY SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCE-BUDGETARY BASIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

REVENUES AND OTHER FINANCING SOURCES:	
State sources - SDA grant	\$ 966,088.63
Capital outlay	<u>1,285,518.00</u>
Total revenues	<u>2,251,606.63</u>
EXPENDITURES AND OTHER FINANCING USES:	
Purchased professional and technical services	264,500.00
Legal services	1,027,772.26
Construction services	1,344,660.80
Canceled accounts receivable	<u>21,730.95</u>
Total expenditures	<u>2,658,664.01</u>
Excess (deficiency) of revenues over (under) expenditures	(407,057.38)
Fund balance - July 1	<u>544,478.81</u>
Fund balance - June 30	<u>\$ 137,421.43</u>
<u>Reconciliation to GAAP Basis:</u>	
Fund Balance June 30 - Budgetary Basis (Exhibit F-2)	\$ 137,421.43
Add: Encumbrances - current year	1,386,572.25
Less: Unrealized revenue SDA grant	<u>(180,062.30)</u>
Fund Balance June 30 - GAAP Basis (Exhibit B-2)	<u>\$ 1,343,931.38</u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - REFERENDUM  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - SCC grant	\$ 10,544,174.65	\$	\$ 10,544,174.65	\$ 10,544,174.65
ECPA	1,200,000.00		1,200,000.00	1,200,000.00
Bonds proceeds and transfers	19,797,000.00		19,797,000.00	19,797,000.00
Funded by budget	80,000.00		80,000.00	80,000.00
Temporary notes paid by budget	1,180,000.00		1,180,000.00	1,180,000.00
Transfer from capital outlay	8,267,111.00	600,000.00	8,867,111.00	8,602,004.58
Transfer from other projects	(265,106.42)	(38.29)	(265,144.71)	
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	40,803,179.23	599,961.71	41,403,140.94	41,403,179.23
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Unallocated	17,063,119.52		17,063,119.52	17,107,021.86
Legal Services	8,869,026.58	1,027,772.26	9,896,798.84	8,852,004.58
Purchased professional and technical services	1,447,299.78		1,447,299.78	1,427,634.39
Construction services	12,358,967.38		12,358,967.38	13,412,072.97
Equipment	604,445.43		604,445.43	604,445.43
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	40,342,858.69	1,027,772.26	41,370,630.95	41,403,179.23
Excess (deficiency) of revenues over (under) expenditures	\$ <u>460,320.54</u>	\$ <u>(427,810.55)</u>	\$ <u>32,509.99</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	G5-0301/304-D01			
Grant date	-			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	\$19,797,000.00			
Original authorized cost	\$32,250,000.00			
Additional authorized cost	9,153,179.23			
Revised authorized cost	\$41,403,179.23			
Percentage change over original authorized cost	28.38%			
Percentage completion	95.00%			
Original target completion date	6/05			
Revised target completion date	on going			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - EAST AND WEST END SCHOOLS MASONRY PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Transfer from other projects	\$ _____	\$ 102,400.00	\$ 102,400.00	\$ 102,400.00
Total revenues and other financing sources	_____	102,400.00	102,400.00	102,400.00
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services				8,500.00
Construction services				93,900.00
Total expenditures and other financing uses				102,400.00
Excess (deficiency) of revenues over (under) expenditures	\$ -0-	\$ 102,400.00	\$ 102,400.00	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$102,400.00			
Additional authorized cost				
Revised authorized cost	\$102,400.00			
Percentage change over original authorized cost	N/A			
Percentage completion	0%			
Original target completion date	6/30/16			
Revised target completion date	N/A			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HIGH SCHOOL BOILER CONTROLS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Transfer from other projects	\$ _____	\$ 112,076.44	\$ 112,076.44	\$ 112,076.44
Total revenues and other financing sources	_____	112,076.44	112,076.44	112,076.44
<b>EXPENDITURES:</b>				
Purchased professional and technical services		12,500.00	12,500.00	12,500.00
Construction services		97,065.00	97,065.00	99,576.44
Total expenditures		109,565.00	109,565.00	112,076.44
Excess (deficiency) of revenues over (under) expenditures	\$ -0-	\$ 2,511.44	\$ 2,511.44	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	N/A			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$109,565.00			
Additional authorized cost				
Revised authorized cost	\$109,565.00			
Percentage change over original authorized cost	N/A			
Percentage completion	42.12%			
Original target completion date	6/30/16			
Revised target completion date	N/A			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - SOMERSET ELEMENTARY SCHOOL GYM - A/C  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - SDA grant	\$	\$ 137,830.00	\$ 137,830.00	\$ 137,830.00
Transfer from other projects		76,023.00	76,023.00	76,023.00
		<hr/>	<hr/>	<hr/>
Total revenues and other financing sources		213,853.00	213,853.00	213,853.00
		<hr/>	<hr/>	<hr/>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services		27,000.00	27,000.00	27,000.00
Construction services		186,853.00	186,853.00	186,853.00
		<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses		213,853.00	213,853.00	213,853.00
		<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	\$	\$ -0-	\$ -0-	
		<hr/> <hr/>	<hr/> <hr/>	

**ADDITIONAL PROJECT INFORMATION:**

Project number	3670-080-14-1015
Grant date	6/25/15
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorized cost	\$349,725.00
Additional authorized cost	(135,872.00)
Revised authorized cost	\$213,853.00
Percentage change over original authorized cost	-38.85%
Percentage completion	49.68%
Original target completion date	6/30/16
Revised target completion date	N/A

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - STONY BROOK ELEMENTARY SCHOOL WINDOW REPLACEMENT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$	\$ 266,015.00	\$ 266,015.00	\$ 266,015.00
Transfer from other projects		146,727.80	146,727.80	146,727.80
Total revenues and other financing sources		412,742.80	412,742.80	412,742.80
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		61,000.00	61,000.00	61,000.00
Construction services		351,742.80	351,742.80	351,742.80
Total expenditures and other financing uses		412,742.80	412,742.80	412,742.80
Excess (deficiency) of revenues over (under) expenditures	\$	\$ -0-	\$ -0-	
ADDITIONAL PROJECT INFORMATION:				
Project number		3670-090-14-1009		
Grant date		9/4/14		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost		\$637,240.00		
Additional authorized cost		(224,497.20)		
Revised authorized cost		\$412,742.80		
Percentage change over original authorized cost		-35.23%		
Percentage completion		81.55%		
Original target completion date		6/30/15		
Revised target completion date		12/31/15		

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HIGH SCHOOL FIRE ALARM AND INTRUSION ALARM UPGRADES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$	\$ 300,861.80	\$ 300,861.80	\$ 300,861.80
Transfer from capital outlay		396,991.00	396,991.00	396,991.00
Transfer to other projects		(228,602.80)	(228,602.80)	(228,602.80)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources		469,250.00	469,250.00	469,250.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		96,000.00	96,000.00	96,000.00
Construction services		373,250.00	373,250.00	373,250.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses		469,250.00	469,250.00	469,250.00
Excess (deficiency) of revenues over (under) expenditures	\$	\$ -0-	\$ -0-	
	<hr/>	<hr/>	<hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number		3670-050-14-1001		
Grant date		3/31/14		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost		\$1,116,600.00		
Additional authorized cost		(647,350.00)		
Revised authorized cost		\$469,250.00		
Percentage change over original authorized cost		-57.98%		
Percentage completion		95%		
Original target completion date		6/30/15		
Revised target completion date		N/A		

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - WEST END ELEMENTARY SCHOOL FIRE ALARM AND INTRUSION ALARM UPGRADES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$	\$ 97,959.00	\$ 97,959.00	\$ 97,959.00
Transfer from capital outlay		92,340.00	92,340.00	92,340.00
Transfer to other projects		(38,049.00)	(38,049.00)	(38,049.00)
		<hr/>	<hr/>	<hr/>
Total revenues and other financing sources		152,250.00	152,250.00	152,250.00
		<hr/>	<hr/>	<hr/>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		22,000.00	22,000.00	22,000.00
Construction services		130,250.00	130,250.00	130,250.00
		<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses		152,250.00	152,250.00	152,250.00
		<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	\$	\$ -0-	\$ -0-	
		<hr/> <hr/>	<hr/> <hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number		3670-110-14-1013		
Grant date		3/31/14		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost		\$259,720.00		
Additional authorized cost		(107,470.00)		
Revised authorized cost		\$152,250.00		
Percentage change over original authorized cost		-41.38%		
Percentage completion		95%		
Original target completion date		6/30/15		
Revised target completion date		N/A		

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - EAST END ELEMENTARY SCHOOL FIRE ALARM AND INTRUSION ALARM UPGRADES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$	\$ 97,959.00	\$ 97,959.00	\$ 97,959.00
Transfer from capital outlay		93,579.00	93,579.00	93,579.00
Transfer to other projects		(54,755.00)	(54,755.00)	(54,755.00)
		<u>136,783.00</u>	<u>136,783.00</u>	<u>136,783.00</u>
Total revenues and other financing sources		<u>136,783.00</u>	<u>136,783.00</u>	<u>136,783.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		22,000.00	22,000.00	22,000.00
Construction services		114,783.00	114,783.00	114,783.00
		<u>136,783.00</u>	<u>136,783.00</u>	<u>136,783.00</u>
Total expenditures and other financing uses		<u>136,783.00</u>	<u>136,783.00</u>	<u>136,783.00</u>
Excess (deficiency) of revenues over (under) expenditures	\$	<u><u>-0-</u></u>	\$	<u><u>-0-</u></u>
ADDITIONAL PROJECT INFORMATION:				
Project number		3670-060-14-1007		
Grant date		3/31/14		
Bond authorization date		N/A		
Bonds authorized		N/A		
Bonds issued		N/A		
Original authorized cost		\$263,206.00		
Additional authorized cost		(126,423.00)		
Revised authorized cost		\$136,783.00		
Percentage change over original authorized cost		-48.03%		
Percentage completion		95%		
Original target completion date		6/30/15		
Revised target completion date		N/A		

