

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

**BOARD OF EDUCATION
BOROUGH OF WANAQUE
STATE OF NEW JERSEY**

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2015

PREPARED BY

**WANAQUE BOARD OF EDUCATION
FINANCE OFFICE**

**BOROUGH OF WANAQUE
BOARD OF EDUCATION
COMPREHENSIVE ANNUAL FINANCIAL REPORT**

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INTRODUCTORY SECTION

WANAQUE PUBLIC SCHOOLS

LYNDA D'ANGIOLILLO, M.A.
DIRECTOR OF CURRICULUM,
INSTRUCTION, & PROFESSIONAL
DEVELOPMENT

DONNA L. CARDIELLO, M.A.
SUPERINTENDENT OF SCHOOLS

NANCY DI BARTOLO
BUSINESS ADMINISTRATOR/
BOARD SECRETARY

December 2, 2015

Mr. Robert Barnhardt, President
Members of the Board of Education
Wanaque Public School District
973A Ringwood Avenue
Haskell, New Jersey 07420

Dear Mr. Barnhardt and Members of the Board of Education:

The Comprehensive Annual Financial Report of the School District of the Borough of Wanaque ("District") for the fiscal year ended 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 District. To the best of our knowledge and belief, the data presented in this report is accurate in all material respects and is reported in a manner designed to present fairly the financial positions and results of operations of the various funds and account groups of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in four sections: (1) Introductory; (2) Financial; (3) Statistical; and (4) 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 general purpose financial statements and schedules, as well as the auditor's report thereon. The **Statistical** section includes selected financial and demographic information, generally presented on a multi-year basis. The District is required to undergo an annual Single Audit in conformity with the provisions of the Single Audit Act of 1984 (as amended in 1996), the U.S. Office of Management and Budget Circular A-133, "Audits of State and Local Governments", and the New Jersey OMB Circular 04-04, "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid". Information related to this single audit, including the auditor's report on the internal control structure and compliance with applicable laws and regulations and findings and recommendations, is included in the **Single Audit** section of this report.

1. REPORTING ENTITY AND ITS SERVICES

The District is an independent reporting entity within the criteria adopted by the Government Accounting Standards Board ("GASB") in Statement No. 14. All funds and account groups of the District are included in this report. The Wanaque Board of Education and its schools constitute the District's reporting entity.

The District provides a full range of educational services appropriate to grade levels pre-kindergarten through eight, including regular education as well as special education programs. Future enrollment is expected to increase. For September 2015 so far we have 939 students. The following details the changes in the student enrollment of the District over the last ten years.

Fiscal Year	Student Enrollment	Percent Change
2014/2015	952	2.80%
2013/2014	926	-4.21%
2012/2013	965	2.44%
2011/2012	942	0.42%
2010/2011	938	-0.32%
2009/2010	941	-0.95%
2008/2009	950	-2.0%
2007/2008	969	-2.6%
2006/2007	995	-1.5%
2005/2006	1010	-2.3%

2. ECONOMIC CONDITION AND OUTLOOK

Wanaque Borough is a rural/suburban residential community with its working population primarily employed by local businesses and other businesses in the surrounding area. The 2010 census reported a population in the Borough of 11,116.

Legislation at both the state and local levels has a negative impact on the future growth of the Borough and the operations of the District:

- The passage of the state’s Highlands Act has limited and is likely to continue to limit growth and development in Wanaque in the coming years;
- While the State has recently developed a consistent, long-range formula for the funding of education, its ability to fully fund these obligations remains in question thus passing the financial burden to the local tax levy.

Other factors suggest a more positive outlook, such as;

- The creation of new housing and business developments throughout the community, which are either outside the scope of the Highlands Act or predate it.
- In an effort to curtail rising taxes, the State has passed and signed into legislation a 2% cap to the amount that a Board may increase the general fund tax levy. While it may have negative effects by way of limiting the financial resources and flexibility of the Board, it is expected to prove beneficial for the community.
- Standard & Poors rated the district AA- with a stable outlook based on the following factors:
 - Direct Access to the board employment bases of northern New Jersey and New York City;
 - Stable and very diverse property tax base;
 - Very strong wealth and income compared to national levels; and
 - Moderate debt with limited capital needs.

3. MAJOR INITIATIVES

The District continues to work to move forward in providing our students with a better education, equipment and facilities.

The District continues to improve articulation between our curriculum and those of the Ringwood Public Schools and Lakeland Regional High School districts. Toward this end, the District's Director of Curriculum, Instruction and Professional Development has been working closely with our professional staff, as well as with the neighboring districts, to develop curriculum and train staff to ensure our children are well prepared for high school.

With the implementation of the newly revised mathematics and Language Arts Curriculum, based on the common core, along with the development of rigorous SGOs, teachers utilize data to drive standards-based instruction and improve student performance.

Our schools are continuing to focus on implementing the Common Core State Curriculum Standards. As such, the District has identified areas in which our students need to achieve at higher levels in order to meet or exceed grade level standards. We will maintain our focus in the areas of Language Arts Literacy and Mathematics as well as Science and Technology. In an effort to prepare our students for PARCC, our schools concentrated on providing enriched learning environments supported by technology, which is interwoven into the curriculum. These learning environments afford opportunities to find and utilize information and resources while applying academic skills.

All aspect of district technology were examined to improve efficiency and effectiveness. To that end, the district purchased new laptop carts for each building. We will continue to investigate and purchase new technology by entering into lease purchase programs so that classrooms are equipped with state-of-the-art equipment.

4. INTERNAL ACCOUNTING CONTROLS

Management of the District is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse and to ensure that adequate accounting data is 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 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 borough. Annual appropriated budgets are adopted for the general fund, the special revenue fund, and the debt service fund. Project-length budgets are approved for 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 appropriations of fund balance in the subsequent year. Those amounts to be appropriated are reported as reservations of fund balance at fiscal year end

6. ACCOUNTING SYSTEM AND REPORTS

The District's accounting records reflect generally accepted accounting principles, as promulgated by GASB. The accounting system of the District is organized on the basis of funds and account groups. These funds and account groups are explained in Note 1, "Notes to the Financial Statements".

Effective July 1, 2008, the District engaged Systems 3000, an integrated management information system designed for New Jersey school districts, to provide its financial accounting, reporting and personnel systems.

7. FINANCIAL INFORMATION AT FISCAL YEAR-END

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the general fund, special revenue fund, capital projects and debt service fund revenues for the fiscal years ended June 30, 2014 and 2015:

Revenue					
Source	2013/14	%	2014/15	%	% Inc/(Dec)
Local	\$13,709,908	72.96%	\$13,882,343	71.75%	1.26%
State	4,671,166	24.86%	5,046,161	26.08%	8.03%
Federal	<u>408,934</u>	<u>2.18%</u>	<u>420,369</u>	<u>2.17%</u>	<u>2.80%</u>
Total	<u>\$18,790,008</u>	<u>100.00%</u>	<u>\$19,348,872</u>	<u>100.00%</u>	

The following schedule presents a summary of general fund, special revenue fund and debt service fund expenditures for the fiscal years ended June 30, 2014 and 2015:

Expenditure				% Inc/(Dec)	
Type	2013/2014	%	2014/2015	%	% Inc/(Dec)
General funds	\$16,604,203	89.33%	16,939,638	87.67%	2.02%
Capital outlay	15,000	.08%	198,516	1.03%	1223.44%
Capital projects	138,337	.74%	513,807	2.66%	271.42%
Special revenue	508,309	2.73%	401,109	2.08%	(21.09)%
Debt service	<u>1,322,711</u>	<u>7.12%</u>	<u>1,268,255</u>	<u>6.56%</u>	(4.12)%
Total	<u>\$18,588,559</u>	<u>100.00%</u>	<u>\$19,321,325</u>	<u>100.00%</u>	

8. CASH MANAGEMENT

The investment policy of the District is guided in large part by state statute as detailed in 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.

9. 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.

10. OTHER INFORMATION

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 selected by the Board. In addition to meeting the requirements of the Single Audit Act of 1984 (as amended in 1996), and the related OMB Circular A-133 and New Jersey OMB Circular 04-04, the auditor's report on the general purpose financial statements and combining and individual fund statements and schedules is included in the financial section of this report. The auditor's reports specifically related to the single audit are included in the single audit section of this report.

11. ACKNOWLEDGMENTS

We would like to express our appreciation to the members of the Wanaque Board of Education 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 operations. The preparation of this report could not have been accomplished without the efficient and dedicated services of our administrative, financial and secretarial staff.

Respectfully submitted,

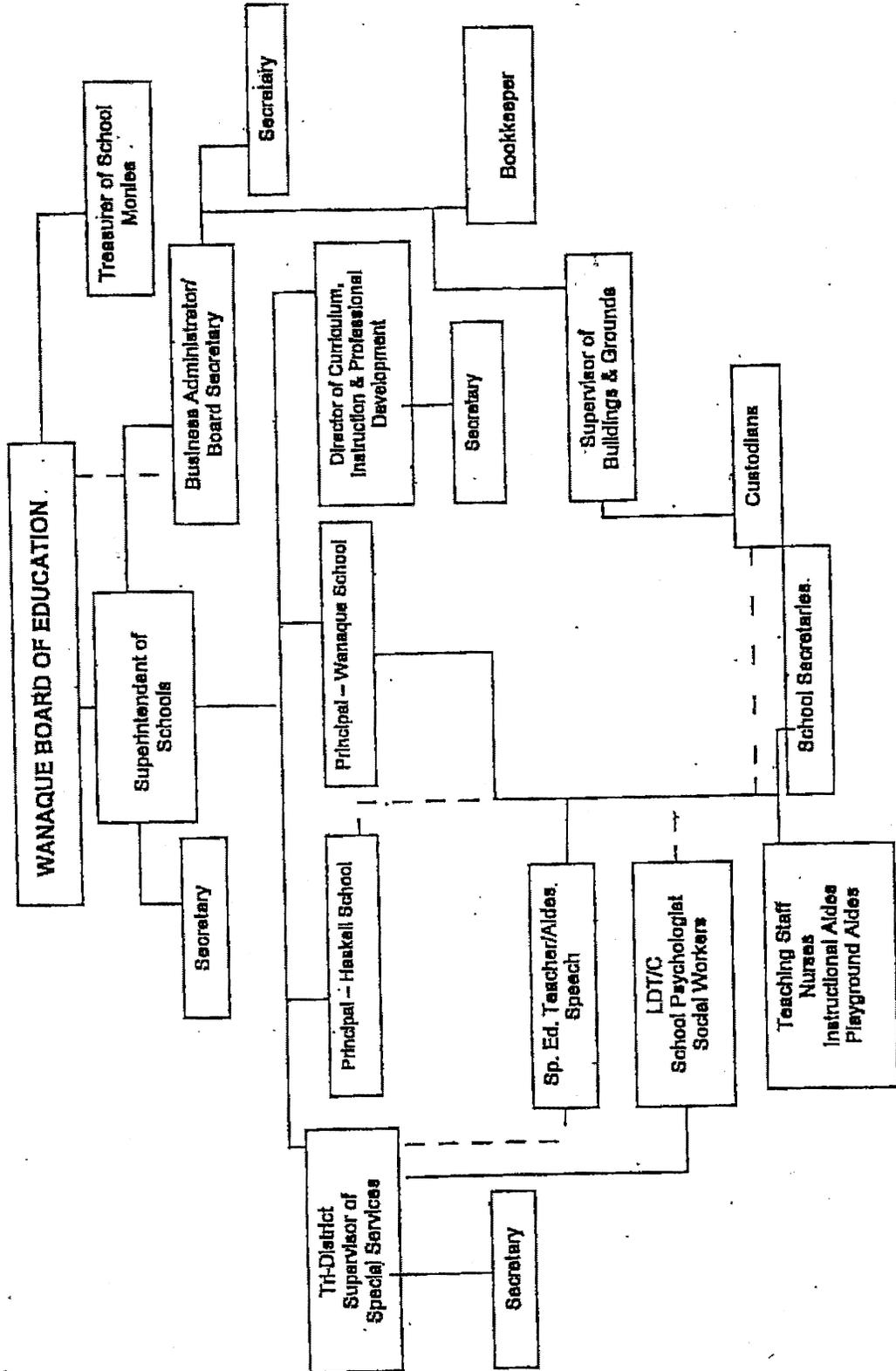


Ms. Donna L. Cardiello, M.A.
Superintendent of Schools



Mrs. Nancy Di Bartolo
Business Administrator/
Board Secretary

WANAQUE BOARD OF EDUCATION Organizational Chart



**WANAQUE BOARD OF EDUCATION
WANAQUE, NEW JERSEY**

**ROSTER OF OFFICIALS
JUNE 30, 2015**

Members of the Board of Education

Term Expires

Robert Barnhardt, President	December 31, 2015
Dana Imbasciani Vice President	December 31, 2015
Angela DeMetriou	December 31, 2015
Danielle Liautaud-Watkins	December 31, 2016
Richard McFarlane	December 31, 2016
Jill Nitkinas	December 31, 2017
Tom Paster	December 31, 2016
Daniel Sinclair	December 31, 2015
Charles Strobel	December 31, 2017

Superintendent of Schools

Donna Cardiello

Business Administrator/Board Secretary

Nancy Di Bartolo

WANAQUE BOARD OF EDUCATION

CONSULTANTS AND ADVISORS

Audit Firm

Ferraioli, Wielkocz, Cerullo & Cuva, P.A.
100B Main Street
Newton, New Jersey 07860

Board Attorney

Sciarrillo, Cornell, Merlino, McKeever & Osborne LLC
238 St. Paul Street
P. O. Box 2369
Westfield, New Jersey 07090

Labor Negotiators

Sciarrillo, Cornell, Merlino, McKeever & Osborne LLC
238 St. Paul Street
P. O. Box 2369
Westfield, New Jersey 07090

Official Depository

Lakeland Bank
Ringwood Avenue
Wanaque, New Jersey 07465

FINANCIAL SECTION

Ferraioli, Wielkocz, Cerullo & Cuva, P.A.

Charles J. Ferraioli, Jr., MBA, CPA, RMA
Steven D. Wielkocz, 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

Mr. Robert Adams, President and
Members of the Board of Education
Wanaque Borough School District
County of Passaic, New Jersey 07420

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 Wanaque School District, in the County of Passaic, 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.



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 Wanaque Board of Education, in the County of Passaic, 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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Borough of Wanaque Board of Education's basic financial statements. The introductory section, combining and individual non-major 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 statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major 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 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 non-major 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 December 2, 2015 on our consideration of the Borough of Wanaque 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 our testing of

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

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



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100

Ferraioli, Wielkatz, Cerullo & Cuva, PA
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

Newton, New Jersey

December 2, 2015



**REQUIRED SUPPLEMENTARY INFORMATION
PART I**

SCHOOL DISTRICT OF THE BOROUGH OF WANAQUE

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

(UNAUDITED)

This discussion and analysis of the financial performance of the Wanaque Public School District ("District") provides an overall review of the District's financial activities for the fiscal year ended June 30, 2015. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Management's Discussion and Analysis ("MD&A") is an element of Required Supplementary Information specified in the Governmental Accounting Standards Board's ("GASB") Statement No. 34, "Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments", issued in June 1999. Certain comparative information between the current year and the prior year is required to be presented in the MD&A.

Using this Comprehensive Annual Financial Report ("CAFR")

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole. The statements then provide an increasingly detailed look at specific financial activities. The District's basic financial statements consist of three components: 1) government-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.

Reporting the District as a Whole

Government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *Statement of Net Position* and *Statement of Activities* provide information about the activities of the whole District, presenting an aggregate view of the District's finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. In the case of the District, the General Fund is by far the most significant fund.

Statement of Net Position and the Statement of Activities

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, “How did we do financially during 2014/15?” The Statement of Net Position and the Statement of Activities help answer this question. These statements include all assets and liabilities using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into consideration all of the current year’s revenues and expenses regardless of when cash is received or paid.

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

In the Statement of Net Position and the Statement of Activities, the District’s operations are divided into two distinct kinds of activities:

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

Reporting the District’s Most Significant Funds

Fund Financial Statements

Fund financial reports provide detailed information about the District’s major funds. Although the District uses many funds to account for a multitude of financial transactions, these financial statements focus on the District’s most significant funds. These funds include the General Fund, Special Revenue Fund and Debt Service Fund.

Governmental Funds

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

Enterprise Fund

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

Financial Highlights

Key financial highlights for 2014/15 are as follows:

- ◆ General revenues on the Schedule of Activities (Exhibit A-2) accounted for \$20,868,901 in revenue or 96.80% of all revenues. Program specific revenues in the form of operating grants and charges for services accounted for \$689,345 or 3.20% of total revenues of \$21,558,246.
- ◆ The District had \$20,671,449 in expenses related to Governmental Activities and Business-Type Activities; only \$689,345 of these expenses were offset by charges for services, grants or contributions. General revenues, comprised primarily of property taxes and federal and state aid in the amounts of \$13,753,723 and \$6,223,038, respectively, were adequate to provide for these programs.
- ◆ Among governmental funds, the General Fund had \$17,586,752 in revenues and other financing sources and \$17,398,526 in expenditures and transfers. As a result, the General Fund's balance increased \$188,226 over 2015.
- ◆ In the year ended June 30, 2015, the District made scheduled principal and interest payments of \$1,285,733 on the debt issued pursuant to the January 24, 2006 referendum and the safe project loans of 1993.

The District as a Whole

Recall that the Statement of Net Position provides a perspective of the District as a whole. The following provides a summary of the District's net position as of June 30, 2015, as compared to the prior year.

Table 1
Net Position

	Governmental Activities		Business-Type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Assets:						
Current and Other Assets	2,077,889	2,011,874	85,768	97,341	2,163,657	2,109,215
Capital Assets, Net	<u>13,700,621</u>	<u>15,584,966</u>	<u>67,531</u>	<u>57,374</u>	<u>13,768,152</u>	<u>15,642,340</u>
Total Assets	<u>15,778,510</u>	<u>17,596,840</u>	<u>153,299</u>	<u>154,715</u>	<u>15,931,809</u>	<u>17,751,555</u>
Deferred Outflows						
Deferred Outflows of Resources Related to PERS	<u>297,121</u>				<u>297,121</u>	
Liabilities:						
Current Liabilities	329,610	362,656	8,858	17,817	338,468	380,473
Noncurrent Liabilities	<u>18,134,991</u>	<u>15,044,140</u>			<u>18,134,991</u>	<u>15,044,140</u>
Total Liabilities	<u>18,464,601</u>	<u>15,406,796</u>	<u>8,858</u>	<u>17,817</u>	<u>18,473,459</u>	<u>15,424,613</u>
Deferred Inflows						
Deferred Inflows of Resources Related to PERS	<u>210,987</u>				<u>210,987</u>	
Net Position						
Invested in Capital Assets Net of Debt	(327,573)	996,400	67,531	57,374	(260,042)	1,053,774
Restricted	1,861,103	1,684,904			1,861,103	1,684,904
Unrestricted	<u>(4,133,487)</u>	<u>(491,260)</u>	<u>76,910</u>	<u>79,524</u>	<u>(4,056,576)</u>	<u>(411,736)</u>
Total Net Position	<u>(2,599,957)</u>	<u>2,190,044</u>	<u>144,441</u>	<u>136,898</u>	<u>2,455,515</u>	<u>2,326,942</u>

The following shows the changes in net position in the fiscal years ended June 30, 2015 and 2014, respectively.

Table 2
Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Revenues:						
Program Revenues:						
Charges for Services			163,677	162,760	163,677	162,760
Operating Grants and Contributions	389,909	508,309	135,759	133,355	525,668	641,664

Table 2
Changes in Net Position
(continued)

	Governmental Activities		Business-Type Activities		Total	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
General Revenues:						
Taxes:						
Property Taxes	13,753,723	13,485,309			13,753,723	13,485,309
Grants and Entitlements	6,223,038	4,585,633			6,223,038	4,585,633
Other	<u>892,008</u>	<u>210,757</u>	<u>131</u>	<u>163</u>	<u>892,139</u>	<u>210,920</u>
Total Revenues	<u>21,258,678</u>	<u>18,790,008</u>	<u>299,567</u>	<u>296,278</u>	<u>21,558,245</u>	<u>19,086,286</u>
 Functions/Programs:						
Instruction	12,757,372	11,002,850			12,757,372	11,002,850
Support Services:						
Student & Instruction						
Related Services	2,976,396	3,002,563			2,976,396	3,002,563
Administration, Business and						
Other Support Services	1,986,142	1,704,470			1,986,142	1,704,470
Operations and Maintenance						
of Facilities	1,387,701	1,331,067			1,387,701	1,331,067
Pupil Transportation	676,207	601,361			676,207	601,361
Interest on Debt	601,056	657,370			601,056	657,370
Food Service	<u> </u>	<u> </u>	<u>286,576</u>	<u>303,193</u>	<u>286,576</u>	<u>303,193</u>
Total Expenditures	<u>20,384,874</u>	<u>18,299,681</u>	<u>286,576</u>	<u>303,193</u>	<u>20,671,450</u>	<u>18,602,874</u>
Increase or (Decrease)						
In Net Position	<u>873,804</u>	<u>490,327</u>	<u>12,991</u>	<u>(6,915)</u>	<u>886,795</u>	<u>483,412</u>

Governmental Activities

The unique nature of property taxes and school funding in New Jersey creates the need to periodically seek voter approval for District operations. Property taxes made up 64.60% percent of revenues for governmental activities for the District for the fiscal year ended June 30, 2015. Federal, state and local grants accounted for another 27.04%, while the balance came from interest and other sources. The District’s total revenues were \$21,258,678 for the fiscal year ended June 30, 2015.

