

**SCHOOL DISTRICT OF THE  
BOROUGH OF RAMSEY  
COUNTY OF BERGEN, NEW JERSEY  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
JUNE 30, 2015**

**School District  
of**

**Ramsey**

**RAMSEY BOARD OF EDUCATION  
Ramsey, New Jersey**

**Comprehensive Annual Financial Report  
Year Ended June 30, 2015**

# Comprehensive Annual Financial Report

of the

**RAMSEY BOARD OF EDUCATION**  
**Ramsey, New Jersey**

**Year Ended June 30, 2015**

**Prepared by**

**Robert J. Marcotulli**  
**Assistant Superintendent-Business/Board Secretary**

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## **INTRODUCTORY SECTION**

RAMSEY BOARD OF EDUCATION  
RAMSEY PUBLIC SCHOOLS  
266 East Main Street  
Ramsey, NJ 07446  
Ph. (201) 785-2300

MATTHEW J. MURPHY, Ed.D.  
SUPERINTENDENT OF SCHOOLS

ROBERT J. MARCOTULLI  
ASSISTANT SUPERINTENDENT-BUSINESS  
BOARD SECRETARY

October 14, 2015

Honorable President and  
Members of the Board of Education  
Ramsey School District  
County of Bergen, New Jersey

Dear Board Members:

The Comprehensive Annual Financial Report of the Ramsey School 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. 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 basic financial statements and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The comprehensive annual financial report is presented in four sections: introductory, financial, statistical and single audit. The introductory section includes this transmittal letter, the District's organizational chart and a list of principal officials. The financial section includes the independent auditor's report, the management's discussion and analysis, and the financial statements and notes. The statistical section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, "Audits of States, Local Governments and Non-Profit Organizations", and the state Treasury Circular Letter 04-04 OMB, "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:** Ramsey School District is an independent reporting entity within the criteria adopted by the GASB as established by GASB Statement #34. All funds and account groups of the District are included in this report. The Ramsey School District Board of Education and all its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels K through 12. These include regular, vocational as well as special education for handicapped youngsters. During

the 2014-2015 fiscal year, the average daily enrollment of 2,878 students is 64 students below the previous year's enrollment. The following details the changes in the student enrollment of the District over the last ten years.

**Enrollment Data**

Fiscal Year	Average Daily Enrollment	% Change
2014-2015	2,878	-2.18%
2013-2014	2,942	-1.18%
2012-2013	2,977	-1.55%
2011-2012	3,024	-1.08%
2010-2011	3,057	-1.45%
2009-2010	3,102	-0.19%
2008-2009	3,108	-0.73%
2007-2008	3,131	0.17%
2006-2007	3,126	2.02%
2005-2006	3,064	1.36%

**2. ECONOMIC CONDITION AND OUTLOOK:** The Ramsey community is essentially developed to almost capacity. The increase in ratables during the past decade has slowed as a result of a decline in new construction. As of 2006, there were only 31.0 acres of vacant land in the borough. As a result, the ratable base is not expected to increase significantly.

As a suburb of the New York Metropolitan area, the region has seen an increase of 0.1% in the consumer price index for the year ending June, 2015.

**3. MAJOR INITIATIVES:** The 2014-2015 school year saw several new projects and initiatives that deserve mention.

The District continued with a major 21<sup>st</sup> Century learning initiative that drives our curriculum, instruction, assessment, technology and professional development planning. District wide attention was spent on unpacking the Common Core State Standards and how to integrate them into our 21<sup>st</sup> Century learning classrooms. Extensive work was done in the area of Instructional Design and the creation of revised curriculum units.

In addition, the District spent considerable time and resources to support the staff with the addition of support personnel, targeted professional development, and peer coaching.

The District Evaluation Advisory Committee (DEAC) continued to guide and monitor the implementation of the new Teacher Evaluation instrument. Budget dollars were used to purchase the Stronge evaluation system, the My Learning Plan database, and to fund professional development in support of the requirements of the State mandate.

**4. INTERNAL ACCOUNTING CONTROLS:** Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the District is

protected from loss, theft or misuse and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met.

The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management.

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

As part of the District's single audit described earlier, tests are made to determine the adequacy of the internal control structure, including that 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 and the debt service fund. Project-length budgets are approved for the capital improvements accounted for in the capital projects fund. The final budget amount as amended for the fiscal year is reflected in the financial section.

An encumbrance accounting system is used to record outstanding purchase commitments on a line item basis. Open encumbrances at year-end are either canceled or are included as reappropriation of fund balance in the subsequent year. Those amounts to be reappropriated are reported as reservations of fund balance at June 30, 2015.

**6. 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 has adopted a cash management plan which requires it to deposit public funds in public depositories protected from loss under the provisions of the Governmental Unit Deposit Protection Act ("GUDPA"). GUDPA was enacted in 1970 to protect Governmental Units from a loss of funds on deposit with a failed banking institution in New Jersey. The law requires governmental units to deposit public funds only in public depositories located in New Jersey, where the funds are secured in accordance with the Act.

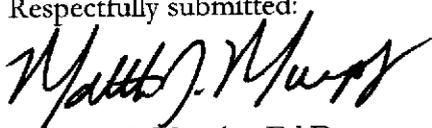
**7. RISK MANAGEMENT:** The Board carries various forms of insurance, including but not limited to general liability, automobile liability and comprehensive/collision, hazard and theft insurance on property and contents, and fidelity bonds.

**8. OTHER INFORMATION:** Independent Audit – State statutes require an annual audit by independent certified public accountants or registered municipal accountants. The accounting firm of Ferraioli, Wielkottz, Cerullo & Cuva, P.A. was appointed by the Board of Education. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the

requirements of the Single Audit Act Amendment of 1996 and the related OMB Circular A-133 and State Treasury Circular Letter 04-04 OMB. The auditor's report on the basic financial statements and specific required supplemental information is included in the financial section of this report. The auditor's reports related specifically to the single audit are included in the single audit section of this report.

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

Respectfully submitted:

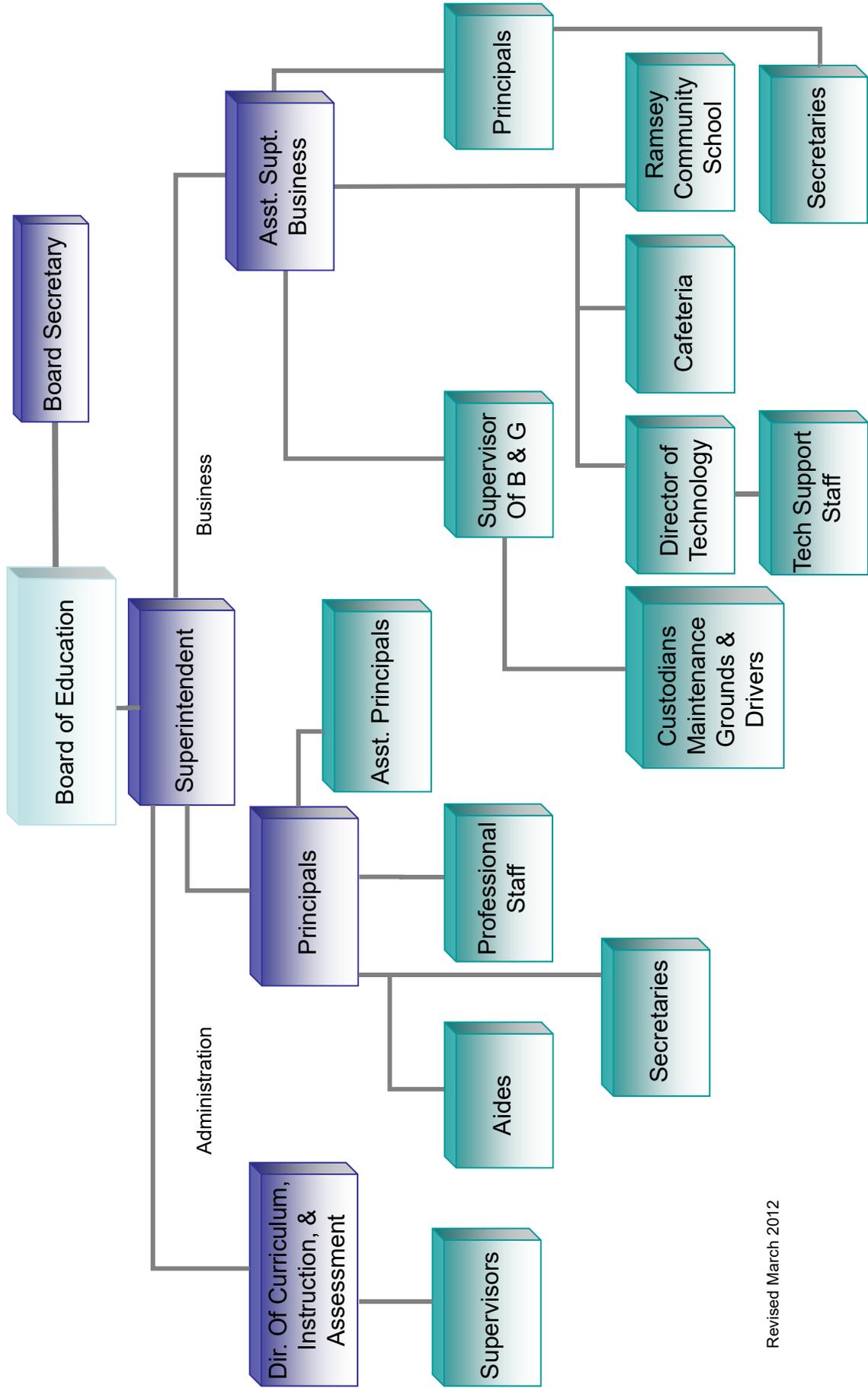


Matthew J. Murphy, Ed.D.  
Superintendent of Schools



Robert J. Marcotulli  
Assistant Superintendent-Business/Board Secretary

# Ramsey Public Schools



Revised March 2012

**RAMSEY BOARD OF EDUCATION  
BERGEN COUNTY, NEW JERSEY**

**ROSTER OF OFFICIALS  
JUNE 30, 2015**

<b><u>Members of the Board of Education</u></b>	<b><u>Term Expires</u></b>
Anthony Gasparovich, President	2018
Laura E. Genovese Behrmann	2018
Timothy Finnegan	2017
Mae Fine	2016
James Meiman	2018
Claudia Monteith	2017
David Rockefeller	2016
Peter Wasek	2016
Keri Walsh	2016

**Other Officials**

Dr. Matthew Murphy, Superintendent of Schools

Robert J. Marcotulli, Assistant Superintendent-Business Administrator/Board Secretary

Robert M. Jacobs, Esq. Solicitors

LAN Associates, Architects

**RAMSEY BOARD OF EDUCATION  
CONSULTANTS AND ADVISORS  
JUNE 30, 2015**

**Architect/Engineer**

LAN Associates Engineering  
445 Godwin Avenue  
Midland Park, NJ 07432

**Audit Firm**

Ferraioli, Wielkocz, Cerullo & Cuva, P.A.  
401 Wanaque Avenue  
Pompton Lakes, NJ 07442

**Attorney**

Robert M. Jacobs, Esq.  
Winne, Banta, Hetherington  
Basralian & Kahn, P.C.  
Court Plaza South - East Wing  
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Hackensack, NJ 07602

**Official Depositories**

TD Bank, N.A.  
Lake Street  
Ramsey, NJ 07446

**FINANCIAL SECTION**

# Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA  
Steven D. Wielkottz, CPA, RMA  
James J. Cerullo, CPA, RMA  
Paul J. Cuva, CPA, RMA  
Thomas M. Ferry, CPA, RMA

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## INDEPENDENT AUDITOR'S REPORT

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

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, State of New Jersey, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

### ***Auditor's Responsibility***

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

Honorable President and  
Members of the Board of Education  
Page 2.

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

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

### **Opinions**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund, and the aggregate remaining fund information of the Borough of Ramsey Board of Education, in the County of Bergen, State of 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.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Budgetary Comparison Information, and schedules related to accounting and reporting for pensions (GASB 68) identified in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the 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.

Honorable President and  
Members of the Board of Education  
Page 3.

*Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Ramsey Board of Education's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, and schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 and the introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, and the schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, the schedule of federal financial awards and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and the schedule of expenditures of state financial assistance as required by NJ OMB 04-04 are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section and statistical data section has not been subject 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 October 14, 2015 on our consideration of the Borough of Ramsey Board of Education'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

Honorable President and  
Members of the Board of Education  
Page 4.

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 Ramsey Board of Education's internal control over financial reporting and compliance.

*Steven D. Wielkocz*

Steven D. Wielkocz, C.P.A.  
Licensed Public School Accountant  
No. 816

*Ferraioli, Wielkocz, Cerullo & Cova, P.A.*

FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.  
Certified Public Accountants  
Pompton Lakes, New Jersey

October 14, 2015

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART I**

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
UNAUDITED**

As management of the Borough of Ramsey School District (the "School District"), we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities of the Borough of Ramsey School District for the fiscal year ended June 30, 2015.

The management's discussion and analysis is provided at the beginning of the audit to provide an overall review of the past and current position of the School District's financial condition. This summary should not be taken as a replacement for the audit which consists of the financial statements and other supplemental information that presents all the School District's revenues and expenditures by program for the General Fund, Special Revenue Fund, Capital Projects Fund, Debt Service Fund and Enterprise Fund.

**FINANCIAL HIGHLIGHTS**

In total, net position increased \$3,124,798. Net position of governmental activities increased \$3,191,906 while net assets of business-type activity decreased by \$(67,108).

General revenues accounted for \$66,202,685 in revenue or 97 percent of all district revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$1,821,352 or 3 percent of total revenues of \$68,024,037.

The School District had \$64,194,432 in expenses related to governmental activities; only \$1,183,677 of these expenses were offset by program specific charges for services, grants or contributions. General revenues (primarily grants, entitlements and property taxes) of \$66,202,661 were adequate to provide for these programs.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**USING THIS ANNUAL REPORT**

This discussion and analysis are intended to serve as an introduction to the Borough of Ramsey School District's basic financial statements. The Borough of Ramsey School District's basic financial statements are comprised of three components: 1) district-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**District-Wide Financial Statements**

The *district-wide financial statements* are designed to provide readers with a broad overview of the Borough of Ramsey School District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the Borough of Ramsey School District's assets and liabilities using the accrual basis of accounting, with the difference between the two reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Borough of Ramsey School District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

Both of the district-wide financial statements distinguish functions of the Borough of Ramsey School District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The governmental activities of the Borough of Ramsey School District include instruction, support services and special schools. The business-type activities of the Borough of Ramsey School District include the food service program.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**USING THIS ANNUAL REPORT, (continued)**

**Fund Financial Statements**

A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Borough of Ramsey School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of these funds of the Borough of Ramsey School District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

*Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the district-wide financial statements. However, unlike the district-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflow of spendable resources*, as well as on balances of *spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the district-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the district-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The Borough of Ramsey School District maintains four individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, special revenue fund, capital projects fund, and debt service fund which are all considered to be major funds.

The Borough of Ramsey School District adopts annual appropriated budgets for its governmental funds except for the capital projects fund. A budgetary comparison statement has been provided for the general fund, special revenue fund and debt service fund to demonstrate compliance with their budgets.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**USING THIS ANNUAL REPORT, (continued)**

Proprietary Funds

The Borough of Ramsey School District maintains one proprietary fund. *Enterprise funds* are used to report the same functions presented as *business-type activities* in the district-wide financial statements. The Borough of Ramsey School District uses enterprise funds to account for its food service program.

Proprietary funds provide the same type of information as the district-wide financial statements, only in more detail. The proprietary fund financial statements provide information for the local district services operations.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the district-wide financial statements because the resources of those funds are *not* available to support the Borough of Ramsey School District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain *required supplementary information* concerning budgetary information for the District's major funds.

Our auditor has provided assurance in his independent auditor's report, located immediately preceding this Management's Discussion and Analysis, that the Basic Financial Statements are fairly stated. Varying degrees of assurance are being provided by the auditor regarding the Required Supplemental Information and the Supplemental Information identified above. A user of this report should read the independent auditor's report carefully to ascertain the level of assurance being provided for each of the other parts in the Financial Section.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**DISTRICT-WIDE FINANCIAL ANALYSIS**

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

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

The School District's net position was \$16,255,569 at June 30, 2015 and \$27,549,311 at June 30, 2014, respectively. Restricted items of net position are reported separately to show legal constraints that limit the School District's ability to use those items of net position for day-to-day operations. Our analysis below focuses on the net position for 2015 compared to 2014 (Table 1) and change in net position (Table 2) of the School District.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

**Table 1**

**Net Position  
June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	Restated <u>2014</u>	<u>2015</u>	Restated <u>2014</u>	<u>2015</u>	Restated <u>2014</u>
<b>Assets</b>						
Current and Other Assets	11,748,962	13,563,290	219,928	205,444	11,968,890	13,768,734
Capital Assets	<u>35,413,437</u>	<u>35,018,002</u>	<u>70,570</u>	<u>60,889</u>	<u>35,484,007</u>	<u>35,078,891</u>
Total Assets	<u>47,162,399</u>	<u>48,581,292</u>	<u>290,498</u>	<u>266,333</u>	<u>47,452,897</u>	<u>48,847,625</u>
<b>Deferred Outflows:</b>						
Unamortized Bond Issuance Costs	120,698	137,941			120,698	137,941
Differed Outflows of Resources						
Related to PERS	<u>1,522,924</u>	_____	_____	_____	<u>1,522,924</u>	_____
Total Deferred Outflows	<u>1,643,622</u>	<u>137,941</u>	_____	_____	<u>1,643,622</u>	<u>137,941</u>
<b>Liabilities</b>						
Current Liabilities	1,432,278	2,770,024	66,654		1,498,932	2,770,024
Noncurrent Liabilities	<u>29,476,275</u>	<u>17,040,475</u>	_____	_____	<u>29,476,275</u>	<u>17,040,475</u>
Total Liabilities	<u>30,908,553</u>	<u>19,810,499</u>	<u>66,654</u>	_____	<u>30,975,207</u>	<u>19,810,499</u>
<b>Deferred Inflows:</b>						
Unamortized Bond Issuance						
Premiums	973,637	1,112,728			973,637	1,112,728
Deferred Inflows of Resources						
Related to PERS	<u>867,487</u>	_____	_____	_____	<u>867,487</u>	_____
Total Deferred Inflows	<u>1,841,124</u>	<u>1,112,728</u>	_____	_____	<u>1,841,124</u>	<u>1,112,728</u>
<b>Net Assets</b>						
Net Investment in Capital Assets	20,645,498	18,278,215	45,951	46,391	20,691,449	18,324,606
Restricted	10,271,833	9,794,237			10,271,833	9,794,237
Unrestricted	<u>(14,860,987)</u>	<u>(276,446)</u>	<u>153,274</u>	<u>205,444</u>	<u>(14,707,713)</u>	<u>(71,002)</u>
Total Net Position	<u>16,056,344</u>	<u>27,796,006</u>	<u>199,225</u>	<u>251,835</u>	<u>16,255,569</u>	<u>28,047,841</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Table 2 below shows the changes in net position for fiscal year 2015 compared to 2014.

**Table 2  
Changes in Net Position  
Year Ended June 30,**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Revenues</b>						
Program Revenues:						
Charges for Services and Sales			538,095	592,876	538,095	592,876
Operating Grants and Contributions	1,183,677	1,112,463	99,580	103,493	1,283,257	1,215,956
General Revenues:						
Taxes:						
Property taxes	51,249,826	50,710,126			51,249,826	50,710,126
Federal and State Aid not Restricted	12,381,943	6,402,622			12,381,943	6,402,622
Federal and State Aid - Capital Outlay	562,284				562,284	
Tuition Received	1,906,306	1,859,684			1,906,306	1,859,684
Miscellaneous Income	102,089	115,810			102,089	115,810
Investment Earnings	<u>213</u>	<u>7,141</u>	<u>24</u>	<u>64</u>	<u>237</u>	<u>7,205</u>
Total Revenues and Transfers	<u>67,386,338</u>	<u>60,207,846</u>	<u>637,699</u>	<u>696,433</u>	<u>68,024,037</u>	<u>60,904,279</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
<b>Functions/Program Expenses</b>						
Instruction:						
Regular	25,249,007	21,945,607			25,249,007	21,945,607
Special Education	5,605,792	4,720,971			5,605,792	4,720,971
Other Special Instruction	984,373	913,949			984,373	913,949
Other Instruction	1,376,244	1,161,090			1,376,244	1,161,090
Support Services:						
Tuition	2,612,882	2,446,519			2,612,882	2,446,519
Student & Instruction						
Related Services	9,545,803	8,269,347			9,545,803	8,269,347
General Administrative						
Services	1,237,013	1,339,512			1,237,013	1,339,512
Central Services	644,652	558,455			644,652	558,455
Administrative Info. Tech.	17,460	17,460			17,460	17,460
School Administrative						
Services	2,506,659	2,176,490			2,506,659	2,176,490
Plant Operations and						
Maintenance	5,329,590	4,945,370			5,329,590	4,945,370
Pupil Transportation	1,437,641	1,417,645			1,437,641	1,417,645
Unallocated Benefits	5,098,594	4,423,952			5,098,594	4,423,952
Capital Outlay-						
Non-depreciable	39,074	751,687			39,074	751,687
Interest on Long-Term Debt	525,206	580,083			525,206	580,083
Unallocated depreciation	2,106,290	1,797,686			2,106,290	1,797,686
Capital Lease Obligation and						
Amortization	(121,848)	(121,848)			(121,848)	(121,848)
Food Service	<u>                    </u>	<u>                    </u>	<u>704,807</u>	<u>710,095</u>	<u>704,807</u>	<u>710,095</u>
Total Expenses	<u>64,194,432</u>	<u>57,343,975</u>	<u>704,807</u>	<u>710,095</u>	<u>64,899,239</u>	<u>58,054,070</u>
Increase or (Decrease) in						
Net Position	<u><u>3,191,906</u></u>	<u><u>2,863,871</u></u>	<u><u>(67,108)</u></u>	<u><u>(13,662)</u></u>	<u><u>3,124,798</u></u>	<u><u>2,850,209</u></u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

**MANAGEMENT’S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015  
UNAUDITED (CONTINUED)**

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

Governmental and Business-Type Activities

As reported in the Statement of Activities the cost of all of our governmental and business-type activities this year was \$64,899,239. However, the amount that our taxpayers ultimately financed for these activities through School District taxes was only \$51,249,826 because some of the cost was paid by those who benefitted from the programs \$538,095, by other governments and organizations who subsidized certain programs with grants and contributions \$1,238,257, unrestricted federal and state aid \$12,381,943, capital outlay federal and state aid \$562,284, and by miscellaneous sources \$2,008,632.

Revenues for the District’s business-type activities (food service program) were comprised of charges for services and federal and state subsidy reimbursements. Significant financial results include the following:

- ✓ Food service expenses exceeded revenues by \$67,108.
- ✓ Charges for services provided totaled \$538,095 represents amounts paid by consumers for daily food services.
- ✓ Federal and state reimbursement for meals served, including payments for free and reduced priced lunches, and donated commodities was \$99,580.

The following schedules present a summary of governmental fund revenues for the fiscal year ended June 30, 2015, and the amount and percentage of increases/(decreases) relative to the prior year.