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - STONY BROOK ELEMENTARY SCHOOL FIRE ALARM AND INTRUSION ALARM UPGRADES  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$	\$ 65,463.83	\$ 65,463.83	\$ 65,463.83
Transfer from capital outlay		102,608.00	102,608.00	102,608.00
Transfer to other projects		(53,354.83)	(53,354.83)	(53,354.83)
		<hr/>	<hr/>	<hr/>
Total revenues and other financing sources		114,717.00	114,717.00	114,717.00
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services		24,000.00	24,000.00	24,000.00
Construction services		90,717.00	90,717.00	90,717.00
		<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses		114,717.00	114,717.00	114,717.00
Excess (deficiency) of revenues over (under) expenditures				
	\$	\$ -0-	\$ -0-	
		<hr/> <hr/>	<hr/> <hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number	3670-090-14-1008			
Grant date	3/31/14			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$288,600.00			
Additional authorized cost	(173,883.00)			
Revised authorized cost	\$114,717.00			
Percentage change over original authorized cost	-60.25%			
Percentage completion	95%			
Original target completion date	6/30/15			
Revised target completion date	N/A			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HIGH SCHOOL ROOF PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	\$ 450,000.00	\$	\$ 450,000.00	\$ 450,000.00
Transfer to other projects		(53,000.00)	(53,000.00)	(53,000.00)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	450,000.00	(53,000.00)	397,000.00	397,000.00
	<hr/>	<hr/>	<hr/>	<hr/>
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	397,000.00		397,000.00	397,000.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	397,000.00		397,000.00	397,000.00
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	\$ 53,000.00	\$ (53,000.00)	\$ -0-	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number	3670-050-13-2000			
Grant date	5/22/13			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$450,000.00			
Additional authorized cost	(53,000.00)			
Revised authorized cost	\$397,000.00			
Percentage change over original authorized cost	-11.78%			
Percentage completion	100%			
Original target completion date	9/30/14			
Revised target completion date	N/A			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HARRISON SCHOOL - A/C CHILLER  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - SDA grant	\$ 69,634.00	\$	\$ 69,634.00	\$ 69,634.00
Transfer from capital outlay	144,576.00		144,576.00	144,576.00
Transfer from other projects		(1,410.00)	(1,410.00)	(1,410.00)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	214,210.00	(1,410.00)	212,800.00	212,800.00
	<hr/>	<hr/>	<hr/>	<hr/>
Purchased professional and technical services	15,500.00		15,500.00	15,500.00
Construction services	197,300.00		197,300.00	197,300.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	212,800.00		212,800.00	212,800.00
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	\$ 1,410.00	\$ (1,410.00)	\$ -0-	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	3670-X02-10-G0ZY			
Grant date	9/30/11			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$125,258.00			
Additional authorized cost	87,542.00			
Revised authorized cost	\$212,800.00			
Percentage change over original authorized cost	69.89%			
Percentage completion	100.00%			
Original target completion date	8/31/12			
Revised target completion date	N/A			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - STONY BROOK SCHOOL BATHROOM RENOVATIONS  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
State sources - SDA grant	\$ 186,436.00	\$	\$ 186,436.00	\$ 186,436.00
Transfer from capital outlay	119,549.00		119,549.00	119,549.00
Transfer from other projects	193.31	(1.00)	192.31	192.31
	<hr/>		<hr/>	<hr/>
Total revenues and other financing sources	306,178.31	(1.00)	306,177.31	306,177.31
<b>EXPENDITURES:</b>				
Purchased professional and technical services	22,192.31		22,192.31	2,192.31
Construction services	283,985.00		283,985.00	283,985.00
	<hr/>		<hr/>	<hr/>
Total expenditures	306,177.31		306,177.31	286,177.31
<b>Excess (deficiency) of revenues over (under) expenditures</b>				
	\$ 1.00	\$ (1.00)	\$ -0-	
	<hr/>	<hr/>	<hr/>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	3670-090-10-1006			
Grant date	7/23/10			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$305,985.00			
Additional authorized cost	192.31			
Revised authorized cost	\$306,177.31			
Percentage change over original authorized cost	0.06%			
Percentage completion	100%			
Original target completion date	8/31/12			
Revised target completion date	9/15/12			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - STONY BROOK SCHOOL - HVAC  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
<b>REVENUES AND OTHER FINANCING SOURCES:</b>				
Transfer from capital outlay	\$ 686,499.00	\$ (10,000.00)	\$ 686,499.00	\$ 686,499.00
Transfer from other projects	(23,778.81)	(10,000.00)	(33,778.81)	(33,778.81)
<b>Total revenues and other financing sources</b>	<u>662,720.19</u>	<u>(10,000.00)</u>	<u>652,720.19</u>	<u>652,720.19</u>
<b>EXPENDITURES AND OTHER FINANCING USES:</b>				
Purchased professional and technical services	50,370.19		50,370.19	50,370.19
Construction services	602,350.00		602,350.00	612,350.00
<b>Total expenditures and other financing uses</b>	<u>652,720.19</u>		<u>652,720.19</u>	<u>662,720.19</u>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<u>\$ 10,000.00</u>	<u>\$ (10,000.00)</u>	<u>\$ -0-</u>	
<b>ADDITIONAL PROJECT INFORMATION:</b>				
Project number	3670-090-12-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$686,499.00			
Additional authorized cost	(33,778.81)			
Revised authorized cost	\$652,720.19			
Percentage change over original authorized cost	-4.92%			
Percentage completion	100%			
Original target completion date	8/31/12			
Revised target completion date	10/15/12			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HIGH SCHOOL MEDIA CENTER RENOVATION PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
State sources - SDA grant	\$ 197,229.00	\$ (21,730.95)	\$ 175,498.05	\$ 175,498.05
Transfer from capital outlay	126,469.00		126,469.00	126,469.00
Transfer from other projects	3,646.55	19,505.95	23,152.50	23,152.50
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	327,344.55	(2,225.00)	325,119.55	325,119.55
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	35,000.00		35,000.00	35,000.00
Construction services	290,119.55		290,119.55	290,119.55
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	325,119.55		325,119.55	325,119.55
Excess (deficiency) of revenues over (under) expenditures	\$ 2,225.00	\$ (2,225.00)	\$ -0-	
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number	3670-050-10-1010			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$323,698.00			
Additional authorized cost	1,421.55			
Revised authorized cost	\$325,119.55			
Percentage change over original authorized cost	0.44%			
Percentage completion	100%			
Original target completion date	8/31/13			
Revised target completion date	9/15/13			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - DISTRICT-WIDE ENERGY PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	\$ 247,227.00	\$	\$ 247,227.00	\$ 247,227.00
Transfer from other projects	(101,963.37)	(4,855.50)	(106,818.87)	(106,818.87)
	<u>145,263.63</u>	<u>(4,855.50)</u>	<u>140,408.13</u>	<u>140,408.13</u>
Total revenues and other financing sources				
EXPENDITURES AND OTHER FINANCING USES:				
Construction services	140,408.13		140,408.13	140,408.13
	<u>140,408.13</u>		<u>140,408.13</u>	<u>140,408.13</u>
Total expenditures and other financing uses				
Excess (deficiency) of revenues over (under) expenditures	\$ 4,855.50	\$ (4,855.50)	\$ -0-	

## ADDITIONAL PROJECT INFORMATION:

Project number	N/A
Grant date	N/A
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorized cost	\$247,227.00
Additional authorized cost	(106,818.87)
Revised authorized cost	\$140,408.13
Percentage change over original authorized cost	-43.21%
Percentage completion	100%
Original target completion date	8/31/12
Revised target completion date	8/31/13

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - WATCHUNG SCHOOL ADMINISTRATION BUILDING- HVAC  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from capital outlay	\$ 117,150.00	\$ (5,672.27)	\$ 117,150.00	\$ 117,150.00
Transfer from other projects	162,762.55	(5,672.27)	157,090.28	157,090.28
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues and other financing sources	279,912.55	(5,672.27)	274,240.28	274,240.28
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	11,240.28		11,240.28	11,240.28
Construction services	263,000.00		263,000.00	263,000.00
	<hr/>	<hr/>	<hr/>	<hr/>
Total expenditures and other financing uses	274,240.28		274,240.28	274,240.28
Excess (deficiency) of revenues over (under) expenditures				
	\$ 5,672.27	\$ (5,672.27)	\$ -0-	
	<hr/>	<hr/>	<hr/>	
ADDITIONAL PROJECT INFORMATION:				
Project number	3670-X01-12-1000			
Grant date	N/A			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorized cost	\$279,912.55			
Additional authorized cost	(5,672.27)			
Revised authorized cost	\$274,240.28			
Percentage change over original authorized cost	-2.03%			
Percentage completion	100%			
Original target completion date	8/31/12			
Revised target completion date	10/15/12			

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CAPITAL PROJECTS FUND  
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND PROJECT STATUS  
BUDGETARY BASIS - HARRISON SCHOOL WINDOW PROJECT  
FROM INCEPTION AND FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIOR PERIODS</u>	<u>CURRENT YEAR</u>	<u>TOTALS</u>	<u>REVISED AUTHORIZED COST</u>
REVENUES AND OTHER FINANCING SOURCES:				
Transfer from other projects	\$ 163,824.50	\$ (6,994.50)	\$ 156,830.00	\$ 156,830.00
Total revenues and other financing sources	<u>163,824.50</u>	<u>(6,994.50)</u>	<u>156,830.00</u>	<u>156,830.00</u>
EXPENDITURES AND OTHER FINANCING USES:				
Purchased professional and technical services	17,000.00		17,000.00	17,000.00
Construction services	<u>139,830.00</u>		<u>139,830.00</u>	<u>139,830.00</u>
Total expenditures and other financing uses	<u>156,830.00</u>		<u>156,830.00</u>	<u>156,830.00</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ 6,994.50</u>	<u>\$ (6,994.50)</u>	<u>\$ -0-</u>	

ADDITIONAL PROJECT INFORMATION:

Project number	3670-X02-13-1000
Grant date	N/A
Bond authorization date	N/A
Bonds authorized	N/A
Bonds issued	N/A
Original authorized cost	\$163,620.00
Additional authorized cost	(6,790.00)
Revised authorized cost	\$156,830.00
Percentage change over original authorized cost	-4.15%
Percentage completion	100%
Original target completion date	8/31/13
Revised target completion date	11/30/13

**FIDUCIARY FUNDS DETAIL STATEMENTS**

Fiduciary funds are used to account for assets when a school district is functioning either as a trustee or as an agent for another party.

- Unemployment Compensation Insurance Trust Fund:** This trust fund is used to account for board contributions which are utilized to pay unemployment compensation claims as they arise.
- Scholarship Trust Fund:** This trust fund is used to account for assets held by the district for grants to students where there are no restrictions regarding the use of principal and interest.
- Student Activity Fund:** This agency fund is used to account for student funds held at the schools.
- Payroll Agency Fund:** This agency fund is used to account for the payroll transactions of the school district.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
JUNE 30, 2015