Exhibit A-2, “Statement of Activities”, shows the cost of program services and the charges for services and grants offsetting those services, which are summarized below. The net cost reflects the net financial burden that was placed on the District’s taxpayers for each of these functions.

	Total cost of services, Year ended June 30,		Net cost of services, Year ended June 30,	
	<u>2015</u>	<u>2014</u>	<u>2015</u>	<u>2014</u>
Instruction	12,757,372	11,002,850	(12,411,035)	(10,591,475)
Support services:				
Student and instruction related services	2,976,396	3,002,563	(2,932,823)	(2,905,629)
Administration, business and other support services	1,986,142	1,704,470	(1,986,142)	(1,704,470)
Operation and maintenance of facilities	1,387,701	1,331,067	(1,387,701)	(1,331,067)
Pupil transportation	676,207	601,361	(676,207)	(601,361)
Interest on Debt	601,056	657,370	(601,056)	(657,370)
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total expenses	<u>\$20,384,874</u>	<u>\$18,299,681</u>	<u>\$(19,994,964)</u>	<u>\$(17,791,372)</u>

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

Student and instruction related services include the activities involved with assisting staff with the content and process of teaching to students, including curriculum and staff development.

Administrative, business and other support services include expenses associated with administrative and financial supervision of the District.

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

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

Business-Type Activities

Revenues for the District's Food Service Program were comprised of charges for services and federal and state reimbursements.

- ◆ In the fiscal year ended June 30, 2015, food service revenues exceeded expenses by \$12,991. In the fiscal year ended June 30, 2013, expenditures exceeded revenues by \$(6,915).
- ◆ Charges for services represented \$163,677 of revenue in the year ended June 30, 2015, compared to \$162,760 in the prior fiscal year. This represents amounts paid by patrons for daily food services.
- ◆ Federal and state reimbursement for meals, including payments for free and reduced lunches and donated commodities, was \$135,759 and \$133,355 in the fiscal years ended June 30, 2015 and 2014, respectively.

he District's Funds

The District's funds are accounted for using a modified accrual basis of accounting. All governmental funds (i.e., general, special revenue and debt service funds presented in the fund-based statements) had total revenues of \$19,348,872 and expenditures of \$19,321,325 for the fiscal year ended June 30, 2015.

As demonstrated by the various statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management. The following schedule presents a summary of the revenues of governmental funds for the fiscal years ended June 30, 2015 and 2014, respectively:

	Year ended June 30, 2015		Year ended June 30, 2014	
	Amount	% of total	Amount	% of total
Local sources	\$13,882,342	71.75%	\$13,709,908	72.96%
State sources	5,046,161	26.08%	4,671,166	24.86%
Federal sources	<u>420,369</u>	<u>2.17%</u>	<u>408,934</u>	<u>2.18%</u>
Total revenues	<u>\$19,348,872</u>	<u>100.0%</u>	<u>\$18,790,008</u>	<u>100.0%</u>

The following schedule presents a summary of the expenditures of governmental funds for the fiscal years ended June 30, 2015 and 2014, respectively:

	Year ended June 30, 2015		Year ended June 30, 2014	
	Amount	% of total	Amount	% of total
Instruction	\$ 7,844,125	40.60%	\$ 7,924,931	42.63%
Support services	9,485,422	49.09%	9,187,580	49.43%
Capital outlay	723,523	3.74%	153,337	.82%
Debt service:				
Principal	650,000	3.36%	658,305	3.54%
Interest	<u>618,255</u>	<u>3.21%</u>	<u>664,406</u>	<u>3.58%</u>
Total expenses	<u>\$19,321,325</u>	<u>100.00%</u>	<u>\$18,588,559</u>	<u>100.00%</u>

General Fund Budgeting Highlights

The District's budget is prepared according to New Jersey law, and is accounted for using a modified accrual basis and encumbrance accounting. The most significant budgeted fund is the General Fund.

During the course of the fiscal year, the District amended its General Fund budget as needed. The District uses program-based budgeting and the budgeting systems are designed to tightly control total program budgets but provide flexibility for financial management.

Capital Assets

At the end of the fiscal year, the District had \$20,576,540 invested in land, buildings, furniture and equipment, and vehicles. The following shows capital asset balances, net of accumulated depreciation, as of June 30, 2015 and 2014, respectively:

	Capital Assets June 30,					
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	2015	2014	2015	2014	2015	2014
Land	\$ 47,304	\$ 47,304	\$	\$	\$ 47,304	\$ 47,304
Construction						
In Progress	652,144	138,337			652,144	138,337
Building and						
Improvements	12,641,437	14,477,592			12,641,437	14,477,592
Site Improvements		749,275				749,275
Machinery and Equipment	<u>359,736</u>	<u>172,459</u>	<u>46,267</u>	<u>57,374</u>	<u>406,003</u>	<u>229,883</u>
	<u>\$13,700,621</u>	<u>\$15,584,967</u>	<u>\$46,267</u>	<u>\$57,374</u>	<u>\$13,746,888</u>	<u>\$15,642,341</u>

The District had a revaluation of their fixed assets on November 12, 2015 which made substantial changes to the fixed assets and accumulated depreciation.

Debt Administration

Pursuant to the January 24, 2006 referendum, the District issued general obligation bonds on June 1, 2006 that have an outstanding debt balance of \$1,385,000 as of June 30, 2015. On August 5, 2014 the district refinanced \$12,430,000 of the bonds issued in 2006 for a savings of \$559,832 over the 14 year life of the remaining bonds.

Other long-term debt includes liabilities for compensated absences of \$566,426 and \$455,574 as of June 30, 2015 and 2014, respectively and lease obligations totaling \$174,194 and \$47,567 as of June 30, 2015 and 2014, respectively.

For the Future

The Wanaque Public School District is presently in good financial condition. Going forward, however, there are significant concerns:

- Enrollment in special education programs continues to grow, as do the costs associated with these programs, including transportation;
- The District's operations are funded primarily by local property taxes, which means that, as Wanaque is primarily a residential community with few business ratables, the property tax burden is placed primarily on homeowners;
- While the State has recently developed a consistent, long-range formula for the funding of education, its ability to fully fund these obligations remains in question;
- The passage of the state's Highlands Bill has limited and is likely to continue to limit growth and development in Wanaque in the coming years;
- The passage of certain legislation by the State of New Jersey will continue to have a significant detrimental effect on the District's ability to finance its operations;

On a historical basis, the District's budget had been successfully passed by the voters about half the time, including five of the last six years. In addition, a referendum to approve extensive repairs at both schools was approved by the voters in January 2006.

In January 2012 the Governor of the State of New Jersey signed into law legislation allowing school districts to move their election from April to November. Thus eliminating the need to present a budget to the voters provided the increase in the General Fund Tax Levy is at or below the allowable cap as stipulated by the State. The Wanaque Public School District passed a resolution in February 2012 to utilize the new legislation and hold their election in November. This has provided the district with better forecasting and planning abilities.

The Wanaque Public School District has committed itself to financial and educational excellence. The District's system for financial planning, budgeting, and internal financial controls are well regarded. The District plans to continue its sound fiscal management to meet the challenges of the future.

Contacting the District's Financial Management

This financial report is designed to provide our citizens, taxpayers and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional information, contact the Business Administrator/Board Secretary at the Wanaque Board of Education, 973A Ringwood Avenue, Haskell, New Jersey 07420.

BASIC FINANCIAL STATEMENTS

DISTRICT-WIDE FINANCIAL STATEMENTS

WANAQUE BOROUGH SCHOOL DISTRICT
STATEMENT OF NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and cash equivalents	485,443.30	74,131.21	559,574.51
Receivables, net	689,465.22	9,008.87	698,474.09
Inventory		2,627.93	2,627.93
Restricted assets:			
Capital reserve account - cash	688,480.65		688,480.65
Maintenance reserve account - cash	214,500.00		214,500.00
Capital assets:			
Land	47,304.00		47,304.00
Construction in Progress	652,144.09		652,144.09
Other capital assets, net	13,001,173.00	67,531.05	13,068,704.05
Total Assets	<u>15,778,510.26</u>	<u>153,299.06</u>	<u>15,931,809.32</u>
DEFERRED OUTFLOWS			
Deferred Outflows of Resources Related to PERS	<u>297,121.00</u>		<u>297,121.00</u>
LIABILITIES			
Accounts payable	166,842.98	7,566.13	174,409.11
Contracts payable	29,850.15		29,850.15
Accrued Interest Payable	126,838.09		126,838.09
Unearned revenue	6,078.87	1,291.50	7,370.37
Noncurrent liabilities:			
Due within one year	759,493.99		759,493.99
Due beyond one year	17,375,497.01		17,375,497.01
Total liabilities	<u>18,464,601.09</u>	<u>8,857.63</u>	<u>18,473,458.72</u>
DEFERRED INFLOWS			
Deferred Inflows of Resources Related to PERS	<u>210,987.00</u>		<u>210,987.00</u>
NET POSITION			
Invested in capital assets, net of related debt	(327,572.73)	67,531.05	(260,041.68)
Restricted for:			
Debt service	30,408.04		30,408.04
Capital projects	231,492.35		231,492.35
Capital reserves	688,480.65		688,480.65
Maintenance reserves	214,500.00		214,500.00
Other purposes	696,221.74		696,221.74
Unrestricted	<u>(4,133,486.88)</u>	<u>76,910.38</u>	<u>(4,056,576.50)</u>
Total net position	<u><u>(2,599,956.83)</u></u>	<u><u>144,441.43</u></u>	<u><u>(2,455,515.40)</u></u>

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

WANAQUE BOROUGH SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Functions/Programs	Expenses	Indirect Expenses Allocation	Program Revenues		Net (Expense) Revenue and Changes in Net Position		
			Charges for Services	Operating Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
Instruction:							
Regular	4,881,973.79	3,142,028.41		346,336.40	(7,677,665.80)	-	(7,677,665.80)
Special education	2,497,786.61	1,496,581.61			(3,994,368.22)	-	(3,994,368.22)
Other special instruction	290,026.34	138,560.03			(428,586.37)	-	(428,586.37)
Other instruction	174,337.88	136,077.05			(310,414.93)	-	(310,414.93)
Support services:							
Tuition	693,129.14	-			(693,129.14)	-	(693,129.14)
Student & instruction related services	1,581,559.53	701,707.12		43,572.32	(2,239,694.33)	-	(2,239,694.33)
General administrative services	358,150.70	134,610.15			(492,760.85)	-	(492,760.85)
School administrative service	493,809.60	310,227.59			(804,037.19)	-	(804,037.19)
Central Services and Admin. Infor. Tech.	527,658.01	161,685.62			(689,343.63)	-	(689,343.63)
Plant operations and maintenance	1,234,432.50	153,268.50			(1,387,701.00)	-	(1,387,701.00)
Pupil transportation	676,206.92	-			(676,206.92)	-	(676,206.92)
Interest on long-term debt	601,056.44	-			(601,056.44)	-	(601,056.44)
Total governmental activities	<u>14,010,127.46</u>	<u>6,374,746.08</u>	<u>-</u>	<u>389,908.72</u>	<u>(19,994,964.82)</u>	<u>-</u>	<u>(19,994,964.82)</u>
Business-type activities:							
Food Service	<u>286,575.51</u>		<u>163,677.30</u>	<u>135,759.37</u>	<u>-</u>	<u>12,861.16</u>	<u>12,861.16</u>
Total business-type activities	<u>286,575.51</u>		<u>163,677.30</u>	<u>135,759.37</u>	<u>-</u>	<u>12,861.16</u>	<u>12,861.16</u>
Total primary government	<u>14,296,702.97</u>		<u>163,677.30</u>	<u>525,668.09</u>	<u>(19,994,964.82)</u>	<u>12,861.16</u>	<u>(19,982,103.66)</u>
General revenues:							
Taxes:							
					12,905,139.00		12,905,139.00
					848,584.00		848,584.00
					6,223,037.56		6,223,037.56
					437,149.00		437,149.00
					250,240.00		250,240.00
					74,002.92		74,002.92
					4,298.72	131.42	4,430.14
					50,317.92		50,317.92
					76,000.00		76,000.00
					<u>20,868,769.12</u>	<u>131.42</u>	<u>20,868,900.54</u>
					873,804.30	12,992.58	886,796.88
					(3,473,761.13)	131,448.85	(3,342,312.28)
					<u>(2,599,956.83)</u>	<u>144,441.43</u>	<u>(2,455,515.40)</u>

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

FUND FINANCIALS TATEMENTS

WANAQUE BOROUGH SCHOOL DISTRICT
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>
ASSETS					
Cash and cash equivalents	455,035.26			30,408.04	485,443.30
Interfund receivable	142,286.38				142,286.38
Receivables from other governments	244,276.36	105,064.49	318,720.00		668,060.85
Other Receivable	20,878.43				20,878.43
Restricted cash and cash equivalents	902,980.65				902,980.65
Total assets	<u>1,765,457.08</u>	<u>105,064.49</u>	<u>318,720.00</u>	<u>30,408.04</u>	<u>2,219,649.61</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	15,664.30	17,602.68			33,266.98
Contracts payable			29,850.15		29,850.15
Interfund payable		84,382.94	57,377.50		141,760.44
Unearned revenue	3,000.00	3,078.87			6,078.87
Total liabilities	<u>18,664.30</u>	<u>105,064.49</u>	<u>87,227.65</u>	<u>-</u>	<u>210,956.44</u>
Fund Balances:					
Assigned to:					
Designated by the Board of Education for Subsequent Year's Expenditures					
Other Purposes - Encumbrances	171,880.97				171,880.97
Restricted for:					
Capital Projects Fund			231,492.35		231,492.35
Excess Surplus	251,062.77				251,062.77
Excess Surplus Designated for Subsequent Year's Expenditures	273,278.00				273,278.00
Capital Reserve Account	688,480.65				688,480.65
Maintenance Reserve Account	214,500.00				214,500.00
Unassigned:					
Debt Service				30,408.04	30,408.04
General fund	147,590.39				147,590.39
Total fund balances	<u>1,746,792.78</u>	<u>-</u>	<u>231,492.35</u>	<u>30,408.04</u>	<u>2,008,693.17</u>
Total liabilities and fund balances	<u>1,765,457.08</u>	<u>105,064.49</u>	<u>318,720.00</u>	<u>30,408.04</u>	

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

Accrued liability for interest on long-term debt is not due and payable in the current period and is not reported as a liability in the funds.	(126,838.09)
Accounts Payable for subsequent Pension payment is not a payable in the funds	(133,576.00)
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. The cost of the assets is \$20,576,540.09 and the accumulated depreciation is \$6,875,919.00.	13,700,621.09
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	297,121.00
Deferred Inflows of Resources Related to PERS Pension Liability	(210,987.00)
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the funds.	(18,134,991.00)
Net position of governmental activities	<u>\$ (2,599,956.83)</u>

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

WANAQUE BOROUGH SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED 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>
REVENUES					
Local sources:					
Local tax levy	12,905,139.00			848,584.00	13,753,723.00
Tuition - Other LEA Within The State	74,002.92				74,002.92
Interest Earned on Capital Reserve Funds	324.63				324.63
Interest on Investments	3,974.09		-		3,974.09
Unrestricted Miscellaneous Revenues	26,188.08	11,200.00		12,929.84	50,317.92
Total - Local Sources	13,009,628.72	11,200.00	-	861,513.84	13,882,342.56
State sources	4,358,771.60		250,240.00	437,149.00	5,046,160.60
Federal sources	30,459.96	389,908.72			420,368.68
Total revenues	17,398,860.28	401,108.72	250,240.00	1,298,662.84	19,348,871.84
EXPENDITURES					
Current:					
Regular instruction	4,535,637.39	346,336.40			4,881,973.79
Special education instruction	2,497,786.61				2,497,786.61
Other special instruction	290,026.34				290,026.34
Other instruction	174,337.88				174,337.88
Support services and undistributed costs:					
Tuition	693,129.14				693,129.14
Student & instruction related services	1,537,987.21	43,572.32			1,581,559.53
General administrative services	380,414.94				380,414.94
School administrative services	493,809.60				493,809.60
Central Services and administrative Info. Tech.	527,658.01				527,658.01
Plant operations and maintenance	1,234,432.50				1,234,432.50
Pupil transportation	676,206.92				676,206.92
Unallocated employee benefits	3,898,211.80				3,898,211.80
Debt Service:					
Principal				650,000.00	650,000.00
Interest and other charges				618,255.17	618,255.17
Capital outlay	198,515.42	11,200.00	513,807.35		723,522.77
Total expenditures	17,138,153.76	401,108.72	513,807.35	1,268,255.17	19,321,325.00
Excess (Deficiency) of revenues over expenditures	260,706.52	-	(263,567.35)	30,407.67	27,546.84
OTHER FINANCING SOURCES (USES)					
Operating Transfers In			260,372.00		260,372.00
Operating Transfers Out	(260,372.00)				(260,372.00)
Capital Leases (non-budgeted)	187,891.44				187,891.44
Total other financing sources and uses	(72,480.56)	-	260,372.00	-	187,891.44
Net change in fund balances	188,225.96	-	(3,195.35)	30,407.67	215,438.28
Fund balance—July 1	1,558,566.82		234,687.70	0.37	1,793,254.89
Fund balance—June 30	1,746,792.78	-	231,492.35	30,408.04	2,008,693.17

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

**WANAQUE BOROUGH SCHOOL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Total net change in fund balances - governmental funds (from B-2)	215,438.28
Amounts reported for governmental activities in the statement of activities (A-2) are different because:	
Capital outlays are reported in governmental funds as expenditures. However, on 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 current fiscal year.	
Depreciation expense	\$ (496,224.00)
Capital outlay	<u>723,522.77</u>
	227,298.77
In the statement of activities, certain operating expenses, e.g., compensated absences 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 paid amount exceeds the earned amount the the difference is an addition to the reconciliation (+).	
(Increase)/Decrease in Compensated Absences Payable	(110,852.28)
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:	
Principal Payments on Capital Leases	22,264.24
Principal Payments on loan Payables	726,000.00
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 changes in deferred outflows and inflows of resources related to pensions, is reported in the Statement of Activities.	
District Pension Contributions	155,887.00
Less: Pension Expense	<u>(191,539.00)</u>
(Increase)/Decrease in Pension Expense	(35,652.00)
Per GASB No. 68 Non-employer contributing entities are required to record an 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	
Increase in On-behalf State Aid TPAF Pension	1,833,806.00
Increase in On-behalf TPAF Pension Expense	(1,833,806.00)
Proceeds from debt issues are a financing source in the government funds. They are not revenue in the statement of activities; issuing debt increases long-term liabilities in the statement of net assets.	
Capital Lease Proceeds	(187,891.44)
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 accrued interest is a increase in the reconciliation.	
	<u>17,198.73</u>
Change in net position of governmental activities	<u>873,804.30</u>

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

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

	Business-type Activities - Enterprise Funds
	Food Service
<u>ASSETS</u>	
CURRENT ASSETS	
Cash and cash equivalents	74,131.21
Intergovernmental receivables:	
State Aid	403.91
Federal Aid	8,604.96
Inventories	2,627.93
Total current assets	85,768.01
FIXED ASSETS:	
Furniture, machinery & equipment	115,307.40
Less accumulated depreciation	(47,776.35)
Total fixed assets	67,531.05
TOTAL ASSETS	153,299.06
<u>LIABILITIES AND NET ASSETS</u>	
CURRENT LIABILITIES	
Accounts payable	7,566.13
Deferred Revenue:	
Prepaid Sales	1,291.50
TOTAL CURRENT LIABILITIES	8,857.63
NET POSITION	
Invested in capital assets net of	
Related debt	67,531.05
Unrestricted	76,910.38
TOTAL NET POSITION	144,441.43
TOTAL LIABILITIES AND NET POSITION	153,299.06

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

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

	Business-type Activities - Enterprise Fund
	Food Service
Operating revenues:	
Charges for services:	
Daily sales - reimbursable programs	159,522.82
School lunch programs	4,154.48
Special functions	163,677.30
Total operating revenues	163,677.30
Operating expenses:	
Cost of sales	132,309.60
Salaries	111,444.38
Employee benefits	6,071.46
Purchased services	4,249.49
Management Fees	9,520.43
Insurance	886.13
General supplies	11,802.42
Depreciation	6,726.35
Repairs	824.70
Miscellaneous	2,740.55
Total operating expenses	286,575.51
Operating loss	(122,898.21)
Nonoperating revenues (expenses):	
State sources:	
State school lunch program	3,508.60
Federal sources:	
National school lunch program	95,245.98
National school breakfast program	4,183.15
Special milk program	11.73
Food distribution program	32,809.91
Interest	131.42
Total nonoperating revenues (expenses)	135,890.79
Net income (loss) before operating transfers	12,992.58
Total Net Position - Balance, beginning of year as previously reported	136,897.85
Prior Period adjustment, fixed assets	(5,449.00)
Net Position - beginning as restated	131,448.85
Total net position—ending	144,441.43

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

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

	Business-type Activities - Enterprise Funds
	Food Service
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	164,968.80
Payments to employees for services	(111,444.38)
Payments to suppliers for goods and services	(170,223.97)
Net cash used for operating activities	(116,699.55)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
State Sources	3,629.23
Federal Sources	100,357.93
Net cash provided by (used for) non-capital financing activities	103,987.16
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest on cash equivalents	131.42
Net cash provided by (used for) investing activities	131.42
Net increase (decrease) in cash and cash equivalents	(12,580.97)
Balances—beginning of year	86,712.18
Balances—end of year	74,131.21
Reconciliation of operating income (loss) to net cash (used for) by operating activities:	
Operating loss	(122,898.21)
Adjustments to reconcile operating loss to net cash used for operating activities	
Food distribution program donated commodities	32,809.91
(Increase)/decrease in inventory	(2,045.97)
(Increase)/decrease in Capital Assets	(22,332.40)
Increase /(decrease) in accounts payable	(10,250.73)
(Increase) decrease in deferred revenue	1,291.50
Total adjustments	6,198.66
Net cash provided by (used for) operating activities	(116,699.55)

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

**WANAQUE BOROUGH SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
JUNE 30, 2015**

	Unemployment Compensation Trust	Agency Funds
ASSETS		
Cash and cash equivalents	138,175.53	74,249.07
Interfund Receivable	4,261.56	
	142,437.09	74,249.07
Total assets	142,437.09	74,249.07
LIABILITIES		
Payable to student groups		46,270.91
Payroll deductions and withholdings		15,208.28
Accrued Salaries and Wages		7,982.38
Interfund Payable		4,787.50
		74,249.07
Total liabilities	-	74,249.07
NET POSITION		
Held in trust for unemployment claims and other purposes	142,437.09	
	142,437.09	

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

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

	Unemployment Compensation Trust
ADDITIONS	
Contributions:	
Board Contributions	50,000.00
Plan member	14,902.60
Total Contributions	64,902.60
Investment earnings:	
Interest	130.64
Net investment earnings	130.64
Total additions	65,033.24
DEDUCTIONS	
Unemployment claims	7,276.08
Total deductions	7,276.08
Change in net position	57,757.16
Net position—beginning of the year	84,679.93
Net position—end of the year	142,437.09

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

NOTES TO THE FINANCIAL STATEMENTS

**Borough of Wanaque 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 Wanaque School District (“District”) is an instrumentality of the State of New Jersey, established to function as an educational institution. The Borough of Wanaque School District is a Type II district located in the County of Passaic, State of New Jersey. As a Type II district, the School District functions independently through a Board of Education. The board is comprised of nine members elected to three-year terms. The purpose of the district is to educate students in grades K-8. 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 Wanaque 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 Wanaque 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 Wanaque 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 Wanaque 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 the Unemployment Compensation Insurance Fund, 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.