<u>Revenue</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2014</u>	<u>Percent of Increase/ (Decrease)</u>
Local Source	\$53,258,434	86.1%	\$565,673	1.07%
State Source	7,708,229	12.5%	1,022,279	15.29%
Federal Source	<u>860,056</u>	<u>1.4%</u>	<u>30,921</u>	3.73%
Total	<u>\$61,826,719</u>	<u>100.0%</u>	<u>\$1,618,873</u>	2.69%

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**DISTRICT-WIDE FINANCIAL ANALYSIS, (continued)**

<u>Expenditures</u>	<u>Amount</u>	<u>Percent of Total</u>	<u>Increase/ (Decrease) from 2014</u>	<u>Percent of Increase/ (Decrease)</u>
Current Expenditures:				
Instruction	\$24,883,607	40.4%	\$664,541	2.74%
Undistributed	31,297,631	50.7%	1,180,330	3.92%
Debt Service	2,392,164	3.9%	(29,732)	(1.23)%
Capital Outlay	<u>3,053,827</u>	<u>5.0%</u>	<u>1,814,410</u>	146.39%
Total	<u>\$61,627,229</u>	<u>100.0%</u>	<u>\$3,629,549</u>	6.26%

Changes in expenditures were the result of varying factors. Current expense undistributed increased due to significant health insurance cost increases combined with increased student special education enrollment.

**MAJOR GOVERNMENTAL FUNDS BUDGETING AND OPERATING HIGHLIGHTS**

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

During the fiscal year ended June 30, 2015, the School District amended the budgets of these major governmental funds several times. Revisions in the budget were made to recognize revenues that were not anticipated and to prevent over-expenditures in specific line item accounts. Several of these revisions bear notation:

- TPAF, which is the state's contribution to the pension fund, is neither a revenue item nor an expenditures item to the district but is required to be reflected in the financial statements.
- The special revenue fund was increased by \$109,459 for increases in federal and state grant awards.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**General Fund**

The general fund actual revenue was \$57,818,296. That amount is \$5,693,535 above the final amended budget of \$52,124,761. The variance between the actual revenues and final budget was the result of non-budgeted on-behalf payments of \$5,193,741 for TPAF social security reimbursements and on-behalf pension payments, a reduction in other state and federal aids of \$(29,601) and an excess of \$529,395 in miscellaneous anticipated revenues.

The actual expenditures of the general fund were \$55,709,966 including transfers which is \$2,583,631 above the final amended budget of \$55,126,335. The variance between the actual expenditures and final budget was due to non-budget on-behalf TPAF social security and pension payments of \$5,193,741, and \$2,610,110 unexpended budgeted funds.

General fund had total revenues of \$57,818,296 and total expenditures and transfers of \$57,709,966 with an ending fund balance of \$10,990,325.

**Special Revenue Fund**

The special revenue fund actual revenue was \$1,183,677. That amount is above the original budget estimate of \$1,139,937 and below the final amended budget of \$1,249,396. The \$109,459 variance between the original and final budget was due to additional state grant monies awarded and an increase in federal awards to the District after the original budget was approved. The \$(65,719) variance between the final amended budget and the June 30, 2015 actual results was due to the deferral of State grants received in the current fiscal year to be spent in the next fiscal year and miscellaneous receivables.

The actual expenditures of the special revenue fund were \$1,183,677, which is above the original budget of \$1,139,937 and below the final amended budget of \$1,249,396. The \$109,459 variance between the original and final budget was due to a reduction in federal grants awarded to the District after the original budget was approved. The \$(65,719) variance between the final amended budget and the June 30, 2015 actual results was due to the anticipation of fully expending federal and state grant programs. Expenditures will be incurred in the next fiscal year.

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**CAPITAL ASSETS AND DEBT ADMINISTRATION**

**Capital Assets**

At the end of fiscal year 2015 the School District had \$64,563,389 invested in sites, buildings, equipment. Of this amount \$29,104,001 in depreciation has been taken over the years. We currently have a net book value of \$35,459,388. Table 3 shows fiscal year 2015 balances compared to 2014.

**Table 3  
Capital Assets at June 30,  
(Net of Depreciation)**

	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2015</u>	Restated <u>2014</u>	<u>2015</u>	Restated <u>2014</u>	<u>2015</u>	Restated <u>2014</u>
Sites and Improvements	\$4,425,700	\$4,425,700	\$	\$	\$4,425,700	\$4,425,700
Buildings and Improvements	28,611,976	27,168,178			28,611,976	27,168,178
Furniture, Equipment and Vehicles	<u>2,375,761</u>	<u>2,911,096</u>	<u>45,951</u>	<u>60,889</u>	<u>2,421,712</u>	<u>2,971,985</u>
	<u>\$35,413,437</u>	<u>\$34,504,974</u>	<u>\$45,951</u>	<u>\$60,889</u>	<u>\$35,459,388</u>	<u>\$34,565,863</u>

**Debt Administration**

At June 30, 2015, the District had \$29,476,275 of long-term debt. Of this amount, \$1,004,798 is for compensated absences, \$13,915,000 is school improvement serial bonds issues dated April 4, 2012, and \$14,556,477 is for net pension liability.

**Table 4  
Outstanding Serial Bonds at June 30,**

	<u>Governmental Activities</u>	
	<u>2015</u>	<u>2014</u>
School Refunding Bonds - 2012	<u>\$13,915,000</u>	<u>\$15,765,000</u>

**RAMSEY BOARD OF EDUCATION  
RAMSEY, NJ**

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

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS**

The economy in the State of New Jersey is slowly improving. The current State of New Jersey revenue estimates are at the point that the legislature and governor have approved a State Aid funding bill for the 2015-2016 school year that is greater than the level of the 2014-2015 school year.

These factors were considered in preparing the Borough of Ramsey School District's budgets for the 2015-2016 fiscal year.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the Ramsey Board of Education's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to:

Robert J. Marcotulli  
Assistant Superintendent-Business / Board Secretary  
Ramsey Board of Education  
266 East Main Street  
Ramsey, NJ 07446

# **BASIC FINANCIAL STATEMENTS**

**DISTRICT-WIDE FINANCIAL STATEMENTS**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Net Position**  
**June 30, 2015**

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
<b>ASSETS</b>			
Cash and cash equivalents		74,445	74,445
Investments	239,693		239,693
Receivables, net	6,931,646	6,040	6,937,686
Internal balances	(130,221)	130,221	-
Inventory		9,222	9,222
Restricted assets:			
Capital reserve account - cash	4,707,844		4,707,844
Capital assets, net:			
Land	4,425,700		4,425,700
Other capital assets, net	30,987,737	45,951	31,033,688
Total Assets	<u>47,162,399</u>	<u>265,879</u>	<u>47,428,278</u>
Deferred Outflow of Resources:			
Unamortized bond issuance costs	120,698		120,698
Deferred outflows of resources related to PERS	1,522,924		
Total Deferred Outflows	<u>1,643,622</u>		<u>1,643,622</u>
<b>LIABILITIES</b>			
Deficit in cash and cash equivalents	453,506		453,506
Accounts payable and accrued liabilities	910,280	66,654	976,934
Payable to state government	65,720		65,720
Unearned revenue	2,772		2,772
Noncurrent liabilities:			
Due within one year	1,850,000		1,850,000
Due beyond one year	27,626,275		27,626,275
Total liabilities	<u>30,908,553</u>	<u>66,654</u>	<u>30,975,207</u>
Deferred Inflow of Resources:			
Unamortized bond issuance premiums	973,637		973,637
Deferred inflows of resources related to PERS	867,487		867,487
Total Deferred Inflows	<u>1,841,124</u>		<u>1,841,124</u>
<b>NET POSITION</b>			
Net investment in capital assets	20,645,498	45,951	20,691,449
Restricted for:			
Debt service	12,235		12,235
Capital projects	5,035,299		5,035,299
Other purposes	5,224,299		5,224,299
Unrestricted (Deficit)	<u>(14,860,987)</u>	<u>153,274</u>	<u>(14,707,713)</u>
Total net position	<u>16,056,344</u>	<u>199,225</u>	<u>16,255,569</u>

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

**RAMSEY BOARD OF EDUCATION**  
Statement of Activities  
Fiscal Year Ended June 30, 2015

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
	Expenses	Indirect Expenses Allocation	Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	18,934,393	6,314,614		746,907	(24,502,100)		(24,502,100)
Special education	4,119,097	1,486,695			(5,605,792)		(5,605,792)
Other special instruction	757,983	226,390			(984,373)		(984,373)
Other instruction	1,072,134	304,110			(1,376,244)		(1,376,244)
Support services:							
Instruction	2,612,882				(2,612,882)		(2,612,882)
Student & instruction related services	7,249,736	2,296,067		436,770	(9,109,033)		(9,109,033)
General administrative services	1,088,766	148,247			(1,237,013)		(1,237,013)
School administrative services	1,890,814	615,845			(2,506,659)		(2,506,659)
Central Services	488,162	156,490			(644,652)		(644,652)
Administrative information tech.	17,460				(17,460)		(17,460)
Plant operations and maintenance	4,479,237	850,353			(5,329,590)		(5,329,590)
Pupil transportation	1,381,062	56,579			(1,437,641)		(1,437,641)
Unallocated benefits	5,098,594				(5,098,594)		(5,098,594)
Capital outlay - non-depreciable	39,074				(39,074)		(39,074)
Interest on long-term debt	525,206				(525,206)		(525,206)
Unallocated depreciation	2,106,290				(2,106,290)		(2,106,290)
Amortization	(121,848)				121,848		121,848
Total governmental activities	51,739,042	12,455,390	-	1,183,677	(63,010,755)		(63,010,755)
Business-type activities:							
Food Service	704,807		538,095	99,580		(67,132)	(67,132)
Total business-type activities	704,807		538,095	99,580		(67,132)	(67,132)
Total primary government	52,443,849		538,095	1,283,257	(63,010,755)		(63,077,887)
General revenues:							
Taxes:							
Levied for general purposes					48,971,745		48,971,745
Taxes levied for debt service					2,278,081		2,278,081
Federal and State aid not restricted					12,381,943		12,381,943
Federal and State aid - Capital Outlay					562,284		562,284
Tuition received					172,799		172,799
Tuition from Other LEAs Within the State					1,733,507		1,733,507
Transportation Fees					30,941		30,941
Investment Earnings					213	24	237
Miscellaneous Income					71,148		71,148
Total general revenues, special items, extraordinary items and transfers					66,202,661	24	66,202,685
Change in Net Position					3,191,906	(67,108)	3,124,798
Net Position—beginning (restated)					12,864,438	266,333	13,130,771
Net Position—ending					16,056,344	199,225	16,255,569

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

**FUND FINANCIAL STATEMENTS**

**RAMSEY BOARD OF EDUCATION**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2015**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Capital Projects Fund</u>	<u>Debt Service Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents					
Checking	5,576,053			12,022	5,588,075
Investments			239,693		239,693
Accounts Receivable -					
Intergovernmental - State	437,264		6,129,556		6,566,820
Intergovernmental - Federal		244,459			244,459
Interfund receivables	178,739			213	178,952
Other receivables	120,367				120,367
Restricted cash and cash equivalents:					
Capital Reserve	4,707,844				4,707,844
Total assets	<u>11,020,267</u>	<u>244,459</u>	<u>6,369,249</u>	<u>12,235</u>	<u>17,646,210</u>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities:					
Deficit in cash and cash equivalents			6,041,581		6,041,581
Intergovernmental payable:					
State		65,720			65,720
Interfund Payable	130,221	178,739	213		309,173
Unearned revenue	2,772				2,772
Total liabilities	<u>132,993</u>	<u>244,459</u>	<u>6,041,794</u>	<u>-</u>	<u>6,419,246</u>
Fund Balances:					
Restricted for:					
Excess Surplus - current year	2,686,088				2,686,088
Excess Surplus - prior year - designated for subsequent year's expenditures	2,352,131				2,352,131
Capital reserve account	4,707,844				4,707,844
Assigned to:					
Designated by the BOE for subsequent year's expenditures	186,080				186,080
Capital projects fund			327,455		327,455
Debt service fund				12,235	12,235
Unassigned:					
General Fund	955,131				955,131
Total Fund balances	<u>10,887,274</u>	<u>-</u>	<u>327,455</u>	<u>12,235</u>	<u>11,226,964</u>
Total liabilities and fund balances	<u>11,020,267</u>	<u>244,459</u>	<u>6,369,249</u>	<u>12,235</u>	

Amounts reported for governmental activities in the statement of net position (A-1) are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$64,115,295 and the accumulated depreciation is \$28,701,858.	35,413,437
Accounts payable for subsequent Pension payment is not a payable in the funds	(693,030)
Bond issuance premium is recorded as revenue in the Governmental Funds in the year of receipt. The original premium is \$1,390,910 and accumulated amortization is \$417,273	(973,637)
Bond issuance costs are reported as expenditures in the Governmental Funds in the year of the expenditure. The costs are \$172,427 and accumulated amortization is \$51,729	120,698
Deferred outflows and inflows of resources are applicable to future periods and therefore are not reported in the funds.	
Deferred outflows of resources related to PERS Pension Liability	1,522,924
Deferred inflows of resources related to PERS Pension Liability	(867,487)
Accrued interest liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	(217,250)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds (see Note 8)	<u>(29,476,275)</u>
Net position of governmental activities	<u>16,056,344</u>

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

**RAMSEY BOARD OF EDUCATION**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances**  
**Governmental Funds**  
**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	48,971,745			2,278,081	51,249,826
Tuition charges	172,799				172,799
Tuition from Other LEAs Within the State	1,733,507				1,733,507
Transportation Fees	30,941				30,941
Interest on Investments			213		213
Miscellaneous	71,148				71,148
<b>Total - Local Sources</b>	<b>50,980,140</b>	<b>-</b>	<b>213</b>	<b>2,278,081</b>	<b>53,258,434</b>
State sources	6,819,216	326,729	562,284		7,708,229
Federal sources	3,108	856,948			860,056
<b>Total revenues</b>	<b>57,802,464</b>	<b>1,183,677</b>	<b>562,497</b>	<b>2,278,081</b>	<b>61,826,719</b>
<b>EXPENDITURES</b>					
Current:					
Regular instruction	18,187,486	746,907			18,934,393
Special education instruction	4,119,097				4,119,097
Other special instruction	757,983				757,983
School sponsored/other instructional	1,072,134				1,072,134
Support services and undistributed costs:					
Instruction	2,612,882				2,612,882
Attendance and social work services	43,686				43,686
Health services	470,360				470,360
Student & instruction related services	6,298,920	436,770			6,735,690
General administrative services	1,088,766				1,088,766
School administrative services	1,890,814				1,890,814
Central services	488,162				488,162
Administrative information tech.	17,460				17,460
Plant operations and maintenance	4,479,237				4,479,237
Pupil transportation	1,381,062				1,381,062
Unallocated benefits	6,895,771				6,895,771
On-behalf contributions	5,193,741				5,193,741
Debt Service:					
Principal				1,850,000	1,850,000
Interest and charges				542,164	542,164
Capital outlay	259,948		2,793,879		3,053,827
<b>Total expenditures</b>	<b>55,257,509</b>	<b>1,183,677</b>	<b>2,793,879</b>	<b>2,392,164</b>	<b>61,627,229</b>
Excess (Deficiency) of revenues over expenditures	2,544,955	-	(2,231,382)	(114,083)	199,490
<b>OTHER FINANCING SOURCES (USES)</b>					
Transfers out - Capital Reserves	(2,452,457)				(2,452,457)
Transfers out - Debt Service			(213)		(213)
Transfers in - Capital Projects				213	213
Transfers in - Capital Projects			2,452,457		2,452,457
<b>Total other financing sources and uses</b>	<b>(2,452,457)</b>	<b>-</b>	<b>2,452,244</b>	<b>213</b>	<b>-</b>
Net change in fund balances	92,498	-	220,862	(113,870)	199,490
Fund balance—July 1	10,794,776	-	106,593	126,105	11,027,474
Fund balance—June 30	10,887,274	-	327,455	12,235	11,226,964

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

**RAMSEY BOARD OF EDUCATION**  
**Reconciliation of the Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances of Governmental Funds**  
**to the Statement of Activities**  
**Fiscal Year Ended June 30, 2015**

<b>Total net change in fund balances - governmental funds (from B-2)</b>		199,490
<p>Amounts reported for governmental activities in the statement of activities (A-2) are different because:</p> <p>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.</p>		
	Depreciation expense	(2,106,290)
	Depreciable outlays	<u>3,014,753</u>
		908,463
<p>Repayment of long-term debt is reported as 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. In the current year, these amounts consist of:</p>		
	Serial bond obligations	1,850,000
<p>In the statement of activities, interest on long-term debt in the statement of activities is accrued, regardless of when due. In the governmental funds, interest is reported when due. The change in interest is an adjustment in the reconciliation.</p>		
	Prior Year	234,208
	Current Year	<u>(217,250)</u>
		16,958
<p>In the statement of activities, certain operating expenses, e.g., compensated absences (vacations) are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are reported in the amount of financial resources used (paid). When the earned amount exceeds the paid amount, the difference is reduction in the reconciliation (-); when the paid amount exceeds the earned amount the difference is an addition to the reconciliation (+).</p>		
	Decrease in compensated absences payable	270,677
<p>District pension contributions are reported as expenditures in the governmental funds when made. However, per GASB No. 68 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 changed in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.</p>		
	District Pension Contributions	640,940
	Less: Pension Expense	<u>(816,470)</u>
	(Increase)/Decrease in Pension Expense	(175,530)
<p>Per GASB No. 68, Non-employer contributing entities are required to record any increases in revenue and expense for On-behalf TPAF pension payments paid by the State of New Jersey on the Statement of Activities that are in excess of those amounts reported in the fund financial statements.</p>		
	Increase in On-behalf State Aid TPAF Pension	5,559,619
	Increase in On-behalf TPAF Pension Expense	(5,559,619)
<p>The governmental funds report the effect of bond premiums when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (+)</p>		
		139,091
<p>The governmental funds report the effect of issuance costs when debt is first issued. Whereas these amounts are deferred and amortized in the Statement of Activities (-)</p>		
		(17,243)
		<u>3,191,906</u>
<b>Change in net position of governmental activities</b>		<u>3,191,906</u>

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

**RAMSEY BOARD OF EDUCATION**  
**Statement of Net Position**  
**Proprietary Funds**  
**June 30, 2015**

	<u><b>Food Service Program</b></u>
<b><u>ASSETS</u></b>	
Current assets:	
Cash and cash equivalents	74,445
Accounts receivable:	
State	305
Federal	5,735
Interfund - General Fund	130,221
Inventories	9,222
Total current assets	<u>219,928</u>
Noncurrent assets:	
Capital assets:	
Equipment	448,094
Less accumulated depreciation	<u>(402,143)</u>
Total capital assets (net of accumulated depreciation)	<u>45,951</u>
Total assets	<u><u>265,879</u></u>
Current liabilities:	
Accounts payable	<u>66,654</u>
Total current liabilities	<u>66,654</u>
<b><u>NET POSITION</u></b>	
Net investment in capital assets	45,951
Unrestricted	<u>153,274</u>
Total net position	<u><u>199,225</u></u>

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

**Exhibit B-5**

**RAMSEY BOARD OF EDUCATION**  
**Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2015**

	<b>Food Service Program</b>
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	173,533
Daily sales - non-reimbursable programs	289,964
Special functions	74,598
Total operating revenues	538,095
 Operating expenses:	
Cost of sales	250,147
Salaries	217,504
Benefits	58,773
Supplies and materials	45,083
Purchased property services	65,000
Cleaning repair & maintenance	53,362
Depreciation	14,938
Total Operating Expenses	704,807
Operating income (loss)	(166,712)
 Nonoperating revenues (expenses):	
State sources:	
State school lunch program	3,262
Federal sources:	
National school lunch program	61,352
Food distribution program	34,966
Interest Income	24
Total nonoperating revenues (expenses)	99,604
Income (loss) before contributions & transfers	(67,108)
 Change in net position	(67,108)
Total net position—beginning (restated)	266,333
Total net position—ending	199,225

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

**RAMSEY BOARD OF EDUCATION**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Fiscal Year Ended June 30, 2015**

	<u><b>Food Service Program</b></u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers	538,232
Payments to suppliers	<u>(611,873)</u>
Net cash provided by (used for) operating activities	<u>(73,641)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Local Sources	<u>81,397</u>
Net cash provided by (used for) non-capital financing activities	<u>81,397</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest and dividends	<u>24</u>
Net cash provided by (used for) investing activities	<u>24</u>
Net increase (decrease) in cash and cash equivalents	7,780
Balances—beginning of year	<u>66,665</u>
Balances—end of year	<u><u>74,445</u></u>
 <b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	(166,712)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities	
(Increase) decrease in accounts receivable	(21,760)
Depreciation and net amortization	14,938
Food Distribution Program	34,966
(Increase) decrease in inventories	(1,727)
Increase (decrease) in accounts payable	<u>66,654</u>
Total adjustments	<u>93,071</u>
Net cash provided by (used for) operating activities	<u><u>(73,641)</u></u>

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

**RAMSEY BOARD OF EDUCATION**  
**Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Funds</b>	<b>Agency Fund</b>
<b>ASSETS</b>			
Cash and cash equivalents	228,212	36,059	1,163,286
Interfund Receivable	21,835		
Total assets	250,047	36,059	1,163,286
<b>LIABILITIES</b>			
Payable to student groups			1,081,643
Payroll deductions and withholdings			26,275
Contribution Pledged to Specific Awards			33,533
Due to State of NJ	4,816		
Interfund Payable			21,835
Total liabilities	4,816		1,163,286
<b>NET POSITION</b>			
Held in trust for unemployment claims and other purposes	245,231		
Reserved for scholarships		36,059	
	245,231	36,059	

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

**RAMSEY BOARD OF EDUCATION**  
**Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2015**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Funds</b>
<b>ADDITIONS</b>		
Contributions:		
Payroll withholdings	50,443	
Total Contributions	50,443	
Investment earnings:		
Interest	189	
Net investment earnings	189	
Total additions	50,632	
<b>DEDUCTIONS</b>		
Unemployment Claims	46,119	
Total deductions	46,119	
Change in net position	4,513	
Net position—beginning of the year	240,718	36,059
Net position—end of the year	245,231	36,059

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

**NOTES TO THE FINANCIAL STATEMENTS**

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 1. DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY**

The Board of Education (“Board”) of the Borough of Ramsey School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Ramsey School District is a Type II district located in the County of Bergen, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the District is to educate students in grades K-12. A superintendent is appointed by the Board and is responsible for the administrative control of the District. Under existing statutes, the Board’s duties and powers include, but are not limited to, the development and adoption of a school program; the establishment, organization and operation of schools; and the acquisition, maintenance and disposition of school property.

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

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

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

Based on the aforementioned criteria, the Board has no component units. Furthermore, the Board is not includable in any other reporting entity on the basis of such criteria.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The financial statements of the Board of Education of the Borough of Ramsey School District have been prepared in conformity with accounting principles generally accepted in the United States of America (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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**A. Basis of Presentation**

The Board'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 Financial Statements**

The statement of net position and the statement of activities display information about the Board as a whole. These statements include the financial activities of the overall District, except for the fiduciary funds. The statements distinguish between those activities of the Board that are governmental and those that are considered business-type activities.

The statement of net position presents the financial condition of the governmental and business-type activities of the Board at year-end. The statement of activities presents a comparison between direct expenses and program revenues for each program or function of the governmental activities and for the business-type activities of the Board. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program, grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the Board, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the Board.

**Fund Financial Statements**

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

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**GOVERNMENTAL FUNDS**

Governmental funds are those through which most governmental functions of the Board are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the Board's governmental funds:

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

As required by the New Jersey State Department of Education, the Board includes budgeted Capital Outlay in this fund. Accounting principles generally accepted in the United States of America 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 the proceeds of specific revenue from State and Federal Government, (other than major capital projects, Debt Service or the Enterprise Funds) and local appropriations that are legally restricted to expenditures for specified purposes.

**Capital Projects Fund** - The Capital Projects Fund is used to account for all financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds). The financial resources are derived from sale of bonds, lease purchases and other revenues.