	<u>AGENCY FUNDS</u>		UNEMPLOYMENT	PRIVATE	
	<u>STUDENT</u>	<u>PAYROLL</u>	COMPENSATION	PURPOSE	TOTALS
	<u>ACTIVITY</u>	<u>AGENCY</u>	<u>TRUST</u>	<u>SCHOLARSHIP</u>	<u>2015</u>
				<u>FUNDS</u>	
<b>ASSETS:</b>					
Cash and cash equivalents	\$ <u>86,791.21</u>	\$ <u>633,241.60</u>	\$ <u>203,900.47</u>	\$ <u>6,147.96</u>	\$ <u>930,081.24</u>
Total assets	\$ <u><u>86,791.21</u></u>	\$ <u><u>633,241.60</u></u>	\$ <u><u>203,900.47</u></u>	\$ <u><u>6,147.96</u></u>	\$ <u><u>930,081.24</u></u>
<b>LIABILITIES:</b>					
Payroll deductions and withholdings	\$	\$ 159,470.15	\$	\$	\$ 159,470.15
Summer Payroll		473,771.45			473,771.45
Due to student groups	<u>86,791.21</u>				<u>86,791.21</u>
Total liabilities	\$ <u><u>86,791.21</u></u>	\$ <u><u>633,241.60</u></u>			<u>720,032.81</u>
<b>NET POSITION:</b>					
Held in trust for unemployment claims and other purposes			<u>203,900.47</u>	<u>6,147.96</u>	<u>210,048.43</u>
Total net position			\$ <u><u>203,900.47</u></u>	\$ <u><u>6,147.96</u></u>	\$ <u><u>210,048.43</u></u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>PRIVATE PURPOSE SCHOLARSHIP FUNDS</u>	<u>UNEMPLOYMENT COMPENSATION TRUST</u>	<u>TOTALS</u>
ADDITIONS:			
Contributions:			
Employee contributions	\$ _____	\$ 39,396.14	\$ 39,396.14
Total contributions	_____	39,396.14	39,396.14
Total additions	_____	39,396.14	39,396.14
DEDUCTIONS:			
Other purposes	500.00		500.00
Unemployment claims	_____	52,539.22	52,539.22
Total deductions	_____	52,539.22	53,039.22
Change in net position	(500.00)	(13,143.08)	(13,643.08)
Net position beginning of year	_____	217,043.55	223,691.51
Net position end of year	\$ <u>6,147.96</u>	\$ <u>203,900.47</u>	\$ <u>210,048.43</u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BALANCE</u> <u>JULY 1, 2014</u>	<u>CASH</u> <u>RECEIPTS</u>	<u>CASH</u> <u>DISBURSE-</u> <u>MENTS</u>	<u>BALANCE</u> <u>JUNE 30, 2015</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ <u>89,702.20</u>	\$ <u>283,038.01</u>	\$ <u>285,949.00</u>	\$ <u>86,791.21</u>
Total assets	\$ <u><u>89,702.20</u></u>	\$ <u><u>283,038.01</u></u>	\$ <u><u>285,949.00</u></u>	\$ <u><u>86,791.21</u></u>
<b>LIABILITIES:</b>				
Due student groups:				
High school	\$ <u>35,089.43</u>	\$ <u>283,038.01</u>	\$ <u>285,949.00</u>	\$ <u>86,791.21</u>
	\$ <u><u>35,089.43</u></u>	\$ <u><u>283,038.01</u></u>	\$ <u><u>285,949.00</u></u>	\$ <u><u>86,791.21</u></u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
PAYROLL AGENCY FUNDS  
SCHEDULE OF RECEIPTS AND DISBURSEMENTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>BALANCE</u> <u>JULY 1, 2014</u>	<u>ADDITIONS</u>	<u>DEDUCTIONS</u>	<u>BALANCE</u> <u>JUNE 30, 2015</u>
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 871,503.44	\$ 17,516,954.71	\$ 17,755,216.55	\$ 633,241.60
Total assets	<u>\$ 871,503.44</u>	<u>\$ 17,516,954.71</u>	<u>\$ 17,755,216.55</u>	<u>\$ 633,241.60</u>
<b>LIABILITIES:</b>				
Payroll deductions and withholdings	\$ 355,122.90	\$ 16,961,464.11	\$ 17,240,180.96	\$ 76,406.05
Summer Payroll	499,516.75	472,426.50	498,171.80	473,771.45
Intrafund	16,863.79		16,863.79	
Interfund		83,064.10		83,064.10
Total liabilities	<u>\$ 871,503.44</u>	<u>\$ 17,516,954.71</u>	<u>\$ 17,755,216.55</u>	<u>\$ 633,241.60</u>

## **LONG-TERM LIABILITY SCHEDULES**

The Long-Term Liability schedules are used to reflect the outstanding principal balances of the long-term liabilities of the District. This includes obligations under Serial Bonds and Capital Leases.



BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
SCHEDULE OF OBLIGATIONS UNDER CAPITAL LEASES  
AS OF JUNE 30, 2015

<u>SERIES</u>	<u>AMOUNT OUTSTANDING JUNE 30, 2014</u>	<u>DECREASE</u>
Ricoh Copiers	\$ <u>27,401.51</u>	\$ <u>27,401.51</u>
	\$ <u><u>27,401.51</u></u>	\$ <u><u>27,401.51</u></u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
DEBT SERVICE FUND  
BUDGETARY COMPARISON SCHEDULE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	<u>ORIGINAL BUDGET</u>	<u>MODIFIED BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<b>REVENUES:</b>				
Local sources:				
Local tax levy	\$ 1,289,373.00	\$ 1,289,373.00	\$ 1,289,373.00	\$
Miscellaneous			56.44	56.44
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues	1,289,373.00	1,289,373.00	1,289,429.44	56.44
	<hr/>	<hr/>	<hr/>	<hr/>
<b>EXPENDITURES:</b>				
Regular debt service:				
Interest	489,731.00	489,731.00	489,731.26	(0.26)
Redemption of principal	800,000.00	800,000.00	800,000.00	
	<hr/>	<hr/>	<hr/>	<hr/>
Total regular debt service-expenditures	1,289,731.00	1,289,731.00	1,289,731.26	(0.26)
	<hr/>	<hr/>	<hr/>	<hr/>
Excess (deficiency) of revenues over (under) expenditures	(358.00)	(358.00)	(301.82)	56.18
Fund balance, July 1	5,234.56	5,234.56	5,234.56	
	<hr/>	<hr/>	<hr/>	<hr/>
Fund balance, June 30	\$ 4,876.56	\$ 4,876.56	\$ 4,932.74	\$ 56.18
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

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**STATISTICAL SECTION**  
**(UNAUDITED)**



BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
STATISTICAL SECTION

<u>Contents</u>	<u>Page</u>
Financial Trends:	
These schedules contain trend information to help the reader understand how the district's financial performance and well being have changed over time.	J-1 to J-4
Revenue Capacity:	
These schedules contain information to help the reader assess the district's most significant local revenue source, the property tax.	J-5 to J-9
Debt Capacity:	
These schedules present information to help the reader assess the affordability of the district's current levels of outstanding debt and the district's ability to issue additional debt in the future.	J-10 to J-13
Demographic and Economic Information:	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	J-14 to J-15
Operating Information:	
These schedules contain service and infrastructure data to help the reader understand how the information in the district's financial report relates to the services the district provides and the activities it performs.	J-16 to J-20

Sources

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
NET POSITION BY COMPONENT  
LAST TEN FISCAL YEARS  
(accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Governmental activities</b>										
Net investment in capital assets	\$41,256,678.67	\$39,229,571.93	\$37,276,904.79	\$33,431,896.00	\$32,194,953.19	\$30,171,804.05	\$25,082,092.26	\$21,108,609.18	\$21,015,008.26	\$19,193,730.98
Restricted	6,580,474.23	6,382,748.36	7,942,073.80	7,851,900.00	4,729,241.44	791,901.58	1,088,078.14	6,389,384.51	4,915,050.97	3,851,465.02
Unrestricted (deficit)	(16,393,973.70)	(1,619,769.04)	(3,011,346.45)	(2,362,302.00)	(2,570,798.91)	109,896.66	2,908,527.46	(1,602,927.83)	(1,132,222.83)	(1,318,453.49)
<b>Total governmental activities net position</b>	<u>31,443,179.20</u>	<u>43,992,551.25</u>	<u>42,207,632.14</u>	<u>38,921,494.00</u>	<u>34,353,395.72</u>	<u>31,073,602.29</u>	<u>29,078,697.86</u>	<u>25,895,065.86</u>	<u>24,797,836.40</u>	<u>21,726,742.51</u>
<b>Business-type activities</b>										
Net investment in capital assets	157,893.47	170,989.26	181,741.07	178,992.00	137,782.11	144,602.93	122,798.90	139,630.25	156,461.60	173,292.95
Restricted										
Unrestricted	364,502.77	388,215.70	285,095.79	311,001.00	565,259.71	478,031.60	287,800.72	170,558.77	79,607.58	63,853.32
<b>Total business-type activities net position</b>	<u>522,396.24</u>	<u>559,204.96</u>	<u>466,836.86</u>	<u>489,993.00</u>	<u>703,041.82</u>	<u>622,634.53</u>	<u>410,599.62</u>	<u>310,189.02</u>	<u>236,069.18</u>	<u>237,146.27</u>
<b>District-wide</b>										
Net investment in capital assets	41,414,572.14	39,400,561.19	37,458,645.86	32,332,735.30	30,316,406.98	30,316,406.98	25,204,891.16	21,248,239.43	19,367,023.93	19,367,023.93
Restricted	6,580,474.23	6,382,748.36	7,942,073.80	4,729,241.44	791,901.58	791,901.58	1,088,078.14	6,389,384.51	4,399,465.02	3,851,465.02
Unrestricted (deficit)	(16,029,470.93)	(1,231,553.34)	(2,726,250.66)	(2,005,539.20)	587,928.26	587,928.26	3,196,328.18	(1,432,369.06)	(1,254,600.17)	(1,254,600.17)
<b>Total district net assets</b>	<u>\$31,965,575.44</u>	<u>\$44,551,756.21</u>	<u>\$42,674,469.00</u>	<u>\$35,056,437.54</u>	<u>\$31,696,236.82</u>	<u>\$31,696,236.82</u>	<u>\$29,489,297.48</u>	<u>\$26,205,254.88</u>	<u>\$22,511,888.78</u>	<u>\$21,963,888.78</u>