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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fund Financial Statements (continued)

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.

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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 did not make any material supplemental budgetary appropriations during the fiscal year.

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 one or more June state aid payments 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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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. Tuition Payable

Tuition charges were established by the receiving district. The charges are subject to adjustment when the final costs have been determined.

I. 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.

J. 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.

K. 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.

L. 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.

**Borough of Wanaque 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. Capital Assets (continued)

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 of 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
Building and Improvements	7-50 years	N/A
Furniture, Equipment and Vehicles	5-20 years	5-20 years

M. 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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

N. 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.

O. 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.

P. 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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

P. Accounting and Financial Reporting for Pensions (continued)

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.

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.

Q. 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.

**Borough of Wanaque 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. Fund Balances:

- **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.

R. Net Position

Net position represents the difference between assets and liabilities. Net position invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding 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.

S. 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.

T. 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.

**Borough of Wanaque 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. 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, medical and dental benefits and TPAF on-behalf contributions were allocated based on salaries of that program. Changes in compensating 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.

V. 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.

W. 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.

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

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

W. Recent Accounting Pronouncements:(continued)

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.

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, \$-0- of the District's bank balance of \$2,035,134.30 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 investment to 397 days.

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

NOTE 3. CASH AND CASH EQUIVALENTS AND INVESTMENTS (continued)

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.

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>Activities</u>	Enterprise Fund	District Wide Financial <u>Statements</u>
State Aid	532,536.40	403.91	532,940.31
Federal Aid	135,524.45	8,604.96	144,129.41
Other	20,878.43		20,878.43
Interfunds	<u>142,286.38</u>	_____	<u>525.94</u>
Gross Receivables	<u>831,225.66</u>	<u>9,008.87</u>	<u>698,474.09</u>
Less Allowance for Uncollectables	_____ -	_____ -	_____ -
Total Receivables Net	<u><u>831,225.66</u></u>	<u><u>9,008.87</u></u>	<u><u>698,474.09</u></u>

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

NOTE 5. INTERFUND BALANCES AND ACTIVITY

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

Due to General Fund from Net Payroll Account for interest earnings.	\$ 270.41
Due to General Fund from Capital Projects for expenditures made in General Fund.	57,377.50
Due to General Fund from Payroll Agency Fund for interest earned.	255.53
Due to General Fund from Special Revenue Fund for expenditures made in General Fund.	<u>84,382.94</u>
	<u>\$142,286.38</u>

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

Borough of Wanaque 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:

	<u>Balance</u> <u>6/30/14</u>	<u>Additions</u>	<u>Retirements</u>	<u>Adjustments</u>	<u>Balance</u> <u>6/30/15</u>
Governmental Activities:					
Capital Assets Not Being Depreciated					
Land	47,304.00				47,304.00
Construction in Progress	<u>138,336.74</u>	<u>513,807.35</u>	<u> </u>	<u> </u>	<u>652,144.09</u>
Total Capital assets not being Depreciated	<u>\$185,640.74</u>	<u>513,807.35</u>	<u> </u>	<u> </u>	<u>699,448.09</u>
Capital Assets Being Depreciated					
Building and Building Improvements	22,062,158.56			(3,228,559.56)	18,833,599.00
Machinery and Equipment	<u>1,833,968.00</u>	<u>209,715.42</u>	<u> </u>	<u>(1,000,190.42)</u>	<u>1,043,493.00</u>
Total Capital Assets Being Depreciated, Net	<u>23,896,126.56</u>	<u>209,715.42</u>	<u> </u>	<u>(4,228,749.98)</u>	<u>19,877,092.00</u>
Less Accumulated Depreciation:					
Building and Improvements	(6,835,292.00)	(398,042.00)		1,041,172.00	(6,192,162.00)
Equipment	<u>(1,661,509.00)</u>	<u>(98,182.00)</u>	<u> </u>	<u>1,075,934.00</u>	<u>(683,757.00)</u>
Total Accumulated Depreciation	<u>(8,496,801.00)</u>	<u>(496,224.00)</u>	<u> </u>	<u>2,117,106.00</u>	<u>(6,875,919.00)</u>
Total Capital Assets, Being Depreciated, Net	<u>15,399,325.56</u>	<u>(286,508.58)</u>	<u> </u>	<u>(2,111,643.98)</u>	<u>13,001,173.00</u>
Governmental Activities, Capital Assets, Net	<u>15,584,966.30</u>	<u>227,298.77</u>	<u> </u>	<u>(2,111,643.98)</u>	<u>13,700,621.09</u>
Business-Type Activity					
Equipment	115,658.00			(22,683.00)	92,975.00
Less accumulated depreciation for:					
Equipment	<u>(58,284.00)</u>	<u>(5,658.00)</u>	<u> </u>	<u>17,234.00</u>	<u>(46,708.00)</u>
Business-Type Activity Capital Assets, Net	<u>57,374.00</u>	<u>(5,658.00)</u>	<u> </u>	<u>(5,449.00)</u>	<u>46,267.00</u>

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

NOTE 6. CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Instruction:

Regular Education	\$411,288.00
Student and Instruction Related Services	20,226.00
School Administration	12,923.00
General Administration	14,837.00
Plant Operations and Maintenance	<u>36,950.00</u>
 Total Depreciation Expense	 <u>\$496,224.00</u>

NOTE 7. LONG-TERM OBLIGATION ACTIVITY

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

	<u>Balance</u> <u>June 30, 2014</u>	<u>Issued</u>	<u>Retired</u>	<u>Balance</u> <u>June 30, 2015</u>	<u>Due Within</u> <u>One Year</u>	<u>Long-Term</u> <u>Portion</u>
Capital Lease payable	\$ 47,566.62	\$ 187,891.44	\$ 22,264.24	\$ 213,193.82	\$ 59,493.99	\$ 153,699.83
Net Pension Liability-PERS	3,552,161.00		11,790.00	3,540,371.00		3,540,371.00
Compensated Absences payable	455,573.90	110,852.28		566,426.18		566,426.18
Bonds Payable	<u>14,541,000.00</u>	<u>12,430,000.00</u>	<u>13,156,000.00</u>	<u>13,815,000.00</u>	<u>700,000.00</u>	<u>13,115,000.00</u>
	<u>\$18,596,301.52</u>	<u>\$12,728,743.72</u>	<u>\$13,190,054.24</u>	<u>\$18,134,991.00</u>	<u>\$759,493.99</u>	<u>\$17,375,497.01</u>

A. Bonds Payable:

Bonds are authorized in accordance with State Law by the voters of the District through referendums.

All bonds are retired in serial installments within the statutory period of usefulness. Bonds issued by the District are General Obligation Bonds.

Outstanding Bonds Payable at June 30, 2015 consisted of the following:

<u>Issue</u>	<u>Issue</u> <u>Date</u>	<u>Amount</u> <u>Issued</u>	<u>Interest</u> <u>Rates</u>	<u>Date of</u> <u>Maturity</u>	<u>Principal</u> <u>Balance at</u> <u>June 30, 2015</u>
School Bonds of 2006	6/01/06	\$18,276,000.00	4.375 - 4.500%	9/01/31	\$ 1,385,000.00
2015 Refunding Bonds	8/26/15	12,430,000.00	2.000 - 5.000%	9/01/31	<u>12,430,000.00</u>
					<u>\$13,815,000.00</u>

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

NOTE 7. LONG-TERM OBLIGATION ACTIVITY (continued)

A. Bonds Payable (continued):

Principal and interest due on Serial Bonds Outstanding is as follows:

<u>Fiscal Year Ending</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	700,000.00	1,118,129.38	1,818,129.38
2017	720,000.00	1,087,482.50	1,807,482.50
2018	740,000.00	503,650.00	1,243,650.00
2019	745,000.00	485,075.00	1,230,075.00
2020	765,000.00	458,600.00	1,223,600.00
2021-2025	4,005,000.00	1,758,525.00	5,763,525.00
2026-2030	4,410,000.00	738,987.50	5,148,987.50
2031-2032	<u>1,730,000.00</u>	<u>60,025.00</u>	<u>1,790,025.00</u>
	<u>13,815,000.00</u>	<u>6,210,474.38</u>	<u>20,025,474.38</u>

B. Capital Leases

The District is leasing copier equipment totaling \$120,940.00 and technology equipment totaling \$187,891.44 under capital leases.

The following is a schedule of the future minimum lease payments under these capital leases and the present value of the net minimum lease payments at June 30, 2015:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 62,988.00
2017	40,999.00
2018	39,000.00
2019	<u>39,000.00</u>
Total Minimum Lease Payments	<u>181,987.00</u>
Less: Amount representing interest	<u>(7,793.18)</u>
Present Value of net minimum lease	<u>\$174,193.82</u>

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

NOTE 7. LONG-TERM OBLIGATION ACTIVITY (continued)

B. Capital Leases (continued):

Maturities of capital leases payable are as follows:

<u>Year Ending June 30,</u>	<u>Amount</u>
2016	\$ 59,493.99
2017	38,858.92
2018	37,565.09
2019	<u>38,275.82</u>
	<u>\$174,193.82</u>

NOTE 8. 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.

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.

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

NOTE 8. PENSION PLANS (continued)

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 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 Ending	PERS	DCRP
6/30/15	\$155,887.00	\$1,474.07
6/30/14	140,042.00	1,522.76
6/30/13	145,450.00	1,402.98

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:

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

NOTE 8. PENSION PLANS (continued)

<u>Year Ending</u>	<u>Pension Contributions</u>	<u>Post-Retirement Medical Contributions</u>	<u>NCGI Premium</u>
6/30/15	\$394,652.00	\$671,584.00	\$28,393.00
6/30/14	305,050.00	544,316.00	26,926.00
6/30/13	416,101.00	495,260.00	21,893.00

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 \$608,335.60 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.

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 \$3,540,371.00 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating school districts, actuarially determined. At June 30, 2014, the District's proportion was 0.0189094769 percent, which was a decrease of 0.0003234389 percent from its proportion measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$191,539.00. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to PERS from the following sources:

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

NOTE 8. PENSION PLANS (continued)

	Deferred Outflows of <u>Resources</u>	Deferred Inflows of <u>Resources</u>
Changes of assumptions	\$163,545.00	\$
Net difference between projected and actual earnings on pension plan investments		210,987.00
Changes in proportion and differences between District contributions and proportionate share of contributions		
District contributions subsequent to the measurement date	<u>133,576.00</u>	<u> </u>
Total	<u>\$297,121.00</u>	<u>\$210,987.00</u>

The \$133,576.00 reported as deferred outflows of resources related to pensions resulting from school district contributions subsequent to the measurement date (i.e. for the school year ending June 30, 2015, the plan measurement date is June 30, 2014) will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:	
2016	\$(32,282.00)
2017	(32,282.00)
2018	(32,282.00)
2019	20,465.00
Thereafter	9,004.00

Additional Information

Local Group Collective balances at December 31, 2013 and 2014 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	0.0189094769%	0.0185860380%

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

NOTE 8. PENSION PLANS (continued)

Actuarial Assumptions

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

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

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

Mortality Rates

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

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:

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

NOTE 8. PENSION PLANS (continued)

<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	<u>2.50%</u>	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.

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:

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

NOTE 8. PENSION PLANS (continued)

	June 30, 2014		
	1% Decrease <u>4.39%</u>	At Current Discount Rate <u>5.39%</u>	1% Increase <u>6.39%</u>
District's proportionate share of the pension liability	\$4,453,908.00	\$3,540,371.00	\$2,773,233.00

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	\$ -
State's proportionate share associated with the District	<u>41,941,591.00</u>
	<u>\$41,941,591.00</u>

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

NOTE 8. 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 0.0784736110%.

For the year ended June 30, 2015, the District recognized on-behalf pension expense and revenue of \$2,256,851.00 for contributions provided by the State.

Actuarial Assumptions

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

Inflation rate	2.50%
Salary Increases:	
2012-2021	Varies based on experience
Thereafter	Varies based on experience
Investment Rate of Return	7.90%

Mortality Rates

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

Long-Term Expected Rate of Return

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

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

NOTE 8. PENSION PLANS (continued)

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	<u>0.00%</u>	3.74%
	<u>100.00%</u>	

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,

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

NOTE 8. PENSION PLANS (continued)

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 9. 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 free health benefits to members of PERS and the Alternate Benefit Program who retired from a board of education or county college with 25 years of service. In fiscal year 2014, the State paid \$165.8 million toward Chapter 126 benefits for 18,122 eligible retired members.

NOTE 10. 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:

Metlife
The Equitable
Lincoln Financial Group
AIH Valic
Siracusa Benefits Program
Financial Resource & Retirement Advisory, Inc.

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

NOTE 11. RISK MANAGEMENT

The District is exposed to various risks of loss related to general liability, automobile coverage; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board has obtained insurance coverage to guard against these events to minimize the exposure to the District should they occur.

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.

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 table below 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	\$50,130.64	\$14,902.60	\$ 7,276.08	\$142,437.09
2013-2014	213.62	15,234.17	119,256.52	84,679.93
2012-2013	150,190.90	14,135.25	21,802.82	188,488.66

NOTE 12. CAPITAL RESERVE ACCOUNT

A capital reserve account was established by the Borough of Wanaque Board of Education by inclusion of \$100.00 on October 10, 2001 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 transfers 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.

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

NOTE 12. CAPITAL RESERVE ACCOUNT (continued)

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

Beginning balance, July 1, 2014	\$550,156.02
Interest earned	324.63
Deposit per Board Resolution	288,000.00
Budgeted withdrawal	<u>(150,000.00)</u>
Ending balance June 30, 2015	<u>\$688,480.65</u>

The balance in the capital reserve account at June 30, 2015 does not exceed the balance of local support costs of uncompleted capital projects in its LFRP. Withdrawals from the capital reserve, where applicable, are for use in a DOE approved facilities project, consistent with the District's Long Range Facilities Plan.

NOTE 13. MAINTENANCE RESERVE ACCOUNT

A maintenance reserve account was established by the Board of Education resolution adopted on June 23, 2009 in the amount of \$25,000.00. The account is maintained in the general fund. The maintenance reserve account is used to accumulate funds for the required maintenance of a facility in accordance with the EFCFA (N.J.S.A. 18A:7G-9). EFCFA requires that upon district completion of a school facilities project, the district must submit a plan for the maintenance of that facility. All such plans must include a provision for a maintenance reserve fund.

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

Beginning balance, July 1, 2014	<u>\$214,500.00</u>
Ending balance, June 30, 2015	<u>\$214,500.00</u>

NOTE 14. INVENTORY

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

Food	\$2,368.47
Supplies	<u>259.46</u>
	<u>\$2,627.93</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 unearned revenue.

**Borough of Wanaque 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, 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 \$524,340.77 , of this amount \$251,062.77 is the result of current year's operations.

NOTE 16. FUND BALANCE APPROPRIATED

General Fund (B-1) - Of the \$1,746,792.78 General Fund fund balance at June 30, 2015, \$171,880.97 is reserved for encumbrances, \$524,340.77 is reserved as excess surplus in accordance with *N.J.S.A.* 18A:7F-7, \$273,278.00 of the total reserve for excess surplus has been appropriated and included as anticipated revenue for the year ending June 30, 2015; \$688,480.65 has been reserved in the Capital Reserve Account, \$214,500.00 has been reserved in the Maintenance Reserve Account and \$147,590.39 is unreserved and undesignated.

Debt Service Fund - \$30,408.04 is unreserved and undesignated.

NOTE 17. RETROACTIVE RESTATEMENT DUE TO UPDATED CAPITAL ASSET INVENTORY AND FOR IMPLEMENTATION OF GASB NO. 68:

During fiscal year 2015, the District re-evaluated it's physical inventory of fixed assets. Also, after the Adult School ceased it's operation, the assets were transferred to the Governmental activities. In addition, net position for June 30, 2014 was restated in the amount of \$3,552,161.00 to reflect the net pension liability at June 30, 2013 for the Public Employee Retirement System (PERS) as per Governmental Accounting Standards Board ("GASB") number 68. This resulted in the following restatement of net position as of June 30, 2014:

	<u>Governmental Activities</u>
Net Position at June 30, 2014	\$ 2,190,043.85
Restatement of Capital Asset	(2,111,643.98)
Prior Period Adjustment for Net Pension Liability	<u>(3,552,161.00)</u>
Net Position at June 30, 2014 - Restated	<u>(3,473,761.13)</u>

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

NOTE 17. RETROACTIVE RESTATEMENT DUE TO UPDATED CAPITAL ASSET INVENTORY AND FOR IMPLEMENTATION OF GASB NO. 68: (continued)

	<u>Business-Type Activities</u>
Net Position at June 30, 2014	\$136,897.85
Restatement of Capital Assets	<u>(5,449.00)</u>
Net Position at June 30, 2014 - Restated	<u>\$131,448.85</u>

NOTE 18. 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 Board's attorney is unaware of any potential claims against the District that would materially affect the financial condition of the District.

NOTE 20: SUBSEQUENT EVENT

The District has evaluated subsequent events through December 2, 2015, the date which the financial statements were available to be issued and no other items were noted for disclosure.