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

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**PROPRIETARY FUNDS**

The focus of Proprietary Fund measurement is upon determination of net income, changes in net position, financial position and cash flows. The accounting principles generally accepted in the United States of America applicable are those similar to businesses in the private sector. Proprietary funds are classified as enterprise or internal service; the Board has no internal service funds. The following is a description of the Proprietary Funds of the Board:

**Enterprise Funds** - The Enterprise Funds are utilized to account for operations that are financed and operated in a manner similar to private business enterprises -- where the intent of the Board is that the costs (i.e. expenses including depreciation and indirect costs) of providing goods or services to the students on a continuing basis be financed or recovered primarily through user charges; or, where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability or other purposes.

The Board's Enterprise Fund is comprised of the Food Service Fund.

**FIDUCIARY FUNDS**

**Fiduciary Fund** - Fiduciary Fund reporting focuses on net position and changes in net position. The Fiduciary Funds are used to account for assets held by the Board on behalf of individuals, private organizations, other governments and/or other funds. Fiduciary Funds include Unemployment Compensation Insurance, the Memorial Funds, Student Activities Fund and Payroll Agency Fund.

**B. Measurement Focus**

**District-wide Financial Statements**

The District-wide statements (i.e., the statement of net position and the statement of activities) are prepared using the economic resources measurements focus and the accrual basis of accounting. All assets and liabilities associated with the operation of the Board are included on the statement of net position, except for fiduciary funds.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**B. Measurement Focus, (continued)**

**Fund Financial Statements**

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the District-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the District-wide statements, all proprietary fund types are accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of these funds are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The statement of cash flows provides information about how the Board finances and meets the cash flow needs of its proprietary activities.

**C. Basis of Accounting**

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. The District-wide financial statements and the financial statements of the proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of unearned revenue, and in the presentation of expenses versus expenditures.

**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 a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that 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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**Revenues - Exchange and Non-exchange Transactions, (continued)**

Nonexchange transactions, in which the Board receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Board must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Board on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized. Under GAAP, in accordance with GASB No. 33, Accounting and Financial Reporting for Nonexchange Transactions, the last state aid payment is not considered revenue to the school district if the state has not recorded the corresponding expenditure, even though state law dictates recording the revenue.

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

**Expenses/Expenditures**

On the accrual basis of accounting, expenses are recognized at the time they are incurred. The fair value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as donated commodities revenue.

The measurement of focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

**D. Budgets/Budgetary Control**

Annual appropriated budgets are adopted in the spring of the preceding year for the general, and special revenue funds. The budgets are submitted to the county superintendents office for approval. Budgets are prepared using the modified accrual basis of accounting, except for the special revenue fund as described later. The legal level of budgetary control is established at line item accounts within each fund. Line item accounts are defined as the lowest (most specific) level of detail as established pursuant to the minimum chart of accounts referenced in N.J.A.C. 6A:23-2(g)1. Transfers of appropriations may be made by School Board resolution at any time during the fiscal year. The Board of Education made additional appropriations of \$230,695 during the year for additional withdrawals from capital reserve.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**D. Budgets/Budgetary Control, (continued)**

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

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

**E. Encumbrances**

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

Open encumbrances in the special revenue fund, for which the Board has received advances, are reflected in the balance sheet as unearned revenues at fiscal year end.

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

**F. Cash, Cash Equivalents and Investments**

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

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

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**F. Cash, Cash Equivalents and Investments, (continued)**

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

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

**G. Tuition Revenues/Receivable**

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

**H. Inventories**

On District-wide financial statements, inventories are presented at cost, which approximates market on a first-in, first-out basis and are expensed when used.

On fund financial statements inventories are valued at cost, which approximates market, using the first-in-first-out (FIFO) method. Inventories of proprietary funds consist of food and goods held for resale, as well as supplies, and are expensed when used.

**I. Prepaid Items**

Payments made to vendors for services that will benefit periods beyond June 30, 2015 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**J. Short-Term Interfund Receivables/Payables**

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “interfund receivables/payables.” These amounts are eliminated in the governmental and business-type activities columns of the statement of net position, except for the net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**K. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the enterprise fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the district -wide statement of net position but are not reported in the fund financial statements. Capital assets utilized by the enterprise fund are reported both in the business-type activity column of the District-wide statement of net position and in the fund.

All capital assets acquired or constructed during the year are recorded at actual cost. Donated fixed assets are valued at their estimated fair market value on the date received. The capital assets acquired or constructed prior to June 30, 1993 are valued at cost based on historical records or through estimation procedures performed by an independent appraisal company. Donated capital assets are valued at their estimated fair market value on the date received. The Board maintains a capitalization threshold of \$2,000.00. The Board does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value fo the asset or materially extend an asset’s life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activity Estimated Lives</u>
Sites and Improvements	20 years	N/A
Buildings and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**L. Compensated Absences**

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

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.

**M. Unearned Revenue**

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Unearned revenue in the special revenue fund represents cash that has been received but not yet earned. See Note 2(E) regarding the special revenue fund.

**N. Accrued Liabilities and Long-term Obligations**

All payables, accrued liabilities and long-term obligations are reported in 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, claims and judgements, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current year. Bonds, long-term obligations, and capital leases that will be paid from governmental funds are recognized as a liability in the fund financial statements when due.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**O. 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.

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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**O. Accounting and Financial Reporting for Pensions: (continued)**

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.

**P. Fund Balances**

Fund balance is divided into five classifications based primarily on the extent to which the Board is bound to observe constraints imposed upon the resources in the governmental funds. The classifications are as follows:

- **Nonspendable** fund balance includes amounts that are not in a spendable form (inventory, for example) or are required to be maintained intact (the principal of an endowment fund, for example).
- **Restricted** fund balance includes amounts that can be spent only for the specific purposes stipulated by external resource providers (for example, grant providers), constitutionally, or through enabling legislation (that is, legislation that creates a new revenue source and restricts its use). Effectively, restrictions may be changed or lifted only with the consent of resource providers.
- **Committed** fund balance includes amounts that can be used only for the specific purposes determined by a formal action of the Board's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- **Assigned** fund balance comprises amounts *intended* to be used by the Board for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned** fund balance is the residual classification for the general fund and includes all amounts not contained in the other classifications. Unassigned amounts are technically available for any purpose. If another governmental fund has a fund balance deficit, then it will be reported as a negative amount in the unassigned classification in that fund. Positive unassigned amounts will be reported only in the general fund.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**Q. Net Position**

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings 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 Board or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

The Board applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

**R. Operating Revenues and Expenses**

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Board, these revenues are sales for food service. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund.

**S. Extraordinary and Special Items**

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during the fiscal year.

**T. 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 that program. TPAF on-behalf contributions and changes in compensated absences have not been allocated and have been reported as unallocated benefits on the Statement of Activities. 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 as unallocated depreciation. Interest on long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**U. Use of Estimates**

The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that effect certain reports, amounts and disclosures. Accordingly, actual results could differ from those estimates.

**V. Recent Accounting Pronouncements**

The Governmental Accounting Standards Board (GASB) issued Statement No. 68, “Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27”. This statement, which is effective for fiscal periods beginning after June 15, 2014 and was implemented by the District for the year ended June 30, 2015.

The Governmental Accounting Standards Board (GASB) issued Statement No. 71 “Pension Transition for Contributions Made Subsequent to the Measurement Date-an-amendment of GASB Statement No. 68”. The provisions of this statement are required to be applied simultaneously with the provisions of Statement 68 which is effective for periods beginning after June 15, 2014 and was implemented by the District for the year ended June 30, 2015.

The Government Accounting Standards Board issued GASB Statement No. 72, *Fair Value Measurement and Application*. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement also provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not Within the Scope of GASB Statement 68 and Amendments to Certain Provisions of GASB Statements 67 and 68*. This Statement is effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental nonemployer contributing entities for pensions that are not within the scope of Statement 68, which are effective for financial statements for fiscal years beginning after June 15, 2016. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

The Government Accounting Standards Board issued GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. This Statement applies to OPEB plans and basically parallels GASB Statement 67 and replaces GASB Statement 43 and is effective for fiscal years beginning after June 15, 2016. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, (continued)**

**V. Recent Accounting Pronouncements, (continued)**

The Government Accounting Standards Board issued GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. This Statement applies to government employers who provided OPEB plans to their employees and basically parallels GASB Statement 68 and replaces GASB Statement 45. The Statement is effective for fiscal years beginning after June 15, 2017. The District is currently reviewing what effect, if any, this Statement might have on future financial statements.

**NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS**

**Cash**

**Custodial Credit Risk - Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy is based on New Jersey Statutes requiring cash be deposited only in New Jersey based banking institutions that participate in New Jersey Governmental Depository Protection Act (GUDPA) or in qualified investments established in New Jersey Statutes 18A:20-37 that are treated as cash equivalents. As of June 30, 2015, \$3,724 of the District's bank balance of \$8,447,372 was exposed to custodial credit risk.

**Investments**

**Investment Rate Risk**

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. However, New Jersey Statutes 18A:20-37 limits the length of time for most investments to 397 days.

**Credit Risk**

New Jersey Statutes 18A:20-37 limits school district investments to those specified in the Statutes. The type of allowance investments are Bonds of the United States of America, bonds or other obligations of the school districts or bonds or other obligations of the local unit or units within which the school district is located: obligations of federal agencies not exceeding 397 days; government money market mutual funds; the State of New Jersey Cash Management Plan; local government investment pools; or repurchase of fully collateralized securities.

**Concentration of Credit Risk**

The District places no limit on the amount the District may invest in any one issuer.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 4. RECEIVABLES**

Receivables at June 30, 2015, consisted of accounts and intergovernmental. All receivables are considered collectible in full. A summary of the principal items of receivables follows:

	Governmental Fund Financial <u>Statements</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
State Aid	\$6,566,820	\$305	\$6,567,125
Federal Aid	244,459	5,735	250,194
Other	120,367		120,367
Interfunds	<u>178,952</u>	<u>130,221</u>	
Gross Receivables	7,110,598	136,261	<u>6,937,686</u>
Less: Allowance for Uncollectibles			
Total Receivables, Net	<u><u>\$7,110,598</u></u>	<u><u>\$136,261</u></u>	<u><u>\$6,937,686</u></u>

**NOTE 5. INTERFUND BALANCES AND ACTIVITY**

Balances due to/from other funds at June 30, 2015, consist of the following:

\$213	Due to the Debt Service Fund from the Capital Projects Fund for interest earned on investments in the Capital Projects Fund.
2,772	Due to the General Fund from the Special Revenue Fund for prior years Distance Learning Network Aid deferred revenue.
130,221	Due to the Food Service Fund from the General Fund for subsidy reimbursements received but not turned over and Board share of expenses paid.
<u>175,967</u>	Due to the General Fund from the Special Revenue Fund to cover deficit in cash.
<u><u>\$309,173</u></u>	

It is anticipated that all interfunds will be liquidated during the fiscal year.

Interfund transfers for the year ended June 30, 2015 consisted of the following:

\$2,452,457 from the General Fund Capital Reserve to the Capital Projects Fund to provide resources to Fund the local Share of Capital Projects, \$213 from the Capital Projects Fund to the Debt Service Fund for interest earnings.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 6. CAPITAL ASSETS**

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

	Restated Balance <u>6/30/14</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/15</u>
<b>Governmental Activities</b>				
Capital Assets That Are Not Being Depreciated:				
Land	\$4,425,700	\$ _____	\$ _____	\$4,425,700
Total Capital Assets, Not Being Depreciated	<u>4,425,700</u>	_____	_____	<u>4,425,700</u>
Building and building improvements	46,668,745	2,962,079		49,630,824
Machinery and equipment	<u>10,006,097</u>	<u>52,674</u>	_____	<u>10,058,771</u>
Totals at Historical Cost	<u>56,674,842</u>	<u>3,014,753</u>	_____	<u>59,689,595</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	(19,500,567)	(1,518,281)		(21,018,848)
Equipment	<u>(7,095,001)</u>	<u>(588,009)</u>	_____	<u>(7,683,010)</u>
Total Accumulated Depreciation	<u>(26,595,568)</u>	<u>(2,106,290)</u>	_____	<u>(28,701,858)</u>
Total Capital Assets, Being Depreciated, Net of Accumulated Depreciation	<u>30,079,274</u>	<u>908,463</u>	_____	<u>30,987,737</u>
Governmental Activities Capital Assets, Net	<u>\$34,504,974</u>	<u>\$908,463</u>	<u>\$ _____</u>	<u>\$35,413,437</u>
	Restated Balance <u>6/30/14</u>	<u>Additions</u>	<u>Deductions</u>	Balance <u>6/30/15</u>
<b>Business-Type Activity</b>				
Equipment	448,094			448,094
Less Accumulated Depreciation For:				
Equipment	<u>(387,205)</u>	<u>(14,938)</u>	_____	<u>(402,143)</u>
Business-Type Activity Capital Assets, Net	<u>\$60,889</u>	<u>(\$14,938)</u>	<u>\$ _____</u>	<u>\$45,951</u>

Depreciation expense was not allocated to governmental functions. It appears on the statement of activities as “unallocated depreciation”.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 7. LONG-TERM OBLIGATIONS**

**Advance and Current Refundings of Debt**

On April 4, 2012, the District issued \$16,700,000 in School District Refunding Bonds having an interest rate of 2.00% to 5.00%. These bonds were issued in order to advance refund certain principal maturities and certain interest payments of various School District Bonds of the District. The total bond principal defeased was \$16,714,000 and the total interest payments defeased was \$1,271,630. The net proceeds of \$17,918,483 (after payment of underwriting fees, insurance and other insurance costs) were used to purchase U.S. Government securities. Those securities were deposited in an irrevocable trust with an escrow agent to provide for all future debt service payments. As a result, the advance of refunding met the requirements of an in-substance debt defeasance and the refunded bond liability has been removed from the governmental activities column of the statement of net position. The reacquisition price exceeded the net carrying amount of the old debt by \$172,427. This amount is being netted against the new debt and amortized over the remaining life of the refunded debt, which is shorter than the life of the new debt issued.

Changes in long-term obligations for the fiscal year ended June 30, 2015 are as follows:

	<u>Balance June 30, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance June 30, 2015</u>	<u>Amounts Due Within One Year</u>	<u>Long-term Portion</u>
<b>Governmental Activities:</b>						
Bonds payable:						
General obligation debt	\$15,765,000	\$ _____	\$(1,850,000)	\$13,915,000	\$1,850,000	\$12,065,000
Total Bonds Payable	<u>15,765,000</u>	<u>_____</u>	<u>(1,850,000)</u>	<u>13,915,000</u>	<u>1,850,000</u>	<u>12,065,000</u>
Other Liabilities:						
Compensated absences payable	1,275,475	44,576	(315,253)	1,004,798		1,004,798
Net Pension Liability PERS	<u>14,418,540</u>	<u>137,937</u>	<u>_____</u>	<u>14,556,477</u>	<u>_____</u>	<u>14,556,477</u>
Total other liabilities	<u>15,694,015</u>	<u>182,513</u>	<u>(315,253)</u>	<u>15,561,275</u>	<u>_____</u>	<u>15,561,275</u>
Total Governmental Activities	<u>\$31,459,015</u>	<u>\$182,513</u>	<u>(\$2,165,253)</u>	<u>\$29,476,275</u>	<u>\$1,850,000</u>	<u>\$27,626,275</u>

**A. Bonds Payable:**

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

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 7. LONG-TERM OBLIGATIONS, (continued)**

Outstanding bonds payable at June 30, 2015 consisted of the following:

<u>Issue</u>	<u>Amount Issued</u>	<u>Issue Date</u>	<u>Interest Rates</u>	<u>Date of Maturity</u>	<u>Principal Balance June 30, 2015</u>
Refunding School Bonds	\$16,700,000	4/4/2012	2.0%-5.0%	1/15/2024	<u>\$13,915,000</u>

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

<u>Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$1,850,000	\$474,000	\$2,324,000
2017	1,865,000	437,000	2,302,000
2018	1,310,000	381,050	1,691,050
2019	1,355,000	341,750	1,696,750
2020	1,395,000	301,100	1,696,100
2021-2024	<u>6,140,000</u>	<u>976,950</u>	<u>7,116,950</u>
	<u>\$13,915,000</u>	<u>\$2,911,850</u>	<u>\$16,826,850</u>

**B. Bonds Authorized But Not Issued:**

As of June 30, 2015 the Board has no authorized but not issued bonds.

**C. Capital Leases:**

The District had no capital leases outstanding at June 30, 2015.

**NOTE 8. OPERATING LEASES**

The District has commitments to lease certain office equipment under operating leases that expire in 2021. Total operating lease payments made during the year ended June 30, 2015 were \$117,057. Future minimum lease payments are as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2016	\$73,042
2017	69,734
2018	64,913
2019	55,591
2020	26,331
2021	<u>134</u>
Total future minimum lease payments	<u>\$289,745</u>

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. 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 or reports can be accessed on the internet at: [http://www.state.nj.us/treasury/pensions/annrpts\\_archive.htm](http://www.state.nj.us/treasury/pensions/annrpts_archive.htm).

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

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

**Defined Contribution Retirement Program (DCRP)** - The Defined Contribution Retirement Program (DCRP) was established as of July 1, 2008 under the provisions of Chapter 92, P.L. 2008 and Chapter 103, P.L. 2008 (NJSA 43:15C-1 et seq). The DCRP is a cost-sharing multiple-employer defined contribution pension fund. The DCRP provides eligible members, and their beneficiaries with a tax-sheltered, defined contribution retirement benefit, along with life insurance and disability coverage. Vesting and benefit provisions are established by NJSA 43:15C-1 et seq.

**Contribution Requirements Fund Based Statements** - The contribution policy is set by laws of the State of New Jersey and, in most retirement systems, contributions are required by active members and contributing employers. Plan member and employer contributions may be amended by State of New Jersey legislation. The pension funds provide for employee contributions based on 5.5% for PERS and 5.5% for TPAF of the employee's annual compensation. Pursuant to the provisions of Chapter 78, P.L. 2011, this amount will increase to 6.5% plus an additional 1% phased in over 7 years beginning in the first year. For fiscal year 2012, the member rate will increase in October 2011. The phase in will take place on July 1 of

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

each subsequent fiscal year. Employers are required to contribute at an actuarially determined rate in all Funds except the SACT. The actuarially determined employer contribution includes funding for cost-of-living adjustments and noncontributory death benefits in the PERS and TPAF. In the PERS and TPAF, the employer contribution includes funding for post-retirement medical premiums.

During the year ended June 30, 2015 for TPAF, which is a cost sharing plan with special funding situations, annual pension cost equals annual required contribution. For PERS, which is a cost sharing multi-employer defined benefit pension plan, the annual pension cost differs from the annual required contribution due to the enactment of Chapter 114, P.L. 1997. TPAF employer contributions are made annually by the State of New Jersey to the pension system on behalf of the Board. PERS employer contributions are made annually by the Board to the pension system in accordance with Chapter 114, P.L. 1997.

The Board’s contribution to PERS AND DCRP, equal to the required contributions for each year as reported in the fund based statements, were as follows:

Year	<u>PERS</u>	<u>DCRP</u>
<u>Ending</u> 6/30/15	\$640,940	\$21,736
6/30/14	568,443	9,521
6/30/13	609,132	4,038

The State of New Jersey contribution to TPAF (paid on-behalf of the District) for normal and post retirement benefits have been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13, as follows:

Year	Pension	Post-Retirement Medical	NCGI
<u>Ending</u> 6/30/15	<u>Contributions</u> \$1,313,105	<u>Contributions</u> \$2,084,557	<u>Premium</u> \$88,131
6/30/14	928,960	1,657,587	81,996
6/30/13	1,477,770	1,758,902	77,751

In addition, the post-retirement medical benefits are included in the district-wide financial statements.

Also, in accordance with N.J.S.A. 18A:66-66 the State of New Jersey reimbursed the Board \$1,796,079 during the year ended June 30, 2015 for the employer’s share of social security contributions for TPAF members as calculated on their base salaries. This amount has been included in the fund-based statements as revenues and expenditures in accordance with GASB 24, paragraphs 7 through 13.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

**ACCOUNTING AND FINANCIAL REPORTING FOR PENSION IN THE DISTRICT-WIDE STATEMENTS PER - GASB NO. 68**

**Public Employees Retirement System (PERS)**

At June 30, 2015, the District reported a liability of \$14,556,477 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 .0777475999 percent, which was an increase of .0000230521 percent from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$816,470. 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 Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$457,734	\$
Net difference between projected and actual earnings on pension plan investments		867,487
Changes in proportion and differences between District contributions and proportionate share of contributions	372,160	
District contributions subsequent to the measurement date	<u>693,030</u>	<u>                    </u>
Total	<u>\$1,522,924</u>	<u>\$867,487</u>

The \$693,030 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 June 30:	
2016	\$(132,729)
2017	(132,729)
2018	(132,729)
2019	84,142
Thereafter	37,023

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

**Additional Information**

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

	<u>Dec. 31, 2014</u>	<u>Dec. 31, 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	\$19,111,986,911
District's Proportion	.0777475999%	.0754423901%

**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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (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>	

**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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

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

The following presents the collective net pension liability of the participating employers as of June 30, 2014 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 <u>4.39%</u>	Discount Rate <u>5.39%</u>	Increase <u>6.39%</u>
District's proportionate share of the pension liability	\$18,312,544	\$14,556,477	\$11,402,337

**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:	
District's proportionate share	\$ -0-
State's proportionate share associated with the District	<u>127,723,517</u>
	<u>\$127,723,517</u>

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

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 .2389734233%.

For the year ended June 30, 2015, the District recognized on-behalf pension expense and revenue of \$6,872,724 for contributions provided by the State in the District-Wide Financial Statements.

**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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (continued)**

**Long-Term Expected Rate of Return**

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

Asset Class	<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%
	<u>100.00%</u>	

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 9. PENSION PLANS, (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 10. POST-RETIREMENT BENEFITS**

Chapter 384 of Public Laws 1987 and Chapter 6 of Public Laws 1990 required Teachers' Pension and Annuity Fund (TPAF) and the Public Employees' Retirement System (PERS), respectively, to fund post-retirement medical benefits for those State employees who retire after accumulating 25 years of credited service or on a disability retirement. P.L. 2007, c.103 amended the law to eliminate the funding of post-retirement medical benefits through the TPAF and PERS. It created separate funds outside of the pension plans for the funding and payment of post-retirement medical benefits for retired State employees and retired educational employees. As of June 30, 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 Chapter 62. Funding of post-retirement medical premiums changed from a prefunding basis to a pay-as-you-go basis beginning in fiscal year 1994.

The State is also responsible for the cost attributable to P.L. 1992 Chapter 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.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 11. DEFERRED COMPENSATION**

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

AIM Fund Services	Equitable
American United Life	MFS Funds
Guardian Insurance	Lincoln
Mass Mutual	Merrill Lynch
Metropolitan Life	Travlers
Paul Revere	Union Central Life
Valic	

**NOTE 12. RISK MANAGEMENT**

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

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

There has been no significant reduction in insurance coverage from the previous year nor have there been any settlements in excess of insurance coverages.

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

<u>Fiscal Year</u>	<u>Interest Earnings/ District Contributions</u>	<u>Employee Contributions</u>	<u>Amount Reimbursed</u>	<u>Ending Balance</u>
2014-2015	\$189	\$50,443	\$46,119	\$245,231
2013-2014	235	49,476	58,009	240,718
2012-2013	195	47,248	19,974	249,016

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 13. CAPITAL RESERVE ACCOUNT**

A capital reserve account was established by the Borough of Ramsey Board of Education by inclusion of \$502,000 on September 26, 2000 for the accumulation of funds for use as capital outlay expenditures in subsequent fiscal years. The capital reserve account is maintained in the general fund and its activity is included in the general fund annual budget.