Source: CAFR Schedule A-1

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$27,613,948.22	\$23,392,368.02	\$22,746,578.04	\$22,001,293.80	\$20,883,028.88	\$22,390,899.79	\$20,520,603.98	\$20,052,366.67	\$19,130,534.78	\$17,392,927.82
Special education	10,163,361.65	8,716,610.75	8,287,907.11	7,797,808.80	7,702,098.92	8,777,754.32	7,455,380.85	6,851,276.60	6,230,204.19	5,561,868.48
Other instruction	4,684,043.71	3,799,922.12	3,754,439.58	3,895,580.37	3,690,304.22	3,562,579.32	4,189,566.81	3,775,893.31	3,578,560.95	4,253,279.65
Support Services:										
Student & instruction related services	10,137,284.56	8,395,712.87	8,584,356.31	8,668,996.10	7,680,939.89	7,644,115.62	7,561,368.31	9,132,725.61	7,485,296.95	7,110,172.74
General administrative services	1,050,042.92	1,171,335.43	1,303,499.82	1,101,645.75	1,574,014.18	1,079,632.63	1,176,581.16	1,275,643.93	1,274,105.08	1,371,680.09
School administrative services	3,650,036.14	3,048,832.53	3,105,607.15	3,132,070.88	2,442,050.64	2,128,213.99	2,115,217.07	2,139,029.31	2,131,201.45	1,876,756.35
Central Services	436,774.62	376,760.85	503,940.54	502,026.45	434,797.70	450,753.48	428,683.06	511,817.88	490,230.33	460,731.88
Administrative technology information	14,677.40	46,667.02	16,181.00	13,735.00	15,128.73	14,679.75	11,736.38	13,478.72	27,107.50	32,132.00
Plant operations and maintenance	6,412,474.03	7,048,234.21	6,996,691.56	5,188,157.27	6,475,865.79	6,464,595.92	6,184,278.97	6,160,043.31	5,629,396.06	5,343,374.01
Student transportation services	1,412,051.26	1,198,046.01	1,331,154.46	1,247,321.67	1,322,925.40	1,706,200.42	1,537,303.00	1,547,132.04	1,394,363.93	1,357,623.76
Interest on long-term debt	475,771.89	513,496.88	465,713.46	820,993.76	695,572.83	677,257.96	714,765.83	716,170.95	727,568.23	755,833.21
Unallocated depreciation	1,451,477.17	1,398,405.78	1,238,156.99	1,073,558.91	1,093,409.71	1,007,300.50	1,015,671.99	941,973.73	922,584.32	935,208.22
Total governmental activities expenses	<u>67,501,943.57</u>	<u>59,106,392.47</u>	<u>58,334,226.02</u>	<u>55,443,188.76</u>	<u>54,010,136.89</u>	<u>55,903,983.70</u>	<u>52,911,157.41</u>	<u>53,117,552.06</u>	<u>49,021,153.77</u>	<u>46,451,588.21</u>
Business-type activities:										
Food service	1,769,203.44	1,597,552.22	1,606,848.01	1,637,730.89	1,307,736.35	1,271,917.75	1,161,290.19	1,114,548.72	1,043,006.47	1,027,852.99
Adult Community School					275.00	16,330.00	38,217.96	100,046.46	218,117.18	144,795.26
Total business-type activities expense	<u>1,769,203.44</u>	<u>1,597,552.22</u>	<u>1,606,848.01</u>	<u>1,637,730.89</u>	<u>1,308,011.35</u>	<u>1,288,247.75</u>	<u>1,199,508.15</u>	<u>1,214,595.18</u>	<u>1,261,123.65</u>	<u>1,172,648.25</u>
Total district expenses	<u>\$69,271,147.01</u>	<u>\$60,703,944.69</u>	<u>\$59,941,074.03</u>	<u>\$57,080,919.65</u>	<u>\$55,318,148.24</u>	<u>\$57,192,231.45</u>	<u>\$54,110,665.56</u>	<u>\$54,332,147.24</u>	<u>\$50,282,277.42</u>	<u>\$47,624,236.46</u>
<b>Program Revenues</b>										
Governmental activities:										
Charges for services					\$18,400.00	\$20,061.14				
Operating grants and contributions	\$13,096,157.75	\$7,890,684.83	\$10,544,090.21	\$9,363,389.35	7,053,255.10	14,145,677.43	\$8,747,610.39	\$9,240,234.89	\$8,692,807.98	\$6,888,283.36
Total governmental activities program revenues	<u>13,096,157.75</u>	<u>7,890,684.83</u>	<u>10,544,090.21</u>	<u>9,363,389.35</u>	<u>7,071,655.10</u>	<u>14,165,738.57</u>	<u>8,747,610.39</u>	<u>9,240,234.89</u>	<u>8,692,807.98</u>	<u>6,888,283.36</u>
Business-type activities:										
Charges for services										
Food service	481,311.24	465,532.84	497,136.30	486,637.27	497,376.42	538,841.68	529,112.40	518,908.25	492,068.48	456,477.39
Adult Community School					158.75	59,795.22	52,725.19	126,770.72	167,321.80	154,548.08
Operating grants and contributions	1,251,083.48	1,200,850.38	1,086,555.36	1,022,882.27	890,883.47	862,007.55	718,021.47	642,972.92	578,558.18	549,894.69
Total business type activities program revenues	<u>1,732,394.72</u>	<u>1,666,383.22</u>	<u>1,583,691.66</u>	<u>1,509,519.54</u>	<u>1,460,644.45</u>	<u>1,460,644.45</u>	<u>1,299,859.06</u>	<u>1,288,651.89</u>	<u>1,237,948.46</u>	<u>1,160,920.16</u>
Total district program revenues	<u>\$14,828,552.47</u>	<u>\$9,557,068.05</u>	<u>\$12,127,781.87</u>	<u>\$10,872,908.89</u>	<u>\$15,626,383.02</u>	<u>\$15,626,383.02</u>	<u>\$10,047,469.45</u>	<u>\$10,528,886.78</u>	<u>\$9,930,756.44</u>	<u>\$8,049,203.52</u>
<b>Net (Expense)/Revenue</b>										
Governmental activities	(54,405,785.82)	(51,215,707.64)	(47,790,135.81)	(46,079,799.41)	(46,938,481.79)	(41,738,245.13)	(44,163,547.02)	(43,877,317.17)	(40,328,345.79)	(39,563,304.85)
Business-type activities	(36,808.72)	68,831.00	(23,156.35)	(128,211.35)	152,633.10	172,396.70	100,350.91	74,056.71	(23,175.19)	(11,728.09)
Total district-wide net expense	<u>(\$54,442,594.54)</u>	<u>(\$51,146,876.64)</u>	<u>(\$47,813,292.16)</u>	<u>(\$46,208,010.76)</u>	<u>(\$46,785,848.69)</u>	<u>(\$41,565,848.43)</u>	<u>(\$44,063,196.11)</u>	<u>(\$43,803,260.46)</u>	<u>(\$40,351,520.98)</u>	<u>(\$39,575,032.94)</u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
CHANGES IN NET POSITION  
LAST TEN YEARS  
(accrual basis of accounting)  
UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>General Revenues and other changes in net position</b>										
Governmental activities:										
Property taxes levied for general purposes	\$28,490,467.00	\$27,931,831.00	\$27,384,148.00	\$27,384,148.00	\$26,847,204.00	\$25,814,619.00	\$25,814,619.00	\$26,293,674.00	\$25,591,705.00	\$23,646,367.00
Taxes levied for debt service	1,289,373.00	1,331,222.00	1,319,042.00	1,607,600.00	1,366,174.00	1,367,940.00	1,306,138.00	1,749,462.00	1,585,261.00	1,560,200.00
Federal and state aid not restricted	24,911,345.92	23,518,228.23	22,288,399.30	21,207,379.00	22,162,577.01	16,434,701.80	20,055,446.69	17,589,812.55	15,872,779.00	15,778,149.03
Federal and state aid restricted	786,026.35	114,172.27								
Miscellaneous income	199,423.47	147,295.85	84,684.95	363,911.55	69,636.60	115,888.76	170,975.33	343,419.49	371,794.66	229,637.86
Transfers				84,858.83					(22,000.00)	
Cancel accounts receivable	(21,730.95)							(845,341.79)		
Disposal of Capital assets (net)					(227,316.39)			(156,579.62)		
Total governmental activities	<u>55,654,904.79</u>	<u>53,042,749.35</u>	<u>51,076,274.25</u>	<u>50,647,897.38</u>	<u>50,218,275.22</u>	<u>43,733,149.56</u>	<u>47,347,179.02</u>	<u>44,974,446.63</u>	<u>43,399,539.66</u>	<u>41,214,353.89</u>
Business-type activities:										
Miscellaneous Income		23,537.10		21.57		39,638.21	59.69	63.13	98.10	183.14
Transfers				(84,858.83)					22,000.00	
Total business-type activities		<u>23,537.10</u>		<u>(84,837.26)</u>		<u>39,638.21</u>	<u>59.69</u>	<u>63.13</u>	<u>22,098.10</u>	<u>183.14</u>
Total district-wide	<u>\$55,654,904.79</u>	<u>\$53,066,286.45</u>	<u>\$51,076,274.25</u>	<u>\$50,563,060.12</u>	<u>\$50,218,275.22</u>	<u>\$43,772,787.77</u>	<u>\$47,347,238.71</u>	<u>\$44,974,509.76</u>	<u>\$43,421,637.76</u>	<u>\$41,214,537.03</u>
<b>Change in Net Position</b>										
Governmental activities	\$1,249,118.97	\$1,827,041.71	\$3,286,138.44	\$4,568,097.97	\$3,279,793.43	\$1,994,904.43	\$3,183,632.00	\$1,097,129.46	\$3,071,193.87	\$1,651,049.04
Business-type activities	(36,808.72)	92,368.10	(23,156.35)	(213,048.61)	152,633.10	212,034.91	100,410.60	74,119.84	(1,077.09)	(11,544.95)
Total district	<u>\$1,212,310.25</u>	<u>\$1,919,409.81</u>	<u>\$3,262,982.09</u>	<u>\$4,355,049.36</u>	<u>\$3,432,426.53</u>	<u>\$2,206,939.34</u>	<u>\$3,284,042.60</u>	<u>\$1,171,249.30</u>	<u>\$3,070,116.78</u>	<u>\$1,639,504.09</u>

Source: CAFR Schedule A-2

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
*(modified accrual basis of accounting)*  
 UNAUDITED

	Fiscal Year Ending June 30,									
	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
General Fund										
Restricted	\$5,223,360.47	\$5,938,010.67	\$5,694,059.64	\$5,656,790.88	\$3,672,899.12					
Assigned	26,065.21									
Committed	13,182.38			538,903.29						
Unassigned (Deficit)	(1,120,733.54)	(1,178,940.06)	(1,104,873.77)	(1,220,077.01)	(1,061,635.16)					
Reserved						\$2,994,132.46	\$6,074,219.91	\$5,583,446.29	\$4,176,039.76	\$2,528,471.14
Unreserved						(1,246,982.17)	(1,424,620.67)	10,125.33	143,735.31	3,337.74
Total general fund	<u>\$4,141,874.52</u>	<u>\$4,759,070.61</u>	<u>\$4,589,185.87</u>	<u>\$4,975,617.16</u>	<u>\$2,611,263.96</u>	<u>\$1,747,150.29</u>	<u>\$4,649,599.24</u>	<u>\$5,593,571.62</u>	<u>\$4,319,775.07</u>	<u>\$2,531,808.88</u>
All Other Governmental Funds										
Committed	\$1,206,509.95	\$1,079,198.94	\$1,379,555.83	\$1,320,523.79	\$1,073,082.55					
Restricted	142,354.17	549,713.37	868,816.74	803,886.32	(74,973.09)					
Reserved						\$1,880,230.33	\$3,089,142.83	\$1,044,832.55	\$1,090,837.26	\$1,648,279.67
Unreserved, reported in:										
Special revenue fund						(67,602.00)	(66,565.90)	(121,731.80)	(22,871.05)	(22,871.05)
Capital projects fund						(1,255,790.66)	(1,092,084.51)	32,509.99	667,710.11	254,647.11
Debt service fund						11,254.58	26,486.55	97,522.98	76,522.55	44,460.95
Total all other governmental funds	<u>\$1,348,864.12</u>	<u>\$1,628,912.31</u>	<u>\$2,248,372.57</u>	<u>\$2,124,410.11</u>	<u>\$998,109.46</u>	<u>\$568,092.25</u>	<u>\$1,956,978.97</u>	<u>\$1,053,133.72</u>	<u>\$1,812,198.87</u>	<u>\$1,924,516.68</u>

Source: CAFR Schedule B-1

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 CHANGES IN GOVERNMENTAL FUND BALANCES, GOVERNMENTAL FUNDS  
 LAST TEN YEARS  
 UNAUDITED