**REQUIRED SUPPLEMENTARY INFORMATION
PART II**

BUDGETARY COMPARISON SCHEDULE

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources:					
Local Tax Levy	12,905,139.00	-	12,905,139.00	12,905,139.00	-
Tuition From Other LEA's Within the State	60,000.00	-	60,000.00	74,002.92	14,002.92
Interest Earned on Capital Reserve Funds		-		324.63	324.63
Interest on Investments		-		3,974.09	3,974.09
Unrestricted Miscellaneous Revenues	<u>20,000.00</u>	-	<u>20,000.00</u>	<u>26,188.08</u>	<u>6,188.08</u>
Total - Local Sources	<u>12,985,139.00</u>	<u>-</u>	<u>12,985,139.00</u>	<u>13,009,628.72</u>	<u>24,489.72</u>
State Sources:					
Categorical Transportation Aid	47,456.00	-	47,456.00	47,456.00	-
Categorical Special Education Aid	547,530.00	-	547,530.00	547,530.00	-
Additional Adjustment Aid	1.00	-	1.00	1.00	-
Equalization Aid	1,845,547.00	-	1,845,547.00	1,845,547.00	-
Categorical Security Aid	23,490.00	-	23,490.00	23,490.00	-
Extraordinary Aid	100,000.00	-	100,000.00	163,083.00	63,083.00
PARCC Readiness Aid	9,240.00	-	9,240.00	9,240.00	-
Per Pupil Growth Aid	9,240.00	-	9,240.00	9,240.00	-
Non Public Transportation Aid		-		14,093.00	14,093.00
On-behalf TPAF Pension (non-budgeted)		-		394,652.00	394,652.00
On-behalf TPAF NCGI Premium (non-budget)		-		28,393.00	28,393.00
On-behalf TPAF Post Retirement Medical (non-budget)		-		671,584.00	671,584.00
TPAF Social Security (Reimbursed - Non-Budgeted)		-		608,335.60	608,335.60
Total State Sources	<u>2,582,504.00</u>	<u>-</u>	<u>2,582,504.00</u>	<u>4,362,644.60</u>	<u>1,780,140.60</u>
Federal Sources:					
Medicaid Reimbursements	18,122.00	-	18,122.00	30,459.96	12,337.96
Total Federal Sources	<u>18,122.00</u>	<u>-</u>	<u>18,122.00</u>	<u>30,459.96</u>	<u>12,337.96</u>
Total Revenues	<u>15,585,765.00</u>	<u>-</u>	<u>15,585,765.00</u>	<u>17,402,733.28</u>	<u>1,816,968.28</u>
EXPENDITURES:					
Current Expense:					
Regular Programs - Instruction					
Kindergarten - Salaries of Teachers	482,568.00	-	482,568.00	479,331.60	3,236.40
Grades 1-5 - Salaries of Teachers	2,396,837.00	(64,754.57)	2,332,082.43	2,301,477.31	30,605.12
Grades 6-8 - Salaries of Teachers	1,544,737.00	30,949.57	1,575,686.57	1,543,612.43	32,074.14
Regular Programs - Home Instruction:					
Salaries of Teachers	2,500.00	4,562.00	7,062.00	7,062.00	-
Other Purchased Services (400-500 series)	500.00	(500.00)	-	-	-
General Supplies	500.00	(500.00)	-	-	-
Regular Programs - Undistributed Instruction					
Other Purchased Services (400-500 series)	33,455.15	9,371.99	42,827.14	42,827.14	-
General Supplies	92,353.95	19,018.01	111,371.96	108,026.26	3,345.70
Textbooks	119,483.82	(29,590.00)	89,893.82	50,321.54	39,572.28
Other Objects	4,000.00	(500.00)	3,500.00	2,979.11	520.89
TOTAL REGULAR PROGRAMS - INSTRUCTION	<u>4,676,934.92</u>	<u>(31,943.00)</u>	<u>4,644,991.92</u>	<u>4,535,637.39</u>	<u>109,354.53</u>
Learning and/or Language Disabilities:					
Salaries of Teachers	270,969.00	4,815.09	275,784.09	275,782.69	1.40
Other Salaries for Instruction	117,904.00	(520.49)	117,383.51	116,320.94	1,062.57
General Supplies	2,000.00	825.00	2,825.00	2,660.43	164.57
Total Learning and/or Language Disabilities	<u>390,873.00</u>	<u>5,119.60</u>	<u>395,992.60</u>	<u>394,764.06</u>	<u>1,228.54</u>
Visual Impairments:					
Other Salaries for Instruction	29,476.00	2,500.00	31,976.00	31,976.00	-
Total Visual Impairments	<u>29,476.00</u>	<u>2,500.00</u>	<u>31,976.00</u>	<u>31,976.00</u>	<u>-</u>
Behavioral Disabilities:					
Salaries of Teachers	187,293.00	(86.00)	187,207.00	187,205.00	2.00
Other Salaries for Instruction	58,952.00	6,204.49	65,156.49	65,156.49	-
General Supplies	1,000.00	-	1,000.00	499.51	500.49
Total Behavioral Disabilities	<u>247,245.00</u>	<u>6,118.49</u>	<u>253,363.49</u>	<u>252,861.00</u>	<u>502.49</u>
Resource Room/Resource Center:					
Salaries of Teachers	1,103,362.00	(36,171.55)	1,067,190.45	1,040,521.24	26,669.21
Other Salaries for Instruction	308,748.00	670.21	309,418.21	309,418.21	-
General Supplies	6,000.00	1,444.00	7,444.00	6,981.14	462.86
Total Resource Room/Resource Center	<u>1,418,110.00</u>	<u>(34,057.34)</u>	<u>1,384,052.66</u>	<u>1,356,920.59</u>	<u>27,132.07</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Autism:					
Salaries of Teachers	193,038.00	2,857.25	195,895.25	192,645.25	3,250.00
Other Salaries for Instruction	116,904.00	16,212.00	133,116.00	132,603.64	512.36
General Supplies	1,500.00	-	1,500.00	1,451.08	48.92
Total Autism	<u>311,442.00</u>	<u>19,069.25</u>	<u>330,511.25</u>	<u>326,699.97</u>	<u>3,811.28</u>
Preschool Disabilities - Part-Time:					
Salaries of Teachers	91,905.00	-	91,905.00	91,905.00	-
Other Salaries for Instruction	29,476.00	-	29,476.00	16,121.00	13,355.00
General Supplies	500.00	-	500.00	439.49	60.51
Total Preschool Disabilities - Part-Time	<u>121,881.00</u>	<u>-</u>	<u>121,881.00</u>	<u>108,465.49</u>	<u>13,415.51</u>
Home Instruction:					
Salaries of Teachers	7,500.00	20,414.50	27,914.50	26,099.50	1,815.00
Other Purchased Services (400-500 series)	1,000.00	(1,000.00)	-	-	-
Total Home Instruction:	<u>8,500.00</u>	<u>19,414.50</u>	<u>27,914.50</u>	<u>26,099.50</u>	<u>1,815.00</u>
TOTAL SPECIAL EDUCATION - INSTRUCTION	<u>2,527,527.00</u>	<u>18,164.50</u>	<u>2,545,691.50</u>	<u>2,497,786.61</u>	<u>47,904.89</u>
Basic Skills/Remedial - Instruction					
Salaries of Teachers	236,710.00	(6,568.00)	230,142.00	230,142.00	-
General Supplies	2,904.00	2,388.00	5,292.00	5,059.89	232.11
Total Basic Skills/Remedial - Instruction	<u>239,614.00</u>	<u>(4,180.00)</u>	<u>235,434.00</u>	<u>235,201.89</u>	<u>232.11</u>
Bilingual Education - Instruction					
Salaries of Teachers	54,695.00	-	54,695.00	54,695.00	-
General Supplies	1,000.00	-	1,000.00	129.45	870.55
Total Bilingual Education - Instruction	<u>55,695.00</u>	<u>-</u>	<u>55,695.00</u>	<u>54,824.45</u>	<u>870.55</u>
School-Spon. Co/Extra Curr. Actvts. - Inst					
Salaries	40,000.00	35,344.50	75,344.50	59,099.50	16,245.00
Purchased Services (300-500 Series)	3,000.00	1,000.00	4,000.00	3,015.00	985.00
Supplies and Materials	1,000.00	(1,000.00)	-	-	-
Total School-Spon. Co/Extra Curr. Actvts. - Inst	<u>44,000.00</u>	<u>35,344.50</u>	<u>79,344.50</u>	<u>62,114.50</u>	<u>17,230.00</u>
Before/After School Program - Instruction:					
Salaries of Teachers	45,000.00	5,405.50	50,405.50	50,405.50	-
Total Before/After School Program - Instruction:	<u>45,000.00</u>	<u>5,405.50</u>	<u>50,405.50</u>	<u>50,405.50</u>	<u>-</u>
Summer School - Instruction					
Salaries of Teachers	42,065.00	6,244.50	48,309.50	48,309.50	-
Other Salaries of Instruction	25,440.00	(9,756.50)	15,683.50	13,508.38	2,175.12
General Supplies	1,500.00	(1,500.00)	-	-	-
Total Summer School - Instruction	<u>69,005.00</u>	<u>(5,012.00)</u>	<u>63,993.00</u>	<u>61,817.88</u>	<u>2,175.12</u>
Summer School - Support Svcs					
Purchased Professional and Technical Services	6,000.00	(6,000.00)	-	-	-
Total Summer School - Support Svcs	<u>6,000.00</u>	<u>(6,000.00)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	<u>7,663,775.92</u>	<u>11,779.50</u>	<u>7,675,555.42</u>	<u>7,497,788.22</u>	<u>177,767.20</u>
Undistributed Expenditures - Instruction (Tuition)					
Tuition to Other LEAS Within the State - Special	35,000.00	14,180.29	49,180.29	49,180.29	-
Tuition to CSSD & Reg. Day Schools	70,000.00	(1,580.00)	68,420.00	68,420.00	-
Tuition to Priv.Sch. For the Disabled W/I State	624,925.40	(46,401.95)	578,523.45	575,528.85	2,994.60
Total Undistributed Expenditures - Instruction (Tuition)	<u>729,925.40</u>	<u>(33,801.66)</u>	<u>696,123.74</u>	<u>693,129.14</u>	<u>2,994.60</u>
Undistributed Expend. - Attend. & Social Work					
Salaries	-	2,500.00	2,500.00	2,477.40	22.60
Total Undistributed Expend. - Attend. & Social Work	<u>-</u>	<u>2,500.00</u>	<u>2,500.00</u>	<u>2,477.40</u>	<u>22.60</u>
Undist. Expenditures - Health Services					
Salaries	178,297.00	(24,250.00)	154,047.00	150,651.00	3,396.00
Purchased Professional and Technical Services	4,000.00	-	4,000.00	297.00	3,703.00
Supplies and Materials	4,945.92	8,000.00	12,945.92	10,917.61	2,028.31
Total Undist. Expenditures - Health Services	<u>187,242.92</u>	<u>(16,250.00)</u>	<u>170,992.92</u>	<u>161,865.61</u>	<u>9,127.31</u>
Undist. Expend.-Speech, OT, PT and Related Svcs					
Salaries	203,335.00	(21,585.18)	181,749.82	181,749.82	-
Purchased Professional - Educational Services	107,500.00	36,900.96	144,400.96	130,468.00	13,932.96
Supplies and Materials	1,500.00	1,140.22	2,640.22	2,640.22	-
Total Undist. Expend.-Speech, OT, PT and Related Svcs	<u>312,335.00</u>	<u>16,456.00</u>	<u>328,791.00</u>	<u>314,858.04</u>	<u>13,932.96</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist Expend-Oth Supp Serv Std-Extra Serv					
Salaries	28,976.00	-	28,976.00	28,976.00	-
Purchased Professional - Educational Services	189,910.00	(12,448.55)	177,461.45	101,930.40	75,531.05
Total Undist Expend-Oth Supp Serv Std-Extra Serv	<u>218,886.00</u>	<u>(12,448.55)</u>	<u>206,437.45</u>	<u>130,906.40</u>	<u>75,531.05</u>
Undist. Expenditures - Guidance					
Salaries of Other Professional Staff	170,090.00	(8,240.00)	161,850.00	141,684.50	20,165.50
Supplies and Materials	1,000.00	-	1,000.00	933.51	66.49
Other Objects	5,000.00	-	5,000.00	2,043.58	2,956.42
Total Undist. Expenditures - Guidance	<u>176,090.00</u>	<u>(8,240.00)</u>	<u>167,850.00</u>	<u>144,661.59</u>	<u>23,188.41</u>
Undist. Expenditures - Child Study Teams					
Salaries of Other Professional Staff	301,702.00	(9,354.00)	292,348.00	292,348.00	-
Salaries of Secretarial and Clerical Assistants	51,914.00	9,950.18	61,864.18	51,913.92	9,950.26
Purchased Professional - Educational Services	75,770.00	(8,175.00)	67,595.00	57,563.22	10,031.78
Other Purchased Services (400-500 series)	500.00	(500.00)	-	-	-
Misc Pur Serv (400-500 series O/than Resid Costs)	5,000.00	500.00	5,500.00	5,141.48	358.52
Supplies and Materials	6,190.06	(829.68)	5,360.38	5,168.72	191.66
Other Objects	500.00	-	500.00	350.00	150.00
Total Undist. Expenditures - Child Study Teams	<u>441,576.06</u>	<u>(8,408.50)</u>	<u>433,167.56</u>	<u>412,485.34</u>	<u>20,682.22</u>
Undist. Expend.-Improv. Of Inst. Serv.					
Sal of Supervisor of Instruction	144,353.00	(2,406.20)	141,946.80	141,946.80	-
Sal of Secr and Clerical Assist.	20,535.00	0.56	20,535.56	20,535.56	-
Purchased Prof- Educational Services	47,228.00	5,856.47	53,084.47	53,040.00	44.47
Other Purch Services (400-500)	6,000.00	604.53	6,604.53	6,604.53	-
Supplies and Materials	1,000.00	3,949.64	4,949.64	1,488.70	3,460.94
Total Undist. Expend.-Improv. Of Inst. Serv	<u>219,116.00</u>	<u>8,005.00</u>	<u>227,121.00</u>	<u>223,615.59</u>	<u>3,505.41</u>
Undist. Expend.-Edu. Media Serv./Library					
Salaries	122,104.00	-	122,104.00	122,104.00	-
Other Purchased Services (400-500 Series)	1,000.00	(170.00)	830.00	799.20	30.80
Supplies and Materials	10,000.00	170.00	10,170.00	10,083.21	86.79
Total Undist. Expend.-Edu. Media Serv./Library	<u>133,104.00</u>	<u>-</u>	<u>133,104.00</u>	<u>132,986.41</u>	<u>117.59</u>
Undist. Expend.-Instr. Staff Training Serv.					
Other Purchased Services (400-500 series)	21,650.00	(1,000.00)	20,650.00	14,130.83	6,519.17
Total Undist. Expend.-Instr. Staff Training Serv.	<u>21,650.00</u>	<u>(1,000.00)</u>	<u>20,650.00</u>	<u>14,130.83</u>	<u>6,519.17</u>
Undist. Expend.-Support Serv.-Gen. Admin.					
Salaries	220,989.00	1.00	220,990.00	198,937.84	22,052.16
Legal Services	40,000.00	6,929.95	46,929.95	46,352.18	577.77
Audit Fees	33,115.00	(2,700.00)	30,415.00	14,615.00	15,800.00
Architectural/Engineering Services	-	28,146.25	28,146.25	9,924.95	18,221.30
Other Purchased Professional Services	4,000.00	200.00	4,200.00	4,200.00	-
Communications/Telephone	74,307.52	(5,558.00)	68,749.52	58,858.08	9,891.44
BOE Other Purchased Services	2,000.00	(1,123.46)	876.54	876.54	-
Misc. Purch Serv (400-500)(Other than 530 & 585)	32,800.00	(2,113.85)	30,686.15	30,686.15	-
General Supplies	2,000.00	1,000.00	3,000.00	2,923.25	76.75
Miscellaneous Expenditures	2,669.84	622.06	3,291.90	3,291.90	-
BOE Membership Dues and Fees	10,500.00	(750.95)	9,749.05	9,749.05	-
Total Undist. Expend.-Support Serv.-Gen. Admin.	<u>422,381.36</u>	<u>24,653.00</u>	<u>447,034.36</u>	<u>380,414.94</u>	<u>66,619.42</u>
Undist. Expend.-Support Serv.-School Admin.					
Salaries of Principals/Asst. Principals/Prog Dir	310,285.00	(1,083.18)	309,201.82	305,219.72	3,982.10
Salaries of Secretarial and Clerical Assistants	137,298.00	9,835.63	147,133.63	146,182.57	951.06
Other Purchased Services (400-500 series)	13,000.00	(3,778.00)	9,222.00	8,932.72	289.28
Supplies and Materials	20,000.00	5,400.29	25,400.29	24,830.30	569.99
Other Objects	7,000.00	2,399.55	9,399.55	8,644.29	755.26
Total Undist. Expend.-Support Serv.-School Admin.	<u>487,583.00</u>	<u>12,774.29</u>	<u>500,357.29</u>	<u>493,809.60</u>	<u>6,547.69</u>
Undist. Expend. - Central Services:					
Salaries	187,200.00	81,352.57	268,552.57	268,552.57	-
Purchased Technical Services	117,297.72	(83,014.00)	34,283.72	34,283.72	-
Misc. Purchased Services (400-500)(O/T 594)	7,000.00	2,684.55	9,684.55	9,573.25	111.30
Supplies and Materials	5,104.71	1,583.82	6,688.53	6,233.98	454.55
Miscellaneous Expenditures	2,000.00	859.00	2,859.00	2,859.00	-
Total Undist. Expend. - Central Services:	<u>318,602.43</u>	<u>3,465.94</u>	<u>322,068.37</u>	<u>321,502.52</u>	<u>565.85</u>
Undist. Expend.- Admin. Info Technology					
Purchased Professional Services	100,000.00	(600.00)	99,400.00	99,400.00	-
Other Purchased Services (400-500 series)	100,000.00	(1,050.02)	98,949.98	98,949.98	-
Supplies and Materials	5,301.11	3,392.79	8,693.90	7,805.51	888.39
Total Undist. Expend.- Admin. Info Technology	<u>205,301.11</u>	<u>1,742.77</u>	<u>207,043.88</u>	<u>206,155.49</u>	<u>888.39</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Undist. Expend.-Required Maint for Sch Fac.					
Salaries	106,745.00	3,489.80	110,234.80	110,234.30	0.50
Cleaning, Repair and Maintenance Services	79,059.80	19,881.97	98,941.77	98,539.42	402.35
General Supplies	9,469.00	29,521.99	38,990.99	35,242.35	3,748.64
Other Objects	5,640.00	840.72	6,480.72	6,442.15	38.57
Total Undist. Expend.-Required Maint for Sch Fac.	<u>200,913.80</u>	<u>53,734.48</u>	<u>254,648.28</u>	<u>250,458.22</u>	<u>4,190.06</u>
Undist. Expend. - Custodial Services					
Salaries	-	9.50	9.50		9.50
Salaries of Non-Instructional Aides	84,140.00	(222.49)	83,917.51	82,965.51	952.00
Cleaning, Repair and Maintenance Services	493,000.00	9,050.12	502,050.12	491,300.12	10,750.00
Other Purchased Property Services	25,000.00	(5,958.44)	19,041.56	18,382.48	659.08
Insurance	72,000.00	(2,274.02)	69,725.98	69,725.98	-
Miscellaneous Purchased Services	10,000.00	3,626.51	13,626.51	12,953.95	672.56
General Supplies	45,000.00	9,408.29	54,408.29	53,222.99	1,185.30
Energy (Natural Gas)	70,103.58	-	70,103.58	57,642.57	12,461.01
Energy (Electricity)	175,000.00	(19,067.88)	155,932.12	152,361.54	3,570.58
Other objects	1,000.00	(279.45)	720.55	720.55	-
Total Undist. Expend. - Custodial Services	<u>975,243.58</u>	<u>(5,707.86)</u>	<u>969,535.72</u>	<u>939,275.69</u>	<u>30,260.03</u>
Undist Expend.-Care and Upkeep of Grounds					
Cleaning, Repair, and Maintenance Services	8,000.00	21,650.00	29,650.00	29,367.66	282.34
General Supplies	1,500.00	10,300.00	11,800.00	11,681.10	118.90
Total Undist Expend.-Care and Upkeep of Grounds	<u>9,500.00</u>	<u>31,950.00</u>	<u>41,450.00</u>	<u>41,048.76</u>	<u>401.24</u>
Security					
Purchased Professional and Technical Services	5,000.00	(2,300.00)	2,700.00	2,439.49	260.51
General Supplies	2,000.00	(700.00)	1,300.00	1,210.34	89.66
Total Security	<u>7,000.00</u>	<u>(3,000.00)</u>	<u>4,000.00</u>	<u>3,649.83</u>	<u>350.17</u>
Total Undist. Expend.-Oper. And Maint. Of Plant Serv.	<u>1,192,657.38</u>	<u>76,976.62</u>	<u>1,269,634.00</u>	<u>1,234,432.50</u>	<u>35,201.50</u>
Undist. Expend. - Student Transportation Serv.					
Management Fee - ESC & CTSA Trans. Program	18,000.00	2,428.21	20,428.21	19,928.21	500.00
Contract. Serv. - Aid in Lieu Pymts-NonPub Sch	40,000.00	30,732.78	70,732.78	70,732.78	-
Contr Serv.(Bet. Home & Sch)-Joint Agrmnts	51,500.00	(18,944.70)	32,555.30	32,555.30	-
Contract. Serv.(Sp Ed Stds)-Joint Agrmnts	31,000.00	(12,839.82)	18,160.18	18,160.18	-
Contract. Serv.(Spl. Ed. Students)-ESCs & CTSA	533,983.83	66,209.74	600,193.57	534,830.45	65,363.12
Total Undist. Expend. - Student Transportation Serv.	<u>674,483.83</u>	<u>67,586.21</u>	<u>742,070.04</u>	<u>676,206.92</u>	<u>65,863.12</u>
UNALLOCATED BENEFITS					
Group Insurance	10,000.00	(2,416.99)	7,583.01	4,861.14	2,721.87
Social Security Contributions	175,000.00	-	175,000.00	157,055.71	17,944.29
T.P.A.F. Contributions - ERIP	20,000.00	-	20,000.00	15,455.46	4,544.54
Other Retirement Contributions - PERS	170,000.00	(10,696.01)	159,303.99	159,303.99	-
Other Retirement Contributions - Regular	6,000.00	-	6,000.00	2,049.95	3,950.05
Unemployment Compensation	104,000.00	(54,000.00)	50,000.00	50,000.00	-
Workmen's Compensation	90,000.00	(19,000.00)	71,000.00	65,788.70	5,211.30
Health Benefits	1,810,465.00	(16,500.00)	1,793,965.00	1,688,595.78	105,369.22
Tuition Reimbursement	37,500.00	-	37,500.00	29,101.27	8,398.73
Other Employee Benefits	45,000.00	-	45,000.00	23,035.20	21,964.80
TOTAL UNALLOCATED BENEFITS	<u>2,467,965.00</u>	<u>(102,613.00)</u>	<u>2,365,352.00</u>	<u>2,195,247.20</u>	<u>170,104.80</u>
On-behalf TPAF Pension (non-budgeted)				394,652.00	(394,652.00)
On-behalf TPAF NCGI Premium (non-budget)				28,393.00	(28,393.00)
On-behalf TPAF Post Retirement Medical (non-budget)				671,584.00	(671,584.00)
TPAF Social Security (Reimbursed - Non-Budgeted)				608,335.60	(608,335.60)
TOTAL ON-BEHALF CONTRIBUTIONS	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,702,964.60</u>	<u>(1,702,964.60)</u>
TOTAL PERSONAL SERVICES - EMPLOYEE BENEFITS	<u>2,467,965.00</u>	<u>(102,613.00)</u>	<u>2,365,352.00</u>	<u>3,898,211.80</u>	<u>(1,532,859.80)</u>
TOTAL UNDISTRIBUTED EXPENDITURES	<u>8,208,899.49</u>	<u>31,398.12</u>	<u>8,240,297.61</u>	<u>9,441,850.12</u>	<u>(1,201,552.51)</u>
TOTAL GENERAL CURRENT EXPENSE	<u>15,872,675.41</u>	<u>43,177.62</u>	<u>15,915,853.03</u>	<u>16,939,638.34</u>	<u>(1,023,785.31)</u>
Equipment:					
Regular Programs - Instruction:					
Undistributed Expenditures - Admin Info Tech.	15,000.00	(4,366.62)	10,633.38	10,623.98	9.40
Total Equipment	<u>15,000.00</u>	<u>(4,366.62)</u>	<u>10,633.38</u>	<u>10,623.98</u>	<u>9.40</u>
Assets Acquired Under Capital Leases (non-budgeted)					
Instructional Equipment				187,891.44	(187,891.44)
TOTAL CAPITAL OUTLAY	<u>15,000.00</u>	<u>(4,366.62)</u>	<u>10,633.38</u>	<u>198,515.42</u>	<u>(187,882.04)</u>
TOTAL EXPENDITURES	<u>15,887,675.41</u>	<u>38,811.00</u>	<u>15,926,486.41</u>	<u>17,138,153.76</u>	<u>(1,211,667.35)</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Final to Actual
Excess (Deficiency) of Revenues Over (Under) Expenditures	(301,910.41)	(38,811.00)	(340,721.41)	264,579.52	605,300.93
Other Financing Sources (uses):					
Operating Transfer Out:					
Capital Outlay - Transfer to Capital Projects	(110,372.00)		(110,372.00)	(110,372.00)	-
Capital Reserve - Transfer to Capital Projects	(150,000.00)		(150,000.00)	(150,000.00)	-
Capital Leases				187,891.44	187,891.44
Total Other Financing Sources (uses):	(260,372.00)	-	(260,372.00)	(72,480.56)	187,891.44
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Sources (Uses)	(562,282.41)	(38,811.00)	(601,093.41)	192,098.96	793,192.37
Fund Balance, July 1	1,794,432.82		1,794,432.82	1,794,432.82	
Fund Balance, June 30	1,232,150.41	(38,811.00)	1,193,339.41	1,986,531.78	793,192.37
Recapitulation of excess (deficiency of revenues under expenditures):					
Adjustment for prior year encumbrances	(109,300.41)		(109,300.41)	(109,300.41)	
Budgeted fund balance	(302,982.00)	(38,811.00)	(341,793.00)	163,074.74	504,867.74
Increase in Capital Reserve:					
Interest				324.63	324.63
Principal				288,000.00	288,000.00
Budgeted Withdrawal from Capital Reserve Account	(150,000.00)		(150,000.00)	(150,000.00)	
	(562,282.41)	(38,811.00)	(601,093.41)	192,098.96	793,192.37
Recapitulation:					
Assigned Fund Balance:					
Year End Encumbrances				171,880.97	
Designated for Subsequent Year's Expenditures					
Restricted Fund Balance:					
Excess Surplus Designated for Subsequent Year's Expenditures				273,278.00	
Excess Surplus				251,062.77	
Capital Reserve				688,480.65	
Maintenance Reserve				214,500.00	
Unassigned Fund Balance				387,329.39	
				1,986,531.78	
Reconciliation to Government Fund Statements (GAAP):					
Less: State Aid Payment not Recognized on GAAP Basis				(239,739.00)	
Fund Balance per Governmental Funds (GAAP)				1,746,792.78	