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

The activity of the capital reserve for the July 1, 2014 to June 30, 2015 fiscal year is as follows:

Beginning balance, July 1, 2014	\$4,837,630
Increased by:	
Budget Appropriation	1,822,671
Budget Approved by Resolution - June 30, 2015	500,000
Decreased by:	
Transfer to Capital Projects	<u>2,452,457</u>
Ending balance, June 30, 2015	<u>\$4,707,844</u>

**NOTE 14. FUND BALANCE APPROPRIATED**

**General Fund [Exhibit B-1]** - Of the \$10,887,274 General Fund fund balance at June 30, 2015, \$5,038,219 is reserved as excess surplus in accordance with *N.J.S.A. 18A:7F-7* (\$2,352,131 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2016); \$4,707,844 has been reserved in the Capital Reserve Account; \$186,080 has been designated by the Board for subsequent year’s expenditures; and \$955,131 is unreserved and undesignated.

**Debt Service Fund** - The Debt Service Fund fund balance at June 30, 2015 of \$12,235 is unreserved and undesignated.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 15. CALCULATION OF EXCESS SURPLUS**

In accordance with N.J.S.A. 18A:7F-7, as amended by P.L. 2004, c.73 (S1701) the designation for Reserved 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 reserve General Fund fund balance at the fiscal year end of June 30 if they did not appropriate a required minimum amount as budgeted fund balance in their subsequent years' budget. The excess fund balance at June 30, 2015 is \$5,038,219. Of this amount, \$2,686,088 is the result of current year operations.

**NOTE 16. INVENTORY**

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

Food	\$4,534
Supplies	<u>4,688</u>
	<u>\$9,222</u>

The United States Department of Agriculture (USDA) commodity portion of the Food Service Fund inventory consists of food donated by USDA. It is valued at estimated market prices by USDA. The amount of unused commodities at year end is reported on Schedule A as deferred revenue.

**NOTE 17. CONTINGENT LIABILITIES**

**Grant Programs** - The school district participates in federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The school district is potentially liable for expenditures which may be disallowed pursuant to the terms of these grant programs. Management is not aware of any material items of noncompliance which would result in the disallowance of program expenditures.

**Litigation** - The District is a party defendant in some lawsuits, none of a kind unusual for a school district of its size and scope of operation. In the opinion of the Board's Attorney the potential claims against the District not covered by insurance policies would not materially affect the financial condition of the District.

**NOTE 18. SUBSEQUENT EVENTS**

The District has evaluated subsequent events through October 14, 2015, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**Borough of Ramsey School District  
Notes to the Basic Financial Statements  
for the fiscal year ended June 30, 2015**

**NOTE 19. RETROACTIVE RESTATEMENT DUE TO UPDATED FIXED ASSET SCHEDULE**

During fiscal year 2015, the District's fixed asset report was updated by the outside service provider to reflect adjustments not made prior to the issuance of the June 30, 2014 audit report. In addition, net for June 30, 2014 was restated in the amount of \$14,418,540 to reflect the net pension liability at June 30, 2014 for the Public Employee Retirement System (PERS) as per Governmental Accounting Standards Board ("GASB") number 68. This resulted in the following restatements of net position and the capital asset schedule and the Statement of Net Position as of June 30, 2015.

	<u>Balance</u> <u>June 30, 2014</u>	<u>Restatement</u>	<u>Restated</u> <u>Balance</u> <u>June 30, 2014</u>
<b><u>Governmental Funds:</u></b>			
Assets:			
Capital Assets Being Depreciates, Net	\$35,018,002	\$(513,028)	\$34,504,974
Net Assets:			
Net Investment in Capital Assets	18,278,215	(513,028)	<u>17,765,187</u>
Total Net Position	27,796,006	(513,028)	27,282,978
Prior Period Adjustment for Net Position Liabilities			<u>(14,418,540)</u>
Net Position at June 30, 2014 - Restated			<u>\$12,864,438</u>
<b><u>Business-Type Activities:</u></b>			
Assets:			
Capital Assets Being Depreciates, Net	\$46,391	\$14,498	\$60,889
Net Assets:			
Net Investment in Capital Assets	46,391	14,498	60,889
Total Net Position	251,835	14,498	266,333

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART II**

**BUDGETARY COMPARISON SCHEDULES**

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
<b>General Fund:</b>					
Revenues from Local Sources:					
Local Tax Levy	48,971,745		48,971,745	48,971,745	
Tuition	40,000		40,000	172,799	132,799
Tuition from Other LEAs Within the State	1,288,000		1,288,000	1,733,507	445,507
Transportation Fees from Individuals	21,000		21,000	30,941	9,941
Interest Earned on Capital Reserve Funds	5,000		5,000		(5,000)
Other Restricted Miscellaneous Revenues	65,000		65,000		(65,000)
Unrestricted Miscellaneous Revenues	60,000		60,000	71,148	11,148
<b>Total - Local Sources</b>	<u>50,450,745</u>		<u>50,450,745</u>	<u>50,980,140</u>	<u>529,395</u>
Revenues from State Sources:					
Categorical Special Education Aid	1,124,738		1,124,738	1,124,738	
Categorical Security Aid	42,203		42,203	42,203	
Categorical Transportation Aid	73,635		73,635	73,635	
Extraordinary Aid	380,000		380,000	339,433	(40,567)
Nonpublic Transportation				7,858	7,858
Other State Aids	53,440		53,440	53,440	
On-behalf TPAF Post Retirement Medical Contributions (non-budgeted)				2,084,557	2,084,557
On-behalf TPAF Pension (non-budgeted)				1,224,974	1,224,974
On-behalf TPAF NCGI Premium (non-budgeted)				88,131	88,131
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,796,079	1,796,079
<b>Total - State Sources</b>	<u>1,674,016</u>		<u>1,674,016</u>	<u>6,835,048</u>	<u>5,161,032</u>
Revenues from Federal Sources:					
Special Education Medicaid Initiative				3,108	3,108
<b>Total - Federal Sources</b>				<u>3,108</u>	<u>3,108</u>
<b>TOTAL REVENUES</b>	<u>52,124,761</u>		<u>52,124,761</u>	<u>57,818,296</u>	<u>5,693,535</u>
<b>EXPENDITURES:</b>					
<b>Current Expense:</b>					
<b>Regular Programs - Instruction</b>					
Kindergarten - Salaries of Teachers	480,369	(86,000)	394,369	311,712	82,657
Grades 1-5 - Salaries of Teachers	5,905,385	(173,000)	5,732,385	5,731,318	1,067
Grades 6-8 - Salaries of Teachers	4,203,807	88,000	4,291,807	4,282,261	9,546
Grades 9-12 - Salaries of Teachers	7,050,623	(72,500)	6,978,123	6,955,460	22,663
<b>Regular Programs - Home Instruction:</b>					
Salaries of Teachers	85,000	4,000	89,000	50,932	38,068
Purchased Professional-Educational Services	10,000	30,000	40,000	34,586	5,414
General Supplies	1,000	(500)	500		500
<b>Regular Programs - Undistributed Instruction</b>					
Purchased Professional-Educational Services	112,900	335	113,235	76,254	36,981
Other Purchased Services (400-500 series)	68,608	690	69,298	63,096	6,202
General Supplies	395,113	(4,913)	390,200	374,498	15,702
Textbooks	325,201	(6,553)	318,648	303,647	15,001
Other Objects	6,213		6,213	3,722	2,491
<b>TOTAL REGULAR PROGRAMS - INSTRUCTION</b>	<u>18,644,219</u>	<u>(220,441)</u>	<u>18,423,778</u>	<u>18,187,486</u>	<u>236,292</u>
<b>SPECIAL EDUCATION - INSTRUCTION</b>					
<b>Learning and/or Language Disabilities</b>					
Salaries of Teachers	903,024	8,000	911,024	908,532	2,492
Other Salaries for Instruction	667,310	113,000	780,310	780,182	128
General Supplies	7,200		7,200	6,433	767
<b>Total Learning and/or Language Disabilities</b>	<u>1,577,534</u>	<u>121,000</u>	<u>1,698,534</u>	<u>1,695,147</u>	<u>3,387</u>
<b>Multiple Disabilities</b>					
Salaries of Teachers	251,332		251,332	249,870	1,462
Other Salaries for Instruction	135,651	30,000	165,651	154,124	11,527
Other Purchased Services (400-500 Series)	56		56	54	2
General Supplies	2,521		2,521	1,642	879
<b>Total Multiple Disabilities</b>	<u>389,560</u>	<u>30,000</u>	<u>419,560</u>	<u>405,690</u>	<u>13,870</u>
<b>Resource Room/Resource Center:</b>					
Salaries of Teachers	1,688,061	(40,200)	1,647,861	1,621,121	26,740
Other Salaries for Instruction	30,078		30,078	19,075	11,003
Other Purchased Services (400-500 Series)	2,100		2,100	2,099	1
General Supplies	21,475		21,475	18,734	2,741
Textbooks	9,030	(1,232)	7,798	5,758	2,040
<b>Total Resource Room/Resource Center</b>	<u>1,750,744</u>	<u>(41,432)</u>	<u>1,709,312</u>	<u>1,666,787</u>	<u>42,525</u>

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>Preschool Disabilities- Full-Time:</b>					
Salaries of Teachers	124,353		124,353	122,927	1,426
Other Salaries for Instruction	218,410	36,000	254,410	224,690	29,720
General Supplies	3,500		3,500	3,401	99
<b>Total Preschool Disabilities - Full-Time</b>	<u>346,263</u>	<u>36,000</u>	<u>382,263</u>	<u>351,018</u>	<u>31,245</u>
<b>Home Instruction:</b>					
Salaries of Teachers	30,000		30,000		30,000
Professional Svcs-Educational Services		1,000	1,000	455	545
<b>Total Home Instruction</b>	<u>30,000</u>	<u>1,000</u>	<u>31,000</u>	<u>455</u>	<u>30,545</u>
<b>TOTAL SPECIAL EDUCATION - INSTRUCTION</b>	<u>4,094,101</u>	<u>146,568</u>	<u>4,240,669</u>	<u>4,119,097</u>	<u>121,572</u>
<b>Basic Skills/Remedial - Instruction</b>					
Salaries of Teachers	525,400		525,400	511,612	13,788
Other Salaries for Instruction	214,200	(51,000)	163,200	130,167	33,033
General Supplies	5,486		5,486	3,970	1,516
<b>Total Basic Skills/Remedial - Instruction</b>	<u>745,086</u>	<u>(51,000)</u>	<u>694,086</u>	<u>645,749</u>	<u>48,337</u>
<b>Bilingual Education - Instruction</b>					
Salaries of Teachers	100,128	10,000	110,128	109,760	368
General Supplies	1,593		1,593	1,280	313
Textbooks	1,300		1,300	1,194	106
<b>Total Bilingual Education - Instruction</b>	<u>103,021</u>	<u>10,000</u>	<u>113,021</u>	<u>112,234</u>	<u>787</u>
<b>School-Sponsored Co/Extra Curricular Activities - Instruction</b>					
Salaries	246,386	14,000	260,386	259,616	770
Purchased Services (300-500 series)	30,950	7,748	38,698	33,157	5,541
Supplies and Materials	6,874	3,312	10,186	8,581	1,605
Other Objects	3,300	2,000	5,300	4,930	370
<b>Total School-Sponsored Co/Extra Curricular Activities - Instruction</b>	<u>287,510</u>	<u>27,060</u>	<u>314,570</u>	<u>306,284</u>	<u>8,286</u>
<b>School-Sponsored Athletics - Instruction</b>					
Salaries	589,560		589,560	575,072	14,488
Purchased Services (300-500 series)	119,806	6,200	126,006	123,956	2,050
Supplies and Materials	43,169	32,530	75,699	43,932	31,767
Other Objects	22,975		22,975	22,890	85
<b>Total School-Sponsored Athletics - Instruction</b>	<u>775,510</u>	<u>38,730</u>	<u>814,240</u>	<u>765,850</u>	<u>48,390</u>
<b>TOTAL INSTRUCTION</b>	<u>24,649,447</u>	<u>(49,083)</u>	<u>24,600,364</u>	<u>24,136,700</u>	<u>463,664</u>
<b>Undistributed Expenditures - Instruction:</b>					
Tuition to Other LEAs Within the State - Special	766,250	40,000	806,250	791,137	15,113
Tuition to County Voc. School Dist. - Regular	186,296	11,000	197,296	196,975	321
Tuition to CSSD & Regional Day Schools	421,660		421,660	253,364	168,296
Tuition to Private Schools for the Disabled Within State	1,562,648	(167,000)	1,395,648	1,246,725	148,923
Tuition to Private School Disabled & Other LEAs - Spl, O/S State	91,000	40,000	131,000	124,681	6,319
<b>Total Undistributed Expenditures - Instruction:</b>	<u>3,027,854</u>	<u>(76,000)</u>	<u>2,951,854</u>	<u>2,612,882</u>	<u>338,972</u>
<b>Undistributed Expend. - Attend. &amp; Social Work</b>					
Salaries	44,160		44,160	43,686	474
<b>Total Undistributed Expend. - Attend. &amp; Social Work</b>	<u>44,160</u>		<u>44,160</u>	<u>43,686</u>	<u>474</u>
<b>Undist. Expend. - Health Services</b>					
Salaries	440,617	(4,100)	436,517	434,628	1,889
Purchased Professional and Technical Services		1,700	1,700	1,338	362
Other Purchased Services (400-500 Series)	473		473	466	7
Supplies and Materials	30,776	3,896	34,672	33,903	769
Other Objects	248		248	25	223
<b>Total Undistributed Expenditures - Health Services</b>	<u>472,114</u>	<u>1,496</u>	<u>473,610</u>	<u>470,360</u>	<u>3,250</u>
<b>Undist. Expend. - Speech, OT, PT &amp; Related Services</b>					
Salaries	664,887		664,887	661,057	3,830
Supplies and Materials	3,185	(375)	2,810	2,553	257
<b>Total Undist. Expend. - Speech, OT, PT &amp; Related Services</b>	<u>668,072</u>	<u>(375)</u>	<u>667,697</u>	<u>663,610</u>	<u>4,087</u>
<b>Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>					
Salaries	332,417		332,417	317,654	14,763
Purchased Professional - Educational Services	450,000	25,000	475,000	473,129	1,871
<b>Total Undist. Expend. - Other Supp. Serv. Students - Extra Serv.</b>	<u>782,417</u>	<u>25,000</u>	<u>807,417</u>	<u>790,783</u>	<u>16,634</u>
<b>Undist. Expend. - Guidance</b>					
Salaries of Other Professional Staff	971,916	11,000	982,916	970,653	12,263
Salaries of Secretarial and Clerical Assistants	194,229		194,229	181,220	13,009
Other Purchased Professional and Technical Services	124,000	(22,000)	102,000	94,748	7,252
Other Purchased Services (400-500 Series)	7,672	(1,500)	6,172	5,958	214
Supplies and Materials	20,097		20,097	19,414	683
Other Objects	1,685		1,685	1,670	15
<b>Total Undist. Expend. - Guidance</b>	<u>1,319,599</u>	<u>(12,500)</u>	<u>1,307,099</u>	<u>1,273,663</u>	<u>33,436</u>
<b>Undist. Expend. - Child Study Teams</b>					
Salaries of Other Professional Staff	1,166,714		1,166,714	1,111,168	55,546

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Salaries of Secretarial and Clerical Assistants	143,531		143,531	137,412	6,119
Other Purchased Professional and Technical Services	75,000	84,000	159,000	91,764	67,236
Misc. Pur Services (400-500 Series)	13,476		13,476	10,953	2,523
Supplies and Materials	68,346	(274)	68,072	63,037	5,035
Other Objects	2,550		2,550	1,460	1,090
<b>Total Undist. Expend. - Child Study Teams</b>	<b>1,469,617</b>	<b>83,726</b>	<b>1,553,343</b>	<b>1,415,794</b>	<b>137,549</b>
<b>Undist. Expend. - Improvement of Instructional Services</b>					
Salaries of Supervisors of Instruction	186,197		186,197	185,474	723
Salaries of Other Professional Staff	53,375		53,375	51,680	1,695
Purchased Prof-Educational Services	35,000	12,000	47,000	45,228	1,772
Other Purch Prof. and Tech. Services	9,000		9,000		9,000
Supplies and Materials	18,500		18,500	15,484	3,016
<b>Total Undist. Expend. - Improvement of Inst. Services</b>	<b>302,072</b>	<b>12,000</b>	<b>314,072</b>	<b>297,866</b>	<b>16,206</b>
<b>Undist. Expend. - Educational Media Serv./Sch. Library</b>					
Salaries	1,045,755	(70,000)	975,755	956,388	19,367
Salaries of Technology Coordinators	113,223	2,000	115,223	115,032	191
Other Purchased Services (400-500)	39,576	(4,807)	34,769	31,835	2,934
Supplies and Materials	710,317	4,396	714,713	697,984	16,729
Other Objects	805		805	764	41
<b>Total Undist. Expend. - Educational Media Serv./Sch. Library</b>	<b>1,909,676</b>	<b>(68,411)</b>	<b>1,841,265</b>	<b>1,802,003</b>	<b>39,262</b>
<b>Undist. Expend. - Instructional Staff Training Serv.</b>					
Salaries of Other Professional Staff	6,000		6,000	1,200	4,800
Purchased Professional - Educational Services	15,000		15,000	8,958	6,042
Other Purchased Services (400-500 Series)	40,000	(900)	39,100	35,959	3,141
Supplies and Materials	1,000		1,000	425	575
Other Objects	7,765	900	8,665	8,659	6
<b>Total Undist. Expend. - Instructional Staff Training Serv.</b>	<b>69,765</b>	<b>900</b>	<b>69,765</b>	<b>55,201</b>	<b>14,564</b>
<b>Undist. Expend. - Supp. Serv. - General Administration</b>					
Salaries	439,065		439,065	406,891	32,174
Legal Services	93,000	7,000	100,000	99,554	446
Audit Fees	29,500		29,500	29,000	500
Architectural/Engineering Services	80,000		80,000	77,959	2,041
Other Purchased Professional Services	117,000	23,000	140,000	139,671	329
Purchased Technical Services	25,000		25,000	10,955	14,045
Communications/Telephone	68,600		68,600	48,717	19,883
BOE Other Purchased Services	5,500		5,500	61	5,439
Other Purch Services (400-500 Series)	264,422		264,422	218,756	45,666
General Supplies	69,000		69,000	26,498	42,502
Judgements Against The School District	25,000		25,000	3,100	21,900
Misc. Expenditures	6,500		6,500	4,736	1,764
BOE Membership Dues and Fees	31,500		31,500	22,868	8,632
<b>Total Undist. Expend. - Supp. Serv. - General Administration</b>	<b>1,254,087</b>	<b>30,000</b>	<b>1,284,087</b>	<b>1,088,766</b>	<b>195,321</b>
<b>Undist. Expend. - Support Serv. - School Administration</b>					
Salaries of Principals/Assistant Principals	1,128,862		1,128,862	1,058,356	70,506
Salaries of Secretarial and Clerical Assistants	628,592	5,000	633,592	631,949	1,643
Purchased Professional and Technical Services	9,012	1,300	10,312	8,946	1,366
Other Purchased Services (400-500 series)	86,695	1,387	88,082	77,712	10,370
Supplies and Materials	129,193	(10,166)	119,027	104,668	14,359
Other Objects	7,237	3,116	10,353	9,183	1,170
<b>Total Undist. Expend. - Support Serv. - School Administration</b>	<b>1,989,591</b>	<b>637</b>	<b>1,990,228</b>	<b>1,890,814</b>	<b>99,414</b>
<b>Undist. Expend. - Central Services</b>					
Salaries	435,004		435,004	429,518	5,486
Purchased Professional Services	8,500	3,000	11,500	10,375	1,125
Purchased Technical Services	3,000		3,000		3,000
Misc. Pur Services (400-500 Series)	21,600		21,600	14,440	7,160
Supplies and Materials	33,000		33,000	32,395	605
Miscellaneous Expenditures	2,000		2,000	1,434	566
<b>Total Undist. Expend. - Central Services</b>	<b>503,104</b>	<b>3,000</b>	<b>506,104</b>	<b>488,162</b>	<b>17,942</b>
<b>Undist. Expend. - Admin Info. Technology</b>					
<b>Information Technology</b>					
Purchased Technical Services	22,000		22,000	17,460	4,540
<b>Total Undist. Expend. - Support Serv. - Administrative</b>	<b>22,000</b>		<b>22,000</b>	<b>17,460</b>	<b>4,540</b>
<b>Undist. Expend. - Required Maint. for School Facilities (261)</b>					
Salaries	413,042	27,000	440,042	361,878	78,164
Cleaning, Repair and Maintenance Services	262,460	(61,000)	201,460	201,450	10
General Supplies	41,300		41,300	27,177	14,123
<b>Total Undist. Expend. - Required Maint. for School Facilities</b>	<b>716,802</b>	<b>(34,000)</b>	<b>682,802</b>	<b>590,505</b>	<b>92,297</b>
<b>Undist. Expend. - Oth. Oper. &amp; Maint. of Plant (262)</b>					
Salaries	1,536,983	2,000	1,538,983	1,376,925	162,058
Salaries of Non-Instructional Aides	255,501	25,000	280,501	271,498	9,003
Cleaning, Repair and Maintenance Services	253,114	117,000	370,114	369,158	956