	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
<b>Revenues</b>										
Tax levy	\$29,779,840.00	\$29,263,053.00	\$28,703,190.00	\$28,991,748.00	\$28,213,378.00	\$27,182,559.00	\$27,120,757.00	\$28,043,136.00	\$27,176,966.00	\$25,206,567.00
Interest earned on capital reserve funds	356.16	328.55			12.81		900.45	3,452.04	4,583.56	3,619.00
Miscellaneous	181,922.03	160,007.66	110,751.89	378,276.74	98,648.69	141,941.29	187,181.95	344,717.95	380,254.00	231,084.58
State sources	31,440,771.77	29,834,244.02	31,021,759.34	27,915,072.27	27,097,987.51	24,694,876.95	27,241,451.02	25,346,443.67	22,714,264.00	21,104,745.90
Federal sources	1,929,657.30	1,662,615.06	1,784,663.22	2,641,330.89	2,107,219.70	5,854,874.24	1,544,498.99	1,478,853.27	1,838,280.00	1,556,621.24
<b>Total revenue</b>	<b>63,332,547.26</b>	<b>60,920,248.29</b>	<b>61,620,364.45</b>	<b>59,926,427.90</b>	<b>57,517,246.71</b>	<b>57,874,251.48</b>	<b>56,094,789.41</b>	<b>55,216,602.93</b>	<b>52,114,347.56</b>	<b>48,102,637.72</b>
<b>Expenditures</b>										
Instruction										
Regular instruction	17,618,389.76	16,930,118.36	15,958,180.31	15,046,718.92	15,019,563.62	16,591,845.80	15,444,660.77	15,100,832.63	14,767,271.86	13,585,711.42
Special education instruction	4,304,711.53	4,088,183.95	3,865,180.69	3,633,280.33	3,983,138.49	3,880,574.90	3,682,476.41	2,874,500.07	5,121,525.02	5,299,138.94
Other instruction	3,024,748.47	2,837,777.89	2,993,932.21	2,634,114.27	2,438,645.14	2,326,291.52	3,100,338.63	2,699,196.26	2,610,648.00	2,559,215.07
Support Services:										
Student & instruction related services	10,523,772.88	9,642,812.13	9,383,696.86	9,217,636.06	8,685,454.72	10,282,383.37	8,733,412.85	9,933,131.04	5,796,980.00	5,919,381.93
General administrative services	894,426.18	924,699.37	951,168.52	857,543.63	1,221,219.81	969,919.28	1,035,197.05	1,007,973.74	1,494,966.80	1,243,715.93
School administrative services	2,361,321.28	2,185,162.11	2,032,701.65	2,024,569.46	1,685,748.06	1,576,212.73	1,574,464.31	1,518,669.31	1,102,632.00	1,399,160.23
Central services	340,348.97	335,967.63	330,956.09	320,577.89	307,946.97	376,761.02	355,231.55	373,092.17	367,902.00	368,195.13
Administrative information technology	19,012.91	20,301.99	16,181.00	13,735.00	15,128.73	14,679.75	11,736.38	13,478.72	27,107.00	32,132.00
Plant operations and maintenance	5,556,054.85	5,732,749.66	5,433,841.15	5,121,786.90	5,320,594.81	5,652,411.92	5,461,664.96	4,937,672.36	4,512,748.00	4,467,987.48
Student transportation services	1,309,635.71	1,181,189.82	1,147,207.04	1,054,235.09	1,214,039.12	1,595,785.62	1,433,150.15	1,441,940.59	1,302,366.00	1,255,869.06
Unallocated employee benefits	13,606,084.64	12,882,748.93	13,879,023.60	13,158,953.69	12,034,681.24	11,218,824.57	10,577,296.22	11,214,916.74	10,537,835.00	8,762,641.00
Charter Schools	244,844.00	282,713.00								
Capital outlay	3,114,978.15	2,998,992.71	4,565,595.40	1,824,112.88	2,927,173.78	6,252,808.18	2,793,444.28	903,103.60	626,905.84	2,366,643.26
Debt service:										
Principal	800,000.00	800,000.00	770,000.00	1,030,000.00	855,385.41	1,306,693.94	1,206,206.83	1,111,300.00	1,128,385.00	867,420.00
Interest	489,731.26	526,406.26	555,168.76	583,368.76	634,710.33	688,676.71	725,636.15	726,722.51	694,719.00	825,111.26
<b>Total expenditures</b>	<b>64,208,060.59</b>	<b>61,369,823.81</b>	<b>61,882,833.28</b>	<b>56,520,632.88</b>	<b>56,343,430.23</b>	<b>62,445,587.15</b>	<b>56,134,916.54</b>	<b>53,856,529.74</b>	<b>50,091,991.52</b>	<b>48,952,322.71</b>
Excess (Deficiency) of revenues over (under) expenditures	(875,513.33)	(449,575.52)	(262,468.83)	3,405,795.02	1,173,816.48	(4,571,335.67)	(40,127.13)	1,360,073.19	2,022,356.04	(849,684.99)
<b>Other Financing sources (uses)</b>										
Capital leases (non-budgeted)					130,314.40	280,000.00				
Transfers to enterprise fund				84,858.83					(22,000.00)	
Accounts receivable canceled	(21,730.95)							(845,341.79)		
<b>Total other financing sources (uses)</b>	<b>(21,730.95)</b>			<b>84,858.83</b>	<b>280,000.00</b>	<b>280,000.00</b>		<b>(845,341.79)</b>	<b>(22,000.00)</b>	
<b>Net change in fund balances</b>	<b>(\$897,244.28)</b>	<b>(\$449,575.52)</b>	<b>(\$262,468.83)</b>	<b>\$3,490,653.85</b>	<b>\$1,453,816.48</b>	<b>(\$4,291,335.67)</b>	<b>(\$40,127.13)</b>	<b>\$514,731.40</b>	<b>\$2,000,356.04</b>	<b>(\$849,684.99)</b>
Debt service as a percentage of noncapital expenditures	2.1%	2.3%	2.3%	3.6%	2.8%	3.6%	3%	3%	4%	3%

Source: CAFR Schedule B-2

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 GENERAL FUND OTHER LOCAL REVENUE BY SOURCE  
 LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u> <u>Ended June 30,</u>	<u>Interest on</u> <u>Investments</u>	<u>Rental</u> <u>of</u> <u>Facilities</u>	<u>Tuition</u>	<u>Klubhouse Kids</u> <u>Program</u>	<u>Misc.</u>	<u>Total</u>
2015	\$9,039.80	\$1,030.00	\$89,342.82	\$39,677.46	\$35,914.58	\$175,004.66
2014	8,338.94	7,057.76	58,547.34	47,339.35	12,437.61	133,721.00
2013	9,937.39	3,334.96	10,414.77	34,379.34	60,908.41	118,974.87
2012	11,494.24	4,737.53			97,576.95	113,808.72
2011	19,862.95	23,567.97	18,400.00		25,834.28	87,665.20
2010	43,242.29	35,625.43	\$20,061.14		31,751.75	130,680.61
2009	60,446.02	34,351.76			69,791.52	164,589.30
2008	212,441.81				117,716.74	330,158.55
2007	246,595.59				108,679.61	355,275.20
2006	132,840.00				96,797.86	229,637.86

Source: District Records

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY  
LAST TEN FISCAL YEARS

Calendar Year	Vacant Land	Residential	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)
2015	\$9,025,800	\$1,170,988,400	\$244,737,950	\$3,372,200	\$133,095,800	\$1,561,220,150	\$1,509,198	\$1,562,729,348	\$1.92	\$1,497,196,545
2014	9,111,700	1,208,703,900	238,015,050	4,088,200	139,466,800	1,599,385,650	1,465,085	1,600,850,735	1.85	1,525,892,589
2013	10,333,000	1,263,488,050	259,264,850	4,088,200	141,494,600	1,678,668,700	1,493,116	1,680,161,816	1.72	1,595,175,642
2012	6,147,300	1,279,108,200	271,910,950	4,088,200	143,321,400	1,704,576,050	1,369,144	1,705,945,194	1.69	1,733,539,176
2011	5,035,400	1,309,121,900	290,995,550	4,088,200	154,653,400	1,763,894,450	1,354,719	1,765,249,169	1.62	1,820,398,652
2010	5,275,000	1,312,210,300	300,749,600	4,819,100	159,662,400	1,782,716,400	1,324,809	1,784,041,209	1.55	1,933,919,446
2009	5,283,000	1,315,561,800	309,230,800	4,819,100	159,662,400	1,794,557,100	1,375,834	1,795,932,934	1.51	1,957,040,899
2008	2,770,500	654,339,350	116,728,725	1,505,800	68,399,800	843,744,175	555,108	844,299,283	3.30	1,830,286,311
2007	2,957,500	654,089,250	117,655,575	1,505,800	61,016,300	837,224,425	565,609	837,790,034	3.31	1,616,739,184
2006	2,963,500	652,711,250	120,006,475	1,505,800	61,016,300	838,203,325	632,852	838,836,177	3.12	1,360,786,877

Source: District records Tax list summary & Municipal Tax Assessor

\* Not available at time of audit

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

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

**b** Tax rates are per \$100

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
DIRECT AND OVERLAPPING PROPERTY TAX RATES  
LAST TEN CALENDAR YEARS  
(rate per \$100 of assessed value)

UNAUDITED

Calendar Year Ended Dec. 31	Borough of North Plainfield School District			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt		Borough of North Plainfield	County	
		Service <sup>b</sup>	Total Direct			
2015	1.840	\$0.083	\$1.923	\$1.148	\$0.366	\$3.437
2014	1.765	0.084	1.849	1.073	0.357	3.279
2013	1.640	0.079	1.719	1.048	0.352	3.119
2012	1.596	0.094	1.690	0.949	0.354	2.993
2011	1.543	0.078	1.621	0.937	0.354	2.912
2010	1.480	0.072	1.552	0.882	0.339	2.773
2009	1.438	0.073	1.511	0.804	0.356	2.671
2008	3.068	0.199	3.267	1.629	0.779	5.675
2007	3.106	0.190	3.296	1.483	0.741	5.520
2006	2.920	0.202	3.122	1.358	0.690	5.170

Source: District Records and Municipal Tax Collector

**Note:**

NJSA 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 calculation

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.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 PRINCIPAL PROPERTY TAX PAYERS  
 CURRENT YEAR AND NINE YEARS AGO  
UNAUDITED

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank	% of Total District Net Assessed Value	Taxable Assessed Value	Rank	% of Total District Net Assessed Value
Vornado, Inc.	\$39,900,000	1	2.55%	\$19,000,000	1	2.27%
SDK Greenbrook Gardens	30,000,000	2	1.92%	14,245,000	2	1.70%
Cypress Garden Apts Inc.	14,911,500	3	0.95%	6,392,300	3	0.76%
H&W Gardens	13,590,900	4	0.87%	6,292,000	4	0.75%
Home Properties	11,700,000	5	0.75%	6,142,000	5	0.73%
Global Motors	10,850,000	6	0.69%	3,930,100	8	0.47%
Avalon II New Jersey Value II, LP	9,499,400	7	0.61%			
Greenwood Garden Apartments	5,939,200	8	0.38%			
Levin Properties	5,767,500	9	0.37%			
West End Garden Apartments	5,762,000	10	0.37%	2,812,500	10	0.34%
William P Vince Trust				4,595,500	6	0.55%
MGD Holdings Watch, LLC				4,185,000	7	0.50%
North Drive Arms				2,850,000	9	0.34%
Total	<u>\$147,920,500</u>		<u>9.47%</u>	<u>\$70,444,400</u>		<u>8.40%</u>

Source: District CAFR J11 & Municipal Tax Assessor

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 PROPERTY TAX LEVIES AND COLLECTIONS  
 LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2015	\$29,779,840	\$29,779,840	100.00%	-
2014	29,263,053	29,263,053	100.00%	-
2013	28,703,190	28,703,190	100.00%	-
2012	28,991,748	28,991,748	100.00%	-
2011	28,213,378	28,213,378	100.00%	-
2010	27,182,559	24,917,346	91.67%	\$2,265,213
2009	27,120,757	24,969,539	92.07%	2,151,218
2008	28,043,136	28,043,136	100.00%	-
2007	27,176,966	27,176,966	100.00%	-
2006	25,206,567	25,206,567	100.00%	-

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

**Note:** School taxes are collected by the Municipal Tax Collector. Under New Jersey State Stat 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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	Governmental Activities			Total District	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds	Capital Leases	Notes Payable			
2015	\$11,425,000.00			\$11,425,000.00	0.68%	\$518.63
2014	12,225,000.00	\$27,401.51		12,252,401.51	0.63%	556.19
2013	13,025,000.00	112,212.34		13,137,212.34	0.59%	594.28
2012	13,795,000.00	193,814.18		13,988,814.18	0.52%	632.09
2011	14,575,000.00	248,837.65		14,823,837.65	0.47%	671.89
2010	15,325,000.00	223,908.66		15,548,908.66	0.45%	707.73
2009	16,140,000.00	530,602.60		16,670,602.60	0.44%	796.07
2008	16,825,000.00	1,051,809.43		17,876,809.43	0.40%	861.70
2007	17,490,000.00	1,670,350.60	\$270,000.00	19,430,350.60	0.35%	936.40
2006	18,185,000.00	2,272,561.72	570,000.00	21,027,561.72	0.30%	1,013.87