**WANAQUE BOROUGH SCHOOL DISTRICT
BUDGETARY COMPARISON SCHEDULE
SPECIAL REVENUE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers/ Adjustments	Final Budget	Actual	Variance Final to Actual
REVENUES:					
Local Sources	14,200.00	78.00	14,278.00	11,200.00	(3,078.00)
Federal Sources	303,828.00	134,618.00	438,446.00	413,362.57	(25,083.43)
Total Revenues	318,028.00	134,696.00	452,724.00	424,562.57	(28,161.43)
EXPENDITURES:					
Instruction					
Personal Services - Salaries	87,786.00	(3,786.00)	84,000.00	84,000.00	-
Purchased prof. & tech. services	180,223.00	81,493.00	261,716.00	261,716.00	-
General Supplies	3,000.00	722.00	3,722.00	620.40	3,101.60
Total Instruction	271,009.00	78,429.00	349,438.00	346,336.40	3,101.60
Support Services					
Personal Services - Employee Benefits		38,964.00	38,964.00	35,746.68	3,217.32
Purchased prof. & tech. services		3,400.00	3,400.00	857.64	2,542.36
Purchased prof. Ed. Services	35,819.00	5,325.00	41,144.00	21,921.85	19,222.15
Other Purchased Services		5,578.00	5,578.00	5,500.00	78.00
Supplies and Materials		3,000.00	3,000.00	3,000.00	-
Total Support Services	35,819.00	56,267.00	92,086.00	67,026.17	25,059.83
Facilities Acquisition and Construction Services:					
Instructional Equipment	11,200.00	-	11,200.00	11,200.00	-
Total Facilities Acquisition and Construction Services	11,200.00	-	11,200.00	11,200.00	-
Total Expenditures	318,028.00	134,696.00	452,724.00	424,562.57	28,161.43
Total Outflows	318,028.00	134,696.00	452,724.00	424,562.57	28,161.43
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PART II**

**WANAQUE BOROUGH SCHOOL DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY COMPARISON SCHEDULE
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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

		General Fund	Special Revenue Fund
Sources/inflows of resources			
Actual amounts (budgetary basis) "revenue" from the budgetary comparison schedule	[C-1]&[C-2]	17,402,733.28	424,562.57
Difference - budget to GAAP:			
Grant accounting budgetary basis differs from GAAP in that encumbrances are recognized as expenditures, and the related revenue is recognized.			
Add: Prior Year Encumbrances			-
Less: Current Year Encumbrances			(23,453.85)
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).			
State Aid payment recognized for budgetary purposes, not recognized for GAAP statements until the subsequent year.		(239,739.00)	
State Aid payment recognized for GAAP statements in the current year, previously recognized for budgetary purposes.		235,866.00	
Total revenues as reported on the statement of revenues, expenditures and changes in fund balances - government funds.	[B-2]	17,398,860.28	401,108.72
Uses/outflows of resources			
Actual amounts (budgetary basis) "total outflows" from the budgetary comparison schedule	[C-1]&[C-2]	17,138,153.76	424,562.57
Differences - budget to GAAP			
Encumbrances for supplies and equipment ordered but not received are reported in the year the order is placed for budgetary purposes, but in the year the supplies are received for financial reporting purposes.			
Add: Prior Year Encumbrances			-
Less: Current Year Encumbrances			(23,453.85)
Total expenditures as reported on the statement of revenues, expenditures, and changes in fund balances - government funds.	[B-2]	17,138,153.76	401,108.72

**REQUIRED SUPPLEMENTARY INFORMATION
PART III**

WANAQUE BOROUGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - PERS
*Last 10 Fiscal Years**

	2015
Districts proportion of the net pension liability (asset)	0.0189094769%
District's proportionate share of the net pension liability (asset)	\$ 3,540,371
District's covered payroll - PERS	\$ 1,287,461
District's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	274.99%
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.

WANAQUE BOROUGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Contributions - PERS
*Last 10 Fiscal Years**

	2015
Contractually required contribution	\$ 155,887.00
Contributions in relation to the contractually required contribution	\$ (155,887.00)
Contribution deficiency (excess)	\$ -
District's covered payroll - PERS	\$ 1,287,461
Contributions as a percentage of covered payroll	12.11%

* 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.

WANAQUE BOROUGH SCHOOL DISTRICT
Schedules of Required Supplementary Information
Schedule of District's Share of Net Pension Liability - TPAF
*Last 10 Fiscal Years**

	<u>2015</u>
Districts proportion of the net pension liability (asset)	0.0784736110%
District's proportionate share of the net pension liability (asset)	\$ -
State's proportionate share of the net pension liability Associated with the District (asset)	\$ 41,941,591
District's covered payroll - TPAF	\$ 7,577,721
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.

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
PART III**

WANAQUE BOROUGH SCHOOL DISTRICT
Note to Required Schedules of Supplementary Information - Part III
For the Fiscal Year Ended June 30, 2015

PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS)

Change in benefit terms

None

Change in assumptions

The calculation of the discount rate used to measure the total pension liability is dependent upon the long-term expected rate of return, and the municipal bond index rate. There was a change in the municipal bond index rate from the prior measurement date (4.63%) to the current measurement date (4.29%), resulting in a change in the discount rate from 5.55% to 5.39%. This change in the discount rate is considered to be a change in actuarial assumptions under 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.

OTHER SUPPLEMENTARY INFORMATION

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

	Total Brought Forward From (Ex. E-1a)	Title I Part - A Improving Basic Program	Title I Part - A Improving Basic Program Carryover	Title II Part - A Teacher / Principal Training & Recruiting	Title II Part - A Teacher / Principal Training & Recruiting Carryover	Totals 2015
REVENUES:						
Federal sources	261,716.00	118,096.97	4,627.75	8,069.43	20,852.42	413,362.57
Local sources	11,200.00					11,200.00
Total Revenues	272,916.00	118,096.97	4,627.75	8,069.43	20,852.42	424,562.57
EXPENDITURES:						
Instruction:						
Personal Services - Salaries	-	84,000.00				84,000.00
Tuition	261,716.00					261,716.00
General supplies	-	620.40				620.40
Total instruction	261,716.00	84,620.40	-	-	-	346,336.40
Support Services:						
Personnel services - employee benefits	-	33,476.57	2,270.11			35,746.68
Purchased prof. & tech. services	-		857.64			857.64
Purchased prof. Ed. Services	-			8,069.43	13,852.42	21,921.85
Other purchased services	-		1,500.00		4,000.00	5,500.00
Supplies and Materials	-				3,000.00	3,000.00
Total support services	-	33,476.57	4,627.75	8,069.43	20,852.42	67,026.17
Facilities acquisition and construction services:						
Instructional equipment	11,200.00	-		-	-	11,200.00
Total facilities acquisition and construction services	11,200.00	-		-	-	11,200.00
Total Expenditures	272,916.00	118,096.97	4,627.75	8,069.43	20,852.42	424,562.57
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	-	-	-	-	-	-

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

	I.D.E.A. Part B			PTA Grant	Total Carried Forward To (Ex. E-1)
	Basic	Basic Carryover	Preschool		
REVENUES:					
Federal sources	248,050.57	310.43	13,355.00		261,716.00
Local sources				11,200.00	11,200.00
Total Revenues	<u>248,050.57</u>	<u>310.43</u>	<u>13,355.00</u>	<u>11,200.00</u>	<u>272,916.00</u>
EXPENDITURES:					
Instruction:					
Personal Services - Salaries					-
Tuition	248,050.57	310.43	13,355.00		261,716.00
General supplies					-
Total instruction	<u>248,050.57</u>	<u>310.43</u>	<u>13,355.00</u>	<u>-</u>	<u>261,716.00</u>
Support Services:					
Personnel services - employee benefits					-
Purchased prof. & tech. services					-
Purchased prof. Ed. Services					-
Other purchased services					-
Supplies and Materials					-
Total support services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Facilities acquisition and construction services:					
Instructional equipment	-		-	11,200.00	11,200.00
Total facilities acquisition and construction services	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,200.00</u>	<u>11,200.00</u>
Total Expenditures	<u>248,050.57</u>	<u>310.43</u>	<u>13,355.00</u>	<u>11,200.00</u>	<u>272,916.00</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Revenue and Other Financing Sources

State Sources - SDA Grant	\$	250,240.00
Transfer from Capital Outlay		110,372.00
Transfer from Capital Reserve		150,000.00
Total Revenues		510,612.00

Expenditures and Other Financing Uses:

Purchased professional and technical services		52,412.32
Construction Services		453,431.03
Equipment Purchases		7,964.00
Total Expenditures		513,807.35
Excess (deficiency) of revenue over (under) expenditures		(3,195.35)
Fund balance - beginning		234,687.70
Fund balance - ending		231,492.35

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
HASKELL ELEMENTARY IMPROVEMENTS & BUILDING SYSTEMS UPGRADING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Reappropriated	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
Bond proceeds and transfers	10,462,672.80		10,462,672.80	10,462,672.80
Local Tax Levy	108.60		108.60	108.60
Total Revenues	10,462,781.40	-	10,462,781.40	10,462,781.40
Expenditures and Other Financing Uses				
Purchase professional and technical services	4,092,098.40		4,092,098.40	4,092,098.40
Constructions services	5,826,315.63	114,988.00	5,941,303.63	5,944,406.33
Equipment purchases	424,135.22		424,135.22	424,135.22
Supply purchases	2,141.45		2,141.45	2,141.45
Total expenditures	10,344,690.70	114,988.00	10,459,678.70	10,462,781.40
Excess (deficiency) or revenues over (under) expenditures	\$ 118,090.70	\$ (114,988.00)	\$ 3,102.70	\$ -
Additional project information:				
Project Number	5440-050-05-1000			
Grant Date	06/1/2006			
Bond Authorization Date	4/25/2006			
Bonds Authorized	10,462,781.40			
Bonds Issued	10,462,672.80			
Original Authorized Cost	10,462,781.40			
Additional Authorized Cost				
Revised Authorized Cost	10,462,781.40			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	99.97%			
Est. Original target completion date	Sep-07			
Est. Revised target completion date	Dec-15			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
HASKELL ELEMENTARY TELEPHONE SYSTEM UPGRADING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources - SDA Grant	34,240.00		34,240.00	34,240.00
Local Tax Levy	51,360.00		51,360.00	51,360.00
Total Revenues	<u>85,600.00</u>	<u>-</u>	<u>85,600.00</u>	<u>85,600.00</u>
Expenditures and Other Financing Uses				
Purchase professional and technical services			-	8,300.00
Constructions services			-	7,300.00
Equipment purchases	41,781.00		41,781.00	70,000.00
Total expenditures	<u>41,781.00</u>	<u>-</u>	<u>41,781.00</u>	<u>85,600.00</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 43,819.00</u>	<u>\$ -</u>	<u>\$ 43,819.00</u>	<u>\$ -</u>
Additional project information:				
Project Number	5440-070-14-1003			
Grant Date	03/31/2014			
Original Authorized Cost	85,600.00			
Additional Authorized Cost	-			
Revised Authorized Cost	85,600.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	48.81%			
Est. Original target completion date	09/01/2014			
Est. Revised target completion date	12/31/2015			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
WANAQUE ELEMENTARY TELEPHONE SYSTEM UPGRADING
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources - SDA Grant	34,240.00		34,240.00	34,240.00
Local Tax Levy	51,360.00		51,360.00	51,360.00
Total Revenues	<u>85,600.00</u>	<u>-</u>	<u>85,600.00</u>	<u>85,600.00</u>
Expenditures and Other Financing Uses				
Purchase professional and technical services			-	8,300.00
Constructions services			-	7,300.00
Equipment purchases	12,822.00	7,964.00	20,786.00	70,000.00
Total expenditures	<u>12,822.00</u>	<u>7,964.00</u>	<u>20,786.00</u>	<u>85,600.00</u>
Excess (deficiency) or revenues over (under) expenditures	<u>\$ 72,778.00</u>	<u>\$ (7,964.00)</u>	<u>\$ 64,814.00</u>	<u>\$ -</u>
Additional project information:				
Project Number	5440-070-14-1004			
Grant Date	03/31/2014			
Original Authorized Cost	85,600.00			
Additional Authorized Cost	-			
Revised Authorized Cost	85,600.00			
Percentage Increase over Original				
Authorized Cost	0.00%			
Percentage completion	24.28%			
Est. Original target completion date	09/01/2014			
Est. Revised target completion date	12/31/2015			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
HASKELL AND WANAQUE ELEMENTARY SECURITY SYSTEM
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources - SDA Grant		108,480.00	108,480.00	108,480.00
Transfer from Capital Outlay		110,372.00	110,372.00	110,372.00
Reappropriated		52,348.00	52,348.00	52,348.00
Total Revenues	-	271,200.00	271,200.00	271,200.00
Expenditures and Other Financing Uses				
Purchase professional and technical services		23,700.00	23,700.00	23,700.00
Constructions services		247,500.00	247,500.00	247,500.00
Total expenditures	-	271,200.00	271,200.00	271,200.00
Excess (deficiency) or revenues over (under) expenditures	\$ -	\$ -	\$ -	\$ -
Additional project information:				
Department of Education Number	5440-050-14-1001 / 5440-070-14-1006			
SDA Number	5440-050-14-G2MS / 5440-070-14- G2MV			
Grant Date	03/31/2014			
Original Authorized Cost	271,200.00			
Additional Authorized Cost	-			
Revised Authorized Cost	271,200.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	100.00%			
Est. Original target completion date	09/01/2014			
Est. Revised target completion date	12/31/2015			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
WANAQUE ELEMENTARY GENERATOR
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources - EDA Grant		105,440.00	105,440.00	105,440.00
Transfer from Capital Reserve		95,520.00	95,520.00	95,520.00
Reappropriated		62,640.00	62,640.00	62,640.00
Total Revenues	-	263,600.00	263,600.00	263,600.00
Expenditures and Other Financing Uses				
Purchase professional and technical services		17,410.00	17,410.00	22,100.00
Constructions services		175,242.00	175,242.00	241,500.00
Total expenditures	-	192,652.00	192,652.00	263,600.00
Excess (deficiency) or revenues over (under) expenditures	\$ -	\$ 70,948.00	\$ 70,948.00	\$ -
Additional project information:				
Project Number	5440-070-14-1007			
Grant Date	03/31/2014			
Original Authorized Cost	263,600.00			
Additional Authorized Cost	-			
Revised Authorized Cost	263,600.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	73.08%			
Est. Original target completion date	12/31/2014			
Est. Revised target completion date	12/12/2014			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SCHEDULE OF PROJECT REVENUES, EXPENDITURES, PROJECT BALANCE, AND
AND PROJECT STATUS - BUDGETARY BASIS
WANAQUE ELEMENTARY UNDERGROUND OIL TANK
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Prior Periods	Current Year	Totals	Revised Authorized Cost
Revenues and Other Financing Sources				
State sources - EDA Grant		36,320.00	36,320.00	36,320.00
Transfer from Capital Reserve		54,480.00	54,480.00	54,480.00
Total Revenues	-	90,800.00	90,800.00	90,800.00
Expenditures and Other Financing Uses				
Purchase professional and technical services		11,302.32	11,302.32	13,300.00
Constructions services		30,689.03	30,689.03	77,500.00
Total expenditures	-	41,991.35	41,991.35	90,800.00
Excess (deficiency) or revenues over (under) expenditures	\$ -	\$ 48,808.65	\$ 48,808.65	\$ -
Additional project information:				
Project Number	5440-070-14-1008			
Grant Date	03/31/2014			
Original Authorized Cost	90,800.00			
Additional Authorized Cost	-			
Revised Authorized Cost	90,800.00			
Percentage Increase over Original Authorized Cost	0.00%			
Percentage completion	46.25%			
Est. Original target completion date	09/01/2014			
Est. Revised target completion date	08/11/2014			

**WANAQUE BOROUGH SCHOOL DISTRICT
CAPITAL PROJECTS FUND
SUMMARY SCHEDULE OF PROJECT EXPENDITURES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