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
Other Purchased Property Services	75,950		75,950	68,786	7,164
Insurance	312,000	59,400	371,400	371,274	126
Miscellaneous Purchased Services	6,240		6,240	5,392	848
General Supplies	221,310	61,400	282,710	281,822	888
Energy (Natural Gas)	363,480	(161,000)	202,480	134,664	67,816
Energy (Electricity)	509,500	(35,000)	474,500	385,577	88,923
Other Objects	37,181	(12,000)	25,181	17,327	7,854
<b>Total Undist. Expend. - Other Oper. &amp; Maint. Of Plant</b>	<b>3,571,259</b>	<b>56,800</b>	<b>3,628,059</b>	<b>3,282,423</b>	<b>345,636</b>
<b>Undist. Expend. - Care and Upkeep of Grounds (263)</b>					
Salaries	187,000		187,000	185,073	1,927
Cleaning, Repair and Maintenance Services	109,370	35,000	144,370	144,319	51
General Supplies	54,439	6,000	60,439	59,660	779
<b>Total Undist. Expend. - Care and Upkeep of Grounds</b>	<b>350,809</b>	<b>41,000</b>	<b>391,809</b>	<b>389,052</b>	<b>2,757</b>
<b>Undist. Expend. - Security (266)</b>					
Salaries	144,060	15,000	159,060	138,589	20,471
Cleaning, Repair and Maintenance Services	32,390	46,500	78,890	78,168	722
General Supplies		600	600	500	100
<b>Total Undist. Expend. - Security</b>	<b>176,450</b>	<b>62,100</b>	<b>238,550</b>	<b>217,257</b>	<b>21,293</b>
<b>Undist. Expend. - Student Transportation Services (270)</b>					
Salaries for Pupil Trans (Bet Home & Sch) - Regular	69,700		69,700	39,873	29,827
Salaries for Pupil Trans (Bet Home & Sch) - Sp Ed	114,347	2,000	116,347	115,419	928
Cleaning, Repair and Maintenance Services	30,000	(15,000)	15,000	4,937	10,063
Contract Services (Between Home & School)-Vendors	274,036		274,036	273,056	980
Contract Services (Other than Between Home & School)-Vendors	128,278	(6,890)	121,388	119,863	1,525
Contract Services (Sp. Ed. Students)-Vendors	730,000	51,000	781,000	780,417	583
Contract Services - Aid in Lieu Pymts - NonPub Sch.	50,000		50,000	27,404	22,596
Misc. Purchased Services - Transportation	4,200		4,200	1,179	3,021
General Supplies	37,336	(15,000)	22,336	18,914	3,422
<b>Total Undist. Expend. - Student Transportation Services</b>	<b>1,437,897</b>	<b>16,110</b>	<b>1,454,007</b>	<b>1,381,062</b>	<b>72,945</b>
<b>UNALLOCATED BENEFITS (291)</b>					
Social Security Contributions	650,000		650,000	605,574	44,426
Other Retirement Contributions-PERS	759,597	(118,656)	640,941	640,940	1
Workmen's Compensation	240,700	(16,600)	224,100	223,462	638
Health Benefits	5,767,206	39,756	5,806,962	5,293,250	513,712
Tuition Reimbursement	150,000	(7,000)	143,000	90,718	52,282
Other Employee Benefits	80,000		80,000	41,827	38,173
<b>TOTAL UNALLOCATED BENEFITS</b>	<b>7,647,503</b>	<b>(102,500)</b>	<b>7,545,003</b>	<b>6,895,771</b>	<b>649,232</b>
On-behalf TPAF Post Retirement Medical (non-budgeted)				2,084,557	(2,084,557)
On-behalf TPAF Pension (non-budgeted)				1,224,974	(1,224,974)
On-behalf TPAF NCGI Premium (non-budgeted)				88,131	(88,131)
Reimbursed TPAF Social Security Contributions (non-budgeted)				1,796,079	(1,796,079)
<b>TOTAL ON-BEHALF CONTRIBUTIONS</b>				<b>5,193,741</b>	<b>(5,193,741)</b>
<b>TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS</b>	<b>7,647,503</b>	<b>(102,500)</b>	<b>7,545,003</b>	<b>12,089,512</b>	<b>(4,544,509)</b>
<b>TOTAL UNDISTRIBUTED EXPENDITURES</b>	<b>27,734,848</b>	<b>38,083</b>	<b>27,772,931</b>	<b>30,860,861</b>	<b>(3,087,930)</b>
<b>TOTAL GENERAL CURRENT EXPENSE</b>	<b>52,384,295</b>	<b>(11,000)</b>	<b>52,373,295</b>	<b>54,997,561</b>	<b>(2,624,266)</b>
<b>CAPITAL OUTLAY</b>					
<b>Equipment</b>					
<b>Regular Programs - Instruction:</b>					
Grades 1-5	4,932		4,932	4,932	
<b>Total Equipment</b>	<b>4,932</b>		<b>4,932</b>	<b>4,932</b>	
<b>Undistributed</b>					
Undistributed Expenditures - Instruction		11,001	11,001	10,676	325
Support Services - Child Study Teams	5,000	(500)	4,500		4,500
Custodial Services	35,800		35,800	33,955	1,845
Care and Upkeep of Grounds	16,000		16,000	13,175	2,825
School Administration		4,000	4,000	3,995	5
School Buses-Reg.	57,000	(3,501)	53,499	52,674	825
<b>Total Equipment</b>	<b>113,800</b>	<b>11,000</b>	<b>124,800</b>	<b>114,475</b>	<b>10,325</b>

Exhibit C-1

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**General Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>Facilities Acquisition and Construction Services</b>					
Construction Services	162,300		162,300	131,990	30,310
Assessment for Debt Service on SDA Funding	8,551		8,551	8,551	
<b>Total Facilities Acquisition and Construction Services</b>	<u>170,851</u>		<u>170,851</u>	<u>140,541</u>	<u>30,310</u>
<b>TOTAL CAPITAL OUTLAY</b>	<u>289,583</u>	<u>11,000</u>	<u>300,583</u>	<u>259,948</u>	<u>40,635</u>
<b>TOTAL EXPENDITURES</b>	<u>52,673,878</u>		<u>52,673,878</u>	<u>55,257,509</u>	<u>(2,583,631)</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(549,117)</u>		<u>(549,117)</u>	<u>2,560,787</u>	<u>3,109,904</u>
<b>Other Financing Sources/(Uses):</b>					
Operating Transfers Out:					
Capital Outlay - Transfer to Capital Projects					
Capital Reserve - Transfer to Capital Projects	(2,221,762)	(230,695)	(2,452,457)	(2,452,457)	
<b>Total Other Financing Sources/(Uses):</b>	<u>(2,221,762)</u>	<u>(230,695)</u>	<u>(2,452,457)</u>	<u>(2,452,457)</u>	
<b>Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<u>(2,770,879)</u>	<u>(230,695)</u>	<u>(3,001,574)</u>	<u>108,330</u>	<u>3,109,904</u>
<b>Fund Balance, July 1</b>	<u>10,881,995</u>		<u>10,881,995</u>	<u>10,881,995</u>	
<b>Fund Balance, June 30</b>	<u>8,111,116</u>	<u>(230,695)</u>	<u>7,880,421</u>	<u>10,990,325</u>	<u>3,109,904</u>
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Adjustment for Prior Year Encumbrances					
Increase in Capital Reserve:					
Principal	1,817,671		1,817,671	2,322,671	505,000
Interest Deposit to Capital Reserve	5,000		5,000		(5,000)
Withdrawal from Capital Reserve	(2,221,762)	(230,695)	(2,452,457)	(2,452,457)	
Budgeted Fund Balance	<u>(2,371,788)</u>		<u>(2,371,788)</u>	<u>238,116</u>	<u>2,609,904</u>
	<u>(2,770,879)</u>	<u>(230,695)</u>	<u>(3,001,574)</u>	<u>108,330</u>	<u>3,109,904</u>
<b>Recapitulation:</b>					
<b>Restricted Fund Balance:</b>					
Excess Surplus - Current Year				2,686,088	
Legally Restricted - Excess Surplus - Designated for Subsequent Year's Expenditures				2,352,131	
Capital Reserve				4,707,844	
<b>Assigned Fund Balance:</b>					
Designated for Subsequent Year's Expenditures				186,080	
Unassigned Fund Balance				1,058,182	
<b>Total Fund Balance per Governmental Funds (Budgetary)</b>				<u>10,990,325</u>	
<b>Recapitulation to Governmental Fund Statement (GAAP):</b>					
Less: Last State Aid Payment not Recognized GAAP Basis				103,051	
<b>Total Fund Balance per Governmental Funds (GAAP)</b>				<u>10,887,274</u>	

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Special Revenue Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
<b>REVENUES:</b>					
State Sources	327,848	64,600	392,448	326,729	(65,719)
Federal Sources	812,089	44,859	856,948	856,948	-
<b>Total Revenues</b>	<b>1,139,937</b>	<b>109,459</b>	<b>1,249,396</b>	<b>1,183,677</b>	<b>(65,719)</b>
<b>EXPENDITURES:</b>					
<b>Instruction:</b>					
Salaries of Teachers	20,915	(5,274)	15,641	15,641	-
Other Purchased Services (400-500 series)	543,974	42,416	586,390	586,390	-
General Supplies	116,231	(16,199)	100,032	101,352	(1,320)
Textbooks	42,563	3,314	45,877	43,524	2,353
<b>Total instruction</b>	<b>723,683</b>	<b>24,257</b>	<b>747,940</b>	<b>746,907</b>	<b>1,033</b>
<b>Support services:</b>					
Other Salaries for Instruction	-	23,309	23,309	23,309	-
Personal Services - Employee Benefits	1,600	5,658	7,258	7,258	-
Purchased Professional - Educational Services	289,545	181,344	470,889	406,203	64,686
Other Purchased Services (400-500 series)	125,109	(125,109)	-	-	-
<b>Total support services</b>	<b>416,254</b>	<b>85,202</b>	<b>501,456</b>	<b>436,770</b>	<b>64,686</b>
<b>Total Expenditures</b>	<b>1,139,937</b>	<b>109,459</b>	<b>1,249,396</b>	<b>1,183,677</b>	<b>65,719</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**RAMSEY BOARD OF EDUCATION**  
**Required Supplementary Information**  
**Budgetary Comparison Schedule**  
**Note to Required Supplementary Information - Part II**  
**Fiscal Year Ended June 30, 2015**

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

		<u>General Fund</u>	<u>Special Revenue Fund</u>
<b>Sources/inflows of resources</b>			
Actual amounts (budgetary basis) "revenue"			
from the budgetary comparison schedule	[C-1]&[C-2]	57,818,296	1,183,677
Difference - budget to GAAP:			
The last state aid payment is recognized for GAAP Statements in the current year, previously recognized for budgetary purposes		87,219	
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).		<u>(103,051)</u>	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - governmental funds.	[B-2]	<u>57,802,464</u>	<u>1,183,677</u>
<b>Uses/outflows of resources</b>			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	55,257,509	1,183,677
Differences - budget to GAAP		<u>NONE</u>	<u>NONE</u>
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - governmental funds	[B-2]	<u>55,257,509</u>	<u>1,183,677</u>

**REQUIRED SUPPLEMENTARY  
INFORMATION - PART III**

**RAMSEY BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - PERS**  
*Last 10 Fiscal Years\**

	<b>2015</b>
Districts proportion of the net pension liability (asset)	0.0777475999%
District's proportionate share of the net pension liability (asset)	\$ 14,556,477
District's covered payroll - PERS	\$ 5,608,577
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	259.54%
Plan fiduciary net position as a percentage of the total pension liability	52.08%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**RAMSEY BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Contributions - PERS**  
*Last 10 Fiscal Years\**

	<b>2015</b>
Contractually required contribution	\$ 640,940.00
Contributions in relation to the contractually required contribution	\$ (640,940.00)
Contribution deficiency (excess)	\$ -
District's covered payroll - PERS	\$ 5,608,577
Contributions as a percentage of covered payroll	11.43%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**RAMSEY BOARD OF EDUCATION**  
**Schedules of Required Supplementary Information**  
**Schedule of District's Share of Net Pension Liability - TPAF**  
*Last 10 Fiscal Years\**

	<b>2015</b>
Districts proportion of the net pension liability (asset)	0.2389734233%
District's proportionate share of the net pension liability (asset)	\$ -
State's proportionate share of the net pension liability Associated with the District (asset)	\$ 127,723,517
District's covered payroll - TPAF	\$ 25,046,127
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	0.00%
Plan fiduciary net position as a percentage of the total pension liability	33.64%

\* GASB requires that ten years of information be presented. However, since fiscal year 2015 was the first year of GASB 68 implementation ten years is not presented. Each year thereafter, an additional year will be included until ten years of data is presented.

**RAMSEY BOARD OF EDUCATION**  
**Note to Required Schedules of Supplementary Information - Part III**  
**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 GASBS No. 68.

TEACHERS PENSION AND ANNUITY FUND (TPAF)

Change in benefit terms

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 GASBS No. 68.

**SPECIAL REVENUE FUND**

**RAMSEY BOARD OF EDUCATION**  
**Special Revenue Fund**  
**Combining Schedule of Program Revenues and Expenditures - Budgetary Basis**  
**Fiscal Year Ended June 30, 2015**

	Total Brought Forward (Ex. E-1a)	I.D.E.A Part B		Title I, Part A	Title II, Part A Teacher & Principal Training & Recruiting	Totals 2015
		Basic	Preschool			
<b>REVENUES</b>						
State Sources	326,729					326,729
Federal Sources	-	727,403	30,500	42,640	56,405	856,948
<b>Total Revenues</b>	<b>326,729</b>	<b>727,403</b>	<b>30,500</b>	<b>42,640</b>	<b>56,405</b>	<b>1,183,677</b>
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	-			15,641		15,641
Other Purchased Services (400-500 series)	-	586,390				586,390
General Supplies	24,501	13,329	1,130	25,802	36,590	101,352
Textbooks	43,524					43,524
<b>Total instruction</b>	<b>68,025</b>	<b>599,719</b>	<b>1,130</b>	<b>41,443</b>	<b>36,590</b>	<b>746,907</b>
<b>Support services:</b>						
Other Salaries for Instruction	-		23,309			23,309
Personal Services - Employee Benefits	-		6,061	1,197		7,258
Purchased Professional - Educational Services	258,704	127,684			19,815	406,203
<b>Total support services</b>	<b>258,704</b>	<b>127,684</b>	<b>29,370</b>	<b>1,197</b>	<b>19,815</b>	<b>436,770</b>
<b>Total Expenditures</b>	<b>326,729</b>	<b>727,403</b>	<b>30,500</b>	<b>42,640</b>	<b>56,405</b>	<b>1,183,677</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**RAMSEY BOARD OF EDUCATION**

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis

Fiscal Year Ended June 30, 2015

	Total Brought Forward (Ex. E-1b)	N.J. Nonpublic Textbook Aid	N.J. Nonpublic Nursing Aid	N.J. Nonpublic Technology Aid	N.J. Nonpublic Auxiliary Services Chapter 192 Compensatory Education	Total Carried Forward
<b>REVENUES</b>						
State Sources	115,233	43,524	105,758	24,501	37,713	326,729
Federal Sources	-	-	-	-	-	-
<b>Total Revenues</b>	<b>115,233</b>	<b>43,524</b>	<b>105,758</b>	<b>24,501</b>	<b>37,713</b>	<b>326,729</b>
<b>EXPENDITURES:</b>						
<b>Instruction:</b>						
Salaries of Teachers	-	-	-	-	-	-
Other Purchased Services (400-500 series)	-	-	-	24,501	-	24,501
General Supplies	-	-	-	-	-	-
Textbooks	-	43,524	-	-	-	43,524
<b>Total instruction</b>	<b>-</b>	<b>43,524</b>	<b>-</b>	<b>24,501</b>	<b>-</b>	<b>68,025</b>
<b>Support services:</b>						
Other Salaries for Instruction	-	-	-	-	-	-
Personal Services - Employee Benefits	-	-	-	-	-	-
Purchased Professional - Educational Services	115,233	-	105,758	-	37,713	258,704
<b>Total support services</b>	<b>115,233</b>	<b>-</b>	<b>105,758</b>	<b>-</b>	<b>37,713</b>	<b>258,704</b>
<b>Total Expenditures</b>	<b>115,233</b>	<b>43,524</b>	<b>105,758</b>	<b>24,501</b>	<b>37,713</b>	<b>326,729</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

RAMSEY BOARD OF EDUCATION

Special Revenue Fund

Combining Schedule of Program Revenues and Expenditures - Budgetary Basis

Fiscal Year Ended June 30, 2015

	N.J. Nonpublic Handicapped Services, Chapter 193			Total Carried Forward
	Supplemental Instruction	Examination & Classification	Corrective Speech	
<b>REVENUES</b>				
State Sources	22,992	69,358	22,883	115,233
Federal Sources				-
<b>Total Revenues</b>	<b>22,992</b>	<b>69,358</b>	<b>22,883</b>	<b>115,233</b>
<b>EXPENDITURES:</b>				
<b>Instruction:</b>				
Salaries of Teachers				-
Other Purchased Services (400-500 series)				-
General Supplies				-
Textbooks				-
<b>Total instruction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Support services:</b>				
Other Salaries for Instruction				-
Personal Services - Employee Benefits				-
Purchased Professional - Educational Services	22,992	69,358	22,883	115,233
<b>Total support services</b>	<b>22,992</b>	<b>69,358</b>	<b>22,883</b>	<b>115,233</b>
<b>Total Expenditures</b>	<b>22,992</b>	<b>69,358</b>	<b>22,883</b>	<b>115,233</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**CAPITAL PROJECTS FUND**

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Schedule of Revenues, Expenditures, and Changes**  
**in Fund Balance-Budgetary Basis**  
**Fiscal Year Ended June 30, 2015**

**Revenues and Other Financing Sources**

State Sources - SCC Grant	681,175
Bond proceeds and transfers	-
Transfers from Capital Reserve	2,452,457
Transfers from Capital Outlay	-
Interest on Investments	213
	3,133,845

**Expenditures and Other Financing Uses**

Purchased professional and technical services	-
Land and improvements	-
Construction services	1,886,908
Equipment purchases	906,971
Transfer to Capital Reserve	-
Transfer to Debt Service Fund	213
	2,794,092

Excess (deficiency) of revenues over (under) expenditures 339,753

Fund balance - beginning 152,984

Fund balance - ending 492,737

Recapitulation:

Unrestricted Fund Balance 492,737

Reconciliation to Governmental Funds Statements (GAAP):

SDA Grant Receivable not Recognized on GAAP Basis (165,282)

Fund Balance per Governmental Funds 327,455

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**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	367,522		367,522	367,522
Bond proceeds and transfers	945,536		945,536	945,536
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>1,313,058</u>	<u>-</u>	<u>1,313,058</u>	<u>1,313,058</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	1,302,981		1,302,981	1,302,981
Equipment purchases	-		-	-
Transfer to Capital Reserve	10,077		10,077	10,077
	<u>1,313,058</u>	<u>-</u>	<u>1,313,058</u>	<u>1,313,058</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	SP2502324			
Grant Date	8/5/2002			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,313,059.00			
Additional authorized cost				
Revised authorized cost	1,313,059.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	June 2003			
Revised target completion date	June 2003			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**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	309,491		309,491	309,491
Bond proceeds and transfers	2,057,660		2,057,660	2,057,660
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>2,367,151</u>	<u>-</u>	<u>2,367,151</u>	<u>2,367,151</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	227,772		227,772	227,772
Land and improvements	-		-	-
Construction services	2,139,379		2,139,379	2,139,379
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>2,367,151</u>	<u>-</u>	<u>2,367,151</u>	<u>2,367,151</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-070-03-1049			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	2,297,470.00			
Additional authorized cost	69,681.00			
Revised authorized cost	2,367,151.00			
Percentage increase over original authorized cost	0.03			
Percentage completion	100%			
Original target completion date	June 2005			
Revised target completion date	June 2005			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**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	1,194,641		1,194,641	1,194,641
Bond proceeds and transfers	2,303,411		2,303,411	2,303,411
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>3,498,052</u>	<u>-</u>	<u>3,498,052</u>	<u>3,498,052</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	463,939		463,939	463,939
Land and improvements	-		-	-
Construction services	3,034,113		3,034,113	3,034,113
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>3,498,052</u>	<u>-</u>	<u>3,498,052</u>	<u>3,498,052</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-03-1048			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	3,484,745.00			
Additional authorized cost	13,307.00			
Revised authorized cost	3,498,052.00			
Percentage increase over original authorized cost	0.00			
Percentage completion	100%			
Original target completion date	October 2006			
Revised target completion date	October 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**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	552,603		552,603	552,603
Bond proceeds and transfers	4,671,696		4,671,696	4,671,696
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>5,224,299</u>	<u>-</u>	<u>5,224,299</u>	<u>5,224,299</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	424,331		424,331	424,331
Land and improvements	-		-	-
Construction services	4,787,641		4,787,641	4,799,968
Equipment purchases	-		-	-
	<u>5,211,972</u>	<u>-</u>	<u>5,211,972</u>	<u>5,224,299</u>
Excess (deficiency) of revenues over (under) expenditures	<u>12,327</u>	<u>-</u>	<u>12,327</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-050-03-1051			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	4,542,187.00			
Additional authorized cost	682,112.00			
Revised authorized cost	5,224,299.00			
Percentage increase over original authorized cost	0.15			
Percentage completion	100%			
Original target completion date	September 2006			
Revised target completion date	September 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Other Improvements**  
**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	3,706,560		3,706,560	3,706,560
Bond proceeds and transfers	14,401,458		14,401,458	14,401,458
Transfers from Capital Reserve	-		-	-
Transfers from Capital Outlay	-		-	-
	<u>18,108,018</u>	<u>-</u>	<u>18,108,018</u>	<u>18,108,018</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	1,486,120		1,486,120	1,486,120
Land and improvements	-		-	-
Construction services	16,621,898		16,621,898	16,621,898
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>18,108,018</u>	<u>-</u>	<u>18,108,018</u>	<u>18,108,018</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-03-1050			
Grant Date	9/23/2003			
Bond authorization date	12/11/2003			
Bonds authorized	23,434,000.00			
Bonds issued	23,434,000.00			
Original authorization cost	18,873,118.00			
Additional authorized cost	(765,100.00)			
Revised authorized cost	18,108,018.00			
Percentage increase over original authorized cost	(0.04)			
Percentage completion	100%			
Original target completion date	May 2006			
Revised target completion date	May 2006			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Building Partial Roof Replacement**  
**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	98,116		98,116	98,116
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	200,574		200,574	200,574
Transfers from Capital Outlay	-		-	-
	<u>298,690</u>	<u>-</u>	<u>298,690</u>	<u>298,690</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	274,010		274,010	298,690
Equipment purchases	-		-	-
Transfer to Capital Reserve	-		-	-
	<u>274,010</u>	<u>-</u>	<u>274,010</u>	<u>298,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>24,680</u>	<u>-</u>	<u>24,680</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-055-05-1000-NE			
Grant Date	7/29/2005			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	298,690.00			
Additional authorized cost				
Revised authorized cost	298,690.00			
Percentage increase over original authorized cost	-			
Percentage completion	92%			
Original target completion date	August 2007			
Revised target completion date	August 2007			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School PEC Sprinkler Systems**  
**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	41,384		41,384	41,384
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	62,076		62,076	62,076
Transfers from Capital Outlay	-		-	-
	103,460	-	103,460	103,460
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	89,000		89,000	103,460
Equipment purchases	-		-	-
	89,000	-	89,000	103,460
Excess (deficiency) of revenues over (under) expenditures	14,460	-	14,460	-
<b>Additional project information:</b>				
Project number	1310-050-090-1001-G02			
Grant Date	6/19/2009			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	103,460.00			
Additional authorized cost				
Revised authorized cost	103,460.00			
Percentage increase over original authorized cost	-			
Percentage completion	86%			
Original target completion date	October 2010			
Revised target completion date	October 2010			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**High School Partial Roof Replacement and HVAC Upgrades**  
**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	127,108		127,108	127,108
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	190,662		190,662	190,662
Transfers from Capital Outlay	-		-	-
	<u>317,770</u>	<u>-</u>	<u>317,770</u>	<u>317,770</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	216,253		216,253	317,770
Equipment purchases	-		-	-
	<u>216,253</u>	<u>-</u>	<u>216,253</u>	<u>317,770</u>
Excess (deficiency) of revenues over (under) expenditures	<u>101,517</u>	<u>-</u>	<u>101,517</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-050-10-1001-GOPB			
Grant Date	9/1/2010			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	317,770.00			
Additional authorized cost				
Revised authorized cost	317,770.00			
Percentage increase over original authorized cost	-			
Percentage completion	68%			
Original target completion date	January 1, 2011			
Revised target completion date	January 1, 2011			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Window Replacement at Tisdale Elementary School**  
**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	-	46,480	46,480	46,480
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	-	69,720	69,720	69,720
Transfers from Capital Outlay	-		-	-
	-	116,200	116,200	116,200
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	-	110,055	110,055	116,200
Equipment purchases	-		-	-
	-	110,055	110,055	116,200
Excess (deficiency) of revenues over (under) expenditures	-	6,145	6,145	-
<b>Additional project information:</b>				
Project number	4310-080-14-1004			
Grant Date	Sept. 3, 2013			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	116,200.00			
Additional authorized cost				
Revised authorized cost	116,200.00			
Percentage increase over original authorized cost	-			
Percentage completion	95%			
Original target completion date	July 11, 2014			
Revised target completion date	July 11, 2014			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Boiler Replacement at Eric Smith School**  
**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	-	344,600	344,600	344,600
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	-	516,900	516,900	516,900
Transfers from Capital Outlay	-		-	-
	-	861,500	861,500	861,500
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	-	570,417	570,417	861,500
Equipment purchases	-		-	-
	-	570,417	570,417	861,500
Excess (deficiency) of revenues over (under) expenditures	-	291,083	291,083	-
<b>Additional project information:</b>				
Project number	4310-055-14-1003			
Grant Date	September 3, 2013			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	861,500.00			
Additional authorized cost				
Revised authorized cost	861,500.00			
Percentage increase over original authorized cost	-			
Percentage completion	66%			
Original target completion date	July 11, 2014			
Revised target completion date	July 11, 2014			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**HVAC Replacement in Gyms at Ramsey High School**  
**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	-	290,095	290,095	290,095
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	-	665,837	665,837	665,837
Transfers from Capital Outlay	-		-	-
	-	955,932	955,932	955,932
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	-	955,932	955,932	955,932
Equipment purchases	-		-	-
	-	955,932	955,932	955,932
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
<b>Additional project information:</b>				
Project number	4310-050-14-2000			
Grant Date	January 6, 2014			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	955,932.00			
Additional authorized cost				
Revised authorized cost	955,932.00			
Percentage increase over original authorized cost	-			
Percentage completion	100%			
Original target completion date	July 12, 2014			
Revised target completion date	Aug. 31, 2015			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Schedule of Project Revenues, Expenditures, Project Balances and Project Status-Budgetary Basis**  
**Sports Field Upgrade, Turf/Lights/Stormwater Control at Ramsey High School**  
**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	-		-	-
Bond proceeds and transfers	-		-	-
Transfers from Capital Reserve	-	1,200,000	1,200,000	1,200,000
Transfers from Capital Outlay	-		-	-
	<u>-</u>	<u>1,200,000</u>	<u>1,200,000</u>	<u>1,200,000</u>
<b>Expenditures and Other Financing Uses</b>				
Purchased professional and technical services	-		-	-
Land and improvements	-		-	-
Construction services	-	250,504	250,504	200,000
Equipment purchases	-	906,971	906,971	1,000,000
	<u>-</u>	<u>1,157,475</u>	<u>1,157,475</u>	<u>1,200,000</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>42,525</u>	<u>42,525</u>	<u>-</u>
<b>Additional project information:</b>				
Project number	4310-050-14-2000			
Grant Date	April 9, 2014			
Bond authorization date	N/A			
Bonds authorized	N/A			
Bonds issued	N/A			
Original authorization cost	1,200,000.00			
Additional authorized cost				
Revised authorized cost	1,200,000.00			
Percentage increase over original authorized cost	-			
Percentage completion	96%			
Original target completion date	Aug. 31, 2014			
Revised target completion date	Aug. 31, 2014			