Source: District CAFR Schedules I-1

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

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

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
RATIOS OF NET BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS  
UNAUDITED

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Total Municipal Assessed Value	Percentage of Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding			
2015	\$11,425,000.00	-0-	\$11,425,000.00	\$1,561,220,150.00	0.73%	\$147.07
2014	12,225,000.00	-0-	12,225,000.00	1,599,385,650.00	0.76%	157.37
2013	13,025,000.00	-0-	13,025,000.00	1,678,668,700.00	0.78%	169.34
2012	13,795,000.00	-0-	13,795,000.00	1,704,576,050.00	0.81%	189.74
2011	14,575,000.00	-0-	14,575,000.00	1,763,894,450.00	0.83%	208.49
2010	15,420,000.00	-0-	15,420,000.00	1,782,716,400.00	0.86%	222.17
2009	16,140,000.00	-0-	16,140,000.00	1,794,557,100.00	0.90%	221.06
2008	16,825,000.00	-0-	16,825,000.00	843,744,175.00	1.99%	234.73
2007	17,490,000.00	-0-	17,490,000.00	837,224,425.00	2.09%	256.52
2006	18,185,000.00	-0-	18,185,000.00	838,203,325.00	2.17%	285.22

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

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

**b** Population data can be found in Exhibit NJ J-14.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
RATIOS OF OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT  
AS OF DECEMBER 31, 2014  
UNAUDITED

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable <sup>a</sup></u>	<u>Estimated Share of Overlapping Debt</u>
<b>Debt repaid with property taxes</b>			
North Plainfield Borough	\$13,543,005.00	100.00%	\$13,543,005.00
<b>Other debt</b>			
Somerset County	170,821,882.45	2.84%	<u>4,850,126.63</u>
Subtotal, overlapping debt			18,393,131.63
<b>North Plainfield Borough School District Direct Debt</b>			<u>11,425,000.00</u>
<b>Total direct and overlapping debt</b>			<u><u>\$29,818,131.63</u></u>

**Sources:** Borough Finance Office & County Treasurers Office

**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 North Plainfield. 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.

**a** For debt repaid with property taxes, the percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the district's boundaries and dividing it by each unit's total taxable value.

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 LEGAL DEBT MARGIN INFORMATION  
 LAST TEN FISCAL YEARS  
UNAUDITED

Legal Debt Margin Calculation for Calendar Year 2014

Equalized valuation basis

2014	\$1,495,731,460.00
2013	1,524,399,473.00
2012	1,593,806,498.00
	<u>\$4,613,937,431.00</u>

Average equalized valuation of taxable property

\$1,537,979,143.67

Debt limit (4 % of  
 Net bonded school debt  
 Legal debt margin

\$61,519,165.75 <sup>a</sup>  
11,425,000.00  
\$50,094,165.75

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Debt limit	\$48,227,540.00	\$63,809,439.00	\$71,600,825.24	\$75,866,732.00	\$75,945,940.57	\$73,826,924.15	\$71,222,770.95	\$68,040,289.12	\$64,674,284.95	\$61,519,165.75
Total net debt applicable to limit	<u>13,477,592.00</u>	<u>17,490,718.00</u>	<u>17,760,000.00</u>	<u>16,140,000.00</u>	<u>15,420,000.00</u>	<u>14,575,000.00</u>	<u>13,795,000.00</u>	<u>13,025,000.00</u>	<u>12,225,000.00</u>	<u>11,425,000.00</u>
Legal debt margin	<u>\$34,749,948.00</u>	<u>\$46,318,721.00</u>	<u>\$53,840,825.24</u>	<u>\$59,726,732.00</u>	<u>\$60,525,940.57</u>	<u>\$59,251,924.15</u>	<u>\$60,525,940.57</u>	<u>\$60,525,940.57</u>	<u>\$60,525,940.57</u>	<u>\$50,094,165.75</u>
Total net debt applicable to the limit as a percentage of debt limit	27.95%	27.41%	24.80%	21.27%	20.30%	19.74%	19.37%	19.14%	18.90%	18.57%

\* Not available at time of audit

Source: Abstract of Ratables and District Records CAFR Schedule J-7

<sup>a</sup> Limit set by NJSA 18A:24-19 for a K through 12 district; other % limits would be applicable for other districts

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 DEMOGRAPHIC AND ECONOMIC STATISTICS  
 LAST TEN FISCAL YEARS  
UNAUDITED

Year Ended December 31	Population (a)	Personal Income (b)	Per Capita Personal Income (c)	Unemployment Rate (d)
2014	22,029	*	*	5.9%
2013	22,106	\$1,717,304,610	\$77,685	7.4%
2012	22,131	1,702,272,258	76,918	10.1%
2011	22,063	1,604,068,352	72,704	9.6%
2010	21,970	1,535,834,820	69,906	6.4%
2009	20,941	1,453,431,046	69,406	9.8%
2008	20,746	1,514,686,206	73,011	5.6%
2007	20,750	1,487,297,750	71,677	1.2%
2006	20,740	1,414,073,940	68,181	1.7%
2005	20,761	1,323,679,838	63,758	1.4%

## 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) Per capita personal income by municipality was computed using Census Bureau midyear population estimates.  
Estimates for 2005-2014 reflect county population.
- (d) Unemployment data provided by the NJ Dept. of Labor and Workforce Development.

\* not available



BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
 LAST TEN FISCAL YEARS  
UNAUDITED

<u>Function/Program</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Instruction										
Regular	258	293	238	270	270	270	290	282	275	275
Special education	59	70	54	71	71	71	27	26	21	21
Support Services:										
Student & instruction related services	48	48	50	49	49	49	46	56	56	56
General administrative services	5	5	5	5	5	5	4	4	4	4
School administrative services	24	24	20	18	18	18	18	16	16	16
Business administrative services	4	4	4	4	4	4	4	4	4	4
Plant operations and maintenance	39	43	38	39	39	39	39	39	39	39
Pupil transportation	6	7	6	6	6	6	6	7	7	7
Total	<u>443</u>	<u>494</u>	<u>415</u>	<u>462</u>	<u>462</u>	<u>462</u>	<u>434</u>	<u>434</u>	<u>422</u>	<u>422</u>

Source: District Personnel Records

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
OPERATING STATISTICS  
LAST TEN FISCAL YEARS  
UNAUDITED

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures<sup>a</sup></u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff<sup>b</sup></u>	<u>Elementary</u>	<u>Middle School/ High School</u>	<u>Average Daily Enrollment (ADE)<sup>c</sup></u>	<u>Average Daily Attendance (ADA)<sup>c</sup></u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2015	3,332	\$59,803,351.18	\$17,948.18	5.21%	317	146	171	3,287	3,141	0.98%	95.56%
2014	3,344	57,044,424.84	17,058.74	1.21%	293	145	148	3,255	3,117	1.75%	95.76%
2013	3,322	55,992,069.12	16,854.93	5.29%	292	142	150	3,199	3,058	-1.75%	95.59%
2012	3,316	53,083,151.24	16,008.19	1.19%	292	142	150	3,256	3,117	4.69%	95.73%
2011	3,283	51,936,160.71	15,819.73	-6.83%	299	149	150	3,110	2,954	0.00%	94.98%
2010	3,213	54,556,080.00	16,979.79	4.53%	294	148	146	3,110	2,954	0.00%	94.98%
2009	3,165	51,409,629.28	16,243.17	7.97%	291	143	148	3,110	2,954	2.44%	94.98%
2008	3,135	51,115,403.00	15,044.67	0.00%	289	147	142	3,036	2,880	-3.86%	94.86%
2007	3,158	47,511,053.00	15,044.67	4.66%	295	150	145	3,158	2,968	1.12%	93.98%
2006	3,123	44,893,148.29	14,375.01	4.50%	291	149	142	3,123	2,957	-0.98%	94.68%

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).

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
 SCHOOL BUILDING INFORMATION  
 LAST TEN FISCAL YEARS

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
<u>District Building</u>										
<u>Elementary</u>										
High School										
Square Feet	178,585	178,585	178,585	178,585	230,788	230,788	230,788	230,788	230,788	178,585
Capacity (students)	2,184	2,184	2,184	2,184	1,589	1,589	1,589	1,589	1,589	1,589
Enrollment	1,438	1,462	1,476	1,472	1,496	1,428	1,399	1,399	1,399	1,399
East End Elementary										
Square Feet	54,900	54,900	54,900	54,900	52,038	52,038	52,038	52,038	52,038	41,400
Capacity (students)	616	616	616	616	323	323	323	323	323	323
Enrollment	454	483	463	457	485	482	413	413	413	413
Stony Brook Elementary										
Square Feet	29,300	29,300	29,300	29,300	28,789	28,789	28,789	28,789	28,789	29,300
Capacity (students)	392	392	392	392	428	428	428	428	428	428
Enrollment	252	268	263	267	257	261	260	260	260	260
West End Elementary										
Square Feet	60,020	60,020	60,020	60,020	56,604	56,604	56,604	56,604	56,604	47,520
Capacity (students)	728	728	728	728	396	396	396	396	396	396
Enrollment	554	602	592	594	558	536	511	511	511	511
Harrison School										
Square Feet	11,600	11,600	11,600	11,600	20,000	20,000	20,000	20,000	20,000	11,600
Capacity (students)	84	84	84	84	61	61	61	61	61	61
Enrollment	18	23	21	25	25	18	-	-	-	-
Somerset School										
Square Feet	87,589	87,589	87,589	87,589	101,167	101,167	101,167	101,167	101,167	18,000
Capacity (students)	672	672	672	672	500	500	500	500	500	102
Enrollment	515	440	459	458	488	506	546	546	546	546
Watchung School										
Square Feet	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700	4,700
Capacity (students)	18	18	18	18	18	18	18	18	18	18
Enrollment	-	-	-	-	-	-	18	18	18	18

Number of Schools at June 30, 2015  
 Elementary/Middle/High School = 7

Source: District records, ASSA

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of and additions. Enrollment is based on the annual October district count.