PROJECT DESCRIPTION	STATE PLAN NUMBER	APPROPRIATION	REAPPROPRIATE	EXPENDITURES		UNEXPENDED BALANCE
				PRIOR YEARS	CURRENT YEAR	
Haskell Elementary Improvements & Building Systems Upgrading	5440-050-05-1000	10,462,781.40	(114,988.00)	10,344,690.70		3,102.70
Haskell Elementary Telephone System Upgrade	5440-070-05-1003	85,600.00		41,781.00		43,819.00
Wanaque Elementary Telephone System Upgrade	5440-070-05-1004	85,600.00		12,822.00	7,964.00	64,814.00
Haskell and Wanaque Elementary Security System	5440-050-14-1001/ 5440-070-14-1006	271,200.00			271,200.00	-
Wanaque Elementary Generator	5440-070-14-1007	263,600.00			192,652.00	70,948.00
Wanaque Elementary Underground Oil Tank	5440-070-14-1008	90,800.00			41,991.35	48,808.65
		<u>\$ 11,259,581.40</u>	<u>\$ (114,988.00)</u>	<u>\$ 10,399,293.70</u>	<u>\$ 513,807.35</u>	<u>\$ 231,492.35</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
COMBINING STATEMENT OF NET POSITION
AS OF JUNE 30, 2015**

<u>ASSETS</u>	
CURRENT ASSETS:	
Cash and cash equivalents	74,131.21
Accounts receivable:	
State	403.91
Federal	8,604.96
Inventories	<u>2,627.93</u>
Total current assets	<u>85,768.01</u>
FIXED ASSETS:	
Equipment	115,307.40
Less: accumulated depreciation	<u>(47,776.35)</u>
Total fixed assets	<u>67,531.05</u>
TOTAL ASSETS	<u><u>153,299.06</u></u>
 <u>LIABILITIES AND NET POSITION</u> 	
CURRENT LIABILITIES:	
Accounts payable	7,566.13
Prepaid Sales	<u>1,291.50</u>
Total Current Liabilities	<u>8,857.63</u>
NET POSITION	
Invested in Capital Assets Net of Related Debt	67,531.05
Unrestricted	<u>76,910.38</u>
Total Net Position	<u>144,441.43</u>
TOTAL LIABILITIES AND NET POSITION	<u><u>153,299.06</u></u>

**WANAQUE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

OPERATING REVENUES:	
Charges for services:	
Daily sales reimbursable programs:	
School lunch programs	159,522.82
Special functions	4,154.48
	<u>163,677.30</u>
Total operating revenues	<u>163,677.30</u>
OPERATING EXPENSES:	
Salaries	111,444.38
Cost of food	132,309.60
Employee benefits	6,071.46
Liability Insurance	886.13
Supplies and materials	11,802.42
Purchased Services	4,249.49
Management Fees	9,520.43
Depreciation	6,726.35
Repairs	824.70
Miscellaneous	2,740.55
	<u>286,575.51</u>
Total operating expenses	<u>286,575.51</u>
OPERATING INCOME (LOSS)	<u>(122,898.21)</u>
NON-OPERATING REVENUES (EXPENSES):	
State sources:	
State school lunch program	3,508.60
Federal sources:	
National school lunch program	95,245.98
National school breakfast program	4,183.15
Special Milk Program	11.73
Food distribution program	32,809.91
Interest	131.42
	<u>135,890.79</u>
Total non-operating revenues (expenses)	<u>135,890.79</u>
Net Income (Loss) Before Operating Transfers	<u>12,992.58</u>
Total Net Position - Balance, beginning of year as previously reported	136,897.85
Prior Period adjustment, fixed assets revaluation	(5,449.00)
Restated Beginning Net Position	<u>131,448.85</u>
Total Net Position - Ending	<u><u>144,441.43</u></u>

**WANAQUE BOROUGH SCHOOL DISTRICT
ENTERPRISE FUND
FOOD SERVICES
COMBINING STATEMENT OF CASH FLOWS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

CASH FLOWS USED BY OPERATING ACTIVITIES:	
Cash receipts from customers	164,968.80
Payments to employees for services	(111,444.38)
Payments to suppliers for goods and services	<u>(170,223.97)</u>
Net cash provided by (used for) operating activities	<u>(116,699.55)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
State Sources	3,629.23
Federal Sources	<u>100,357.93</u>
Net cash used by noncapital financing activities	<u>103,987.16</u>
CASH FLOW FROM INVESTING ACTIVITIES:	
Interest on cash equivalents	<u>131.42</u>
Net cash provided by (used for) investing activities	<u>131.42</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(12,580.97)
CASH AND CASH EQUIVALENTS, July 1	<u>86,712.18</u>
CASH AND CASH EQUIVALENTS, June 30	<u><u>74,131.21</u></u>
Reconciliation of operating (loss) to net cash provided (for) by operating activities:	
Operating Income (loss)	<u>(122,898.21)</u>
Adjustments to reconcile operating (loss) to net cash provided (for) for operating activities:	
Food distribution program donated commodities	32,809.91
Changes in assets and liabilities:	
(Increase)/decrease in inventory	(2,045.97)
(Increase)/decrease in fixed assets	(22,332.40)
Increase/(decrease) in accounts payable	(10,250.73)
Increase/(decrease) in unearned revenue	<u>1,291.50</u>
Total adjustments	<u>6,198.66</u>
Net cash provided by (used for) operating activities	<u><u>(116,699.55)</u></u>

**WANAQUE BOROUGH SCHOOL DISTRICT
FIDUCIARY FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

ASSETS

	Agency Funds		Expendable Trust Fund	Totals
	Student Activity	Payroll	Unemployment Compensation Insurance	
ASSETS:				
Cash and cash equivalents	46,270.91	27,978.16	138,175.53	212,424.60
Interfund Receivable			4,261.56	4,261.56
Total Assets	46,270.91	27,978.16	142,437.09	216,686.16

LIABILITIES AND NET POSITION

LIABILITIES:				
Payroll Deductions		15,208.28		15,208.28
Accrued Salaries and Wages		7,982.38		7,982.38
Due to student groups	46,270.91			46,270.91
Interfund Payable		4,787.50		4,787.50
Total liabilities	46,270.91	27,978.16	-	74,249.07
NET POSITION				
Held in Trust for Unemployment Claims and other Purposes			142,437.09	- 142,437.09
Total Net Position			142,437.09	142,437.09

**WANAQUE BOROUGH SCHOOL DISTRICT
FIDUCIARY FUND
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEARS ENDED JUNE 30, 2015**

	<u>Unemployment Compensation Insurance Trust</u>
ADDITIONS	
Contributions:	
Board - Budget	50,000.00
Plan Member	<u>14,902.60</u>
Total Contributions	<u>64,902.60</u>
Investment Earnings:	
Interest	<u>130.64</u>
Net Investment Earnings	<u>130.64</u>
Total Additions	<u>65,033.24</u>
DEDUCTIONS	
Unemployment claims	<u>7,276.08</u>
Total Deductions	<u>7,276.08</u>
Change in Net Position	<u>57,757.16</u>
Net Position - Beginning of the Year	<u>84,679.93</u>
Net Position - End of the Year	<u><u>142,437.09</u></u>

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

	<u>Balance July 30, 2014</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Balance June 30, 2015</u>
Wanaque School	19,964.52	55,216.83	54,845.60	20,335.75
Haskell School	21,888.02	59,349.20	55,302.14	25,935.08
Wanaque School Petty Cash	0.03	425.01	425.00	0.04
Haskell School Petty Cash	0.04	434.00	434.00	0.04
Total all schools	<u><u>41,852.61</u></u>	<u><u>115,425.04</u></u>	<u><u>111,006.74</u></u>	<u><u>46,270.91</u></u>

**WANAQUE BOROUGH SCHOOL DISTRICT
PAYROLL AGENCY FUND
SCHEDULE OF RECEIPTS AND DISBURSEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Balance July 30, 2014	Additions	Deletions	Balance June 30, 2015
Payroll deductions and withholdings	10,079.47	10,542,205.60	10,537,076.79	15,208.28
Accrued Salaries and Wages	7,691.19	22,413.01	22,121.82	7,982.38
Interfund Payable	3,818.27	4,555.52	3,586.29	4,787.50
TOTAL LIABILITIES	<u>21,588.93</u>	<u>10,569,174.13</u>	<u>10,562,784.90</u>	<u>27,978.16</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
GENERAL LONG TERM DEBT ACCOUNT GROUP
STATEMENT OF BONDS PAYABLE
AS OF JUNE 30, 2015**

Issue	Date of Issue	Amount of Issue	Annual Maturities		Interest Rate	Balance July 1, 2014	Increased	Retired	Balance June 30, 2015
			Date	Amount					
2006 School Bonds	06/01/06	18,276,000.00	9/1/2015	685,000.00	4.375%	14,541,000.00	-	13,156,000.00	1,385,000.00
			9/1/2016	700,000.00	4.375%				
2015 Refunding Bonds	08/5/14	12,430,000.00	9/1/2015	15,000.00	2.000%				
			9/1/2016	20,000.00	2.000%				
			9/1/2017	740,000.00	2.000%				
			9/1/2018	745,000.00	3.000%				
			9/1/2019	765,000.00	4.000%				
			9/1/2020	770,000.00	4.000%				
			9/1/2021	785,000.00	4.000%				
			9/1/2022	800,000.00	5.000%				
			9/1/2023	815,000.00	5.000%				
			9/1/2024	835,000.00	5.000%				
			9/1/2025	850,000.00	5.000%				
			9/1/2026	875,000.00	5.000%				
			9/1/2027	890,000.00	5.000%				
			9/1/2028	905,000.00	3.250%				
			9/1/2029	890,000.00	3.375%				
9/1/2030	880,000.00	3.500%							
9/1/2031	850,000.00	3.500%							
						<u>14,541,000.00</u>	<u>12,430,000.00</u>	<u>13,156,000.00</u>	<u>12,430,000.00</u>
						<u>14,541,000.00</u>	<u>12,430,000.00</u>	<u>13,156,000.00</u>	<u>13,815,000.00</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
GENERAL LONG TERM DEBT ACCOUNT GROUP
STATEMENT OF OBLIGATIONS UNDER CAPITAL LEASES
AS OF JUNE 30, 2015**

Purpose	Date of Lease	Term of Lease	Amount of Original Issue	Balance July 1, 2014	Additions Current Year	Retired Current Year	Balance June 30, 2015
(3) Savin 8025SP D Copiers (1) Savin 8025SPF D Copiers	06/23/2011	5 Years	106,955.60	47,566.62		22,264.24	25,302.38
Smartboards with Accessories	11/12/2014	5 Years	187,891.44		187,891.44	39,000.00	148,891.44
			<u>294,847.04</u>	<u>47,566.62</u>	<u>187,891.44</u>	<u>61,264.24</u>	<u>174,193.82</u>

**WANAQUE BOROUGH SCHOOL DISTRICT
DEBT SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

	Original Budget	Budget Transfers	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES:					
Local sources:					
Local tax levy	848,584.00		848,584.00	848,584.00	-
Total revenues - local sources	848,584.00	-	848,584.00	848,584.00	-
State sources:					
Debt service aid type II	437,149.00		437,149.00	437,149.00	-
Total state sources	437,149.00	-	437,149.00	437,149.00	-
TOTAL REVENUES	1,285,733.00	-	1,285,733.00	1,285,733.00	-
EXPENDITURES					
Regular debt service:					
Interest	635,733.00		635,733.00	618,255.17	17,477.83
Redemption of principal	650,000.00		650,000.00	650,000.00	-
Total regular debt service	1,285,733.00	-	1,285,733.00	1,268,255.17	17,477.83
TOTAL EXPENDITURES	1,285,733.00	-	1,285,733.00	1,268,255.17	17,477.83
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	17,477.83	17,477.83
OTHER FINANCING SOURCES (USES)					
Miscellaneous Revenues - Excess					
Bond Sale Proceeds				12,929.84	12,929.84
Total other financing sources and uses	-	-	-	12,929.84	12,929.84
Net Change in fund balances	-	-	-	30,407.67	30,407.67
Fund balance - July 1	0.37		0.37	0.37	-
Fund balance - June 30	0.37	-	0.37	30,408.04	30,407.67

STATISTICAL SECTION

OUTLINE OF NJ DOE STATISTICAL TABLES SECTION (GASB 44)

Exhibit #

Financial Trends Information/Schedules

J-1	Net Position by Component
J-2	Changes in Net Position
J-3	Fund Balances-Governmental Funds
J-4	Changes in Fund Balances. Governmental Funds
J-5	General Fund Other Local Revenue by Source

Revenue Capacity Information

J-6	Assessed Value and Estimated Actual Value of Taxable Property
J-7	Direct and Overlapping Property Tax Rates
J-8	Principal Property Taxpayers (Current year and nine years ago)
J-9	Property Tax Levies and Collections

Debt Capacity Information

J-10	Ratios or Outstanding Debt by Type
J-11	Ratios of General Bonded Debt Outstanding
J-12	Direct and Overlapping Governmental Activities Debt
J-13	Legal Debt Margin Information

Demographic and Economic Information

J-14	Demographic and Economic Statistics
J-15	Principal Employers, Current and Nine Years Ago

Operating Information

J-16	Full-time Equivalent District Employees by Function/Program
J-17	Operating Statistics
J-18	School Building Information
J-19	Schedule of Allowable Maintenance Expenditures by School
J-20	Insurance Schedule

WANAQUE 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	Restated 2013	2014	2015
Governmental activities										
Invested in capital assets, net of related debt	(16,481,951)	(2,710,802)	(448,541)	744,603	968,510	1,142,602	187,061	169,916	996,400	(327,573)
Restricted	17,339,820	4,923,552	3,492,194	1,715,524	1,389,902	1,368,088	920,726	869,313	1,684,904	1,861,103
Unrestricted	19,945	(322,300)	(368,004)	(334,320)	(284,786)	(537,951)	(4,746)	168,004	(491,260)	(4,133,487)
Total governmental activities net assets/position	<u>877,814</u>	<u>1,890,449</u>	<u>2,675,650</u>	<u>2,125,807</u>	<u>2,073,626</u>	<u>1,972,739</u>	<u>1,103,041</u>	<u>1,207,233</u>	<u>2,190,044</u>	<u>(2,599,957)</u>
Business-type activities										
Invested in capital assets, net of related debt	21,741	19,257	35,015	68,127	63,909	59,691	35,436	29,891	57,374	67,531
Unrestricted	18,441	23,086	35,808	18,673	36,594	58,148	72,991	97,982	79,524	76,910
Total business-type activities net assets/position	<u>40,182</u>	<u>42,343</u>	<u>70,823</u>	<u>86,800</u>	<u>100,502</u>	<u>117,839</u>	<u>108,427</u>	<u>127,873</u>	<u>136,898</u>	<u>144,441</u>
District-wide										
Invested in capital assets, net of related debt	(16,460,210)	(2,691,545)	(413,526)	812,730	1,032,419	1,202,293	222,497	199,807	1,053,774	(260,042)
Restricted	17,339,820	4,923,552	3,492,194	1,715,524	1,389,902	1,368,088	920,726	869,313	1,684,904	1,861,103
Unrestricted	38,386	(299,214)	(332,196)	(315,647)	(248,192)	(479,804)	68,245	265,986	(411,736)	(4,056,577)
Total district net assets/position	<u>917,995</u>	<u>1,932,792</u>	<u>2,746,472</u>	<u>2,212,607</u>	<u>2,174,129</u>	<u>2,090,577</u>	<u>1,211,468</u>	<u>1,335,106</u>	<u>2,326,942</u>	<u>(2,455,515)</u>

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.

WANAQUE 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
Expenses										
Governmental activities										
Instruction										
Regular	6,214,662	6,297,654	6,664,948	6,812,355	7,121,678	6,906,467	7,037,106	7,023,006	6,909,984	8,024,002
Special education	1,711,658	1,758,362	2,180,994	2,441,206	2,310,837	2,618,944	3,086,391	3,349,081	3,423,287	3,994,368
Other special education	30,111	80,333	100,765	125,654	119,623	153,171	433,478	441,549	418,654	428,586
Other instruction	28,284	40,828	110,348	150,043	260,619	214,025	224,132	216,592	250,924	310,415
Support Services:										
Tuition	530,049	754,620	975,813	788,806	586,890	793,360	578,264	502,471	865,306	693,129
Student & instruction related services	1,676,325	1,835,934	2,026,570	2,031,017	1,964,972	1,671,061	1,877,758	2,150,806	2,137,257	2,283,267
General administrative services	569,713	580,751	541,122	535,515	595,390	477,938	494,891	450,234	525,159	492,761
School administrative services	552,457	515,753	542,724	484,784	501,823	477,922	528,197	482,210	636,614	804,037
Central Services and Admin. Info. Tech.	501,584	577,782	610,830	563,322	636,032	522,093	495,312	545,803	542,697	689,344
Plant operations and maintenance	1,184,252	1,282,274	1,397,460	1,579,726	1,534,505	1,625,032	1,475,805	1,269,555	1,331,067	1,387,701
Pupil transportation	462,797	444,921	591,623	494,102	510,442	605,773	569,581	594,165	601,361	676,207
Charter Schools	1,462	17,563	3,167	19,851	11,576	10,258				
Interest on Long term debt	36,045	742,134	813,758	790,703	766,759	741,320	714,129	686,078	657,370	601,056
Unallocated Benefits										
Total governmental activities expenses	<u>13,499,398</u>	<u>14,928,910</u>	<u>16,560,123</u>	<u>16,817,084</u>	<u>16,921,147</u>	<u>16,817,366</u>	<u>17,515,045</u>	<u>17,711,550</u>	<u>18,299,680</u>	<u>20,384,874</u>
Business-type activities:										
Food service	229,606	241,211	263,139	258,732	265,408	256,478	288,945	285,572	303,193	286,576
Total business-type activities expense	<u>229,606</u>	<u>241,211</u>	<u>263,139</u>	<u>258,732</u>	<u>265,408</u>	<u>256,478</u>	<u>288,945</u>	<u>285,572</u>	<u>303,193</u>	<u>286,576</u>
Total district expenses	<u>13,729,004</u>	<u>15,170,121</u>	<u>16,823,263</u>	<u>17,075,816</u>	<u>17,186,554</u>	<u>17,073,844</u>	<u>17,803,990</u>	<u>17,997,122</u>	<u>18,602,873</u>	<u>20,671,449</u>
Program Revenues										
Governmental activities:										
Charges for services:										
Instruction (tuition)										
Operating grants and contributions	588,671	487,927	608,841	499,822	672,805	556,191	472,987	508,992	508,309	389,909
Total governmental activities program revenues	<u>588,671</u>	<u>487,927</u>	<u>608,841</u>	<u>499,822</u>	<u>672,805</u>	<u>556,191</u>	<u>472,987</u>	<u>508,992</u>	<u>508,309</u>	<u>389,909</u>
Business-type activities:										
Charges for services										
Food service	150,787	163,192	181,216	179,536	168,632	162,156	170,511	169,544	162,760	163,677
Operating grants and contributions	72,466	79,597	91,600	94,598	110,259	111,659	127,712	135,356	133,355	135,759
Total business type activities program revenues	<u>223,253</u>	<u>242,789</u>	<u>272,816</u>	<u>274,134</u>	<u>278,891</u>	<u>273,815</u>	<u>298,224</u>	<u>304,900</u>	<u>296,115</u>	<u>299,437</u>
Total district program revenues	<u>811,924</u>	<u>730,716</u>	<u>881,658</u>	<u>773,956</u>	<u>951,697</u>	<u>830,006</u>	<u>771,211</u>	<u>813,892</u>	<u>804,424</u>	<u>689,345</u>

WANAQUE 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
Net (Expense)/Revenue										
Governmental activities	(12,910,727)	(14,440,983)	(15,951,282)	(16,317,262)	(16,248,342)	(16,261,174)	(17,042,058)	(17,202,558)	(17,791,371)	(19,994,965)
Business-type activities	(6,353)	1,578	9,677	15,402	13,484	17,336	9,279	19,328	(7,078)	12,861
Total district-wide net expense	<u>(12,917,080)</u>	<u>(14,439,404)</u>	<u>(15,941,605)</u>	<u>(16,301,860)</u>	<u>(16,234,858)</u>	<u>(16,243,838)</u>	<u>(17,032,779)</u>	<u>(17,183,230)</u>	<u>(17,798,449)</u>	<u>(19,982,104)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Property taxes levied for general purposes, net	9,432,336	9,975,454	10,532,586	10,766,727	11,298,080	11,820,965	12,057,384	12,238,245	12,598,176	12,905,139
Taxes levied for debt service	61,634	669,142	810,674	400,680	344,276	462,998	902,555	899,436	887,133	848,584
Unrestricted grants and contributions	3,359,371	3,835,603	4,778,319	4,253,577	4,272,855	3,633,243	4,241,215	4,526,461	4,585,633	6,223,038
Investment Earnings		831,132	518,984	74,559	5,396					4,299
Miscellaneous income	94,216	142,287	114,161	271,876	275,554	243,080	89,941	83,510	210,757	887,710
Transfers			(18,242)							
Total governmental activities	<u>12,947,557</u>	<u>15,453,618</u>	<u>16,736,483</u>	<u>15,767,419</u>	<u>16,196,160</u>	<u>16,160,287</u>	<u>17,291,095</u>	<u>17,747,652</u>	<u>18,281,699</u>	<u>20,868,769</u>
Business-type activities:										
Investment earnings	539	583	561	576	219			118	163	131
Miscellaneous income										
Transfers			18,242							
Total business-type activities	<u>539</u>	<u>583</u>	<u>18,803</u>	<u>576</u>	<u>219</u>	<u>-</u>	<u>-</u>	<u>118</u>	<u>163</u>	<u>131</u>
Total district-wide	<u>12,948,096</u>	<u>15,454,201</u>	<u>16,755,285</u>	<u>15,767,995</u>	<u>16,196,379</u>	<u>16,160,287</u>	<u>17,291,095</u>	<u>17,747,770</u>	<u>18,281,862</u>	<u>20,868,901</u>
Change in Net Position										
Governmental activities	36,830	1,012,635	785,200	(549,842)	(52,181)	(100,888)	249,036	545,094	490,328	873,804
Business-type activities	(5,814)	2,162	28,479	15,977	13,703	17,336	9,279	19,446	(6,915)	12,993
Total district	<u>31,016</u>	<u>1,014,797</u>	<u>813,680</u>	<u>(533,865)</u>	<u>(38,479)</u>	<u>(83,551)</u>	<u>258,315</u>	<u>564,540</u>	<u>483,413</u>	<u>886,797</u>

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.