**RAMSEY BOARD OF EDUCATION**  
**Capital Projects Fund**  
**Summary Statement of Project Expenditures**  
**Fiscal Year Ended June 30, 2015**

Project Title/Issue	Date	Appropriations	Expenditures to Date		Operating Transfer to Capital Reserve	Unexpended Balance June 30, 2015
			Prior Years	Current Year		
Wesley D. Tisdale Elementary School Building Additions and Renovations	August 5, 2002	1,313,058	1,313,058	-	-	-
Mary A. Hubbard Elementary School Building Additions and Renovations	September 23, 2003	2,367,151	2,367,151	-	-	-
Eric S. Smith Middle School Building Additions and Renovations	September 23, 2003	3,498,052	3,498,052	-	-	-
Ramsey High School Building Additions and Renovations	September 23, 2003	5,224,299	5,211,972	-	12,327	12,327
John Y. Dater Elementary School Additions, Renovations and Construction of New School	September 23, 2003	18,108,018	18,108,018	-	-	-
Ramsey High School Building Partial Roof Replacement	July 29, 2005	298,690	274,010	-	24,680	24,680
Ramsey HS PEC Sprinkler Systems	June 19, 2009	103,460	89,000	-	14,460	14,460
Ramsey High School Partial Roof Replacement and HVAC Upgrades	September 1, 2010	317,770	216,253	-	101,517	101,517
Tisdale Elementary School at Window Replacement	September 3, 2013	116,200	-	110,055	6,145	6,145
Eric S. Smith Middle School Boiler Replacement	September 3, 2013	861,500	-	570,417	291,083	291,083
Ramsey High School HVAC Replacement in GYMS	January 6, 2014	955,932	-	955,932	-	-
Ramsey High School Sports Field Upgrade, Turf/Lights/Stormwater Control	April 9, 2014	1,200,000	-	1,157,475	42,525	42,525
			31,077,514	2,793,879	-	492,737

**PROPRIETARY FUNDS**

**RAMSEY BOARD OF EDUCATION  
Combining Statement of Net Position  
Enterprise Funds  
Fiscal Year Ended June 30, 2015**

	<u>Food Service Program</u>	<u>Totals</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	74,445	74,445
Accounts receivable:		
State	305	305
Federal	5,735	5,735
Interfund - General Fund	130,221	130,221
Inventories	9,222	9,222
Total current assets	<u>219,928</u>	<u>219,928</u>
Noncurrent assets:		
Capital assets:		
Equipment	448,094	448,094
Less accumulated depreciation	<u>(402,143)</u>	<u>(402,143)</u>
Total capital assets (net of accumulated depreciation)	<u>45,951</u>	<u>45,951</u>
Total assets	<u><u>265,879</u></u>	<u><u>265,879</u></u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	<u>66,654</u>	<u>66,654</u>
Total current liabilities	<u>66,654</u>	<u>66,654</u>
<b>NET POSITION</b>		
Net investment in capital assets	45,951	45,951
Unrestricted	<u>153,274</u>	<u>153,274</u>
Total net position	<u><u>199,225</u></u>	<u><u>199,225</u></u>

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Revenues, Expenses, and Changes in Fund Net Position**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2015**

	<b>Food Service Program</b>	<b>Totals</b>
Operating revenues:		
Charges for services:		
Daily sales - reimbursable programs	173,533	173,533
Daily sales - non-reimbursable programs	289,964	289,964
Special functions	74,598	74,598
Total operating revenues	538,095	538,095
Operating expenses:		
Cost of sales	250,147	250,147
Salaries	217,504	217,504
Benefits	58,773	58,773
Supplies and materials	45,083	45,083
Purchased property services	65,000	65,000
Cleaning repair & maintenance	53,362	53,362
Depreciation	14,938	14,938
Total Operating Expenses	704,807	704,807
Operating income (loss)	(166,712)	(166,712)
Nonoperating revenues (expenses):		
State sources:		
State school lunch program	3,262	3,262
Federal sources:		
National school lunch program	61,352	61,352
Food distribution program	34,966	34,966
Interest Income	24	24
Total nonoperating revenues (expenses)	99,604	99,604
Income (loss) before contributions & transfers	(67,108)	(67,108)
Total net position—beginning (restated)	266,333	266,333
Total net position—ending	199,225	199,225

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Cash Flows**  
**Enterprise Funds**  
**Fiscal Year Ended June 30, 2015**

	<b>Food Service Program</b>	<b>Totals</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	538,232	538,232
Payments to suppliers	(611,873)	(611,873)
Net cash provided by (used for) operating activities	(73,641)	(73,641)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Local Sources	81,397	81,397
Net cash provided by (used for) non-capital financing activities	81,397	81,397
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest and dividends	24	24
Net cash provided by (used for) investing activities	24	24
Net increase (decrease) in cash and cash equivalents	7,780	7,780
Balances—beginning of year	66,665	66,665
Balances—end of year	74,445	74,445
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>		
Operating income (loss)	(166,712)	(166,712)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities		
(Increase) decrease in accounts receivable	(21,760)	(21,760)
Depreciation and net amortization	14,938	14,938
Food Distribution Program	34,966	34,966
(Increase) decrease in inventories	(1,727)	(1,727)
Increase (decrease) in accounts payable	66,654	66,654
Total adjustments	93,071	93,071
Net cash provided by (used for) operating activities	(73,641)	(73,641)

**FIDUCIARY FUND**

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Fiduciary Net Position**  
**Fiduciary Funds**  
**June 30, 2015**

	<u>Unemployment Compensation Trust Fund</u>	<u>Private Purpose Funds</u>	<u>Agency Funds</u>
<b>ASSETS</b>			
Cash and cash equivalents	228,212	36,059	1,163,286
Interfund Receivable	21,835		
Total assets	<u>250,047</u>	<u>36,059</u>	<u>1,163,286</u>
<b>LIABILITIES</b>			
Payable to student groups			1,081,643
Payroll deductions and withholdings			26,275
Contributions Pledged to Specific Awards			33,533
Due to State of NJ	4,816		
Interfund Payable			21,835
Total liabilities	<u>4,816</u>	<u>-</u>	<u>1,163,286</u>
<b>NET Position</b>			
Held in trust for unemployment claims and other purposes	<u>245,231</u>		
Reserved for scholarships		<u>36,059</u>	

**RAMSEY BOARD OF EDUCATION**  
**Combining Statement of Changes in Fiduciary Net Position**  
**Fiduciary Funds**  
**Fiscal Year Ended June 30, 2015**

	<b>Unemployment Compensation Trust Fund</b>	<b>Private Purpose Funds</b>
<b>ADDITIONS</b>		
Contributions:		
Payroll withholdings	50,443	
Total Contributions	50,443	-
Investment earnings:		
Interest	189	
Net investment earnings	189	-
Total additions	50,632	-
<b>DEDUCTIONS</b>		
Unemployment Claims	46,119	
Total deductions	46,119	-
Change in net position	4,513	-
Net position—beginning of the year	240,718	36,059
Net position—end of the year	245,231	36,059

**RAMSEY BOARD OF EDUCATION**  
**Student Activity Agency Fund**  
**Schedule of Receipts and Disbursements**  
**Fiscal Year Ended June 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2015</u>
Elementary Schools:				
Wesley D. Tisdale School	7,962	23,755	18,886	12,831
Mary A. Hubbard School	3,219	20,769	22,444	1,544
John Y. Dater School	1,847	17,627	17,517	1,957
Total Elementary Schools	<u>13,028</u>	<u>62,151</u>	<u>58,847</u>	<u>16,332</u>
Middle School:				
Eric S. Smith School	23,957	86,994	86,927	24,024
Total Middle Schools	<u>23,957</u>	<u>86,994</u>	<u>86,927</u>	<u>24,024</u>
High School:				
High School	215,120	364,745	352,791	227,074
Student Fund		77,011	71,286	5,725
Total High Schools	<u>215,120</u>	<u>441,756</u>	<u>424,077</u>	<u>232,799</u>
Athletic Departments:				
Athletic Department	1,511	128,407	128,408	1,510
Total Athletic Department	<u>1,511</u>	<u>128,407</u>	<u>128,408</u>	<u>1,510</u>
Adult Education:				
Due to Nonsupportive Enrichment Adult Program	768,957	1,397,242	1,359,221	806,978
Total Adult Education	<u>768,957</u>	<u>1,397,242</u>	<u>1,359,221</u>	<u>806,978</u>
Total All Schools	<u>\$ 1,022,573</u>	<u>2,116,550</u>	<u>2,057,480</u>	<u>1,081,643</u>

**RAMSEY BOARD OF EDUCATION  
Payroll Agency Fund  
Schedule of Receipts and Disbursements  
Fiscal Year Ended June 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2015</u>
Net Payroll	-	20,425,286	20,423,814	1,472
Payroll Deductions and Withholdings	223,227	17,185,524	17,399,595	9,156
Flexible Spending Account	18,982	78,934	82,269	15,647
Interfund Payable - UCI	12,667	13,530	4,362	21,835
	<u>254,876</u>	<u>37,703,274</u>	<u>37,910,040</u>	<u>48,110</u>

**RAMSEY BOARD OF EDUCATION  
 Contributions Pledged to Specific Awards  
 Schedule of Receipts and Disbursements  
 Fiscal Year Ended June 30, 2015**

	<u>Balance July 1, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursed</u>	<u>Balance June 30, 2015</u>
Contributions Pledged to Specific Awards	<u>19,133</u>	<u>62,407</u>	<u>48,007</u>	<u>33,533</u>
Total Contributions Pledged to Specific Awards	<u><u>19,133</u></u>	<u><u>62,407</u></u>	<u><u>48,007</u></u>	<u><u>33,533</u></u>

**LONG-TERM DEBT**

**RAMSEY BOARD OF EDUCATION**  
**General Long-Term Debt Account Group**  
**Schedule of Serial Bonds**  
**June 30, 2015**

<u>Issue</u>	<u>Date of Loan</u>	<u>Amount of Loan</u>	<u>Principal Payment Date</u>	<u>Interest Rate</u>	<u>Balance, June 30, 2014</u>	<u>Retired</u>	<u>Balance, June 30, 2015</u>
Refunding Bond	April 4, 2012	16,700,000	1/15/16	2.00%	15,765,000	1,850,000	13,915,000
			1/15/17	3.00%			
			1/15/18	3.00%			
			1/15/19	3.00%			
			1/15/20	3-4%			
			1/15/21	3.000%			
			1/15/22	4.00%			
			1/15/23	4.00%			
			1/15/24	5.00%			
					\$ 15,765,000	1,850,000	13,915,000

**RAMSEY BOARD OF EDUCATION**  
**Budgetary Comparison Schedule**  
**Debt Service Fund**  
**Fiscal Year Ended June 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Positive (Negative) Final to Actual
<b>REVENUES:</b>					
Local Sources:					
Local Tax Levy	2,278,081		2,278,081	2,278,081	-
Total - Local Sources	2,278,081	-	2,278,081	2,278,081	-
<b>Total Revenues</b>	<b>2,278,081</b>	<b>-</b>	<b>2,278,081</b>	<b>2,278,081</b>	<b>-</b>
<b>EXPENDITURES:</b>					
Regular Debt Service:					
Interest	542,164	-	542,164	542,164	-
Redemption of Principal	1,850,000	-	1,850,000	1,850,000	-
Total Regular Debt Service	2,392,164	-	2,392,164	2,392,164	-
<b>Total expenditures</b>	<b>2,392,164</b>	<b>-</b>	<b>2,392,164</b>	<b>2,392,164</b>	<b>-</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(114,083)	-	(114,083)	(114,083)	-
Other Financing Sources:					
Operating Transfers In:					
Interest Earned in Capital Project Fund				213	213
Total Other Financing Sources	-	-	-	213	213
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	(114,083)	-	(114,083)	(113,870)	213
Fund Balance, July 1	126,105	-	126,105	126,105	-
Fund Balance, June 30	12,022	-	12,022	12,235	213
<b>Recapitulation of Excess (Deficiency) of Revenues Over (Under) Expenditures</b>					
Budgeted Fund Balance	(114,083)		(114,083)	(114,083)	-
Interest Earned in Capital Project Fund				213	213
	(114,083)	-	(114,083)	(113,870)	213

**STATISTICAL SECTION**

## STATISTICAL SECTION (UNAUDITED)

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# STATISTICAL SECTION (UNAUDITED) - INTRODUCTION

## J SERIES

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<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the district's financial performance and well-being have changes over time.	<b>J-1 to J-5</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the district's most significant local revenue sources, the property tax.	<b>J-6 to J-9</b>
<b>Debt Capacity</b> 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.	<b>J-10 to J-13</b>
<b>Demographic and Economic Information</b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the district's financial activities take place.	<b>J-14 to J-15</b>
<b>Operating Information</b> 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.	<b>J-16 to J-20</b>
<b>Sources:</b> Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports (CAFR) for the relevant year. The district implemented GASB Statement 34 in the fiscal year ending June 30, 2004; schedules presenting district-wide information include information beginning in that year.	

**Ramsey Board of Education**  
**Net Assets/Position\* by Component**  
**Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 5,532,794	\$ 12,143,452	\$ 13,530,024	\$ 13,954,258	\$ 14,217,638	\$ 15,273,557	\$ 14,628,397	\$ 17,432,803	\$ 17,765,187	\$ 20,645,498
Restricted	7,451,798	2,499,439	1,727,240	2,550,026	3,510,123	4,375,566	6,911,478	7,794,779	9,794,237	10,271,833
Unrestricted	(74,303)	132,624	(134,265)	(450,212)	(264,084)	(165,952)	(17,482)	(295,447)	(276,446)	(14,860,987)
<b>Total governmental activities net position</b>	<b>\$ 12,910,289</b>	<b>\$ 14,775,515</b>	<b>\$ 15,122,999</b>	<b>\$ 16,054,072</b>	<b>\$ 17,463,677</b>	<b>\$ 19,483,171</b>	<b>\$ 21,522,393</b>	<b>\$ 24,932,135</b>	<b>\$ 27,282,978</b>	<b>\$ 16,056,344</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 11,200	\$ 182,956	\$ 182,951	\$ 160,821	\$ 142,242	\$ 172,449	\$ 181,888	\$ 34,829	\$ 60,889	\$ 45,951
Restricted										
Unrestricted	167,834	230,380	269,281	297,565	290,411	268,288	239,353	230,668	205,444	153,274
<b>Total business-type activities net position</b>	<b>\$ 179,034</b>	<b>\$ 413,336</b>	<b>\$ 452,232</b>	<b>\$ 458,386</b>	<b>\$ 432,653</b>	<b>\$ 440,737</b>	<b>\$ 421,241</b>	<b>\$ 265,497</b>	<b>\$ 266,333</b>	<b>\$ 199,225</b>
<b>District-wide</b>										
Invested in capital assets, net of related debt	\$ 5,543,994	\$ 12,326,408	\$ 13,712,975	\$ 14,115,079	\$ 14,359,880	\$ 15,446,006	\$ 14,810,285	\$ 17,467,632	\$ 17,826,076	\$ 20,691,449
Restricted	7,451,798	2,499,439	1,727,240	2,550,026	3,510,123	4,375,566	6,911,478	7,794,779	9,794,237	10,271,833
Unrestricted	93,531	363,004	135,016	(152,647)	26,327	102,336	221,871	(64,779)	(71,002)	(14,707,713)
<b>Total district net position</b>	<b>\$ 13,089,323</b>	<b>\$ 15,188,851</b>	<b>\$ 15,575,231</b>	<b>\$ 16,512,458</b>	<b>\$ 17,896,330</b>	<b>\$ 19,923,908</b>	<b>\$ 21,943,634</b>	<b>\$ 25,197,632</b>	<b>\$ 27,549,311</b>	<b>\$ 16,255,569</b>

Source: CAFR Schedule A-1

\* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013 which changed Net Assets to Net Position.

**Ramsey Board of Education**  
**Changes in Net Assets/Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Expenses</b>										
Governmental activities										
Instruction										
Regular	\$ 17,018,385	\$ 18,031,316	\$ 18,838,009	\$ 19,400,100	\$ 21,022,394	\$ 21,340,017	\$ 21,268,865	\$ 21,847,647	\$ 21,945,607	\$ 25,249,007
Special education	4,679,258	5,403,849	5,625,028	5,811,653	5,783,787	4,919,294	4,590,023	4,651,567	4,720,971	5,605,792
Other special education	1,107,254	865,571	1,208,876	1,237,458	1,044,853	842,159	925,934	924,521	913,949	984,373
Other instruction	846,843	930,976	973,365	1,046,027	1,046,586	1,023,763	1,055,248	1,099,984	1,161,090	1,376,244
Support Services:										
Tuition	2,340,361	2,175,810	2,729,687	2,516,482	1,945,016	2,758,946	2,988,157	2,336,364	2,446,519	2,612,882
Student & instruction related services	6,070,875	6,122,216	6,303,710	6,910,938	7,041,305	7,203,833	7,124,675	7,733,785	8,269,347	9,545,803
General administrative services	1,322,446	1,346,644	1,118,408	1,500,420	1,114,013	1,239,011	1,295,683	1,247,047	1,339,512	1,237,013
School administrative services	2,243,484	2,211,433	2,232,781	2,397,196	2,152,701	2,275,194	2,320,494	2,177,689	2,176,490	2,506,659
Central services	414,089	369,167	472,582	492,412	513,877	533,362	540,506	538,395	558,455	644,652
Administrative information tech.	16,000	49,956	16,980	17,460	17,460	17,460	17,460	17,460	17,460	17,460
Plant operations and maintenance	3,866,368	4,256,897	4,388,776	4,196,998	4,319,354	4,518,777	4,837,580	4,792,863	4,945,370	5,329,590
Pupil transportation	1,500,168	1,577,582	1,775,989	1,702,849	1,716,737	1,635,220	1,515,917	1,350,075	1,417,645	1,437,641
Unallocated Benefits	3,602,241	5,059,233	5,144,653	3,230,696	3,268,891	3,205,691	4,082,254	5,163,141	4,423,952	5,098,594
Capital outlay - non-depreciable	34,563	7,753	324,216	548	-	17,175	6,230	751,687	751,687	39,074
Interest on long-term debt	1,172,386	1,146,172	1,224,900	1,207,941	1,074,845	967,729	630,270	664,734	580,083	525,206
Unallocated depreciation	647,409	1,382,205	1,350,633	1,403,024	1,394,350	1,333,946	1,215,320	1,603,072	1,797,686	2,106,290
Capital lease obligations and amortization							1,204,483	(121,848)	(121,848)	(121,848)
Total governmental activities expenses	46,882,130	50,936,780	53,728,493	53,072,202	53,456,169	53,831,577	55,619,099	56,026,496	57,343,975	64,194,432
Business-type activities:										
Food service	719,793	699,586	751,601	703,250	787,647	785,738	809,196	730,013	710,095	704,807
Total business-type activities expense	719,793	699,586	751,601	703,250	787,647	785,738	809,196	730,013	710,095	704,807
Total district expenses	\$ 47,601,923	\$ 51,636,366	\$ 54,480,094	\$ 53,775,452	\$ 54,243,816	\$ 54,617,315	\$ 56,428,295	\$ 56,756,509	\$ 58,054,070	\$ 64,899,239
<b>Program Revenues</b>										
Governmental activities:										
Charges for services:										
Operating grants and contributions	\$ 938,724	\$ 1,069,304	\$ 1,107,207	\$ 1,172,014	\$ 1,810,557	\$ 1,178,123	\$ 1,123,278	\$ 1,121,693	\$ 1,112,463	\$ 1,183,677
Capital grants and contributions	-	-	-	-	35,600	-	-	-	-	-
Total governmental activities program revenues	938,724	1,069,304	1,107,207	1,172,014	1,846,157	1,178,123	1,123,278	1,121,693	1,112,463	1,183,677

**Ramsey Board of Education**  
**Changes in Net Assets/Position\*, Last Ten Fiscal Years**  
*(accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Business-type activities:</b>										
Charges for services										
Food service	689,269	672,938	691,339	631,450	692,468	709,350	692,178	597,772	592,876	538,095
Operating grants and contributions	58,284	64,139	74,103	75,486	88,025	84,472	97,522	93,915	103,493	99,580
Capital grants and contributions	-	-	-	-	-	-	-	-	-	-
Total business-type activities program revenues	747,553	737,077	765,442	706,936	780,493	793,822	789,700	691,687	696,369	637,675
Total district program revenues	\$ 1,686,277	\$ 1,806,381	\$ 1,872,649	\$ 1,878,950	\$ 2,626,650	\$ 1,971,945	\$ 1,912,978	\$ 1,813,380	\$ 1,808,832	\$ 1,821,352
<b>Net (Expense)/Revenue</b>	\$ (45,943,406)	\$ (49,867,476)	\$ (52,621,286)	\$ (51,900,188)	\$ (51,610,012)	\$ (52,653,454)	\$ (54,495,821)	\$ (54,904,803)	\$ (56,231,512)	\$ (63,010,755)
<b>Governmental activities</b>	27,760	37,491	13,841	3,686	(7,154)	8,084	(19,496)	(38,326)	(13,726)	(67,132)
Total district-wide net expense	\$ (45,915,646)	\$ (49,829,985)	\$ (52,607,445)	\$ (51,896,502)	\$ (51,617,166)	\$ (52,645,370)	\$ (54,515,317)	\$ (54,943,129)	\$ (56,245,238)	\$ (63,077,887)
<b>General Revenues and Other Changes in Net Position</b>										
Governmental activities:										
Property taxes levied for general purposes, net	\$ 36,109,734	\$ 39,011,486	\$ 40,527,656	\$ 41,700,559	\$ 43,243,170	\$ 46,159,075	\$ 46,954,695	\$ 47,541,824	\$ 48,292,660	\$ 48,971,745
Taxes levied for debt service	2,398,810	2,190,293	2,305,310	2,354,723	2,556,156	2,577,389	2,556,822	2,545,340	2,417,466	2,278,081
Unrestricted grants and contributions	5,712,838	7,239,716	7,188,589	5,716,800	5,241,212	3,957,151	5,454,640	6,819,525	6,402,622	12,381,943
Federal and State aid - Capital Outlay								5,400		562,284
Tuition received	1,573,144	1,667,528	1,330,514	1,726,885	1,690,798	1,547,116	1,510,925	1,329,177	1,859,684	1,906,306
Transportation Fees	26,951	13,301	14,081	23,916	15,830	22,297	24,562	23,677	27,216	30,941
Investment earnings	418,238	459,974	168,198	68,529	39,893	51,977	185	216	7,141	213
Miscellaneous income	64,376	121,476	52,217	876,956	232,558	357,943	33,214	37,429	88,594	71,148
Total governmental activities	46,304,091	50,801,890	51,586,565	52,468,368	53,019,617	54,672,948	56,535,043	58,302,588	59,095,383	66,202,661
Business-type activities:										
Investment earnings	-	-	-	-	-	-	-	25	64	24
Miscellaneous income	-	-	-	-	-	-	-	12,706	-	-
Total business-type activities	-	-	-	-	-	-	-	12,731	64	24
Total district-wide	\$ 46,304,091	\$ 50,801,890	\$ 51,586,565	\$ 52,468,368	\$ 53,019,617	\$ 54,672,948	\$ 56,535,043	\$ 58,315,319	\$ 59,095,447	\$ 66,202,685
<b>Change in Net Position</b>										
Governmental activities	\$ 360,685	\$ 934,414	\$ (1,034,721)	\$ 568,180	\$ 1,409,605	\$ 2,019,494	\$ 2,039,222	\$ 3,397,785	\$ 2,863,871	\$ 3,191,906
Business-type activities	27,760	37,491	13,841	3,686	(7,154)	8,084	(19,496)	(25,595)	(13,662)	(67,108)
Total district	\$ 388,445	\$ 971,905	\$ (1,020,880)	\$ 571,866	\$ 1,402,451	\$ 2,027,578	\$ 2,019,726	\$ 3,372,190	\$ 2,850,209	\$ 3,124,798

Source: CAFR Schedule A-2

\* - GASB Statement No.63 became effective for the fiscal year ended June 30, 2013 which changed Net Assets to Net Position.