\* Not available at time of audit

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
 SCHEDULE OF REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
 LAST NINE FISCAL YEARS  
UNAUDITED

UNDISTRIBUTED EXPENDITURES - REQUIRED MAINTENANCE FOR SCHOOL FACILITIES  
11-000-261-XXX

School Facilities	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
High School	\$281,453	\$291,000	\$271,847	\$306,857	\$249,985	\$276,845	\$321,887	\$203,658	\$282,546	\$266,374
East End Elementary	134,708	189,000	120,529	152,654	101,450	118,452	134,590	94,611	53,415	48,572
Stony Brook Elementary	115,752	106,000	97,007	85,254	76,000	77,658	82,957	68,714	46,892	58,561
West End Elementary	141,023	189,000	121,448	135,000	115,000	115,000	137,308	95,631	68,542	63,589
Harrison School	63,801	89,000	60,841	58,785	50,000	45,567	50,132	35,072	61,258	43,125
Somerset School	122,430	135,000	124,263	123,698	112,000	112,562	133,303	107,133	49,687	45,287
Watchung School	23,739	11,026	26,729	12,067	10,000	28,301	50,295	47,487	48,813	40,579
Total School Facilities	<u>\$882,906</u>	<u>\$1,010,026</u>	<u>\$822,664</u>	<u>\$874,315</u>	<u>\$714,435</u>	<u>\$774,385</u>	<u>\$910,472</u>	<u>\$652,306</u>	<u>\$611,153</u>	<u>\$566,087</u>

BOROUGH OF NORTH PLAINFIELD SCHOOL DISTRICT  
INSURANCE SCHEDULE  
JUNE 30, 2015  
UNAUDITED

	<u>COVERAGE</u>	<u>DEDUCTIBLE</u>
School Package Policy - Diploma Joint Insurance Group		
Property - Blanket Building & Contents - fund limit	\$250,000,000	\$1,000
Comprehensive General Liability (Aggregate)	5,000,000	
Comprehensive Automobile Liability	5,000,000	
Comprehensive Crime Coverage - Loss inside/outside	50,000	1,000
Comprehensive Crime Coverage - Employee Theft	500,000	1,000
	per loss	
Boiler and Machinery - Property Damage	100,000,000	1,000
Student Accident Insurance - Life Ins. Co.-No. America	25,000	100
School Leader Professional Liability	5,000,000	15,000
Umbrella Liability - Diploma Joint Insurance Fund-Excess	5,000,000	
Excess Umbrella Liability-Diploma Joint Insurance Fund (Shared Limit)	50,000,000	
Workers Compensation		
Diploma Joint Insurance Fund	5,000,000	
Position Bond -Selective Ins. Co.		
Board Secretary	25,000	
Treasurer of School Monies	350,000	
Flood Insurance - Selective Insurance Company	500,000	5,000.00

Source: District records

**SINGLE AUDIT SECTION**



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

EXHIBIT "K-1"

308 East Broad Street, Westfield, New Jersey 07090-2122

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

Honorable President and Members  
of the Board of Education  
Borough of North Plainfield School District  
County of Somerset  
North Plainfield, New Jersey 07060

We have audited, in accordance with the auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Borough of North Plainfield School District (the "District") as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's financial statements, and have issued our report thereon dated December 3, 2015.

### ***Internal Control Over Financial Reporting***

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

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

# SUPLEE, CLOONEY & COMPANY

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

## ***Compliance and Other Matters***

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

## ***Purpose of This Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 93

December 3, 2015



# SUPLEE, CLOONEY & COMPANY

CERTIFIED PUBLIC ACCOUNTANTS

308 East Broad Street, Westfield, New Jersey 07090-2122

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE  
WITH REQUIREMENTS APPLICABLE TO MAJOR FEDERAL  
AND STATE FINANCIAL ASSISTANCE PROGRAMS AND  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH U.S. OMB CIRCULAR A-133 AND NEW JERSEY OMB CIRCULAR 04-04**

Honorable President and Members  
of the Board of Education  
Borough of North Plainfield School District  
County of Somerset  
North Plainfield, New Jersey 07060

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

We have audited the Borough of North Plainfield School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* and the *New Jersey OMB State Grant Compliance Supplement* that could have a direct and material effect on each of the Borough of North Plainfield School District's major federal and state programs for the year ended June 30, 2015. The 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 Borough of North Plainfield 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; and *OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations* and *New Jersey OMB 04-04*. Those standards, *OMB Circular A-133* and *New Jersey OMB 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 Borough of North Plainfield 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 Borough of North Plainfield School District's compliance.

# SUPLEE, CLOONEY & COMPANY

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

In our opinion, the Borough of North Plainfield School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended June 30, 2015.

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

Management of the Borough of North Plainfield School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Borough of North Plainfield 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 program and to test and report on internal control over compliance in accordance with *OMB Circular A-133* and *New Jersey OMB 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 Borough of North Plainfield 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 program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

  
CERTIFIED PUBLIC ACCOUNTANTS

  
PUBLIC SCHOOL ACCOUNTANT NO. 93

December 3, 2015

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE	FEDERAL CFDA NUMBER	GRANT OR ACCOUNT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT 6/30/2014	CARRYOVER/ (WALKOVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEAR'S BALANCES	(ACCOUNTS RECEIVABLE) AT JUNE 30, 2015	UNEARNED REVENUE	DUE TO GRANTOR AT JUNE 30, 2015
Enterprise Funds													
U.S. Department of Agriculture													
Passed-through State Department of Education:													
National School Lunch Program-commodities	10.555	N/A	7/1/13-6/30/14	\$128,223.49	\$166.08			(\$166.08)					
National School Lunch Program-commodities	10.555	N/A	7/1/14-6/30/15	133,310.24			\$133,310.24	(130,312.07)				\$2,998.17	
National School Lunch Program	10.555	N/A	7/1/13-6/30/14	892,513.27	(53,550.45)		53,550.45						
National School Lunch Program	10.555	N/A	7/1/14-6/30/15	927,704.46			866,925.08	(927,704.46)			(\$60,779.38)		
National School Breakfast Program	10.553	N/A	7/1/13-6/30/14	151,866.43	(12,663.99)		12,663.99						
National School Breakfast Program	10.553	N/A	7/1/14-6/30/15	172,850.56			158,060.97	(172,850.56)			(14,789.59)		
Total U.S. Department of Agriculture					(66,048.36)		1,224,510.73	(1,231,033.17)			(75,568.97)	2,998.17	
Special Revenue Funds													
U.S. Department of Education													
Passed-through State Department of Education:													
Title I	84.010	NCLB367011	9/1/10-8/31/11	469,508.00	2,635.73								\$2,635.73
Title I	84.010	NCLB367014	7/1/13-6/30/14	560,469.00	(80,745.00)		80,745.00						
Title I	84.010	NCLB367015	7/1/14-6/30/15	737,335.00			672,404.00	(736,426.87)			(64,022.87)		
Title II A	84.367	NCLB367012	9/1/11-8/31/12	113,736.00	168.18								168.18
Title II A	84.367	NCLB367014	7/1/13-6/30/14	98,219.00	(14,643.00)		14,643.00						
Title II A	84.367	NCLB367015	7/1/14-6/30/15	102,191.00			90,554.00	(101,447.39)			(10,893.39)		
Title III	84.365	NCLB367014	7/1/13-6/30/14	57,939.00	(12,541.14)		12,541.14						
Title III	84.365	NCLB367015	7/1/14-6/30/15	55,822.00			51,175.00	(54,640.40)			(3,465.40)		
Title III - immigrant	84.365	NCLB367014	7/1/13-6/30/14	20,604.00	(1,614.00)		1,614.00						
Title III - immigrant	84.365	NCLB367015	7/1/14-6/30/15	40,220.00			31,561.00	(40,176.34)			(8,615.34)		
ARRA - I.D.E.A. Part B	84.391	ARRA367011	9/1/10-8/31/12	863,811.00	78.74								78.74
I.D.E.A. Part B, Basic	84.027	IDEA367013	9/1/12-8/31/13	906,319.00	13,001.33								13,001.33
I.D.E.A. Part B, Basic	84.027	IDEA367014	7/1/13-6/30/14	808,616.00	(124,362.00)		124,362.00						
I.D.E.A. Part B, Basic	84.027	IDEA367015	7/1/14-6/30/15	872,265.00			827,746.00	(829,546.00)			(1,800.00)		
ARRA - I.D.E.A. Part B, Preschool	84.392	ARRA367011	9/1/10-8/31/12	31,093.00	70.37								70.37
I.D.E.A. Part B, Preschool	84.173	IDEA367015	7/1/14-6/30/15	17,225.00				(17,225.00)			(17,225.00)		
Total U.S. Department of Education					(217,950.79)		1,907,345.14	(1,779,462.00)			(106,022.00)		15,954.35
General Fund													
U.S. Department of Education													
Medical Assistance Program (SEMI)	93.778	N/A	7/1/14-6/30/15	122,005.29			122,005.29	(122,005.29)					
Medicaid Assistance Program (SEMI ARRA)	93.778	N/A	10/1/08 - 12/31/10	26,065.21			26,065.21	(26,065.21)					
Medical Assistance Program (MAC)	93.778	N/A	7/1/14-6/30/15	12,038.42			12,038.42	(12,038.42)					
Total U.S. Department of Education							160,108.92	(160,108.92)					
Total Federal Financial Assistance					(\$283,999.15)	\$-0-	\$3,291,964.79	(\$3,170,604.09)		\$-0-	(\$181,590.97)	\$2,998.17	\$15,954.35

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

BOROUGH OF NORTH PLAINFIELD - SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