WANAQUE 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	524,108	885,753	814,017	481,146	717,798					
Unreserved	205,619	212,794	305,869	178,926	87,689					
Restricted						745,179	698,621	875,541	1,340,916	1,427,321
Committed						363,924	314,490			
Assigned						33,619	145,529	441,314	109,300	171,881
Unassigned						57,826	100,668	70,792	108,351	147,590
Total general fund	<u>729,727</u>	<u>1,098,548</u>	<u>1,119,886</u>	<u>660,072</u>	<u>805,487</u>	<u>1,200,548</u>	<u>1,259,308</u>	<u>1,387,647</u>	<u>1,558,567</u>	<u>1,746,793</u>
All Other Governmental Funds										
Assigned										
Debt service fund								2,335		
Reserved	-	-	-	-	-	-	-	-		
Capital projects fund										231,492
Unreserved, reported in:										
Special revenue fund	(1,581)	(1,583)	(3,704)							
Capital projects fund	17,024,025	3,201,455	1,371,790	325,822	228,214	219,989	221,974	201,824	234,688	
Debt service fund	21,221	836,343	1,306,386	908,556	443,890	5,376	131		0.37	30,408
Total all other governmental funds	<u>17,043,666</u>	<u>4,036,215</u>	<u>2,674,473</u>	<u>1,234,378</u>	<u>672,104</u>	<u>225,366</u>	<u>222,105</u>	<u>204,159</u>	<u>234,688</u>	<u>261,900</u>

Source: CAFR Schedule B-1

WANAQUE BOARD OF EDUCATION
Changes in 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
Revenues										
Tax levy	\$ 9,493,970	\$ 10,644,596	\$ 11,343,260	\$ 11,167,407	\$ 11,642,356	\$ 12,283,963	\$ 12,959,939	\$ 13,137,681	13,485,309	13,753,723
Tuition charges						204,950	88,499	60,695	148,222	74,003
Miscellaneous	94,035	973,419	633,145	346,436	285,297	45,630	1,442	29,114	76,377	54,617
State sources	3,825,516	3,952,094	4,978,292	4,356,771	4,018,093	3,710,532	4,240,799	4,597,753	4,671,166	5,046,161
Federal sources	122,526	371,436	408,869	396,627	923,220	471,403	473,402	431,402	408,934	420,369
Total revenue	13,536,047	15,941,545	17,363,566	16,267,241	16,868,966	16,716,478	17,764,081	18,256,645	18,790,008	19,348,872
Expenditures										
Instruction										
Regular Instruction	4,658,877	4,555,932	4,710,602	5,055,726	5,507,578	4,965,120	5,040,950	5,003,304	4,904,306	4,881,974
Special education instruction	1,255,867	1,250,614	1,501,388	1,825,193	1,781,551	1,873,288	2,291,599	2,379,901	2,503,603	2,497,787
Other special instruction	22,374	56,319	68,725	92,323	92,659	110,021	321,627	313,599	319,652	290,026
Other instruction	21,207	28,894	75,840	110,978	201,019	153,433	166,558	166,224	197,370	174,338
Support Services:										
Tuition	530,049	754,620	975,813	788,806	586,890	793,360	578,264	502,471	865,307	693,129
Student & instruction related services	1,281,716	1,374,708	1,563,613	1,656,731	1,623,025	1,332,627	1,540,917	1,645,651	1,661,606	1,581,560
General administrative services	500,214	496,933	437,411	468,112	523,670	377,382	394,065	357,243	421,339	380,415
School Administrative services	405,013	353,788	377,121	349,906	362,922	320,149	393,189	348,324	466,606	493,810
Central Services	376,239	425,213	442,953	456,614	555,680	446,075	417,722	449,670	470,825	527,658
Plant operations and maintenance	970,861	1,018,287	1,105,274	1,200,623	1,189,694	1,218,936	1,237,291	1,127,121	1,163,247	1,234,433
Pupil transportation	462,797	444,921	591,623	494,102	510,442	605,773	569,581	594,165	601,361	676,207
Unallocated employee benefits	2,834,746	3,353,326	3,641,524	3,212,443	2,872,543	3,167,513	3,316,299	3,874,419	3,537,290	3,898,212
Charter Schools	1,462	17,563	3,167	19,851	11,576	10,258				
Capital outlay	1,618,202	13,860,424	1,971,797	1,104,969	143,003	54,016	227,679	49,932	153,337	723,523
Debt Service:										
Principal	44,909	46,316	497,778	534,327	550,900	592,593	629,374	641,292	658,305	650,000
Interest and Other Charges	19,585	580,168	819,045	796,447	772,673	747,609	720,813	692,935	664,406	618,255
Total expenditures	15,004,118	28,618,028	18,783,674	18,167,150	17,285,825	16,768,154	17,845,930	18,146,251	18,588,560	19,321,325
Excess (Deficiency) of revenues over (under) expenditures	(1,468,072)	(12,676,483)	(1,420,108)	(1,899,909)	(416,859)	(51,676)	(81,848)	110,394	201,448	27,547
Other Financing sources (uses)										
Capital leases (non-budgeted)		37,853	97,945				106,956			187,891
Cancellation of Accounts Payable							30,391			
Bond proceeds	18,276,181									
Transfers in	21,220	767,676	452,069	40,683	5,375			322	102,720	260,372
Transfers out	(21,220)	(767,676)	(470,311)	(40,683)	(5,375)			(322)	(102,720)	(260,372)
Total other financing sources (uses)	18,276,181	37,853	79,703	-	(0)	-	137,347	-	-	187,891
Net change in fund balances	\$ 16,808,109	\$ (12,638,629)	\$ (1,340,405)	\$ (1,899,909)	\$ (416,859)	\$ (51,676)	\$ 55,498	\$ 110,394	201,448	215,438
Debt service as a percentage of noncapital expenditures	0.482%	4.245%	7.833%	7.800%	7.721%	8.018%	7.664%	7.373%	7.175%	6.819%

Source: CAFR Schedule B-2

Note: Noncapital expenditures are total expenditures less capital outlay.
 Central Services and Administrative information Technology account classifications were added beginning with year end June 30, 2005.
 Prior to June 30, 2005, Central Services and Administrative Information Technology were combined in Other Support Services as Business and Other Support Services.

WANAQUE BOARD OF EDUCATION

**General Fund - Other Local Revenue by Source
Last Ten Fiscal Years
Unaudited**

Fiscal Year Ended June 30,	Interest on Investments	Tuition Revenue	Misc.	Total
2007	61,821		32,214	94,035
2008	831,132		142,287	973,419
2009	66,915		114,161	181,076
2010	33,876	258,841	13,035	305,752
2011	14,261	164,608	96,685	275,554
2012	4,866	204,950	33,264	243,080
2013		88,499	1,314	89,813
2013	322	60,695	28,791	89,808
2014	149	148,222	76,228	224,599
2015	4,299	74,003	26,188	104,490

Source: District Records

WANAQUE BOARD OF EDUCATION
Assessed Value and Actual Value of Taxable Property,
Last Ten Fiscal Years
Unaudited

Year Ended December 31,	Vacant Land	Residential	Farm Reg.	Qfarm	Commercial	Industrial	Apartment	Total Assessed Value	Public Utilities ^a	Net Valuation Taxable	Total Direct School Tax Rate ^b	Estimated Actual (County Equalized Value)
2004	25,166,700	413,441,174	127,300	13,300	42,837,720	13,077,890	1,600,100	496,264,184	858,318	497,122,502	1.770	858,118,559
2005	25,063,200	413,565,074	127,300	13,300	43,334,120	12,895,390	1,600,100	496,598,484	853,956	497,452,440	1.870	942,085,685
2006	21,801,500	439,711,174	0	0	42,899,120	12,895,390	1,600,100	518,907,284	686,471	519,593,755	1.880	1,122,087,188
2007	24,877,300	483,491,974	0	0	42,143,720	10,828,090	1,600,100	562,941,184	637,511	563,578,695	2.030	1,348,849,124
2008	24,025,200	498,917,774	0	0	40,972,420	10,828,090	1,600,100	576,343,584	677,148	577,020,732	3.093	1,425,532,571
2009	25,113,400	498,394,774	0	0	40,494,020	10,828,090	1,600,100	576,430,384	726,242	577,156,626	2.010	1,403,083,133
2010	24,185,700	502,053,074	0	3,800	41,896,720	10,591,890	1,600,100	580,331,284	0	580,331,284	2.072	1,386,159,406
2011	23,389,700	502,533,744	0	3,800	41,631,020	10,321,790	1,379,200	579,259,254	0	579,259,254	2.217	1,351,251,430
2012	23,115,800	507,724,774	0	3,800	41,574,020	10,321,790	1,379,200	584,119,384	0	584,119,384	2.239	1,325,363,106
2013 (1)	43,414,200	963,498,900	0	5,800	88,604,200	22,020,000	2,178,100	1,119,721,200	0	1,119,721,200	1.186	1,302,061,470
2014	42,582,900	971,990,000	0	132,400	86,700,100	21,736,000	2,178,100	1,125,319,500	0	1,125,319,500	1.209	1,289,326,322

Source: Passaic County, Abstract of Ratables and 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

(1) Revaluation Year

WANAQUE BOARD OF EDUCATION

**Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years**

(rate per \$100 of assessed value)

Assessment Year	Wanaque Board of Education			Overlapping Rates			Total Direct and Overlapping Tax Rate
	Basic Rate ^a	General Obligation Debt Service ^b	Total Direct	Regional School District	Borough of Wanaque	Passaic County	
2004	1.770		1.77	1.02	1.08	0.95	4.82
2005	1.870		1.87	1.05	1.13	1.00	5.05
2006	1.868	0.012	1.88	1.12	1.13	1.13	5.26
2007	2.009	0.021	2.03	1.17	1.135	1.19	5.52
2008	1.895	0.021	1.92	1.18	1.33	1.26	5.68
2009	1.991	0.021	2.01	1.23	1.37	1.22	5.84
2010	0.867	1.205	2.07	1.30	1.46	1.28	6.11
2011	0.950	1.27	2.22	1.22	1.52	1.34	6.30
2012	2.089	0.15	2.24	1.22	1.58	1.46	6.50
2013 (1)	1.106	0.079	1.19	0.70	0.87	0.73	3.48
2014	1.133	0.077	1.21	0.63	0.88	0.81	3.53

Source: District Records and Municipal Tax Collector

Note:

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

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

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

(1) Revaluation Year

WANAQUE BOARD OF EDUCATION

Principal Property Tax Payers,
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
North Jersey District Water Supply Comm.	\$ 21,221,300	1	1.89%		2	3.02%
Wanaque Convalescent Center LP	16,537,000	2	1.47%		3	1.78%
Omni 11 LLC	11,641,400	3	1.03%		5	0.66%
Wanaque Building Associates	7,269,300	4	0.65%			
Arrow Shed LLC	5,201,400	5	0.46%			
Algonquin Gas Transmission	4,489,900	6	0.40%		7	0.40%
Shree Badha Shivan, LLC	3,645,000	7	0.32%			
Ringwood Park Plaza Realty	2,793,000	8	0.25%			
Haskell Town Center LLC	2,697,300	9	0.24%			
Greentree at Wanaque LLC	2,160,000	10	0.19%			
Pulte Communications					1	4.93%
Arrow Group Ind.					6	0.64%
DeRubbio & McCauly					4	1.09%
Wanaque Realty Corp					8	0.38%
Haskell Properties					9	0.29%
Haskell Products, LLC					10	0.24%
Total	\$ 77,655,600		6.90%	\$ -		13.43%

Source: Municipal Tax Assessor office

WANAQUE BOARD OF EDUCATION

**Property Tax Levies and Collections,
Last Ten Fiscal Years**

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years
		Amount	Percentage of Levy	
2005	9,067,150	9,067,150	100.00%	-
2006	9,493,970	9,493,970	100.00%	-
2007	10,644,596	10,644,596	100.00%	-
2008	11,343,260	11,343,260	100.00%	-
2009	11,167,407	11,167,407	100.00%	-
2010	11,642,356	11,642,356	100.00%	-
2011	12,283,963	12,283,963	100.00%	-
2012	12,959,939	12,959,939	100.00%	-
2013	13,137,681	13,137,681	100.00%	-
2014	12,598,176	12,598,176	100.00%	-
2015	13,753,723	13,753,723	100.00%	-

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

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

WANAQUE BOARD OF EDUCATION

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

Fiscal Year Ended June 30,	Governmental Activities				Percentage of Personal Income	Per Capita ^a
	General Obligation Bonds	Loans Payable	Capital Leases	Total District		
2006	18,276,000	415,887	99,912	18,791,799	4.45%	1,806
2007	18,276,000	369,571	84,691	18,730,262	3.99%	1,711
2008	17,826,000	321,793	146,784	18,294,577	3.64%	1,592
2009	17,341,000	272,466	98,003	17,711,469	3.54%	1,467
2010	16,841,000	221,566	69,716	17,132,282	3.67%	1,411
2011	16,301,000	168,973	41,688	16,511,662	3.38%	1,484
2012	15,726,000	114,599	89,141	15,929,740	3.18%	1,431
2013	15,141,000	58,307	68,831	15,268,138	Not Available	1,370
2014	14,541,000		47,567	14,588,567	Not Available	1,302
2015	13,815,000		238,496	14,053,496	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-14 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

WANAQUE BOARD OF EDUCATION
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year Ended June 30,	General Bonded Debt Outstanding				
	General Obligation Bonds	Deductions	Net General Bonded Debt Outstanding	Percentage of Actual Taxable Value ^a of Property	Per Capita ^b
2006	18,276,000	-	18,276,000	3.52%	1,756
2007	18,276,000		18,276,000	3.24%	1,670
2008	17,826,000		17,826,000	3.09%	1,551
2009	17,341,000		17,341,000	3.00%	1,436
2010	16,841,000		16,841,000	2.90%	1,387
2011	16,301,000		16,301,000	2.81%	1,466
2012	15,726,000		15,726,000	2.69%	1,413
2013	15,141,000		15,141,000	1.35%	1,358
2014	14,541,000		14,541,000	Not Applicable	Not Applicable
2015	13,815,000		13,815,000	Not Applicable	Not Applicable

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.

Deductions are allowable for resources that are restricted to repaying the principal of debt outstanding

WANAQUE BOARD OF EDUCATION
Direct and Overlapping Governmental Activities Debt
Year Ended June 30, 2015

<u>Governmental Unit</u>	<u>Debt Outstanding (1)</u>	<u>Estimated Percentage Applicable ^a</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes			
Borough of Wanaque	21,091,639	100.000%	21,091,639
Other debt			
Passaic County	383,548,769	2.740%	10,509,236
Passaic County Utility Authority	57,210,000	2.740%	<u>1,567,554</u>
Subtotal, overlapping debt			33,168,429
Wanaque Borough School District Direct Debt			<u>13,815,000</u>
Total direct and overlapping debt			<u><u>\$ 46,983,429</u></u>

Sources: Assessed value data used to estimate applicable percentages provided by the Passaic County Board of Taxation.
 Debt outstanding data provided by each governmental unit.

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

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

(1) Debt information as of December 31, 2014

**WANAQUE BOARD OF EDUCATION
Legal Debt Margin Information,
Last Ten Fiscal Years**

	Equalized valuation basis														
						2012	1,215,928,993								
						2013	1,175,747,407								
						2014	1,192,242,928								
						[A]	<u>\$ 3,583,919,328</u>								
						Average equalized valuation of taxable property	[A/3]	\$ 1,194,639,776							
						Debt limit (3 % of average equalization value)	[B]	35,839,193	a						
						Net bonded school debt	[C]	<u>13,815,000</u>							
						Legal debt margin	[B-C]	<u>\$ 22,024,193</u>							
						Fiscal Year									
						2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt limit		\$ 28,582,378	\$ 32,440,697	\$ 36,944,417	\$ 40,225,350	\$ 41,562,194	\$ 41,186,170	\$ 40,530,510	39,760,893	39,061,844	35,839,193				
Total net debt applicable to limit		<u>2,006</u>	<u>18,645,571</u>	<u>18,147,793</u>	<u>17,613,466</u>	<u>17,062,566</u>	<u>16,469,973</u>	<u>15,840,599</u>	<u>15,199,307</u>	<u>14,541,000</u>	<u>13,815,000</u>				
Legal debt margin		<u>\$ 28,580,372</u>	<u>\$ 14,164,697</u>	<u>\$ 19,118,417</u>	<u>\$ 22,884,350</u>	<u>\$ 24,721,194</u>	<u>\$ 24,885,170</u>	<u>\$ 24,689,911</u>	<u>\$ 24,561,586</u>	<u>\$ 24,520,844</u>	<u>22,024,193</u>				
Total net debt applicable to the limit as a percentage of debt limit		0.01%	56.34%	48.25%	43.11%	40.52%	39.58%	39.08%	38.23%	37.23%	38.55%				

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

WANAQUE BOARD OF EDUCATION
Demographic and Economic Statistics
Last Ten Fiscal Years

Year	Population ^a	Personal Income (thousands of dollars) ^b	Per Capita Personal Income ^c	Unemployment Rate ^d
2004	10,235	350,190,525	34,215	6.1%
2005	10,406	376,520,298	36,183	4.6%
2006	10,945	422,509,835	38,603	3.5%
2007	11,495	469,628,225	40,855	3.6%
2008	12,077	503,103,666	41,658	3.3%
2009	12,144	500,927,856	41,249	4.3%
2010	11,123	467,132,631	41,997	8.4%
2011	11,133	488,259,981	43,857	8.6%
2012	11,148	500,545,200	44,900	9.0%
2013	11,208	Not Available	Not Available	8.3%
2014	Not Available	Not Available	Not Available	13.3%
2015	Not Available	Not Available	Not Available	6.2%

Source:

^a U.S. Bureau of the Census, Population Division, (Estimates July 1, 2004-2014)

^b Personal income of the District is based on the County Information.

^c U.S. Department of Commerce, County Information 2003-2014.

^d N.J. Department of Labor

WANAQUE BOARD OF EDUCATION

Principal Employers,
Current Year and Eight Years Ago

2012

2003

INFORMATION IS NOT AVAILABLE

WANAQUE BOARD OF EDUCATION
Full-time Equivalent District Employees by Function/Program,
Last Ten Fiscal Years

<u>Function/Program</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Instruction										
Regular	65	65	60	61	62	56	57	65	65	66
Special education	15	16	19	19	20	40	50	26	22	22
Other instruction	8	9	13	20	18	-		20	23.5	24.5
Support Services:										
Tuition	14	14	13	13.5	11.0	-				
Student & instruction related services	2	3	2	2	2	13	16	11	13.5	13
General administrative services	5	5	8	8	8	7	6	9	8	7
Business administrative services	4	4	4	4	2	3	3	3.5	3.5	4
Plant operations and maintenance	1	1	1	-	3	3	15	2	2	2
Pupil transportation	10	11	11	3	-	12		-		
Total	<u>124</u>	<u>128</u>	<u>131</u>	<u>131</u>	<u>126.0</u>	<u>134.0</u>	<u>147.0</u>	<u>136.5</u>	<u>137.5</u>	<u>138.5</u>

Source: District Personnel Records

**WANAQUE BOARD OF EDUCATION
Operating Statistics
Last Ten Fiscal Years**

<u>Fiscal Year</u>	<u>Enrollment</u>	<u>Operating Expenditures^a</u>	<u>Cost Per Pupil</u>	<u>Percentage Change</u>	<u>Teaching Staff^b</u>	<u>Pupil/Teacher Ratio Elementary</u>	<u>Average Daily Enrollment (ADE)^c</u>	<u>Average Daily Attendance (ADA)^c</u>	<u>% Change in Average Daily Enrollment</u>	<u>Student Attendance Percentage</u>
2004-2005	1,034	12,538,125	12,126	6.77%	91	11.4	1,026.0	983.2	-0.69%	95.83%
2005-2006	1,010	13,321,422	13,190	8.77%	97	10.4	1,002.0	956.0	-2.34%	95.41%
2006-2007	995	14,131,120	14,202	7.68%	94	10.6	982.2	939.2	-1.98%	95.62%
2007-2008	969	15,495,054	15,991	12.59%	86	11.3	992.9	957.8	1.08%	96.46%
2008-2009	950	15,731,407	16,559	3.56%	93.5	10.2	949.7	905.1	-5.83%	95.30%
2009-2010	941	15,819,249	16,811	1.52%	93.5	10.2	918.2	909.7	-3.32%	96.67%
2010-2011	942	15,373,936	16,321	-2.92%	79.2	11.8	934.5	893.8	1.78%	94.88%
2011-2012	932	16,268,064	17,455	6.95%	90.5	10.4	942.8	907.5	0.89%	96.18%
2012-2013	965	16,762,091	17,370	-0.49%	91.0	10.6	951.7	906.7	-0.09%	95.30%
2013-2014	926	17,112,512	18,480	6.39%	90.0	10.3	915.5	877.4	-3.80%	95.84%
2014-2015	952	17,329,547	18,203	-1.50%	93.0	10.2	958.0	917.2	-4.64%	95.75%

Sources: District records

Note: Enrollment based on annual October district count.