**Ramsey Board of Education**  
**Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**  
*(modified accrual basis of accounting)*

	Fiscal Year Ending June 30,									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
General Fund										
Reserved	\$ 1,174,224	\$ 1,624,145	\$ 1,390,115	\$ 2,480,607	\$ 3,445,095					
Unreserved	1,142,449	1,311,080	1,130,015	822,014	1,016,861					
Restricted						4,118,464	6,344,131	7,504,974	9,531,400	9,746,063
Committed							420,000			
Assigned						127,562	32,722	64,699	30,139	186,080
Unassigned						1,042,504	1,094,025	1,022,529	1,233,237	955,131
Total general fund	\$ 2,316,673	\$ 2,935,225	\$ 2,520,130	\$ 3,302,621	\$ 4,461,956	\$ 5,288,530	\$ 7,890,878	\$ 8,592,202	\$ 10,794,776	\$ 10,887,274
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unreserved, reported in:										
Special revenue fund	-	-	-	-	-	-	-	-	-	-
Capital projects fund	5,700,341	315,548	47,084	47,084	45,683	106,593	106,593	106,593	106,593	327,455
Debt service fund	577,233	559,746	290,041	22,335	19,345	22,947	8,032	118,513	126,105	12,235
Permanent fund	-	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 6,277,574	\$ 875,294	\$ 337,125	\$ 69,419	\$ 65,028	\$ 129,540	\$ 114,625	\$ 225,106	\$ 232,698	\$ 339,690

Source: CAFR Schedule B-1

**Ramsey Board of Education**  
**Changes in Fund Balances, Governmental Funds,**  
**Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Revenues</b>										
Tax levy	\$ 38,508,544	\$ 41,201,779	\$ 42,832,966	\$ 44,055,282	\$ 45,799,326	\$ 48,736,464	\$ 49,511,517	\$ 50,087,164	\$ 50,710,126	\$ 51,249,826
Tuition charges	1,573,144	1,667,528	1,330,514	1,726,885	1,690,798	1,547,116	1,510,925	1,329,177	1,859,684	1,906,306
Transportation fees	26,951	13,301	14,081	23,916	15,830	22,297	24,562	23,677	27,216	30,941
Interest earned	143,649	174,815	163,313	68,529	39,893	51,977	185	216	7,141	213
Other Local Revenue	64,376	121,476	52,217	876,956	232,558	357,943	33,214	37,429	88,594	71,148
State sources	6,032,572	7,552,265	7,513,801	6,064,521	5,572,289	4,217,899	5,635,968	7,094,532	6,685,950	7,708,229
Federal sources	618,990	756,755	781,995	824,293	1,515,080	917,375	941,950	852,086	829,135	860,056
Total revenue	46,968,226	51,487,919	52,688,887	53,640,382	54,865,774	55,851,071	57,658,321	59,424,281	60,207,846	61,826,719
<b>Expenditures</b>										
Instruction										
Regular Instruction	14,455,060	15,020,131	15,835,712	16,191,526	17,192,653	17,247,762	17,213,992	18,593,763	18,492,941	18,934,393
Special education instruction	3,988,999	4,490,278	4,681,491	4,786,241	4,630,808	3,912,539	3,654,051	3,813,026	3,931,862	4,119,097
Other special instruction	926,447	839,054	1,001,460	1,015,953	865,382	682,334	777,329	794,121	791,837	757,983
Other instruction	738,003	793,637	838,039	894,799	842,086	849,802	875,684	935,881	1,002,426	1,072,134
Support Services:										
Tuition	2,340,361	2,175,810	2,353,407	2,516,482	1,945,016	2,758,946	2,994,928	2,336,364	2,446,519	2,612,882
Attendance and social work services	40,556	41,774	43,168	44,177	45,225	44,137	74,196	40,645	42,916	43,686
Health services	298,739	300,730	333,112	353,605	381,027	401,583	408,930	423,031	443,315	470,360
Student & instruction related services	4,990,482	5,128,089	5,429,815	5,576,927	5,512,243	5,674,540	5,246,227	6,004,627	6,554,093	6,735,690
General administrative services	1,237,337	1,247,229	1,022,135	1,394,797	989,238	1,110,822	1,159,074	1,157,927	1,249,809	1,088,766
School Administrative services	1,925,361	1,885,035	1,882,569	2,003,181	1,750,632	1,843,531	1,880,884	1,818,342	1,846,347	1,890,814
Central services	351,014	369,167	399,437	411,991	418,446	432,114	439,942	449,197	473,459	488,162
Administrative information tech	16,000	49,956	16,980	17,460	17,460	17,460	17,460	17,460	17,460	17,460
Plant operations and maintenance	3,511,685	3,829,041	3,990,836	3,794,057	3,939,191	3,992,074	4,329,071	4,337,031	4,500,902	4,479,237
Pupil transportation	1,469,777	1,577,582	1,742,765	1,665,714	1,673,943	1,592,399	1,472,325	1,312,946	1,386,596	1,381,062
Unallocated employee benefits	5,379,646	5,774,215	6,274,272	6,563,083	7,620,214	8,113,738	8,014,412	7,255,936	6,731,933	6,895,771
TPAF Pension / Social Security	3,386,324	4,865,451	4,897,722	3,195,812	3,233,976	3,248,520	3,883,306	5,096,104	4,423,952	5,193,741
Capital outlay	39,583	91,321	55,752	59,913	92,249	460,295	52,910	1,775,773	1,239,417	3,053,827
Debt service:										
Principal	1,235,000	1,295,000	1,355,000	1,405,000	1,460,000	1,580,000	1,650,000	1,925,000	1,815,000	1,850,000
Interest and other charges	1,246,836	1,197,939	1,224,900	1,234,879	1,101,041	997,389	926,167	525,302	606,896	542,164
Total expenditures	47,577,210	50,971,439	53,378,572	53,125,597	53,710,830	54,959,985	55,070,888	58,612,476	57,997,680	61,627,229
Excess (Deficiency) of revenues over (under) expenditures	(608,984)	516,480	(689,685)	514,785	1,154,944	891,086	2,587,433	811,805	2,210,166	199,490

**Ramsey Board of Education  
Changes in Fund Balances, Governmental Funds,  
Last Ten Fiscal Years**

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b>Other Financing sources (uses)</b>										
Bond proceeds	274,589									
Transfers in		283,159		17,450	74,048	192,564	185	1,440,116	1,041,926	2,452,670
Transfers out		(200,574)		(17,450)	(74,048)	(192,564)	(185)	(1,440,116)	(1,041,926)	(2,452,670)
Total other financing sources (uses)	274,589	84,585	4,885							
			4,885							
Net change in fund balances	\$ (334,395)	\$ 601,065	\$ (684,800)	\$ 514,785	\$ 1,154,944	\$ 891,086	\$ 2,587,433	\$ 811,805	\$ 2,210,166	\$ 199,490
Debt service as a percentage of noncapital expenditures	5.2%	4.9%	4.8%	5.0%	4.8%	4.7%	4.7%	4.3%	4.3%	4.1%

**Ramsey Board of Education  
General Fund Other Local Revenue by Source  
Last Ten Fiscal Years  
Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Transportation Fees	Tuition Revenue	Rentals	Refund of Prior year Expenses	Cancellation of Prior Year Payable	Misc.	Total
2006	143,649	26,951	1,573,144	23,670	-	-	40,706	1,808,120
2007	174,815	13,301	1,667,528	-	23,329	-	98,147	1,977,120
2008	163,313	14,081	1,330,514	-	20,668	-	31,549	1,560,125
2009	66,204	23,916	1,726,885	-	191,583	613,138	57,110	2,678,836
2010	37,998	15,830	1,690,798	-	95,738	-	136,820	1,977,184
2011	50,075	22,297	1,547,116	-	70,100	-	93,709	1,783,297
2012	-	24,562	1,510,925	-	-	-	28,969	1,564,456
2013	-	23,677	1,329,177	-	-	-	22,202	1,375,056
2014	6,896	27,216	1,859,684	-	11,172	-	65,645	1,970,613
2015	-	30,941	1,906,306	-	-	-	71,148	2,008,395

Source: District Records

**Ramsey Board of Education  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Total Assessed Value							Less: Tax-Exempt Property	Public Utilities <sup>a</sup>	Net Valuation Taxable	Total Direct School Tax Rate <sup>b</sup>	Estimated Actual (County Equalized Value)	Assessed to Estimated Full Cash Valuations
	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment						
2006	\$ 39,249,900	\$2,141,733,500			\$ 421,916,900	\$ 123,671,100	\$ 14,643,500	\$ -	\$ 8,139,736	\$2,749,354,636	1.447	\$3,253,420,657	84.51%
2007	\$ 35,772,800	\$2,155,684,500			\$ 432,632,100	\$ 123,671,100	\$ 14,643,500	\$ -	\$ 8,041,552	\$2,770,445,552	1.555	\$3,813,894,795	72.64%
2008	\$ 46,368,500	\$2,174,431,500			\$ 434,209,900	\$ 116,661,200	\$ 14,643,500	\$ -	\$ 7,737,523	\$2,794,052,123	1.556	\$3,562,143,515	78.44%
2009	\$ 43,098,900	\$2,206,335,300			\$ 438,558,400	\$ 110,771,900	\$ 14,643,500	\$ -	\$ 8,802,794	\$2,822,210,794	1.599	\$3,808,264,765	74.11%
2010	\$ 39,244,200	\$2,217,284,100	\$ 787,700	\$ 60,600	\$ 437,542,800	\$ 110,271,900	\$ 14,643,500	\$ -	\$ 8,679,688	\$2,828,514,488	1.671	\$3,820,525,750	74.03%
2011	\$ 36,287,300	\$2,227,238,000	\$ 787,700	\$ 60,600	\$ 443,851,600	\$ 109,771,900	\$ 14,643,500	\$ -	\$ 8,679,688	\$2,841,320,288	1.729	\$3,702,343,039	76.74%
2012	\$ 30,368,200	\$2,232,674,400	\$ 787,700	\$ 60,600	\$ 443,870,300	\$ 116,220,700	\$ 14,643,500	\$ -	\$ 9,447,502	\$2,848,072,602	1.748	\$3,532,621,934	80.62%
2013	\$ 27,718,500	\$2,237,051,300	\$ 787,700	\$ 60,000	\$ 442,433,100	\$ 115,536,600	\$ 14,643,500	\$ -	\$ 84,100	\$2,838,315,400	1.752	\$3,386,000,514	83.83%
2014	\$ 22,539,500	\$2,253,963,600	\$ 787,700	\$ 60,000	\$ 441,990,200	\$ 113,953,800	\$ 14,643,500	\$ -	\$ 83,770	\$2,848,022,070	1.873	\$3,410,395,423	83.51%
2015	\$ 19,149,500	\$2,259,341,000	\$ 787,700	\$ 60,600	\$ 444,671,400	\$ 114,908,200	\$ 14,643,500	\$ -	\$ 83,770	\$2,853,645,670	1.825	\$3,312,025,042	86.16%

Source: Municipal Tax Assessor

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.

Reassessment occurs when ordered by the County Board of Taxation

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

b Tax rates are per \$100

Exhibit J-7

Ramsey Board of Education  
 Direct and Overlapping Property Tax Rates  
 Last Ten Years

(rate per \$100 of assessed value)

Fiscal Year Ended Dec. 31,	Ramsey Board of Education			Overlapping Rates		Total Direct and Overlapping Tax Rate
	Basic Rate <sup>a</sup>	General Obligation Debt Service <sup>b</sup>	Total Direct	Borough of Ramsey	Bergen County	
2006	1.379	0.068	1.447	0.477	0.218	2.14
2007	0.000	0.000	1.518	0.499	0.233	2.25
2008	1.496	0.059	1.555	0.519	0.256	2.33
2009	1.540	0.059	1.599	0.539	0.260	2.40
2010	1.578	0.093	1.671	0.558	0.265	2.49
2011	1.637	0.092	1.729	0.562	0.271	2.56
2012	1.657	0.091	1.748	0.569	0.272	2.59
2013	1.663	0.089	1.752	0.578	0.273	2.60
2014	1.703	0.085	1.788	0.617	0.276	2.68
2015	1.743	0.082	1.825	0.558	0.276	2.66

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 calculated as follows: the prebudget year net budget increased by the cost of living or 2.5 percent, whichever is greater, plus any spending growth adjustments.

**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.

Exhibit J-8

Ramsey Board of Education  
Principal Property Taxpayers  
Current Year and Nine Years Ago

Taxpayer	2015			2006		
	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value	Taxable Assessed Value	Rank [Optional]	% of Total District Net Assessed Value
Ramsey Interstate CTR LLC	\$ 62,217,600	1	2.18%	\$ 55,800,000	1	
Commercial Realty Enterprises	\$ 32,675,000	2	1.15%	\$ 32,675,000	2	1.19%
Minolta Corp. C/O Tax Mgr	\$ 27,500,000	3	0.96%	\$ 13,133,300	6	0.48%
Krisujen Realty L.P.	\$ 20,625,300	4	0.72%	\$ 14,400,000	4	0.52%
Realty Associates Fund VIII LP	\$ 15,075,600	5	0.53%	\$ 17,463,100	3	0.64%
Sopris Mgmt LLC	\$ 14,400,000	6	0.50%			
Triangle 17 Center LLC	\$ 12,860,000	7	0.45%	\$ 13,600,000	5	0.49%
Minolta Corp. C/O Tax Mgr				\$ 10,265,300	7	0.37%
Adventures in Recreation, Inc.	\$ 9,125,000	8	0.32%	\$ 9,125,000	8	0.33%
Ferncroft C/O H.W. Young & Assoc., Inc.	\$ 9,002,600	9	0.32%	\$ 9,002,600	9	0.33%
Kislewitz, C/O Hunter Group	\$ 9,000,000	10	0.32%			
Gabrellian Associates						0.00%
BRE/ESA Properties LLC				\$ 8,750,000	10	0.32%
Total	\$ 212,481,100		7.45%	\$ 184,214,300		4.67%

Net Assessed Valuation: \$ 2,853,645,670 \$ 2,749,354,636

Source: Municipal Tax Assessor.

Exhibit J-9

**Ramsey Board of Education  
Property Tax Levies and Collections  
Last Ten Years**

Fiscal Year Ended June 30,	Taxes Levied for the Year	Collected within the Fiscal		Collections in Subsequent Years
		Year of the Levy Amount	Percentage of Levy	
2006	39,740,679	39,740,679	100.00%	\$ -
2007	42,061,180	42,061,180	100.00%	\$ -
2008	43,462,518	43,461,518	100.00%	\$ -
2009	45,019,071	45,019,071	100.00%	\$ -
2010	47,264,967	47,264,967	100.00%	\$ -
2011	48,736,464	48,736,464	100.00%	\$ -
2012	49,511,517	49,511,517	100.00%	\$ -
2013	50,087,164	50,087,164	100.00%	\$ -
2014	50,710,126	50,710,126	100.00%	\$ -
2015	51,249,826	51,249,826	100.00%	\$ -

Source: Municipal Tax Collector

**Ramsey Board of Education  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Governmental Activities				Business-Type Activities		Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General Obligation Bonds <sup>b</sup>	Certificates of Participation	Capital Leases	Temporary Note Payable	Capital Leases	Total District		
2006	28,264,000	-	-	-	-	28,264,000	3.096%	\$ 448
2007	26,969,000	-	-	-	-	26,969,000	2.755%	\$ 399
2008	25,614,000	-	-	4,000,000	-	29,614,000	3.027%	\$ 440
2009	24,209,000	-	-	2,500,000	-	26,709,000	2.841%	\$ 418
2010	22,749,000	-	-	2,500,000	-	25,249,000	2.727%	\$ 395
2011	21,169,000	-	-	2,500,000	-	23,669,000	2.411%	\$ 352
2012	19,505,000	-	-	2,500,000	-	22,005,000	2.166%	\$ 318
2013	17,580,000	-	-	2,500,000	-	20,080,000	1.960%	\$ 289
2014	15,765,000	-	-	2,500,000	-	18,265,000	Not Available	Not Available
2015	13,915,000	-	-	-	-	13,915,000	Not Available	Not Available

Source: District CAFR Schedules I-1, I-2

**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.
- b** Includes Early Retirement Incentive Plan (ERIP) refunding

Exhibit J-11

Ramsey Board of Education  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding			Actual Taxable Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding		
2006	28,264,000	-	28,264,000	1.03%	\$ 448
2007	26,969,000	-	26,969,000	0.97%	\$ 399
2008	25,614,000	-	25,614,000	0.92%	\$ 380
2009	24,209,000	-	24,209,000	0.86%	\$ 379
2010	22,749,000	-	22,749,000	0.80%	\$ 356
2011	21,169,000	-	21,169,000	0.75%	\$ 315
2012	19,505,000	-	19,505,000	0.68%	\$ 282
2013	17,580,000	-	17,580,000	0.62%	\$ 253
2014	15,765,000	-	15,765,000	0.55%	Not Available
2015	13,915,000	-	13,915,000	Not Available	Not Available

**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.

**Ramsey Board of Education  
Ratios of Overlapping Governmental Activities Debt  
As of June 30, 2015**

<u>Governmental Unit</u>	<u>Estimated Percentage Applicable<sup>a</sup></u>	<u>Debt Outstanding</u>	<u>Estimated Share of Overlapping Debt</u>
<b>Direct Debt of School District as of June 30, 2015</b>			\$ 13,915,000
<b>Net overlapping debt of School District:</b>			
Town of Ramsey	100.000%	\$ 14,178,409	
County of Bergen	1.853%	<u>\$ 17,296,912</u>	
<b>Subtotal, overlapping debt</b>			<u>\$ 31,475,321</u>
<b>Total direct and overlapping debt</b>			<u><u>\$ 45,390,321</u></u>

**Sources:** Ramsey Municipal Finance Officer / Bergen County Treasurer's 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 Ramsey. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping payment.

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



**Ramsey Board of Education  
Demographic and Economic Statistics  
Last Ten Fiscal Years**

Year	Population <sup>a</sup>	Personal Income		Unemployment Rate <sup>d</sup>
		(thousands of dollars) <sup>b</sup>	Per Capita Personal Income <sup>c</sup>	
2006	14,465	\$ 912,784,895	63,103	2.70%
2007	14,492	\$ 978,847,648	67,544	2.40%
2008	14,530	\$ 978,319,430	67,331	3.20%
2009	14,718	\$ 940,097,532	63,874	5.70%
2010	14,494	\$ 925,949,190	63,885	5.90%
2011	14,601	\$ 981,888,048	67,248	5.80%
2012	14,662	\$ 1,015,798,022	69,281	5.90%
2013	14,741	\$ 1,024,425,795	69,495	5.40%
2014	14,800	Not Available	Not Available	4.30%
2015	Not Available	Not Available	Not Available	Not Available

**Source:**

- <sup>a</sup> Population information provided by the NJ Dept of Labor and Workforce Development
- <sup>b</sup> Personal income - Bergen County - provided by NJ Dept of Labor and Workforce Development
- <sup>c</sup> Per Capita Personal Income - Bergen County - provided by NJ Dept of Labor and Workforce Development
- <sup>d</sup> Unemployment data provided by the NJ Dept of Labor and Workforce Development

**Ramsey Board of Education  
Principal Employers  
Current Year and Nine Years Ago**

<b>Employer</b>	<b>2015</b>			<b>2006</b>		
	<b>Employees</b>	<b>Rank (Optional)</b>	<b>Percentage of Total Employment</b>	<b>Employees</b>	<b>Rank (Optional)</b>	<b>Percentage of Total Employment</b>
	-	0	0.00%		1	0.00%
	-	0	0.00%		2	0.00%
	-	0	0.00%		3	0.00%
	-	0	0.00%		4	0.00%
	-	0	0.00%		5	0.00%
	-	0	0.00%		6	0.00%
	-	0	0.00%		7	0.00%
	-	0	0.00%		8	0.00%
	-	0	0.00%		9	0.00%
	-	0	0.00%		10	0.00%
	-	0	0.00%	-	0	0.00%
	-	0	0.00%	-	0	0.00%
	-	0	0.00%	-	0	0.00%
	-			-		
	-		0.00%	-		0.00%

THE NEW JERSEY DEPARTMENT OF LABOR AND AREA EMPLOYERS REFUSED TO RELEASE INFORMATION NEEDED TO COMPLETE THIS SCHEDULE DUE TO PRIVACY CONCERNS.