STATE GRANTOR/PROGRAM TITLE	GRANT OR STATE PROJECT NUMBER	GRANT PERIOD	AWARD AMOUNT	BALANCE AT JUNE 30, 2014		CARRY-OVER/ (WALK-OVER) AMOUNT	CASH RECEIVED	BUDGETARY EXPENDITURES	ADJUSTMENTS	REPAYMENT OF PRIOR YEAR'S BALANCES	BALANCE AT JUNE 30, 2015			MEMO	
				UNREARNED REVENUE (ACCTS RECEIVABLE)	DUE TO GRANTOR						ACCOUNTS RECEIVABLE	UNREARNED REVENUE	DUE TO GRANTOR	BUDGETARY RECEIVABLE	CUMULATIVE TOTAL EXPENDITURES
State Department of Education															
General Funds:															
Equalization Aid	15-495-034-5120-078	7/1/14-6/30/15	\$22,181,829.00				\$19,987,274.00	(\$22,181,829.00)	\$2,194,555.00					\$2,194,555.00	22,181,829.00
Special Education Aid	15-495-034-5120-089	7/1/14-6/30/15	2,029,930.00				1,829,056.00	(2,029,930.00)	200,874.00					200,874.00	2,029,930.00
Security Aid	15-495-034-5120-084	7/1/14-6/30/15	234,724.00				211,488.00	(234,724.00)	23,236.00					23,236.00	234,724.00
Educational Adequacy Aid	15-495-034-5120-083	7/1/14-6/30/15	78,758.00				71,013.00	(78,758.00)	7,745.00					7,745.00	78,758.00
Transportation Aid	15-495-034-5120-014	7/1/14-6/30/15	60,164.00				54,168.00	(60,164.00)	5,996.00					5,996.00	60,164.00
PARCC Readiness Aid	15-495-034-5120-098	7/1/14-6/30/15	33,580.00				30,332.00	(33,580.00)	3,248.00					3,248.00	33,580.00
Per Pupil Growth Aid	15-495-034-5120-097	7/1/14-6/30/15	33,580.00				30,332.00	(33,580.00)	3,248.00					3,248.00	33,580.00
Extraordinary Aid	14-495-034-5120-473	7/1/13-6/30/14	85,789.00		(\$85,789.00)		85,789.00								85,789.00
Extraordinary Aid	15-495-034-5120-473	7/1/14-6/30/15	163,707.00					(163,707.00)			(163,707.00)			163,707.00	163,707.00
Reimbursed TPAF Social Security Contributions	14-495-034-5095-002	7/1/13-6/30/14	1,771,154.84		(9,288.41)		9,288.41								1,771,154.84
Reimbursed TPAF Social Security Contributions	15-495-034-5095-002	7/1/14-6/30/15	1,783,278.70				1,693,680.43	(1,783,278.70)			(89,598.27)			89,598.27	1,783,278.70
<b>Total General Fund</b>				<b>(95,077.41)</b>			<b>24,002,420.84</b>	<b>(26,599,550.70)</b>	<b>2,438,902.00</b>		<b>(253,305.27)</b>			<b>2,692,207.27</b>	<b>28,456,494.54</b>
Special Revenue Fund:															
Preschool Education Aid	14-495-034-5120-086	7/1/13-6/30/14	744,120.00	174,893.56			74,412.00	(249,305.56)							744,120.00
Preschool Education Aid	15-495-034-5120-086	7/1/14-6/30/15	595,296.00				535,766.00	(425,196.64)				\$110,569.36		59,530.00	425,196.64
NJ Nonpublic Aid:															
Textbook Aid	14-100-034-5120-064	7/1/13-6/30/14	9,708.00		\$461.46					\$461.46					9,246.54
Textbook Aid	15-100-034-5120-064	7/1/14-6/30/15	10,784.00				10,784.00	(10,567.10)					\$216.90		10,567.10
Nursing Services	14-100-034-5120-070	7/1/13-6/30/14	13,865.00		8,907.60					8,907.60					4,757.40
Nursing Services	15-100-034-5120-070	7/1/14-6/30/15	17,168.00				17,168.00	(2,731.61)				14,436.39			2,731.61
Technology Initiative	14-100-034-5120-373	7/1/13-6/30/14	3,540.00		767.53					767.53					2,772.47
Technology Initiative	15-100-034-5120-373	7/1/14-6/30/15	5,792.00				5,792.00	(397.95)					5,394.05		397.95
Auxiliary Services:															
Compensatory Education	14-100-034-5120-067	7/1/13-6/30/14	1,455.00		85.40					85.40					1,369.60
Compensatory Education	15-100-034-5120-067	7/1/14-6/30/15	1,790.00				1,790.00	(358.32)					1,431.68		358.32
English as a Second Language	15-100-034-5120-067	7/1/14-6/30/15	1,829.00				1,829.00	(1,552.95)					276.05		1,552.95
Handicapped Services:															
Supplemental Instruction	14-100-034-5120-066	7/1/13-6/30/14	4,857.00		1,249.24					1,249.24					3,607.76
Supplemental Instruction	15-100-034-5120-066	7/1/14-6/30/15	7,061.80				7,061.80	(941.64)					6,120.16		941.64
Examination & Classification	14-100-034-5120-066	7/1/13-6/30/14	16,078.00		11,140.06					11,140.06					4,937.94
Examination & Classification	15-100-034-5120-066	7/1/14-6/30/15	11,162.80				11,162.80	(2,519.72)					8,643.08		2,519.72
Corrective Speech	14-100-034-5120-066	7/1/13-6/30/14	14,843.00		6,796.64					6,796.64					8,046.36
Corrective Speech	15-100-034-5120-066	7/1/14-6/30/15	13,252.40				13,252.40	(6,626.25)					6,626.15		6,626.25
<b>Total Special Revenue Fund</b>				<b>174,893.56</b>	<b>29,407.93</b>		<b>679,016.00</b>	<b>(700,197.74)</b>		<b>29,407.93</b>		<b>110,569.36</b>	<b>43,144.46</b>	<b>59,530.00</b>	<b>1,229,750.25</b>
Capital Projects Fund:															
Restroom ADA Renovation - East End School	3670-060-10-1004	2013	222,829.00		(8,911.40)		8,911.40								222,829.00
Media Center Renovations - High School	3670-050-10-1010	2013	197,229.00		(197,229.00)		175,498.05		21,730.95						197,229.00
High School Fire Alarm	3670-050-14-1001	2015	719,609.00				129,742.49	(300,861.80)					171,119.31		300,861.80
West End Fire Alarm	3670-110-14-1013	2015	167,380.00				41,972.99	(97,959.00)				(55,986.01)		55,986.01	97,959.00
East End Fire Alarm	3670-060-14-1007	2015	189,627.00				86,031.65	(97,959.00)				(11,927.35)		11,927.35	97,959.00
Stony Brook Fire Alarm	3670-090-14-1008	2015	185,992.00				57,403.26	(65,463.83)				(8,060.57)		8,060.57	65,463.83
Somerset School Gymnasium Air Conditioning	3670-080-14-1015	2015	225,385.00					(137,830.00)				(137,830.00)		137,830.00	137,830.00
Stony Brook School Window Replacement	3670-090-14-1009	2015	410,678.00					(266,015.00)				(266,015.00)		266,015.00	266,015.00
				<b>(206,140.40)</b>			<b>499,559.84</b>	<b>(966,088.63)</b>	<b>21,730.95</b>		<b>(650,938.24)</b>		<b>650,938.24</b>		<b>1,386,146.63</b>
Enterprise Fund:															
National School Lunch Program (State Share)	14-100-010-3360-067	7/1/13-6/30/14	21,226.35		(2,412.43)		2,412.43								21,226.35
National School Lunch Program (State Share)	15-100-010-3360-067	7/1/14-6/30/15	20,050.31				18,750.52	(20,050.31)				(1,299.79)		1,299.79	20,050.31
<b>Total Enterprise Fund</b>				<b>(2,412.43)</b>			<b>21,162.95</b>	<b>(20,050.31)</b>			<b>(1,299.79)</b>		<b>1,299.79</b>		<b>41,276.66</b>
<b>Total State Financial Assistance Subject to Single Audit Testing</b>				<b>(\$128,736.68)</b>	<b>\$29,407.93</b>	<b>\$-0-</b>	<b>25,202,161.63</b>	<b>(28,285,887.38)</b>	<b>\$2,460,632.95</b>	<b>\$29,407.93</b>	<b>(\$905,543.30)</b>	<b>\$110,569.36</b>	<b>\$43,144.46</b>	<b>\$3,403,975.30</b>	<b>\$31,113,668.08</b>
On-Behalf amounts utilized for determination of Single Audit:															
On-behalf TPAF Pension - post retirement medical	15-495-034-5095-001	7/1/14-6/30/15	2,061,368.00				2,061,368.00	(2,061,368.00)							
On-behalf TPAF pension contribution	15-495-034-5095-006	7/1/14-6/30/15	1,298,500.00				1,298,500.00	(1,298,500.00)							
<b>Total Expenditures of State Financial Assistance</b>							<b>\$28,562,029.63</b>	<b>(\$31,645,755.38)</b>							

**Borough of North Plainfield School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2015**

**NOTE 1: GENERAL**

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

**NOTE 2: 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 exceptions 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 of the District's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule 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 and special revenue fund on a GAAP basis. Budgetary comparison statements or schedule (RSI) are presented for the general fund and special revenue fund to demonstrate finance-regulated 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 deferred state aid payments in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP accounting purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the 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 revenue, whereas GAAP basis does not. The special revenue fund also recognizes the deferred state aid payments in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**Borough of North Plainfield School District**  
**Notes to the Schedules of Expenditures of Federal Awards**  
**and State Financial Assistance**  
**Year Ended June 30, 2015**

**NOTE 3: RELATIONSHIP TO BASIC FINANCIAL STATEMENTS (CONTINUED)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$4,871.00) for the general fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$7,562.15) for the special revenue fund. The net adjustment to reconcile from the budgetary basis to the GAAP basis is (\$180,062.30) for the capital projects fund. See the notes to the 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 Board's basic financial statements on a GAAP basis as follows:

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$160,108.92	\$29,954,547.70	\$30,114,656.62
Special Revenue Fund	1,769,548.38	700,197.74	2,469,746.12
Capital Projects Fund		786,026.33	786,026.33
Food Service Fund	<u>160,108.92</u>	<u>20,050.31</u>	<u>180,159.23</u>
Total Awards & Financial Assistance	<u>\$2,089,766.22</u>	<u>\$31,460,822.08</u>	<u>\$33,550,588.30</u>

**NOTE 4: RELATIONSHIP TO FEDERAL AND STATE FINANCIAL REPORTS**

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

**NOTE 5: OTHER**

Revenues and expenditures reported in the Food Distribution Program represent current year value received and current year distributions respectively. TPAF Social Security contributions represent the amount reimbursed by the state for the employer's share of Social Security contributions for TPAF members for the year ended June 30, 2015.

The amount of TPAF post-retirement contributions and pension contributions of \$2,061,368 and \$1,298,500 respectively, reported in the financial statements represents the amounts paid by the state on behalf of the district for the year ended June 30, 2015 and are not subject to the requirements of New Jersey OMB 04-04.

**Borough of North Plainfield School District**  
**Somerset County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2015**

**Section I – Summary of Auditor’s Results**

**Financial Statements**

- |     |  |            |
|-----|--|------------|
| (1) | Type of Auditor’s Report Issued:   | Unmodified |
| (2) | Internal Control Over Financial Reporting:   |            |
|     | (a) Material weakness(es) identified?  | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses? | No         |
| (3) | Noncompliance material to the basic financial statements noted during the audit?           | No         |

**Federal Program(s)**

- |     |   |            |
|-----|---|------------|
| (1) | Internal Control Over Major Federal Programs:   |            |
|     | (a) Material weaknesses identified?   | No         |
|     | (b) Significant deficiencies identified that are not considered to be material weaknesses?  | No         |
| (2) | Type of Auditor’s Report issued on compliance for major federal program(s)?   | Unmodified |
| (3) | Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? | No         |

**Borough of North Plainfield School District**  
**Somerset County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2015**

**Section I – Summary of Auditor’s Results (Continued)**

**Federal Program(s) (Continued)**

(4) Identification of Major Federal Program(s):

<u>Program</u>	<u>Grant Number</u>
Child Nutrition Cluster:	
National School Lunch Program	10.555
School Breakfast Program	10.553

(5) Program Threshold Determination:

Type A Federal Program Threshold > \$300,000.00

Type B Federal Program Threshold <= \$300,000.00

(6) Auditee qualified as a low-risk auditee under OMB Circular A-133? Yes

**State Program(s)**

(1) Internal Control Over Major State Programs:

(a) Material weakness(es) identified? No

(b) Significant deficiencies identified that are not considered to be material weaknesses? No

(2) Type of Auditor's Report issued on compliance for major state program(s)? Unmodified

(3) Any audit findings disclosed that are required to be reported in accordance with Circular OMB A-133 and listed in Section III of this schedule? No

**Borough of North Plainfield School District**  
**Somerset County, New Jersey**

**Schedule of Findings and Questioned Costs**  
**For the Fiscal Year Ended June 30, 2015**

**State Program(s)(Continued)**

(4) Identification of Major State Program(s):

<u>Program</u>	<u>Grant Number</u>
Public State Aid Cluster	
Equalization Aid	15-495-034-5120-078
Special Education Aid	15-495-034-5120-089
Security Aid	15-495-034-5120-084
Educational Adequacy Aid	15-495-034-5120-083
PARCC Readiness Aid	15-495-034-5120-098
Per Pupil Growth Aid	15-495-034-5120-097
School Development Authority (SDA) Grants	Various

(5) Program Threshold Determination:

    Type A State Program Threshold > \$949,373.00

    Type B State Program Threshold <= \$949,373.00

(6) Auditee qualified as a low-risk auditee under OMB Circular 04-04?      Yes

**Section II – Financial Statement Audit – Reported Findings Under Government Auditing Standards**

**Internal Control Findings** – None Reported

**Compliance Findings** – None Reported

**Section III – Findings and Questioned Costs Relative to Major Federal and State Programs**

Federal Programs – None Reported

State Programs – None Reported

**Borough of North Plainfield School District**  
**Somerset County, New Jersey**

**Schedule of Prior Year Audit Findings**

Not Applicable