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

**WANAQUE BOARD OF EDUCATION
School Building Information
Last Ten Fiscal Years**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
<u>District Building</u>										
<u>Elementary</u>										
Haskell School (1917)										
Square Feet	70,225	70,225	70,225	70,225	70,225	70,225	70,225	70,255	70,255	70,255
Capacity (students)	469	469	469	469	469	469	469	469	469	469
Enrollment	455	443	403	407	407	403	403	413	413	428
Wanaque School (1971)										
Square Feet	81,100	81,100	81,800	81,800	81,800	81,800	81,800	81,800	81,800	81,800
Capacity (students)	574	574	574	574	574	574	574	574	574	574
Enrollment	556	571	566	543	543	535	539	538	538	538
<u>Other</u>										
Central Administration (1905)										
Square Feet	N/A									
Central Administration (1965)										
Square Feet	N/A									
Central Administration (1917)										
Square Feet	2,260	2,260	2,260	2,260	2,260	2,260	2,260	2,260	2,260	2,260

Number of Schools at June 30, 2014
Elementary = 2

Source: District Facilities Office

Note: Year of original construction is shown in parentheses. Increases in square footage and capacity are the result of additions.

**WANAQUE BOARD OF EDUCATION
GENERAL FUND
SCHEDULE OF REQUIRED MAINTENANCE EXPENDITURES BY SCHOOL FACILITY**

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

*School Facilities	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
HASKELL SCHOOL	127,800	85,183	71,465	73,836	68,147	40,961	70,792	55,927	52,668	35,049
WANAQUE SCHOOL	122,658	89,983	84,527	71,307	66,395	49,038	81,777	65,555	60,840	69,680
GRAND TOTAL	<u>250,458</u>	<u>175,166</u>	<u>155,992</u>	<u>145,143</u>	<u>134,542</u>	<u>89,999</u>	<u>152,569</u>	<u>121,482</u>	<u>113,508</u>	<u>104,729</u>

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

WANAQUE BOARD OF EDUCATION

**Insurance Schedule
June 30, 2015**

	<u>Coverage</u>	<u>Deductible</u>
Package - NJSBAIG		
Property-blanket building and contents	\$ 350,000,000	\$ 5,000
Crime coverage	250,000	1,000
Comprehensive general liability	11,000,000	
Business auto coverage	11,000,000	
EDP Equipment	350,000	1,000
Auto Physical Damage	Actual Cash Value	1,000
Environmental Impairment - American Safety	1,000,000	25,000
Boiler and machinery - New Jersey School Board Association Ins. Group	100,000,000	1,000
Umbrella - CAP Program - Fireman's Fund	29,000,000	
Educators Legal Liability	11,000,000	5,000
Workers Compensation - New Jersey School Board Association Ins. Group	2,000,000	
Public Officials Surety Bonds - CAN Surety		
Treasurer of School Monies	250,000	1,000
Board Secretary	200,000	1,000
Student Accident Coverage - New Jersey School Board Association Ins. Group		
Catastrophic Aggregate Limit	5,000,000	Full Excess
Catastrophic Cash Benefit	1,000,000	

Source: District Records

SINGLE AUDIT SECTION

Ferraioli, Wielkocz, Cerullo & Cuva, P.A.

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

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Borough of Wanaque School District
County of Passaic
Haskell, 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 Wanaque School District, in the County of Passaic, 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 December 2, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Borough of Wanaque 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 Wanaque Board of Education's internal control. Accordingly, we do not express an opinion on the effectiveness of the Borough of Wanaque 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 Wanaque 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 Wanaque School District in the separate Auditors' Management Report on Administrative Findings - Financial, Compliance and Performance dated December 2, 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.



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100

Ferraioli, Wielkatz, Cerullo & Cuva, P.A.
FERRAIOLI, WIELKOTZ, CERULLO & CUVA, P.A.
Certified Public Accountants

Newton, New Jersey

December 2, 2015



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

INDEPENDENT AUDITOR'S REPORT

Honorable President and
Members of the Board of Education
Borough of Wanaque School District
County of Passaic
Haskell, New Jersey

Report on Compliance for Each Major Federal and State Program

We have audited the Board of Education of the Borough of Wanaque School District in the County of Passaic, 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 Wanaque Board of Education's major federal and state programs for the year ended June 30, 2015. The Borough of Wanaque 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 Wanaque 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 and New Jersey's OMB Circular 04-04 Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid. Those



standards, OMB Circular A-133 and New Jersey 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 Wanaque 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 Wanaque Board of Education's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the Borough of Wanaque 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 Wanaque 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 Wanaque 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 New Jersey OMB Circular 04-04, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Borough of Wanaque 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 Awards Required by OMB Circular A-133 and Expenditures of State Financial Assistance Required by NJ OMB Circular 04-04

We have audited the financial statements of the Borough of Wanaque Board of Education as of and for the year ended June 30, 2015, and have issued our report there dated December 2, 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.



Thomas M. Ferry
Licensed Public School Accountant
No. 20CS00209100

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Certified Public Accountants

Newton, New Jersey

December 2, 2015

BOROUGH OF WANAQUE SCHOOL DISTRICT
Schedule of Expenditures of Federal Awards
for the Fiscal Year Ending June 30, 2015

Schedule A
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Federal Grantor/Pass- Through Grantor/ Program Title	Federal CFDA Number	Grant or State Project Number	Program or Award Amount	Grant Period From / To	Balance at June 30, 2014			Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at	MEMO
					(Accounts Receivable)	Deferred Revenue	Due to Grantor				June 30, 2015 (Accounts Receivable)	
U.S. Department of Education:												
Passed-Through State Department Of Education:												
General Fund:												
Medicaid Assistance Program	93.778	N/A	30,459.96	7/1/14-6/30/15	-	-	-	-	(30,459.96)	-	(30,459.96) *	30,459.96
Total General Fund					-	-	-	-	(30,459.96)	-	(30,459.96) *	30,459.96
U.S. Department of Agriculture												
Passed-Through State Department Of Education:												
Enterprise Fund:												
Food Distribution Program	10.550	N/A	31,809.91	7/1/14-6/30/15				31,809.91	(31,809.91)			31,809.91
Food Distribution Program	10.550	N/A	24,226.04	7/1/13-6/30/14					(581.96)			24,226.04
National School Lunch Program	10.555	N/A	95,245.98	7/1/14-6/30/15				87,096.68	(95,245.98)	(8,149.30)		95,245.98
National School Lunch Program	10.555	N/A	100,667.52	7/1/13-6/30/14	(9,131.52)			9,131.52				100,667.52
School Breakfast Program	10.553	N/A	4,183.15	7/1/14-6/30/15				3,730.94	(4,183.15)	(452.21)		4,183.15
School Breakfast Program	10.553	N/A	4,706.73	7/1/13-6/30/14	(384.23)			384.23				4,706.73
Special Milk Program	10.556	N/A	11.73	7/1/14-6/30/15				8.28	(11.73)	(3.45)		11.73
Special Milk Program	10.556	N/A	55.49	7/1/13-6/30/14	(6.28)			6.28				55.49
Total Enterprise Fund					(9,522.03)	581.96	-	132,167.84	(131,832.73)	-	(8,604.96)	260,906.55
U.S. Department of Education												
Passed-Through State Department Of Education:												
Special Revenue Fund:												
Title I - Improving Basic Programs	84.010	NCLB544015	123,958.25	9/1/14-8/31/15				47,954.63	(118,096.97)		(70,142.34)	118,096.97
Title I - Improving Basic Programs	84.010	NCLB544014	114,166.00	9/1/13-8/31/14	(39,159.25)			43,787.00	(4,627.75)			114,166.00
Title I - Improving Basic Programs	84.010	NCLB544013	105,381.00	9/1/12-8/31/13	(2,905.37)			2,805.37				105,381.00
Title I - Improving Basic Programs	84.010	NCLB544012	82,022.00	9/1/11-8/31/12	(5,776.00)			5,776.00				79,362.06
Title II - Part A - Teacher & Principal Training/Recruiting	84.367	NCLB544015	27,291.58	9/1/14-8/31/15					(8,069.43)	(8,069.43)		8,069.43
Title II - Part A - Teacher & Principal Training/Recruiting	84.367	NCLB544014	27,082.00	9/1/13-8/31/14	(499.88)			5,695.30	(20,852.42)	(15,657.00)		27,082.00
Title II - Part A - Teacher & Principal Training/Recruiting	84.367	NCLB544013	27,076.00	9/1/12-8/31/13	(5,261.30)			5,261.30				27,076.00
Title II - Part A - Teacher & Principal Training/Recruiting	84.367	NCLB544012	30,098.00	9/1/11-8/31/12	(2,025.40)			2,025.40				30,098.00
Title IV - Safe and Drug Free Schools	84.186	NCLB544010	2,776.00	9/1/09-8/31/10			126.00			(126.00)		-
I.D.E.A. Part B - Basic Regular	84.027	IDEA544015	248,050.57	9/1/14-8/31/15				226,756.00	(248,050.57)		(21,294.57)	248,050.57
I.D.E.A. Part B - Basic Regular	84.027	IDEA544014	244,028.00	9/1/13-8/31/14	(6,702.57)			6,703.19	(0.62)			244,028.00
I.D.E.A. Part B - Basic Regular	84.027	IDEA544013	250,135.00	9/1/12-8/31/12				309.81	(309.81)			250,135.00
I.D.E.A. Part B - Basic Regular	84.027	IDEA544012	246,795.00	9/1/11-8/31/12			2,667.00			(2,667.00)		-
I.D.E.A. Part B, Preschool	84.173	IDEA544015	13,355.00	9/1/14-8/31/15							(13,355.00)	13,355.00
Total Special Revenue Fund					(62,229.77)	-	2,793.00	347,074.00	(413,362.57)	(2,793.00)	(128,518.34)	1,264,900.03
Total Federal Financial Awards					(71,751.80)	581.96	2,793.00	479,241.84	(575,655.26)	(2,793.00)	(167,583.26)	1,556,266.54

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

BOROUGH OF WANAUKE SCHOOL DISTRICT
Schedule of Expenditures of State Financial Assistance
for the Fiscal Year Ending June 30, 2015

Schedule B
K-4

State Grantor/Program Title	Grant or State Project Number	Program or Award Amount	Grant Period From / To	Balance at June 30, 2014		Cash Received	Budgetary Expenditures	Repayment of Prior Years' Balances	Balance at June 30, 2015		MEMO	
				Deferred Revenue (Accts Receivable)	Due to Grantor				(Accounts Receivable)	Due to Grantor	Budgetary Receivable	Cumulative Total Expenditures
State Department of Education:												
General Fund:												
Reimbursed TPAF Social Security	15-495-034-5094-003	608,335.60	7/1/14-6/30/15			581,372.14	(608,335.60)		(26,963.46)	*		608,335.60
Reimbursed TPAF Social Security	14-495-034-5095-002	575,336.77	7/1/13-6/30/14	(27,459.63)		27,459.63				*		575,336.77
Equalization Aid	15-495-034-5120-078	1,845,547.00	7/1/14-6/30/15			1,667,320.00	(1,845,547.00)			*	(178,227.00)	1,845,547.00
Special Education Categorical Aid	15-495-034-5120-089	547,530.00	7/1/14-6/30/15			494,654.00	(547,530.00)			*	(52,876.00)	547,530.00
Transportation Aid	15-495-034-5120-014	47,456.00	7/1/14-6/30/15			42,873.00	(47,456.00)			*	(4,583.00)	47,456.00
Security Aid	15-495-034-5120-084	23,490.00	7/1/14-6/30/15			21,221.00	(23,490.00)			*	(2,269.00)	23,490.00
PARCC Readiness Aid	15-495-034-5120-098	9,240.00	7/1/14-6/30/15			8,348.00	(9,240.00)			*	(892.00)	9,240.00
Per Pupil Growth Aid	15-495-034-5120-097	9,240.00	7/1/14-6/30/15			8,348.00	(9,240.00)			*	(892.00)	9,240.00
Additional Adjustment Aid	15-495-034-5120-085	1.00	7/1/14-6/30/15			1.00	(1.00)			*	-	1.00
Extraordinary Special Education Costs Aid	15-100-034-5120-473	163,083.00	7/1/14-6/30/15			1,662.00	(163,083.00)		(161,421.00)	*		163,083.00
Extraordinary Special Education Costs Aid	14-100-034-5120-473	159,174.00	7/1/13-6/30/14	(159,174.00)		159,174.00				*		159,174.00
On-behalf TPAF Pension	15-495-034-5094-006	423,045.00	7/1/14-6/30/15			423,045.00	(423,045.00)			*		423,045.00
On-behalf TPAF NCGI Premium	15-495-034-5094-007	28,393.00	7/1/14-6/30/15			28,393.00	(28,393.00)			*		28,393.00
On-behalf TPAF Post Retirement Medical	15-495-034-5094-001	671,584.00	7/1/14-6/30/15			671,584.00	(671,584.00)			*		671,584.00
Non Public Transportation Aid	15-495-034-5120-014	14,093.00	7/1/14-6/30/15				(14,093.00)		(14,093.00)	*		14,093.00
Non Public Transportation Aid	14-495-034-5120-014	9,959.00	7/1/13-6/30/14	(9,959.00)		9,959.00				*		9,959.00
Total General Fund				(196,592.63)		4,145,413.77	(4,391,037.60)		(202,477.46)	*	(239,739.00)	5,135,507.37
Debt Service Fund:												
School Construction Debt Service Aid	15-495-034-5120-075	437,149.00	7/1/14-6/30/15			437,149.00	(437,149.00)			*		437,149.00
Total Debt Service Fund						437,149.00	(437,149.00)			*		437,149.00
Special Revenue Fund:												
N.J. Nonpublic:												
Auxiliary Services Aid:												
Compensatory Education	14-100-034-5120-067	49,818.00	7/1/13-6/30/14			26,877.20		(26,877.20)		*		22,940.80
Transportation	14-100-034-5120-067	18,308.00	7/1/13-6/30/14			8,709.00		(8,709.00)		*		9,599.00
Technology Aid	14-100-034-5120-373	2,320.00	7/1/13-6/30/14			200.22		(200.22)		*		2,119.78
Handicapped Aid:												
Supplemental Instruction	14-100-034-5120-066	19,844.00	7/1/13-6/30/14			12,212.20		(12,212.20)		*		7,631.80
Examination and Classification	14-100-034-5120-066	33,120.00	7/1/13-6/30/14			22,292.96		(22,292.96)		*		10,827.04
Corrective Speech	14-100-034-5120-066	16,406.00	7/1/13-6/30/14			11,484.44		(11,484.44)		*		4,921.56
Total Special Revenue Fund						81,776.02		(81,776.02)		*		58,039.98
Capital Projects Fund:												
New Jersey School Development Authority	5440-050-14-1001	59,920.00	3/31/14-12/31/15				(59,920.00)		(59,920.00)	*		149,800.00
New Jersey School Development Authority	5440-070-14-1003	34,240.00	3/31/14-12/31/15				(16,712.40)		(34,240.00)	*		41,781.00
New Jersey School Development Authority	5440-070-14-1004	34,240.00	3/31/14-12/31/15				(8,314.40)		(34,240.00)	*		20,786.00
New Jersey School Development Authority	5440-050-14-1006	48,560.00	3/31/14-12/31/15				(48,560.00)		(48,560.00)	*		121,400.00
New Jersey School Development Authority	5440-070-14-1007	105,440.00	3/31/14-12/31/14				(77,060.80)		(105,440.00)	*		192,652.00
New Jersey School Development Authority	5440-070-14-1008	36,320.00	3/31/14-8/11/14				(16,796.54)		(36,320.00)	*		41,991.35
Total Capital Projects Fund							(227,364.14)		(318,720.00)	*		568,410.35
State Department of Agriculture												
Enterprise Fund:												
State School Lunch Program	15-100-010-3350-023	3,409.67	7/1/14-6/30/15			3,305.74	(3,409.67)		(103.93)	*		3,409.67
State School Lunch Program	14-100-010-3350-023	3,699.48	7/1/13-6/30/14	(524.54)		524.54				*		3,699.48
Total Enterprise Fund				(524.54)		3,830.28	(3,409.67)		(103.93)	*		7,109.15
Total State Financial Assistance				(197,117.17)	81,776.02	4,586,393.05	(5,058,960.41)	(81,776.02)	(521,301.39)	*	(239,739.00)	6,206,215.85
Less: On-Behalf Pension and Annuity Aid						1,123,022.00	1,123,022.00			*		1,123,022.00
Total For State Financial Assistance Determination				(197,117.17)	81,776.02	3,463,371.05	(3,935,938.41)	(81,776.02)	(521,301.39)	*	(239,739.00)	5,083,193.85

See accompanying notes to Schedule of Expenditures of Federal awards and State Financial Assistance.

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 Wanaque School District. The Board of Education is defined in Note 1 to the Board's basic financial statements. All federal and state awards received directly from federal and state agencies, as well as federal awards and state financial assistance passed through other government agencies is included on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

NOTE 2. BASIS OF ACCOUNTING

The accompanying schedules of expenditures of Federal Awards and State Financial Assistance are presented on the budgetary basis of accounting with the exception of programs recorded in the food service fund, which are presented using the accrual basis of accounting. These bases of accounting are described in Notes 2 (C) and 2(D) to the Board's basic financial statements. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and New Jersey's OMB Circular 04-04 "Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid." Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 3. RELATIONSHIP TO GENERAL-PURPOSE 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 one or more deferred June state aid payments in the current budget year, which is mandated pursuant to *N.J.S.A. 18A:22-44.2*. For GAAP purposes, those payments are not recognized until the subsequent budget year due to the state deferral and recording of the one or more June state aid payments 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 one or more state aid June payments in the current budget year, consistent with *N.J.S.A. 18A:22-44.2*.

The net adjustment to reconcile from the budgetary basis to the GAAP basis is \$(3,873.00) for the general fund and \$(23,453.85) for the special revenue fund. See Note for a reconciliation of the budgetary basis to the modified accrual basis of accounting for the general and special revenue funds.

NOTE 3. RELATIONSHIP TO GENERAL-PURPOSE FINANCIAL STATEMENTS
(Continued)

Additionally, as discussed further in Note 6, the State of New Jersey makes contributions on-behalf of the District for TPAF post-retirement medical and pension contributions. The total amount of these contributions during 2015 fiscal year was \$1,094,629.00.

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

	<u>Federal</u>	<u>State</u>	<u>Total</u>
General Fund	\$ 30,459.96	\$4,358,771.60	\$4,389,231.56
Special Revenue Fund	389,908.72	-	389,908.72
Capital Projects Fund	-	250,240.00	250,240.00
Debt Service Fund	-	437,149.00	437,149.00
Food Service Fund	<u>132,250.77</u>	<u>3,508.60</u>	<u>135,759.37</u>
Total Financial Awards	<u>\$552,619.45</u>	<u>\$5,049,669.20</u>	<u>\$5,602,288.65</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 Food Donation Program represent current year value received and current year distributions respectively.

The amount reported as TPAF Pension Contributions represents the amount paid by the State on behalf of the District for the year ended June 30, 2015. 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, are excluded from major program determination. The Schedule of State Financial Assistance provides a reconciliation of State financial assistance reported in the District's financial statements and the amount subject to State single audit and major program determination.

**BOROUGH OF WANAQUE 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) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified? yes X none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards

Internal Control over major federal programs:

- 1) Material weakness(es) identified? yes X no
- 2) Significant deficiencies identified? yes X none reported

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

Any audit findings disclosed that are required to be reported
In accordance with section .510(a) of OMB Circular A-133? yes X no

Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
<u>84.027</u>	Special Education Cluster: <u>I.D.E.A. Part B - Basic</u>
<u>84.173</u>	<u>I.D.E.A. Part B - Preschool</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>

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

Auditee qualified as low-risk audited? X yes no

**BOROUGH OF WANAQUE DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(continued)**

State Awards Section

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

Auditee qualified as low-risk auditee? X yes no

Internal Control over major state programs:

1) Material weakness(es) identified? yes X no

2) Significant deficiencies identified that are not
 Considered to be material weaknesses? yes X none reported

Type of auditor’s report on compliance for major state programs: Unmodified

Any audit findings disclosed that are required to be reported
in accordance with NJOMB Circular 04-04? yes X no

Identification of major state programs

<u>State Grant/Project Number(s)</u>	<u>Name of State Program</u>
15-495-034-5095-002	Reimbursed T.P.A.F. Social Security
15-495-034-5120-017	Debt Service Aid

Section II - Schedule of Financial Statement Findings

NONE

Section III - Federal Awards and State Financial Assistance Findings and Questioned Costs

No matters were reported.

**BOROUGH OF WANAQUE SCHOOL DISTRICT
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
AS PREPARED BY MANAGEMENT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

Status of Prior Year Findings

There were no prior audit findings.