**Source:** Town of Ramsey

**Ramsey Board of Education  
Full-time Equivalent District Employees by Function/Program,  
Last Ten Fiscal Years**

<u>Function/Program</u>	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Instruction										
Regular	252	254	253	253	248	241	239	242	243	243
Special education	41	43	43	44	42	41	41	42	42	42
Other special education	-	-	-	-	-	-	-	-	-	-
Vocational	-	-	-	-	-	-	-	-	-	-
Other instruction	-	-	-	-	-	-	-	-	-	-
Nonpublic school programs	-	-	-	-	-	-	-	-	-	-
Adult/continuing education programs	-	-	-	-	-	-	-	-	-	-
Support Services:										
Tuition	-	-	-	-	-	-	-	-	-	-
Student & instruction related services	50	50	50	48	48	48	48	48	44	48
General administrative services	5	5	5	5	5	5	5	5	5	5
School administrative services	18	18	18	18	18	18	17	17	17	16
Business administrative services	5	5	5	5	5	5	5	5	5	5
Plant operations and maintenance	37	37	37	37	37	37	37	37	37	37
Pupil transportation	5	5	5	5	5	5	5	5	5	5
Special Schools	-	-	-	-	-	-	-	-	-	-
Food Service	-	-	-	-	-	-	-	-	-	-
Child Care	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>413</b>	<b>417</b>	<b>416</b>	<b>415</b>	<b>408</b>	<b>400</b>	<b>397</b>	<b>401</b>	<b>398</b>	<b>401</b>

**Source:** District Personnel Records

Ramsey Board of Education  
Operating Statistics  
Last Ten Fiscal Years

Fiscal	Enrollment	Operating	Cost Per	Percentage	Teaching	Pupil/Teacher Ratio			High School	Average Daily Enrollment (ADE) <sup>c</sup>	Average Daily Attendance (ADA) <sup>c</sup>	% Change in Average Daily Enrollment	Student Attendance Percentage
						Elementary	Middle School	High School					
2006	3,064	45,055,791	14,705	11.47%	293	13:1	10:1	10:6	3,064	2,948	1.36%	96.21%	
2007	3,126	48,387,179	15,479	12.57%	296	11:0	10:2	10:2	3,126	3,005	2.02%	96.13%	
2008	3,132	50,743,820	16,202	10.18%	296	11:0	10:3	10:0	3,131	3,004	0.16%	95.94%	
2009	3,108	50,425,805	16,225	4.82%	297	12:0	10:8	10:1	3,108	2,985	-0.73%	96.04%	
2010	3,102	51,057,540	16,462	6.35%	290	11:7	9:8	10:2	3,102	2,967	-0.93%	95.65%	
2011	3,073	51,922,301	16,896	4.29%	282	11:2	9:5	10:3	3,057	2,928	-1.64%	95.78%	
2012	3,020	52,441,811	17,365	7.03%	280	13:7	11:8	11:9	3,024	2,903	-1.08%	96.00%	
2013	2,971	54,386,401	18,306	11.20%	284	13:3	10:5	11:9	2,977	2,858	-1.55%	96.00%	
2014	2,942	54,336,367	18,467	9.29%	285	13:7	10:5	11:9	2,942	2,831	-1.18%	96.23%	
2015	2,878	56,181,238	19,521	12.42%	285	13:7	10:5	11:9	2,878	2,775	-2.18%	96.42%	

Sources: District records, ASSA and Schedules J-12, J-14

Note: Enrollment based on annual October district count for all students attending school facilities

- a Operating expenditures equal total general fund and special revenue fund expenditures less debt service and capital outlay; Schedule J-4
- b Teaching staff includes only full-time equivalents of certificated staff
- c Average daily enrollment and average daily attendance are obtained from the School Register Summary (SRS)

Ramsey Board of Education  
School Building Information  
Last Ten Fiscal Years

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<b><u>District Buildings</u></b>										
<b><u>Elementary</u></b>										
John Y. Dater Elementary School (Grades K-)										
Square Feet	59,826	71,488	71,488	71,488	71,488	71,488	71,488	71,488	71,488	71,488
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	405	501	478	460	419	432	433	412	448	443
Mary A. Hubbard Elementary School (Grades )										
Square Feet	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656	77,656
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	531	438	442	450	446	427	416	413	414	407
Welsey D. Tisdale Elementary School (Grades )										
Square Feet	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339	78,339
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	503	461	440	425	443	444	455	452	406	420
<b><u>Middle School</u></b>										
Eric S. Smith Middle School (Grades 6-8)										
Square Feet	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122	111,122
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	785	808	841	849	836	785	745	727	742	753
<b><u>High School</u></b>										
Ramsey High School (Grades 9-12)										
Square Feet	190,363	200,520	200,520	200,520	200,520	200,520	200,520	200,520	200,520	200,520
Capacity (students)	-	-	-	-	-	-	-	-	-	-
Enrollment	832	888	931	924	957	968	971	967	924	856
<b><u>Other</u></b>										
Administration Building										
Square Feet	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455	5,455

5Number of Schools at June 30, 2014  
 Elementary = 3  
 Middle School = 1  
 High School = 1  
 Other = 0

Source: District records, ASSA

Note: Enrollment is based on students' enrolled within the District -- out of district students have not been included

**Ramsey Board of Education**  
**General Fund**  
**Schedule of Required Maintenance for School Facilities**  
**Last Ten Fiscal Years**  
**Unaudited**

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

School Facilities	Project # (s)	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
Ramsey High School	N/A	236,870	186,110	210,818	214,032	197,365	140,332	173,601	245,786	174,760	108,641
Eric S. Smith Middle School	N/A	77,524	111,489	70,826	108,028	87,711	93,351	99,386	128,573	114,570	98,700
John Y. Dater Elementary School	N/A	96,850	127,547	105,316	100,404	117,377	84,549	91,307	112,158	182,282	87,210
Mary A. Hubbard Elementary School	N/A	114,177	109,326	107,105	111,799	87,909	96,856	144,719	88,861	113,703	74,234
Welsey D. Tisdale Elementary School	N/A	65,084	136,275	126,263	92,930	100,586	95,568	96,431	106,706	106,792	70,089
<b>Grand Total</b>		<b>\$ 590,505</b>	<b>\$ 670,748</b>	<b>\$ 620,328</b>	<b>\$ 627,193</b>	<b>\$ 590,948</b>	<b>\$ 510,656</b>	<b>\$ 605,444</b>	<b>\$ 682,084</b>	<b>\$ 692,107</b>	<b>\$ 438,874</b>

**Ramsey Board of Education  
Insurance Schedule  
For the Fiscal Year Ended June 30, 2015  
Unaudited**

Company	Type of Coverage	Coverage	Deductible
School Alliance Insurance Fund	Property Blanket Building & Contents- Replacement Cost Values	7,700,000,000	2,500
	General Liability	5,000,000	
	Comprehensive Automobile Liability	5,000,000	
	Employee Benefit Liability	5,000,000	1,000
	Umbrella Liability	5,000,000	
	First Layer Catastrophe		
	Electronic Data Processing Equipment	Included in Blanket Limit	
	Boiler & Machinery - Umbrella policy	Included in Blanket Limit	
	School Board Legal Liability - Directors and Officers Policy	5,000,000	15,000
	Student Accident Liability		
	Public Employees' Faithful Performance Blanket Position Bond - Board Secretary		
	Position Bond - Assistant Board Secretary Blanket Dishonesty Bond	500,000	1,000

Source: District Records

**SINGLE AUDIT SECTION**

# Ferraioli, Wielkotz, Cerullo & Cuva, P.A.

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

Honorable President and  
Members of the Board of Education  
Borough of Ramsey School District  
County of Bergen, New Jersey

We have audited, in accordance with auditing standards generally accepted in the United States of America; audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey; and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities and each major fund and the aggregate remaining fund information of the Board of Education of the Borough of Ramsey School District, in the County of Bergen, 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, and have issued our report thereon dated October 14, 2015.

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

In planning and performing our audit on the financial statements, we considered the Borough of Ramsey Board of Education's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Borough of Ramsey Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Ramsey Board of Education'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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Borough of Ramsey Board of Education's financial statements are free of 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 or the audit requirements as prescribed by the Office of School Finance, Department of Education, State of New Jersey.

We noted certain matters that were required to be reported to the Board of Education of the Borough of Ramsey School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated October 14, 2015.

***Purpose of this Report***

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

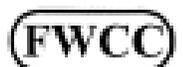
*Steven D. Wielkocz*

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Pompton Lakes, New Jersey

October 14, 2015



# Ferraioli, Wielkottz, Cerullo & Cuva, P.A.

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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS**  
**APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL**  
**CONTROL OVER COMPLIANCE IN ACCORDANCE WITH**  
**OMB CIRCULAR A-133 AND N.J. OMB CIRCULAR 04-04**

Honorable President and  
Members of the Board of Education  
Borough of Ramsey School District  
County of Bergen, New Jersey

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

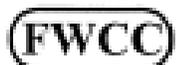
We have audited the Board of Education of the Borough of Ramsey School District in the County of Bergen, New Jersey, compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplements* and the New Jersey State Aid/Grant Compliance Supplement that could have a direct and material effect on each of the Borough of Ramsey Board of Education's major federal and state programs for the year ended June 30, 2015. The Borough of Ramsey Board of Education'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 Ramsey Board of Education'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 Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those standards, OMB Circular A-133 and N.J. OMB Circular 04-04 require that we plan and perform the audit to obtain



reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the Borough of Ramsey Board of Education'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 Ramsey Board of Education's compliance.

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

In our opinion, the Borough of Ramsey Board of Education 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 Ramsey Board of Education is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Borough of Ramsey Board of Education's internal control over compliance with the type of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with OMB Circular A-133 and N.J. OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Borough of Ramsey Board of Education'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 and 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 and state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and 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 N.J. OMB Circular 04-04. Accordingly, this report is not suitable for any other purpose.

**Report on Schedule of Expenditures of Federal and State Awards Required by OMB Circular A-133**

We have audited the financial statements of the Borough of Ramsey Board of Education as of and for the year ended June 30, 2015, and have issued our report there dated October 14, 2015 which contained an unmodified opinion on those financial statements. Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by OMB Circular A-133 and N.J. OMB Circular 04-04 and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditure of federal and state awards is fairly stated in all material respects in relation to the financial statements as a whole.

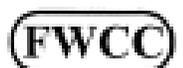
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October 14, 2015



**BOROUGH OF RAMSEY 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 State Project Number	Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2015		MEMO Cumulative Total Expenditures
				From	To					(Accounts Receivable)	Deferred Revenue	
<b>General Fund:</b>												
ARRA - Special Education Medicaid Initiative	93.778		3,108	7/1/2014	6/30/2015		3,108	3,108				3,108
Special Education Medicaid Initiative	93.778		17,046	7/1/2013	6/30/2014		17,046					17,046
<b>Total General Fund</b>							20,154	3,108				20,154
<b>US Department of Education</b>												
<b>Passed Through State Dept of Education:</b>												
<b>Special Revenue Fund</b>												
Title I, Part A	84.010	NCLB431015	42,640	7/1/2014	6/30/2015	(5,669)	36,434	42,640		(11,875)		42,640
Title I, Part A	84.010	NCLB431014	45,005	7/1/2013	6/30/2014	5,669	36,434	42,640		(11,875)		45,005
												87,645
Title II, Part A, Teacher/Principal Training and Recruiting	84.367	NCLB431015	56,405	7/1/2014	6/30/2015	(7,776)	51,347	56,405		(12,834)		56,405
Title II, Part A, Teacher/Principal Training and Recruiting	84.367	NCLB431014	55,763	7/1/2013	6/30/2014	7,776	51,347	56,405		(12,834)		55,763
												112,168
IDEA, Part B-Basic	84.027	IDEA431015	727,403	7/1/2014	6/30/2015	(57,754)	595,907	727,403		(189,250)		727,403
IDEA, Part B-Basic	84.027	IDEA431014	680,919	7/1/2013	6/30/2014	57,754	2,644	30,500		(30,500)		680,919
IDEA, Part B-Preschool	84.173	IDEA431015	30,500	7/1/2014	6/30/2015	(2,644)	2,644	30,500				30,500
IDEA, Part B-Preschool	84.173	IDEA431014	30,402	7/1/2013	6/30/2014	2,644	598,551	757,903		(219,750)		30,402
												1,469,224
<b>Total Special Revenue Fund</b>							686,332	856,948		(244,459)		1,669,037
<b>US Department of Agriculture</b>												
<b>Passed Through State Dept of Education:</b>												
<b>Enterprise Fund</b>												
Food Distribution Program	10.550	N/A	34,966	7/1/2014	6/30/2015		34,966	34,966				34,966
National School Lunch Program	10.555	N/A	61,352	7/1/2014	6/30/2015		55,617	61,352		(5,735)		61,352
National School Lunch Program	10.555	N/A	67,942	7/1/2013	6/30/2014		12,946					67,942
							103,529	96,318		(5,735)		164,260
<b>Total Enterprise Fund</b>							810,015	956,374		(250,194)		1,853,451
<b>Total Federal Financial Assistance</b>												

**BOROUGH OF RAMSEY SCHOOL DISTRICT**  
**Schedule of Expenditures of State and Local Financial Awards**  
**Year ended June 30, 2015**

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2015		Due to Grantor at	Memo	
			From	To					(Accounts Receivable)	Deferred Revenue/ Interfund Payable			
			Deferred Revenue (Accts Receivable)	Grantor					Due to Grantor at	Budgetary Receivable			Cumulative Total Expenditures
<b>State Department of Education:</b>													
<b>General Fund</b>													
Transportation Aid	15-495-034-5120-014	\$ 73,635	7/1/2014	6/30/2015		67,732	73,635						
Special Education Categorical Aid	15-495-034-5120-089	1,124,738	7/1/2014	6/30/2015		1,035,256	1,124,738						
Security Aid	15-495-034-5120-084	42,203	7/1/2014	6/30/2015		38,820	42,203						
PARCC Readiness Aid	15-495-034-5120-098	26,720	7/1/2014	6/30/2015		24,578	26,720						
Per Pupil Growth Aid	15-495-034-5120-097	26,720	7/1/2014	6/30/2015		24,578	26,720						
Extraordinary Aid	15-100-034-5120-473	339,433	7/1/2014	6/30/2015			339,433		(339,433)				
Extraordinary Aid	14-100-034-5120-473	695,825	7/1/2013	6/30/2014	(695,825)	695,825							
Non Public Transportation	15-495-078-6060-034	7,858	7/1/2014	6/30/2015			7,858		(7,858)				
Non Public Transportation	14-495-078-6060-034	8,455	7/1/2013	6/30/2014	(8,455)	8,455							
NTE Homeless Reimbursement	07-100-029-6060-034	5,460	7/1/2006	6/30/2007	(771)				(771)				
Reimbursed TPAF Social Security	15-495-034-5094-003	1,796,079	7/1/2014	6/30/2015		1,706,877	1,796,079		(89,202)				
<b>Total General Fund</b>					(705,051)	3,602,121	3,437,386		(437,264)			5,902,535	
<b>Special Revenue Fund</b>													
Distance Learning Network Aid													
NJ NonPublic Aid:													
Textbook Aid	15-100-034-5120-064	2,772	7/1/2007	6/30/2008						2,772			
Textbook Aid	14-100-034-5120-064	45,877	7/1/2014	6/30/2015		45,877	43,524	1,002		2,353		43,524	
Technology Aid	15-100-034-5120-373	24,640	7/1/2014	6/30/2015	1,002	24,640	24,501			139		41,561	
Nursing Services	14-100-034-5120-373	15,740	7/1/2013	6/30/2014	36			36				24,501	
Nursing Services	15-100-034-5120-070	105,758	7/1/2014	6/30/2015		105,758	105,758					15,704	
Exam & Classification	15-100-034-5120-066	93,840	7/1/2014	6/30/2015		93,840	69,358	1,433		24,482		105,758	
Exam & Classification	14-100-034-5120-066	79,632	7/1/2013	6/30/2014	1,433							69,358	
Corrective Speech	15-100-034-5120-066	27,300	7/1/2014	6/30/2015		27,300	22,883	2,578		4,417		78,199	
Corrective Speech	14-100-034-5120-066	16,562	7/1/2013	6/30/2014	2,578							22,883	
Supplementary Inst.	15-100-034-5120-066	37,666	7/1/2014	6/30/2015		37,666	22,991	7,008		14,675		15,984	
Supplementary Inst.	14-100-034-5120-066	28,239	7/1/2013	6/30/2014	7,008							22,992	
<b>Auxiliary Services:</b>													
Compensatory Education	15-100-034-5120-067	55,540	7/1/2014	6/30/2015		55,540	37,713	7,618		17,827		21,231	
Compensatory Education	14-100-034-5120-067	52,215	7/1/2013	6/30/2014	7,618							37,713	
English as a Second Language	15-100-034-5120-067	1,827	7/1/2014	6/30/2015		1,827		2,619		1,827		44,597	
English as a Second Language	14-100-034-5120-067	3,492	7/1/2013	6/30/2014	2,619			10,750				873	
Transportation	14-100-034-5120-068	10,750	7/1/2013	6/30/2014	10,750								
<b>Total Special Revenue Fund</b>					2,772	392,448	326,728	33,044		2,772	65,720		542,878

**BOROUGH OF RAMSEY SCHOOL DISTRICT**  
Schedule of Expenditures of State and Local Financial Awards  
Year ended June 30, 2015

State Grantor/Program Titles	Grant or State Project Number	Award Amount	Grant Period		Balance at June 30, 2014		Carryover/ (Walkover) Amount	Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2015		Due to Grantor at	Memo	
			From	To	Deferred Revenue (Accts Receivable)	Due to Grantor at					Deferred Revenue/ Interfund Payable	Budgetary Receivable			Cumulative Total Expenditures
					(Accts Receivable)	Grantor at					Payable	Receivable			Expenditures
<b>Capital Projects Fund</b>															
State School Building Aid - EDA Grant															
High School Building Renovation Project	SP # 202361	204,436													
Tisdale Elementary School Building Additions	SP # 202324	367,522				(40,887)					(40,887)			204,436	
Mary A. Hubbard Elementary School Building Additions & Renovations	4310-070-03-1049	309,491				(365,684)					(365,684)			365,684	
Eric S. Smith Middle School Building Additions & Renovations	4310-055-03-1048	1,194,641				(57,588)					(57,588)			309,491	
Ramsey High School Building Additions & Renovations	4310-055-03-1051	552,603				(1,069,204)					(1,069,204)			1,194,641	
John Y. Dieter Elementary School Additions, Renovation & Construction of New School	4310-050-03-1050	3,706,560				(496,321)					(496,321)			552,603	
Ramsey High School Building Partial Roof Replacement	4190-050-05-1000-NE	98,116				(3,317,371)					(3,317,371)			3,706,560	
Ramsey High School PEC Sprinkler Systems and HVAC Upgrades	4310-050-09-1001-C00PB	127,108				(98,116)					(98,116)			98,116	
Tisdale Elementary School Window Replacement	4310-080-14-1004	46,480				(35,600)					(35,600)			35,600	
Eric S. Smith Middle School Boiler Replacement	4310-055-14-1003	344,600				(86,501)					(86,501)			86,501	
Ramsey High School HVAC Replacement in Gym	4310-050-14-1001	290,095						44,022			(44,022)			44,022	
								228,167			(228,167)			228,167	
								290,095			(290,095)			290,095	
<b>Total Capital Projects Fund</b>						(5,567,272)		562,284			(6,129,556)			7,115,916	
<b>Enterprise Fund</b>															
State Department of Agriculture															
National School Lunch Program (State Share)	14-100-010-3350-023	3,262	7/1/2014	6/30/2015				2,957	3,262		(305)			3,262	
National School Lunch Program (State Share)	13-100-010-3350-023	4,124	7/1/2013	6/30/2014				979						4,124	
<b>Total Enterprise Fund</b>								3,936	3,262		(305)			7,386	
<b>Total State Financial Assistance Subject to OMB 04-0-</b>								3,998,505	4,329,660	33,044	(6,567,125)	2,772	(103,052)	13,568,715	
On Behalf/TPAF Contributions Not Subject to OMB 04-0-															
On Behalf/TPAF - Post Retirement Medical	15-495-034-5094-001	2,084,557	7/1/2014	6/30/2015										2,084,557	
On Behalf/TPAF Pension	15-495-034-5094-006	1,224,974	7/1/2014	6/30/2015				2,084,557	2,084,557					1,224,974	
On Behalf/TPAF NCGI Premium	15-495-034-5094-007	88,131	7/1/2014	6/30/2015				1,224,974	1,224,974					88,131	
<b>Total State Financial Assistance</b>						(6,270,530)	33,044	7,396,167	7,727,322	33,044	(6,567,125)	2,772	(103,052)	16,966,377	

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

**NOTE 1. GENERAL**

The accompanying Schedules of Expenditures of Federal Awards and State Financial Assistance include the activity of all federal and state award programs of the Board of Education, Borough of Ramsey School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal and state awards 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 and State Awards are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2(C) and 2(D) to the Board's basic financial statements. The information in these schedules 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 in 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 schedules (RSI) are presented for the general fund and special revenue fund to demonstrate finance-related legal compliance in which certain revenue is permitted by law or grant agreement to be recognized in the audit year, whereas for GAAP reporting, revenue is not recognized until the subsequent year or when expenditures have been made.

The general fund is presented in the accompanying schedules on the modified accrual basis with the exception of the revenue recognition of the last state aid payment in the current budget year, which is mandated pursuant to N.J.S.A. 18A:22-44.2. For GAAP purposes, that payment is not recognized until the subsequent budget year due to the state deferral and recording of the last state aid payment in the subsequent year. The special revenue fund is presented in the accompanying schedules on the grant accounting budgetary basis which recognizes encumbrances as expenditures and also recognizes the related revenues, whereas the GAAP basis does not. The special revenue fund also recognizes the last state aid payment in the current budget year, consistent with N.J.S.A. 18A:22-44.2.

**NOTE 3. RELATIONSHIP TO BASIC FINANCIAL STATEMENTS, (continued)**

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(15,832) for the general fund and \$-0- for the special revenue fund. See the Notes to Required Supplementary Information for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds. Awards and 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	\$3,108	\$6,819,216	\$6,822,324
Special Revenue Fund	856,948	326,729	1,183,677
Food Service Fund	96,318	3,262	99,580
Capital Projects Fund		<u>562,284</u>	<u>562,284</u>
Total Financial Awards	<u>\$956,374</u>	<u>\$7,711,491</u>	<u>\$8,667,865</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 under the U.S.D.A. Food Distribution Program represent current year value received and current year distributions respectively. The amount reported as TPAF Social Security Contributions represents the amount reimbursed by the state for the employer's share of social security contributions for TPAF members for the year ended June 30, 2015.

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

On-behalf State Programs for TPAF Pension and Post-Retirement Medical Benefits Contributions are not subject to a State single audit and, therefore, the amount of \$3,485,793 of on-behalf payments is excluded from major program determination.

**BOROUGH OF RAMSEY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

*Section I - Summary of Auditor's Results*

**Financial Statements**

Type of auditor's report issued: unmodified

Internal control over financial reporting:

- |   |           |                      |               |
|---|-----------|----------------------|---------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ <u>X</u> _____ | none reported |
| 2. Material weakness(es) identified?  | _____ yes | _____ <u>X</u> _____ | no            |

Noncompliance material to basic financial statements noted?	_____ yes	_____ <u>X</u> _____	no
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**Federal Awards**

Internal Control over major programs:

- |   |           |                      |               |
|---|-----------|----------------------|---------------|
| 1. Significant deficiencies identified that are not considered to be material weaknesses? | _____ yes | _____ <u>X</u> _____ | none reported |
| 2. Material weakness(es) identified?  | _____ yes | _____ <u>X</u> _____ | no            |

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

Any audit findings disclosed that are required to be reported in accordance with section .510(a) of Circular A-133?	_____ yes	_____ <u>X</u> _____	no
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Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
_____ 84.027/84.173 _____ (A)	_____ <u>IDEA, Part B-Basic/IDEA, Part B-Preschool</u> _____

Note: (A) - Tested as Major Type A Program.

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

Auditee qualified as low-risk auditee?	_____ <u>X</u> _____	_____ yes _____	no
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**SCHOOL DISTRICT OF THE BOROUGH OF RAMSEY  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2015**

*Section III – Federal Awards and State Financial Assistance Findings and Questioned Costs*

**FEDERAL AWARDS**

None

**STATE AWARDS**

None

**BOROUGH OF RAMSEY SCHOOL DISTRICT  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

**STATUS OF PRIOR YEAR FINDINGS**

**Finding # 2014-001**

Condition

Several student applications were submitted to the program using intensive services which were not mandated by their IEP for the period.

Current Status

Corrective action was taken for the current year application.